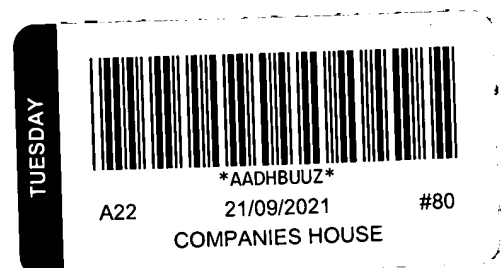


Company No. 11104635

HANSA HOLDCO LIMITED

Report and Financial
Statements
Year ended 31 December
2020



HANSA HOLDCO LIMITED
REPORT AND FINANCIAL STATEMENTS 2020
CONTENTS

Officers and professional advisers	1
Directors' report	2
Strategic report	3
Statement of directors' responsibilities	6
Independent auditor's report to the members of Hansa Holdco Limited	7
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Statement of cash flows	13
Notes to the financial statements	14

HANSA HOLDCO LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2020

Directors

C Storrar
D Brückmann (appointed 31 January 2020)
D Rosenberg (appointed 31 January 2020)
J Wilson (appointed 26 March 2020)
P S Muelder (resigned 31 January 2020)
C Pell (resigned 31 January 2020)

Registered office

Ellington House
9 Savannah Way
Leeds Valley Park
Leeds
LS10 1AB

Legal Advisor

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London
EC4Y 1HS

Auditor

KPMG LLP
Chartered Accountants & Statutory Auditors
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

HANSA HOLDCO LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and the audited financial statements of Hansa Holdco Limited ("the Company") for the year to 31 December 2020. The Company is consolidated into the financial statements of Garfunkelux Holdco 2 S.A. ("the Group"). The principal activity of the Group is the provision of credit management services and it trades under the name "Lowell".

The Company was incorporated on 11 December 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of a financial services holding company.

The Company enters into intercompany receivables and borrowings contracts to pass-through the Group's external financing as required to the Group's trading entities. During 2020 the Group completed the refinancing of its capital structure. The Group issued €630m 6.25% plus three-month EURIBOR (subject to a 0% floor) Senior Secured Notes due 2026, €795m 6.75% Senior Secured Notes due 2025 and £440m 7.75% Senior Secured Notes due 2025 and used the proceeds to redeem the Group's outstanding Senior and Senior Secured note. Consequently, the terms of the Company's intercompany receivables and borrowings were amended to be consistent with the interest rates, maturity dates and nominal amounts of the Group's new capital structure. The Company's balance sheet was impacted through amendments to intercompany receivables (note 9), amendments to intercompany borrowings (note 11) and the conversion of debt into equity (note 10).

DIVIDENDS

There were no dividends paid in 2020 (2019: £nil).

DIRECTORS

The directors who held office during the period and up to the date of signing the financial statements are shown on page 1.

CHARITABLE AND POLITICAL DONATIONS

During the year, the company did not make any charitable or political donations (2019: £nil).

DISCLOSURE OF INFORMATION TO THE COMPANY'S AUDITOR

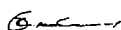
The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he / she ought to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board of Directors and signed on behalf of the Board by:

DocuSigned by:



B2CB80159C084BD...

D Brueckmann

Director

1 April 2021

HANSA HOLDCO LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND STRATEGY

The Company is a holding company and therefore the strategy is considered on a group level; details are included in the consolidated financial statements of the Group.

THE BUSINESS MODEL

The Company's business model is to act as a holding company for group investments and to facilitate pass-through financing of the Group's Senior Secured Notes.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to the Company are non-recovery of intercompany debt, liquidity risk of the Company being able to meet its financial obligations as they fall due and the risk of investment impairment. The Company's risk management procedures are detailed in note 13.

FINANCIAL PERFORMANCE AND GOING CONCERN

The Company's loss before tax for the period was £15.8m (2019: Loss before tax of £11.1m). £197.3m of intercompany borrowings owed to the Company's immediate parent (Simon Bidco) were converted into equity in the year.

At 31 December 2020 the Company had access to funds as part of the wider Group to which it belongs. At 31 December 2020, the Group had available undrawn committed borrowing facilities by way of a Group Securitisation and Revolving Credit Facilities (RCF) of £418.8m (2019: £198.4m).

The assessment of the going concern basis of preparation for the Company has considered both the position at 31 December 2020 and the outlook for the Company, and also the going concern position of the Group as a whole. This is due to the integrated nature of the companies across the Group and the reliance of the Company on the Group's going concern position. In assessing whether the going concern basis is appropriate to adopt, the Directors have undertaken a review of forecast cash flow models and a severe but plausible scenario for a period in excess of 12 months from the date of approval of these financial statements. This severe but plausible scenario has been subject to stress testing, taking into account both the Group's performance since the beginning of the COVID-19 pandemic and the possibility of further spikes in infections with continued government lockdown restrictions in 2021. It considers a range of cash flow reductions including reductions in collections across all of the Group's operating regions (the UK, DACH and the Nordics). This scenario is considered to be reasonable by the Directors and, after taking management actions as required, the Group maintains sufficient liquidity and cash reserves to continue as a going concern.

Based on the above indications the directors believe that it remains appropriate to prepare the financial statements on a going concern basis; further details are included in note 1.

KEY PERFORMANCE INDICATORS (KPIs)

The Company considers performance against KPIs at a group level; details are included in the consolidated financial statements of Garfunkelux Holdco 2 S.A.

HANSA HOLDCO LIMITED
STRATEGIC REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

SECTION 172 (1) STATEMENT

As detailed in Section 172 of the Companies Act 2006, all Directors of the Company must act in accordance with a set of general duties, summarised as follows:

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term,
- b) the interests of the company's employees,
- c) the need to foster the company's business relationships with suppliers, customers and others,
- d) the impact of the company's operations on the community and the environment,
- e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- f) the need to act fairly between members of the company.

In relation to the year ended 31 December 2020, the Board of Directors of the Company (the 'Board') makes the following statement in compliance with section 172 ('Section 172') of the UK Companies Act 2006:

Lowell is one of the UK's largest credit management services companies with a mission, underpinned by ethical and strategic core values, to make credit work better for all.

We engage with the Company's shareholders and key stakeholders in order to understand their goals and expectations and to execute plans which underpin the medium and long-term success of the Company.

The Board's significant decisions in 2020 were:

- 1) The Approval of the 2021 Budget; and
- 2) The Re-Financing of the Group Balance Sheet.

2021 BUDGET

Context

The 2021 Budget sets out the annual investment and collections targets, together with the resources necessary to achieve these targets. The plan was built in alignment with the Group's "Lowell 23" Strategic Plan, considering the operational objectives and priorities of each of the Group's regional subsidiaries. Key stakeholders were consulted on a regular basis during the second half of the year and the Group Executive Committee agreed the budget prior to its presentation to the Board for their review and approval.

Stakeholder Considerations

The Board considered the impact of the budget on the Group's stakeholders in each of the regions in which the business operates, including employees, customers, clients, regulators, suppliers and shareholders.

The Principal actions supported by the Board

The Board agreed that the principal actions required to achieve the budget, and support the value creation for stakeholders were:

1. Focus on Debt Purchase Collections Recovery following the financial impacts of the COVID-19 pandemic.
2. Increased volume of Debt Portfolio Assets purchased from 2020 and growth in internal rates of return, to be achieved by an increased capital deployment.
3. Focused growth in to the Third Party Collections sector.
4. Margin management through strong cost control.
5. Development of the Digital collections capability
6. Risk management

Impact of the Principal actions on the medium to long term success of the Company

The Board considered the extensive planning and stakeholder engagement to the budget. The approach taken was seen to represent a balanced approach to achieving success across key areas and judged that the needs of employees, customers, clients, suppliers and environmental, social and corporate governance (ESG) responsibilities had been well considered.

Outcome

In FY 2020, the Board considered and approved the 2021 Budget.

HANSA HOLDCO LIMITED
STRATEGIC REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2020
RE-FINANCING OF THE COMPANY'S BALANCE SHEET

Context

During FY20 the Group considered the refinancing of its capital structure, with the issuance of £1.7bn high yield bonds alongside an equity injection of £600m in order to partially repay drawings under the Group's revolving credit facility and to fund more general corporate expenses which might include future debt purchases.

Stakeholder Consideration

The Board considered the impact of the transaction on the Group's business. The regional CEOs of the Group were engaged early to understand the impact of the transaction on their subsidiary businesses and to assess how the transaction would promote the medium to long-term success and increase the financial strength of the subsidiary businesses.

The Principal Considerations Supported by the Board

The Board considered the benefits of the Re-Financing for the Company:

1. An increase in the average maturity of the Group's debt from 2.4 years to 5.0 years (31 December 2020: 4.8 years),
2. An increase in the Group's liquidity;
3. A significant position of strength which positions the company strongly for the future opportunities expected in 2021 and beyond.

Impact of the Principles on the medium to long term success of the Company

The Board determined that the Re-Financing of the Company's balance sheet would deliver a significant commercial benefit and advantage to the Company's stakeholders and the improved financial resilience would enhance the longer-term health of the business.

Outcome

In FY2020, the Board considered and approved the proposition to complete the Transaction.

Approved by the Board of Directors and signed on behalf of the Board by:

DocuSigned by:

B2CB80159C084BD...
D Brueckmann
Director
1 April 2021

HANSA HOLDCO LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT, STRATEGIC REPORT AND THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

DocuSigned by:

B2CB80159C084BD...
D Brueckmann
Director
1 April 2021

HANSA HOLDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HANSA HOLDCO LIMITED (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Hansa Holdco Limited ("the Company") for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the

HANSA HOLDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HANSA HOLDCO LIMITED (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

risk of fraudulent revenue recognition, in particular the risk that finance income is overstated and the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Recalculating the finance income recorded for a selection of financial instruments recognised.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards). We also discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate. We identified the following areas as those most likely to have such an effect: money laundering and certain aspects of company legislation recognising the nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and

HANSA HOLDCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HANSA HOLDCO LIMITED (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alain de Braekeleer (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

1 April 2021

HANSA HOLDCO LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2020

	Note	Year ended 31 December 2020 £000	Year ended 31 December 2019 £000
Finance income	5	19,993	19,160
Finance costs	6	(35,826)	(30,207)
Net financing costs		(15,833)	(11,047)
Operating expenses			
Other expenses		(9)	(33)
Total operating expenses		(9)	(33)
Loss before tax		(15,842)	(11,080)
Tax credit	7	2,574	-
Loss for the year		(13,268)	(11,080)
Other comprehensive income			
Items that will or may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences		372	(1,213)
Other comprehensive income		372	(1,213)
Total comprehensive loss attributable to equity shareholders		(12,896)	(12,293)

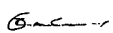
The notes on pages 14 to 28 form part of these financial statements.

HANSA HOLDCO LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	31 December 2020 £000	31 December 2019 £000
Assets			
Non-current assets			
Investments	8	420,451	245,282
Other receivables	9	203,075	372,367
Total non-current assets		623,526	617,649
Current assets			
Other receivables	9	44,513	16,510
Cash and cash equivalents		121	614
Deferred tax asset		2,574	-
Total current assets		47,208	17,124
Total assets		670,734	634,773
Equity			
Share capital	10	-	-
Share premium		238,115	40,850
Translation reserve		(2)	(374)
Retained deficit		(34,471)	(21,203)
Total equity		203,642	19,273
Liabilities			
Non-current liabilities			
Borrowings	11	432,008	613,169
Total non-current liabilities		432,008	613,169
Current Liabilities			
Borrowings	11	34,930	2,173
Other payables	12	154	158
Total current liabilities		35,084	2,331
Total equity and liabilities		670,734	634,773

The notes on pages 14 to 28 form part of these financial statements.

These financial statements of Hansa Holdco Limited, Company No. 11104635, were approved by the Board of Directors and signed on behalf of the Board of Directors by:

DocuSigned by:

 B2CB80159C084BD...
 D Brueckmann

Director

1 April 2021

HANSA HOLDCO LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2020

	Share Capital £000	Share premium & similar premiums £000	Translation reserve £000	Retained deficit £000	Total £000
Balance at 1 January 2019	-	40,850	839	(10,123)	31,566
Loss for the year	-	-	-	(11,080)	(11,080)
Exchange differences	-	-	(1,213)	-	(1,213)
Balance at 31 December 2019	-	40,850	(374)	(21,203)	19,273
Issue of shares in the period	-	197,265	-	-	197,265
Loss for the year	-	-	-	(13,268)	(13,268)
Foreign exchange differences	-	-	372	-	372
Total comprehensive income/(expenditure) for the year	-	197,265	372	(13,268)	184,369
Balance at 31 December 2020	-	238,115	(2)	(34,471)	203,642

The notes on pages 14 to 28 form part of these financial statements.

HANSA HOLDCO LIMITED
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2020

	Note	Year ended 31 December 2020 £000	Year ended 31 December 2019 £000
Loss for the period before tax		(15,842)	(11,080)
Finance income	5	(19,993)	(19,160)
Finance costs	6	35,826	30,207
Unrealised losses from foreign exchange		863	(1,370)
Increase in other receivables		(4,218)	(6,174)
Decrease in other payables		(3,295)	(26,089)
Net cash used in operating activities		(6,659)	(33,666)
Investing activities			
Interest received		16,669	16,634
Issuance of loans to subsidiaries		(33,737)	-
Repayment of loans issued to subsidiaries		205,543	11,327
Investments made		(161,538)	33,039
Net cash generated by investing activities		26,937	61,000
Financing activities			
Proceeds from issue of share capital		197,264	-
Repayment of preference shares		(48,951)	-
Proceeds from loans and borrowings		-	2,658
Repayment of borrowings		(145,455)	(2,658)
Interest paid		(23,650)	(27,145)
Net cash generated used in financing activities		(20,792)	(27,145)
Net (decrease) / increase in cash and cash equivalents		(514)	189
Cash and cash equivalents at beginning of period		614	452
Effect of movements in exchange rates on cash held		21	(27)
Cash and cash equivalents at end of period		121	614

The notes on pages 14 to 28 form part of these financial statements.

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

General information and basis of preparation

These financial statements are prepared under the historical cost convention and in accordance with applicable international accounting standards in conformity with the requirements of the Companies Act 2006.

The Company is domiciled in the UK.

Going concern

The assessment of the going concern basis of preparation for the Company has considered both the position at 31 December 2020 and the outlook for the Company, and also the going concern position of the Group as a whole. This is due to the integrated nature of the companies across the Group and the reliance of the Company on the Group's going concern position.

In assessing whether the going concern basis is appropriate to adopt, the Directors have undertaken a review of forecast cash flow models and a severe but plausible scenario for a period in excess of 12 months from the date of approval of these financial statements. This severe but plausible scenario has been subject to stress testing, taking into account both the Group's performance since the beginning of the COVID-19 pandemic and the possibility of further spikes in infections with continued government lockdown restrictions in 2021. It considers a range of cash flow reductions including reductions in collections across the UK, DACH and the Nordics. This scenario is considered to be reasonable by the Directors and, after taking management actions as required, the Group maintains sufficient liquidity and cash reserves to continue as a going concern.

In November 2020 the Group issued three tranches of Senior Secured notes ("notes") being €600m floating rate notes due in May 2026, €740m fixed rate notes and £400m fixed rate notes both due in November 2025. Together with an equity contribution of £600m from the Group's parent, the proceeds were used to redeem all of the Group's outstanding Senior Secured and Senior Unsecured notes. In December 2020 the Group issued additional notes, being €30m floating rate notes due in May 2026, €55m fixed rate notes and £40m fixed rate notes both due in November 2025. The maturity of the Group's €455m RCF has extended to August 2025.

As a result of the refinancing activity, the Group now has three main sources of funding at 31 December 2020, €630m, £440m and €795m, of Senior Secured notes ("notes"), a €455m RCF and a securitisation facility with an option to reset of £255m. As detailed in the Group accounts, at 31 December 2020, £16.0m was drawn on the RCF and there were £229.2m of outstanding borrowings in the securitisation facility. No Group covenants have been breached, or are expected to be breached, during the going concern period. The earliest debt maturity horizon is 10 April 2024 and the latest is 1 May 2026, being the securitisation Loan and the €630m senior secured notes respectively. The Group continues to monitor its funding requirements.

At the balance sheet date management assessed that the combined operating cash flows of the Group, together with the cash resources and borrowings under the RCF, will be sufficient to fund the Group's debt and tax servicing requirements as they become due, working capital requirements and anticipated debt purchases.

The Company's business activities are set out in the Statement of Comprehensive Income (SCI) and Statement of Financial Position (SFP) on pages 9 and 10. The Company remains in a net asset position as a result of positive reserves.

Based on the above the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

HANSA HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

Group accounts

The financial statements present information about the Company as an individual undertaking and not as a group. The Company has not prepared group accounts as it is exempt from the requirement to do so under section 400 of the Companies Act 2006 as it is a wholly owned subsidiary and its results are included in the consolidated financial statements of Garfunkelux Holdco 2 S.A.

Functional and presentational currency

These financial statements are presented in sterling, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Foreign currency

Transactions in foreign currencies are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign balances and transactions are recognised in the income statement.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-current asset investments

Investments are stated at cost less provision for impairment.

Assets are reviewed for signs of impairment at least annually and more frequently if necessary. Impairments are recognised where the carrying value of the asset exceeds the recoverable amount. The recoverable amount is the greater of the asset's fair value less costs to sell, or its value in use. Value in use is the present value of future cash flows expected to be derived from the asset. The recoverable amount is determined using discounted cash flow models.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank deposits with a term from inception of three months or less.

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position ("SFP") when the Company becomes a party to the contractual provisions of the instrument.

Amortised cost financial assets

A financial asset is measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest.

Loans and other receivables are measured at amortised cost using the EIR method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each period end. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the investment have been affected.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

All financial liabilities held by the Company are measured at amortised cost using the effective interest rate method. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Borrowings are initially recognised at fair value, calculated as the issue proceeds net of any directly attributable prepaid fees. Borrowings are subsequently carried at amortised cost using the EIR method.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income ("SCI") because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the period end.

HANSA HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

Taxation (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each SFP date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the SFP date. Deferred tax is charged or credited in the SCI, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also recognised within other comprehensive income.

2. Critical accounting estimates and judgements

There are no sources of estimation uncertainty used in preparing the financial statements.

Judgements were used to evaluate the carrying value of investments and amounts due from / due to group undertakings when preparing these financial statements. It has been judged that no indicators of impairment exist with respect to the investments made or intercompany positions. As such, the assets continue to be recognised at their carrying value.

If indicators of impairment were identified, an impairment could be recognised if the recoverable amount of the asset was less than the carrying value.

3. Information regarding Directors and employees

The directors were not paid any emoluments for their services to the Company in the year ended 31 December 2020 (2019: £nil).

Apart from the directors, the Company has no employees.

4. Audit fees

The auditor's remuneration was borne by another group company and not recharged.

Audit fees in respect of the audit of these financial statements were £10,000 (2019: £5,000).

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

5. Finance income

	Year ended 31 December 2020 £000	Year ended 31 December 2019 £000
Interest income	19,993	19,160
Total finance income	19,993	19,160

6. Finance costs

	Year ended 31 December 2020 £000	Year ended 31 December 2019 £000
Interest payable on shareholder loan	2,872	2,592
Interest payable on other intercompany loans	28,163	26,712
Fees payable on borrowings	3,819	903
Net foreign exchange loss	972	-
Total finance costs	35,826	30,207

7. Taxation

a) Amounts recognised in the Statement of Comprehensive Income

	Year ended 31 December 2020 £000	Year ended 31 December 2019 £000
Current taxation		
Corporation tax	-	-
Total current tax charge	-	-
Current taxation		
Deferred tax credit for the period	(2,574)	-
Total deferred tax credit	(2,574)	-

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

7. Taxation (continued)

b) Reconciliation of effective tax rate

	Year ended 31 December 2020 £000	Year ended 31 December 2019 £000
Loss on ordinary activities before tax	(15,842)	(11,080)
Tax credit on loss on ordinary activities at a combined countries rate of 19% (2019: 19%)	(3,010)	(2,105)
Effects of:		
Expenses not deductible	436	491
Effects of group relief	-	1,614
Total tax credit	(2,574)	-

The Company's effective tax rate is lower than the statutory tax rate of 19%.

c) Deferred tax

Deferred taxation assets recognised in the financial statements are as follows:

	Deferred tax on losses £000	Total £000
At 31 December 2018	-	-
Credited to the income statement	-	-
At 31 December 2019	-	-
Credited to the income statement	2,574	2,574
At 31 December 2020	2,574	2,574

The deferred tax asset primarily relates to losses carried forward. Deferred taxation is measured at the tax rates that are expected to apply in the periods in which the carried forward losses are expected to be utilised based on tax rates and laws that have been enacted or substantively enacted at the statement of financial position date.

The Company notes that as part of the Finance Bill 2021, the UK corporation tax rate will increase to 25% with effect from 1 April 2023. The impact of this will be to increase the value of the deferred tax asset on the balance sheet. The change will be reflected in the 2021 financial statements.

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

8. Investments

	Total £000
At 31 December 2019	245,282
Investments made	161,538
Foreign exchange on retranslation	13,631
At 31 December 2020	420,451

From incorporation the Company has investments in the following subsidiary undertakings:

Name	Country of incorporation	Ordinary share holding % as at 31 December 2020	Ordinary share holding % as at 31 December 2019
Lowell Nordics Oy*	Finland	100	100
Lowell Sverige AB	Sweden	100	100
Lowell AS	Norway	100	100
Lowell Norge AS	Norway	100	100
Lowell Finans AS	Norway	100	100
Lowell Danmark A/S	Denmark	100	100
Lowell Finans A/S	Denmark	100	100
Aktieselskabet af 18. Maj 2018 A/S	Denmark	100	100
Lowell Suomi Oy	Finland	100	100
Solvencia AS ¹	Norway	100	-

*Held directly by the Company.

¹Solvencia AS was acquired on 1 October 2020.

The registered office for the subsidiaries incorporated in Finland is: Joukahaisenkatu 6, FI-20520 Turku, Finland.

The registered office for the subsidiaries incorporated in Sweden is: Kungsgatan 57 A, 111 22 Stockholm, Sweden.

The registered office for the subsidiaries incorporated in Norway is: Nils Hansens vei 8, 0667 OSLO, Norway.

The registered office for the subsidiaries incorporated in Denmark is: Langmarksvej 57D, 8700 Horsens, Denmark.

During the year the Company made direct investments of £161.5m in its direct subsidiary, Lowell Nordics Oy. For further detail, see the Principal Activities section of the Directors' Report.

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

9. Other receivables

	31 December 2020 £000	31 December 2019 £000
Non-current		
Amounts owed from group undertakings (note 15)	203,075	372,367
Total non-current	203,075	372,367
Current		
Amounts owed from group undertakings (note 15)	44,513	16,510
Total current	44,513	16,510
Total receivables	247,588	388,877

The Company agreed amendments with respect to its intercompany receivables on 5 November 2020 as follows:

- The interest rate and maturity date on following loan notes purchased from subsidiary entities were amended to be consistent with the Group's €630m Senior Secured Notes (6.25% and 1 May 2026 respectively):
 - €56.4m (£51.2m) loan notes with Lowell Nordics Oy
 - €41.7m (£37.8m) loan notes with Lowell AS
 - €1.4m (£1.2m) loan notes with Lowell Finans A/S
 - €56.9m (£51.6m) loan notes with Lowell Danmark A/S
 - €58.9m (£53.4m) loan notes with Lowell Suomi Oy

The Company agreed amendments with respect to its intercompany receivables on 21 December 2020 as follows:

- The SEK 1,841.4m (£161.5m) loan notes purchased from Lowell Sverige AB were contributed to Lowell Nordics Oy in exchange for equity.

The Shareholder loan entered into with Lowell Nordics Oy (£34.0m) was converted into equity.

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

10. Share capital

£000

In issue at 31 December 2019 and 31 December 2020

-

	Number
Called up, allotted and fully paid – ordinary shares of €0.01 each at 31 December 2019	201
Issuance of ordinary shares of €0.01 each	3
Called up, allotted and fully paid – ordinary shares of €0.01 each at 31 December 2020	204

On incorporation, the Company was set up with the issue of 100 ordinary shares with a nominal value of €0.01 per share. In addition, 1 PBA share of £1 was issued.

On 14 December 2017, the Company issued 100 ordinary shares with a nominal value of €0.01 per share.

On 19 March 2018, the Company issued 1 ordinary share with a nominal value of €0.01.

On 21 December 2020 the Company issued 3 ordinary shares with a nominal value of €0.01 per share and with a total share premium of €218.71m (£197.3m).

The rights of all classes of shares are set out below:

Voting

The ordinary shares shall confer on each holder the right to receive notice of, and to attend, speak and vote at any general meeting of the Company except that, in respect of any general meeting at which a director is elected or removed, the holders of the ordinary shares shall only be entitled to exercise 75% of the total number of votes in respect of any resolution to elect or remove a director and for these purposes, each holder of ordinary shares shall have one vote for each ordinary share.

The holders of the PBA shares shall not be entitled to receive notice of, or attend and speak at or vote at any general meeting of the Company, except that the holders of the PBA shares shall:

- a. have the right to receive notice of, and to attend, any general meeting of the Company at which a resolution to elect or remove a director will be proposed, and
- b. in respect of any such resolutions, have the right to speak and exercise 25% of the total number of votes and for these purposes, each holder of the PBA shares shall have one vote for each PBA share held.

Dividends

The profits of the Company available for distribution and resolved to be distributed shall, subject to the provisions of the Companies Act 2006, be distributed as follows:

- a. the holders of the ordinary shares and preference shares pro rata to the number of ordinary shares and preference shares held by them respectively, and
- b. the holders of the PBA shares shall receive dividends as and when declared by the board of directors.

Return of capital

On a return of capital on liquidation, reduction of capital or otherwise (other than on a redemption or purchase of shares), the balance of any assets available for distribution shall be distributed among the holders of the shares in the following priority:

HANSA HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****YEAR ENDED 31 DECEMBER 2020****10. Share capital (continued)**

- a. first, in paying to each holder of shares, in respect of each share a sum equal to the issue price; and
- b. thereafter, of the balance remaining, to the holders of the ordinary shares and preference shares only (and not to any holders of the PBA shares) pro rata to the number of ordinary shares and preference shares.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements to presentational currency

11. Borrowings

	31 December 2020 £000	31 December 2019 £000
Non-current		
Shareholder loan (note 15)	-	29,051
Other intercompany borrowings (note 15)	422,530	532,555
Preference shares (note 15)	9,478	55,195
Prepaid costs on borrowings	-	(3,632)
Total non-current borrowings	432,008	613,169
Current		
Interest on other loans (note 15)	4,297	2,173
Interest on preference shares (note 15)	67	-
Other loans	30,566	-
Total current borrowings	34,930	2,173
Total borrowings	466,938	615,342

The Company agreed amendments with respect to its intercompany borrowings on 5 November 2020 as follows:

- The €470m (£426.0m) loan notes issued to Simon Bidco were divided into two tranches of €330.5m (£299.5m) and €139.5m (£126.4m), with the interest rates and maturity dates amended to be consistent with the Group's €630m Senior Secured Notes (6.25% and 1 May 2026) and €795m Senior Secured Notes (6.75% and 1 November 2025), respectively.

The Company agreed amendments with respect to its intercompany borrowings on 21 December 2020 as follows:

- The SEK 1,280m (£114.3m) loan notes issued to, and Shareholder Loan (£33.8m) entered into with, Simon Bidco were converted into equity.
- The SEK 561.4m (£49.2m) preference shares issued to Simon Bidco were converted into ordinary shares.

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

12. Other payables

	31 December 2020 £000	31 December 2019 £000
Amounts owed to group undertakings (Note 15)	154	158
Total	154	158

13. Financial instruments

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 1.

Categories of financial instruments

	31 December 2020 £000	31 December 2019 £000
Financial assets		
Cash and cash equivalents	121	614
<i>Assets held at amortised cost:</i>		
Other receivables	247,588	388,877
Financial liabilities		
<i>Liabilities held at amortised cost:</i>		
Borrowings	466,938	618,974
Other payables	154	158

Financial risk management objectives

As a result of its normal business activities, the Company has the following financial risks, and these are managed as follows:

Foreign currency risk

The Company enters into a number of intercompany loans with other Group entities to pass-through external financing to other Group entities based on the requirements of the Group. The Company could be exposed to foreign currency risk if these loans were denominated in foreign currencies. The Company reduces this risk to an acceptable level by entering into either Euro-denominated loans or entering into back-to-back loan agreements with Group entities.

Liquidity risk

Liquidity risk is the risk of the Company being unable to meet its financial obligations as they fall due, due to insufficient cash, cash equivalents and available drawings. The approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows. At 31 December 2020, the Group had available undrawn committed borrowing facilities by way of a Group Securitisation and RCF of £418.8m (2019: £198.4m).

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

13. Financial instruments (continued)

Group financing facilities

	31 December 2020 £000	31 December 2019 £000
Securitisation and RCF		
Amount used	245,281	459,901
Amount unused	418,828	198,385
Total	664,109	658,286

The following table shows the Company's gross undiscounted contractual cash flows of financial liabilities including interest payments at the statement of financial position date:

As at 31 December 2020

	Weighted average interest rate	Carrying amount	Contractual cash flows	0-6 months	6-12 months	1-5 years	Over 5 years
	%	£000	£000	£000	£000	£000	£000
Other loans*	6.38	466,938	609,918	44,096	13,995	245,346	306,481
Other payables	-	154	154	154	-	-	-
Total liabilities		467,092	610,072	44,250	13,995	245,346	306,481

*The weighted average interest rate calculation excludes £30.6m of borrowings that are interest free, repayable on demand trading loans.

On 22 January 2021 the interest rate and maturity date on the NOK preference shares held by Simon Bidco were amended to be consistent with the Group's €630m Senior Secured Notes (6.25% and 1 May 2026 respectively). This amendment would increase the other loans weighted average interest rate to 6.42% and contractual cash flows by £2.0m.

As at 31 December 2019

	Weighted average interest rate	Carrying amount	Contractual cash flows	0-6 months	6-12 months	1-5 years	Over 5 years
	%	£000	£000	£000	£000	£000	£000
Shareholder loan	9.73	29,051	29,051	-	-	29,051	-
Other loan	4.57	534,728	644,876	12,739	12,765	619,372	-
Preference shares	-	55,195	55,195	-	-	-	55,195
Other payables	-	158	158	158	-	-	-
Total liabilities		619,132	729,280	12,897	12,765	648,423	55,195

Shareholder loan: includes loan principal outstanding and accrued interest.

Credit risk

The Company has potential exposure to credit risk on its intercompany debtors. By nature, intercompany positions are all held with companies within the wider Group and therefore under management of the Group treasury function. The Group treasury function uses robust planning to ensure that funds are available where required to repay contractual intercompany positions.

HANSA HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****YEAR ENDED 31 DECEMBER 2020****13. Financial instruments (continued)****Valuation risk**

The Company has exposure to valuation risk in relation to its investments in Group companies, specifically the risk that an investment becomes impaired. Management continues to review the performance of all companies within the Group and takes action where required to ensure that it is sustained at an appropriate level.

Fair value of financial instruments carried at amortised cost

The directors consider that the carrying amounts of all financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

14. Note to the statement of cash flows

	Note	Shareholder loan £000	Other borrowings £000	Preference shares £000	Prepaid costs £000	Total £000
Balance at 31 December 2019	11	29,051	534,728	55,195	(3,632)	615,342
Changes from financing cashflows						
Repayments of borrowings		(33,131)	(112,325)	(48,951)	-	(194,407)
Interest paid		(606)	(20,709)	(2,335)	-	(23,650)
Total changes from financing cash flows		(33,737)	(133,034)	(51,286)	-	(218,057)
The effects of changes in foreign exchange rates		1,814	28,035	2,946	(187)	32,608
Liability related changes						
Interest expense	6	2,872	25,503	2,659	-	31,034
Prepaid cost release		-	-	-	3,819	3,819
Movement in accrued interest		-	2,161	31	-	2,192
Total liability related changes		2,872	27,664	2,690	3,819	37,045
Balance at 31 December 2020	11	0	457,393	9,545	0	466,938

HANSA HOLDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****YEAR ENDED 31 DECEMBER 2020****15. Related parties**

The Company is a wholly owned subsidiary undertaking of Simon Bidco Limited, which is part of a wider group headed by Garfunkelux Holdco 2 S.A.

Period end balances with related parties	31 December 2020 £000	31 December 2019 £000
Balances with immediate parent		
Shareholder loan principal with Simon Bidco (note 11)	-	(28,452)
Other loan principal with Simon Bidco (note 11)	(422,530)	(532,555)
Loan interest with Simon Bidco Limited (note 11)	(4,297)	(599)
Trading balance with Simon Bidco Limited (note 9)	(21,593)	1,891
Preference shares due to Simon Bidco Limited (note 11)	(9,478)	(55,195)
Preference share interest due to Simon Bidco Limited	(67)	(37)
Trading balance with Simon Bidco Limited (note 11)	-	(2,136)
Trading balance with Simon Bidco Limited (note 9)	-	4,080
Balances with an intermediate parent		
Trading balance with Garfunkelux Holdco 3 S.A. (note 9)	14	-
Balances with subsidiary undertaking		
Loan principal with Lowell Nordics Oy (note A) (note 9)	50,740	76,426
Loan interest with Lowell Nordics Oy (note A) (note 9)	313	602
Trading balance with Lowell Nordics Oy (note 9)	-	10,200
Loan principal with Lowell AS (note A) (note 9)	43,214	41,193
Loan interest with Lowell AS (note A) (note 9)	413	158
Loan principal with Lowell Rahoitus Oy (note A) (note 9)	52,964	50,077
Loan interest with Lowell Rahoitus Oy (note A) (note 9)	526	193
Loan principal with Lowell Danmark A/S (note A) (note 9)	51,189	48,399
Loan interest with Lowell Danmark A/S (note A) (note 9)	509	186
Trading balance with Lowell Norge AS (note 9)	12	1,164
Trading balance with Lowell Norge AS (Intrum Justita AS) (note 9)	1,225	-
Loan principal with Lowell Norge AS (note A) (note 9)	3,742	3,757
Loan interest with Lowell Norge AS (note A) (note 9)	26	14
Loan principal with Lowell Sverige AB (note A) (note 9)	-	149,837
Loan interest with Lowell Sverige AB (note A) (note 9)	-	609
Trading balance with Lowell Finans AS (note 9)	96	91
Trading balance with Lowell Finans AS (note 12)	(154)	(158)
Trading balance with Simon Midco (note 9)	33,631	-

Note A: these balances are unsecured, not repayable on demand and interest is charged at market rates

HANSA HOLDCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2020

15. Related parties (continued)

Transactions with related parties

	Year to 31 December 2020 £000	Year to 31 December 2020 £000
Transactions with an immediate parent		
Shareholder loan interest with Simon Bidco Limited	(2,872)	(2,663)
Loan interest charge on loan with Simon Bidco Limited	(28,163)	(26,622)
Expenses recharged from Simon Bidco Limited	-	(1)
Transactions with subsidiary undertakings		
Shareholder loan interest from Lowell Nordics Oy	2,872	-
Loan interest from Lowell Nordics Oy	2,448	4,933
Loan interest from Lowell Finans AS	2,063	1,950
Loan interest from Lowell Suomi Oy	2,556	2,370
Loan interest from Lowell Denmark A/S	2,470	2,290
Loan interest from Lowell Finans A/S	59	55
Loan interest Lowell Sverige AB	7,359	7,384
Loan interest from Lowell Norge AS	166	178
Transactions with other related parties		
Interest expenses recharged from Lowell Holding GmbH	-	(19)

16. Ultimate controlling party

The Company is a subsidiary undertaking of Garfunkelux S.à r.l., which is the ultimate parent company, incorporated in Luxembourg.

The largest group in which the results of the Company are consolidated is that headed by Garfunkelux Holdco 2 S.A., incorporated in Luxembourg. The consolidated financial statements of Garfunkelux Holdco 2 S.A. are available from their registered offices at 488, route de Longwy, L – 1940, Luxembourg.

17. Subsequent events

On 22 January 2021 the Company amended the interest rate and maturity date of the following intercompany receivables and borrowings to be consistent with the interest rate and maturity of the Group's €630m Senior Secured Notes (6.25% and 1 May 2026 respectively):

- NOK 110.4m (£9.5m) preference shares issued by the Company to Simon Bidco.
- NOK 66.8m (£5.7m) loan receivable held with Lowell AS.
- NOK 43.6m (£3.7m) loan receivable held with Lowell Finans AS.