collector

Q4

YEAR-END REPORT 2018

Year-end report 2018

JANUARY–DECEMBER 2018 (COMPARED WITH JANUARY–DECEMBER 2017)

- Revenue increased by 20 percent, amounting to SEK 2,321 million (1,933)
- Earnings after tax (EAT) before extra provisions under IFRS 9 rose by 17 percent, amounting to SEK 602 million (517)
- Earnings after tax (EAT) increased by 10 percent, amounting to SEK 566 million (517)
- Return on equity (RoE) was 17.6 percent (18.1)
- Earnings per share increased to SEK 5.51 (5.03)
- Continued favourable growth with increased quality in the credit portfolio, SEK 26,104 million (19,507), up 34 percent
- Strong growth for all products in the Corporate segment
- Acquisitions strengthen position in the Payments segment
- Good growth in private loans
- Martin Nossman appointed CEO in August 2018

THE FOURTH QUARTER OF 2018 (COMPARED WITH THE FOURTH QUARTER OF 2017)

- Revenue increased by 30 percent, amounting to SEK 690 million (530)
- Earnings after tax (EAT) before extra provisions under IFRS 9 rose by 48 percent, amounting to SEK 191 million (129)
- Earnings after tax (EAT) increased by 20 percent, amounting to SEK 154 million (129)
- Earnings per share increased to SEK 1.50 (1.26)
- C/I ratio 0.43 (0.49)
- Growth of SEK 3.0 million for the quarter, both through acquisitions and growth in the underlying business
- Good growth in the Corporate segment
- The Board of Directors proposes that no dividends be paid for the financial year 2018, which is in line with the adopted dividend policy.

REVENUE
Full year 2018
2,321 **+20%**
SEK MILLION

PROFIT AFTER TAX BEFORE ADDITIONAL PROVISION FOR IFRS 9
Full year 2018
602 **+17 %**
SEK MILLION

PROFIT AFTER TAX
Full year 2018
566 **+10%**
SEK MILLION

RETURN ON EQUITY (RoE)
31 December 2018
17.6%

THIS IS COLLECTOR

Collector is an innovative, digital, niche bank that offers financing solutions to private and corporate customers. Within the Retail segment, the company is engaged in lending to private individuals, invoice and payments by instalments to e-commerce and retail companies, credit card services and deposits. The Corporate segment includes real estate credits, factoring and company credits directed mainly at small and medium-sized enterprises, debt collection on behalf of clients (assignment debt collection) and the acquisition of portfolios of overdue receivables. The company has offices in Gothenburg (head office), Stockholm, Helsinki and Oslo. The Group consists of the Parent Company Collector AB (publ), the wholly owned subsidiary Collector Bank AB, where the main business is conducted, Colligent Inkasso AB and Colligent Norge AS with business services and debt collection, Collector Payments AB and Collector Payments Finland Oy, in which parts of the payment solutions operations are conducted, and Collector Ventures 1 KB with investments in fintech. Collector AB (publ) is listed on Nasdaq Stockholm.

KEY RATIOS

Key ratios, Group, SEK million*	Q4 2018	Q4 2017	Δ	Full year 2018	Full year 2017	Δ
Income statement						
Income	690	530	30%	2,321	1,933	20%
Earnings before interest and taxes (EBIT)	250	199	26%	914	784	17%
Earnings before tax (EBT)	191	170	12%	721	668	8%
Earnings after tax (EAT)	154	129	20%	566	517	10%
Earnings per share before dilution, SEK [1)]	1.50	1.26	20%	5.51	5.03	10%
Earnings per share after dilution, SEK [2)]	1.50	1.26	20%	5.51	5.03	10%
Balance sheet						
Lending to the public	26,104	19,507	34%	26,104	19,507	34%
Deposits	22,391	15,310	46%	22,391	15,310	46%
Own funds [3)]	3,781	3,338	13%	3,781	3,338	13%
Investments in intangible non-current assets	31.0	33.0	-6%	128.0	120.8	6%
KEY RATIOS						
Net interest margin (NIM), % [4)]	8.3	9.2		8.3	9.5	
Credit losses, net, % [5)]	1.4	1.1		1.4	1.1	
C/I ratio [6)]	0.43	0.49		0.46	0.47	
Common Equity Tier 1 capital ratio, % [7)]	11.9	14.3		11.9	14.3	
Total capital ratio, % [8)]	13.7	16.8		13.7	16.8	
Equity per share, SEK, [9)]	33.8	30.0	13%	33.8	30.0	13%
Return on equity (RoE), % [10)]	17.6	18.1		17.6	18.1	
Average number of full-time employees [11)]	377	382	-1%	390	376	4%

**Some key ratios have not been prepared in accordance with IFRS but are believed to facilitate the analysis of the Collector Group's development*

1) The period's earnings after tax attributable to the period's average number of ordinary shares outstanding, before and after dilution.
2) Earnings for the period after tax, adjusted by the convertible interest rate through the period's average number of shares following dilution.
3) See Note 5 on page 18.
4) Net interest income in relation to the average loan portfolio. Rolling 12 months.
5) Credit losses in relation to lending and other accounts receivable. Rolling 12 months.
6) Total expenses before credit losses divided by operating income, according to the Annual Accounts Act for Credit Institutions.
7) Common Equity Tier 1 capital through total risk exposure amount. Refers to the financial group of companies. See Note 5 on page 18.
8) Own funds divided by total risk exposure amount. Refers to the financial group of companies. See Note 5 on page 18.
9) Equity divided by the number of shares outstanding at end of the period.
10) Earnings after tax in relation to average equity. Rolling 12 months.
11) Including employees on fixed-term contracts, but not on parental leave or a leave of absence.

A comment from our CEO

The year ended with strong development, making the quarter Collector's best to date. Growth remained strong and revenues increased by 30 percent compared with the corresponding quarter in the preceding year. Earnings were affected by an increased provision for credit losses of SEK 46 million, according to the new IFRS 9 standard that was introduced on 1 January 2018. Before provisions for credit losses, earnings amounted to SEK 602 million after tax.

Retail
During the quarter, Retail lending continued to increase. We will continue to work on the quality of the loan portfolio in the Retail segment. The proportion of lending through proprietary channels has increased by about 25 percent from the fourth quarter of 2017, albeit from low levels. Efforts to increase lending through proprietary channels will continue in 2019.

In 2019, we will further strengthen our position in the Swedish market with improved offerings. We also perceive potential to increase our retail operations in Finland.
Digital residential mortgages remain at the testing stage.

Payments
In November, we acquired Lindorff Payments, making us the largest payment solution provider in Finland. The acquisition strengthens our position as one of the three largest digital B2C players in the Nordic market. It is worth noting that we hold a clear leading position as a B2B supplier. We are experiencing an influx of new, larger customers who impose higher demands on suitable solutions, known as omni-channel, within both B2C and B2B.

Corporate
The Corporate segment continued to deliver strong growth and profitability during the quarter. Both Factoring and Company credits grew strongly in Sweden and Norway. We still perceive considerable potential in the Corporate segment and will have focus further on Finland in 2019.

Real estate credits continued to deliver growth and profitability in all four Nordic countries. Collector's exposure to residential developers was only 2 percent of the total credit portfolio during the quarter. We see continued favourable demand for Real estate credits with low risk in Sweden, Finland and Denmark.

Colligent
Colligent again achieved a good quarter with increasing revenues. In 2019, the objective is to continue growing in the Swedish real estate segment. We have also begun to offer our services to companies outside the real estate segment, such as to transport and logistics companies.We will also be offering all of Colligent's products in Norway and Finland. Colligent's legal structure will be reviewed during the year to optimally meet the new regulations on capital adequacy ratio.

Collector Ventures
Collector Ventures has invested a total of SEK 200 million in 25 companies since its inception in 2016. In 2018, a few investments were made in new companies, as well as supplementary investments in a number of the companies that reached the next phase of the growth curve. Overall, the companies in the portfolio have delivered beyond expectations.

Sustainability
Sustainability is a strategic prerequisite for our business and long-term success. In December, we recruited Sofia Brax as Chief HR and Sustainability Officer. She also joined the management team. Sustainability gained an increasingly clear role in Collector's strategy. Right from the first quarter of 2019, we will be investing in the first stage to increase our employees' self-leadership based on our core values, ethics, entrepreneurial spirit and commitment.

Contact Centre
Collector continued to have satisfied customers. We are proud that our customer service achieved very good results in customer surveys. The latest survey among Retail customers showed a customer satisfaction rating of 5.6 on a six-degree scale. To increase pro-activity with our customers, we are constantly developing the operations, creating new systems and tools, seeking out the best employees and utilizing the latest technology.

Outlook
In 2019, we will continue to focus on improving our profitability. We will achieve this by increasing revenue and, at the same time, being cost-efficient. To be able to increase our revenues, we need to better understand the needs of existing and new customers and their willingness to pay, and we must become more proactive. Put simply, we must have a closer dialogue with our customers.
As of first quarter of 2019, we will arrange our organization into four segments, each with its own profit centres. These segments will be Retail, Corporate, Payments and Colligent. This is one stage in increasing our focus on customers, existing and new ones alike. The change also means we will focus more on profitability and increase our transparency, both internally and externally. Our target remains a C/I ratio of 0.4 or lower.

For us, 2019 will be a year of aggressive efforts to strengthen our position and further gain customers' confidence, in both the Retail and Corporate segments.

Martin Nossman

Martin Nossman
CEO

The Group’s development

Revenue and profit for the fourth quarter
The fourth quarter included three acquisitions that contributed to particularly strong growth – two debt collection portfolios acquired at favourable prices and Lowell’s predominantly Finnish payment solution business, significantly strengthening Collector’s position in the Nordic market. At the same time, the underlying business developed well, especially within Factoring and Company credits and Real estate credits. Combined, total revenue increased by 30 percent compared with the corresponding quarter in the previous year and amounted to SEK 690 million (530). Earnings before tax (EBT) increased by 12 percent to SEK 191 million (170), corresponding to a return on equity (RoE) of 17.6 percent (18.1). Earnings per share for the quarter were SEK 1.50 (1.26). The quarter was burdened by increased provisions for credit losses under IFRS 9, primarily as a result of more reliable information being available one year after the introduction of the relevant accounting standard.

Revenue and profit January–December 2018
Total revenue rose by 20 percent over the year, totalling SEK 2,321 million (1,933). Disregarding the acquisitions, the Corporate segment continued to demonstrate the strongest development through the Factoring and Company credits, and Real estate credits products. Colligent has grown through acquisitions. In the Retail segment, the growth rate is abating somewhat, mainly as a result of the strategic realignment towards the premium segment in Personal loans. The Payments product has grown through the acquisition of Lindorff Payments.

Earnings before tax (EBT) increased by 8 percent, amounting to SEK 721 million (668). Earnings after tax (EAT) amounted to SEK 566 million (517), corresponding to a return on equity (RoE) of 17.6 percent (18.1). Earnings per share rose by 10 percent to SEK 5.51 (5.03).

Expenses
Total expenses for the full year were SEK 1,407 million (1,149), of which SEK 440 million was attributable to the fourth quarter (331). Funding expenses have risen somewhat faster than business volumes due to extra deposit expenses and a weak SEK. Other expenses that track business volumes, mainly credit losses and loan brokerage commissions, have increased somewhat faster than the growth in revenues (20 percent). Other expenses, particularly personnel and IT expenses, are scalable. Continued efforts to increase cost efficiency are afforded high priority and encompass all aspects of the operations. The C/I ratio for the period remained unchanged from the previous quarter at 0.43.

Creditportfolio
The total credit portfolio was SEK 26,104 million, which is an increase of SEK 6.6 billion, or 34 percent, in one year. The highest rate of growth was achieved in the Factoring and Company credits product area, although Real estate credits and Personal loans also achieved good volume growth. The Corporate segment accounts for 49 percent and the Retail segment accounts for 51 percent of the total credit portfolio.

Acquisition calculation Lindorff Payments
At the end of December, the Lowells payment business was acquired, with its emphasis on the Finnish market but also represented in the other Nordic countries. This strategic acquisition provides a strong base for continued expansion.

The acquisition calculation is shown below. The item Negative goodwill is recognized under Income in the income statement.

SEK million	
Lending to the public	258.5
Customer relations	16.4
Other	–0.1
Total net assets	**274.8**
Negative goodwill	–40.0
Purchased consideration paid	**234.8**

Credit losses
The credit loss ratio for the rolling 12 month period amounted to 1.4 percent (1.1) at the end of the period. The increase is directly attributable to the larger provisions made for private loans in accordance with the rules for the reporting of expected credit losses in accordance with IFRS 9 and due to more reliable data now being available for the 2018 full year.

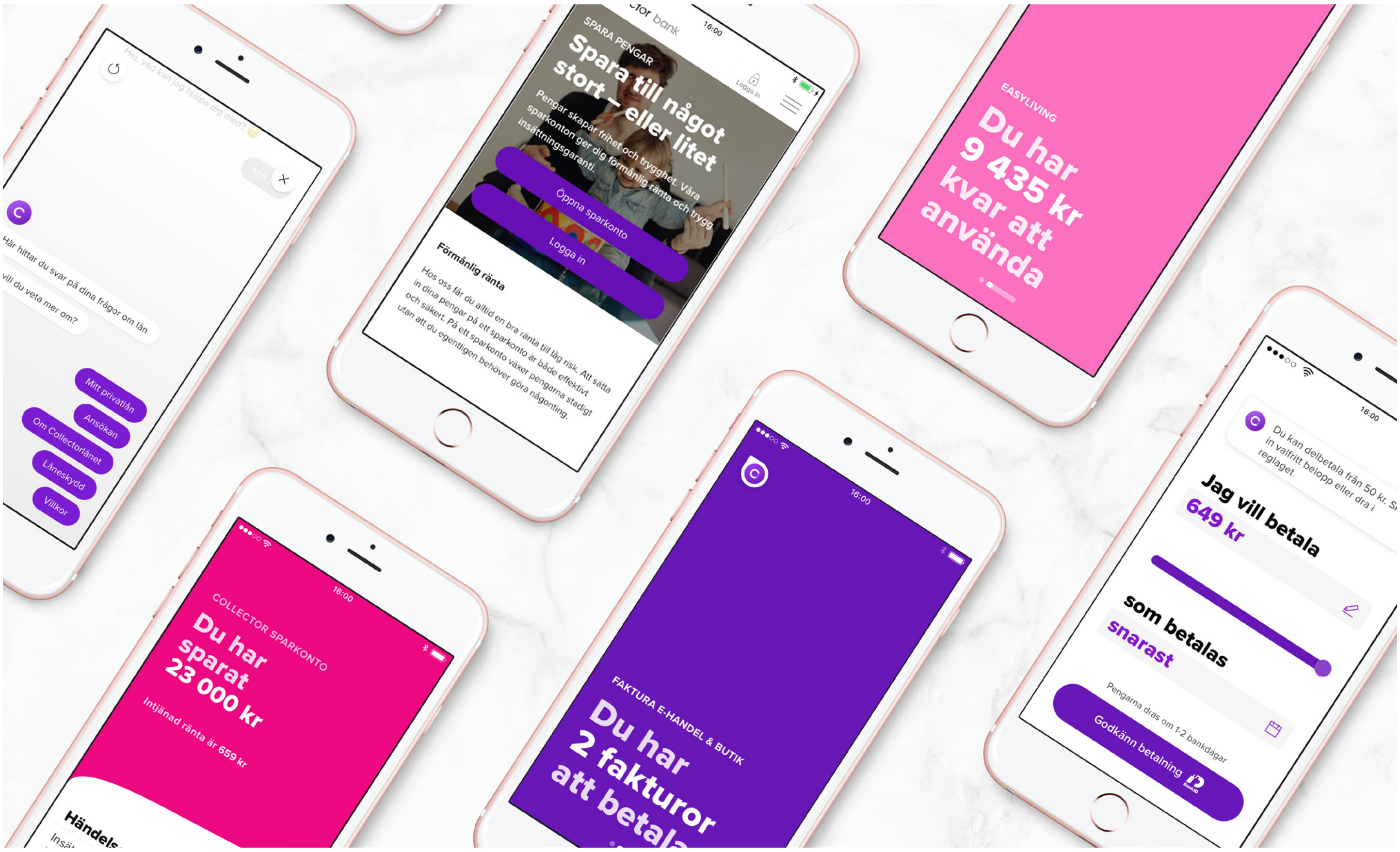
Liquidity and financial investments
As at 31 December, cash and cash equivalents amounted to 1,928 million (1,533). Collector’s excess liquidity is invested in Swedish municipal bonds and deposited in accounts primarily in Nordic banks.

As at the end of the period, consolidated financial investments amounted to SEK 1,180 million (939).

Collector Ventures
During the year, Collector Ventures made new investments in 24SevenFinans, Voxo, Leeroy, Roaring and Swiftcourt. Together with supplementary investments in a number of portfolio companies, the total investment now exceeds SEK 200 million. The portfolio’s first exit was made in the company Bean, yielding a small profit.

Funding
The operations are funded by 87 percent through deposits from the public, which amounted to SSEK 22,391 million (15,310) at the end of the period. Under the MTN programme (with a framework of SEK 5,000 million) a three-year bond of SEK 800 million has been issued and one Tier 2 bond of 500 SEK million. Certificates issued amounted to SEK 1,969 million (2,035) at the end of the period. Collector also has unutilized bank credits of SEK 800 million. Since January 2018, deposit guarantee expenses are now reported under interest expenses.

Capital and total capital ratio
Collector has received permission from the Swedish Financial Supervisory Authority to include earnings for the year in the capital base. A review has been performed of the earnings for the period, which have therefore been taken into consideration in the capital base. The capital base for the financial group of companies amounted to SEK 3,781 million by the end of the period (3,338), and the capital requirement amounted to SEK 2,205 million (1,591). The total capital ratio, which was affected by higher capital adequacy requirements for acquired credit, amounted to 13.7 percent (16.8) at the end of December. The Common Equity Tier 1 ratio and the Tier 1 capital ratio were both 11.9 percent (14.3). Since the capital ratios are below the Board’s target, bond issues are planned to add to Tier 1 capital (AT1) during the first part of the year. As per 31 September 2018, the internally assessed capital requirement was SEK 2,560 million. The capital requirement shall be viewed In relation to own funds and reservation for risks according to Pillar I In addition, reservations are made for the capital conservation buffer, the institution-specific countercyclical capital buffer and the internally assessed buffer.



DEVELOPMENT IN THE RETAIL SEGMENT

Continued focus on enhanced quality

Total revenue in the Retail segment rose by 12 percent over the year, to SEK 1,413 million (1,260). The contribution margin decreased to 32 percent as a result of increased credit loss provisions in accordance with IFRS 9.

RETAIL

Retail lending continued to increase during the quarter. The interest margin remained relatively stable between the third and fourth quarters. We will continue to work on the quality of the loan portfolio in the Retail segment. The proportion of lending through proprietary channels has increased by about 25 percent from the fourth quarter of 2017, albeit from low levels. Efforts to increase lending through proprietary channels and to reduce commission expenses will continue in 2019. In 2019, we will seek to retain our position in the Swedish market with additional and improved offerings. We also perceive potential to increase our retail operations in Finland.

Digital residential mortgages remain at the testing stage.

PAYMENTS

During the quarter, we acquired Lindorff Payments, making Collector the largest supplier of payment solutions in the Finnish market, while also strengthening our position as one of the three largest players in the Nordic region. The acquisition entailed non-recurring expenses of approximately SEK 40 million that were taken to generate synergies and capture a larger share of the market in the Nordic region. We are experiencing an influx of new, larger customers who impose higher demands on suitable solutions, that is, omni-channel, B2C and B2B. Growth in the Payments area was strong in the fourth quarter and the outlook for 2019 is positive.

PRODUCTS

Personal loans
- Loans of up to SEK 500,000 in Sweden
- Loans of up to EUR 25,000 in Finland
- Loans of up to NOK 250,000 in Norway
- Approximately 87,000 personal loan customers
- SEK 134,000 average loan amount

Payments
- Invoice, account and payments by instalments for e-commerce companies and retail chains
- Agreements with approximately 800 merchants
- More than 3,000,000 end customers

Cards
- Collector Easyliving and Collector Easycard
- Slightly more than 21,500 cards

Digital residential mortgages
- Loans of up to SEK 10 million
- Owner-occupied apartments in major cities and university towns

Savings accounts
- Savings accounts in Sweden and Finland
- Approximately 22,000 savings accounts
- Average savings of approximately SEK 335,000

DEVELOPMENT IN THE CORPORATE SEGMENT

Corporate segment exceeding expectations

In the Corporate segment, growth in earnings and profitability has been strong over the past 12 months. Revenue increased by 35 percent, amounting to SEK 908 million (676). The earnings trend has also been strong, with a contribution margin of 61 percent. In one year, the credit portfolio has increased by more than SEK 4 billion to SEK 13,377 million (9,096).

FACTORING AND COMPANY CREDITS

Factoring and Company credits are showing good development. The influx of new customers and good cooperation with existing customers in all of the Nordic countries have resulted in strong growth. This is attributable to our accessibility, flexibility agility and ability to deliver competitive products. We see potential for our products throughout the Nordic region and will focus further on Finland in 2019.

REAL ESTATE CREDITS

Real estate credits continue to deliver growth and profitability. The portfolio is divided into Sweden, Finland and Norway. Our exposure to residential developers is only 2 percent of the total credit portfolio. Lending remains limited to a small number of major players with projects for which high demand has been confirmed. At least 70 percent of the apartments have been sold with binding transfer agreements before loans are disbursed.

COLLIGENT

Collector's wholly-owned subsidiary Colligent had a high case flow during in the fourth quarter of the year, with revenue following the flow. Two major acquisitions of overdue credit portfolios were made during the period, which had a positive impact on the Corporate segment. The effects of the new regulations on capital adequacy ratio mean that we will review the legal structure for Colligent in 2019.

PRODUCTS

Factoring and company credits

- Focus on the SME segment in Sweden, Norway and Finland
- Digital factoring aimed at minor companies
- Approximately 400 customers
- Accounts for 20 percent of the total credit portfolio

Real estate credits

- Metropolitan areas and university cities in the Nordic countries
- Accounts for 27 percent of the total credit portfolio
- Residential property developers account for about 2 percent of the total credit portfolio

COLLIGENT

Assignment debt collection

- Assignment debt collection in Sweden and Norway
- The number of debt collection matters was 57,000 at the end of the period

Acquisition of overdue receivables

- Acquisition of overdue receivables in Sweden, Norway and Finland

Other

Material risks and uncertainty factors
Through its operations, Collector is exposed to a number of different risks: primarily credit risk, market risk (currency risk and interest rate risk), liquidity risk and financing risk, operational risk and other business risks.

The Group's overall risk management policy focuses on the unpredictability of the financial markets and strives to minimize potentially unfavourable influences on the Group's financial results. The Group uses derivative instruments for managing risk exposure. Risk management is taken care of by the Group's management according to policies established by the Board. The Board establishes written policies for overall risk management and for specific areas such as currency risk, interest rate risk, credit risk, operational risk and the use of derivatives and similar financial instruments.

The Group's risk structure and its risk, liquidity and capital management are described in detail in Collector's Annual Report. After that, there have been no significant changes except as reported in this Interim Report.

Financial group of companies
The Parent Company, Collector AB (publ), is part of a financial group of companies (consolidated situation) that includes the subsidiaries Collector Bank AB, Collector Ventures 1 KB, Collector Payments AB and Collector Payments Finland Oy. All companies are fully consolidated. The entire financial group of companies is under the supervision of the Swedish Financial Supervisory Authority, and is subject to the regulations regarding capital adequacy and large exposures applicable to credit institutions. Colligent Inkasso AB, and its subsidiary Colligent Norge AS, is a wholly owned subsidiary of Collector AB (publ), but is not included in the financial group of companies.

Employees
During the period, the average number of full-time employees (FTE) was 377, an decrease of 1 percent compared with the previous year. The number of full-time employees includes employees on fixed-term contracts, but not on parental leave or a leave of absence.

Parent Company
The Parent Company is a holding company. Operating income for the period January-December amounted to SEK 94 million (79) and relates to intra-Group administrative services. Earnings before tax (EBT) amounted to SEK 5 million (9) and earnings after tax (EAT) were SEK 7 million (9).

Operating income for the fourth quarter of 2018 was SEK 27 million (24) and earnings before tax (EBT) were SEK 18 million (16). Earnings after tax (EAT) for the fourth quarter were SEK 18 million (16). The Parent Company's cash and cash equivalents totalled SEK 11 million (24), and equity totalled SEK 1,238 million (1,232), as at 31 December 2018.

Ownership structure 31 Dec. 2018

Shareholders	%
Erik Selin (own holdings and through Fastighets AB Balder and companies)	46.6
StrategiQ Capital AB	12.7
Ernström Finans AB	5.3
Lena Apler (own holdings and through companies)	4.4
Swedbank Robur fonder	4.2
Handelsbanken Liv	1.8
Avanza Pension	1.8
Vante AB	1.4
JP Morgan Bank Luxembourg S.A.	1.3
Other shareholders	20.5
Total	**100**

The Collector share
Collectors share ("COLL") was listed on the Nasdaq Stockholm, Mid Cap list in June 2015 with the listing price of SEK 55. As at 28 December 2018, the closing price for the Collector share was SEK 49.50, corresponding to a market capitalization of SEK 5.1 billion. There were approximately 9,400 shareholders at the end of the period.

Share capital
As at 28 December 2018, share capital amounted to SEK 10,269,050, divided into 102,690,502 ordinary shares. The Company has one (1) class of shares. Every share entitles the owner to one vote at the General Meeting.

Dividend
According to the adopted dividend policy, Collector will focus on medium-term growth, which means that dividends may be low or not occur at all in the medium term.

Relationships with related parties
Collector offers debt collection services to Balder and real estate credits to Söderfors Bruk AB, Bronsporten Invest AB and Erik SelinFastigheter AB. These transactions take place on market terms. Deposits are also made by related parties and in accordance with applicable market terms for Collector's deposit accounts.

Changes to the management team
Martin Nossman took office as CEO on 1 August 2018. He succeeded Lena Apler, who was the Acting CEO after Liza Nyberg left Collector on 31 May 2018. Magnus Erkander was appointed CFO on 10 July 2018.

Nomination Committee
The Nomination Committee consists of Fabian Hielte representing Ernström Finans AB, Lena Apler representing Helichrysum Gruppen AB, Erik Selin representing Fastighets AB Balder, and Rolf Lundström representing StrategiQ Capital AB. Fabian Hjelte has been appointed Chairman of the Nomination Committee. Shareholders who wish to contact the Nomination Committee before the Annual General Meeting must do so in writing to Malin Alevåg no later than 15 February 2019, by e-mail to malin.alevag@collectorbank.se (with the headline: "To the Nomination Committee") or by letter to Collector AB, ATT: Nomination Committee, Box 11914, 404 39 Gothenburg.

Annual General Meeting
The Annual General Meeting will be held on Tuesday, 25 April at 3:00 p.m. CET at Collector's headquarters, Lilla Bommen 11 in Gothenburg. Notice of the Annual General Meeting will be published no earlier than six, and no later than four, weeks prior to the Annual General Meeting The Annual Report is expected to be available on the website as of 3 April 2019.

Presentation to investors, analysts and the media
A live conference call will be held on 12 February 2019 at 10:00 a.m. (CET), at which CEO Martin Nossman and acting CFO Magnus Erkander will present the report. The presentation will be held in Swedish and will be broadcast live at: https://tv.streamfabriken.com/collector-q4-2018. To participate in the telephone conference, dial +46 8 505 583 54 or +44 333 300 9269. The switchboard opens at 9:55 a.m. (CET). The presentation material will be available afterwards on our website www.collector.se.

Event after the balance sheet date
Effective 12 February 2019, Magnus Erkander has terminated his ongoing consulting agreement as acting CFO. The assignment, which commenced in March 2018 and was planned to extend for one year, will now extend until 31 March 2019. The recruitment of a new CFO is in progress.

The Board of Directors and the CEO affirm that this Interim Report provides an accurate overview of the operations, financial position and performance of the Group and the Parent Company, and describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

This Interim Report has not been reviewed by the company's auditors.

Gothenburg, 11 February 2019

Board and CEO

Lena Apler
Chairman of the Board

Cecilia Lager
Board Member

Patrik Reuterskiöld
Board Member

Erik Selin
Vice Chairman

Christoffer Lundström
Board Member

Anna Settman
Board Member

Martin Nossman
CEO

Future reporting dates

Interim report January-March	25 April 2019
Annual General Meeting	25 April 2019

Interim Report January–June 2019 18 July 2019
Interim Report January–September 2019 24 October 2019

CONTACT

For further information, please contact:

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Acting CFO and IR contact Magnus Erkander | Tel: +46 704-93 08 00 | E-mail: magnus.erkander@collectorbank.se

This information is such information that Collector AB is obliged to publish under the EU Market Abuse Regulation and the Securities Market Act. The information was issued for publication by the above contact persons on 12 February 2019 at 8.15 p.m. CET.

INCOME STATEMENT

Group

Amounts in SEK million	Note	Q4 2018	Q4 2017	Full year 2018	Full year 2017
Revenue	2	690	530	2,321	1,933
		690	**530**	**2,321**	**1,933**
Operating expenses					
Personnel expenses		–79	–68	–285	–246
Depreciation of property, plant and equipment and amortization of intangible non-current assets		–23	–17	–83	–60
Other profit/loss – net		—	—	—	—
Other expenses	4	–338	–246	–1,039	–843
Operating expenses		**–440**	**–331**	**–1,407**	**–1,149**
Operating earnings		**250**	**199**	**914**	**784**
Earnings from financial items					
Financial income		3	8	14	14
Financial expenses		–62	–37	–207	–130
Earnings after interest and tax		**191**	**170**	**721**	**668**
Income tax		–37	–41	–155	–151
Earnings for the year		**154**	**129**	**566**	**517**
Attributable to:					
The Parent Company's shareholders		154	129	566	517
Holdings without controlling influence		—	—	—	—
		154	**129**	**566**	**517**
Earnings per share for profit attributable to the Parent Company's shareholders during the period (expressed in SEK per share)					
– Before dilution		1.50	1.26	5.51	5.03
– After dilution		1.50	1.26	5.51	5.03

STATEMENT OF COMPREHENSIVE INCOME

Group

	Q4 2018	Q4 2017	Full year 2018	Full year 2017
Earnings for the year	154	129	566	517
Other comprehensive income	—	—	—	—
Items that can later be reversed in the income statement:				
Exchange rate differences	–4	–2	3	–4
Total comprehensive income for the period	**150**	**127**	**569**	**513**
Attributable to:				
– The Parent Company's shareholders	150	127	569	513
– Non-controlling interests	—	—	—	—
	150	**127**	**569**	**513**

BALANCE SHEET

Group

Amounts in SEK million	Note	Full year 2018	Full year 2017
ASSETS			
Non-current assets			
Property, plant and equipment			
Equipment		18	10
		18	**10**
Intangible non-current assets			
Capitalized expenses for development work		269	216
Customer relations		13	—
Goodwill		72	71
		354	**287**
Financial non-current assets			
Financial investments	6	1,180	939
Lending to the public		12,689	9,563
		13,869	**10,502**
Total non-current assets		**14,241**	**10,799**
Current assets			
Lending to the public		13,415	9,944
Derivative instruments	6	138	26
Other receivables		96	69
Cash and cash equivalents		1,928	1,533
Total current assets		**15,577**	**11,572**
TOTAL ASSETS		**29,818**	**22,371**
EQUITY AND LIABILITIES			
Equity			
Share capital (102,690,502 shares)		10	10
Reserves		–3	–6
Other contributed capital		1,313	1,313
Retained profit, incl. earnings for the year		2,155	1,762
Total equity		**3,475**	**3,079**
Non-current liabilities			
Borrowing		264	264
Securities issued		1,329	1,344
Other non-current liabilities	6	0	2
Deferred tax liabilities		143	121
		1,736	**1,731**
Current liabilities			
Accounts payable		33	34
Accrued expenses and deferred income		175	203
Current tax liabilities		36	91
Other current liabilities		267	152
Borrowing		22,127	15,046
Securities issued		1,969	2,035
		24,607	**17,561**
TOTAL EQUITY AND LIABILITIES		**29,818**	**22,371**

SUMMARY OF CHANGES IN EQUITY

Group

Amounts in SEK million	Attributable to the Parent Company's shareholders: Share capital	Other contributed capital	Reserves	Retained profit	Total	Non-controlling interests	Total equity
Opening balance as at 1 January 2017	**10**	**1,313**	**–2**	**1,245**	**2,566**	**—**	**2,566**
Comprehensive income							
Earnings for the year				517	517		517
Other comprehensive income							
Exchange rate differences			–4		–4		–4
Other comprehensive income							
Total comprehensive income	**—**	**—**	**–4**	**517**	**513**	**—**	**513**
Transactions with shareholders	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Closing balance as at 31 December 2017	**10**	**1,313**	**–6**	**1,762**	**3,079**	**—**	**3,079**

Opening balance as at 1 January 2018	**10**	**1,313**	**–6**	**1,762**	**3,079**	**—**	**3,079**
Impact of implementation of IFRS 9				–173	–173		–173
Adjusted equity as at 1 January 2018	**10**	**1,313**	**–6**	**1,589**	**2,906**	**—**	**2,906**
Comprehensive income							
Earnings for the year				566	566		566
Other comprehensive income							
Exchange rate differences			3		3		3
Other comprehensive income							
Total comprehensive income	**—**	**—**	**3**	**566**	**569**	**—**	**569**
Transactions with shareholders	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Closing balance as at 31 December 2018	**10**	**1,313**	**–3**	**2,155**	**3,475**	**—**	**3,475**

CASH FLOW STATEMENT

Group

SEK million	Q4 2018	Q4 2017	Full year 2018	Full year 2017
Operating activities				
Earnings after interest and tax	191	170	721	668
Adjustments for items not included in the cash flow, etc.				
– Credit losses	128	57	300	189
– Depreciation/amortization	22	17	83	60
– Capital gains/losses	1	—	1	—
– Unrealized exchange rate differences	12	–118	–430	–46
– Revaluation bonds	1	0	4	4
– Other	–8	–16	–34	–45
– Negative goodwill	–40	—	–40	—
– Interest	–21	–36	12	4
	286	**74**	**617**	**834**
Taxes paid	–20	–8	–139	–91
Cash flow from operating activities before changes in working capital	**266**	**66**	**478**	**743**
Cash flow from changes in working capital				
Increase(–)/Decrease(+) in non-current and current operating receivables	–2,983	–1,076	–6,542	–6,185
Increase(+)/Decrease(–) in operating liabilities	96	96	59	104
Cash flow from operating activities	**–2,621**	**–914**	**–6,005**	**–5,338**
Investing activities				
Acquisition of intangible non-current assets	–31	–33	–128	–121
Acquisition of property, plant and equipment	–4	–1	–13	–4
Disposal of property, plant and equipment	0	—	0	—
Acquisition of financial assets	–40	–116	–314	–609
Disposal of financial assets	12	15	85	36
Acquisitions of subsidiaries	–235	—	–235	—
Cash flow from investing activities	**–298**	**–135**	**–605**	**–698**
Financing activities				
New issue	—	—	—	—
Change in deposits from the public	3,732	783	7,077	5,203
Securities issued	–158	0	–81	1,344
Dividend paid	—	—	—	—
Cash flow from financing activities	**3,574**	**783**	**6,996**	**6,547**
Cash flow for the year	655	–266	386	511
Cash and cash equivalents at start of the year	1,278	1,800	1,533	1,021
Exchange rate differences in cash and cash equivalents	–5	–1	9	1
Cash and cash equivalents at the end of the year	**1,928**	**1,533**	**1,928**	**1,533**

Notes on accounting principles and notes to the financial statements

General accounting principles

The Interim Report is prepared in accordance with IFRS/IAS 34, and the Swedish Financial Supervisory Authority's Regulations and General Guidelines on Annual Accounts for Credit Institutions and Securities Companies (FFFS 2008:25, Chapter 7, Sections 2–3, and Chapter 8), the Annual Accounts Act for Credit Institutions and Securities Companies (Chapter 7, Sections 7–8) and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups have been taken into consideration.

As of 1 January 2018, the accounting standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers are applied.

IFRS 9 Financial Instruments

The standard comprises three areas: classification and measurement, impairment and hedge accounting. Collector does not apply hedge accounting.

Classification and measurement

According to the requirements of IFRS 9, financial assets are classified and measured at amortized cost, fair value via the income statement or fair value through other comprehensive income.

Financial assets

Financial assets are recognized when the Group becomes a party to the contractual terms of the instruments and are measured at the first reporting date at fair value. For financial assets measured at fair value via the income statement, transaction expenses are recognized at the transaction date, while other financial assets are included in fair value. Financial assets are de-recognized when the contractual rights to the cash flows arising from the asset cease or when all risks and rewards associated with the asset are transferred to another.

A financial asset is measured at amortized cost if the financial asset is managed within a business model the purpose of which is to realize the cash flow of the financial asset by receiving contractual cash flows and the contractual cash flows consist solely of repayment of principal and interest on outstanding principal. A financial asset is measured at fair value with the changes in value recognized in other comprehensive income if the financial asset is managed within a business model the purpose of which is to realize the cash flow of the financial asset, both by obtaining contractual cash flows and by selling the asset, and the contractual cash flows consist solely of repayment of principal and interest on outstanding principal. Other financial assets are recognized at fair value via the income statement.

Equity instruments and derivative instruments are classified under the fair value category via the income statement.

Debt instruments are classified based on the business model, i.e. Collector's purpose in owning homogeneous groups of assets, partly on the basis of whether the cash flows the asset is expected to generate consist solely of interest and repayment of principal.

To assess the business model, Collector has divided the financial assets into portfolios, which are handled in the same way. On assessment of which category best represents how each portfolio is managed, it is, primarily, assessed whether the purpose is to obtain contractual cash flows during the maturity or by selling assets, how the profitability of the portfolio is monitored internally, what the risk management for the portfolio looks like, and whether it is a portfolio intended for trading. To assess whether contractual cash flows meet the requirement to consist of only interest and principal, the balance sheet debt instruments are analyzed. For Collector, the measurement category fair value via income consists of financial investments and derivative instruments, while the measurement category amortized cost consists primarily of lending and other receivables and cash and cash equivalents. Collector currently has no financial assets recognized at fair value through other comprehensive income.

Embedded derivatives
Some composite instruments contain both derivatives and non-derivatives (embedded derivatives). If the host contract is a financial asset that is covered by IFRS 9, the instrument is considered as a whole and the embedded derivative is not to be separated from the host contract. For other composite instruments (where the host contract is not a financial asset covered by IFRS 9), the embedded derivative shall be separated and recognized as an independent derivative if its economic characteristics and risks are not closely linked to the economic characteristics and risks of the host contract. Collector holds embedded derivatives linked to convertible instruments, in which option portions are recognized separately.

Financial liabilities
Financial liabilities are initially recognized at fair value. For financial liabilities recognized at fair value via the income statement, any transaction expenses are recognized in income. For other financial liabilities, transaction expenses are recognized as an adjustment of fair value. Financial liabilities are de-recognized when the commitment is discharged, expired or cancelled.

The measurement category financial liabilities measured at fair value via consists of derivative instruments, while the measurement category other financial liabilities, which are recognized as amortized cost, consists primarily of borrowing and issued securities.

Impairment
Financial assets classified at amortized cost or fair value through other comprehensive income are tested for impairment. Based on whether the credit risk is assessed to have increased or not since initialization, the assets are divided into three stages. Stage 1 includes items for which no significant increase in credit risk has occurred, Stage 2 includes items for which a significant increase in credit risk has occurred, and Stage 3 includes items in default. In assessing whether there has been a significant increase in credit risk, an analysis is made of whether the counterparty is more than 30 days late with a payment, or if there are other indicators that the risk has increased. To categorize if the counterparty is in default, an analysis is made of whether the counterparty is in severe delay with the payment, with over 90 days, or if there are other indications that indicate that repayment is less likely.

The provisions made for items in Stage 1 correspond to the expected credit losses expected within a 12-month period. In Stages 2 and 3, an amount corresponding to the expected credit losses is reserved over the entire maturity. When calculating the losses in Stages 1 and 2, three main parameters are estimated: probability of default, expected loss given default and expected exposure at default. The parameters are estimated based on historical patterns among the bank's customers and indicate the size of the cash flows the bank expects to not be realized. In calculating expected loss in Stage 3, the counterparty has already defaulted, and an estimate is made of the recovery expected by the bank. The result of this calculation will then be calculated at present value to arrive at the expected credit loss, with the present value calculation based on each asset's effective interest rate. For the provision for doubtful receivables in the Retail segment, model results are analyzed by the company's management to ensure that the expected credit losses are reasonable, which may result in the model result being updated.A probability-weighted average of expected losses according to each scenario, together with forward-looking forecasts and macroeconomic information, are also taken into account.

Expected credit losses for loan commitments and financial guarantees are also considered in the impairment testing.

Collector also holds acquired overdue receivables which are recognized at amortized cost using the effective interest rate method. The carrying amount of the acquired overdue receivables corresponds to the present value of all expected future cash flows discounted by the initial effective interest rate determined at acquisition.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers is also applied by Collector as of 1 January 2018. IFRS 15 replaces all previously published standards and interpretations regarding revenue with a combined new revenue recognition model (according to a five-step model). According to IFRS 15, revenue must be recognized when a promised item or service is transferred to a customer, which may occur over time or at a point time. The revenue shall consist of the amount that the company expects to receive in exchange for goods or services transferred. The introduction of IFRS 15 has not had a material impact on the Group's financial reports.

Income Statement according to the Swedish Annual Accounts Act for Credit Institutions (ÅRKL)

For the Parent Company, the Swedish Annual Accounts Act and Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities have been applied.

Note 1

Amounts in SEK million	**Q4 2018**	**Q4 2017**	**Full year 2018**	**Full year 2017**
Operating income				
Interest income*	574	472	2,034	1,711
Interest expenses	–62	–37	–207	–130
Commission income	6	4	20	15
Commission expenses	–68	–54	–244	–197
Other operating income	113	62	280	221
Total operating income	**563**	**447**	**1,883**	**1,620**
Operating expenses				
General administration expenses	–118	–115	–440	–393
Depreciation of property, plant and equipment and amortization of intangible non-current assets	–22	–17	–83	–60
Other operating expenses	–105	–88	–340	–310
Total expenses before credit losses	–244	**–220**	**-862**	**–763**
Earnings before credit losses	**319**	**227**	**1,021**	**857**
Credit losses, net	–128	–57	–300	–189
Operating earnings according to the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL)	**191**	**170**	**721**	**668**
Tax on earnings for the year	–37	–41	–155	–151
Earnings for the year	**154**	**129**	**566**	**517**
C/I ratio	**0.43**	**0.49**	**0.46**	**0.47**

* Consists primarily of interest income calculated using the effective interest rate method.

Revenue per significant type of income

Note 2

Amounts in SEK million	**Q4 2018**	**Q4 2017**	**Full year 2018**	**Full year 2017**
Group				
Credit management	27	26	107	107
Commission income	6	4	20	15
Interest income	571	464	2,020	1,697
Other income	86	36	174	114
	690	**530**	**2,321**	**1,933**

Segment reporting

Note 3

Amounts in SEK million (Q4 2018)	**Retail**	**Corporate**	**Eliminations**	**Collector Group**
Revenue, external customers	410	279	—	690
Revenue, internal	29	20	–49	0
Total revenue	**439**	**299**	–49	**690**
Contribution margin	**102**	**173**	—	**275**
Lending and other receivables	12,727	13,377	—	26,104
Net interest margin (NIM), %	10.0	6.6	—	8.3

Amounts in SEK million (Q4 2017)	**Retail**	**Corporate**	**Eliminations**	**Collector Group**
Revenue, external customers	333	197	—	530
Revenue, internal	24	16	–40	0
Total revenue	**357**	**213**	**–40**	**530**
Contribution margin	**121**	**112**	**—**	**233**
Lending and other accounts receivable	10,411	9,096	—	19,507
Net interest margin (NIM), %	11.4	6.6	—	9.2

Amounts in SEK million (full year 2018)	**Retail**	**Corporate**	**Eliminations**	**Collector Group**
Revenue, external customers	1,413	908	—	2,321
Revenue, internal	103	66	–169	0
Total revenue	**1,516**	**974**	**–169**	**2,321**
Contribution margin	**452**	**549**	**—**	**1,001**
Lending and other receivables	12,727	13,377	—	26,104
Net interest margin (NIM), %	10.4	6.0	—	8.3

Amounts in SEK million (full year 2017)	**Retail**	**Corporate**	**Eliminations**	**Collector Group**
Revenue, external customers	1,260	674	—	1,933
Revenue, internal	87	50	–136	0
Total revenue	**1,346**	**723**	**–136**	**1,933**
Contribution margin	**505**	**376**	**—**	**881**
Lending and other receivables	10,411	9,096	—	19,507
Net interest margin (NIM), %	11.7	6.6	—	9.5

Other expenses

Note 4

Amounts in SEK million	Q4 2018	Q4 2017	Full year 2018	Full year 2017
Group				
Commission expenses	68	54	244	197
Credit management expenses	24	20	84	71
Credit losses, net	128	57	300	189
Postage expenses	10	10	41	44
Administration expenses	39	47	155	147
Other operating expenses	69	58	215	195
	338	**246**	**1,039**	**843**

Capital adequacy

Note 5

Capital base	Corporate Group Full year 2018	Full year 2017
Common Equity Tier 1 capital before adjustments*	3,591	3,080
Deduction intangible assets	–303	–240
Common Equity Tier 1 capital	3,288	2,840
Supplementary capital	493	498
Expanded capital base	—	—
Capital base	**3,781**	**3,338**

* Collector applies transitional rules for IFRS 9 in accordance with (EU) No. 575/2013 Article 473(a) pursuant to the retroactive part and its effect on Common Equity Tier 1 capital.

Capital requirement	Corporate Group Full year 2018	Full year 2017
Credit risk	1,978	1,400
Market risk	5	9
Creditworthiness adjustment risk (CWA risk)	2	2
Operational risk	220	180
Capital requirement Pillar I	**2,205**	**1,591**
Summary of capital		
Remaining capital after Pillar I	**1,575**	**1,747**
Capital adequacy ratio	**1.71**	**2.10**
Total capital ratio	**13.7%**	**16.8%**
Total risk-weighted exposure amount	**27,562**	**19,887**

Capital ratios and buffers 1	Full year 2018	Full year 2017
Common Equity Tier 1 capital	11.9%	14.3%
Tier 1 capital	11.9%	14.3%
Total capital	13.7%	16.8%
Institution-specific buffer requirements (Common Equity Tier 1 capital requirement according to Article 92.1(a) and buffer requirements) as a percentage of the risk-weighted exposure amount	8.5%	8.5%
Of which: minimum capital requirement	4.5%	4.5%
Of which: the capital conservation buffer requirement	2.5%	2.5%
Of which: the countercyclical capital buffer requirement	1.5%	1.5%
Common Equity Tier 1 capital available for use as buffer, as a percentage of the risk-weighted buffer amount	5.9%	9.8%

	Full year 2018			Full year 2017		
Exposure for the group of companies (Credit Risk)	**Exposure**	**Risk-weighted amount**	**Minimum requirement (8 percent)**	**Exposure**	**Risk-weighted amount**	**Minimum requirement (8 percent)**
Municipalities and other associations	680	—	—	492	—	—
Covered bonds	324	32	2	341	34	3
Institutional exposures	1,949	390	31	1,610	322	26
Corporate exposures	10,694	10,563	845	8,063	7,977	638
Household exposures	11,498	8,403	672	9,415	6,909	553
Exposures with mortgage in residential property	50	18	1	—	—	—
Unregulated items	3,587	4,219	338	1,618	1,627	130
Items associated with particularly high risk	438	656	53	21	33	2
Other items	448	448	36	597	597	48
Total	**29,668**	**24,729**	**1,978**	**22,157**	**17,499**	**1,400**

The Parent Company, Collector AB (publ), is part of a financial group of companies (consolidated situation) that includes the subsidiaries Collector Bank AB, Collector Ventures 1 KB, Collector Payments AB and Collector Payments Finland Oy. Collector applies the standardized approach in the calculation of credit risk. For operational risk, the basic indicator approach is used.

Collector has received permission from the Swedish Financial Supervisory Authority to include earnings for the year in the capital base. A review has been performed of the earnings for January–December. The earnings for the year have therefore been taken into consideration in the capital base.

Calculation of fair value

Note 6

The table below shows financial instruments measured at fair value, based on how the classification in the fair value hierarchy was made.
The levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Observable data for assets or liabilities other than quoted prices included in level 1, either directly (i.e. as price quotes) or indirectly (i.e. deduced from price quotes) (level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable data) (Level 3)

The following table shows the Group's financial assets and liabilities measured at fair value as at 31 December 2018.

	Level 1	Level 2	Level 3	Total
Assets				
Financial assets measured at fair value via the income statement				
Derivative instruments held for trading (currency derivatives)	—	138	—	138
Financial investments	—	952	228	1,180
Total assets	**—**	**1,090**	**228**	**1,318**
Liabilities				
Financial liabilities measured at fair value via the income statement				
Derivative instruments – fair value option	—	0	—	0
Derivative instruments held for trading (currency derivatives)	—	—	—	—
Total liabilities	**—**	**0**	**—**	**0**

The following table shows the Group's financial assets and liabilities measured at fair value as at 31 December 2017.

	Level 1	Level 2	Level 3	Total
Assets				
Financial assets measured at fair value via the income statement				
Derivative instruments held for trading (currency derivatives)	—	26	—	26
Financial investments	—	814	125	939
Total assets	**—**	**840**	**125**	**965**
Liabilities				
Financial liabilities measured at fair value via the income statement				
Derivative instruments – fair value option	—	2	—	2
Derivative instruments held for trading (currency derivatives)	—	—	—	—
Total liabilities	**—**	**2**	**—**	**2**

For other financial assets and liabilities, the carrying amount corresponds to the estimated fair value in all material respects.

Financial instruments

Note 7

Transition effects IFRS 9

As stated in the section on general accounting principles, Collector has applied IFRS 9 since 1 January 2018. Collector has analyzed the impact of the standard, and the classification and measurement rules have no significant impact on the financial statements as there have been no re-classifications between fair value and amortized cost. The Group's financial investments are still recognized at fair value via the income statement as these investments are monitored on a fair value basis and the Group's loan and accounts receivable are recognized at amortized cost as the purpose is to obtain contractual cash flows. The new rules for impairment from the beginning of the year entail the introduction of a new model based on expected credit losses. The transition to IFRS 9 resulted in the reserve for doubtful loan receivables increasing by SEK 221 million (SEK 173 million net after tax) as at 1 January 2018, which affected the balance sheet item lending and other receivables (both non-current assets and current assets) and current tax liabilities. The transition effect in equity has been recognized in retained earnings.

Change in credit loss reserve in January—December 2018

The table below shows how the recognized credit losses in accordance with IFRS 9 have changed during the period.

Period	**Opening balance as at 1 January 2018**				**Closing balance as at 31 December 2018**				
Stage	**1**	**2**	**3**	**TOTAL (SEK million)**	**1**	**2**	**3**	**TOTAL (SEK million)**	**Change**
Retail segment	109	31	655	795	117	80	940	1,137	342
Corporate segment	20	3	40	63	14	1	39	54	–9
				858				**1,191**	**333**

Over the period, the reserve grew by SEK 333 million. The largest items affecting this net amount are credit losses, reversals and currency effects.

INCOME STATEMENT

Parent Company

Amounts in SEK million	Q4 2018	Q4 2017	Full year 2018	Full year 2017
Net sales	27	24	94	79
Operating expenses				
Other external expenses	–26	–25	–93	–76
Depreciation of property, plant and equipment and amortization of intangible non-current assets	–3	–3	–13	–13
Operating earnings	**–2**	**–4**	**–12**	**–10**
Earnings from financial items				
Interest income and similar items	0	9	3	9
Interest expenses and similar items	–2	–3	–8	–4
Earnings after interest and tax	**–4**	**2**	**–17**	**–5**
Appropriations				
Appropriations, other	22	14	22	14
Earnings before tax	**18**	**16**	**5**	**9**
Income tax	0	0	2	0
Earnings for the year	**18**	**16**	**7**	**9**

BALANCE SHEET

Parent Company

Amounts in SEK million	Full year 2018	Full year 2017
ASSETS		
Non-current assets		
Intangible non-current assets		
Capitalized expenditure for development work and similar work	16	24
	16	**24**
Property, plant and equipment		
Equipment	16	7
	16	**7**
Financial non-current assets		
Participations in Group companies	1473	1,381
Other non-current receivables	5	5
Deferred tax asset	—	—
	1478	**1,386**
Total non-current assets	**1510**	**1,417**
Current assets		
Current receivables		
Receivables with Group companies	49	25
Other receivables	6	13
Prepayments and accrued income	14	11
	69	**49**
Cash and bank balances	11	24
Total current assets	**80**	**73**
TOTAL ASSETS	**1,590**	**1,490**
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital (102,690,502 shares)	10	10
Statutory reserve	18	18
Development expenditure fund	11	13
	39	**41**
Non-restricted equity		
Share premium reserve	1,274	1,274
Retained earnings	–82	–92
Earnings for the year	7	9
	1,199	**1,191**
	1,238	**1,232**
Untaxed reserves		
Tax allocation reserves	3	4
	3	**4**
Provisions		
Tax provisions	0	2
	0	**2**
Non-current liabilities		
Other non-current liabilities	89	87
	89	**87**
Current liabilities		
Deposits from the public	—	1
Accounts payable	2	5
Liabilities to Group companies	241	149
Other current liabilities	3	0
Accrued expenses and deferred income	14	10
	260	**165**
TOTAL EQUITY AND LIABILITIES	**1,590**	**1,490**

collector