Year end report

Fourth quarter, 2021

- Seasonally very strong fourth quarter
- Business activity not impacted by Omicron variant in Q4
- Continued positive economic sentiment, despite inflationary pressures and supply chain challenges
- Delivery on key priorities - transformation and organic growth
- Acceleration of case migrations and increase in global front office utilisation
- Scalability of the operating platform visible with robust cash revenues growth and stable cash costs driving margin expansion
- Significant client wins and retentions, including transformational CMS deal in the UK
- In the fourth quarter cash EBIT increased to SEK 2,171 M (1,523), cash RoIC to 12.0 per cent (8.7) and cash earnings per share (cash EPS) to SEK 13.93 (9.00)
- Cash EBIT for Credit Management Services increased to SEK 437 M (281) and the adjusted operating margin increased to 23 per cent (20). The segment cash RoIC for the quarter was 9.1 per cent (5.8)
- Cash EBIT for Strategic Markets increased to SEK 1,310 M (875) and the adjusted operating margin increased to 60 per cent (44). The segment cash RoIC for the quarter was 34.3 per cent (21.5)
- Cash EBIT for Portfolio Investments increased to SEK 901 M (834), cash RoIC was 9.6 per cent (9.6) and total portfolio investments for the quarter amounted to SEK 2,683 M (1,273)
- The Board of Directors proposes a dividend of SEK 13.50 (12.00) per share, corresponding to a total of SEK 1,631 M (1,450)

Fourth quarter, 2021

	Fourth quarter			Full year		
SEK M, unless otherwise indicated	Oct–Dec 2021	Oct–Dec 2020	Change %	2021	2020	Change %
Revenues	4,870	5,109	-5	17,789	16,848	6
Adjusted revenues	4,853	4,359	11	17,656	16,731	6
Operating earnings (EBIT)	2,040	1,200	70	6,475	4,695	38
Adjusted operating earnings (EBIT)	2,355	1,611	46	7,014	5,738	22
Earnings per share, SEK	8.98	3.40	164	25.88	15.18	70
Adjusted earnings per share, SEK	10.55	6.02	75	28.86	21.70	33
Cash EBITDA	3,726	3,124	19	12,310	11,607	6
Cash EBIT	2,171	1,523	43	6,343	5,580	14
Cash EPS, SEK	13.93	9.00	55	28.98	25.28	15
Cash RoIC, %	12.0	8.7	3.3 ppt	8.9	7.7	1.2 ppt
Net debt/Full year cash EBITDA, x				3.9	4.0	
Cash EBIT: Credit Management Services	437	281	56	1,640	1,596	3
Cash EBIT: Strategic Markets	1,310	875	50	3,009	2,539	19
Cash EBIT: Portfolio Investments	901	834	8	3,561	3,190	12
Total portfolio investments made	2,683	1,273	111	8,106	5,129	58
Carrying value of portfolio investments	38,231	33,305	15	38,231	33,305	15
Adjusted return on portfolio investments, (ROI), %	14	12	2 ppt	14	12	2 ppt

Comment by the President and CEO

Delivering on transformation and organic growth

In 2021 we have continued to focus on above all two key priorities - progressing our ONE Intrum transformation and building organic growth momentum. I am proud of our dedicated and engaged team that has enabled us to yet again meaningfully improve all cash based metrics year over year as well as in comparison to pre-pandemic levels in 2019.

For 2021 we saw growth of cash revenues of 4 per cent, also driven by a seasonally strong fourth quarter. For the same period cash EBITDA grew by 6 per cent and cash EBIT by 14 per cent, demonstrating the operating leverage of the business. The leverage ratio was 3.9 times net debt to cash EBITDA and 2021 cash EPS amounted to SEK 28.98. In line with our financial target of annual increases the Board of Directors proposes a dividend of SEK 13.50 (12.00) per share for 2021.

Significant progress towards delivering SEK 1 bn of recurring benefits

2021 has seen significant progress on our road towards ONE Intrum. A number of achievements are collectively supporting improved services and a strengthened offering towards both our clients and customers. Looking at cash revenues and cash spend development since 2019 we are clearly seeing the impact of our size and scale as well as the ongoing Transformation program with significant operating leverage. Optimising resource allocation and focus on the modern common platforms has enabled us to increase cash revenues by 10 per cent while keeping cash spend flat between 2019 and 2021.

I am pleased with the progress in our global front offices which are key in standardising best practices and utilising common, state of the art, processes and systems. In December, 15 of our Intrum markets and c. 16 per cent of all Intrum calls globally were served by the new global front offices.

Our new operating platform is now our largest collection system with c. 8 million cases, representing c. 20 per cent of all Intrum cases. During 2021 we have significantly de-risked and refined our migration concept, carried out large scale migrations with minimal exceptions in a number of markets, emptied our first legacy collection system and continued to develop and improve our new operating platform.

I am very excited about the potential that data, analytics and automation technology can unlock when implemented across global processes and systems. We can already see significant further benefits from our advanced analytics and automation roadmap above and beyond the transformation scope and timeframe. We are on the right track to deliver SEK 1 bn of recurring benefits.

Commercial success and continued normalisation within CMS

2021 saw a gradual normalisation of new case inflows in Credit Management Services, following the inflection point seen during the first quarter. This trend has continued into the fourth quarter with improving inflows across the board, also in higher value financial services claims, and is set to extend into 2022.

In 2021 we focused on our client value proposition and relevance in combination with high commercial activity. This has enabled us to win key new and retain important existing clients. Amongst others, in the UK we won a transformational mandate from a major retail bank covering the outsourcing of the collections and recoveries functions for the bank. Intrum will bring its proprietary technology and award winning customer care to bear, while also assuming c. 220 members of staff from the current supplier. In France we have been able to retain our long-standing utility sector client EDF. In Scandinavia we now service all six large Nordic banks as well as a significant number of other financial services players. These important wins highlight the capabilities and benefits of ONE Intrum and of our strengthened platform, positioning us as the leading partner to European financial institutions. They also prove the recognition of our increased focus on client care, compliance and ethical collection practices.

"We are on the right track to deliver SEK 1 bn of recurring benefits."

I am encouraged by this continued trajectory of commercial success and look forward to these wins starting to positively impact organic revenues growth and profitability in the CMS segment, on top of the continuing underlying gradual normalisation, in the coming quarters.

New annual contract value signed in 2021 increased by c. 80 per cent from prior year and corresponds to more than 10 per cent of the current external servicing revenue base. Cash EBIT for the segment in the fourth quarter was SEK 437 M (281), up 56 per cent compared to the same quarter last year. For the full year 2021 cash EBIT was SEK 1,640 M (1,596), up 3 per cent compared to 2020. For the fourth quarter cash return on invested capital was 9.1 per cent and 8.5 per cent for the full year 2021.

Very strong finish to the year for Strategic Markets

In our Strategic Markets we observe a broad-based, sharp recovery from the pandemic, also through the return of a more normal, pronounced, seasonality pattern with a very strong finish to 2021. A number of developments are particularly noteworthy.

In Spain our real estate activities in particular continue to perform strongly with SEK 3.7 bn of RE sales in the fourth quarter and SEK 12.8 bn for the full year, representing c. 2.4 per cent of all pre-owned real estate sales in the country. I am happy to see the commercial successes as well as the continued potential for growth and improved profitability in Spain.

In Italy we have seen the continued normalisation of legal system effectiveness continuing into the fourth quarter. When looking ahead, I see significant opportunities for further growth in Italy, particularly in the UtP (Unlikely to Pay) area. In many ways this expectation has already started to play out with SEK 53 bn of AuM (assets under management) added to the platform in 2021, with now SEK 387 bn of total AuM, corresponding to an increase of 9 per cent compared to last year.

In Greece the trajectory of strong performance continued. During the course of 2021 c. SEK 165 bn of gross book value, or 70 per cent of exposures covered by the original joint venture with Piraeus Bank, have been transferred into six HAPS securitisations and Intrum has thereby secured servicing of these assets long-term.

In shifting towards a more broad-based platform anchored on strong strategic partnerships, the Strategic Markets segment has benefited from certain transactional revenue items such as advisory and sourcing fees, which are recurring in nature but less predictable from quarter to quarter. Going forward we expect such transactional items to have a smaller impact and be replaced with more diversified and predictable revenues, including through expanding our AuMs from an increasingly diversified client base. Cash EBIT for the segment in the fourth quarter was SEK 1,310 M (875), up 50 per cent compared to the same quarter last year. For the full year 2021 cash EBIT was SEK 3,009 M (2,539), up 19 per cent compared to 2020. For the fourth quarter cash return on invested capital was 34.3 per cent and 19.2 per cent for the full year 2021.

Record gross cash collections and return to growth in investment volume

For the full year 2021 the Portfolio Investments segment had record gross cash collections of SEK 11.8 bn (11.0), also driven by strong performance index of 111 per cent, and a return to growth in terms of capital deployed of SEK 8.1 bn (5.1) at attractive returns. Portfolio Investments has significantly outperformed expectations during 2021. This result is broad-based and driven by our entire footprint as well as being a testament to the strength of our operations, our ability to select and win transactions with a strong risk/reward profile as well as our highly diversified portfolio. Going forward we expect to continue deploying capital in line with our double digit organic growth target.

We have now executed the refinancing of the Italian SPV, which owns the portfolio Intrum, together with partners, acquired in 2018. As expected the refinancing has led to a reshape and delay in the expected remaining collections curve of the portfolio, with ERC increasing to SEK 7.1 bn from SEK 5.8 bn.

Cash EBIT for the segment in the fourth quarter was SEK 901 M (834), up 8 per cent compared to the same quarter last year. For the full year 2021 cash EBIT was SEK 3,561 M (3,190), up 12 per cent compared to 2020. For the fourth quarter cash return on invested capital was 9.6 per cent and 9.8 per cent for the full year.

Progress with regard to our sustainability agenda

2021 also marked a year with great progress of our sustainability priorities and we are advancing towards the targets in our strategy. Intrum's client satisfaction index as well as our employee

"I am encouraged by the continued trajectory of commercial success and key client wins."

engagement index have increased for the third year in a row, improving from 75 to 77 and from 79 to 80, respectively, in comparison to 2020 and reaching the highest levels to date. I am also pleased to see that our ESG related work has been externally recognised in ratings from Sustainalytics and MSCI, placing Intrum among the top 5 per cent of companies globally in Sustainalytics.

The heart of our business lies in the social pillar of sustainability and for us it is important to be aware of our potential impact on our clients' customers. During the autumn 2021, we completed our first Human Rights Due Diligence in alignment with the United Nations Guiding Principles on Business and Human Rights, and are now working on defining actions to mitigate these risks, an important work that will proceed during 2022.

Climate change is one of the biggest challenges of our time and it affects everybody, and for us as a business it is essential to keep this aspect high on our agenda. We are looking to continuously develop our work and recently joined the Task Force on Climate Related Financial Disclosures (TCFD) and started reporting to Carbon Disclosure Project (CDP). Taking responsibility of our CO_2 footprint, we also financed UN-certified projects creating positive climate value corresponding to our greenhouse gas emissions in 2021.

Transformation, organic growth and seasonality

Looking forward into 2022, the conducive market backdrop as well as the potential for further growth and profitability improvements, being unlocked by our ONE Intrum Transformation program, will support continued delivery towards our financial targets.

We foresee further normalisation in our CMS segment, boosted by our 2021 commercial successes starting to meaningfully contribute and exploiting economies of scale of the ONE Intrum platform. In Strategic Markets our platforms are ready to benefit from the broad-based post pandemic opportunities we now see, with particular focus on UtP and SME exposures. In Portfolio Investments we expect performance in line with pre-pandemic averages. 2022 should also see the return of a normal seasonal pattern with relatively weaker first and third quarters and stronger second and fourth quarters.

Our two key priorities remain unchanged for 2022 - continued delivery on our ONE Intrum transformation and organic growth.

Stockholm, January 2022

Anders Engdahl
President & CEO

"Looking forward into 2022, the conducive market backdrop as well as the potential for further growth and profitability improvements, being unlocked by our ONE Intrum Transformation program, will support continued delivery towards our financial targets."

Group overview

Development during the fourth quarter

Revenues and operating earnings

Total Revenues for the quarter decreased 5 per cent to SEK 4,870 M (5,109), with organic growth accounting for 7 per cent, revaluations for -11 per cent and currency effects for -1 per cent compared to the fourth quarter of the preceding year. The share of revenues denominated in EUR amounted to 62 per cent (61).

Operating earnings (EBIT) for the quarter amounted to SEK 2,040 M (1,200), with items affecting comparability of SEK -314 M (-411). The adjusted operating earnings, excluding items affecting comparability, increased to SEK 2,355 M (1,611).

Items affecting comparability

Operating earnings for the quarter included items affecting comparability of SEK -314 M (-411). Portfolio revaluations amounted to SEK 17 M, items affecting comparability attributable to joint ventures to SEK -40 M, items affecting comparability depreciation and amortisations to SEK -179 M, Transformation program to SEK -85 M and other items affecting comparability to SEK -28 M.

Net financial items

Net financial items for the quarter amounted to SEK -565 M (-505). Net interest amounted to SEK -462 M (-416), interest cost on leasing liabilites to SEK -9 M (-10), exchange rate differences to SEK -1 M (-4) and other financial items to SEK -95 M (-75).

Earnings for the period and taxes

The tax expense for the quarter was SEK 225 M, representing 17.9 per cent of earnings before tax. The tax expense for the full year 2021 was SEK 910 M, representing 21.2 per cent of earnings before tax. The company's assessment is that the tax expense will, over the next few years, be around 20–25 per cent of earnings before tax for each year, excluding the outcome of any tax disputes.

Net earnings for the quarter amounted to SEK 1,251 M (576), corresponding to earnings per share of SEK 8.98 (3.40) before and after dilution.

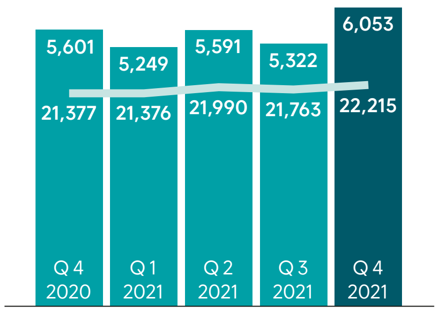
Cash flow and investments

Cash revenues increased to SEK 6,053 M (5,601). Cash EBITDA and cash EBIT increased to SEK 3,726 M (3,124) and SEK 2,171 M (1,523), respectively. Cash EPS for the quarter amounted to SEK 13.93 per share (9.00). Cash EBIT corresponds to a return on invested capital (cash RoIC) of 12.0 per cent (8.7) for the quarter. Full year cash revenues increased to SEK 22,215 M (21,377), cash EBIT to SEK 6,343 M (5,580) and cash RoIC to 8.9 per cent (7.7).

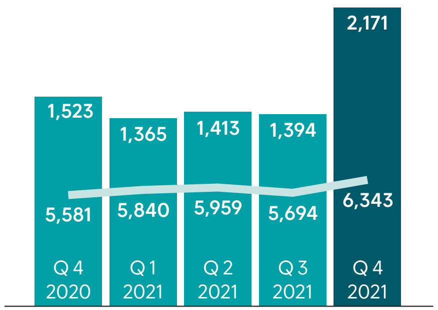
Assets and financing

Total assets at the end of the quarter amounted to SEK 88,839 M, compared to SEK 80,768 M at the end of the fourth quarter of the preceding year. Net debt amounted to SEK 48,264 M (46,951). Net debt in relation to the full year cash EBITDA stands at 3.9x compared to 4.0x at the end of the fourth quarter 2020. By the end of the fourth quarter, Intrum had SEK 4,004 M (2,922) outstanding commercial paper, the increase reflects a more positive short term credit sentiment and the proceeds have been used to repay drawings under the revolving credit facility. At the end of the quarter SEK 4,167 M (2,223) of Intrum's revolving credit facility was utilised. In July, Intrum issued a three-year unsecured bond of SEK 1,500 M at STIBOR 3m +325 basis points under the Swedish MTN programme. The proceeds were used to refinance a fixed-rate bond maturing in 2022. During the third quarter, Intrum issued a five-year unsecured bond under the Swedish MTN programme of SEK 1,000 M at STIBOR 3m +330 basis points. The proceeds of this issue were used to repay outstanding amounts under Intrum's revolving credit facility.

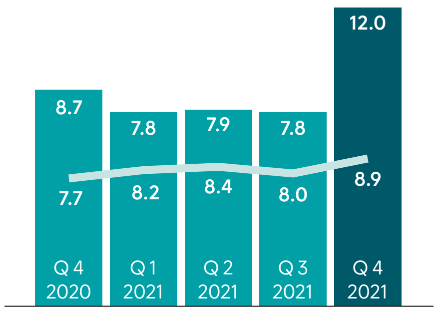
Cash revenues, SEK M
Cash revenues rolling 12 months, SEK M



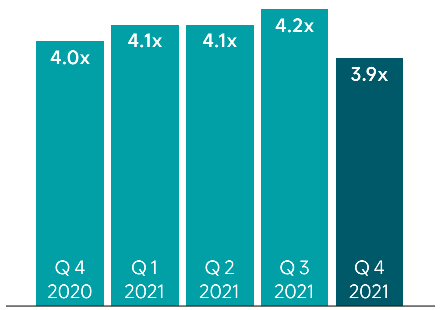
Cash EBIT, SEK M
Cash EBIT rolling 12 months, SEK M



Cash RoIC, %
Cash RoIC rolling 12 months, %



Net Debt/RTM cash EBITDA



Segment overview

Credit Management Services, Strategic Markets and Portfolio Investments

Key figures, Q4 2021

SEK M	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
Cash revenues	1,056	1,802	3,195	–	6,053
Reported segment earnings	355	901	1,312	-527	2,040
Items affecting comparability	19	242	25	28	314
Adjusted segment earnings	**374**	**1,142**	**1,337**	**-499**	**2,355**
Depreciation and amortisation	**74**	**376**	**2**	**66**	**518**
EBITDA	429	1,277	1,314	-461	2,558
Portfolio amortisation	–	–	1,111	–	1,111
Adjustment earnings from joint ventures	–	–	-124	–	-124
Adjustment cash flow from joint ventures	–	–	88	–	88
Items affecting comparability	16	63	-14	28	92
Cash EBITDA	**444**	**1,340**	**2,375**	**-433**	**3,726**
Replenishment capex	–	–	-1,474	–	-1,474
Other capex	-7	-30	–	-44	-81
Cash EBIT	**437**	**1,310**	**901**	**-477**	**2,171**
Cash financial items					-419
Cash tax normalised					-68
Recurring consolidated cash earnings					**1,683**
Average number of shares outstanding					121
Cash EPS, SEK					**13.93**
Average invested capital	19,296	15,282	37,798	221	72,597
Cash RoIC, %	9.1	34.3	9.6	–	**12.0**
Revenues	1,602	1,903	2,012	-646	4,870
Items affecting comparability	–	–	-17	–	-17
Adjusted revenues	**1,602**	**1,903**	**1,995**	**-646**	**4,853**
Reported segment earnings	355	901	1,312	-527	2,040
Depreciation and amortisation	74	376	2	66	518
Items affecting comparability	16	63	25	28	132
Adjusted EBITDA	**444**	**1,340**	**1,339**	**-433**	**2,691**
Adjusted depreciation and amortisation	-71	-198	-2	-66	-336
Adjusted segment earnings	**374**	**1,142**	**1,337**	**-499**	**2,355**

Credit Management Services, Strategic Markets and Portfolio Investments, cont.

Key figures, Q4 2020

SEK M	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
Cash revenues	1,099	1,461	3,041	–	5,601
Reported segment earnings	328	585	751	-464	1,200
Items affecting comparability	–	106	312	-7	411
Adjusted segment earnings	**328**	**691**	**1,063**	**-471**	**1,611**
Depreciation and amortisation	**64**	**223**	**2**	**45**	**335**
EBITDA	392	808	753	-418	1,536
Portfolio amortisation	–	–	1,063	–	1,063
Adjustment earnings from joint ventures	–	–	977	–	977
Adjustment cash flow from joint ventures	–	–	28	–	28
Items affecting comparability	–	106	-578	-7	-479
Cash EBITDA	**392**	**914**	**2,243**	**-425**	**3,124**
Replenishment capex	–	–	-1,409	–	-1,409
Other capex	-111	-39	–	-41	-191
Cash EBIT	**281**	**875**	**834**	**-466**	**1,523**
Cash financial items					-306
Cash tax normalised					-128
Recurring consolidated cash earnings					**1,089**
Average number of shares outstanding					121
Cash EPS, SEK					**9.00**
Average invested capital	19,292	16,297	34,602	239	70,430
Cash RoIC, %	5.8	21.5	9.6	–	**8.7**
Revenues	1,664	1,558	2,549	-662	5,109
Items affecting comparability	–	–	-749	–	-749
Adjusted revenues	**1,664**	**1,558**	**1,800**	**-662**	**4,359**
Reported segment earnings	328	585	751	-464	1,200
Depreciation and amortisation	64	223	2	45	335
Items affecting comparability	–	106	312	-7	411
Adjusted EBITDA	**392**	**914**	**1,065**	**-426**	**1,946**
Adjusted depreciation and amortisation	-64	-223	-2	-45	-335
Adjusted segment earnings	**328**	**691**	**1,063**	**-471**	**1,611**

Credit Management Services

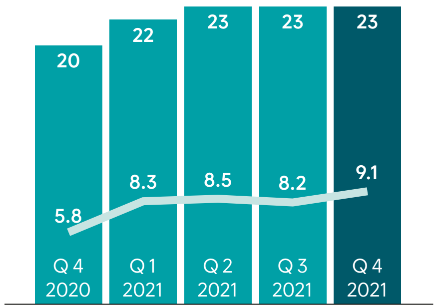
Credit management with a focus on late payments and collections. This segment includes 21 of the 24 European countries in which Intrum maintains credit management operations.

	Fourth quarter			Full year		
SEK M	Oct–Dec 2021	Oct–Dec 2020	Change %	2021	2020	Change %
Cash revenues	**1,056**	**1,099**	**-4**	**4,102**	**4,375**	**-6**
Cash EBITDA	**444**	**392**	**13**	**1,701**	**1,891**	**-10**
Other capex	-7	-111	-94	-61	-295	-79
Cash EBIT	**437**	**281**	**56**	**1,640**	**1,596**	**3**
External revenues	1,056	1,099	-4	4,102	4,375	-6
Internal revenues	546	565	-3	2,197	2,232	-2
Total revenues	**1,602**	**1,664**	**-4**	**6,299**	**6,607**	**-5**
Items affecting comparability	–	–	–	–	–	–
Adjusted revenues	**1,602**	**1,664**	**-4**	**6,299**	**6,607**	**-5**
Segment earnings	355	328	8	1,430	1,613	-11
Items affecting comparability	19	–	n.m.	17	–	n.m.
Adjusted segment earnings	**374**	**328**	**14**	**1,447**	**1,613**	**-10**
KPI's						
Average invested capital	19,296	19,292	0	19,307	19,747	-2
Segment cash RoIC, %	**9.1**	**5.8**	**3.3 ppt**	**8.5**	**8.1**	**0.4 ppt**
Cash revenues change, %	-4	-7		-6	-7	
– thereof organic change, %	-5	-3		-4	-5	
– thereof exchange rates, %	1	-4		-2	-2	
– thereof acquired growth, %	–	–		–	–	
Operating margin, %	22	20	2 ppt	23	24	-1 ppt
Adjusted operating margin, %	23	20	3 ppt	23	24	-1 ppt

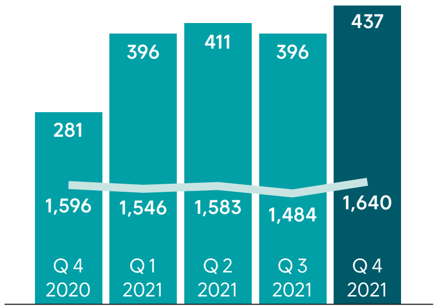
During the fourth quarter CMS experienced continued normalisation in new case inflows with noticeable improvements across the board. Formal moratoria have now, with very few exceptions, expired and conversations with clients indicate that informal payment holidays have been withdrawn. This, together with more normal consumption patterns, underpins the gradual recovery in higher value financial services new case inflows observed during the fourth quarter, which is set to continue into 2022.

The segment's cash revenues decreased by 4 per cent and cash EBIT increased 56 per cent compared to the fourth quarter of the preceding year. Cash return on invested capital (cash RoIC) increased by 3.3 percentage points to 9.1 per cent (5.8).

Credit Management Services, adjusted operating margin, % and segment cash RoIC, %



Credit Management Services, Cash EBIT, SEK M Cash EBIT rolling 12 months, SEK M



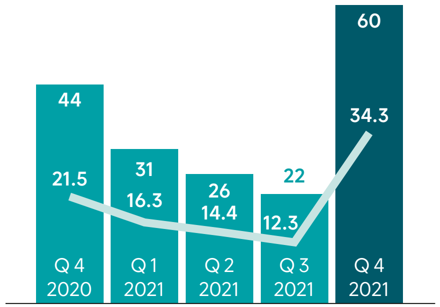
Strategic Markets

Credit management focusing on late payments and collections in Greece, Italy and Spain.

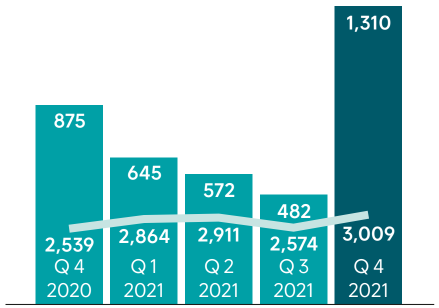
	Fourth quarter			Full year		
SEK M	Oct–Dec 2021	Oct–Dec 2020	Change %	2021	2020	Change %
Cash revenues	**1,802**	**1,461**	**23**	**5,624**	**5,409**	**4**
Cash EBITDA	**1,340**	**914**	**47**	**3,080**	**2,722**	**13**
Other capex	-30	-39	-23	-72	-183	-61
Cash EBIT	**1,310**	**875**	**50**	**3,009**	**2,539**	**19**
External revenues	1,802	1,461	23	5,624	5,409	4
Internal revenues	101	97	4	387	346	12
Total revenues	**1,903**	**1,558**	**22**	**6,011**	**5,755**	**4**
Items affecting comparability	–	–	–	–	–	–
Adjusted revenues	**1,903**	**1,558**	**22**	**6,011**	**5,755**	**4**
Segment earnings	901	585	54	1,974	1,547	28
Items affecting comparability	242	106	128	251	106	137
Adjusted segment earnings	**1,142**	**691**	**65**	**2,225**	**1,653**	**35**
KPI's						
Average invested capital	15,282	16,297	-6	15,670	17,175	-9
Segment cash RoIC, %	**34.3**	**21.5**	**12.8 ppt**	**19.2**	**14.8**	**4.4 ppt**
Cash revenues change, %	23	-9		4	29	
– thereof organic change, %	25	-6		8	-7	
– thereof exchange rates, %	-2	-3		-4	-1	
– thereof acquired growth, %	–	–		–	37	
Operating margin, %	47	38	9 ppt	33	27	6 ppt
Adjusted operating margin, %	60	44	16 ppt	37	29	8 ppt

In our Strategic Markets we observed a broad-based, sharp recovery from the pandemic, also through the return of a more normal seasonality pattern with a very strong finish to 2021.
In Spain our real estate activities in particular continued to perform strongly with real estate sales of SEK 3.7 bn in the fourth quarter and SEK 12.8 bn for the full year. In Italy we have seen further normalisation of legal system effectiveness in the fourth quarter. In Greece the trajectory of strong performance continues.
Cash revenues increased by 23 per cent compared to the fourth quarter of the preceding year. Cash EBIT increased 50 per cent compared to the same period last year. Cash RoIC stood at 34.3 per cent (21.5) for the quarter.

Strategic Markets, adjusted operating margin, % and segment cash RoIC, %



Strategic Markets, Cash EBIT, SEK M Cash EBIT rolling 12 months, SEK M

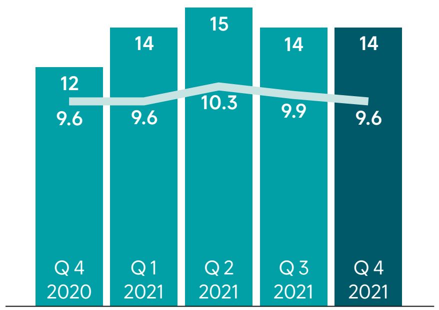


Portfolio Investments

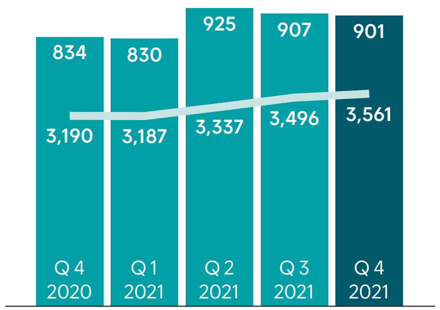
Intrum invests in portfolios of overdue receivables and similar claims, after which Intrum's servicing operations collect on the claims acquired.

	Fourth quarter 2021					Fourth quarter 2020				
SEK M	Overdue receivables	REO	Financial services	Joint ventures	Segment total	Overdue receivables	REO	Financial services	Joint ventures	Segment total
Cash revenues	**3,022**	**37**	**47**	**88**	**3,195**	**2,944**	**24**	**45**	**28**	**3,041**
Cash EBITDA	**2,260**	**3**	**24**	**88**	**2,375**	**2,190**	**-3**	**28**	**28**	**2,243**
Replenishment capex	-1,474	–	–	–	-1,474	-1,409	–	–	–	-1,409
Cash EBIT	**786**	**3**	**24**	**88**	**901**	**781**	**-3**	**28**	**28**	**834**
Total revenues	1,927	37	47	–	2,012	2,480	24	45	–	2,549
Items affecting comparability	-17	–	–	–	-17	-749	–	–	–	-749
Adjusted segment revenues	**1,911**	**37**	**47**	**0**	**1,995**	**1,731**	**24**	**45**	–	**1,800**
Segment earnings	1,165	1	22	124	1,312	1,725	-24	27	-977	751
Items affecting comparability	-17	1	1	40	25	-749	21	–	1,040	312
Adjusted segment earnings	**1,148**	**3**	**23**	**164**	**1,337**	**976**	**-3**	**27**	**63**	**1,063**
KPI's										
Average invested capital	30,659	320	593	6,226	37,798	27,812	399	479	5,912	34,602
Segment cash RoIC, %	**10.3**	**3.8**	**16.2**	**5.7**	**9.6**	**11.2**	**-3.0**	**23.4**	**1.9**	**9.6**
Total portfolio investments made	2,342	7	–	333	2,683	1,258	15	–	–	1,273
Money-on-money multiple (RTM)	2.04	–	–	–	2.04	2.08	–	–	–	2.08
Book value	31,478	315	–	6,438	38,231	27,658	381	–	5,266	33,305
ERC	64,901	389	–	9,047	74,337	58,490	689	–	6,288	65,467
Cost to collect, paid %	25	97	–	–	26	26	205	–	–	27
Amortisation ratio, %	37	–	–	–	37	36	–	–	–	36
Operating margin, %	60	3	48	–	65	70	-100	60	–	29
Adjusted operating margin, %	60	7	49	–	67	56	-18	60	–	59
Return on portfolio investments, ROI, %	15	1	–	8	14	25	-25	–	-66	8
Adjusted return on portfolio investments, ROI, %	15	3	–	11	14	14	-4	–	4	12

Portfolio Investments, Adjusted return, %, Cash RoIC, %



Portfolio Investments, Cash EBIT, SEK M Cash EBIT rolling 12 months, SEK M



PI performance was highly resilient during the first year of the pandemic and during 2021 has significantly outperformed expectations ending on a strong fourth quarter with a performance index of 113 per cent. This result was driven by our entire footprint, a testament to the strength of our operations, our ability to select and win transactions with a strong risk/reward profile as well as our highly diversified portfolio construction with c. 19,000 individual transactions in our investment book. During the fourth quarter we also successfully refinanced the Italian SPV, which owns the portfolio that Intrum, together with partners, acquired in 2018.

Cash EBIT for the segment increased by 8 per cent compared to the fourth quarter 2020 and cash RoIC for the quarter amounted to 9.6 per cent (9.6). The pricing environment remains attractive with a RTM money-on-money multiple (MoM) of 2.04 (2.08). Total book value stands at SEK 38,231 M, an increase of 15 per cent, including net revaluations and write-downs of SEK 17 M (749).

Portfolio Investments, cont.

	Full year 2021					Full year 2020				
SEK M	Overdue receivables	REO	Financial services	Joint ventures	Segment total	Overdue receivables	REO	Financial services	Joint ventures	Segment total
Cash revenues	**11,853**	**198**	**190**	**248**	**12,490**	**10,964**	**129**	**162**	**338**	**11,593**
Cash EBITDA	**8,843**	**16**	**107**	**248**	**9,215**	**8,115**	**5**	**87**	**338**	**8,545**
Replenishment capex	-5,654	–	–	–	-5,654	-5,355	–	–	–	-5,355
Cash EBIT	**3,190**	**16**	**107**	**248**	**3,561**	**2,760**	**5**	**87**	**338**	**3,190**
Total revenues	7,676	198	190	–	8,063	6,773	129	162	–	7,064
Items affecting comparability	-133	–	–	–	-133	-117	–	–	–	-117
Adjusted segment revenues	**7,543**	**198**	**190**	**–**	**7,931**	**6,656**	**129**	**162**	**–**	**6,947**
Segment earnings	4,659	-14	105	293	5,043	3,917	-15	84	-735	3,251
Items affecting comparability	-133	29	1	288	185	-117	21	–	1,040	944
Adjusted segment earnings	**4,526**	**15**	**106**	**581**	**5,229**	**3,800**	**6**	**84**	**305**	**4,195**
KPI's										
Average invested capital	29,423	354	539	5,893	36,209	28,277	405	501	6,456	35,640
Segment cash RoIC, %	**10.9**	**4.5**	**19.5**	**4.2**	**9.8**	**9.8**	**1.9**	**17.1**	**5.2**	**9.0**
Total portfolio investments made	7,004	99	–	1,002	8,106	5,012	117	–	–	5,129
Money-on-money multiple (RTM)	2.04	–	–	–	2.04	2.08	–	–	–	2.08
Book value	31,478	315	–	6,438	38,231	27,658	381	–	5,266	33,305
ERC	64,901	389	–	9,047	74,337	58,490	689	–	6,288	65,467
Cost to collect, paid %	26	107	–	–	24	26	112	–	–	25
Amortisation ratio, %	36	–	–	–	36	38	–	–	–	38
Operating margin, %	61	-7	55	–	63	58	-12	52	–	46
Adjusted operating margin, %	60	8	56	–	66	56	4	52	–	60
Return on portfolio investments, ROI, %	16	-6	–	5	14	14	-4	–	-12	9
Adjusted return on portfolio investments, ROI, %	15	6	–	10	14	14	1	–	5	12

Financial overview

Alternative P&L, Adjusted Group figures

	Fourth quarter			Full year		
SEK M	Oct–Dec 2021	Oct–Dec 2020	Change %	2021	2020	Change %
External revenues	2,956	2,636	12	10,148	10,082	1
Gross cash collections	3,008	2,937	2	11,818	10,957	8
Cash flow from joint ventures	88	28	214	248	338	-27
Cash revenues	**6,053**	**5,601**	**8**	**22,215**	**21,377**	**4**
Cash EBITDA	**3,726**	**3,124**	**19**	**12,310**	**11,607**	**6**
Replenishment capex	-1,474	-1,409	5	-5,654	-5,355	6
Other capex	-81	-191	-58	-314	-672	-53
Cash EBIT	**2,171**	**1,523**	**43**	**6,343**	**5,580**	**14**
Cash financial items	-420	-306	37	-2,013	-1,974	2
Cash tax normalised	-68	-128	-47	-828	-474	75
Recurring consolidated cash earnings	**1,683**	**1,089**	**55**	**3,502**	**3,133**	**12**
Average number of shares outstanding	121	121	0	121	124	-2
Cash EPS, SEK	**13.93**	**9.00**	**55**	**28.98**	**25.28**	**15**
Cashflow from operating activities to cash EBITDA						
Operating cash flow	3,206	1,422	125	10,042	8,506	18
Cash financial items	420	306	37	2,013	1,974	2
Paid tax	68	623	-89	893	970	-8
Change in working capital (NWC)	-125	547	-123	-1,057	-465	127
Other non-cash items	84	-900	-109	262	-570	-146
Adjustment earnings from joint ventures	-124	977	-113	-293	735	-140
Adjustment cash flow from joint ventures	88	28	214	248	338	-27
Items affecting comparability excluding impairment	108	121	-11	202	121	67
Cash EBITDA	**3,726**	**3,124**	**19**	**12,310**	**11,607**	**6**
Adjusted Depreciation and amortisation	-336	-335	0	-1,319	-1,529	-14
Portfolio amortisations	-1,111	-1,063	5	-4,311	-4,158	4
Adjustment earnings from joint ventures	124	-977	-113	293	-735	-140
Adjustment cash flow from joint ventures	-88	-28	214	-248	-338	-27
Items affecting comparability portfolio amortisations	–	-150	n.m.	–	-150	n.m.
Items affecting comparability joint ventures	40	1,040	-96	288	1,040	-72
Adjusted EBIT	**2,355**	**1,611**	**46**	**7,014**	**5,738**	**22**

Alternative P&L, Adjusted Group figures

	Fourth quarter 2021				
SEK M	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
External revenues	1,056	1,802	98	–	2,956
Gross cash collections	–	–	3,008	–	3,008
Cash flow from joint ventures	–	–	88	–	88
Cash revenues	**1,056**	**1,802**	**3,195**	–	**6,053**
Cash EBITDA	**444**	**1,340**	**2,375**	**-433**	**3,726**
Adjusted Depreciation and amortisation	-71	-198	-2	-66	-336
Portfolio amortisations	–	–	-1,111	–	-1,111
Adjustment earnings from joint ventures	–	–	124	–	124
Adjustment cash flow from joint ventures	–	–	-88	–	-88
Items affecting comparability joint ventures	–	–	40	–	40
Adjusted segment earnings	**374**	**1,142**	**1,337**	**-499**	**2,355**
Cash EBITDA margin, %	42	74	74	–	62

	Full year 2021				
SEK M	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
External revenues	4,102	5,624	423	–	10,149
Gross cash collections	–	–	11,818	–	11,818
Cash flow from joint ventures	–	–	248	–	248
Cash revenues	**4,102**	**5,624**	**12,490**	–	**22,215**
Cash EBITDA	**1,701**	**3,080**	**9,215**	**-1,686**	**12,310**
Adjusted Depreciation and amortisation	-254	-855	-8	-202	-1,319
Portfolio amortisations	–	–	-4,311	–	-4,311
Adjustment earnings from joint ventures	–	–	293	–	293
Adjustment cash flow from joint ventures	–	–	-248	–	-248
Items affecting comparability joint venture	–	–	288	–	288
Adjusted segment earnings	**1,447**	**2,225**	**5,229**	**-1,888**	**7,014**
Cash EBITDA margin, %	41	55	74	–	55

Financial overview, cont.

Revenues by type

	Fourth quarter			Full year		
SEK M	Oct–Dec 2021	Oct–Dec 2020	Change %	2021	2020	Change %
External servicing revenues	2,858	2,560	12	9,726	9,784	-1
Gross cash collections	3,008	2,937	2	11,818	10,957	8
Other Portfolio Investments segment revenues	98	76	29	423	298	42
Cash flow from joint ventures	88	28	214	248	338	-27
Cash revenues	**6,053**	**5,601**	**8**	**22,215**	**21,377**	**4**
Portfolio amortisation	-1,111	-1,063	5	-4,311	-4,158	4
Portfolio revaluations	17	599	-97	133	-33	-503
Adjustment cash flow from joint ventures	-88	-28	214	-248	-338	-27
Total revenues	**4,870**	**5,109**	**-5**	**17,789**	**16,848**	**6**

Change in revenues

	Fourth quarter		Full year	
Change in revenues, %	Oct–Dec 2021	Oct–Dec 2020	2021	2020
Organic growth	7	2	8	-2
Acquired growth	–	–	–	10
Portfolio revaluations	–11	13	1	-1
Exchange rates	-1	-5	-3	-2
Total	**-5**	**10**	**6**	**5**

Items affecting comparability in operating earnings

	Fourth quarter		Full year	
SEK M	Oct–Dec 2021	Oct–Dec 2020	2021	2020
Positive revaluations of portfolio investments	321	3,030	1,789	3,145
Negative revaluations of portfolio investments	-304	-2,431	-1,656	-3,177
Transaction costs for M&A	–	-1	–	-1
Items affecting comparability joint ventures	-40	-1,040	-288	-1,040
Items affecting comparability depreciation and amortisations	-179	–	-179	–
Transformation program	-85	–	-73	–
Other items affecting comparability	-28	-119	-132	-119
Items affecting comparability portfolio amortisations	–	150	–	150
Total items affecting comparability in operating earnings	**-314**	**-411**	**-538**	**-1,043**

Net financial items specification

	Fourth quarter			Full year		
SEK M	Oct–Dec 2021	Oct–Dec 2020	Change %	2021	2020	Change %
Interest earnings	5	11	-55	22	43	-49
Interest costs	-467	-427	9	-1,832	-1,746	5
Interest cost on leasing liability according to IFRS 16	-9	-10	-10	-37	-41	-10
Exchange rate differences	-1	-4	-75	-11	16	-169
Amortisation of borrowing costs	-25	-23	9	-103	-109	-6
Commitment fee	-38	-48	-21	-153	-137	12
Other financial items	-31	-4	675	-60	-88	-32
Total net financial items	**-565**	**-505**	**12**	**-2,174**	**- 2,062**	**5**

Quarterly overview

Group

SEK M	Quarter 4 2021	Quarter 3 2021	Quarter 2 2021	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020
Cash revenues	6,053	5,322	5,591	5,249	5,601	5,549	4,977	5,250
Cash EBITDA	3,726	2,906	2,966	2,712	3,124	3,142	2,709	2,633
Cash EBIT	2,171	1,394	1,413	1,365	1,523	1,659	1,294	1,105
Cash EPS, SEK	13.93	3.68	5.67	5.68	9.00	5.88	7.98	2.78
Revenues	4,870	4,294	4,424	4,200	5,109	4,521	3,885	3,333
Adjusted revenues	4,853	4,183	4,422	4,198	4,359	4,520	3,882	3,969
Operating earnings (EBIT)	2,040	1,341	1,563	1,531	1,200	1,688	1,348	459
Adjusted EBIT	2,355	1,533	1,594	1,532	1,611	1,687	1,345	1,095
Net profit	1,251	541	810	787	576	864	671	–33
Earnings per share, SEK	8.98	4.33	6.48	6.06	3.40	6.97	5.39	–0.25
Return on equity, %	20	11	16	15	8	16	13	0
Equity per share, SEK	183.38	168.72	162.54	171.12	158.05	166.15	159.46	165.62
Cash flow from operating activities per share, SEK	26.54	24.08	17.40	14.88	11.75	17.54	22.30	17.37
Average invested capital	72,597	71,778	71,345	69,951	70,430	71,938	73,928	74,962
Cash RoIC , %	12.0	7.8	7.9	7.8	8.7	9.2	7.0	5.9
Number of employees (FTEs)	9,664	9,733	9,786	9,626	9,458	9,446	9,366	9,188

Credit Management Services

SEK M	Quarter 4 2021	Quarter 3 2021	Quarter 2 2021	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020
Cash revenues	1,056	996	1,012	1,038	1,099	1,089	1,048	1,139
Cash EBIT	437	396	411	396	281	495	374	446
Revenues	1,602	1,541	1,572	1,585	1,664	1,647	1,590	1,705
– thereof external clients	1,056	996	1,012	1,038	1,099	1,089	1,048	1,139
– thereof intercompany revenues	546	545	560	546	565	559	542	566
Adjusted revenues	1,602	1,541	1,572	1,585	1,664	1,647	1,590	1,705
Segment earnings	355	356	367	352	328	482	383	420
Adjusted segment earnings	374	356	367	350	328	482	383	420
Items affecting comparability	19	–	-1	–2	–	–	–	–
Adjusted operating margin, %	23	23	23	22	20	29	24	25
Average invested capital	19,296	19,379	19,381	19,173	19,292	19,500	19,874	20,321
Segment cash RoIC, %	9.1	8.2	8.5	8.3	5.8	10.2	7.5	8.8

Strategic Markets

SEK M	Quarter 4 2021	Quarter 3 2021	Quarter 2 2021	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020
Cash revenues	1,802	1,160	1,315	1,346	1,461	1,637	1,202	1,108
Cash EBIT	1,310	482	572	645	875	819	525	320
Revenues	1,903	1,257	1,416	1,434	1,558	1,738	1,265	1,194
– thereof external clients	1,802	1,160	1,315	1,346	1,461	1,637	1,202	1,108
– thereof intercompany revenues	101	97	101	88	97	101	63	86
Adjusted revenues	1,903	1,257	1,416	1,434	1,558	1,738	1,265	1,194
Segment earnings	901	265	370	439	585	515	345	102
Adjusted segment earnings	1,142	271	373	439	691	515	345	102
Items affecting comparability	242	-6	-3	–	106	–	–	–
Adjusted operating margin, %	60	22	26	31	44	30	27	9
Average invested capital	15,282	15,692	15,841	15,866	16,297	16,755	17,664	17,986
Segment cash RoIC, %	34.3	12.3	14.4	16.3	21.5	19.6	11.9	7.1

Quarterly overview, cont.

Portfolio Investments

SEK M	Quarter 4 2021	Quarter 3 2021	Quarter 2 2021	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020
Cash revenues	3,195	3,166	3,265	2,864	3,041	2,823	2,727	3,002
Cash EBITDA	2,375	2,350	2,402	2,089	2,243	2,065	1,998	2,239
Cash EBIT	901	907	925	830	834	748	775	834
Gross cash collections	3,008	2,961	3,108	2,740	2,937	2,700	2,536	2,784
Portfolio amortisation	-1,111	-1,072	-1,120	-1,007	-1,063	-972	–994	–1,129
Portfolio revaluation	17	112	3	2	599	1	3	–636
Other Portfolio Investments segment revenues	98	138	107	80	76	66	90	66
Revenues	**2,012**	**2,138**	**2,098**	**1,816**	**2,549**	**1,795**	**1,635**	**1,085**
Segment earnings	1,312	1,198	1,303	1,231	751	1,094	1,006	401
Adjusted segment earnings	1,337	1,305	1,353	1,234	1,063	1,093	1,003	1,037
Portfolio investments	2,683	1,420	1,739	1,503	1,258	837	1,267	1,650
Total carrying value of portfolio investments	38,231	36,179	35,629	35,104	33,305	34,940	34,945	36,297
– thereof purchased receivables	31,478	29,840	29,300	28,984	27,658	27,966	28,032	29,026
– thereof joint ventures	6,438	6,013	5,983	5,726	5,266	6,557	6,507	6,855
– thereof real estate	315	326	347	394	381	416	406	416
Adjusted return on portfolio investments, ROI, %	14	14	15	14	12	12	11	11
Amortisation ratio, %	37	36	36	37	36	36	39	41
ERC	74,337	70,322	69,107	68,263	65,467	64,393	64,674	68,551
Replenishment capex	-1,474	-1,443	-1,477	-1,259	-1,409	-1,317	-1,223	-1,405
Money-on-money multiple (RTM)	2.04	2.05	2.10	2.18	2.08	2.05	2.07	1.98
Average invested capital	37,798	36,478	35,888	34,673	34,602	35,440	36,134	36,383
Segment cash RoIC ,%	9.6	9.9	10.3	9.6	9.6	8.4	8.6	9.2

Money-on-money multiple

	Quarter 4 2021	Quarter 3 2021	Quarter 2 2021	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020
Purchase price of portfolios acquired in quarter	2,133	1,445	1,680	1,443	1,256	837	1,267	1,650
Lifetime ERC of portfolios acquired in quarter	4,239	2,794	3,414	3,190	2,554	1,791	2,944	3,036
Quarterly MoM	**1.99**	**1.93**	**2.03**	**2.21**	**2.03**	**2.14**	**2.32**	**1.84**
RTM MoM (average of quarterly MoM)	**2.04**	**2.05**	**2.10**	**2.18**	**2.08**	**2.05**	**2.07**	**1.98**
In quarter collections	3,008	2,961	3,108	2,740	2,937	2,700	2,536	2,784
RTM MoM (average of quarterly MoM)	2.04	2.05	2.10	2.18	2.08	2.05	2.07	1.98
Replenishment capex	**-1,474**	**-1,443**	**-1,477**	**-1,259**	**-1,409**	**-1,317**	**-1,223**	**-1,405**

	Full year 2021	Full year 2020
Replenishment capex	**-5,654**	**-5,355**

Five year overview

Group

SEK M	2021	2020	2019	2018	2017
Revenues	17,789	16,848	15,985	13,442	9,434
Adjusted revenues	17,656	16,731	15,780	13,131	9,437
EBIT	6,475	4,695	2,060	3,978	2,728
Adjusted EBIT	7,014	5,738	6,208	4,500	3,128
Net earnings	3,391	2,078	–285	1,943	1,503
Earnings per share, SEK	25.88	15.18	–2.76	14.18	14.62
Return on equity, %	15	9	–2	8	11
Equity per share, SEK	183.33	154.28	168.12	195.16	170.59
Cash flow from operating activities per share, SEK	83.11	68.64	48.77	48.10	–
Average number of employees (FTEs)	9,710	9,379	8,766	7,910	6,293

Group

SEK M	Quarter 4 2021	Quarter 4 2020	Quarter 4 2019	Quarter 4 2018	Quarter 4 2017
Revenues	4,870	5,109	4,663	3,157	3,101
Adjusted revenues	4,853	4,359	4,662	3,441	3,145
EBIT	2,040	1,200	-,2,137	1,003,	807
Adjusted EBIT	2,355	1,611	1,821	1,236	1,008
Cash EBITDA	3,726	3,124	3,063	2,401	2,100
Net earnings	1,251	576	-2,482	482	443
Earnings per share, SEK	8.98	3.40	-18.84	3.70	3.37
Return on equity, %	20	8	-42	8	8
Equity per share, SEK	183.38	158.05	168.12	180.26	170.56
Cash flow from operating activities per share, SEK	26.54	12.32	14.03	13.81	10.19
Number of employees (FTEs)	9,664	9,374	11,125	7,711	7,806

Reconciliation of alternative performance measures

	Fourth quarter		Full year	
SEK M	Oct–Dec 2021	Oct–Dec 2020	2021	2020
Items affecting comparability in revenues				
Positive revaluations of portfolio investments	321	3,030	1,789	3,145
Negative revaluations of portfolio investments	-304	-2,431	-1,656	-3,178
Items affecting comparability portfolio amortisations	–	150	–	150
Total items affecting comparability in revenues	**17**	**749**	**133**	**117**
Items affecting comparability in operating earnings				
Positive revaluations of portfolio investments	321	3,030	1,789	3,145
Negative revaluations of portfolio investments	-304	-2,431	-1,656	-3,178
Transaction costs for M&A	–	-1	–	-1
Items affecting comparability joint ventures	-40	-1,040	-288	-1,040
Items affecting comparability depreciation and amortisations	-179	–	-179	–
Transformation program	-85	–	-73	–
Other items affecting comparability	-28	-119	-132	-119
Items affecting comparability portfolio amortisations	–	150	–	150
Total items affecting comparability in operating earnings	**-314**	**-411**	**-538**	**-1,043**
Items affecting comparability by earnings statement line				
Positive revaluations of portfolio investments	321	3,030	1,789	3,145
Negative revaluations of portfolio investments	-304	-2,431	-1,656	-3,178
Cost of sales	-263	30	-299	30
Sales, marketing and administration costs	-28	–	-84	–
Items affecting comparability joint ventures	-40	-1,040	-288	-1,040
Total items affecting comparability in operating earnings	**-314**	**-411**	**-538**	**-1,043**
Other items affecting comparability by segment				
Credit Management Services	-19	–	-17	–
Strategic Markets	-242	-106	-251	-106
Portfolio Investments	-25	-312	-185	-944
Common costs	-28	7	-85	7
Total other items affecting comparability	**-314**	**-411**	**-538**	**-1,043**
Adjusted revenues				
Revenues	4,870	5,109	17,789	16,848
Items affecting comparability	-17	-749	-133	-117
Adjusted revenues	**4,853**	**4,359**	**17,656**	**16,731**
Adjusted EBIT				
EBIT	2,040	1,200	6,475	4,695
Items affecting comparability	314	411	538	1,043
Total adjusted EBIT	**2,355**	**1,611**	**7,014**	**5,738**

	Fourth quarter		Full year	
SEK M	Oct–Dec 2021	Oct–Dec 2020	2021	2020
Adjusted earnings per share				
Net earnings for the period attributable to parent company's shareholders	1,085	411	3,127	1,881
Items affecting comparability attributable to the parent company's shareholders adjusted for tax	189	318	361	808
Average number of outstanding shares	121	121	121	124
Adjusted earnings per share, SEK	**10.55**	**6.02**	**28.86**	**21.70**
Portfolio Investments segment earnings excluding items affecting comparability				
Portfolio Investments segment earnings	1,289	724	4,938	3,167
Items affecting comparability for investments	25	312	185	944
Portfolio Investments segment earnings excluding items affecting comparability	**1,314**	**1,036**	**5,122**	**4,111**
Average carrying value				
Average carrying value receivables	30,659	27,812	29,423	28,277
Average carrying value joint ventures	6,226	5,912	5,893	6,456
Average carrying value real estate	320	399	353	405
Total average carrying value	**37,205**	**34,123**	**35,670**	**34,138**
Return including items affecting comparability	**14**	**8**	**14**	**9**
Return excluding items affecting comparability	**14**	**12**	**14**	**12**
Cash EBITDA				
EBIT	2,040	1,200	6,475	4,696
Depreciation and amortisation	518	335	1,500	1,528
Portfolio amortisation	1,111	1,063	4,310	4,158
Portfolio revaluations	-17	-599	-133	33
Adjustments according to loan covenants:				
Adjustment earnings from joint ventures	-124	977	-293	735
Adjustment cash flow from joint ventures	88	28	248	338
Items affecting comparability excluding portfolio revaluations	148	1,010	489	1,010
Items affecting comparability joint ventures	-40	-1,040	-288	-1,040
Items affecting comparability portfolio amortisations	–	150	–	150
Cash EBITDA	**3,726**	**3,124**	**12,310**	**11,607**
Net debt				
Liabilities to credit institutions	4,060	2,081	4,060	2,081
Bond loans	44,443	43,706	44,443	43,706
Provisions for pensions	317	382	317	382
Commercial paper	3,998	2,916	3,998	2,916
Cash and cash equivalents	-4,553	-2,134	-4,553	-2,134
Net debt at end of period	**48,264**	**46,951**	**48,264**	**46,951**
Net debt/Full year cash EBITDA			**3.9**	**4.0**

Financial report

Condensed consolidated income statement

	Fourth quarter		Full year	
SEK M	Oct–Dec 2021	Oct–Dec 2020	2021	2020
Revenues from clients	2,957	2,635	10,149	10,085
Revenues from portfolio investments calculated using the effective interest method	1,897	1,874	7,507	6,796
Positive revaluations of portfolio investments	321	3,030	1,789	3,145
Negative revaluations of portfolio investments	-304	-2,431	-1,656	-3,178
Total revenues	**4,870**	**5,109**	**17,789**	**16,848**
Cost of sales	-2,428	-2,445	-9,555	-9,501
Gross earnings	**2,441**	**2,664**	**8,233**	**7,347**
Sales, marketing and administrative expenses	-525	-487	-2,051	-1,918
Participation in associated companies and joint ventures	124	-977	293	-734
Operating earnings (EBIT)	**2,040**	**1,200**	**6,475**	**4,695**
Net financial items	-565	-505	-2,174	-2,062
Profit before tax	**1,476**	**695**	**4,301**	**2,633**
Taxes	-225	-119	-910	-555
Net earnings for the period	**1,251**	**576**	**3,391**	**2,078**
Of which attributable to:				
Parent company's shareholders	1,085	411	3,127	1,881
Non-controlling interest	166	165	265	197
Net earnings for the period	**1,251**	**576**	**3,391**	**2,078**
Average no of shares before dilution, '000	120,797	120,956	120,828	123,914
Average no of shares after dilution, '000	120,799	120,956	120,830	123,914
Earnings per share before dilution				
Profit from continuing operations, SEK	8.98	3.40	25.88	15.18
Total earnings per share before dilution, SEK	**8.98**	**3.40**	**25.88**	**15.18**
Total earnings per share after dilution, SEK	**8.98**	**3.40**	**25.88**	**15.18**

Condensed consolidated statement of comprehensive income

	Fourth quarter		Full year	
SEK M	Oct–Dec 2021	Oct–Dec 2020	2021	2020
Net earnings for the period	1,251	576	3,391	2,078
Other comprehensive earnings, items that will be reclassified to profit and loss:	–	–	–	–
Currency translation difference	1,051	-1,545	1,756	-2,250
Comprehensive income for the year attributable to hedging of currency and other	-411		-411	
Other comprehensive earnings, items that will not be reclassified to profit and loss:	–	–	–	–
Remeasurement of pension liability	64	-3	64	-3
Comprehensive income for the period	**1,954**	**-972**	**4,799**	**-175**
Of which attributable to:				
Parent company's shareholders	1,750	-894	4,458	-202
Non-controlling interest	204	-78	341	27
Comprehensive income for the period	**1,954**	**-972**	**4,799**	**-175**

Condensed consolidated balance sheet

SEK M	31 Dec 2021	31 Dec 2020
ASSETS		
Intangible fixed assets		
Goodwill	32,758	31,650
Capitalised expenditure for IT development and other intangibles	851	861
Client relationships	4,136	4,936
Total intangible fixed assets	**37,745**	**37,447**
Tangible fixed assets		
Right-of-use assets	756	831
Investment property	0	2
Other tangible fixed assets	218	209
Total tangible fixed assets	**974**	**1,042**
Other fixed assets		
Shares in joint ventures	6,438	5,266
Other shares and participations	0	0
Portfolio investments	31,478	27,658
Deferred tax assets	1,748	1,438
Long-term interest-bearing receivables	10	–
Other long-term receivables	79	124
Total other fixed assets	**39,754**	**34,486**
Total fixed assets	**78,473**	**72,975**
Current assets		
Accounts receivable	1,299	1,184
Inventory of real estate	315	379
Client funds	1,063	1,125
Tax assets	170	193
Other receivables	1,600	1,338
Prepaid expenses and accrued earnings	1,366	1,441
Cash and cash equivalents	4,553	2,134
Total current assets	**10,366**	**7,793**
TOTAL ASSETS	**88,839**	**80,768**

SEK M	31 Dec 2021	31 Dec 2020
SHAREHOLDERS' EQUITY AND LIABILITIES		
Attributable to parent company's shareholders	22,152	19,118
Attributable to non-controlling interest	2,922	2,845
Total shareholders' equity	**25,074**	**21,963**
Long-term liabilities		
Liabilities to credit institutions	4,060	2,081
Bond loans	43,693	42,606
Long-term leasing liabilities	582	651
Other long-term liabilities	677	622
Provisions for pensions	316	381
Other long-term provisions	42	48
Deferred tax liabilities	1,103	1,110
Total long-term liabilities	**50,474**	**47,499**
Current liabilities		
Bond loans	750	1,100
Commercial paper	3,998	2,916
Client funds payable	1,063	1,125
Accounts payable	504	493
Earnings tax liabilities	1,198	925
Advances from clients	29	64
Short-term leasing liabilities	223	220
Other current liabilities	1,291	1,515
Accrued expenses and prepaid earnings	4,225	2,924
Other short-term provisions	10	24
Total current liabilities	**13,291**	**11,307**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**88,839**	**80,768**

Condensed consolidated statement of changes in shareholders' equity

	2021			2020		
SEK M	Attributable to Parent Company's shareholder	Non-controlling interest	Total	Attributable to Parent Company's shareholder	Non-controlling interest	Total
Opening balance, January 1	**19,118**	**2,845**	**21,963**	**22,014**	**2,879**	**24,893**
Repurchase of shares	–	–	–	-1,307	–	-1,307
Dividends paid	-1,451	-244	-1,696	-1,332	-60	-1,392
Change in Group structure	–	–	–	-54	-1	-55
Treasury shares	-41	–	-41	–	–	–
Sharebased payment	68	–	68	–	–	–
Reclassification	–	-20	-20	–	–	–
Comprehensive earnings for the period	4,458	341	4,799	-202	27	-175
Closing balance, December 31	**22,152**	**2,922**	**25,074**	**19,118**	**2,845**	**21,963**

Condensed consolidated cash flow statement

	Fourth quarter		Full year	
	Oct–Dec 2021	Oct–Dec 2020	2021	2020
Operating activities				
EBIT	2,040	1,200	6,475	4,695
Depreciation/amortisation and impairment write-down	518	335	1,500	1,529
Amortisation/revaluation of purchased debt	1,095	463	4,178	4,189
Other adjustment for items not included in cash flow	-84	900	-262	570
Interest received	5	11	22	43
Interest paid	-356	-265	-1,822	-1,792
Other financial expenses paid	-69	-52	-213	-225
Earnings tax paid	-68	-623	-893	-970
Cash flow from operating activities before changes in working capital	**3,082**	**1,969**	**8,985**	**8,041**
Changes in factoring receivables	29	42	-115	36
Other changes in working capital	96	-589	1,172	429
Cash flow from operating activities	**3,206**	**1,422**	**10,042**	**8,506**
Investing activities				
Purchases of tangible and intangible fixed assets	-108	-191	-334	-672
Sale of tangible and intangible fixed assets	4	–	4	–
Portfolio investments in receivables and inventory of real estate	-2,324	-1,407	-6,968	-5,135
Acquisition of subsidiaries	–	-28	–	-34
Other cash flow from investing activities	-253	-6	-710	398
Cash flow from investing activities	**-2,680**	**-1,632**	**-8,009**	**-5,443**
Financing activities				
Borrowings and repayment of loans	732	146	2,139	142
Repurchase of shares	–	-58	-41	-1,307
Share dividend to parent company's shareholders	–	0	-1,451	-1,332
Dividend to non-controlling shareholders	-63	-31	-244	-72
Cash flow from financing activities	**669**	**58**	**401**	**-2,569**
Total change in liquid assets	**1,195**	**-152**	**2,434**	**494**
Opening balance of liquid assets	**3,372**	**2,416**	**2,134**	**1,906**
Exchange rate differences in liquid assets	-14	-130	-15	-265
Closing balance of liquid assets	**4,553**	**2,134**	**4,553**	**2,134**
Group total				
Cash flow from operating activities	3,206	1,422	10,042	8,506
Cash flow from investing activities	-2,680	-1,632	-8,009	-5,443
Cash flow from financing activities	669	58	401	-2,569

Certain prior year comparative information has been revised to conform to the current year presentation. In particuar, exchange rate differences classified as reduction of interest paid in 2020 are now reported in the "Borrowings and repayments of loans".

Condensed income statement – parent company

SEK M	Full year 2021	2020
Revenues	690	557
Gross earnings	**690**	**557**
Sales and marketing expenses	-33	-28
Administrative expenses	-1,037	-804
EBIT	**-380**	**-275**
Earnings from subsidiaries	0	1,382
Exchange rate differences on monetary items classified as expanded investment and hedging activities	-314	678
Net financial items	910	-1,261
Earnings before tax	**216**	**524**
Tax	0	-104
Net earnings for the period	**216**	**420**

Net earnings for the period corresponds to comprehensive earnings for the period.

Condensed balance sheet – parent company

SEK M	30 Dec 2021	30 Dec 2020
ASSETS		
Fixed assets		
Intangible fixed assets	507	298
Tangible fixed assets	10	13
Financial fixed assets	73,991	68,195
Total fixed assets	**74,508**	**68,506**
Current assets		
Current receivables	1,952	458
Cash and cash equivalents	602	533
Total current assets	**2,554**	**991**
TOTAL ASSETS	**77,062**	**69,497**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Restricted equity	786	285
Unrestricted equity	10,212	11,923
Total shareholders' equity	**10,998**	**12,208**
Long-term liabilities	55,498	50,386
Current liabilities	10,566	6,902
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**77,062**	**69,497**

Other information

Parent Company

The Group's publicly listed Parent Company, Intrum AB (publ), owns the subsidiaries, provides the Group's head office functions and handles certain Group-wide development work, services and marketing.

The Parent Company reported revenues of SEK 690 M (557) for the full year and earnings before tax of SEK 216 M (524). The Parent Company invested SEK 238 M (191) in fixed assets for the quarter and at the end of the quarter held SEK 602 M (533) in cash and cash equivalents. The average number of employees was 60 (58).

Accounting principles

This interim report has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting for the Group and in accordance with Chapter 9 of the Annual Accounts Act for the Parent Company. In addition to appearing in the financial statements, disclosures in accordance with IAS 34.16A also appear in other parts of the interim report.

The accounting principles applied by the Group and the Parent Company are essentially unchanged compared with the 2020 Annual Report.

Changes in IFRS standards as of 1 January 2021 did not have any material impact on this interim report.

Transactions with related parties

During the quarter no significant transactions occurred between Intrum and other closely related companies, board members or Group management team.

Italian SPV

In 2018, Intrum acquired 80 per cent of the Profit Participating Notes (PPNs) issued by Ithaca Investment DAC (Ithaca), which Intrum joint-controls with CarVal Investors. Ithaca invested in 51 per cent of junior and mezzanine notes (the Notes) issued by the Italian special purpose vehicle "Penelope SPV S.R.L." (Penelope), to finance the acquisition of a portfolio of non-performing loans (NPLs) sold by Banca Intesa Sanpaolo (ISP), which invested in the remaining 49 per cent of the Notes.

On 29 December 2021, Penelope was restructured and refinanced with rated longer duration senior notes. The senior notes are intended to be eligible for a state guarantee, Garanzia Cartolarizzazione Sofferenze (GACS).

As part of the restructuring, Ithaca's holding in the Notes increased from 51 per cent to 95 per cent. In addition, Intrum reduced its holdings to the PPNs from 80 per cent to 62.5 per cent in Ithaca. Overall this resulted in a net valuation loss of SEK 40 M for Intrum.

Intrum also entered into a derivative contract with certain funds managed or advised by CarVal Investors for a consideration of SEK 10 M, which allows it to acquire the latter's 37.5 per cent PPNs in Ithaca from 1 July 2023 to 31 December 2027 and also requires Intrum to do so once gross collections of SEK 12.8 bn have been achieved or on 31 December 2027.

Market development and outlook

Intrum's integrated business model consists of credit management services and portfolio investments. Intrum enjoys favourable medium term development prospects in both areas. Intrum continues to execute its Transformation program. Intrum will gradually standardise, globalise and improve its collections processes. Intrum anticipates the actions being taken in this area will continue to improve efficiency and margins, as well as enabling sustainable and organic growth.

Significant risks and uncertainties

Risks to which the Group and Parent Company are exposed include risks relating to economic developments, compliance and changes in regulations, reputation risks, tax risks, risks attributable to IT and information management, epidemic and pandemic risks, risks attributable to acquisitions, market risks, liquidity risks, credit risks, risks inherent in portfolio investments and payment guarantees, as well as financing risks. The risks are described in more detail in the Board of Directors' report in Intrum's 2020 Annual and Sustainability report. No significant risks have arisen besides those described in the Annual and Sustainability report.

Fair value of financial instruments

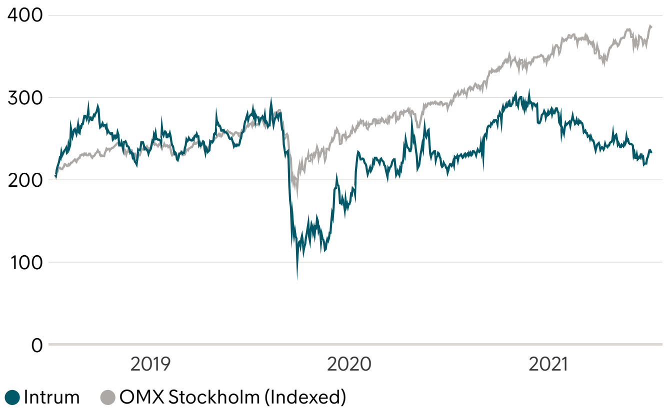
Most of the Group's financial assets and liabilities (portfolio investments, accounts receivable, other receivables, cash and cash equivalents, liabilities to credit institutions, bonds, commercial paper, accounts payable and other liabilities) are carried at amortised cost in the consolidated financial statements. For most of these financial instruments, the carrying amount is deemed to be a good estimate of fair value. For outstanding bonds with a total carrying value of SEK 42,589 M (42,606) at the end of the year, fair value is, however, estimated at SEK 45,006 M (43,751). The Group also holds forward exchange contracts and other financial assets of SEK 107 M (295), as well as financial liabilities of SEK 173 M (1,515) carried at fair value through the income statement.

The share

Intrum's share is included in Nasdaq Stockholm's Large Cap list. During the period 1 October–31 December 2021, 19,471,599 shares were traded for a total value of SEK 4,624 M, corresponding to 16 per cent of the total number of shares at the end of the period.

The highest price paid during the period 1 October–31 December 2021 was SEK 257.4 (22 October) and the lowest was SEK 215.5 (20 December). On the last trading day of the period, 30 December 2021, the price was SEK 233.4 (latest paid). During the period 1 October–31 December 2021, Intrum's share price fell by 3 per cent, while Nasdaq OMX Stockholm rose by 11 per cent.

Share price, SEK (1 January 2019 – 31 December 2021)



Shareholders

31 December 2021	No of shares	Capital and Votes, %
Nordic Capital through companies	47,728,956	39.2
AMF Pension & Fonder	11,574,431	9.5
Swedbank Robur Fonder	5,635,963	4.6
Handelsbanken Fonder	4,560,417	3.7
Vanguard	2,468,662	2.0
Första AP-fonden	2,444,409	2.0
C WorldWide Asset Management	2,093,411	1.7
TIAA - Teachers Advisors	1,929,366	1.6
Norges Bank	1,466,253	1.2
Robeco	1,400,000	1.2
Avanza Pension	1,273,062	1.0
BlackRock	1,195,777	1.0
Intrum AB	923,654	0.8
Capital Group	900,000	0.7
Futur Pension	840,632	0.7
Total fifteen largest shareholders	**86,434,993**	**71.0**
Total number of shares excluding treasury shares	**120,797,264**	

Source: Modular Finance Holdings and Intrum

Treasury holdings of 923,654 shares are not included in the number of shares outstanding. The proportion of Swedish ownership amounted to 39.2 per cent (institutions 9.0 percentage points, mutual funds 19.6 percentage points and private individuals 10.6 percentage points).

Currency exchange rates

	Closing rate 31 Dec 2021	Closing rate 31 Dec 2020	Average rate Oct–Dec 2021	Average rate Oct–Dec 2020	Average rate Jan–Dec 2021
1 EUR=SEK	10.25	10.03	10.14	10.19	10.48
1 CHF=SEK	9.92	9.29	9.38	9.46	9.80
1 NOK=SEK	1.03	0.96	0.99	0.95	0.98
1 HUF=SEK	0.0277	0.0275	0.0283	0.0280	0.0299

Events after the balance sheet date

No events after the balance sheet date.

For further information, please contact
Anders Engdahl, President and CEO, tel: +46 8 546 102 02
Michael Ladurner, CFO, tel: +46 8 546 102 02
Michael Ladurner, Investor Relations, tel: +46 8 546 102 02

Michael Ladurner is the contact under the EU Market Abuse Regulation.

The information in this interim report is such as Intrum AB (publ) is required to disclose pursuant to the EU's markets abuse directive and the Securities Markets Act.

The information was provided under the auspices of the contact person above for publication on 27 January 2022 at 07.00 a.m. CET.

Year-end reports, interim reports and other financial information are available on www.intrum.com.

Denna delårsrapport finns även på svenska.

Stockholm, 27 January 2022

Anders Engdahl
President and CEO

Definitions

Result concepts, key figures and alternative indicators

Acquired growth
Growth in cash revenues related to mergers and acquisitions of Group companies.

Adjusted earnings per share
Net earnings for the period attributable to parent company's shareholders adjusted for IACs attributable to the parent company's shareholders and the corresponding tax amount divided by average number of outstanding shares for the period.

Adjusted revenues
Revenues excluding portfolio revaluations and other items affecting comparability.

Adjusted operating earnings (EBIT)
Adjusted operating earnings (EBIT) is operating earnings excluding revaluations of portfolio investments and other items affecting comparability.

Adjusted operating margin
Adjusted operating earnings (EBIT) in relation to adjusted revenues.

Adjusted segment earnings
Adjusted segment earnings is segment earnings excluding revaluations of portfolio investments and other items affecting comparability.

Amortisation percentage
Amortisation on portfolio investments during the period, as a percentage of collections.

Cash EBIT
Cash EBITDA less replenishment capex and other capex.

Cash EBITDA
Cash EBITDA is adjusted operating earnings (EBIT) adding back depreciation and amortisations and portfolio amortisations. In addition, the EBIT contribution from joint ventures is replaced by the actual cash contribution from the joint venture.

Cash EPS
Cash EBIT minus cash net financial items and cash net tax normalised divided by the average number of outstanding shares.

Cash return on invested capital (RoIC)
Annualised cash EBIT divided by average invested capital for the period. Average invested capital calculated using quarterly opening and closing balances for the relevant period. Year to date and RTM is calculated using the opening and closing balances of the quarters in the period.

Cash revenues
Revenues excluding non-cash revenues such as portfolio amortisation and earnings from joint ventures.

Cash tax normalised
Earnings tax paid adjusted for non recurring items.

Cash flow from joint ventures
The cash flow received by Intrum in form of distributions and dividends from investments in non-consolidated joint ventures.

EBITDA
EBITDA is defined as operating earnings (EBIT) adding back deprecation and amortisations of tangible and intangible assets.

Estimated remaining collections, ERC
The estimated remaining collections represent the nominal value of the expected future collection on the Group's portfolio investments, including Intrum's anticipated cash flows from investments in joint ventures.

Exchange rates
Growth in cash revenues related to the effects of changes in exchange rates.

External revenues
Revenues from Intrum's external clients and revenues generated from Real Estate Owned assets (REO).

Internal revenues
Predominantly related to revenues paid by the Portfolio Investment segment to Credit Management Services and Strategic Markets segments for collection activities made on the behalf of Intrum's own portfolios.

Items affecting comparability
Significant earnings items that are not included in the Group's normal recurring operations and that are not expected to return on a regular basis. These may include but are not limited to portfolio revaluations, restructuring costs, closure costs, reversal of restructuring or closure reservations, cost savings programs, integration costs, extraordinary projects, divestments, impairment of non-current fixed assets other than portfolio investments, acquisition and divestment expenses, advisory costs for discontinued acquisition projects, costs for relocation to new office space, termination and recruitment costs for members of Group Management and country managers, as well as external expenses for disputes and unusual agreements. Items affecting comparability are specified because they are difficult to predict and have low forecast values for the Group's future earnings trend.

Net debt
Net debt is interest-bearing liabilities and pension provisions less liquid assets and interest-bearing receivables.

Net debt/cash EBITDA
This key figure refers to net debt divided by Cash EBITDA on a rolling 12-month basis. The key figure is included among the Group's financial targets, it is an important measure for assessing the level of the Group's borrowings and is a widely accepted measure of financial capacity among lenders. This key figure is calculated in accordance with the definitions stated in the terms of the Group's revolving syndicated loan facility, which means, among other things, that participations in non-consolidated joint ventures is only included to the extent that earnings are distributed to Intrum and that operations acquired during the period are included on a pro forma-basis throughout the 12-month period.

Operating earnings (EBIT)
Operating earnings consist of revenues less operating expenses as shown in the income statement.

Operating margin
The operating margin consists of operating earnings expressed as a percentage of revenues.

Operating margin, segment
The operating margin, segment consists of service line earnings expressed as a percentage of revenues.

Organic growth
Organic growth refers to the average increase in cash revenues in local currency, adjusted for revaluations of portfolio investments and the effects of acquisitions and divestments of Group companies. Organic growth is a measure of the development of the Group's existing operations that management has the ability to influence.

Other capex
Investments made to maintain and grow the business. For example, IT and tangible assets.

Portfolio investments – collected amounts, amortisations and revaluations
Portfolio investments consist of portfolios of delinquent consumer debts purchased at prices below the nominal receivable. These are recognised at amortised cost applying the effective interest method, based on a collection forecast established at the acquisition date of each portfolio. Revenues attributable to portfolio investments consist of collected amounts less amortisation for the period and revaluations. The amortisation represents the period's reduction in the portfolio's current value, which is attributable to collection taking place as planned. Revaluation is the period's increase or decrease in the current value of the portfolios attributable to the period's changes in forecasts of future collection.

Total portfolio investments made
The investments for the period in portfolios of overdue receivables, with and without collateral, investments in real estate and in joint ventures whose operations entail investing in portfolios of receivables and properties.

Replenishment capex
The estimated portfolio investments required to maintain the ERC in a steady state. Calculated by dividing the in quarter gross cash collections by the RTM MoM multiple.

REO
Real estate owned.

Return on Portfolio Investments (ROI)
Return on portfolio investments is the service line earnings for the period, excluding operations in factoring and payment guarantees (financial services), recalculated on a full-year basis, as a percentage of the average carrying amount of the balance-sheet item purchased debt. The ratio sets the segment's earnings in relation to the amount of capital tied up and is included in the Group's financial targets. The definition of average book value is based on using average values for the quarters. Year to date and RTM is calculated using the opening and closing balances of the quarters in the period.

Revenues
Consolidated revenues include external servicing earnings (variable collection commissions, fixed collection fees, debtor fees, guarantee commissions, subscription earnings, etc.), earnings from portfolio investments operations (collected amounts less amortisation and revaluations for the period) and other earnings from financial services (fees and net interest from financing services).

RTM
Rolling Twelve Months, RTM, refers to figures on a last 12-month basis.

RTM MoM multiple
The average quarterly underwriting money-on-money multiple for the past 12 months. Calculated by dividing the lifetime ERC of acquired portfolios with the purchase price of the portfolios.

Segment earnings
Segment earnings relate to the operating earnings of each segment, Credit Management Services, Strategic Markets, Portfolio Investments and Group items.

About Intrum

Intrum is the industry-leading credit management company in Europe with presence in 24 markets. We help companies prosper by offering solutions designed to improve cash flow as well as long-term profitability and by caring for their customers. Our focus is to create shared value for business and society, which both benefit from companies being paid on time and citizens getting out of debt. Intrum has around 10,000 dedicated professionals who serve around 80,000 companies across Europe. In 2021, the company generated revenues of SEK 17.8 billion. Intrum is headquartered in Stockholm, Sweden, and the Intrum share is listed on the Nasdaq Stockholm exchange. For further information, please visit www.intrum.com.

Business model

We ensure that companies are paid by offering a full range of services covering companies' entire credit management chain. In our Credit Management Services and Strategic Markets segments we act as agents, collect late payments on our clients' behalf and generate a commission. In our Portfolio Investments segment we act as principals and invest in portfolios of overdue receivables as well as similar claims and collect on our own behalf.

Intrum as an investment

Growing market – The market for our services is growing, supported by our clients' desire to manage their balance sheets, also aided by regulation, focus on their core businesses as well as ongoing NPL generation. Digitisation and changes in customer behaviour lead to new types of receivables being generated. This market backdrop is a strong foundation for sustainable organic growth.

Market-leading position – Intrum is the industry leader in Europe, with a presence in 24 countries. We also work with partners to cover approximately 160 countries across the world. Given our comprehensive footprint we can partner with clients across several markets. Our broad knowledge spans multiple industries and our scale enables us to invest in the newest technologies and innovative solutions.

A complete range – Intrum offers a complete range of credit management services, covering companies' complete credit management chain.

Considerable trust and 100 years of experience – Our work can only be performed if we have our clients' complete trust and conduct our operations ethically and with respect for the end-customer. Our 100 years of experience demonstrate the strength of our business model. We build long-term partnerships with our clients.

Intrum leads the way towards a sound economy – A functioning credit market is a prerequisite for the business community and consequently for society as a whole. Intrum plays an important role in this context.

Financial targets

Returns: Cash RoIC >10% medium term

Growth: Cash EPS >10% p.a. on average medium term

Leverage: Net debt/Cash EBITDA 2.5–3.5x by end of 2022

Shareholder remuneration policy: Absolute annual increase in dividend per share

For further details and definitions, see https://www.intrum.com/investors/financial-info/financial-targets/

Financial calendar 2022

27 January 2022	Full-year report 2021
29 April 2022	Interim report for the first quarter
29 April 2022	Annual General Meeting
21 July 2022	Interim report for the second quarter

intrum

Intrum AB (publ)
Sicklastråket 4, Nacka
105 24 Stockholm, Sweden
Tel +46 8 546 10 200
Fax +46 8 546 10 211
www.intrum.com
info@intrum.com