

Adevinta

Q4 2020 Results

Rolv Erik Ryssdal, CEO
Uvashni Raman, CFO

11 February 2021



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Highlights

Rolv Erik Ryssdal, CEO



Key highlights from the quarter

Solid performance in Q4

Further progress on eCG acquisition

Integration of Grupo Zap in Brazil

Increased focus and reduced complexity following asset disposals

Confidence in mid-to-long-term trends but macro environment remains uncertain in the short term

Operations – Solid performance in the quarter

Operational KPIs (100 indexed)



Source: Adevinta estimates

Revenues

Flat yoy revenues at €200m

Positive organic growth in France, Brazil, Ireland and Austria despite more stringent covid-19 restrictions

Classifieds revenue up 4% year on year while advertising remains under pressure

EBITDA

EBITDA down 2% yoy to €51m reflecting ramp up in hiring and marketing investment, and ramp up of new business models

EBITDA margin down to 25.6% after exceptionally high Q3 level

All numbers on a proportionate basis incl JVs.

Customer needs driving P&T investments

Frictionless end-to-end digital experience

Ramp-up of transactional services

Strong acceleration and adoption of transactional services in France based on e-commerce features and new door to door shipping service released

Encouraging deployment in Italy, Brazil, Austria, the UK and Spain

Tailored solutions and ads

Application of machine learning

Over 89 new machine learning use cases in 2020
(12 in Q4)

70% of them in the areas of ad insertion, personalisation or moderation

Progress on key milestones ahead of eCG acquisition

Regulatory process ongoing

EGM held on October 29 and approved all proposed resolutions

Share listing prospectus filed with the OSE in December

All required Foreign Direct Investment approvals from the relevant jurisdictions received

Clearance received from German antitrust authorities

Operational integration planning

Planning for organization and governance as of legal-day-1

Scoping and defining the TSA framework and governance

Mobilizing the integration teams across functions

Prioritizing and kicking off post legal-day-1 IT projects

Next steps

UK regulator to give its Phase 1 decision by 16 February

Austrian Phase 1 decision expected in March

Still targeting closing in Q1 2021, subject to regulatory approvals

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Business Review

Rolv Erik Ryssdal, CEO



France – Solid results despite difficult context due to second six-week lockdown



Market Environment

Lockdown #2 and ongoing nationwide curfew

Traffic continued its impressive growth in all categories with record numbers in consumer goods, Real Estate and professional equipment

Motors: used vehicles market better resisting the crisis. Car dealers supply back to last year level in December

Real Estate market: solid performance despite lockdowns (3rd best year ever in number of transactions)

Strong acceleration in transactional services

Hospitality, Travel and Leisure and Jobs strongly impacted by current restrictions

Business Initiatives

New organisation implemented: by market (integrating subsidiaries)

Price simulator for Real Estate and smart bumps and lead generation offers

Improving P2P payment solution in Motors

Bundle Argus / Leboncoin: launch on January 1st

Launch of new features to adjust delivery fee based on parcel size

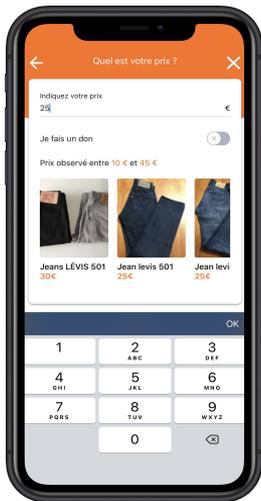
Accelerated automation based on ML: auto categorization, pricing tools...



Offering a full end-to-end transactional experience

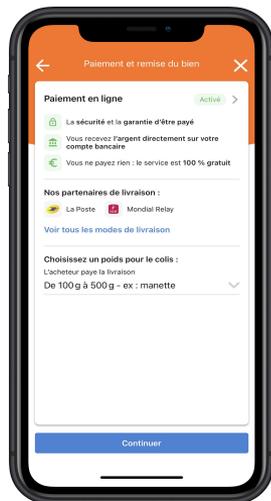


Automatic ad
insertion funnel



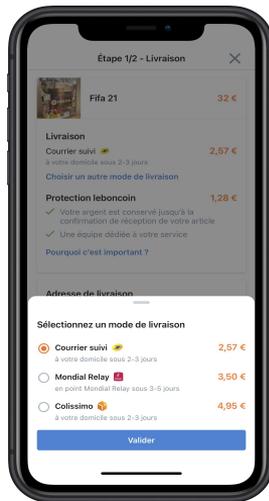
*Choose a title, upload a picture,
all other criteria (price, details,
delivery) pre-filled based on
machine learning*

Multiple delivery
solutions up to 30kg



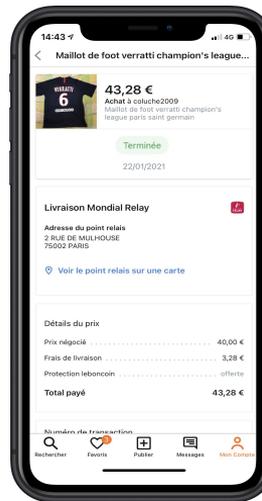
*Door-to-door delivery
solutions (Post Office)
or parcel shops*

Click and buy



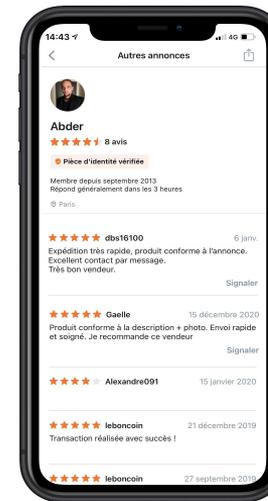
*Choose your shipping
and pay for it*

Delivery tracking
and customer support



*Automatic status to follow
the delivery process*

Ratings and
comments



*E-commerce reinsurance
standard*

Solid Business Model with strong user traction



Business Model	Buyers	Solid Traction
<p>Buyer fees on all transactions*</p> <p>4% fees based on ads price, minimum 0.99€</p> <p>Delivery costs are paid by the buyer on top</p> <p>Lower margin than classified model</p>	<p>40%  60%</p> <p>25-50 years old</p> <p>70%</p>	<p>20m Millions ads eligible to P2P & delivery</p> <p> 4,9/5 Average transaction rating</p> <p> High repurchase rate</p>

* Fashion excluded

Due to success of P2P Consumer Goods, leboncoin starts to deploy transactional journey for holidays and motors verticals

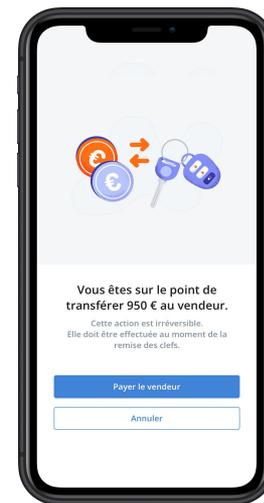
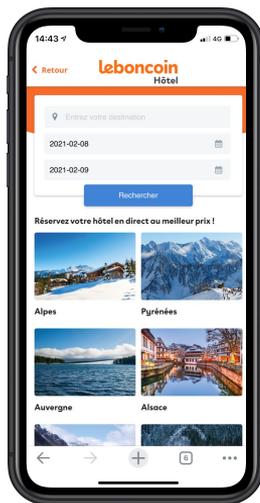


70% of holidays rental ads are P2P eligible

P2P Pro offers (Rent or Hostel)

Buy your car online up to 30 000€

Wire & bank transfer



Holidays

Motors



Spain – Tough macro environment and increased restrictions



Market Environment

Growth in traffic in Real Estate and motor verticals, but slow down in generalist and Jobs

Drop in new and used vehicles sales although softer in the latter

Decline in number of transactions in the Real Estate market

Boost in e-commerce but flat average buyer spending

Digital ad spending showed resilience

Business Initiatives

Launch of new app design system, and bidding for ad position in Fotocasa

Price recommender for private ad insertion, and financing service for professional dealers in motor

Pack enterprise multibrand for big companies and company profile search engine in Jobs

Delivery label on listing in Milanuncios to facilitate transactions



Brazil – Macro picture continues to improve



Market Environment

Traffic and liquidity remain high, growing at double digits

No harsh lockdown, recovery of the economy in H2 in a still uncertain context

Lower cars production and higher demand for used cars leading to lack of stock and reduction in dealers size

Interest rates at all times low leading to a boom in construction and house financing

Business Initiatives

Integration of Grupo Zap and launch of cross-sell offer

Expansion of OLX Pay & ship to web with improved flows, better filters and visibility

Safety: verified profiles for cars and trucks

Improved customer journey with a new client support homepage

The majority of the teams became compliant with the Brazilian GDPR



Global Markets – Encouraging developments across major markets



subito InfoJobs



Jófogás *Használató.hu*
AUTÓNAVIGÁTOR.HU

SHPOCK

Italy

Solid growth in traffic and content

Motor gaining share of content and dealers

Successful launch of transactional offering in December

Willhaben

Strong growth in traffic and content

Buyer protection service in paylivery (peer-to-peer payment and delivery service) rolled out in December

Exceptionally strong quarter in Advertising reaching record levels

Ireland

Positive evolution of supply and demand despite stringent local covid-19 restrictions

Increase in motor dealer share and promising first results of mortgage initiative in Real Estate

Hungary

Encouraging increase in delivery service figures throughout the quarter

Challenges in Jobs persisted due to the unfavourable market environment

Shpock

Continued progress made in the shift towards a full end-to-end transactional model

Significant marketing investment in Q4 to maintain momentum and scale the model

Continued portfolio management: exit Tunisia, Morocco and Colombia in the quarter

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Financials

Uvashni Raman, CFO



Q4 Financial Performance

Proportionate Revenues
incl. Joint Ventures



€200m

vs. €200m in Q4 2019

0%

Proportionate EBITDA
incl. Joint Ventures



€51m

vs. €52m in Q4 2019

(2)%

France: strong business resilience despite second lockdown



Revenues

Total revenues up 8% yoy

Classifieds revenue grew 14% driven by ramp up in transactional growth in consumer goods and recurring revenue in Motors and Real Estate

Display advertising suffering from weak market due to new lockdown

EBITDA margin

Slightly deteriorated due to further investment in transactional model boosted by promotions on delivery fees and hirings ramp up

Partially offset by strict cost control measures, limited third-party services and restrictions in travel and events



leboncoin
Groupe Argus

PAYCAR
lavendre
alouer

locasun
VIDE-DRESSING
FASHION TOGETHER

leboncoin
Hôtel
Truckscorner

Agriaffaires
MachineryZone

Spain – Lower volumes slowing down recovery



Revenues

Revenue decreased 7% as in previous quarter, impacted by increasing restrictions

Motors and programmatic advertising up yoy

Real Estate down yoy due to contraction in the market

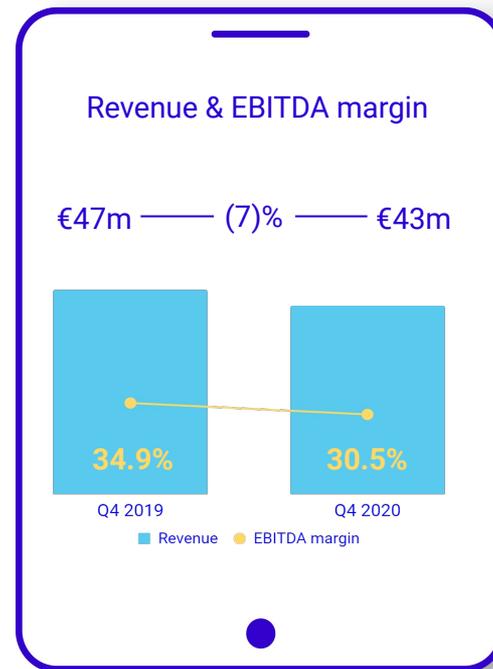
Jobs most affected given cyclical nature

EBITDA margin

Above 30% despite resuming investments in talent after hiring freeze and reactivation of marketing

Other cost saving measures (marketing spending and administrative costs reduction)

Commercial activity focused on customer base reactivation and retention, in particular in Jobs



Brazil – positive organic growth and strong marketing investment



Revenues

Local currency revenue up 53% yoy including Grupo ZAP

OLX Brasil underlying revenue up 4% yoy

Solid performance in indirect advertising and Real Estate

Good development of SMB clients in Motors and Real Estate

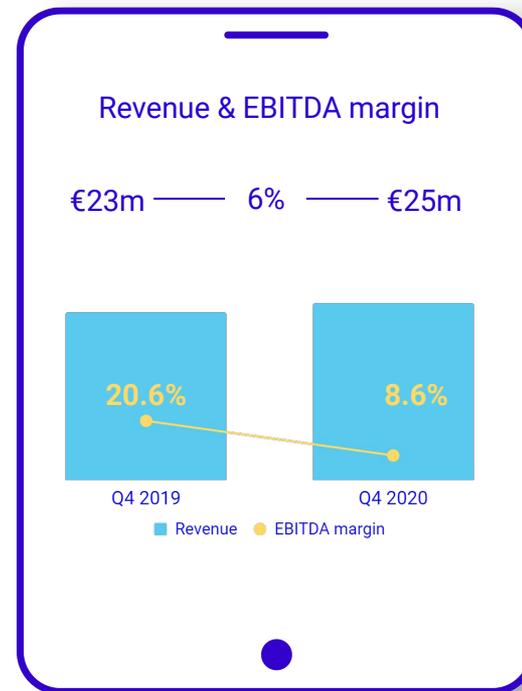
EBITDA margin

EBITDA down €3m yoy

Unfavorable phasing of marketing (50% of yearly marketing spending took place in Q4)

Continued investment in Product & Tech

Grupo ZAP: revenue of 8m€ and positive EBITDA contribution in Q4 (as from end of October)



Global Markets – Strong performance in major markets with increased investment in Shpock

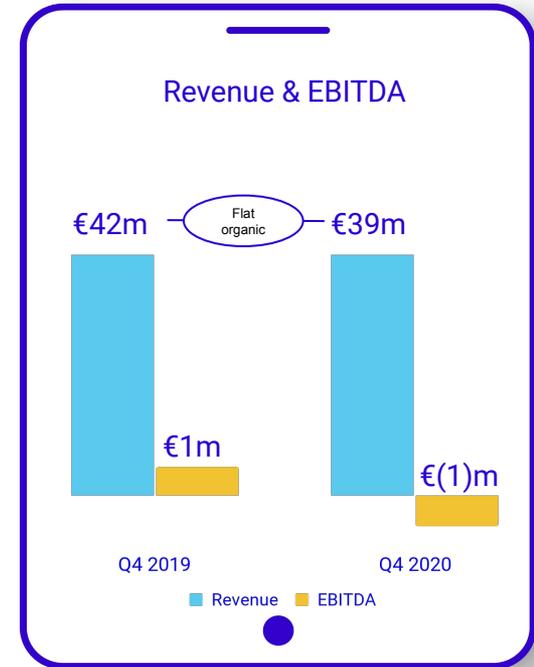


Revenues

- Local currency revenues down 4% (flat excluding disposals)
- Classified revenues down 7% (2% down excluding disposals)
- Good recovery in Italy continues, mainly driven by Motors with increase in market share and content
- Strong performance in Ireland and Willhaben (high single digit yoy growth)
- Progressive improvement in advertising trends throughout the quarter

EBITDA margin

- Acceleration of marketing investment in Shpock to support adoption of P2P solution
- Ireland and Willhaben improved EBITDA compared to LY
- Positive impact of €1 million from disposed assets



In order to fully align Global Markets segment reporting with Management reporting and to create full consistency between the Brazil and Global Markets segments when it comes to how Joint Ventures are presented, Willhaben revenues and EBITDA are included on a 100% basis for both periods. For more details (including reconciliation information and historical numbers, please refer to the Investors section of the Adevința website)

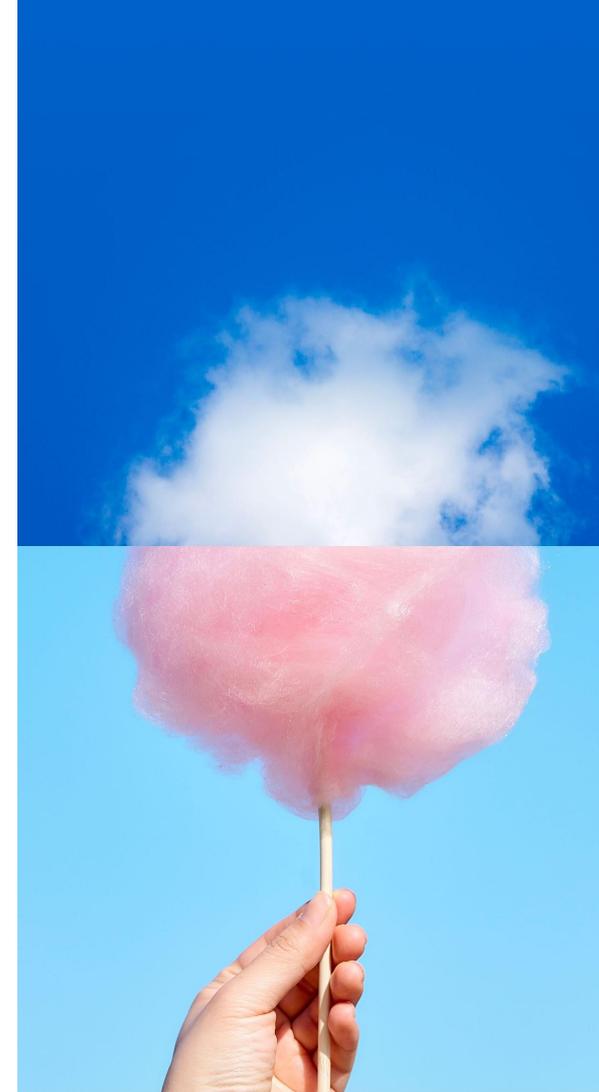
Other P&L items

HQ & other EBITDA improved c. €3m yoy to €(14)m

- Lower personnel costs (lower incentives, impact of Product & Tech reorganisation and other one-offs)
- Reduction in administrative costs (travel, third-party services, etc) in the covid-19 context

€10m yoy increase in other expenses due to M&A and integration-related expenses

Impairment charges of c.€43m related to Yapo assets write-down in Chile



Financial position

- Cash & cash equivalents of **€131m** at the end of December
- Drawdown of €65m from €400m Revolving Credit Facility - partially fund the acquisition of Grupo Zap. Remaining portion funded with bridge facilities put in place in April
- Net Debt / EBITDA at **2.0x** at the end of December¹
- Refinancing with Senior Secure Notes & Institutional Term Loans to become effective at closing of the eCG acquisition.
- Medium-term target leverage ratio²: 2x to 3x



¹ Based on the definition used in the existing credit facilities (EUR 600m RCF and Term Loan)

² Leverage ratio quoted according to the definition of the information memorandum released on October 19, 2020



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Update on OLX Brasil

Andries Oudshoorn, CEO OLX Brasil



Brazil is showing signs of economic recovery and brings big opportunities in our still under explored market

After a -4.0% recession in 2020, foreseen GDP growth is at 4.3% (MSER) in 2021

Inflation has been under target and is expected to remain controllable in a scenario of limited fiscal slippage

Interest rates at all time lows are leading to a boom in construction and house financing

Covid is rapidly accelerating digitalisation of end-to-end user experience in all verticals

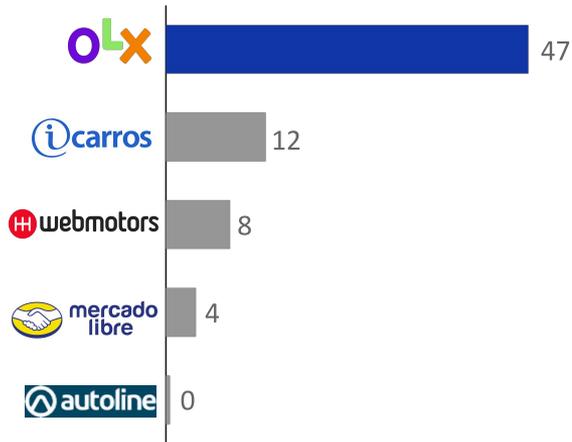
Low car production led to a lack of inventory and to high liquidity of used cars

Open banking new regulation comes into effect in Feb, 21 and expects to move R\$120 bn from incumbents to new entrants like marketplaces

Leading position in motors, among both consumers and professionals

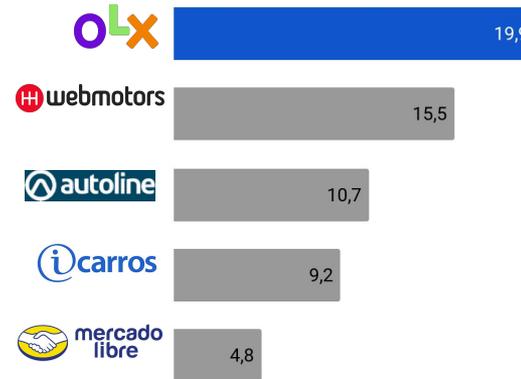
Consumer audience

Monthly total visits, m



Professional dealers subscribers

December 2020, thousands



Leading position in real estate, among consumers and professionals

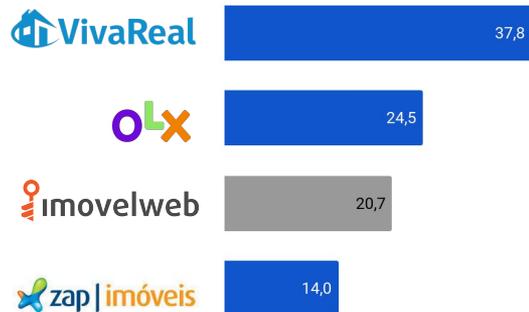
Consumer audience

Monthly total visits, m



Professional agent subscribers

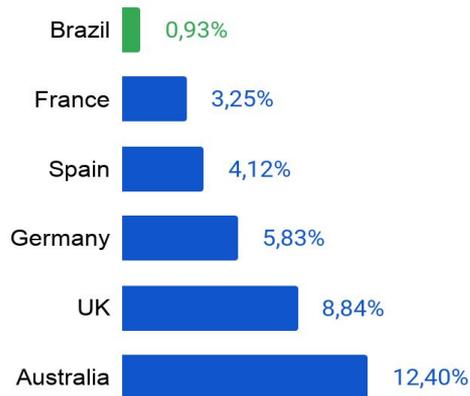
December 2020, thousands



There is still ample room for increasing our share of the commission pool

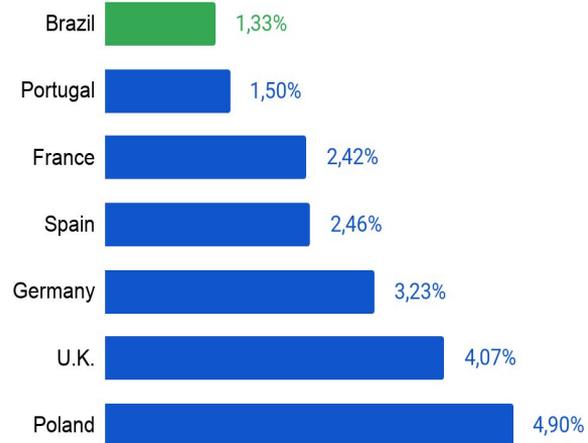
Significantly lower commissions in Real Estate...

Online RE classifieds as % of commission pool,
2018, %



... and Motors

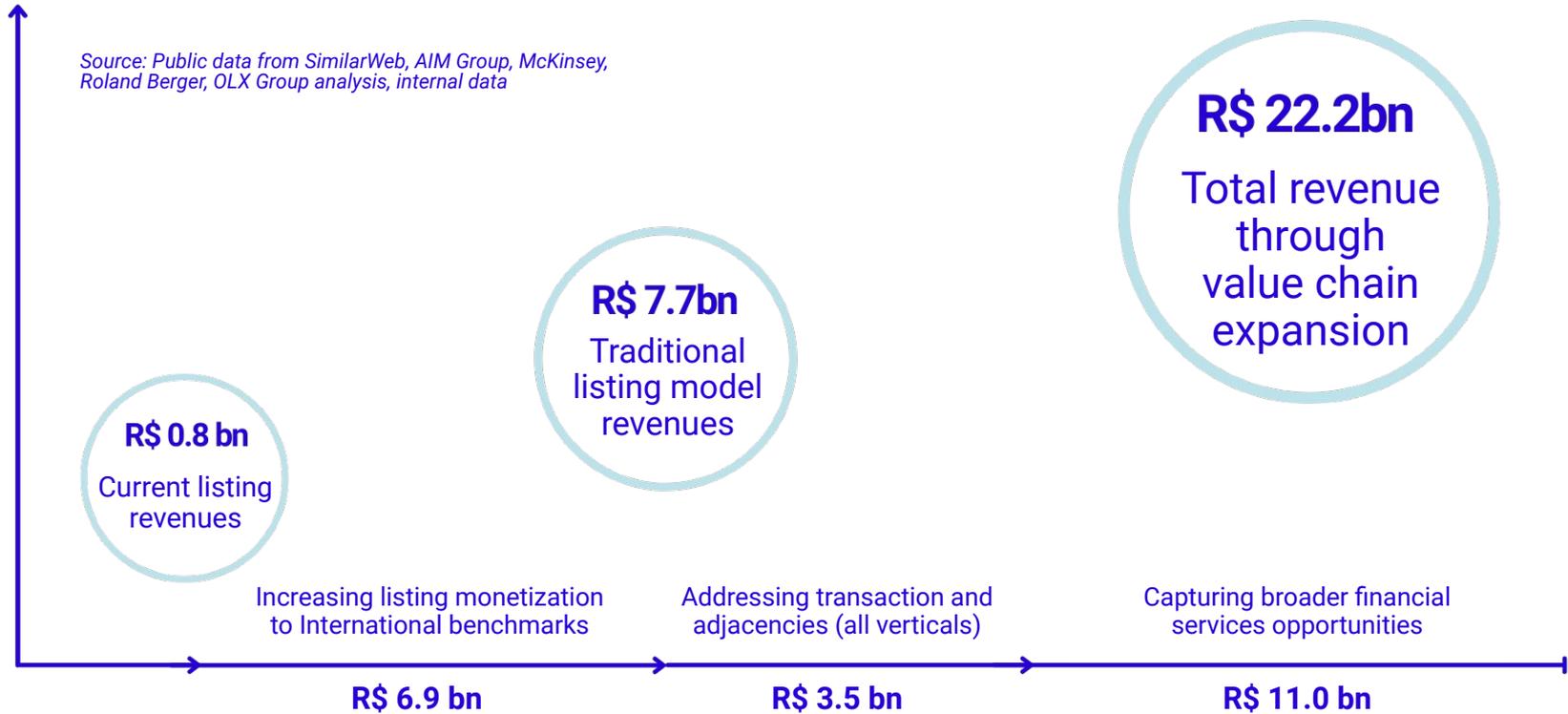
Online Cars classifieds as % of commission pool,
2018, %



Market potential goes beyond traditional classifieds

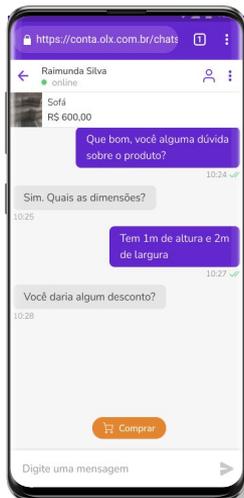
Upside in transactional and financial services

Source: Public data from SimilarWeb, AIM Group, McKinsey, Roland Berger, OLX Group analysis, internal data

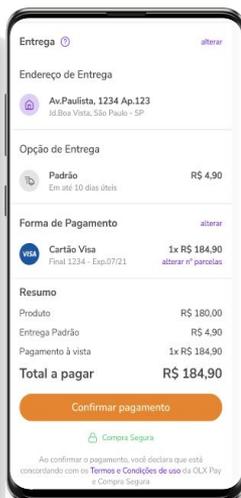


Key product developments in 2020

Pay & Ship



Buy on chat



Payment confirmation



Image on chat trial



Ad insertion improvement

Value added services

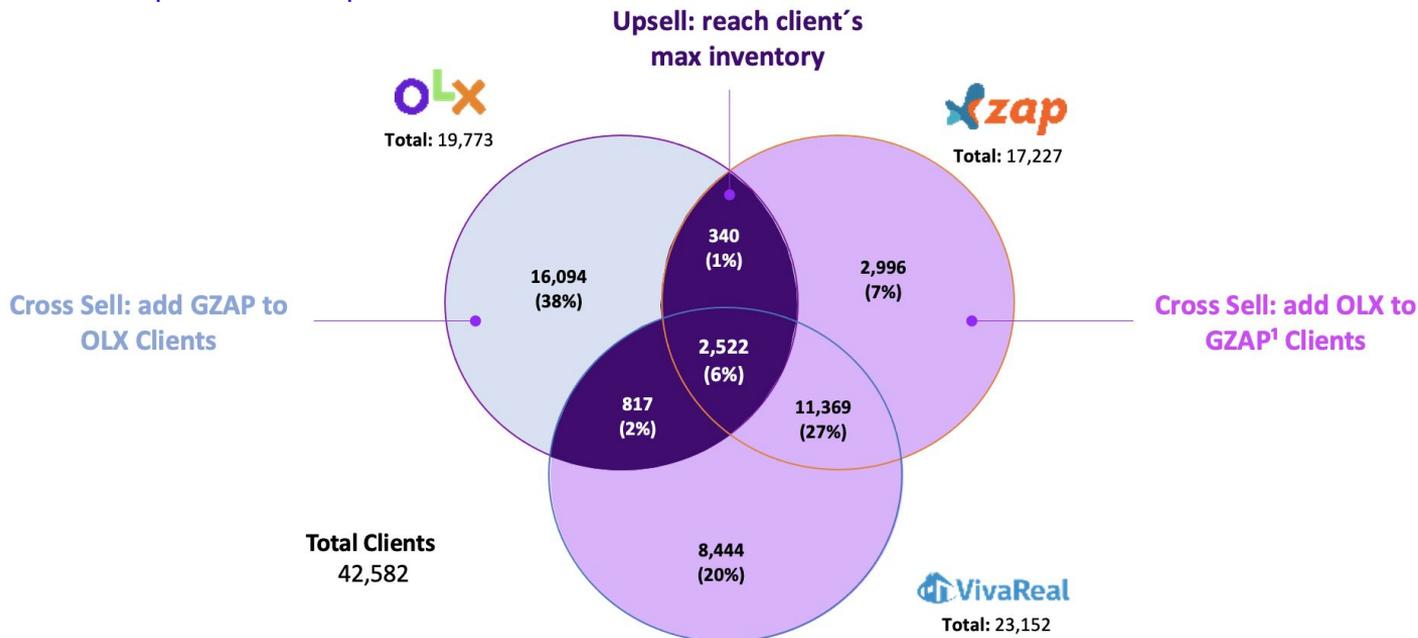


Additional partners and qualify question to improve conversion

Combination of OLX and GZAP represents a huge opportunity

Client Overlap Across Platforms

B&A | Unique Clients | Sep/20



Source: GZAP and OLX DATA; Accenture Analysis;¹ Although ZAP and VR clients are not already GZAP, they represent a cross-sell opportunity due to the commercial strategy of converting them to GZAP offering in the same time OLX cross-sell

We have established our brand architecture

Corporate Brand gives identity to employees and represents the entire group

The logo for OLX Brasil, featuring the word "OLX" in a large, bold, purple font, followed by "Brasil" in a smaller, purple font.

BU Brands represent the commercial function of the business unit, supporting our sales strategy

The logo for zap+, featuring the word "zap" in a grey, lowercase, sans-serif font, followed by a green plus sign.The logo for OLX, featuring the letters "O", "L", and "X" in a bold, sans-serif font. The "O" is purple, the "L" is green, and the "X" is orange.

Product Brands are the final products and services that consumers come into direct contact with

A row of three logos: the OLX logo (purple O, green L, orange X), the zap logo (orange zap with a blue plus sign), and the VivaReal logo (blue house icon followed by the text "VivaReal").A row of two logos: the OLX logo (purple O, green L, orange X) and the OLX pay logo (purple O, green L, orange X, followed by the text "pay").

And we are already capturing synergies from business combination

Business

Solid growth in organic traffic and leads

Pricing quick wins

Cross Sell pilot ongoing

Triple bundle development started

E2E rentals test in progress with more partners

Tech

Most corporate tools now unified

System integration plans designed - Data, ERP, CRM, infra/cloud

RFP for hiring a consultancy to supporting the ERP Integration

Finance

Synergies captured in facilities and infra

New P&L model and BU structure established

Integrated financial reporting

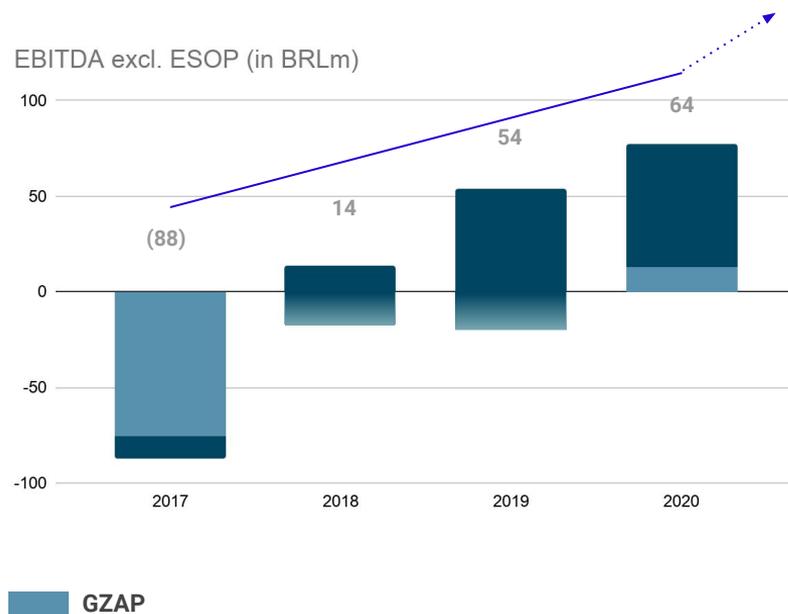
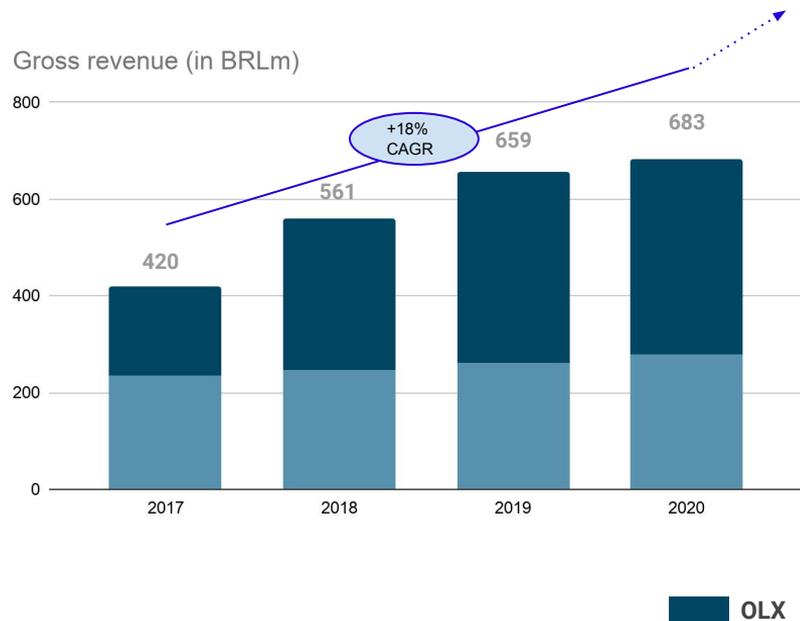
People

New org structure in place

Culture development, change management and communication ongoing

Headcount plan in place

Long-term opportunities remain intact despite short term uncertainty



Note: EBITDA 2020 excludes IFRS 16 for comparison purposes.

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Outlook

Rolv Erik Ryssdal, CEO



Long-term opportunities remain intact despite short term uncertainty

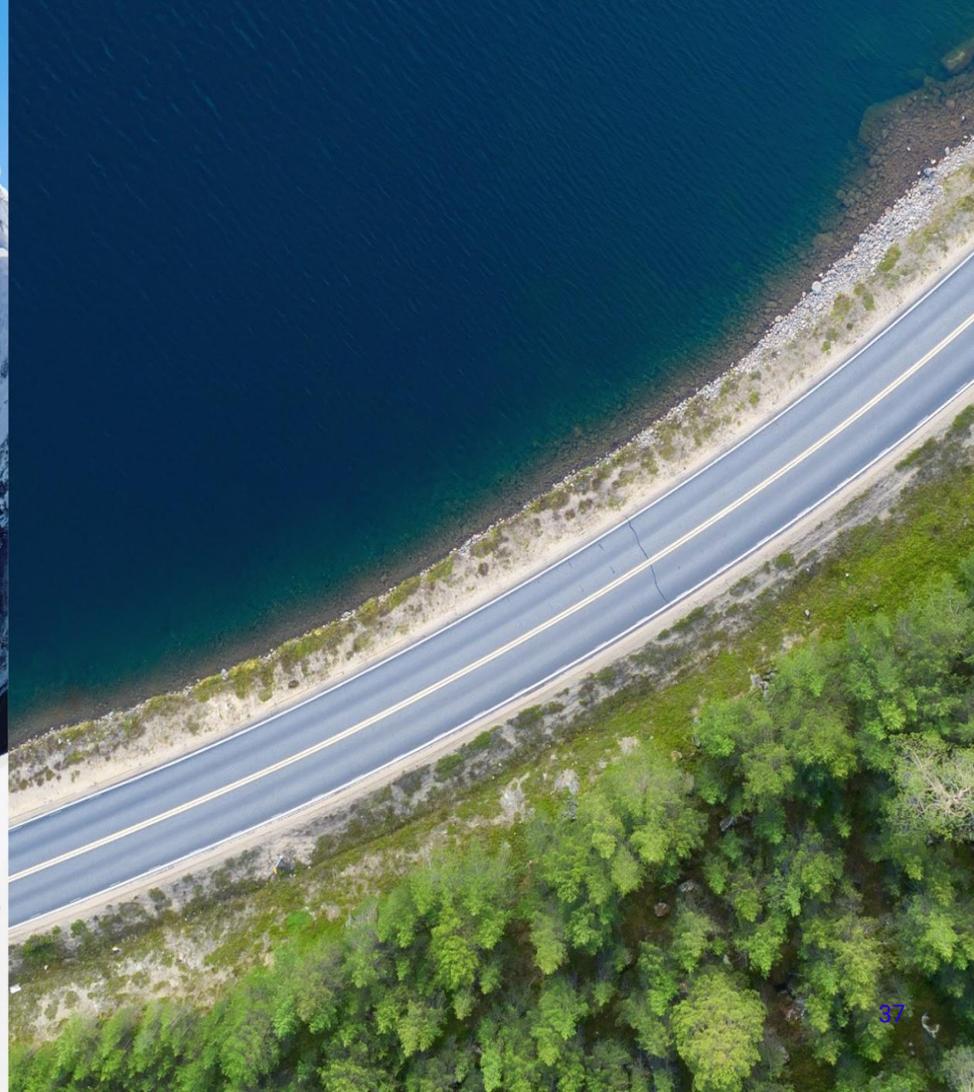
- Acceleration of consumer behavior evolution will support rise of leading players in online classifieds
- Operational focus on growth, client relationship and further expansion of leading market positions, while adapting investments to the uncertain business environment
- Revenue mix evolution is expected to have a negative impact on EBITDA margin in 2021
- Combination with eCG expected to foster further innovation and efficiency over the long run - estimated €130-165m run-rate annual EBITDA impact in year 3
- Integration phase to start at closing with global assessment of market opportunities and strategic plan definition
- CMD on combined entity and perspectives to be held in H2 2021



Q&A



A



Appendices

Shareholder Analysis

Rank	Name	Shares	%
1	Schibsted ASA	406,050,523	59.3%
2	Baillie Gifford & Co.	27,323,460	4.0%
3	Folketrygdfondet	25,057,775	3.7%
4	Blommenholm Industrier AS	23,992,516	3.5%
5	Capital World Investors	11,239,972	1.6%
6	Fidelity Management & Research Company LLC	8,451,418	1.2%
7	The Vanguard Group, Inc.	7,605,714	1.1%
8	Alecta pensionsförsäkring, ömsesidigt	6,985,326	1.0%
9	BlackRock Institutional Trust Company, N.A.	6,819,669	1.0%
10	Capital Guardian Trust Company	6,213,151	0.9%
11	State Street Bank and Trust Company	5,258,395	0.8%
12	UBS AG London	4,851,377	0.7%
13	Invesco Advisers, Inc.	4,662,349	0.7%
14	Premier Miton Investors	4,577,876	0.7%
15	DNB Asset Management AS	4,455,610	0.7%
16	Alfred Berg Kapitalforvaltning AS	4,376,074	0.6%
17	Pelham Capital Ltd	4,352,534	0.6%
18	Mitsubishi UFJ Trust and Banking Corporation	4,249,056	0.6%
19	Vor Capital LLP.	4,148,702	0.6%
20	Handelsbanken Asset Management	4,139,775	0.6%

Source: Nasdaq OMX. Data as of 31 December 2020



Updated information and VPS register at:
<https://adevinta.com/ir/shareholders/>

The shareholder ID data are provided by Nasdaq OMX.

The data are obtained through the analysis of beneficial ownership and fund manager information provided in replies to disclosure of ownership notices issued to all custodians on the Adevinta share register. Whilst every reasonable effort is made to verify all data, neither Nasdaq OMX or Adevinta can guarantee the accuracy of the analysis.

Basic information

Ticker

<i>Oslo Stock Exchange</i>	ADE
<i>Reuters</i>	ADE.OL
<i>Bloomberg</i>	ADE:NO

Number of shares	684,948,502
Treasury shares (February 10, 2021)	52,227
Number of shares outstanding	684,896,275
Free float*	40.7%
Share price (February 10, 2021)	NOK 141.20
Average daily trading volume (shares)**	864,818
Market Cap total (February 10, 2021)	NOK 96.7bn (USD 11.5bn)

* Total number of shares excluding treasury shares and shares owned by Schibsted ASA

** Last hundred days on the Oslo Stock Exchange



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