

Interim report

First quarter, 2021

- Revenues increased to SEK 4,200 M (3,333) and adjusted revenues increased to SEK 4,198 M (3,969). Adjusted operating earnings (EBIT) increased to SEK 1,532 M (1,095).
- Cash EBITDA increased to SEK 2,712 M (2,633) and available liquidity at the end of the quarter amounted to SEK 18,386 M (17,061). Net debt/RTM cash EBITDA increased to 4.1x (4.0x), mainly driven by the impact of foreign exchange development increasing net debt.
- Cash EBIT increased to SEK 1,365 (1,105), cash RoIC to 7.8 per cent (5.9) and cash earnings per share (Cash EPS) were SEK 5.68 (2.90).
- For the Credit Management Services segment, cash EBIT decreased to SEK 396 M (446) and the adjusted operating margin decreased to 22 per cent (25). The segment cash RoIC for the first quarter was 8.3 per cent (8.8).
- For Strategic Markets, cash EBIT increased to SEK 645 M (320) and the adjusted operating margin increased to 31 per cent (9). The segment cash RoIC for the first quarter was 16.3 per cent (7.1).
- For Portfolio Investments, cash EBIT decreased to SEK 830 M (834), cash RoIC was 9.6 per cent (9.2) and total portfolio investments made amounted to SEK 1,739 M (1,674) for the quarter.

First quarter, 2021

	First quarter			Rolling	Full year
	Jan–Mar 2021	Jan–Mar 2020	Change %	12 months 2021	2020
SEKm, unless otherwise indicated					
Revenues	4,200	3,333	26	17,715	16,848
Adjusted revenues	4,198	3,969	6	16,960	16,731
Operating earnings (EBIT)	1,531	459	234	5,767	4,695
Adjusted operating earnings (EBIT)	1,532	1,095	40	6,175	5,738
Earnings per share, SEK	6.06	-0.25	n.m.	21.80	15.18
Cash EBITDA	2,712	2,633	3	11,686	11,607
Cash EBIT	1,365	1,105	24	5,840	5,580
Cash EPS	5.68	2.90	96	30.16	26.96
Cash RoIC, %	7.8	5.9	1.9 ppt	8.2	7.7
Net debt/RTM cash EBITDA, x				4.1	4.0
Cash EBIT: Credit Management Services	396	446	-11	1,546	1,596
Cash EBIT: Strategic Markets	645	320	101	2,864	2,539
Cash EBIT: Portfolio Investments	830	834	-0	3,186	3,190
Total portfolio investments made	1,739	1,674	4	5,194	5,129
Carrying value of portfolio investments	35,104	36,297	-3	35,104	33,305
Adjusted return on portfolio investments, ROI, %	14	11	3 ppt	12	12

Comment by the President and CEO

A robust start to the year with steady improvement throughout the quarter

With the first quarter of 2021 behind us, the Covid-19 pandemic continues to challenge the world. The macroeconomic environment is affected by the uncertainty around the pace and success of societies returning to normality. We are of course closely following the developments in the markets where we operate. In this environment it is pleasing to see clear signs of recovery, particularly in terms of economic sentiment, causing us to become more confident regarding both operational and financial results as we approach the summer. In March we saw very strong collections in our Portfolio Investments book with certain markets at all-time highs and during the quarter we observed record real estate sales volumes in our Spanish servicing business. Whilst the first quarter pandemic trajectory remained mixed, we note a broad underlying trend of recovery starting to build momentum.

The first quarter's financial performance was in line with our expectations, recording foreign exchange adjusted cash revenue growth of 6 percent versus last year and cash EBIT up 24 per cent year on year. Group leverage stood at 4.1x net debt to cash EBITDA and the RTM cash EPS per end of the first quarter amounted to 30.16 SEK. Overall, Intrum's diversification supported the positive development with a softer CMS contribution more than offset by Portfolio Investments and Strategic Markets.

Awarded best-in-class ESG rating

I am very proud of the best-in-class ESG Risk Rating that Intrum was awarded by Sustainalytics during the first quarter. The foundation of the rating is based on Intrum's ability to demonstrate high standards across the ESG framework when leading the way to sustainable collections. This represents a validation that we are

on the right track and we will continue to improve the strategically important sustainability agenda where the S in "Social" is at the heart of our business.

At the Capital Markets Day last year we presented our sustainability goals and strategy, and it is satisfying to see that we are progressing on all our targets. We recently published the Annual & Sustainability Report for 2020, where all details can be found.

Good progress towards ONE Intrum

The ONE Intrum transformation program is progressing well. This will set us apart from our competition through a truly scalable global platform which will make us even more relevant to our clients based on a strengthened value proposition and further support our sustainable organic growth. During the first quarter one of the important KPIs, case migration to the common platform, is ahead of forecast and the FTE cost-to-collect reduction is on track.

As of March we are operating six markets from the two new front offices, Athens and Bucharest, making call attempts to approximately 20,000 customers on a daily basis. The third front office in Malaga is planned to open during the second quarter. The program has also made significant progress on the data side and has now connected all unsecured portfolios to one global data infrastructure.

To have the ability to leverage advanced analytics by accessing all data on a common platform is a great advantage to distinguish our client proposition across our footprint. It will fuel our ability to play a crucial role when the Covid-19 NPL-formation across Europe will be resolved in a respectful and ethical way with



"I am very proud of Intrum being awarded the best-in-class ESG Risk Rating"

bespoke solutions for global clients, as well as a very efficient client proposition to clients who need support on large volumes.

Increasing demand in Credit Management Services

Our Credit Management Service segment experienced an increasing demand through the quarter with some clear signs of an improving business climate. We experienced steadily improving financial metrics throughout the quarter ending with an underlying cash revenue of 9 per cent below the first quarter of the preceding year. The segment is affected by the lower share of fresh cases which impact the profitability. The return on invested capital for the segment was 8.3 per cent for the first quarter.

Improving economic sentiment and business trends following a challenging 2020

It has already been one year since the Covid-19 virus led to a complete shutdown of the countries in our Strategic Market segment. We ended 2020 with lingering effects from the ongoing pandemic and operating below capacity. The start of 2021 came with a mixed performance picture in the segment, with financial performance and steadily accelerated cash generation across the markets throughout the quarter. It is particularly pleasing to see a strong delivery from real estate servicing in Spain.

Despite the slower start to the quarter, cash revenue came in 21 per cent above the first quarter of last year and a return on invested capital of 16.3 per cent compared to 7.1 per cent last year.

Portfolio Investments - robust cash flow generation

The segment continues to robustly and reliably generate cash despite the challenging operating environment. The collection performance in the quarter was 105 per cent of the active forecast, and we saw a consistent overperformance across the footprint. In cash terms we collected SEK 2,864 M and a generated cash return on invested capital was 9.6 per cent.

During the quarter we invested SEK 1,739 M in new portfolios and were at an expected return level considerably higher than

pre-Covid-19. We are also seeing increasing client activity and expect to continue to deploy capital well above the replenishment rate at attractive levels and at an increasing pace throughout the year.

Strong momentum towards long term sustainable growth

I am happy to see the progress towards ONE Intrum. We have an ambitious agenda to convert our multilocal legacy into a truly global company. It is pleasing to see that one of the important KPIs, the case migration, is ahead of plan and that we have the full unsecured portfolio data in one place. I am proud of the commitment shown across the organisation in order to make this happen. The development during the first quarter in the transformation program and the recognition through the best-in-class ESG Risk Rating is setting us up for a trajectory towards sustainable organic growth, and I am confident that Intrum is strengthening its position as the natural partner to both current and new clients leading their way to a sound economy.

We see positive momentum across all our segments. In Portfolio Investments we experience strong collection performance as well as accelerating capital deployment at mid-teen return levels, supporting double digit growth. In Credit Management Services we now have a positive new case inflow trend to drive revenue growth. We expect this to restore the margin level over the coming quarters. Furthermore we also observe a record pipeline and new contract signings. Operating conditions in Strategic Markets are rapidly improving, putting us on the path to normalisation to exploit the full potential inherent in our franchises. Strong momentum for the remainder of 2021 supports our long term sustainable organic growth ambition.

Stockholm, April 2021

Anders Engdahl
President & CEO

“The encouraging improvement in sentiment throughout the quarter is also reflected in the performance of Intrum as we are an integral part of the financial ecosystem”

Group overview

Development during the first quarter

Revenues and operating earnings

Revenues for the first quarter increased 26 per cent to SEK 4,200 M (3,333), with organic growth accounting for 14 per cent, revaluations for 19 per cent and currency effects for -7 per cent. The share of revenues denominated in EUR amounted to 63 per cent (61).

Operating earnings (EBIT) for the first quarter amounted to SEK 1,531 M (459), with items affecting comparability of SEK -1 M (-636). The adjusted operating earnings, excluding items affecting comparability, increased to SEK 1,532 M (1,095).

Items affecting comparability

Operating earnings for the first quarter included items affecting comparability of SEK -1 M (-636). Portfolio revaluations amounted to SEK 2 M, items affecting comparability attributable to joint ventures to SEK -2 M and other items affecting comparability to SEK -1 M.

Net financial items

Net financial items for the quarter amounted to SEK -516 M (-501). Net interest amounted to SEK -439 M (-431), interest cost on leasing liabilities to SEK -9 M (-10), exchange rate differences to SEK 2 M (-2) and other financial items to SEK -70 M (-58).

Earnings for the period and taxes

The tax expense for the quarter was SEK 228 M, representing 22.5 per cent of earnings before tax. Net earnings for the quarter amounted to SEK 787 M (-33), corresponding to earnings per share of SEK 6.06 (-0.25) before and after dilution.

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.

Cash flow and investments

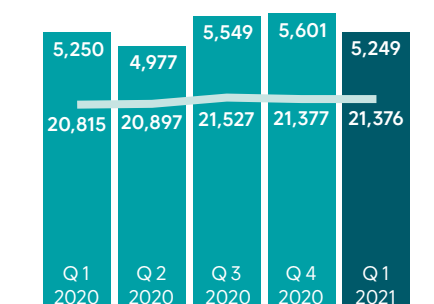
Cash revenues decreased to SEK 5,249 M (5,250) in the first quarter. Cash EBITDA and cash EBIT increased to SEK 2,712 M (2,633) and SEK 1,365 M (1,105) respectively. Cash EPS for the first quarter amounted to SEK 5.68 per share (2.90). Cash EBIT corre-

sponds to a return level on invested capital (cash RoIC) of 7.8 per cent (5.9) for the first quarter. For the rolling twelve months cash revenues increased to 21,376 (20,815), cash EBIT to 5,840 (4,894) and cash RoIC to 8.2 per cent (6.6).

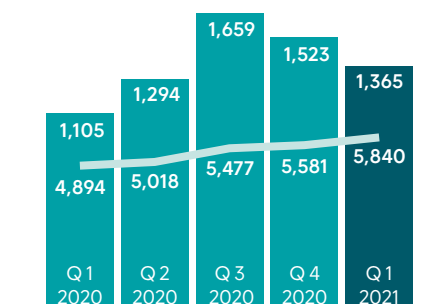
Assets and financing

Total assets at the end of the quarter amounted to SEK 83,123 M, compared with SEK 88,918 M first quarter of the preceding year. Net debt amounted to SEK 47,367 M impacted by currency effects on net debt, which is SEK 3,903 M lower than in the first quarter of 2020. Net debt in relation to last twelve months cash EBITDA amounted to 4.1x compared to 4.0x at the end of 2020, the increase is mainly due to foreign exchange developments adversely impacting net debt. During the first quarter of 2021, Intrum increased its borrowing by issuing commercial paper of SEK 3,172 M. The increase in commercial paper was used to repay outstanding amounts under Intrum's credit facility. At the end of the quarter, SEK 1,704 M of Intrum's credit facility was utilised, a decrease of SEK 5,682 M compared to the first quarter of 2020.

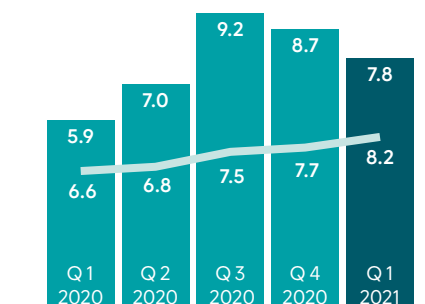
Cash revenues, SEKm
Cash revenues rolling 12 months, SEKm



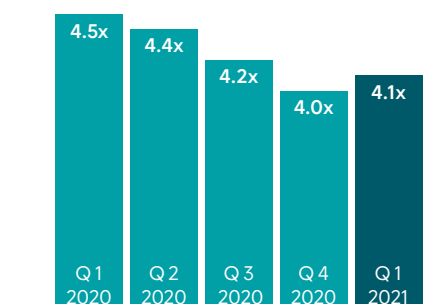
Cash EBIT, SEKm
Cash EBIT rolling 12 months, SEKm



Cash RoIC, %
Cash RoIC rolling 12 months, %



Net Debt/RTM Cash EBITDA



Segment overview

Credit Management Services, Strategic Markets and Portfolio Investments

Key figures, Q1 2021

SEKm	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
Cash revenues	1,038	1,346	2,864	–	5,249
Reported segment earnings	352	439	1,231	-491	1,531
Items affecting comparability	-2	–	3	–	1
Adjusted segment earnings	350	439	1,234	-491	1,532
Depreciation and amortisation	62	218	2	44	326
EBITDA	414	657	1,233	-446	1,858
Portfolio amortisation	–	–	1,007	–	1,007
Adjustment earnings from joint ventures	–	–	-196	–	-196
Adjustment cash flow from joint ventures	–	–	44	–	44
Items affecting comparability	-2	–	1	–	-1
Cash EBITDA	412	657	2,089	-446	2,712
Replenishment capex	–	–	-1,259	–	-1,259
Other capex	-16	-12	–	-60	-88
Cash EBIT	396	645	830	-506	1,365
Cash net financials					-599
Cash tax normalised					-79
Recurring consolidated cash earnings					687
Average number of shares outstanding					121
Cash EPS					5.68
Average invested capital	19,173	15,866	34,673	239	69,951
Cash RoIC, %	8.3	16.3	9.6	–	7.8
Revenues	1,585	1,434	1,816	-634	4,200
Items affecting comparability	–	–	-2	–	-2
Adjusted revenues	1,585	1,434	1,814	-634	4,198
Reported segment earnings	352	439	1,231	-491	1,531
Depreciation and amortisation	62	218	2	44	326
Items affecting comparability	-2	–	3	–	1
Adjusted EBITDA	412	657	1,236	-446	1,859
Depreciation and amortisation	-62	-218	-2	-44	-326
Adjusted segment earnings	350	439	1,234	-491	1,532

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

Key figures, Q1 2020

SEKm	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
Cash revenues	1,139	1,108	3,002	–	5,250
Reported segment earnings	420	102	401	-464	459
Items affecting comparability	–	–	636	–	636
Adjusted segment earnings	420	102	1,037	-464	1,095
Depreciation and amortisation	79	226	2	31	338
EBITDA	499	328	403	-433	797
Portfolio amortisation	–	–	1,129	–	1,129
Adjustment earnings from joint ventures	–	–	-81	–	-81
Adjustment cash flow from joint ventures	–	–	152	–	152
Items affecting comparability	–	–	636	–	636
Cash EBITDA	499	328	2,239	-433	2,633
Replenishment capex	–	–	-1,405	–	-1,405
Other capex	-53	-8	–	-63	-123
Cash EBIT	446	320	834	-496	1,105
Cash net financials					-647
Cash tax normalised					-80
Recurring consolidated cash earnings					378
Average number of shares outstanding					130
Cash EPS					2.90
Average invested capital	20,321	17,986	36,383	272	74,962
Cash RoIC, %	8.8	7.1	9.2	–	5.9
Revenues	1,705	1,194	1,085	-652	3,333
Items affecting comparability	–	–	636	–	636
Adjusted revenues	1,705	1,194	1,721	-652	3,969
Reported segment earnings	420	102	401	-464	459
Depreciation and amortisation	79	226	2	31	338
Items affecting comparability	–	–	636	–	636
EBITDA	499	328	1,039	-433	1,433
Depreciation and amortisation	-79	-226	-2	-31	-338
Adjusted segment earnings	420	102	1,037	-464	1,095

Credit Management Services

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

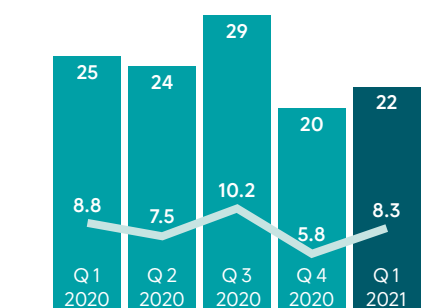
SEKm	First quarter			Full year 2020
	Jan–Mar 2021	Jan–Mar 2020	Change %	
Cash revenues	1,038	1,139	-9	4,375
Cash EBITDA	412	499	-17	1,891
Other capex	-16	-53	-70	-295
Cash EBIT	396	446	-11	1,596
External revenues	1,038	1,139	-9	4,375
Internal revenues	546	566	-4	2,232
Total revenues	1,585	1,705	-7	6,607
Items affecting comparability	–	–	–	–
Adjusted revenues	1,585	1,705	-7	6,607
Segment earnings	352	420	-16	1,613
Items affecting comparability	-2	–	n.m.	–
Adjusted segment earnings	350	420	-17	1,613
KPI's				
Average invested capital	19,173	20,321	-6	19,583
Segment cash RoIC, %	8.3	8.8	-0.5 ppt	8.1
Cash revenues change, %	-9	-3		-7
– thereof organic change, %	-5	-4		-5
– thereof exchange rates, %	-4	1		-2
– thereof acquired growth, %	–	–		–
Operating margin, %	22	25	-3 ppt	24
Adjusted operating margin, %	22	25	-3 ppt	24

For the segment we observed some early indicators of an improving economic backdrop and encouraging signs of increasing demand from clients throughout the quarter. However, new case inflows were still somewhat muted as clients continued to offer extended payment terms and moratoria remained in force.

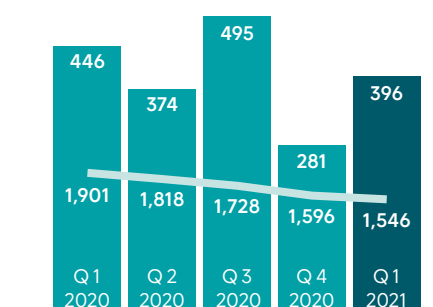
The segment's cash revenues decreased by 5 per cent com-

pared to the first quarter of the preceding year, adjusted for currency effects. The profitability of the segment is affected by the lower share of fresh cases which is also evident by the cash EBIT reduction of 11 per cent and a lower cash return on invested capital of 8.3 per cent (8.8) compared to Q1 2020.

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



Credit Management Services, Cash EBIT, SEKm
Cash EBIT rolling 12 months, SEKm



Strategic Markets

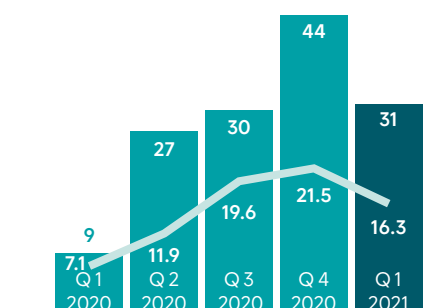
Credit management focusing on late payments and collection in Greece, Italy and Spain.

SEKm	First quarter			Full year 2020
	Jan–Mar 2021	Jan–Mar 2020	Change %	
Cash revenues	1,346	1,108	21	5,409
Cash EBITDA	657	328	100	2,722
Other capex	-12	-8	43	-183
Cash EBIT	645	320	101	2,539
External revenues	1,346	1,108	21	5,409
Internal revenues	88	86	2	346
Total revenues	1,434	1,194	20	5,755
Items affecting comparability	-	-	-	-
Adjusted revenues	1,434	1,194	20	5,755
Segment earnings	439	102	331	1,547
Items affecting comparability	-	-	-	106
Adjusted segment earnings	439	102	331	1,653
KPI's				
Average invested capital	15,866	17,986	-12	6,980
Segment cash RoIC, %	16.3	7.1	9.2 ppt	15.0
Cash revenues change, %	21	45		29
– thereof organic change, %	28	-35		-7
– thereof exchange rates, %	-7	2		-1
– thereof acquired growth, %	-	78		37
Operating margin, %	31	9	22 ppt	27
Adjusted operating margin, %	31	9	22 ppt	29

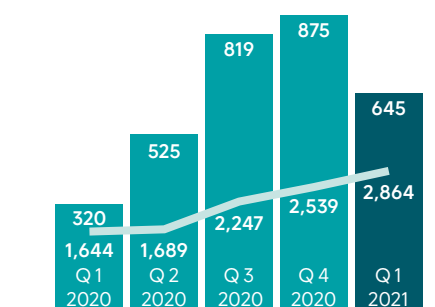
The effects of Covid-19 experienced during 2020 continued into the first quarter of 2021 with measures to curb the spread of the pandemic and subdued new business inflows. The overall economic climate, however, improved throughout the quarter with somewhat differentiated performance across the segment. Spain had an encouraging finish to the quarter, also driven by its real estate servicing business. The operating climate outlook is more positive and leads us to believe that this will gradually normalise over the year absent further pandemic induced setbacks.

The first quarter last year was heavily impacted by lockdowns across the segment, hence our cash revenues saw a significant increase of 21 per cent despite currency headwinds of 7 per cent. Cash EBITDA and cash EBIT increased 100 and 101 per cent, respectively. The increase in our profitability is a testament to the focus on cost control. The increasing profitability translates into a cash return on invested capital for the segment of 16.3 per cent (7.1) for the quarter.

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



Strategic Markets,
Cash EBIT, SEKm
Cash EBIT rolling 12 months, SEKm



Portfolio Investments

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

SEKm	First quarter 2021					First quarter 2020				
	Overdue receivables	REO	Financial services	Joint ventures	Segment total	Overdue receivables	REO	Financial services	Joint ventures	Segment total
Cash revenues	2,742	34	45	44	2,864	2,784	28	38	152	3,002
Cash EBITDA	2,019	1	25	44	2,089	2,076	-7	18	152	2,239
Replenishment capex	-1,259	-	-	-	-1,259	-1,405	-	-	-	-1,405
Cash EBIT	760	1	25	44	830	672	-7	18	152	834
Total revenues	1,737	34	45	-	1,816	1,019	28	38	-	1,085
Items affecting comparability	-2	-	-	-	-2	636	-	-	-	636
Adjusted segment revenues	1,735	34	45	-	1,814	1,655	28	38	-	1,721
Segment earnings	1,013	-3	25	196	1,231	309	-7	18	81	401
Items affecting comparability	-2	3	-	2	3	636	-	-	-	636
Adjusted segment earnings	1,011	0	25	198	1,234	945	-7	18	81	1,037
KPI's										
Average invested capital	28,321	388	468	5,496	34,673	28,767	400	519	6,697	36,383
Segment cash RoIC, %	10.7	1.2	21.7	3.2	9.6	9.3	-7.0	13.9	9.1	9.2
Total portfolio investments made	1,503	37	-	200	1,739	1,650	24	-	-	1,674
Money-on-money multiple (RTM)	2.18	-	-	-	2.18	1.98	-	-	-	1.98
Book value	28,984	394	-	5,726	35,104	29,026	416	-	6,855	36,297
ERC	60,956	429	-	6,878	68,263	58,476	683	-	9,392	68,551
Cost to collect, paid %	26	108	-	-	27	26	125	-	-	25
Amortisation ratio, %	37	-	-	-	37	41	-	-	-	41
Operating margin, %	58	-8	55	-	68	30	-25	47	-	37
Adjusted operating margin, %	58	2	55	-	68	57	-25	47	-	60
Return on portfolio investments, ROI, %	14	-3	-	14	14	4	-7	-	5	4
Adjusted return on portfolio investments, ROI, %	14	1	-	14	14	13	-7	-	5	11

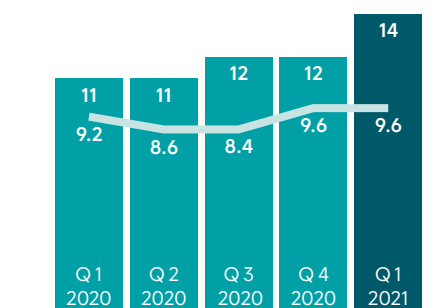
The segment had a stable development with good collection performance and collected 105 per cent (103) of its active forecast. Although cash revenues fell 5 per cent compared to the first quarter of the preceding year, this was mainly driven by a lower cash contribution from our joint ventures. Cash revenues from overdue receivables continue to form a stable base for the segment, with a decrease of 2 per cent compared to the first quarter of the preceding year.

Cash EBITDA for the segment is down 7 per cent and cash EBIT less than 1 per cent. The relatively stronger cash EBIT reflects the more favourable pricing environment compared to last year with an increase in the RTM money-on-money multiple (MoM) to 2.18 (1.98).

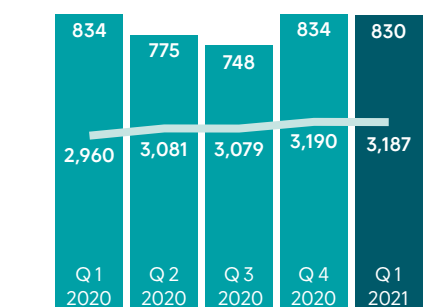
The segment's return on invested capital stood at 9.6 per cent (9.2) at the end of the quarter.

During the quarter we invested SEK 200 M in a joint venture structure to acquire a UTP portfolio in Italy. Investments in overdue receivables amounted to SEK 1,503 M (1,650) for the quarter. Investments this quarter, compared to the first quarter last year, were made at a significantly higher MoM as well as attractive return levels. The total portfolio book value decreased 3 per cent compared to the first quarter of the preceding year to SEK 35,104 M, including net revaluations of SEK 2 M (-636).

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



Portfolio Investments, Cash EBIT, SEKm, Cash EBIT rolling 12 months, SEKm



Financial overview

Alternative P&L, Adjusted Group figures

	First quarter			Full year
	Jan–Mar 2021	Jan–Mar 2020	Change %	2020
SEKm				
External revenues	2,465	2,313	7	10,082
Gross cash collections	2,740	2,784	-2	10,957
Cash flow from joint ventures	44	152	-71	338
Cash revenues	5,249	5,250	-0	21,377
Cash EBITDA	2,712	2,633	3	11,607
Replenishment capex	-1,259	-1,405	-10	-5,355
Other capex	-88	-123	-28	-672
Cash EBIT	1,365	1,105	24	5,580
Net financial items	-599	-647	-7	-1,763
Cash tax normalised	-79	-80	164	-474
Recurring consolidated cash earnings	687	378	82	3,343
Average number of shares outstanding	121	130	-7	124
Cash EPS	5.68	2.90	96	26.96
Cashflow from operating activities to cash EBITDA				
Operating cash flow	1,798	2,267	-21	8,716
Cash financial items	599	647	-7	1,763
Paid tax	211	80	164	970
Change in working capital (NWC)	59	-596	-110	-465
Other non-cash items	196	163	13	-570
Adjustment earnings from joint ventures	-196	-81	142	735
Adjustment cash flow from joint ventures	44	152	-71	338
Items affecting comparability excluding impairment	1	-	n.m.	121
Cash EBITDA	2,712	2,633	3	11,607
Depreciation and amortisation	-326	-338	-4	-1,529
Portfolio amortisations	-1,007	-1,129	-11	-4,158
Adjustment earnings from joint ventures	196	81	142	-735
Adjustment cash flow from joint ventures	-44	-152	-71	-338
Items affecting comparability portfolio amortisations	-	-	-	-150
Items affecting comparability joint venture	2	-	n.m.	1,040
Adjusted EBIT	1,532	1,095	40	5,738

Alternative P&L, Adjusted Group figures

	First quarter 2021				
	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
SEKm					
External revenues	1,038	1,346	80	-	2,465
Gross cash collections	-	-	2,740	-	2,740
Cash flow from joint ventures	-	-	44	-	44
Cash revenues	1,038	1,346	2,864	-	5,249
Cash EBITDA	412	657	2,089	-446	2,712
Depreciation and amortisation	-62	-218	-2	-44	-326
Portfolio amortisations	-	-	-1,007	-	-1,007
Adjustment earnings from joint ventures	-	-	196	-	196
Adjustment cash flow from joint ventures	-	-	-44	-	-44
Items affecting comparability joint venture	-	-	2	-	2
Adjusted segment earnings	350	439	1,234	-491	1,532
Cash EBITDA margin, %	40	49	73	-	52

Financial overview, cont.

Revenues by type

	First quarter			Full year
	Jan–Mar 2021	Jan–Mar 2020	Change %	2020
SEKm				
External servicing revenues	2,385	2,248	6	9,784
Gross cash collections	2,740	2,784	-2	10,957
Other Portfolio Investment segment revenues	80	66	22	298
Cash flow from joint ventures	44	152	-71	338
Cash revenues	5,249	5,250	-0	21,377
Portfolio amortisation	-1,007	-1,129	-11	-4,158
Portfolio revaluations	2	-636	-100	-33
Adjustment cash flow from joint ventures	-44	-152	-71	-338
Total revenues	4,200	3,333	26	16,848

Change in revenues

	First quarter		Full year
	Jan–Mar 2021	Jan–Mar 2020	2020
Change in revenues, %			
Organic growth	14	-11	-2
Acquired growth	-	16	10
Portfolio revaluations	19	-17	-1
Exchange rates	-7	1	-2
Total	26	-11	5

Items affecting comparability in operating earnings

	First quarter		Full year
	Jan–Mar 2021	Jan–Mar 2020	2020
SEKm			
Positive revaluations of portfolio investments	317	-	3,145
Negative revaluations of portfolio investments	-315	-636	-3,177
Efficiency improvement programme	-	-	-1
Items affecting comparability joint ventures	-2	-	-1,040
Other items affecting comparability	-1	-	-119
Items affecting comparability portfolio amortisations	-	-	150
Total items affecting comparability in operating earnings	-1	-636	-1,043

Net financial items specification

	First quarter		Change	Full year
	Jan–Mar 2021	Jan–Mar 2020	%	2020
SEKm				
Interest earnings	4	19	-80	43
Interest costs	-443	-450	-2	-1,746
Interest cost on leasing liability according to IFRS 16	-9	-10	-10	-41
Exchange rate differences	2	-2	-196	16
Amortisation of borrowing costs	-25	-18	35	-109
Commitment fee	-39	-34	15	-137
Other financial items	-6	-6	-1	-88
Total net financial items	-516	-501	3	-2,062

Quarterly overview

Group

	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019
SEKm								
Cash revenues	5,249	5,601	5,549	4,977	5,250	5,751	4,919	4,895
Cash EBITDA	2,712	3,124	3,142	2,709	2,633	3,063	2,609	2,670
Cash EBIT	1,365	1,523	1,659	1,294	1,105	1,419	1,200	1,170
Cash EPS	5.68	9.58	5.31	9.57	2.90	5.92	0.77	6.89
Revenues	4,200	5,109	4,521	3,885	3,333	4,663	3,786	3,784
Adjusted revenues	4,198	4,359	4,520	3,882	3,969	4,662	3,777	3,780
Operating earnings (EBIT)	1,531	1,200	1,688	1,348	459	-2,137	1,375	1,475
Adjusted EBIT	1,532	1,611	1,687	1,345	1,095	1,821	1,476	1,561
Net profit	787	576	864	671	-33	-2,482	579	879
Earnings per share, SEK	6.06	3.40	6.97	5.39	-0.25	-18.84	4.26	6.26
Return on equity, %	15	8	16	13	0	-42	9	13
Equity per share, SEK	171.12	158.05	166.15	159.46	165.62	168.12	193.28	187.54
Cash flow from operating activities per share, SEK	14.88	12.32	17.01	23.88	17.37	14.03	9.97	14.47
Average invested capital	69,951	70,430	71,938	73,928	74,962	73,365	72,258	69,957
Cash RoIC, %	7.8	8.7	9.2	7.0	5.9	7.7	6.6	6.7
Number of employees (FTEs)	9,626	9,458	9,446	9,366	9,188	9,430	8,959	8,542

Credit Management Services

	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019
SEKm								
Cash revenues	1,038	1,099	1,089	1,048	1,139	1,182	1,190	1,194
Cash EBIT	396	281	495	374	446	413	585	457
Revenues	1,585	1,664	1,647	1,590	1,705	1,792	1,764	1,741
– thereof external clients	1,038	1,099	1,089	1,048	1,139	1,182	1,190	1,194
– thereof intercompany revenues	546	565	559	542	566	610	574	547
Adjusted revenues	1,585	1,664	1,647	1,590	1,705	1,793	1,765	1,740
Segment earnings	352	328	482	383	420	255	459	448
Adjusted segment earnings	350	328	482	383	420	430	490	460
Items affecting comparability	-2	-	-	-	-	-176	-30	-12
Adjusted operating margin, %	22	20	29	24	25	24	28	26
Average invested capital	19,173	19,292	19,500	19,874	20,321	20,737	21,117	20,777
Segment cash RoIC, %	8.3	5.8	10.2	7.5	8.8	8.0	11.1	8.8

Strategic Markets

	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019
SEKm								
Cash revenues	1,346	1,461	1,637	1,202	1,108	1,610	899	905
Cash EBIT	645	875	819	525	320	583	261	480
Revenues	1,434	1,558	1,738	1,265	1,194	1,665	961	975
– thereof external clients	1,346	1,461	1,637	1,202	1,108	1,610	899	905
– thereof intercompany revenues	88	97	101	63	86	55	62	70
Adjusted revenues	1,434	1,558	1,738	1,265	1,194	1,665	961	973
Segment earnings	439	585	515	345	102	-2,702	153	334
Adjusted segment earnings	439	691	515	345	102	517	161	337
Items affecting comparability	-	106	-	-	-	3,219	-8	-3
Adjusted operating margin, %	31	44	30	27	9	31	17	35
Average invested capital	15,866	16,297	16,755	17,664	17,986	17,520	17,534	16,508
Segment cash RoIC, %	16.3	21.5	19.6	11.9	7.1	13.3	6.0	11.6

Quarterly overview, cont.

Portfolio Investments

	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019
SEKm								
Cash revenues	2,864	3,041	2,823	2,727	3,002	2,959	2,829	2,796
Cash EBITDA	2,089	2,243	2,065	1,998	2,239	2,104	2,070	2,014
Cash EBIT	830	834	748	775	834	722	750	654
Gross cash collections	2,740	2,937	2,700	2,536	2,784	2,826	2,679	2,671
Portfolio amortisation	-1,007	-1,063	-972	-994	-1,129	-1,058	-1,061	-1,068
Portfolio revaluation	2	599	1	3	-636	1	9	2
Other Portfolio Investment segment revenues	80	76	66	90	66	98	68	80
Revenues	1,816	2,549	1,795	1,635	1,085	1,867	1,695	1,685
Segment earnings	1,231	751	1,094	1,006	401	1,195	1,246	1,215
Adjusted segment earnings	1,234	1,063	1,093	1,003	1,037	1,208	1,236	1,214
Portfolio investments	1,503	1,258	837	1,267	1,650	3,780	831	1,436
Total carrying value of portfolio investments	35,104	33,305	34,940	34,945	36,297	35,429	33,196	32,377
– thereof purchased receivables	28,984	27,658	27,966	28,032	29,026	28,508	26,279	26,228
– thereof joint ventures	5,726	5,266	6,557	6,507	6,855	6,539	6,546	5,815
– thereof real estate	394	381	416	406	416	382	371	334
Adjusted return on portfolio investments, ROI, %	14	12	12	11	11	14	15	15
Amortisation ratio, %	37	36	36	39	41	37	40	40
ERC	68,263	65,467	64,393	64,674	68,551	64,995	61,310	60,896
Replenishment capex	-1,259	-1,409	-1,317	-1,223	-1,405	-1,382	-1,320	-1,360
Money-on-money multiple (RTM)	2.18	2.08	2.05	2.07	1.98	2.04	2.03	1.96
Average invested capital	34,673	34,602	35,440	36,134	36,383	34,818	33,304	32,365
Segment cash RoIC, %	9.6	9.6	8.4	8.6	9.2	8.3	9.0	8.1

Money-on-money multiple

	Quarter 1 2021	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019
Purchase price of portfolios acquired in quarter	1,443	1,256	837	1,267	1,650	3,780	831	1,436
Lifetime ERC of portfolios acquired in quarter	3,190	2,554	1,791	2,944	3,036	7,165	1,856	2,811
Quarterly MoM	2.21	2.03	2.14	2.32	1.84	1.90	2.23	1.96
RTM MoM (average of quarterly MoM)	2.18	2.08	2.05	2.07	1.98	2.04	2.03	1.96
In quarter collections	2,740	2,937	2,700	2,536	2,784	2,826	2,679	2,671
RTM MoM (average of quarterly MoM)	2.18	2.08	2.05	2.07	1.98	2.04	2.03	1.96
Replenishment capex	-1,259	-1,409	-1,317	-1,223	-1,405	-1,382	-1,320	-1,360
		Full year 2020				Full year 2019		
Replenishment capex		-5,355				-5,339		

Five year overview

Group

SEKm	2020	2019	2018	2017	2016
Revenues	16,848	15,985	13,442	9,434	5,869
Adjusted revenues	16,731	15,780	13,131	9,437	5,824
EBIT	4,695	2,060	3,978	2,728	1,921
Adjusted EBIT	5,738	6,208	4,500	3,128	1,866
Net earnings	2,078	-285	1,943	1,503	1,468
Earnings per share, SEK	15.18	-2.76	14.18	14.62	20.15
Return on equity, %	37	-2	8	11	41
Equity per share, SEK	154.28	168.12	195.16	170.59	55.88
Cash flow from operating activities per share, SEK	70.35	48.77	48.10	-	46.64
Number of employees (FTEs)	9,379	8,766	7,910	6,293	3,865

Group

SEKm	Quarter 1 2021	Quarter 1 2020	Quarter 1 2019	Quarter 1 2018	Quarter 1 2017
Revenues	4,200	3,333	3,752	3,115	1,551
Adjusted revenues	4,198	3,969	3,561	3,102	1,552
EBIT	1,531	459	1,347	897	468
Adjusted EBIT	1,532	1,095	1,350	973	486
Cash EBITDA	2,712	2,633	2,314	1,948	1,029
Net profit	787	-33	739	364	347
Earnings per share, SEK	6.06	-0.25	5.63	2.77	4.77
Return on equity, %	15	-0	12	6	33
Equity per share, SEK	171.12	165.62	188.55	179.63	60.65
Cash flow from operating activities per share, SEK	14.88	17.37	10.30	11.01	9.77
Number of employees (FTEs)	9,626	9,188	8,133	8,318	4,172

Reconciliation of alternative performance measures

SEKm	First quarter		Rolling 12 months	Full year
	Jan–Mar 2021	Jan–Mar 2020	Apr 2020– Mar 2021	2020
Items affecting comparability in revenues				
Positive revaluations of portfolio investments	317	–	3,462	3,145
Negative revaluations of portfolio investments	-315	-636	-2,857	-3,178
Items affecting comparability portfolio amortisations	–	–	150	150
Total items affecting comparability in revenues	2	-636	755	117
Items affecting comparability in operating earnings				
Positive revaluations of portfolio investments	317	–	3,462	3,145
Negative revaluations of portfolio investments	-315	-636	-2,857	-3,178
Transaction costs for M&A	–	–	-1	-1
Items affecting comparability joint venture	-2	–	-1,042	-1,040
Other items affecting comparability	-1	–	-120	-119
Items affecting comparability portfolio amortisations	–	–	150	150
Total items affecting comparability in operating earnings	-1	-636	-408	-1,043
Items affecting comparability by earnings statement line				
Revenues from clients	–	–	–	–
Positive revaluations of portfolio investments	317	–	3,462	3,145
Negative revaluations of portfolio investments	-315	-636	-2,857	-3,178
Cost of sales	-1	–	29	30
Sales, marketing and administration costs	–	–	–	–
Items affecting comparability joint venture	-2	–	-1,042	-1,040
Total items affecting comparability in operating earnings	-1	-636	-408	-1,043
Other items affecting comparability by segment				
Credit Management Services	2	–	2	–
Strategic Markets	–	–	-106	-106
Portfolio Investments	-3	–	-947	-944
Common costs	–	–	7	7
Total other items affecting comparability	-1	–	-1,044	-1,043
Adjusted revenues				
Revenues	4,200	3,333	17,715	16,848
Items affecting comparability	-2	636	-755	-117
Adjusted revenues	4,198	3,969	16,960	16,731

SEKm	First quarter		Rolling 12 months	Full year
	Jan–Mar 2021	Jan–Mar 2020	Apr 2020– Mar 2021	2020
Adjusted EBIT				
EBIT	1,531	459	5,767	4,695
Items affecting comparability	1	636	408	1,043
Total adjusted EBIT	1,532	1,095	6,175	5,738
Portfolio Investment segment earnings excluding items affecting comparability				
Portfolio Investment segment earnings	1,206	383	3,990	3,167
Items affecting comparability for investments	3	636	311	944
Portfolio Investment segment earnings excluding items affecting comparability	1,209	1,019	4,301	4,111
Average carrying value				
Average carrying value receivables	28,321	28,767	28,160	28,171
Average carrying value joint ventures	5,496	6,697	6,014	6,296
Average carrying value real estate	388	394	399	405
Total average carrying value	34,205	35,858	34,574	34,872
Return including items affecting comparability	14	4	12	9
Return excluding items affecting comparability	14	11	12	12
Cash EBITDA				
EBIT	1,531	459	5,767	4,696
Depreciation and amortisation	326	338	1,516	1,528
Portfolio amortisation	1,007	1,129	4,036	4,158
Portfolio revaluations	-2	636	-605	33
Adjustments according to loan covenants:				
Adjustment earnings from joint ventures	-196	-81	620	735
Adjustment cash flow from joint ventures	44	152	230	338
Items affecting comparability excluding portfolio revaluations	3	–	1,013	1,010
Items affecting comparability joint venture	-2	–	-1,042	-1,040
Items affecting comparability portfolio amortisations	–	–	150	150
Cash EBITDA	2,712	2,633	11,686	11,607
Net debt				
Liabilities to credit institutions	1,571	7,255	1,571	2,081
Bond loans	44,493	43,828	44,493	43,706
Provisions for pensions	389	410	389	382
Commercial paper	3,165	2,375	3,165	2,916
Cash and cash equivalents	-2,252	-2,598	-2,252	-2,134
Net debt at end of period	47,367	51,270	47,367	46,951
Net debt/RTM cash EBITDA			4.1	4.0

Financial report

Condensed consolidated income statement

	First quarter		Full year
	Jan–Mar 2021	Jan–Mar 2020	2020
SEKm			
Revenues from clients	2,465	2,313	10,085
Revenues on portfolio investments calculated using the effective interest method	1,733	1,656	6,796
Positive revaluations of portfolio investments	317	0	3,145
Negative revaluations of portfolio investments	-315	-636	-3,178
Total revenues	4,200	3,333	16,848
Cost of sales	-2,365	-2,401	-9,501
Gross earnings	1,836	932	7,347
Sales, marketing and administrative expenses	-500	-554	-1,918
Participation in associated companies and joint ventures	196	81	-734
Operating earnings (EBIT)	1,531	459	4,695
Net financial items	-516	-501	-2,062
Profit before tax	1,015	-42	2,633
Taxes	-228	9	-555
Net earnings for the period	787	-33	2,078
Of which attributable to:			
Parent company's shareholders	732	-27	1,881
Non-controlling interest	54	-6	197
Net earnings for the period	787	-33	2,078
Average no of shares before and after dilution, '000	120,871	130,502	123,914
Earnings per share before and after dilution			
Profit from continuing operations, SEK	6.06	-0.25	15.18
Total earnings per share before and after dilution, SEK	6.06	-0.25	15.18

Condensed consolidated statement of comprehensive income

	First quarter		Full year
	Jan–Mar 2021	Jan–Mar 2020	2020
SEKm			
Net earnings for the period	787	-33	2,078
Other comprehensive earnings, items that will be reclassified to profit and loss:			
Currency translation difference	872	285	-2,250
Other comprehensive earnings, items that will not be reclassified to profit and loss:			
Remeasurement of pension liability			-3
Comprehensive income for the period	1,658	252	-175
Of which attributable to:			
Parent company's shareholders	1,565	90	-202
Non-controlling interest	93	162	27
Comprehensive income for the period	1,658	252	-175

Condensed consolidated balance sheet

SEKm	31 Mar 2021	31 Mar 2020	31 Dec 2020	SEKm	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS				SHAREHOLDERS' EQUITY AND LIABILITIES			
Intangible fixed assets				Attributable to parent company's shareholders	20,684	21,614	19,118
Goodwill	32,523	33,792	31,650	Attributable to non-controlling interest	2,938	3,041	2,845
Capitalised expenditure for IT development and other intangibles	887	861	861	Total shareholders' equity	23,622	24,655	21,963
Client relationships	4,855	6,191	4,936				
Total intangible fixed assets	38,265	40,844	37,447	Long-term liabilities			
				Liabilities to credit institutions	1,571	7,255	2,081
Tangible fixed assets				Bond loans	43,393	42,828	42,606
Right-of-use assets	799	873	831	Long-term leasing liabilities	621	674	651
Investment property	1	11	2	Other long-term liabilities	680	1,372	622
Other tangible fixed assets	213	213	209	Provisions for pensions	389	410	381
Total tangible fixed assets	1,013	1,097	1,042	Other long-term provisions	61	20	48
				Deferred tax liabilities	1,113	2,001	1,110
Other fixed assets				Total long-term liabilities	47,829	54,560	47,499
Shares in joint ventures	5,726	6,855	5,266				
Other shares and participations	0	1	0	Current liabilities			
Portfolio investments	28,984	29,026	27,658	Bond loans	1,100	1,000	1,100
Deferred tax assets	1,335	1,417	1,438	Commercial paper	3,165	2,375	2,916
Other long-term receivables	107	175	124	Client funds payable	1,152	1,098	1,125
Total other fixed assets	36,151	37,474	34,486	Accounts payable	542	644	493
				Earnings tax liabilities	832	398	925
Total fixed assets	75,429	79,415	72,975	Advances from clients	55	90	64
				Short-term leasing liabilities	223	234	220
Current assets				Other current liabilities	2,142	1,134	1,515
Accounts receivable	1,270	1,635	1,184	Accrued expenses and prepaid earnings	2,450	2,658	2,924
Inventory of real estate	394	405	379	Other short-term provisions	14	72	24
Client funds	1,152	1,309	1,125	Total current liabilities	11,673	9,703	11,307
Tax assets	157	334	193	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	83,123	88,918	80,768
Other receivables	1,253	1,247	1,338				
Prepaid expenses and accrued earnings	1,216	1,975	1,441				
Cash and cash equivalents	2,252	2,598	2,134				
Total current assets	7,694	9,503	7,793				
TOTAL ASSETS	83,123	88,918	80,768				

Condensed consolidated statement of changes in shareholders' equity

SEKm	2021			2020		
	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				-490		-490
Comprehensive earnings for the period	1,565	93	1,658	90	162	252
Closing balance, December 31	20,684	2,938	23,622	21,614	3,041	24,655

Condensed consolidated cash flow statement

SEKm	First quarter		Full year
	Jan–Mar 2021	Jan–Mar 2020	2020
Operating activities			
EBIT	1,531	459	4,695
Depreciation/amortisation and impairment write-down	326	338	1,529
Amortisation/revaluation of purchased debt	1,005	1,764	4,189
Other adjustment for items not included in cash flow	-196	-163	570
Interest received	4	49	43
Interest paid	-558	-638	-1,581
Other financial expenses paid	-45	-58	-225
Earnings tax paid	-211	-80	-969
Cash flow from operating activities before changes in working capital	1,856	1,671	8,251
Changes in factoring receivables	-42	-6	36
Other changes in working capital	-16	602	430
Cash flow from operating activities	1,798	2,267	8,716
Investing activities			
Purchases of tangible and intangible fixed assets	-87	-123	-672
Portfolio investments in receivables and inventory of real estate	-1,142	-1,655	-5,135
Acquisition of subsidiaries and joint ventures	-	-	-35
Other cash flow from investing activities	63	152	398
Cash flow from investing activities	-1,167	-1,626	-5,444
Financing activities			
Borrowings and repayment of loans	-646	549	-68
Repurchase of shares	-	-490	-1,307
Share dividend to parent company's shareholders	-	-	-1,332
Dividend to non-controlling shareholders	-	-	-72
Cash flow from financing activities	-646	59	-2,779
Total change in liquid assets	-15	700	491
Opening balance of liquid assets	2,134	1,906	1,906
Exchange rate differences in liquid assets	133	-8	-263
Closing balance of liquid assets	2,252	2,598	2,134
Group total			
Cash flow from operating activities	1,798	2,267	8,718
Cash flow from investing activities	-1,167	-1,626	-5,444
Cash flow from financing activities	-646	59	-2,779

Condensed income statement – parent company

	First quarter		Full year
	Jan–Mar 2021	Jan–Mar 2020	2020
SEKm			
Revenues	152	94	557
Gross earnings	152	94	557
Sales and marketing expenses	-7	-5	-28
Administrative expenses	-226	-182	-804
EBIT	-81	-93	-275
Earnings from subsidiaries	0	0	1 382
Exchange rate differences on monetary items classified as expanded investment and hedging activities	-258	-127	678
Net financial items	-229	-176	-1 261
Earnings before tax	-568	-396	524
Tax	-	-	-104
Net earnings for the period	-568	-396	420

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

Condensed balance sheet – parent company

SEKm	31 Mar 2021	31 Mar 2020	31 Dec 2020
ASSETS			
Fixed assets			
Intangible fixed assets	348	197	298
Tangible fixed assets	13	12	13
Financial fixed assets	70,099	70,716	68,195
Total fixed assets	70,460	70,925	68,506
Current assets			
Current receivables	367	1,143	458
Cash and cash equivalents	584	928	533
Total current assets	951	2,071	991
TOTAL ASSETS	71,410	72,996	69,497
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity	285	285	285
Unrestricted equity	11,355	13,256	11,923
Total shareholders' equity	11,640	13,541	12,208
Long-term liabilities	52,758	54,572	50,386
Current liabilities	7,011	4,883	6,902
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	71,410	72,996	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 152 M (94) for the first quarter and earnings before tax of SEK -568 M (-396). The Parent Company invested SEK 58 M (60) in fixed assets for the quarter and at the end of the quarter held SEK 584 M (928) in cash and cash equivalents. The average number of employees was 63 (60).

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

Market development and outlook

Intrum's integrated business model, consisting of credit man-

agement services and portfolio investments, Intrum see favourable medium term developments in both areas, even though the beginning of 2021 continues to be impacted by macroeconomic uncertainty due to the ongoing Covid-19 pandemic. Intrum continues to execute its transformation programme. Intrum will gradually standardise, globalise and improve its collection processes. In the future, 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, 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 papers, 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 44,493 M (43,828) at the end of the quarter, fair value is, however, estimated at SEK 44,829

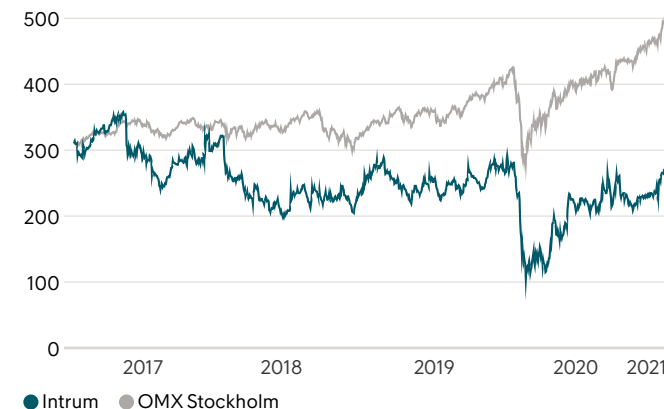
M (33,871). The Group also holds forward exchange contracts and other financial assets of SEK 172 M (764), as well as financial liabilities of SEK 245 M (284) carried at fair value in the income statement.

The share

Intrum's share is included in Nasdaq Stockholm's Large Cap list. During the period 1 January–31 March 2021, 22,653,561 shares were traded for a total value of SEK 5,462 M, corresponding to 19 per cent of the total number of shares at the end of the period.

The highest price paid during the period 1 January–31 March 2021 was SEK 287.4 (31 March) and the lowest was SEK 216.4 (5 January). On the last trading day of the period, 31 March 2021, the price was SEK 280.0 (latest paid). During the period 1 January–31 March 2021, Intrum's share price rose by 29 per cent, while Nasdaq OMX Stockholm rose by 12 per cent.

Share price, SEK



Shareholders

31 March 2021	No of shares	Capital and Votes, %
Nordic Capital	57 728 956	47.8
AMF Försäkring & Fonder	11 820 371	9.8
Swedbank Robur Fonder	5 455 723	4.5
Första AP-fonden	2 294 409	1.9
Vanguard	1 953 055	1.6
Handelsbanken Fonder	1 660 311	1.4
TIAA - Teachers Advisors	1 645 541	1.4
C WorldWide Asset Management	1 521 999	1.3
BlackRock	1 099 484	0.9
Folketrygdfondet	1 047 404	0.9
Intrum AB	850 000	0.7
Dimensional Fund Advisors	809 542	0.7
Futur Pension	782 865	0.6
Livförsäkringsbolaget Skandia	746 820	0.6
Capital Group	700 000	0.6
Total fifteen largest shareholders	90 116 480	74.6
Total number of shares excluding treasury shares	120 870 918	

Source: Modular Finance Holdings and Intrum

Treasury holdings of 850,000 shares are not included in the number of shares outstanding. The proportion of Swedish ownership amounted to 29.6 per cent (institutions 5.7 percentage points, mutual funds 15.6 percentage points and private individuals 8.3 percentage points).

Currency exchange rates

	Closing rate 31 mar 2021	Closing rate 31 mar 2020	Average rate Jan–Mar 2021	Average rate Jan–Mar 2020	Average rate Jan–Dec 2020
1 EUR=SEK	10.24	11.06	10.12	10.66	10.48
1 CHF=SEK	9.25	10.45	9.27	10.00	9.80
1 NOK=SEK	1.02	0.96	0.99	1.02	0.98
1 HUF=SEK	0.028	0.0307	0.028	0.0314	0.0299

Events after the balance sheet date

No events after balance sheet date.

For further information, please contact

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Michael Ladurner, CFO, tel: +46 8 546 102 02

Emil Folkesson, 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 that 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 29 April 2021 at 07.00 a.m. CET.

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

Denna delårsrapport finns även på svenska.

Stockholm, 29 April 2021

Anders Engdahl
President and CEO

The interim report has not been reviewed by the company's auditors.

Definitions

Result concepts, key figures and alternative indicators

Acquired growth

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

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.

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 depreciation 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 include 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.

Recurring consolidated cash EPS

Recurring cash earnings divided by average number of shares outstanding for the period. Calculated as the sum of quarters for RTM.

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.

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

The abbreviation RTM refers to figures on the 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 2020, the company generated revenues of SEK 16.8 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 2021

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



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