

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

October 9, 2023

Date of report (Date of earliest event reported)

ENCORE CAPITAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

000-26489

(Commission File Number)

48-1090909

(IRS Employer Identification No.)

350 Camino de la Reina, Suite 100

San Diego, California 92108

(Address of principal executive offices)(Zip Code)

(877) 445-4581

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 Par Value Per Share	ECPG	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events.

On October 9, 2023, Encore Capital Group, Inc. issued press releases announcing the launch and pricing of €100.0 million aggregate principal amount of its senior secured floating rate notes due 2028 in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "**Securities Act**") and outside the United States to non-U.S. persons (within the meaning of Regulation S under the Securities Act). The notes will be issued as "additional notes" under Encore Capital Group, Inc.'s existing notes indenture dated December 21, 2020. The senior secured floating rate notes being offered have not been and will not be registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Copies of the press releases are attached as Exhibits 99.1 and 99.2 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Launch Press Release
99.2	Pricing Press Release
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ENCORE CAPITAL GROUP, INC.

Date: October 10, 2023

/s/ Jonathan C. Clark

Jonathan C. Clark

Executive Vice President, Chief Financial Officer and Treasurer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Launch Press Release
99.2	Pricing Press Release
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)



Encore Capital Group, Inc. Announces Proposed Senior Secured Floating Rate Notes Offering

SAN DIEGO, October 9, 2023 (GLOBE NEWSWIRE) -- Encore Capital Group, Inc. (Nasdaq: ECPG) (the "**Company**") today announced its intention to offer, subject to market and other conditions, €100.0 million aggregate principal amount of its senior secured floating rate notes due 2028 (the "**notes**") in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "**Securities Act**") and outside the United States to non-U.S. persons (within the meaning of Regulation S under the Securities Act).

The notes will be issued as "additional notes" under the Company's existing notes indenture dated December 21, 2020, and will have the same terms as the Company's currently outstanding senior secured floating rate notes due 2028. The Notes will bear interest at a rate equal to the sum of (i) three-month EURIBOR (subject to a 0% floor) plus (ii) 4.250% per annum, reset quarterly. The Issuer will pay interest on the Notes quarterly in arrears on January 15, April 15, July 15 and October 15 of each year, commencing on January 15, 2024. The Notes will mature on January 15, 2028. The notes will be senior secured obligations of the Company, and will be fully and unconditionally guaranteed on a senior secured basis by substantially all material subsidiaries of the Company. The obligations of the Company and the guarantors will be secured, together with the Company's other senior secured indebtedness, by substantially all of the assets of the Company and the guarantors. The issue price of the notes will be determined at the pricing of the offering.

The Company intends to use the proceeds from this offering to repay drawings under its revolving credit facility, and to pay certain transaction fees and expenses incurred in connection with the offering of the notes.

The offer and sale of the notes have not been, and will not be, registered under the Securities Act, and the notes may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, the notes nor will there be any sale of the notes in any state or other jurisdiction in which such offer, sale or solicitation would be unlawful. Any offer of the securities will be made only by means of a private offering memorandum.

On a year-to-date basis through August 31, 2023 the Company's global cash collections performance compared to its reported December 31, 2022 ERC forecast was generally in line with the first half of the year. As of August 31, 2023, the Company's leverage remained 2.8x.¹

Forward-Looking Statements

This press release includes forward-looking statements, including statements regarding the completion, timing and size of the proposed offering, the intended use of the proceeds and the terms of the notes being offered. Forward-looking statements represent Encore's current expectations regarding future events and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those implied by the forward-looking statements. Among those risks and uncertainties are market conditions, including market interest rates, the trading price and volatility of Encore's common stock and risks relating to Encore's business, including those described in periodic reports that Encore files from time to time with the U.S. Securities and Exchange Commission. Encore may not consummate the proposed offering described in this press release and, if the proposed offering is consummated, cannot provide any assurances regarding the final terms of the notes or its ability to effectively apply the net proceeds as described above. The forward-looking statements included in this press release speak only as of the date of this press release, and Encore does not undertake to update the statements included in this press release for subsequent developments, except as may be required by law.

¹ Leverage is the ratio of net debt to the sum of Adjusted EBITDA and Collections Applied to Principal Balance for the preceding 12 months.

Contact Information

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Encore Capital Group, Inc. Announces Pricing of Senior Secured Floating Rate Notes Offering

SAN DIEGO, October 9, 2023 (GLOBE NEWSWIRE) -- Encore Capital Group, Inc. (Nasdaq: ECPG) (the "**Company**") today announced the pricing of its offering of €100.0 million aggregate principal amount of its senior secured floating rate notes due 2028 (the "**notes**") at an issue price of 99.01%, in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "**Securities Act**") and outside the United States to non-U.S. persons (within the meaning of Regulation S under the Securities Act).

The notes will be issued as "additional notes" under the Company's existing notes indenture dated December 21, 2020, and will have the same terms as the Company's currently outstanding senior secured floating rate notes due 2028. The Notes will bear interest at a rate equal to the sum of (i) three-month EURIBOR (subject to a 0% floor) plus (ii) 4.250% per annum, reset quarterly. The Issuer will pay interest on the Notes quarterly in arrears on January 15, April 15, July 15 and October 15 of each year, commencing on January 15, 2024. The Notes will mature on January 15, 2028. The notes will be senior secured obligations of the Company, and will be fully and unconditionally guaranteed on a senior secured basis by substantially all material subsidiaries of the Company. The obligations of the Company and the guarantors will be secured, together with the Company's other senior secured indebtedness, by substantially all of the assets of the Company and the guarantors.

The Company intends to use the proceeds from this offering to repay drawings under its revolving credit facility, and to pay certain transaction fees and expenses incurred in connection with the offering of the notes.

The offer and sale of the notes have not been, and will not be, registered under the Securities Act, and the notes may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This press release does not constitute an offer to sell, or the solicitation of an offer to buy, the notes nor will there be any sale of the notes in any state or other jurisdiction in which such offer, sale or solicitation would be unlawful. Any offer of the securities will be made only by means of a private offering memorandum.

Forward-Looking Statements

This press release includes forward-looking statements, including statements regarding the completion, timing and size of the proposed offering, the intended use of the proceeds and the terms of the notes being offered. Forward-looking statements represent Encore's current expectations regarding future events and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those implied by the forward-looking statements. Among those risks and uncertainties are market conditions, including market interest rates, the trading price and volatility of Encore's common stock and risks relating to Encore's business, including those described in periodic reports that Encore files from time to time with the U.S. Securities and Exchange Commission. Encore may not consummate the proposed offering described in this press release and, if the proposed offering is consummated, cannot provide any assurances regarding the final terms of the notes or its ability to effectively apply the net proceeds as described above. The forward-looking statements included in this press release speak only as of the date of this press release, and Encore does not undertake to update the statements included in this press release for subsequent developments, except as may be required by law.

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