

Q3 2019 Results

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24 October 2019

Adevinta

Creating perfect matches on the
world's most trusted marketplaces

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Overview

Rolv Erik Ryssdal, CEO

Q3 Financial Highlights

Continued good growth in the main market verticals

Verticals revenues

 **16%**

France up 15%

Spain up 18%

Total revenues

 **15%**
to €180 million

Some improvement
in advertising despite
weak market

France up 17%

EBITDA

 **38%**
to €54 million

EBITDA margin up 5%
- points to 30%

Cash flow

 **71%**
to €37 million

Operating profit
driving cash flow

All numbers on a proportionate basis incl JVs

France

Strong vertical performance boosts revenue growth

Core verticals up 15%, Adevinta France grew 17%

- Strong performance from core cars and real estate verticals
- Continuing advertising softness, but improving up 7% yoy

Product development further accelerated

- Traffic up 6%
- P2P transaction and delivery services accelerated resulting in promising boost to daily transactions

Total France (LBC incl. subs) EBITDA margin improved to 56%, up from 54% in Q2. LBC standalone at 58% margin

leboncoin

leboncoin
EMPLOI CADRES.

VIDE·DRESSING
FASHION TOGETHER

PAYCAR



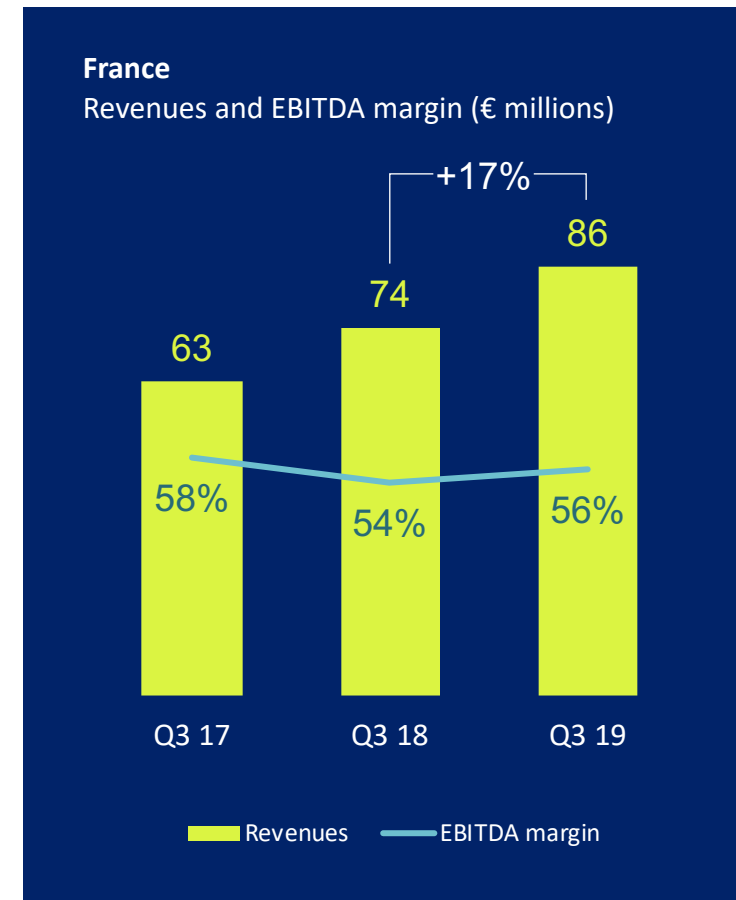
MB
DIFFUSION

Groupe Argus

locasun.fr
les locations vacances

* The effect of IFRS 16 implementation on Operating expenses and EBITDA for France is €1.0 million in Q3 2019. Excluding the IFRS 16 effect EBITDA margin for France is 55% in Q3 2019

Adevinta



Spain

Despite softer markets, verticals continue to grow and deliver operational leverage

Total revenue growth of 13%, core verticals up 18%

- Cars and jobs performed well, driven by professionals
- Real estate muted against a backdrop of a softer market
- Advertising growth yoy up 1%

Product development further accelerated

- Traffic on strong upward trend, up 9%
 - Product development and improved focus on engagement through alerts, emails, and apps
 - Increased marketing and advertising has also fuelled growth, and led to record number of new candidates in jobs

Total Spain EBITDA margin improved to 35%, up from 32% yoy

coches.net
La mayor oferta de coches

habitaclia

vivi

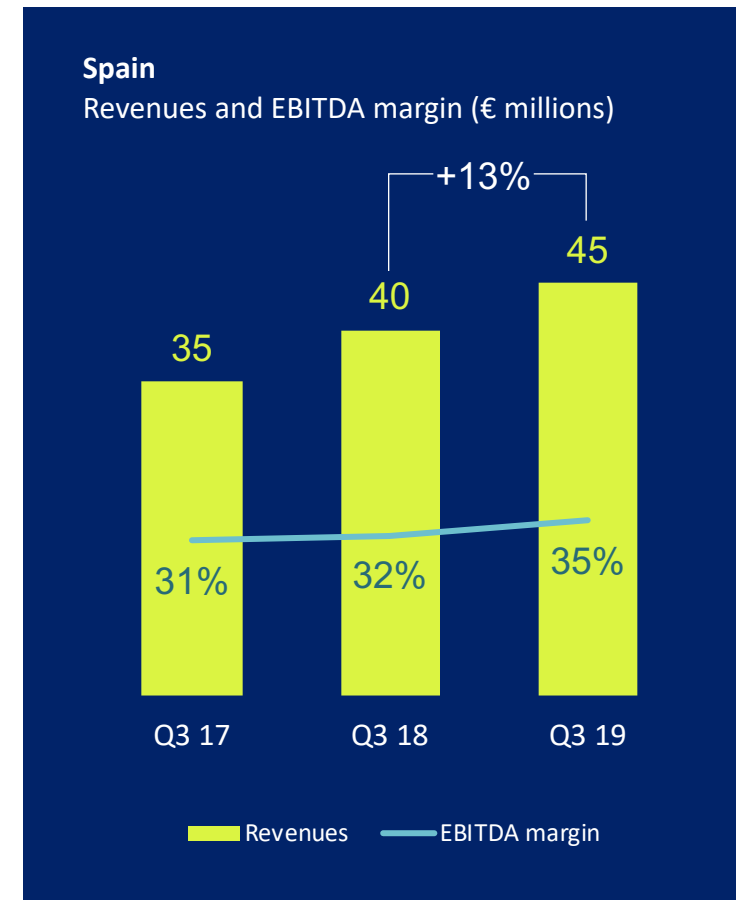
fotocasa

milanuncios

InfoJobs

* The effect of IFRS 16 implementation on Operating expenses and EBITDA for Spain is €0.7 million in Q3 2019. Excluding the IFRS 16 effect EBITDA margin for Spain is 34% in Q3 2019

Adevinta



Brazil

Product enhancements and tech fueling top line growth

Revenues up 24% in local currency (up 29% in Euro)

- OLX up 26% on local currency basis
 - Cars and real estate with strong continued growth
 - Advertising up 11% (from negative yoy growth in Q2)
- Infojobs revenues grew 8% on local currency basis

Product development further accelerated in OLX

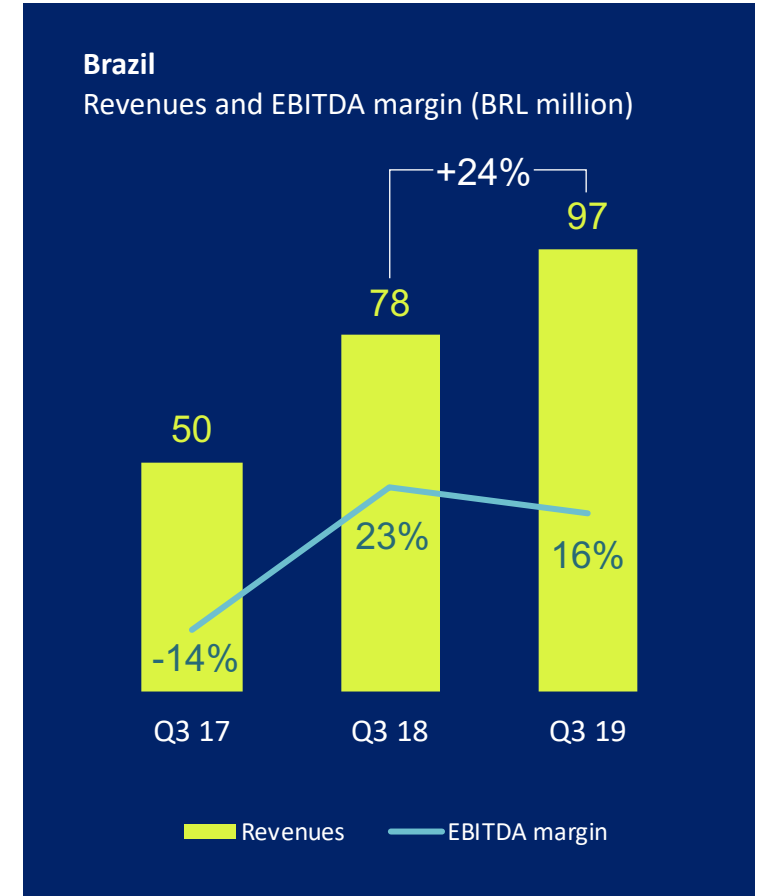
- Strong growth in car finance conversions, more banks being added
- Launched more mortgage financing options
- New listings grew 19% versus Q2 driven by optimized ad insertion flows

Total Brazil EBITDA margin 16% reflecting phasing in marketing and product and tech investment



* The effect of IFRS 16 implementation on Operating expenses and EBITDA for Brazil is €0.3 million in Q3 2019. Excluding the IFRS 16 effect EBITDA margin for Brazil is 14% in Q3 2019

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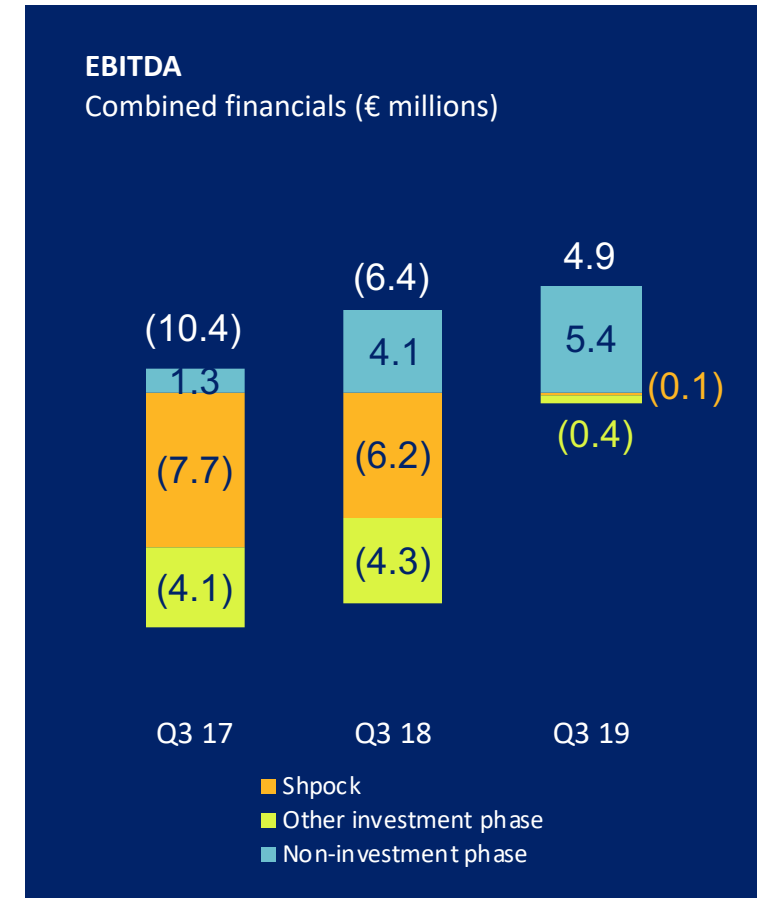
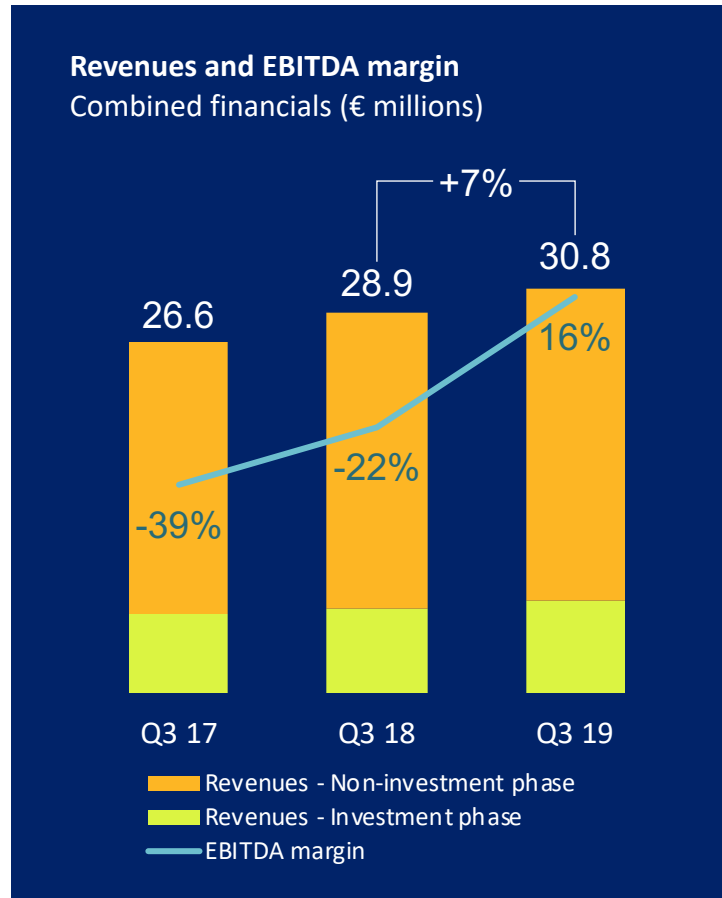
Global Markets

Trend of positive EBITDA and improving margins continues

Continued emphasis on developing core verticals across Global Markets with verticals revenues up 13%

Weakness in display advertising continues to impact performance in some markets

EBITDA performance continues its good performance, rising to €4.9 million, delivering positive EBITDA YTD of €9.4 million



Global Markets

Key market update



Italy

Strong growth in car revenues based on product development for the quarter.

Subito platform has been revamped to deliver an improved verticalized experience.

Total performance negatively affected by volatile display advertising market.



Willhaben

Good solid growth in verticals

Launched image-based search.

Lead generation being improved in verticals.



Ireland

Real estate and cars have seen good progress.

Key updates have been improvements in the apps and in new homes on real estate vertical.

Engagement scores and traffic for cars all up.



Hungary

Enhanced search functionality and scaling up of delivery services in consumer goods.

The Q2 roll-out of the Jofogas + Hasznalauto bundle for car dealers has been sustained with good traction through Q3.



Shpock

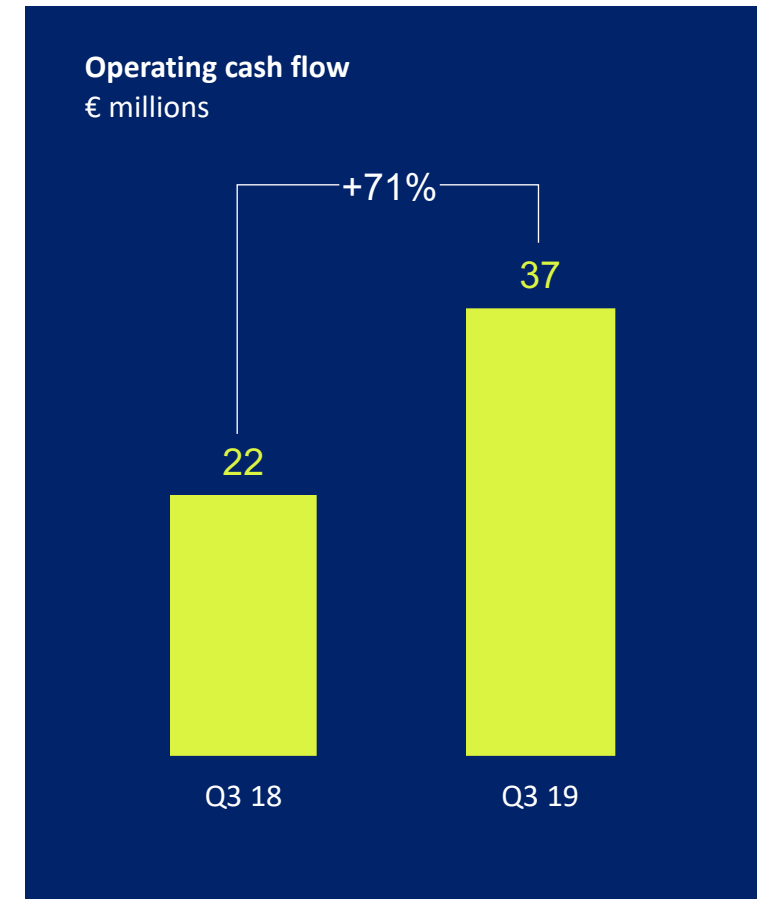
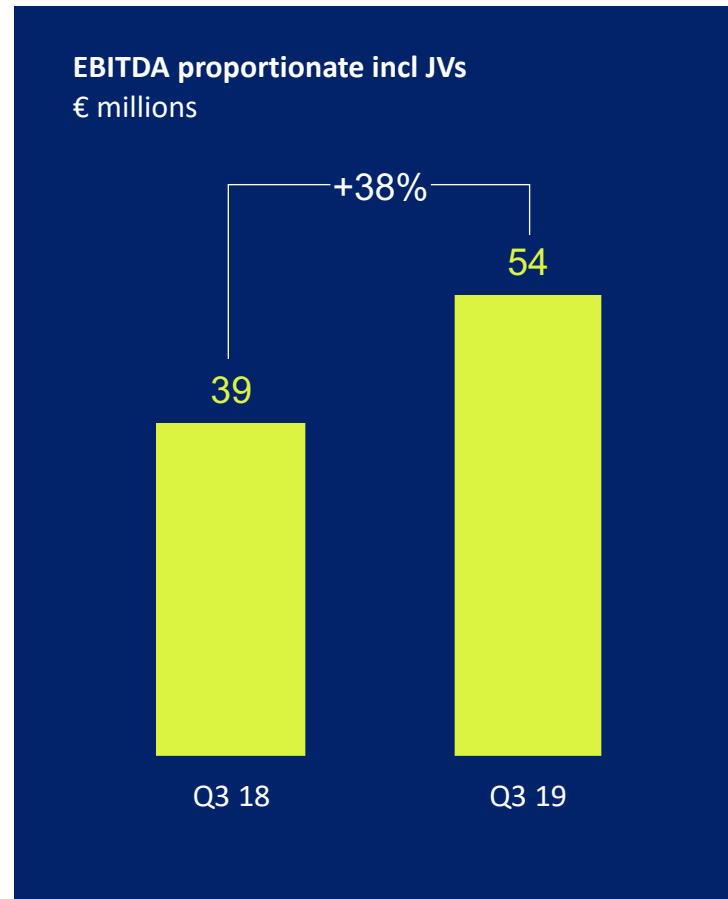
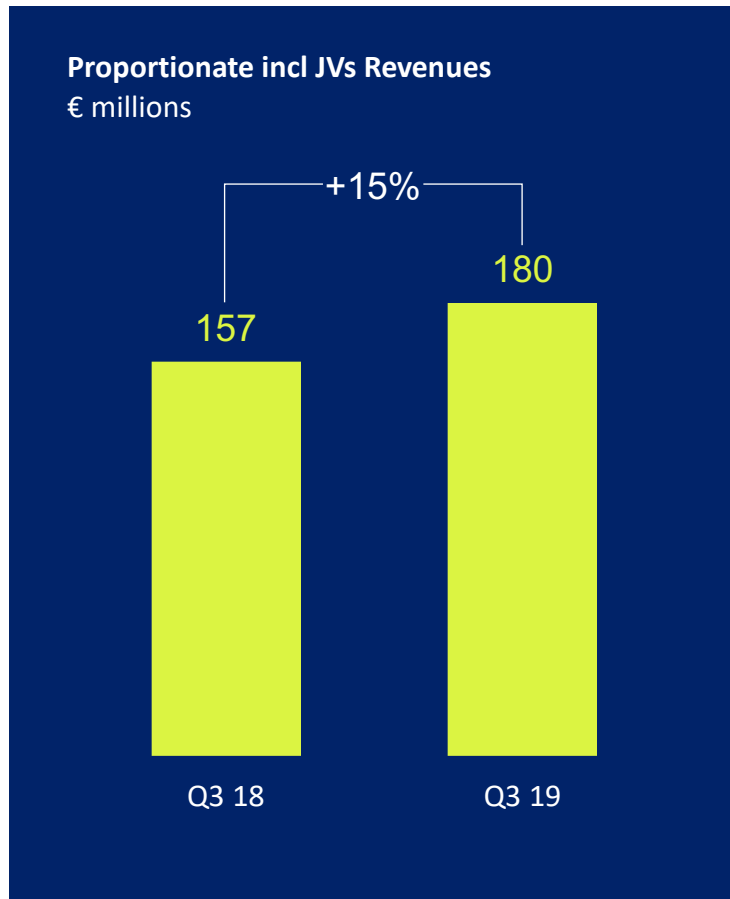
Transactional Strategy launched in Q4 2018.

Strong user retention and engagement continues as a particular strength with Shpock, allowing for improved monetization.

Financials

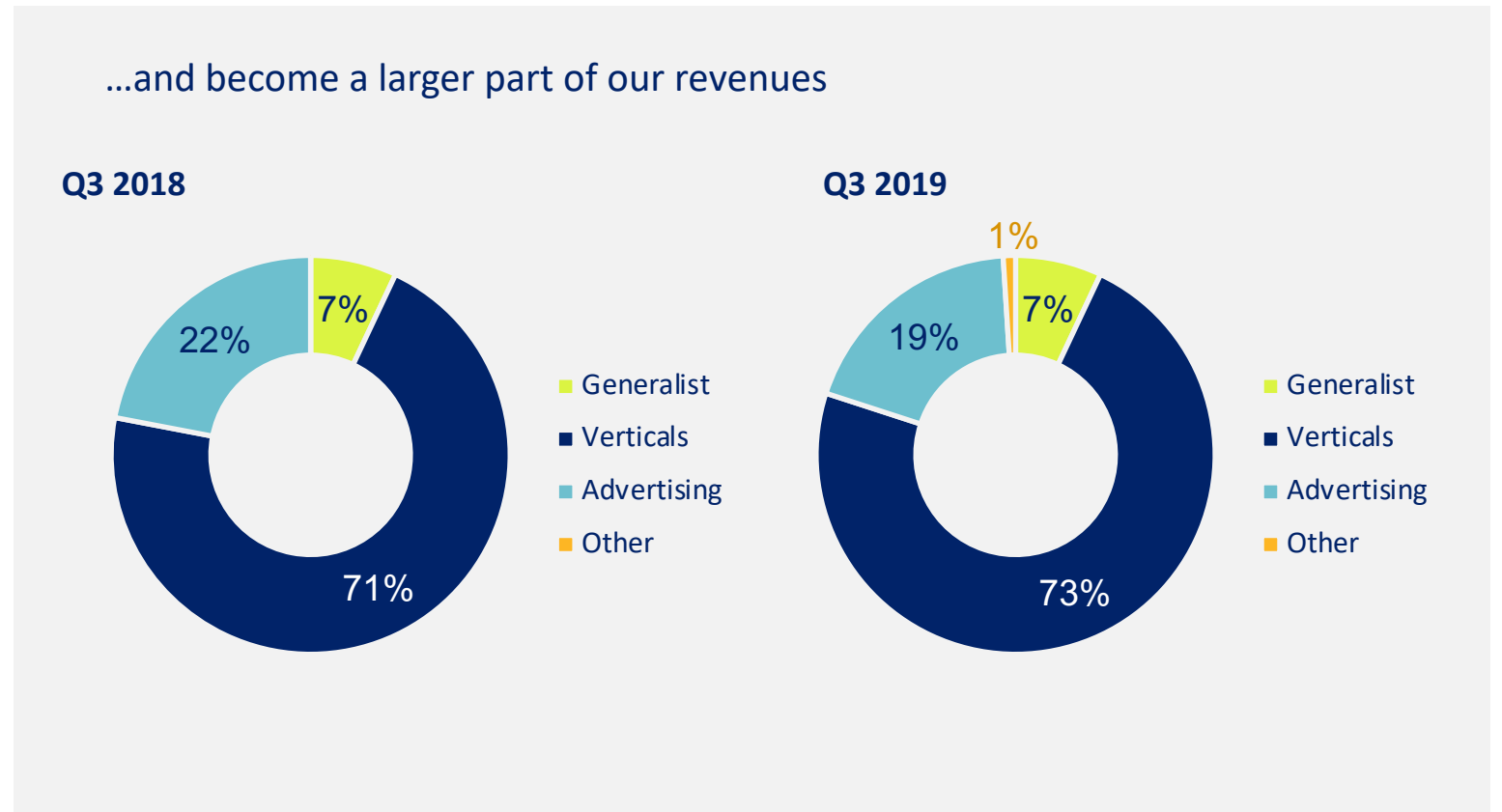
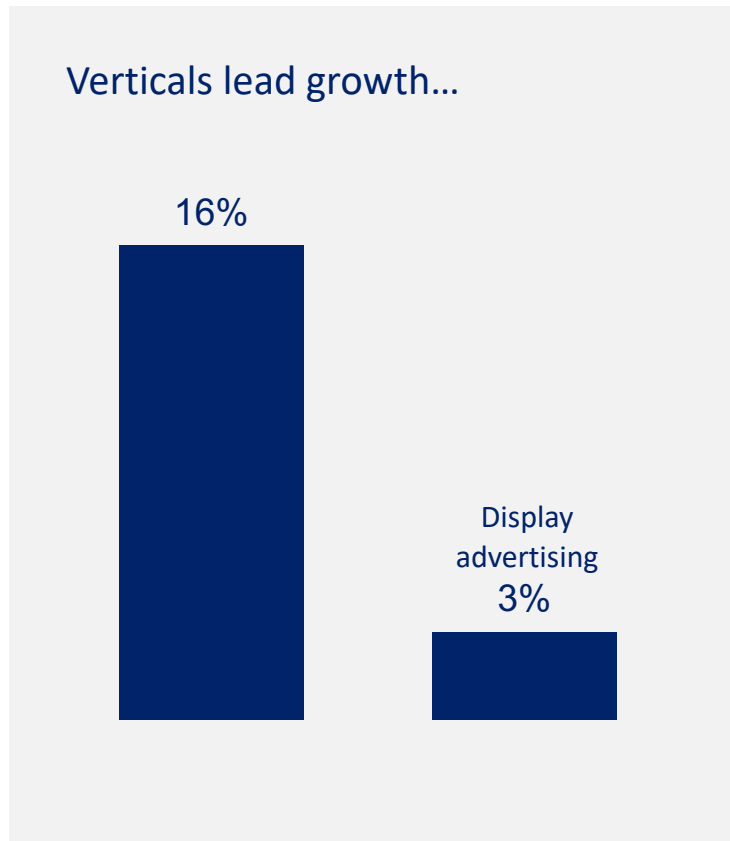
Uvashni Raman, CFO

Solid financial performance in Q3

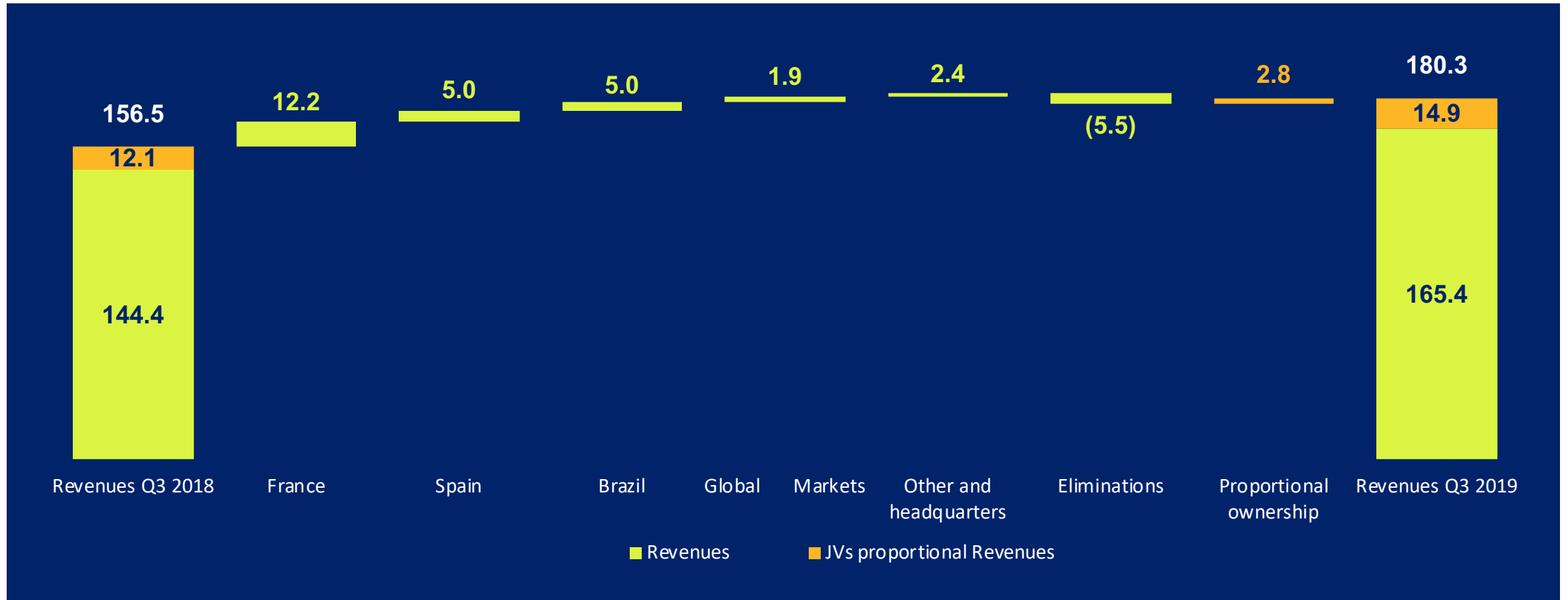


Core classified revenues continued growth momentum, display advertising muted growth

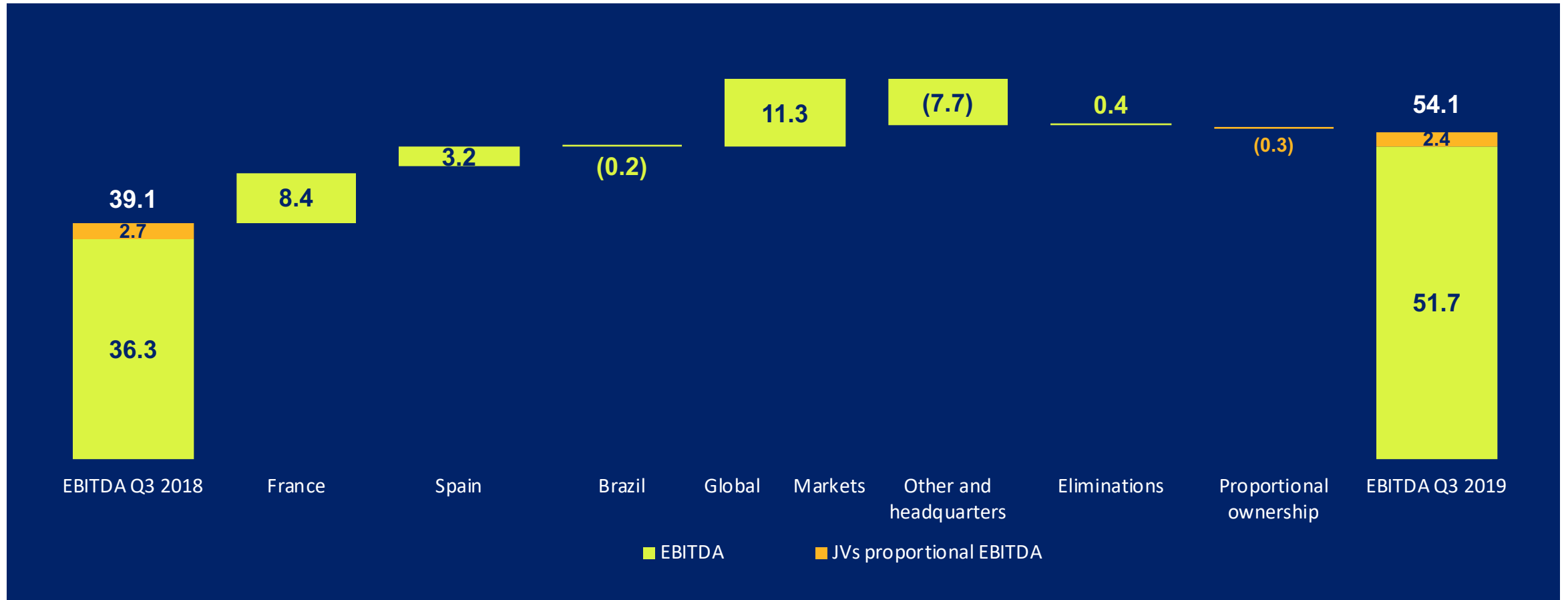
Revenue growth driven by strong verticals



Revenues grow 15% overall in Q3



EBITDA improves 38%



Digital Tax in France

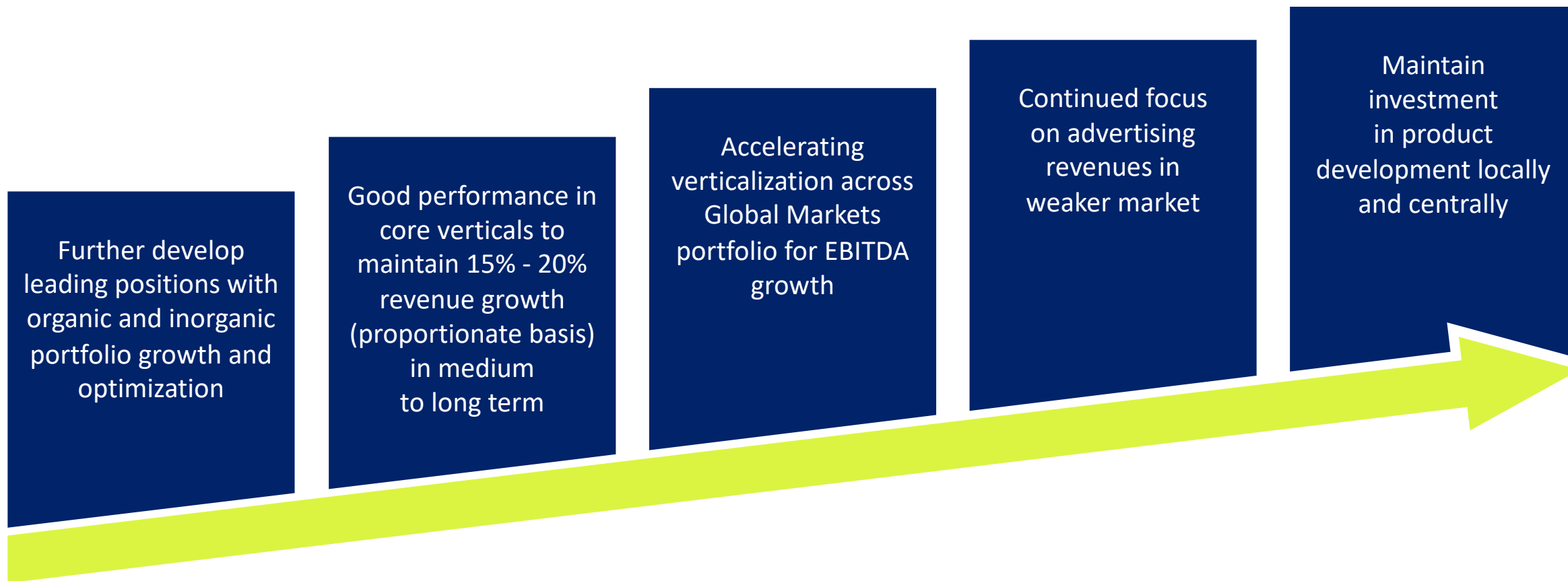
- Signed by President Macron on 24 July and enacted 30 September 2019
- French Tax Authorities (FTA) have not yet published administrative guidelines which **define the scope** of the taxable services
- Due to **complexity of law** the assessment of whether DST is applicable to Adevinta Group is surrounded by a high degree of uncertainty without proper guidelines.
- It's not very clear if **all the services** which the Schibsted Group (including Adevinta Group) provide to its users in France and other countries are to be considered within the scope of DST
- Adevinta's assessment is that it's **more likely than not** that DST is not applicable to Adevinta Group as the group's applicable worldwide revenue will be below threshold of EUR750M
- **No provision** has been raised
- Should the guidelines and interactions with the FTA conclude differently, the DST applicable to the Adevinta group, **should not exceed €9 million** for 2019. We will continue to work with the French tax authorities to obtain further clarification on this matter

Outlook

Rolv Erik Ryssdal, CEO

Outlook

Unchanged – positive growth trajectory



Adevinta France Update

Antoine Jouteau, CEO, Leboncoin Group

France - leboncoin group key highlights

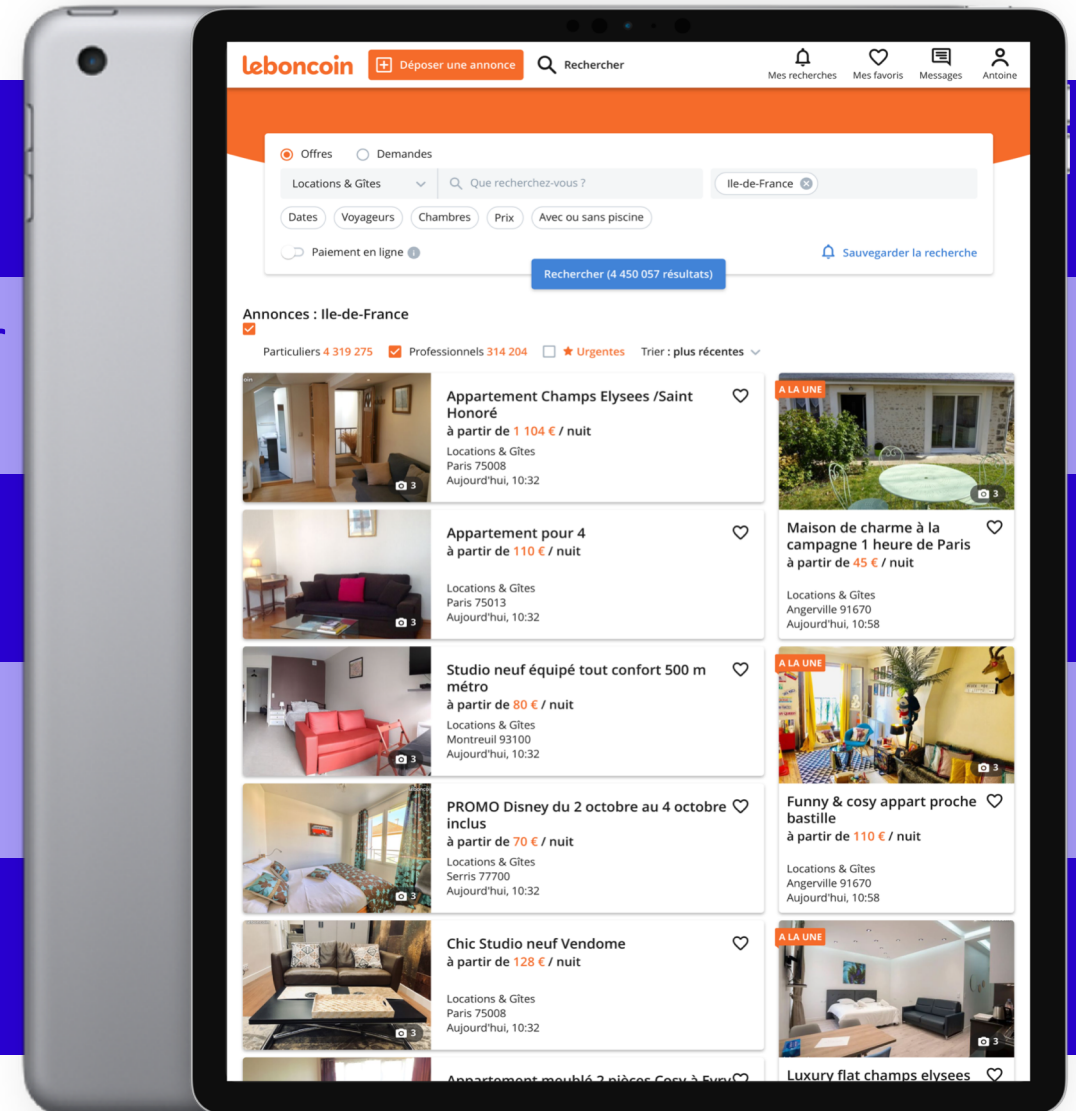
Efficient and safe marketplaces in a fast-changing economy

Continue strong growth on RE & car increasing our market shares

Shift to transactional continues

Strong investment strategy (P&T) to deliver sustainable revenue growth and profitability

Acceleration in advertising to faster reach our ambition



leboncoin group's development is supported by positive underlying trends, leading to localised, sustainable and collaborative consumption

Development of the “Made in France” trend to support both **local production** and the French economy in a complicated social context

Increasing concern of the French population towards the impact of their consumption on the environment, leading to a more **sustainable consumption**



Rise of the collaborative and circular consumption, partly motivated by the will to increase purchasing power

=> Example: 2nd-hand fashion is booming with 40% of French people⁽¹⁾ buying used clothes

13 years after its creation, leboncoin Group has become a strong digital player

leboncoin GROUPE

leboncoin



Agriaffaires
MachineryZone



VIDE • DRESSING



Groupe Argus

28.6 million
UMV ⁽¹⁾

~ 27 million
online ads ⁽²⁾

~ 110 million
transactions ⁽³⁾

~ 1300
employees
(30% on P&T)

Priority #1 is to accelerate our product development with automation, transactional services and verticalization



Automation

Enhance user experience by developing machine learning in our customer journey



Acceleration of our transactional shift

Become a e-merchant referent in Consumer Goods, Holidays rental & Cars



Verticalization of our experience

Create unique experience for each universe with one single platform

Automation - We target a 100% data-driven product, automated & personalized to deliver the most relevant experience for each user



Autocomplete

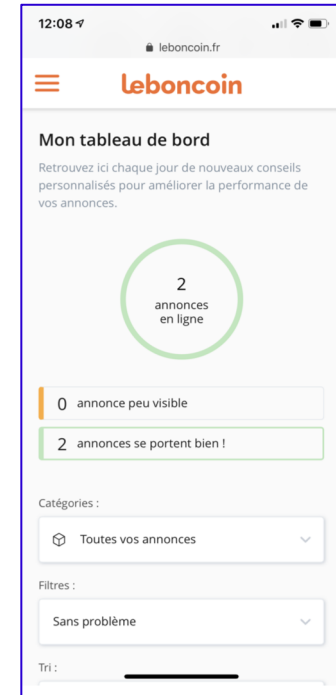
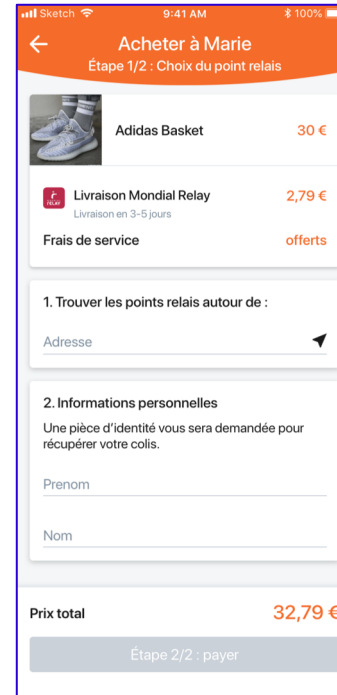
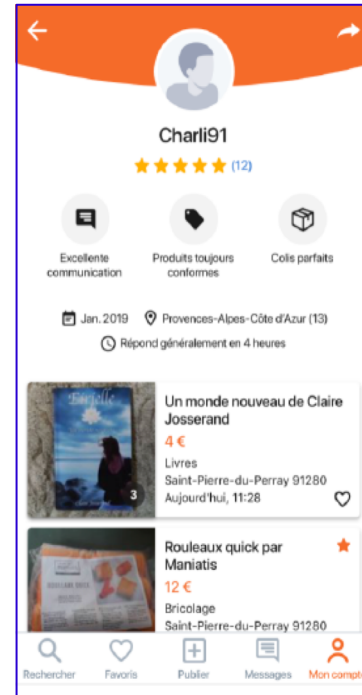
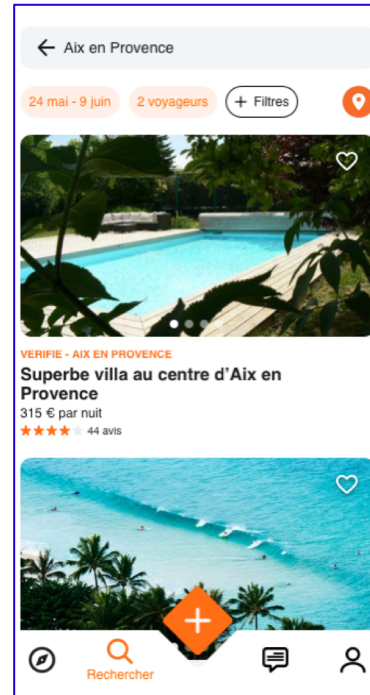
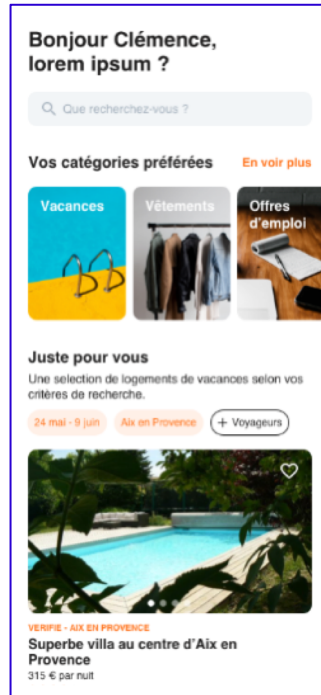
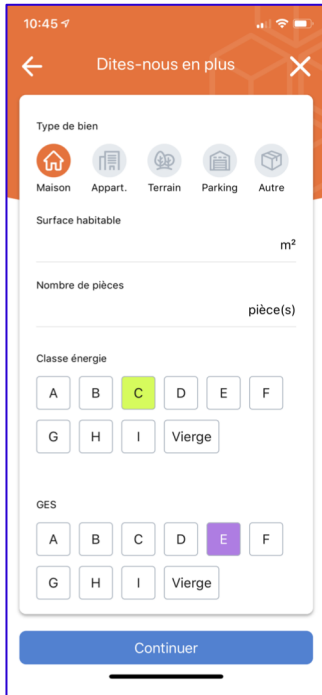
Personalization

Relevancy

Automatic control

Payment solutions

Efficiency



Transaction - Our transactional shift is going well and is currently being deployed to new verticals, with additional services



Consumer Goods

- Payment solutions
- Delivery



Cars

- P2P payment solutions (private)



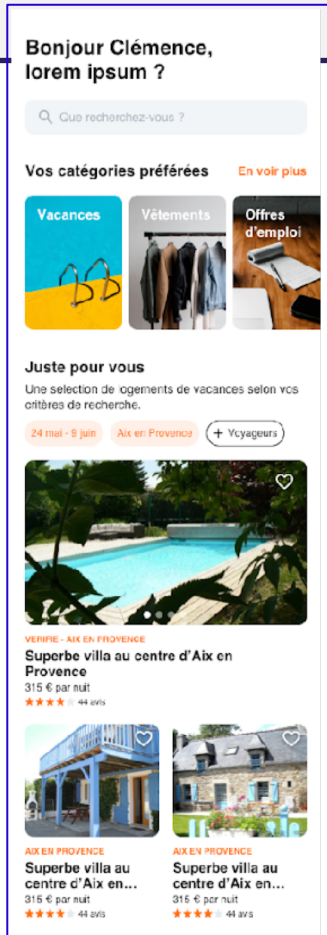
Holidays Rental

- Online booking activation

Verticalization - Based on our user data, we are creating a unique experience through verticalization and personalization

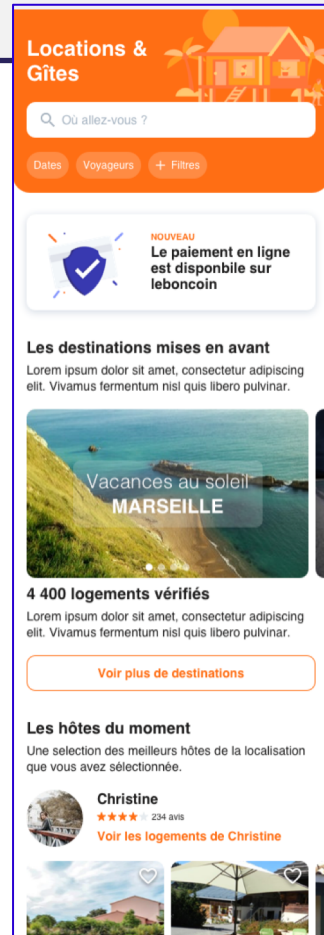
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Single platform



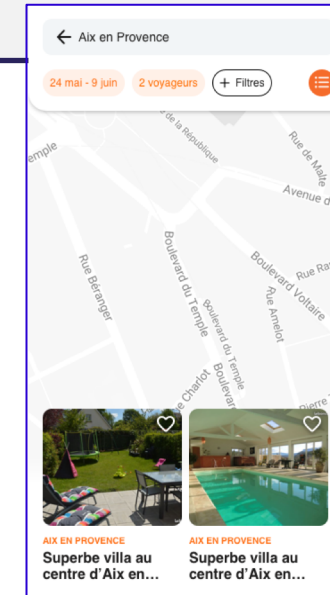
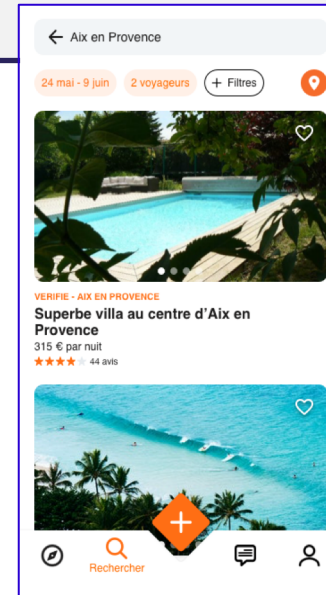
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Universes



∞

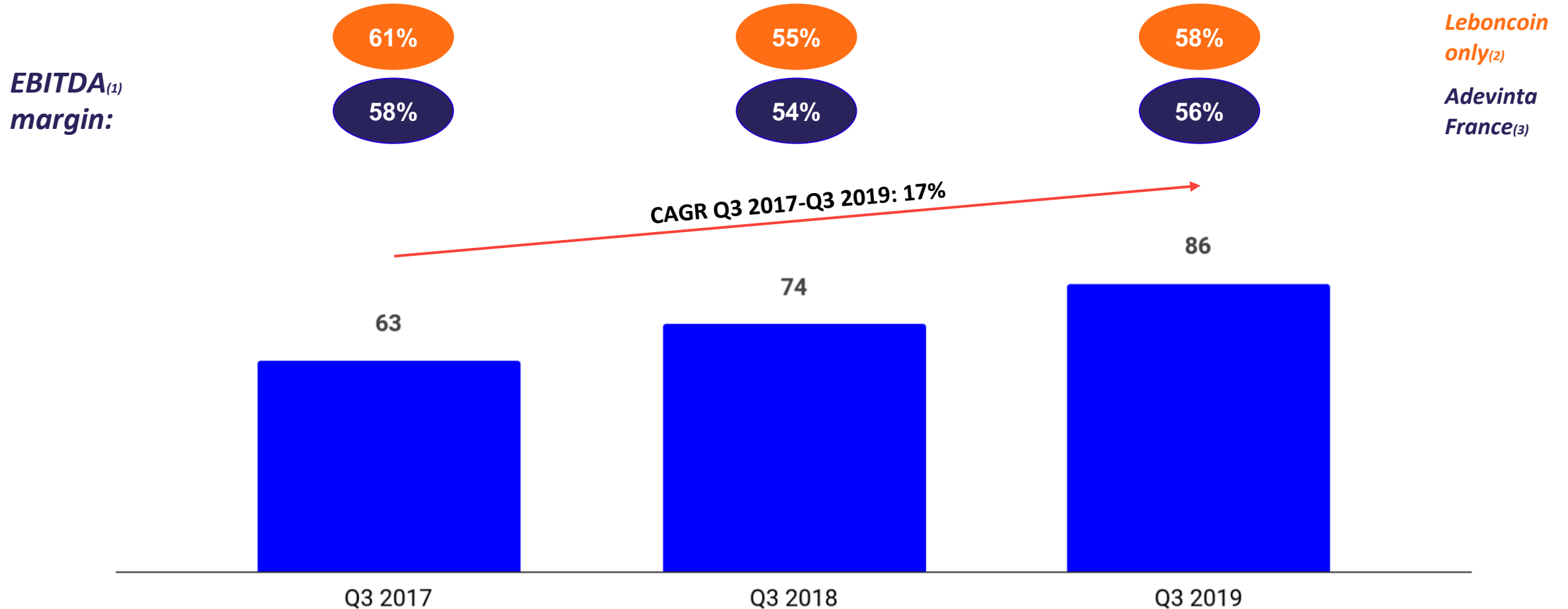
User experiences



Holidays Rental example

Delivering strong performance in both revenue and profitability

Revenue (€m)



Performance is supported by the development of our main verticals in very competitive markets

Transactional verticals⁽¹⁾



- New entrants with transactional model emerging

Real Estate



- Dynamic transaction market with low interest rates
- Offer pressure in big cities (*'seller's market'*)

Cars



- Entry of new competitor in France
- Market evolution towards services with leasing / financing

Advertising



- GAFAM market expansion
- Slow down of display investment, except from social advertising

Other⁽²⁾



- Market concentration and GAFAM arrival

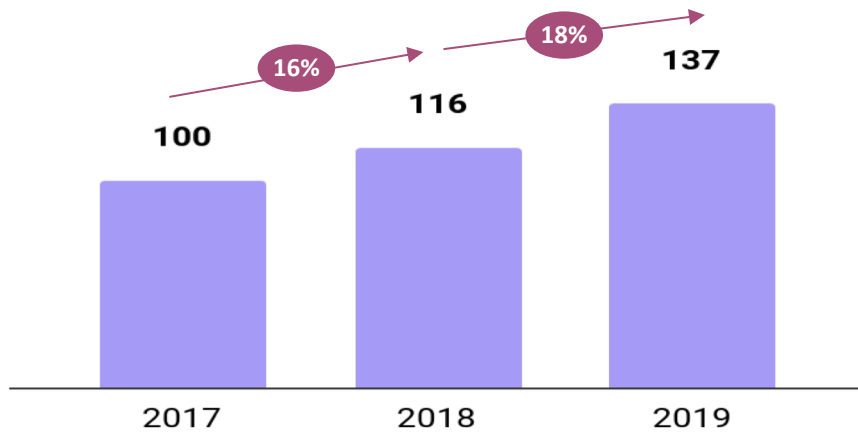


Real Estate - Revenues yoy have increased by 16%, enabling us to maintain our leading position

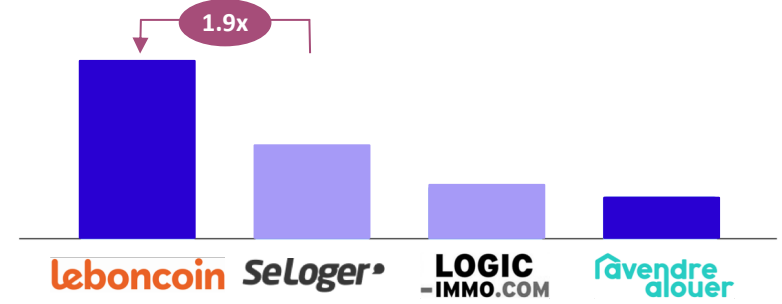
Revenue (total, private + pro)⁽¹⁾ - EUR M

YTD 2019
€91m (+16% Y/Y-1)

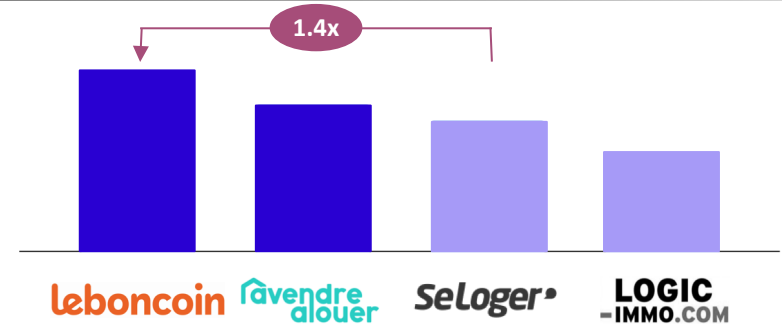
ARPU (professional only)⁽²⁾ - Indexed to 100



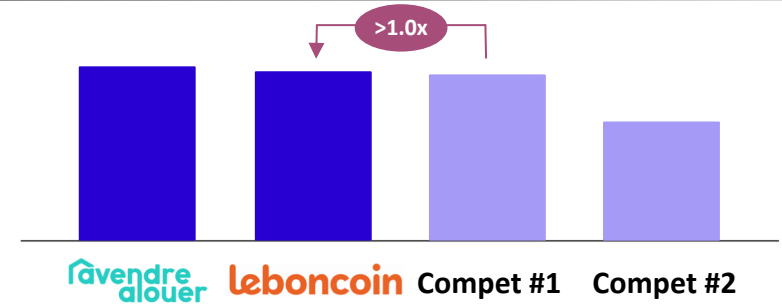
Traffic



Content



Customer

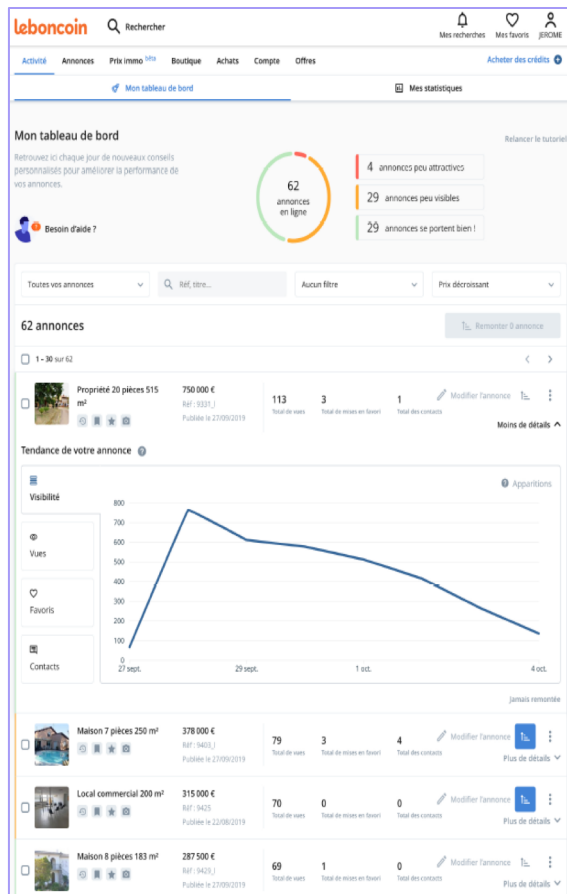




Real Estate - We have reinforced our presence in urban areas with 49% in Paris penetration (+2pts yoy), and a national average up to 65%

New products & offers

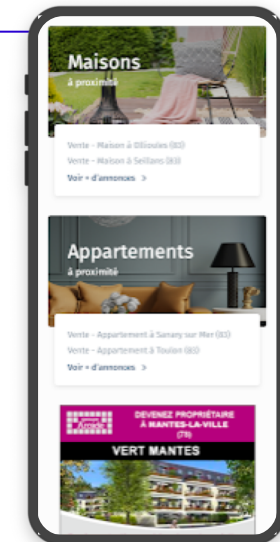
New performance dashboard for pros on LBC



Our Strategy

- UX Verticalization (criterias, maps...)
- Focus on added value to pros : solution to acquire new mandates, new market insights tools (dashboard, leads qualification tool...)
- New Construction market
- New AVendreALouer positioning

New positioning of A Vendre A Louer



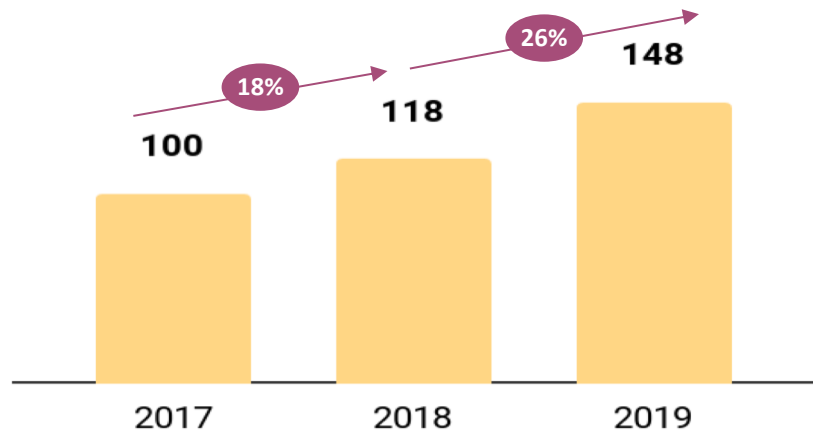


Cars - Solid growth continues (+19% yoy)

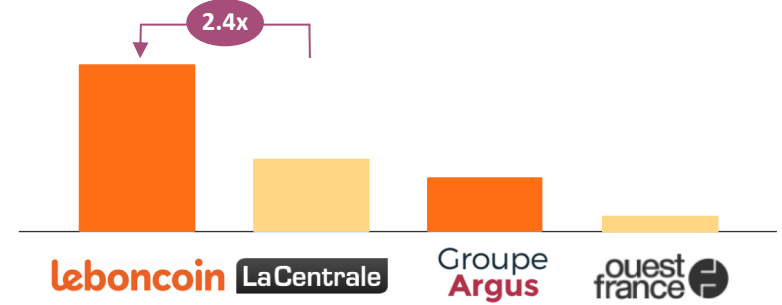
Revenue (total, private + pro)⁽¹⁾ - EUR M

YTD 2019
€68m (+19% Y/Y-1)

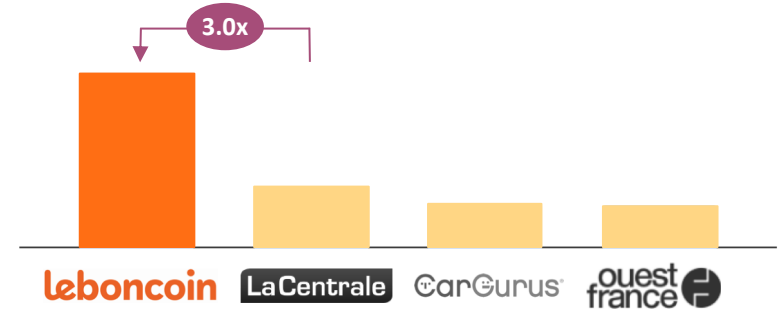
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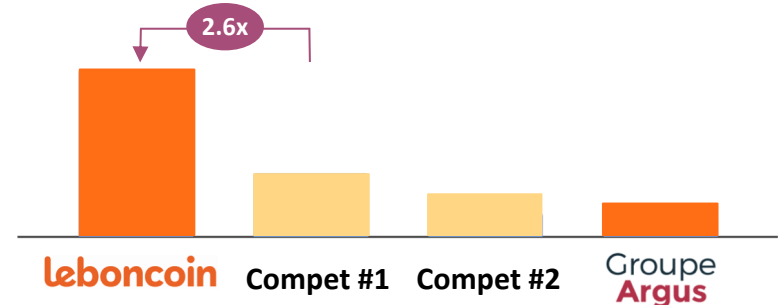
Traffic



Content



Customer





Cars - Consolidating our leading position

New products and offers

Improvement of activity report for pros

Mon activité
Retrouvez ici tous les jours les annonces qui nécessitent votre attention.

10 k annonces en ligne

- 6 k Annonces peu attractives
- 2 k Annonces peu visibles
- 2 k Annonces se portent bien !

Retournez le tutorial / Consulter notre FAQ

Toutes les catégories | Recherche: Kia, Pic... | Plus de filtres | Tri: Prix décroissant

10k annonces en ligne

1 - 30 sur 10k

Maison avec dépendance/terrasse 2 300 m2 | 240 500 € | 1 234 | 78 | 34

Maison avec dépendance/terrasse 2 300 m2 | 240 500 € | 1 234 | 78 | 34

Maison avec dépendance/terrasse 2 300 m2 | 240 500 € | 1 234 | 78 | 34

Our Strategy

- UX Verticalization (criterias, search...)
- Integration of Argus features on LBC
- Development of C2C payment (with Paycar), guarantee, financing features
- Focus on added value to pros : new offer using data driven performance features (automatic bump...), new market insights tools for pros (dashboard,...)

Kia Picanto III 1.0 ESSENCE MPI 67 CH BVM5 Active
11 400 € | Réf : 17761 | Publiée le 11/09/2019

15 Total de vues | 0 Total de mises en favori | 1 Total des contacts

Tendance de votre annonce

Visibilité

Vues

Favoris

Contacts

Apparitions

Le constat
Il faut 256 apparitions dans les résultats de recherche pour 1 vue détaillée de cette annonce (alors que 26 apparitions suffisent en moyenne sur ce marché).

Notre conseil
Améliorez votre annonce pour donner davantage envie de cliquer sur la vue détaillée (notamment photos contrastées, prix juste). Le prix observé pour un modèle équivalent à celui de cette annonce est de 5 845 €, soit 95 % moins cher.

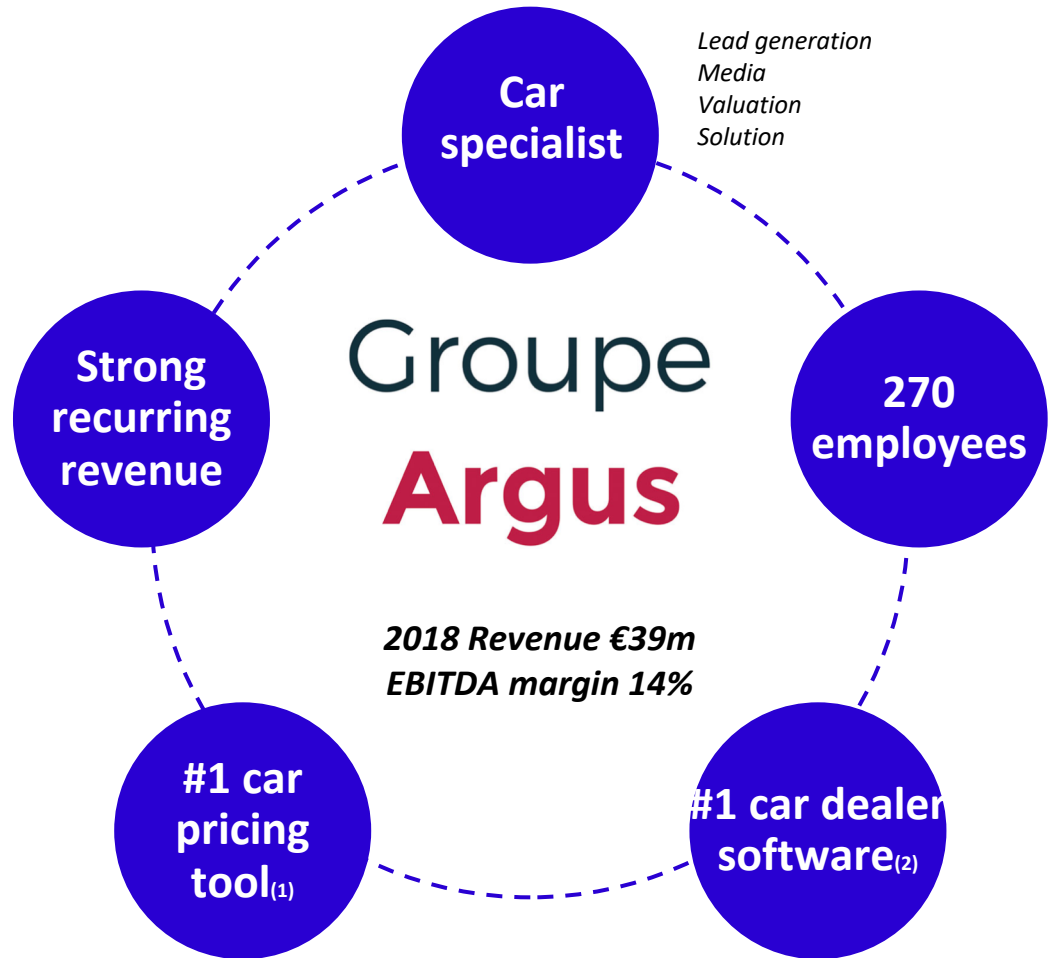
Connectez-vous sur votre logiciel interne pour modifier votre annonce.

Jamais remontée

New valuation tool for pros with alerts



Cars - Recent acquisition of Argus Group will help us fully cover automotive market needs for both professionals and privates



Synergies with leboncoin

- ▶ Strengthen our #1 partner position
- ▶ Leverage our exclusive data and market expertise
- ▶ Enhance our value proposition for private users (exclusive editorial content, valuation tool...)

Source: (1) Groupe Argus internal information ; (2) Groupe Argus survey with 630 dealers in 2017



Transactional markets - Progressive switch with promising performance

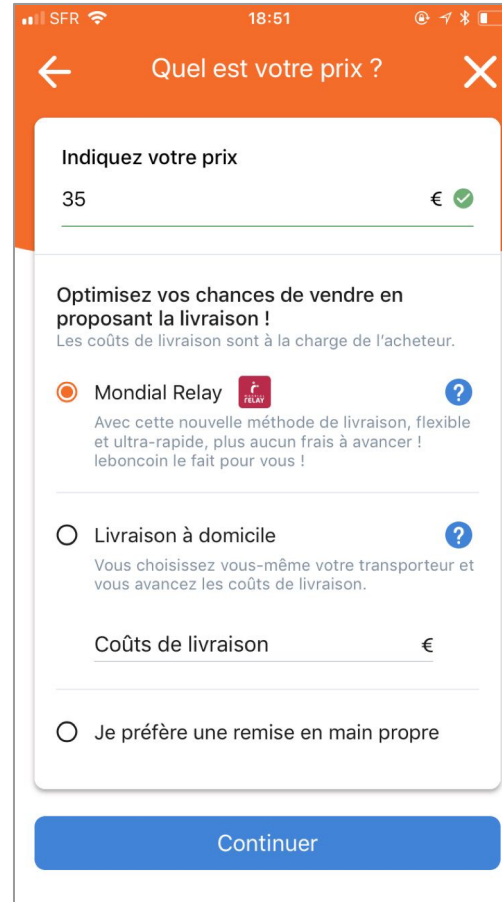
Revenue (total, private + pro)⁽¹⁾ - EUR M

YTD 2019
+34% Y/Y-1

Our Strategy

- UX verticalization (criteria, search engine...)
- Transactional services with booking on Holiday Rental, delivery, insurance, face-to-face payment on consumer goods
- Content editorialisation & personalization

New products & offers



Seller side

Adevinta France - Q3 results

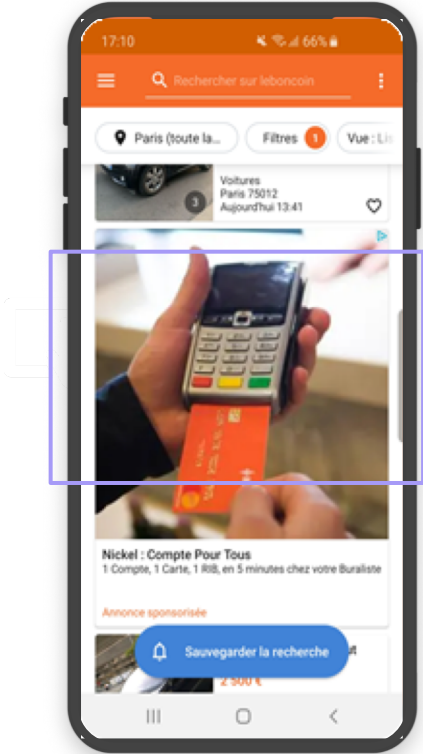


Advertising - Strategy to provide a data-based offer and align with customers expectations

Revenue ⁽¹⁾ - EUR M

YTD 2019
€51m (-1% Y/Y-1)

New Product & offers



Big targeted local native ads

Our Advertising Strategy

Data User Centric

Mobile Display

Leverage marketplaces

Source: (1) Company information - Advertising revenue only all segments



Other - markets are also contributing to our overall growth

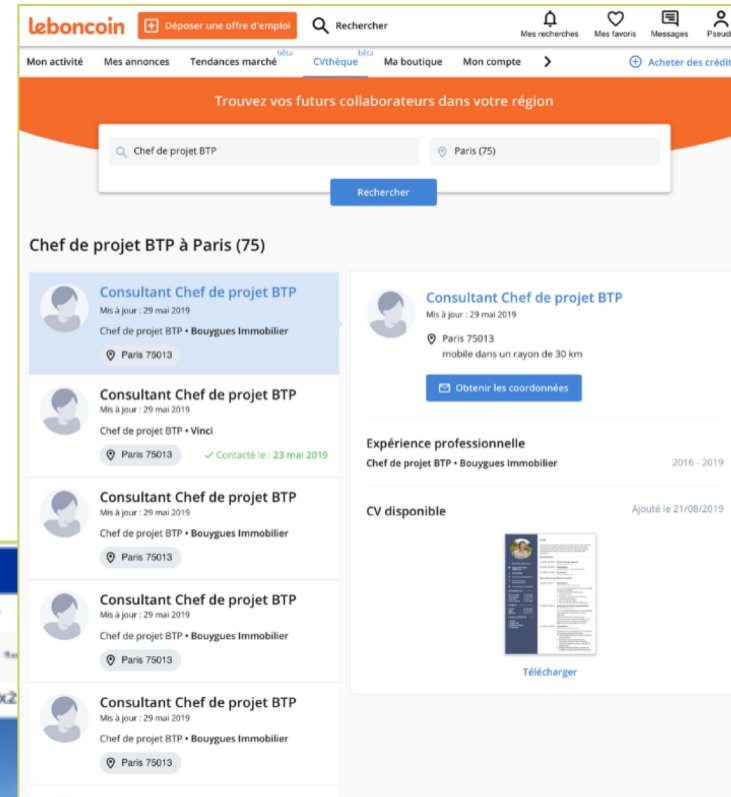
Our Strategy

Jobs

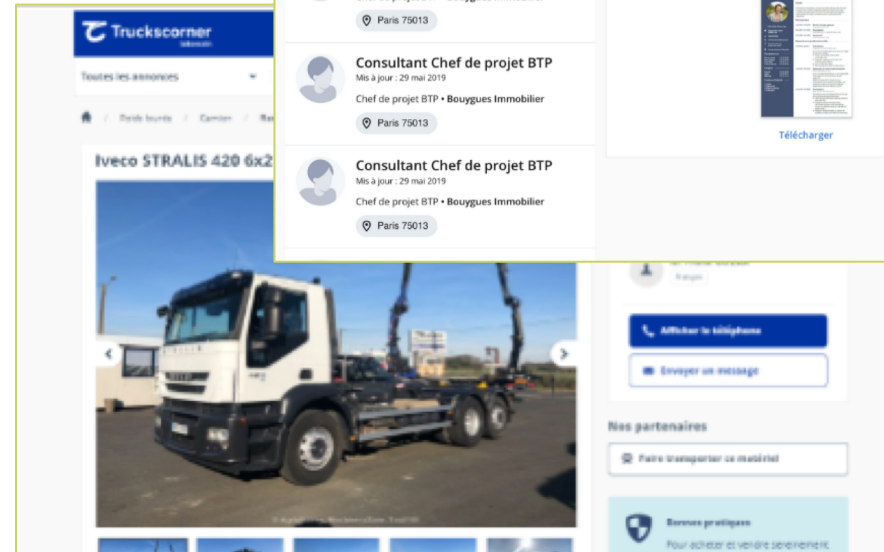
- UX verticalization (CV database, criteria, personalization...)
- Recruiter content (SMB, big groups)
- Increase leads generation

Pro. Equipment

- International development for MB
- Improve synergies with LBC
- Diversification (trucks...)



CV database



Truckscorner marketplace

France - leboncoin group key highlights

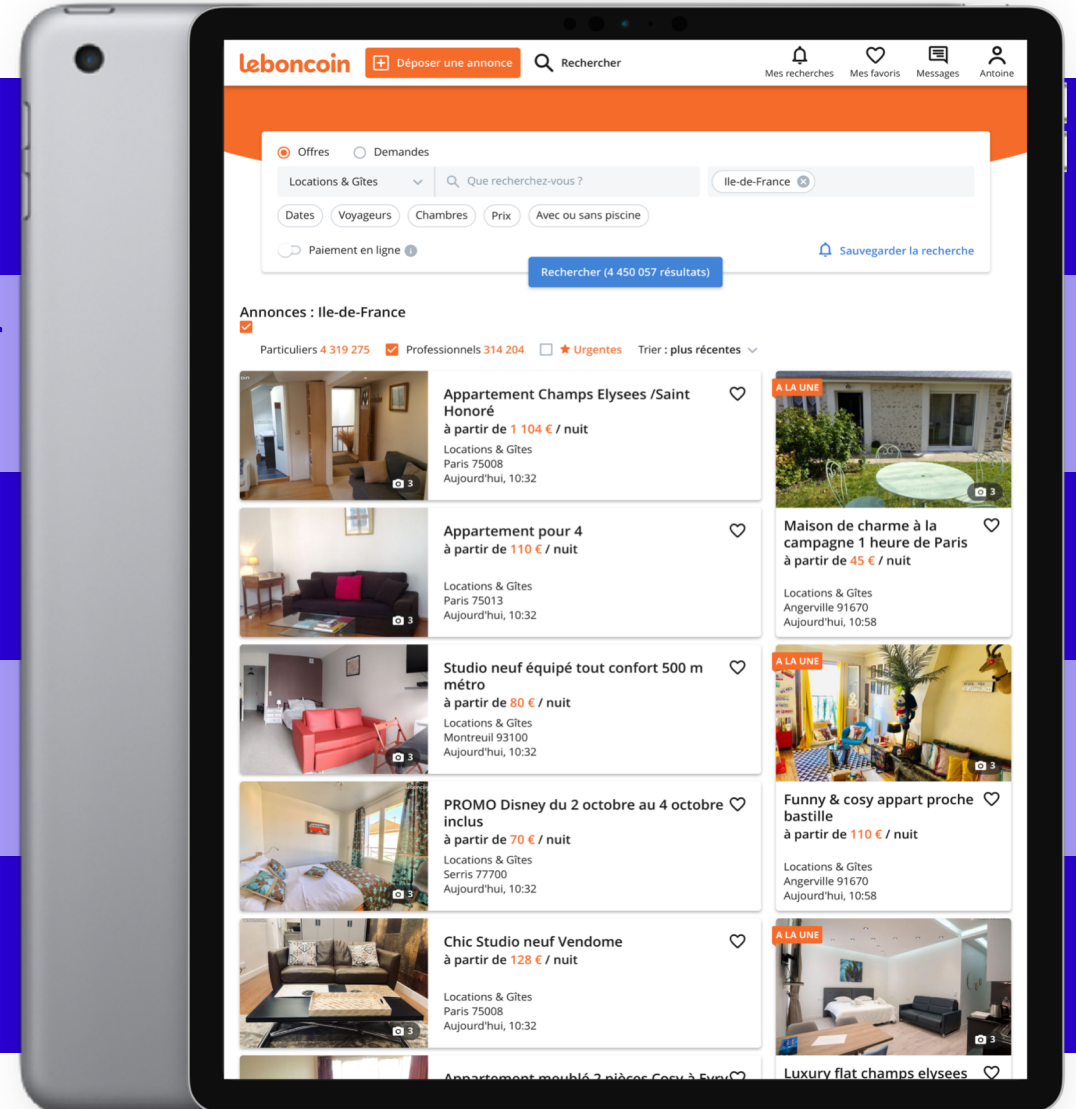
Efficient and safe marketplaces in a fast-changing economy

Continue strong growth on RE & car increasing our market shares

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Strong investment strategy (P&T) to deliver sustainable revenue growth and profitability

Acceleration in advertising to faster reach our ambition



Q&A

Appendices

Shareholder analysis

Rank	Name	A-Shares	B-shares	Total	%
1	Schibsted ASA	200,102,292	203,477,833	403,580,125	59.3 %
2	Blommenholm Industrier AS	28,188,589	25,337,549	53,526,138	7.9 %
3	Fidelity Management & Research Company	9,952,030	13,257,605	23,209,635	3.4 %
4	Folketrygdfondet	7,726,190	14,267,186	21,993,376	3.2 %
5	York Capital Management L P.	5,143,560	12,625,647	17,769,207	2.6 %
6	Baillie Gifford & Co.	6,874,387	9,553,803	16,428,190	2.4 %
7	Adelphi Capital LLP	2,791,207	7,294,816	10,086,023	1.5 %
8	The Vanguard Group, Inc.	3,248,714	3,962,440	7,211,154	1.1 %
9	Alecta pensionsförsäkring, ömsesidigt	1,434,023	4,733,600	6,167,623	0.9 %
10	Pelham Capital Ltd	0	6,117,429	6,117,429	0.9 %
11	Capital Guardian Trust Company	0	5,784,641	5,784,641	0.8 %
12	Citigroup Global Markets	835,284	3,886,018	4,721,302	0.7 %
13	Goldman Sachs International	502,727	4,178,960	4,681,687	0.7 %
14	Alken Asset Management Ltd	1,930,835	2,527,421	4,458,256	0.7 %
15	Alfred Berg Kapitalforvaltning AS	2,143,562	2,272,120	4,415,682	0.6 %
16	JPMorgan Chase Bank GTS CL A/C Escrow Account	1,279,678	2,930,408	4,210,086	0.6 %
17	KLP Forsikring	1,016,274	3,075,264	4,091,538	0.6 %
18	FMR Investment Management (U.K.) Limited	2,779,200	949,930	3,729,130	0.5 %
19	Mitsubishi UFJ Trust and Banking Corporation	1,550,040	1,979,781	3,529,821	0.5 %
20	Storebrand Kapitalforvaltning AS	1,361,742	1,991,258	3,353,000	0.5 %

Shareholders	SCHA	SCHB
Number of shares	307,849,680	373,298,209
Shares owned by Adevinta	0	0
Shares outstanding	107,747,388	169,820,376
Share Price 21.10.19	102.0	101.0
Free float*	35%	45%
Average daily trading volume	265,400.7	429,376.0

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



	A-share	B-share
Ticker		
<i>Oslo Stock Exchange:</i>	ADEA	ADEB
<i>Reuters:</i>	ADEA.OL	ADEB.OL
<i>Bloomberg:</i>	ADEA:NO	ADEB:NO
Number of shares	307,849,680	373,298,209
Treasury shares (21 October 2019)	0	0
Number of shares outstanding	307,849,680	373,298,209
Free float*	35%	45%
Share price (21 October 2019)	NOK 102	NOK 101
Average daily trading volume (shares)**	265,401	429,376
Market Cap total (21 October 2019)	NOK 69.1bn, €6.8bn, £5.8bn, US\$ 7.6bn	

Investor information

Visit Adevinta's website www.adevinta.com

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