

# Intertrust reports Q4 and FY 2020 results

**Amsterdam, the Netherlands – 12 February 2021 – Intertrust N.V. (“Intertrust” or “Company”) [Euronext: INTER], a global leader in providing tech-enabled corporate and fund solutions to clients operating and investing in international business, today publishes its results for the fourth quarter and full year ended 31 December 2020.**

## FY 2020 Highlights

- Reported revenue increased by 3.9% to EUR 564.5 million (FY 2019: EUR 543.3 million). Underlying revenue was roughly stable at 0.2% growth despite a challenging economic environment.
- Adjusted EBITA margin was 32.8% (FY 2019: 36.4%), due to soft underlying revenue growth, investments in the Centre of Excellence and lower revenue in Corporates and Private Wealth which negatively impacted margin mix.
- Leverage ratio decreased to 3.83x from 3.96x in FY 2019. Net debt reduced by EUR 123 million.

## Q4 2020 Highlights

- Underlying revenue decreased by 1.3% to EUR 144.8 million (Q4 2019: EUR 150.7 million) mainly due to a decline in Corporates in the Netherlands and Luxembourg and against a strong comparable last year.
- Adjusted EBITA margin was 34.4% (Q4 2019: 36.9%), largely due to changes in revenue mix, the ongoing automation and migration processes.
- Achieved EUR 7.9 million annualised net run rate savings of the Centre of Excellence at the end of December 2020, exceeding initial guidance of at least EUR 4 million (20% of EUR 20 million).

## Capital allocation and guidance

- Dividend to be reinstated for FY 2021 at 20% of adjusted net income, alongside revised capital allocation framework aiming at strengthening the balance sheet, supporting continued growth and optimising shareholder returns.
- For 2020, management proposes not to declare a dividend, in order to prioritise leverage ratio reduction to below 3.4x by the end of 2021.
- Medium-term guidance of 4% to 6% revenue growth in line with our priority of driving top line growth.

## Shankar Iyer, CEO of Intertrust, commented:

“In 2020, Covid-19 presented a unique set of challenges and drove significant changes to the way we operate. Despite this highly unusual environment, I am pleased that the Group delivered stable revenue, highlighting the inherent resilience of the business. I am particularly proud of the commitment of our people and their ability to overcome extraordinary challenges in order to maintain the highest standards of client service.

Our Fund Services business delivered a strong performance as clients relied on end-to-end services, and our Capital Markets business also performed well, following increased demand for liquidity in the market. These strong results were offset by revenue declines in Corporates and Private Wealth due to lower transaction and activity levels overall, primarily as a result of Covid-19.

I am confident in the long-term strategic direction of the Company and, as its CEO, I look forward to building on these solid foundations. Whilst the operating environment remains challenging, our strengths are clear: strong demand for our expertise, many high-quality businesses and a deep understanding of our clients. Our focus in 2021 will be on further digitising the business, executing our Centre of Excellence migration plan and progressing on key strategic initiatives such as our ESG agenda, whilst maintaining stringent financial discipline.”

## Intertrust Group FY 2020 figures

	As reported			Adjusted <sup>1</sup>			Underlying
	FY 2020	FY 2019	% Change	FY 2020	FY 2019	% Change	% change <sup>2</sup>
Revenue (€m)	564.5	543.3	3.9%	564.5	543.3	3.9%	0.2%
EBITA (€m)	162.3	178.5	-9.1%	185.1	197.5	-6.3%	-8.3%
EBITA Margin	28.8%	32.9%	-410bps	32.8%	36.4%	-356bps	-304bps
Net Income (€m)	20.8	90.3	-76.9%	132.1	139.8	-5.5%	
Earnings per share (€) <sup>3</sup>	0.23	1.01	-77.2%	1.47	1.56	-6.0%	
Cash flow from operating activities (€m)	175.1	186.7	-6.2%				

<sup>1</sup> See Reconciliation of performance measures to reported results (see page 8) for further information on Adjusted figures

<sup>2</sup> Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

<sup>3</sup> Average number of shares for FY 2020: 90,162,583 shares; average for FY 2019: 89,734,033 shares

## Intertrust Group Q4 2020 figures

	As reported			Adjusted <sup>1</sup>			Underlying
	Q4 2020	Q4 2019	% Change	Q4 2020	Q4 2019	% Change	% change <sup>2</sup>
Revenue (€m)	144.8	150.7	-3.9%	144.8	150.7	-3.9%	-1.3%
EBITA (€m)	42.7	51.9	-17.6%	49.9	55.5	-10.2%	-7.1%
EBITA Margin	29.5%	34.4%	-492bps	34.4%	36.9%	-242bps	-216bps
Net Income (€m)	14.9	20.5	-27.3%	37.3	39.8	-6.3%	
Earnings per share (€) <sup>3</sup>	0.16	0.23	-30.4%	0.41	0.44	-6.5%	
Cash flow from operating activities (€m)	54.7	71.0	-23.0%				

<sup>1</sup> See Reconciliation of performance measures to reported results (see page 8) for further information on Adjusted figures

<sup>2</sup> Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

<sup>3</sup> Average number of shares for Q4 2020: 90,198,016 shares; average for Q4 2019: 90,055,506 shares

## Financial review

### Revenue

FY 2020 underlying revenue was broadly stable at EUR 564.5 million (+0.2% year-on-year). Underlying revenue in Corporates decreased by 4.8% to EUR 187.8 million, primarily due to lower revenue in Luxembourg and the Netherlands, although this was partially mitigated by revenue growth in the Nordics and the UK. Corporates was impacted by lower transactional activity as well as lower level of referrals from business partners. Underlying revenue in Funds increased by 6.0% to EUR 247.5 million, against a strong comparable in FY 2019, and driven by in-line-with-market growth in Luxembourg and high single digit growth in fund administration. Underlying revenue in Capital Markets, which is by nature more transaction driven, increased by 2.2% mainly on higher demand for loan administration services in the Netherlands and in the UK, and increased demand for liquidity. In Q4 2020 underlying revenue in Capital Markets decreased due to lower transaction levels for non-performing loans in Ireland, which is the third largest jurisdiction for this service line. Private Wealth underlying revenue declined by 8.2% in FY 2020 to EUR 59.3 million, reflecting directed outflow and lower market activity overall.

(EUR million)				Underlying				Underlying
	Q4 2020	Q4 2019	% Change	% change <sup>1</sup>	FY 2020	FY 2019	% Change	% change <sup>1</sup>
Corporates	48.4	52.2	-7.3%	-6.3%	187.8	196.0	-4.2%	-4.8%
Funds	63.7	64.1	-0.7%	2.8%	247.5	213.1	16.1%	6.0%
Capital Markets	17.0	18.3	-7.0%	-4.8%	66.5	65.4	1.5%	2.2%
Private Wealth	14.8	15.3	-3.7%	0.7%	59.3	65.4	-9.3%	-8.2%
Other	1.0	0.7	40.4%	48.1%	3.4	3.4	1.4%	3.0%
<b>Total Group revenue</b>	<b>144.8</b>	<b>150.7</b>	<b>-3.9%</b>	<b>-1.3%</b>	<b>564.5</b>	<b>543.3</b>	<b>3.9%</b>	<b>0.2%</b>

<sup>1</sup> Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

### Adjusted EBITA and adjusted EBITA margin

Adjusted EBITA margin was 32.8% in FY 2020 compared to 36.4% in FY 2019. The lower margin essentially reflected the impact of higher costs in HQ and IT, lower productivity due to migration activities, and lower revenue in Corporates and Private Wealth which negatively impacted margin mix.

### Centre of Excellence

The migration of the Guernsey operations was completed in Q4 2020 and we received in December 2020 the final approval from the regulator in Luxembourg to migrate activities to the Centre of Excellence (CoE).

Despite the conditions created by the pandemic we maintained our focus on transformation and execution. At the end of Q4 2020, 89% of the total planned CoE headcount was hired, an increase from 82% at the end of Q3 2020. The annualised run rate cost of the CoE was EUR 12.3 million, whilst the annualised run rate of gross savings was EUR 20.2 million at the end of December 2020. This resulted in a net positive annualised run rate saving of EUR 7.9 million, exceeding our initial goal of 20% of EUR 20 million net savings run rate at the end of December 2020. We remain on track to achieve the previously announced 90% completion rate by the end of 2021.

### Financing and tax expenses

The net financial result in FY 2020 was negative EUR 53.3 million consisting of the following items:

(EUR million)	Q4 2020	Q4 2019	FY 2020	FY 2019
Net interest cost	(8.2)	(10.5)	(37.2)	(38.5)
Fair value adjustment of the early redemption option	1.1	(1.7)	(13.1)	22.7
Fair value adjustment earn out	(0.1)	-	0.2	(1.3)
Other	(0.8)	(0.8)	(3.1)	(0.7)
<b>Net financial result</b>	<b>(8.0)</b>	<b>(13.1)</b>	<b>(53.3)</b>	<b>(17.7)</b>

The senior notes traded around 102.47 at the end of FY 2020. This resulted in a negative non-cash EUR 13.1 million impact from the fair value adjustment of the early redemption option.

The FY 2020 income tax expense was EUR 15.0 million compared to EUR 24.4 million in FY 2019. This decline largely resulted from the revaluation of the early redemption option embedded in the senior notes as well as from the goodwill impairment charge recorded in Q2 2020, which both reduced profit before tax in FY 2020. In addition to this, we recorded a EUR 3.5 million deferred tax expense due to changes in tax rates resulting in an effective tax rate of 41.8% in 2020 which was well above 2019 (21.3%). Excluding these three non-recurring items, the normalised effective tax rate was 19.6% in 2020 compared to 19.8% for 2019.

### Earnings per share (EPS)

FY 2020 adjusted EPS decreased to EUR 1.47 from EUR 1.56 in FY 2019. The average number of outstanding shares in FY 2020 was 90,162,583 (FY 2019: 89,734,033).

### Key performance indicators (KPIs)

	Q4 2020	Q4 2019	FY 2020	FY 2019
FTE (end of period)	4,076	3,467	4,076	3,467
Revenue / Billable FTE (€k, LTM) <sup>1</sup>	188.3	219.1	188.3	219.1
Billable FTE / Total FTE (as %, end of period)	76.7%	76.0%	76.7%	76.0%
HQ & IT costs (as % of revenue)	14.1%	14.9%	15.1%	14.5%
Working capital / LTM Revenue (as %)	-1.8%	-2.8%	-1.8%	-2.8%

<sup>1</sup> Billable FTE and revenue is calculated based on LTM average, revenue is not corrected for currency impact, 2020 and 2019 ratios include proforma figures for acquisition(s) if applicable

FTEs increased by 609 compared to 2019, as a result of the expansion of the CoE and additional FTEs in the local jurisdictions enabling the transformation program. We have hired 748 FTEs in the CoE which represents 89% of the planned headcount. The temporary additional resources hired for the execution of the migration plan are reflected in the lower Revenue / Billable FTE ratio, and an improved Billable FTE / Total FTE ratio.

## Capital employed

(EUR million)	31.12.2020	30.09.2020	31.12.2019
Acquisition-related intangible assets	1,591.8	1,626.3	1,729.0
Other intangible assets	22.2	20.7	17.6
Property, plant and equipment	92.1	95.5	107.7
Total working capital	(10.4)	(3.3)	(15.3)
Other assets	31.5	30.4	45.5
<b>Total Capital employed (Operational)</b>	<b>1,727.3</b>	<b>1,769.8</b>	<b>1,884.5</b>
Total equity	760.3	753.2	774.7
Net debt	792.7	834.9	915.9
Provisions, deferred taxes and other liabilities	174.3	181.6	193.9
<b>Total Capital employed (Finance)</b>	<b>1,727.3</b>	<b>1,769.8</b>	<b>1,884.5</b>

### Cash flow, working capital and net debt

In FY 2020 cash flow from operating activities decreased to EUR 175.1 million reflecting mainly lower EBITA and higher income tax paid. Cash flow from operating working capital was negative EUR 1.1 million compared to EUR 1.1 million positive in FY 2019.

Total working capital was negative EUR 10.4 million, which was EUR 4.9 million higher than at the end of 2019 (negative EUR 15.3 million). The year-on-year increase was largely driven by a foreign currency translation impact on deferred income and the settlement of taxes related to previous years. The breakdown of working capital was as follows:

(EUR million)	31.12.2020	30.09.2020	31.12.2019
Operating working capital	18.0	24.7	16.6
Net current tax	(28.4)	(28.0)	(31.9)
<b>Total working capital</b>	<b>(10.4)</b>	<b>(3.3)</b>	<b>(15.3)</b>

Cash collection continued to be strong and total liquidity amounted to more than EUR 250 million at the end of December 2020. Q4 capex came in at 4.0% of revenue and at 3.3% on a FY basis (excluding IFRS16). Largest projects in 2020 were Fastlane and the implementation of the ERP SAP system.

As a result of strong cash generation, net debt reduced by EUR 123.2 million to EUR 792.7 million as of December 2020 (31 December 2019: EUR 915.9 million). Cash on balance sheet remained strong at EUR 141.3 million (31 December 2019: EUR 121.0 million). In Q4 2020, the RCF was fully repaid whilst the leverage ratio decreased to 3.83x from 3.96x at 31 December 2019. This leaves us with a 23.4% headroom versus the bank covenant limit ratio of 5.00x.

## Performance in key jurisdictions

### Western Europe

#### 41% of FY 2020 Group revenue

	Q4 2020	Q4 2019	% Change	Underlying % change <sup>1</sup>	FY 2020	FY 2019	% Change	Underlying % change <sup>1</sup>
Revenue (€m)	60.6	63.2	-4.0%	-4.6%	232.8	237.3	-1.9%	-2.8%
Adjusted EBITA (€m)	31.4	35.4	-11.4%	-11.6%	116.5	132.6	-12.1%	-11.9%
Adjusted EBITA Margin	51.8%	56.1%	-428bps	-411bps	50.1%	55.9%	-583bps	-513bps

<sup>1</sup> Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

Western Europe reported a 2.8% decline in underlying revenue in FY 2020, mainly due to Luxembourg (-2.5%) and the Netherlands (-4.6%), whilst the other jurisdictions in the region showed high-single digit to double digit growth rates. The Corporates business in Western Europe continued to be impacted by lower transactional activities, a lower number of referrals and corporate structures end-of-life cycles in both Luxembourg and the Netherlands. New client inflows remained soft and changes have been put in place for these two largest jurisdictions to improve processes and strengthen the sales inflow.

FY 2020 adjusted EBITA margin was 50.1% reflecting essentially the impact of lower productivity due to migration activities while inflow of new business was mainly coming from the lower revenue per billable FTE segment.

The migration plan for Luxembourg was approved by the local regulator in December 2020.

## Rest of the World (ROW)

### 35% of FY 2020 Group revenue

	Q4 2020	Q4 2019	% Change	Underlying % change <sup>1</sup>	FY 2020	FY 2019	% Change	Underlying % change <sup>1</sup>
Revenue (€m)	50.0	51.5	-2.9%	0.6%	197.2	195.1	1.1%	2.2%
Adjusted EBITA (€m)	21.4	22.2	-3.7%	-0.3%	81.5	84.8	-4.0%	-2.9%
Adjusted EBITA Margin	42.8%	43.1%	-37bps	-38bps	41.3%	43.5%	-218bps	-217bps

<sup>1</sup> Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

FY 2020 underlying revenue grew by 2.2% in ROW. Except for the two largest jurisdictions in ROW (Jersey and Guernsey) all other jurisdictions showed healthy growth in revenue. Corporates in the UK performed well due to greater clarity around Brexit, whilst in the Nordic region, especially in Denmark, Funds (fund administration and AIFM) had good revenue growth. Furthermore, in APAC, Private Wealth reported double digit growth but growth in this service line was offset by lower revenue in Guernsey and Jersey.

FY 2020 adjusted EBITA margin was 41.3% compared to 43.5% in FY 2019. The year-on-year decline was mainly due to the execution of the CoE migration project and related expenses.

As of February 2021 Intertrust New Zealand received approval from the New Zealand government and is now registered as AML entity. This means Intertrust can expand its service offering with anti-money laundering (AML) services.

## Americas

### 24% of FY 2020 Group revenue

	Q4 2020	Q4 2019	% Change	Underlying % change <sup>1</sup>	FY 2020	FY 2019	% Change	Underlying % change <sup>1</sup>
Revenue (€m)	34.2	36.0	-5.0%	2.0%	134.5	110.9	21.3%	2.6%
Adjusted EBITA (€m)	17.5	20.4	-13.9%	-8.4%	72.1	58.8	22.6%	4.7%
Adjusted EBITA Margin	51.2%	56.5%	-533bps	-581bps	53.6%	53.0%	59bps	111bps

<sup>1</sup> Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

FY 2020 underlying revenue growth was 2.6% year-on-year. This was driven by a 6.6% increase in Funds, primarily thanks to high single digit growth in fund administration, but was offset by a decline in Corporates.

FY 2020 adjusted EBITA margin improved by 111bps underlying to 53.6% as a result of strict cost management. In Q4 2020 adjusted EBITA margin was impacted by the set up costs of Intertrust Law in Cayman.

## Group HQ & IT costs

(EUR million)	Q4 2020	Q4 2019	FY 2020	FY 2019
Group HQ costs	(8.8)	(9.4)	(36.3)	(33.7)
Group IT costs	(11.6)	(13.1)	(48.7)	(45.0)
<b>Total Group HQ &amp; IT costs</b>	<b>(20.4)</b>	<b>(22.5)</b>	<b>(85.0)</b>	<b>(78.7)</b>

FY 2020 HQ and IT costs amounted to EUR 85.0 million. This is within the guidance of EUR 90.0 million on a full year basis. IT costs included expenses for maintenance of the IT infrastructure across the Group, back office processes and license fees for operating systems.

The Risk Engine and Transaction Monitoring applications of the Fastlane project were rolled out in Luxembourg and the Netherlands. In addition to the Risk Engine and Transaction Monitoring applications, the iKYC application was also rolled out in the Cayman Islands. The new SAP ERP was rolled out in the Netherlands and Luxembourg and is covering approximately 40% of global revenue.

## Guidance 2021 and medium term aspirations

### Guidance 2021

Given the prevalence of the Covid-19 second wave across most of the markets we operate in, we expect the operating environment to remain challenging for at least the first half of 2021. Given this backdrop, we remain focused on our key priorities in the short term, with a clear focus on efficient operational execution, enhancing client centricity and ensuring employee welfare.

We expect a return to modest growth in 2021, with a targeted underlying revenue increase of 2% to 4%. As we progress with the completion of the CoE migration, we also expect to improve our adjusted EBITA margin through 2021, with a target of 34% to 35% for the full year. Margin expansion is likely to be driven in the second half of the year, as FTE duplication tapers out and market activity also increases on the back of an improved operating environment.

Finally, we aim at reducing our leverage ratio below 3.4x by the end of 2021, whilst we expect Capex to remain at approximately 3% of revenue.

	FY 2020	Targets 2021
Underlying revenue growth	0.2%	2% - 4%
Adjusted EBITA margin	32.8%	34% - 35%
Capex (% revenue)	3.3%	~ 3%
Leverage ratio	3.83x	below 3.4x

### Medium term aspirations

Our priority is to achieve sustainable and profitable growth in the medium term, with revenue growing between 4% and 6% and adjusted EBITA growth outpacing revenue growth as the benefits of the integration come through. We remain committed to sustaining Capex at around 3% of revenue whilst we consider a leverage ratio of around 3.0x to be adequate for our business in the medium term, alongside our newly published capital allocation framework.

	Mid term target
Underlying revenue growth	4% - 6%
Adjusted absolute EBITA	outpaces revenue growth
Capex (% revenue)	~ 3%
Leverage ratio	around 3.0x

## Capital allocation framework

Intertrust today announces a revised capital allocation framework to strengthen the balance sheet, support continued growth and optimise returns for shareholders. Our approach is guided by the need to invest in growth across the business, whilst ensuring an efficient and strong balance sheet. As such, whilst we consider a leverage ratio of around 3.0x to be adequate for our business in the medium term, we also expect to continue to invest in organic growth, including capex which is expected to remain at around 3% of revenue.

The revised dividend policy will be based on an annual pay-out of 20% of adjusted net income, supplemented by additional shareholder returns in the form of share buybacks or special dividend depending on cash surplus and market conditions. M&A activity remains an active part of the strategic agenda in the medium term, and all opportunities will be assessed within the confines of a clear set of strategic, operational and financial criteria.

This new framework recognises the Company's continued strong cash generation and the importance of dividends for shareholders, whilst providing greater flexibility in capital allocation to drive underlying growth across the business.

## Additional information

### Financial calendar 2021

8 March	Extraordinary General Meeting
22 April	Publication of Q1 2021 trading update
12 May	Annual General Meeting
29 July	Publication of Q2/H1 2021 results & reviewed interim financial statements
21 October	Publication of Q3 2021 trading update

### Analyst call / webcast

Today, Intertrust's CEO Shankar Iyer and CFO Rogier van Wijk will hold an analyst / investor call at 10:00 CET. A webcast of the call will be available on the Company's website. The webcast can be accessed [here](#). The supporting presentation can be downloaded from our [website](#).

### For more information:

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### About Intertrust

Intertrust (Euronext: INTER; "the Company")our 4,000 employees are dedicated to providing world-leading, specialised administration services to clients in over 30 jurisdictions. This is amplified by the support we offer across our approved partner network which covers a further 100+ jurisdictions. Our focus on bespoke corporate, fund, capital market and private wealth services enables our clients to invest, grow and thrive anywhere in the world. Sitting at the heart of international business, our local, expert knowledge and innovative, proprietary technology combine to deliver a compelling proposition – all of which keeps our clients one step ahead.

### Forward-looking statements and presentation of financial and other information

This press release may contain forward looking statements with respect to Intertrust's future financial performance and position. Such statements are based on Intertrust's current expectations, estimates and projections and on information currently available to it. Intertrust cautions investors that such statements contain elements of risk and uncertainties that are difficult to predict and that could cause Intertrust's actual financial performance and position to differ materially from these statements. Intertrust has no obligation to update or revise any statements made in this press release, except as required by law.

All figures included in this press release are unaudited and include IFRS16 impact except otherwise indicated.

This press release contains information that qualifies, or may qualify, as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

## Explanatory tables

Figures presented in EUR million tables are calculated before roundings.

### Reconciliation of performance measures to reported results

(EUR million)	Q4 2020	Q4 2019	FY 2020	FY 2019
<b>Profit from operating activities</b>	<b>30.6</b>	<b>39.4</b>	<b>89.1</b>	<b>132.5</b>
Amortisation of acquisition-related intangible assets and impairment of goodwill	12.1	12.4	73.2	46.1
Specific items - Integration and transformation costs	5.2	1.9	16.2	8.1
Specific items - Transaction and other costs	2.0	1.8	6.6	10.9
<b>Adjusted EBITA</b>	<b>49.9</b>	<b>55.5</b>	<b>185.1</b>	<b>197.5</b>

**Adjusted EBITA** is defined as EBITA before specific items. Specific items of income or expense are income and expense items that, based on their significance in size or nature, should be separately presented to provide further understanding on financial performance.

Amortisation and impairment of goodwill include an impairment charge on goodwill of EUR 24 million on the cash generating unit Jersey in Q2 2020. Integration and transformation costs relate to the migration of certain activities to the Centres of Excellence and to ongoing efforts to streamline and improve operational efficiency. Transaction and other costs consist primarily of acquisition related costs such as the Viteos acquisition in 2019.

(EUR million)	Q4 2020	Q4 2019	FY 2020	FY 2019
<b>Adjusted EBITA</b>	<b>49.9</b>	<b>55.5</b>	<b>185.1</b>	<b>197.5</b>
Net finance costs (adjusted) - excluding net foreign exchange loss and other adjusting items <sup>1</sup>	(8.6)	(10.8)	(38.7)	(39.4)
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	-	0.0	-	0.0
Income tax (adjusted)	(4.0)	(4.9)	(14.3)	(18.3)
<b>Adjusted Net income</b>	<b>37.3</b>	<b>39.8</b>	<b>132.1</b>	<b>139.8</b>

<sup>1</sup> Foreign exchange gain/(loss) for Q4 2020 was (EUR 0.5m), FY 2020 was (EUR 1.7m); Q4 2019 was EUR (0.5m), FY 2019 was EUR 0.2m

**Adjusted Net Income** is defined as Adjusted EBITA less net interest costs, less adjusted tax expenses and share of profit of associate (net of tax) and excluding adjusting items in financial results and income taxes.

### Tax reconciliation

(EUR million)	FY 2020	FY 2019	Change
<b>Profit before income tax</b>	<b>35.8</b>	<b>114.8</b>	<b>79.0</b>
<b>Income tax using the Company's domestic tax rate</b>	25.0% <b>(8.9)</b>	25.0% <b>(28.7)</b>	<b>(19.7)</b>
Effect of tax rates in foreign jurisdictions	7.6	7.9	0.3
Effect of non-taxable and deferred items	(14.6)	(4.5)	10.1
Effect of prior year adjustments	0.9	0.8	(0.1)
<b>Income tax</b>	41.8% <b>(15.0)</b>	21.3% <b>(24.4)</b>	<b>(9.5)</b>
Of which:			
<b>Current tax expense</b>	74.9% <b>(26.8)</b>	22.9% <b>(26.2)</b>	<b>0.6</b>
<b>Deferred tax (expense)/ income</b>	-33.1% <b>11.9</b>	-1.6% <b>1.8</b>	<b>(10.1)</b>

Deferred tax expense included an amount of EUR 2.9 million relating to the revaluation of the early redemption option of the senior notes. Profit before tax decreased because of the revaluation, goodwill impairment in the second quarter and 3.5 million expense due to tax rates changes. Normalised (for revaluation / goodwill impairment / tax rate change) effective tax rate was 19.6% compared to 19.8% for 2019.



## Specification of the impact of Adjusted items

(EUR million)		Q4 2020		
	As reported	Adjustments	Adjusted	
<b>Revenue</b>	<b>144.8</b>		<b>144.8</b>	
Staff expenses	(69.5)	(3.3)	(66.2)	
Rental expenses	(2.4)	-	(2.4)	
Other operating expenses	(23.1)	(4.0)	(19.1)	
Other operating income	0.4	0.1	0.3	
Depreciation and amortisation of other intangible assets	(7.6)	-	(7.6)	
Amortisation of acquisition-related intangible assets and impairment of goodwill	(12.1)	(12.1)	-	
<b>Profit from operating activities</b>	<b>30.6</b>	<b>(19.2)</b>	<b>49.9</b>	
Financial income	0.2	(0.1)	0.3	
Financial expense	(8.2)	0.7	(8.9)	
<b>Financial result</b>	<b>(8.0)</b>	<b>0.6</b>	<b>(8.6)</b>	
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	-	-	-	
<b>Profit before income tax</b>	<b>22.7</b>	<b>(18.6)</b>	<b>41.3</b>	
Income tax	(7.8)	(3.8)	(4.0)	
<b>Profit for the year after tax</b>	<b>14.9</b>	<b>(22.4)</b>	<b>37.3</b>	
Profit/(loss) for the year after tax attributable to:				
Owners of the Company	14.9	(22.4)	37.3	
Non-controlling interests	0.0	-	0.0	
<b>Profit for the year</b>	<b>14.9</b>	<b>(22.4)</b>	<b>37.3</b>	
Basic earnings per share (EUR)	0.16		0.41	
Diluted earnings per share (EUR)	0.16		0.41	

  

(EUR million)		FY 2020		
	As reported	Adjustments	Adjusted	
<b>Revenue</b>	<b>564.5</b>	-	<b>564.5</b>	
Staff expenses	(284.8)	(12.9)	(271.9)	
Rental expenses	(8.4)	-	(8.4)	
Other operating expenses	(80.8)	(10.1)	(70.7)	
Other operating income	2.5	0.2	2.3	
Depreciation and amortisation of other intangible assets	(30.6)	-	(30.6)	
Amortisation of acquisition-related intangible assets and impairment of goodwill	(73.2)	(73.2)	-	
<b>Profit from operating activities</b>	<b>89.1</b>	<b>(96.0)</b>	<b>185.1</b>	
Financial income	1.6	0.2	1.4	
Financial expense	(54.9)	(14.8)	(40.1)	
<b>Financial result</b>	<b>(53.3)</b>	<b>(14.6)</b>	<b>(38.7)</b>	
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	-	-	-	
<b>Profit before income tax</b>	<b>35.8</b>	<b>(110.6)</b>	<b>146.4</b>	
Income tax	(15.0)	(0.7)	(14.3)	
<b>Profit for the year after tax</b>	<b>20.8</b>	<b>(111.3)</b>	<b>132.1</b>	
Profit/(loss) for the year after tax attributable to:				
Owners of the Company	20.8	(111.3)	132.1	
Non-controlling interests	0.0	-	0.0	
<b>Profit for the year</b>	<b>20.8</b>	<b>(111.3)</b>	<b>132.1</b>	
Basic earnings per share (EUR)	0.23		1.47	
Diluted earnings per share (EUR)	0.23		1.45	

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## Consolidated statement of profit or loss

(EUR 000)	Q4		FY	
	2020	2019	2020	2019
<b>Revenue</b>	<b>144,834</b>	<b>150,679</b>	<b>564,469</b>	<b>543,340</b>
Staff expenses	(69,493)	(67,152)	(284,840)	(250,732)
Rental expenses	(2,364)	(2,292)	(8,380)	(8,563)
Other operating expenses	(23,100)	(21,512)	(80,822)	(77,045)
Other operating income	440	25	2,490	135
Depreciation and amortisation of other intangible assets	(7,594)	(7,894)	(30,586)	(28,591)
Amortisation of acquisition-related intangible assets and impairment of goodwill	(12,078)	(12,419)	(73,205)	(46,075)
<b>Profit from operating activities</b>	<b>30,645</b>	<b>39,435</b>	<b>89,126</b>	<b>132,469</b>
Financial income	239	(1,857)	1,581	24,401
Financial expense	(8,198)	(11,237)	(54,913)	(42,125)
<b>Financial result</b>	<b>(7,959)</b>	<b>(13,094)</b>	<b>(53,332)</b>	<b>(17,724)</b>
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	-	14	-	44
<b>Profit before income tax</b>	<b>22,686</b>	<b>26,355</b>	<b>35,794</b>	<b>114,789</b>
Income tax	(7,789)	(5,858)	(14,954)	(24,447)
<b>Profit for the year after tax</b>	<b>14,897</b>	<b>20,497</b>	<b>20,840</b>	<b>90,342</b>
Profit for the year after tax attributable to:				
Owners of the Company	14,850	20,487	20,805	90,325
Non-controlling interests	47	10	35	17
<b>Profit for the year</b>	<b>14,897</b>	<b>20,497</b>	<b>20,840</b>	<b>90,342</b>
Basic earnings per share (EUR)	0.16	0.23	0.23	1.01
Diluted earnings per share (EUR)	0.16	0.23	0.23	1.00

Quarterly figures 2019 and 2020 and full year 2020 are neither audited, nor reviewed.

## Consolidated statement of comprehensive income

(EUR 000)	Q4		FY	
	2020	2019	2020	2019
<b>Profit for the year after tax</b>	<b>14,897</b>	<b>20,497</b>	<b>20,840</b>	<b>90,342</b>
Actuarial gains and losses on defined benefit plans	40	(852)	(10)	(1,122)
Income tax on actuarial gains and losses on defined benefit plans	4	-	27	-
<b>Items that will never be reclassified to profit or loss</b>	<b>44</b>	<b>(852)</b>	<b>17</b>	<b>(1,122)</b>
Foreign currency translation differences - foreign operations	(11,425)	1,744	(41,691)	15,854
Net movement on cash flow hedges in other comprehensive income	1,240	1,688	(2,786)	(3,729)
Income tax on net movement on cash flow hedges in other comprehensive income	(27)	-	(27)	(312)
<b>Items that are or may be reclassified to profit or loss</b>	<b>(10,212)</b>	<b>3,432</b>	<b>(44,504)</b>	<b>11,813</b>
<b>Other comprehensive income/(loss) for the year, net of tax</b>	<b>(10,168)</b>	<b>2,580</b>	<b>(44,487)</b>	<b>10,691</b>
<b>Total comprehensive income/(loss) for the year</b>	<b>4,729</b>	<b>23,077</b>	<b>(23,647)</b>	<b>101,033</b>
Total comprehensive income/(loss) for the year attributable to:				
Owners of the Company	4,682	23,067	(23,687)	101,023
Non-controlling interests	47	10	40	10
<b>Total comprehensive income/(loss) for the year</b>	<b>4,729</b>	<b>23,077</b>	<b>(23,647)</b>	<b>101,033</b>

Quarterly figures 2019 and 2020 and full year 2020 are neither audited, nor reviewed.

## Consolidated statement of financial position

(EUR 000)	31.12.2020	31.12.2019
<b>Assets</b>		
Property, plant and equipment	92,096	107,713
Other intangible assets	22,171	17,554
Acquisition-related intangible assets	1,591,846	1,729,011
Investments in equity-accounted investees	-	156
Other non-current financial assets	29,828	42,888
Deferred tax assets	8,933	6,829
<b>Non-current assets</b>	<b>1,744,874</b>	<b>1,904,151</b>
Trade receivables	94,213	100,794
Other receivables	30,782	31,197
Work in progress	35,471	33,851
Current tax assets	1,051	842
Other current financial assets	1,704	2,453
Prepayments	12,171	11,347
Cash and cash equivalents	141,311	121,044
<b>Current assets</b>	<b>316,703</b>	<b>301,528</b>
<b>Total assets</b>	<b>2,061,577</b>	<b>2,205,679</b>
<b>Equity</b>		
Share capital	54,190	54,190
Share premium	630,441	630,441
Reserves	(65,494)	(23,276)
Retained earnings	140,870	113,117
<b>Equity attributable to owners of the Company</b>	<b>760,007</b>	<b>774,472</b>
Non-controlling interests	307	267
<b>Total equity</b>	<b>760,314</b>	<b>774,739</b>
<b>Liabilities</b>		
Loans and borrowings	888,676	918,346
Other non-current financial liabilities	83,809	94,309
Employee benefits liabilities	2,797	2,575
Deferred income	4,209	5,100
Provisions	1,042	960
Deferred tax liabilities	80,673	91,550
<b>Non-current liabilities</b>	<b>1,061,206</b>	<b>1,112,840</b>
Loans and borrowings	8,847	98,691
Other current financial liabilities	17,753	19,295
Deferred income	66,028	78,085
Provisions	3,472	1,101
Current tax liabilities	29,480	32,699
Trade payables	15,033	11,814
Other payables	99,444	76,415
<b>Current liabilities</b>	<b>240,057</b>	<b>318,100</b>
<b>Total liabilities</b>	<b>1,301,263</b>	<b>1,430,940</b>
<b>Total equity and liabilities</b>	<b>2,061,577</b>	<b>2,205,679</b>

Figures as at 31 December 2020 are neither audited, nor reviewed.

## Consolidated statement of changes in equity

(EUR 000)	For the period ended 31 December 2020								
	Attributable to owners of the Company								
	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Total	Non-controlling interests	Total equity
<b>Balance at 01 January 2020</b>	<b>54,190</b>	<b>630,441</b>	<b>113,117</b>	<b>(13,984)</b>	<b>(4,979)</b>	<b>(4,313)</b>	<b>774,472</b>	<b>267</b>	<b>774,739</b>
Profit/(loss) for the year	-	-	20,805	-	-	-	20,805	35	20,840
Other comprehensive income/(loss) for the year, net of tax	-	-	17	(41,696)	(2,813)	-	(44,492)	5	(44,487)
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>20,822</b>	<b>(41,696)</b>	<b>(2,813)</b>	<b>-</b>	<b>(23,687)</b>	<b>40</b>	<b>(23,647)</b>
Contributions and distributions									
Equity-settled share-based payment	-	-	9,222	-	-	-	9,222	-	9,222
Treasury shares delivered	-	-	(2,291)	-	-	2,291	-	-	-
<b>Total contributions and distributions</b>	<b>-</b>	<b>-</b>	<b>6,931</b>	<b>-</b>	<b>-</b>	<b>2,291</b>	<b>9,222</b>	<b>-</b>	<b>9,222</b>
<b>Total transactions with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>6,931</b>	<b>-</b>	<b>-</b>	<b>2,291</b>	<b>9,222</b>	<b>-</b>	<b>9,222</b>
<b>Balance at 31 December 2020</b>	<b>54,190</b>	<b>630,441</b>	<b>140,870</b>	<b>(55,680)</b>	<b>(7,792)</b>	<b>(2,022)</b>	<b>760,007</b>	<b>307</b>	<b>760,314</b>
(EUR 000)	For the period ended 31 December 2019								
	Attributable to owners of the Company								
	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Total	Non-controlling interests	Total equity
<b>Balance at 01 January 2019</b>	<b>53,853</b>	<b>630,441</b>	<b>73,546</b>	<b>(29,845)</b>	<b>(938)</b>	<b>(8,511)</b>	<b>718,546</b>	<b>257</b>	<b>718,803</b>
Profit/(loss) for the year	-	-	90,325	-	-	-	90,325	17	90,342
Other comprehensive income/(loss) for the year, net of tax	-	-	(1,122)	15,861	(4,041)	-	10,698	(7)	10,691
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>89,203</b>	<b>15,861</b>	<b>(4,041)</b>	<b>-</b>	<b>101,023</b>	<b>10</b>	<b>101,033</b>
Contributions and distributions									
Equity-settled share-based payment	-	-	6,130	-	-	-	6,130	-	6,130
Treasury shares delivered	-	-	(4,198)	-	-	4,198	-	-	-
Dividends paid	-	-	(55,654)	-	-	-	(55,654)	-	(55,654)
<b>Total contributions and distributions</b>	<b>-</b>	<b>-</b>	<b>(53,722)</b>	<b>-</b>	<b>-</b>	<b>4,198</b>	<b>(49,524)</b>	<b>-</b>	<b>(49,524)</b>
Changes in ownership interests									
Business combination	337	-	(337)	-	-	-	-	-	-
<b>Total changes in ownership interests</b>	<b>337</b>	<b>-</b>	<b>(337)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total transactions with owners of the Company</b>	<b>337</b>	<b>-</b>	<b>(54,059)</b>	<b>-</b>	<b>-</b>	<b>4,198</b>	<b>(49,524)</b>	<b>-</b>	<b>(49,524)</b>
IFRS16 opening balance adjustment	-	-	4,427	-	-	-	4,427	-	4,427
<b>Total opening balance sheet adjustments</b>	<b>-</b>	<b>-</b>	<b>4,427</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,427</b>	<b>-</b>	<b>4,427</b>
<b>Balance at 31 December 2019</b>	<b>54,190</b>	<b>630,441</b>	<b>113,117</b>	<b>(13,984)</b>	<b>(4,979)</b>	<b>(4,313)</b>	<b>774,472</b>	<b>267</b>	<b>774,739</b>

2020 figures are neither audited, nor reviewed.

## Consolidated statement of cash flows

(EUR 000)	H2		FY	
	2020	2019	2020	2019
<b>Cash flows from operating activities</b>				
<b>Profit for the year</b>	<b>31,503</b>	<b>40,301</b>	<b>20,840</b>	<b>90,342</b>
Adjustments for:				
Income tax expense	12,621	11,302	14,954	24,447
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	-	(29)	-	(44)
Financial result	12,381	20,152	53,332	17,724
Depreciation and amortisation of other intangible assets	15,278	15,230	30,586	28,591
Amortisation of acquisition-related intangible assets and impairment of goodwill	24,192	24,734	73,205	46,075
Loss on sale of non-current assets	1	10	58	18
Other non cash items	4,447	4,522	10,004	5,942
	<b>100,423</b>	<b>116,222</b>	<b>202,979</b>	<b>213,095</b>
Changes in:				
(Increase)/decrease in trade working capital	(15,665)	(15,310)	(4,930)	4,673
(Increase)/decrease in other working capital	3,906	11,023	3,824	(3,545)
Increase/(decrease) in provisions	3,090	(652)	2,617	(2,798)
Changes in foreign currency	3,110	733	503	(333)
	<b>94,864</b>	<b>112,016</b>	<b>204,993</b>	<b>211,092</b>
Income tax paid	(23,850)	(12,784)	(29,892)	(24,435)
<b>Net cash from/(used in) operating activities</b>	<b>71,014</b>	<b>99,232</b>	<b>175,101</b>	<b>186,657</b>
<b>Cash flows from investing activities</b>				
Proceeds from sale of property, plant and equipment	-	3	2	3
Proceeds from sale of Investments	-	-	100	-
Purchase of property, plant and equipment	(5,192)	(3,714)	(7,881)	(4,578)
Purchase of intangible assets	(4,689)	(4,783)	(10,698)	(7,406)
Cash collection relating to lease assets	685	-	1,394	-
Acquisitions, net of cash acquired	(2,253)	(1,800)	(4,253)	(254,777)
(Increase)/decrease in other financial assets	17	(731)	(1,328)	(1,327)
Dividends received	-	37	-	130
Interest received	308	412	796	808
<b>Net cash from/(used in) investing activities</b>	<b>(11,124)</b>	<b>(10,576)</b>	<b>(21,868)</b>	<b>(267,147)</b>
<b>Cash flows from financing activities</b>				
Proceeds from bank borrowings	-	17,384	10,000	259,556
Repayment of loans and borrowings banks	(42,823)	(30,471)	(99,923)	(67,622)
Interest and other finance expenses paid	(15,791)	(19,639)	(33,607)	(34,429)
Payment of financing costs	(70)	(97)	(171)	(1,913)
Change in financial lease liability/asset due to IFRS16	(10,971)	(9,635)	(22,110)	(17,810)
Dividends paid	-	(27,016)	-	(55,654)
<b>Net cash from/(used in) financing activities</b>	<b>(69,655)</b>	<b>(69,474)</b>	<b>(145,811)</b>	<b>82,128</b>
<b>Net increase/(decrease) in cash</b>	<b>(9,765)</b>	<b>19,182</b>	<b>7,422</b>	<b>1,638</b>
Cash attributable to the Company at the beginning of the period	126,121	89,048	110,218	105,505
Effect of exchange rate fluctuations on cash attributable to the Company	(5,170)	1,988	(6,454)	3,075
<b>Cash attributable to the Company at the end of the period</b>	<b>111,186</b>	<b>110,218</b>	<b>111,186</b>	<b>110,218</b>
Cash held on behalf of clients at the end of the period	30,125	10,826	30,125	10,826
<b>Cash and cash equivalents at the end of the period</b>	<b>141,311</b>	<b>121,044</b>	<b>141,311</b>	<b>121,044</b>

(\*) Trade Working capital is defined by the net (increase)/decrease in Trade receivables, Work in progress, Trade payables and Deferred income

(\*\*) Other Working capital is defined by the net (increase)/decrease in Other receivables, Prepayments and Other payables (excl. liabilities for cash held on behalf of clients)

Quarterly figures 2019 and 2020 and full year 2020 are neither audited, nor reviewed.