Adevinta

Q2 2022 Interim Report

August 30, 2022

Content

Highlights of Q2 2022

Antoine Jouteau appointed CEO

Former CEO of Leboncoin and member of the Adevinta Executive Leadership Team

Effective from August 15

Strong Q2 2022 results performance in a soft macro environment:

Core markets revenue growth acceleration (+10% year-on-year) driven by recovery in mobile.de

Total revenue growth[1]: +8% yoy

- Total consolidated revenues of €417m Double digit growth in Classifieds (+11%), with strong performance in Jobs (+24%) and Motors (+10%) and resilient Real Estate (+8%)
- Acceleration of number of Consumer Goods transactions, especially in France (+20%) and eBay Kleinanzeigen (+139%)
- Advertising revenue down 5% year-on-year due to lower OEM spend and weaker market environment

EBITDA margin of 34.9%, up 260 bps vs Q1 2022, benefiting from strict cost management and lower-than-expected SBC expense

- Underlying EBITDA[2] of €153m
- Total consolidated EBITDA of €146m

Acceleration of cash generation

Deleveraging priority: debt repayment cash optimisation measures

Strategy: further execution of our *Growing at scale* plan

Businesses integration on track

Portfolio optimisation progressing at pace

- Exit process underway for Mexico
- Announced sale of Australia and South Africa

Continued delivery on strategy for growth businesses

- Increased monetisation of Motors and Real Estate verticals
- Continued rapid scaling and product launches of transactional services

Outlook: all targets confirmed

Core Markets mid to long term targets confirmed

- c. 15% average annual revenue growth
- 40-45% EBITDA margin

FY 2022 target confirmed

- Low double-digit revenue growth in core markets
- Underlying EBITDA[2] in the range of €575m to €600m

Synergy targets confirmed

- Expected €130m run rate EBITDA impact from synergies by 2024
- More than 100% of targeted FY2022 run-rate synergies already executed at the end of H1

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[1] Continuing operations on a combined basis, excluding disposals (Chile), InfoJobs Brazil and Kufar

[2] Consolidated EBITDA before share-based compensation impact

Key performance indicators - Q2 2022

Core markets revenues

€374m
+10% yoy

Visits

leboncoin / Mobile.de / ebayK
+30% yo3y / -13% yo3y / +35% yo3y
+2% yoy / -16% yoy / -6% yoy

Group revenues

€417m
+8% yoy

Motors

ARPA leboncoin / ARPL Mobile.de
€420 / €22
+20% yoy / +44% yoy

Group consolidated EBITDA

€146m
34.9% margin

Real Estate

ARPA leboncoin / ARPA ebayK
€530 / €110
+16% yoy / flat yoy

Adjusted net cash-flow from operating activities

€129m

Transactions

leboncoin / ebayK
2.1m / 284k
+20% yoy / +139% yoy

Group underlying EBITDA: consolidated EBITDA before share-based compensation impact
ARPA: Average Revenue per Account (formula for a given month: paying professional accounts revenue / # of paying professional accounts)
ARPL: Average Revenue per Listing (formula for a given month: revenue generated from dealer subscriptions, features and insertions / average monthly live listings)
Transactions based on payouts: number of payments made to sellers following a successful transaction
Visits: every user session on a single device, based on internal data. Consent rates and tracking related adjustment applied for eBay K for Q3'21, Q4'21, Q1'22, Q2'22 and Mobile.de Q1'22, Q2'22. Privacy legislation differently interpreted in France, no adjustments are needed
Adjusted net cash flow from operating activities: net cash flow from operating activities adjusted for CAPEX and IFRS 16 lease payments

Message from our CEO

As we report on the quarterly performance of Adevinta I reflect on the results for the first time as the Group CEO. I am very pleased with what our teams have achieved despite the current tough macro environment and very excited about the next steps for the Group.

Revenue growth accelerated to 8% in the second quarter as a result of strong recovery in Mobile.de and continued solid performance in other core markets. Classifieds revenue grew 11% year-on-year, demonstrating the counter-cyclical nature of online classifieds and the strength of our market positions and value proposition. We continued to deliver in transactional services, our other strategic pillar, with revenues growing 28% year-on-year, lapping a very strong quarter last year. Declining advertising revenues reflected the current weaker macroeconomic environment, especially in non-core markets, and lower advertising spend from OEM.

EBITDA margin rose to 34.9%, benefiting from top line growth, strict cost management and lower-than expected share-based compensation costs. In the current market environment we remain more than ever focused on optimising our cost base whilst prudently investing in attracting and retaining talented teams in key areas to deliver on our "Growing at Scale" plan and to further innovate for the benefit of our clients and users.

Cash generation accelerated during the quarter, allowing us to further pay down debt, in accordance with our financial policy and associated leverage targets.

We crossed a significant milestone in the integration of eCG with the exit of most TSAs.

Our portfolio optimisation is also progressing at pace with the announced agreements for the sale of Australia and South Africa.

In the few weeks following the announcement of my appointment as CEO I spent time visiting teams in our key markets. I'm not only very excited about the many opportunities that we have ahead of us, but am highly confident that we can achieve great things together, and deliver on our strategy and associated financial targets. As we navigate the current environment we will continue to deliver growth while balancing and being disciplined on the longer term investment.

Antoine Jouteau,
CEO

Financial performance

The segments disclosed in this section represent the revised reporting structure of Adevinta, following the acquisition of eBay Classifieds Group and, are therefore, those that have been presented in the consolidated annual financial statements for the year ended 31 December 2021, which are included in the 2021 annual report.

Adevinta has identified France, Mobile.de, European Markets, International Markets and Headquarters and Others as the operating segments, mirroring the internal reporting structure. This reflects the review, management and assessment of the groups operating results by Group Management following the acquisition of eBay Classifieds Group.

Additionally, the segment information only presents a consolidated view and does not include Joint Ventures nor associates that are not 100% consolidated (namely OLX Brasil and Willhaben). **Results from Joint Ventures and associates are presented in the line "Share of profit (loss) of joint ventures and associates"** in the profit and loss statement.

The information disclosed on a "combined" basis in this section reflects the results of Adevinta group as if the eBay Classifieds Group (acquired on 25 June 2021) has been part of the group during the full periods presented. These numbers are presented to facilitate comparability.

Pursuant to Adevinta's decision to divest **Australia** and **South Africa**, these subsidiaries **were classified as held for sale and as discontinued operations as of 31 December 2021**. The results of these businesses are presented within "Profit (loss) from discontinued operation" in the profit and loss statement and do not contribute to the group's operating revenues and EBITDA. Following the decision to exit **Mexico**, this asset **is classified as held for sale as at 30 June 2022.**

Quarterly restated figures from Q1 2019 to Q2 2022 (on a "combined" basis, adjusted for comparability) are available under the following link: www.adevinta.com/investors/financial-results-publications.

Alternative performance measures (APM) used in this report are described and presented in the Definitions and Reconciliations section at the end of the report.

Combined[1] Second quarter				Combined[1] Year-to-date			IFRS Year-to-date	
yoy%	**2021**	**2022**	**€ million**	**2022**	**2021**	**yoy%**	**2022**	**2021**
8%	**388**	**417**	**Operating revenues**	**804**	**756**	**6%**	**804**	**375**
8%	**134**	**146**	**EBITDA**	**271**	**264**	**3%**	**271**	**106**
	34.6%	34.9%	EBITDA margin	33.7%	34.9%		33.7%	28.2%
8%	**141**	**153**	**Underlying EBITDA**	**289**	**277**	**4%**	**289**	**109**
	36.3%	36.6%	Underlying EBITDA margin	36.0%	36.7%		36.0%	29.2%
			Operating revenues per segment					
8%	117	126	France	246	228	8%	246	228
11%	72	80	Mobile.de	149	142	4%	149	
9%	164	178	European Markets	347	317	9%	347	139
-11%	34	30	International Markets	58	65	-10%	58	4
-100%	1		Disposals		3	-100%		3
18%	3	3	Other and Headquarters	7	5	27%	7	5
48%	-3	-1	Eliminations	-2	-5	52%	-2	-5
			EBITDA per segment					
21%	54	65	France	120	109	10%	120	109
-2%	43	43	Mobile.de	79	85	-7%	79	
7%	69	73	European Markets	140	131	7%	140	36
-18%	15	12	International Markets	23	25	-8%	23	-1
-100%	-3		Disposals		-5	-100%		-5
-11%	-43	-47	Other and Headquarters	-92	-81	-14%	-92	-32
			Non-consolidated JVs					
34%	20	27	Proportionate share of revenues	50	38	32%	50	38
-591%	0	-2	Proportionate share of EBITDA	1	4	-84%	1	4

[1] *Combined: these figures reflect the results of Adevinta group as if the eBay Classifieds Group (acquired on 25 June 2021) has been part of the group during the full periods presented. These numbers are presented to facilitate comparability.*

Operating revenues by category

Combined[1] Second quarter yoy%[2]	2021	2022	€ million	Combined[1] Year-to-date 2022	2021	yoy%[2]	IFRS Year-to-date 2022	2021
11%	282	313	Online classifieds revenues	601	552	9%	601	291
28%	12	16	Transactional revenues	31	24	34%	31	21
-5%	92	86	Advertising revenues	167	179	-6%	167	60
111%	1	2	Other revenues	5	2	99%	5	2
8%	**388**	**417**	**Operating revenues**	**804**	**756**	**7%**	**804**	**375**

[1] Combined: these figures reflect the results of Adevinta group as if the eBay Classifieds Group (acquired on 25 June 2021) has been part of the group during the full periods presented. These numbers are presented to facilitate comparability.
[2] Excluding disposals (Chile and Shpock), InfoJobs Brazil and Kufar.

Adevinta exited Shpock (in Q2 2021), InfoJobs Brazil (in Q1 2022) and Kufar (in Q2 2022) which represented 3 million euros revenues in Q2 2021.

Excluding the impact of these divestments, **combined revenues from continuing operations were up 8% in the second quarter** compared to the same period last year, improving from the 6% growth achieved in the first quarter.

- **Online classifieds revenues improved by 11% year-on-year**, supported by double-digit revenue growth in Jobs and Motors which benefited from successful price increases, higher dealer penetration and product development with high added-value for car dealers. Real Estate saw high single digit growth in the period.
- **Transactional revenues** grew by 28%, with strong traction in France, Germany and Italy.
- **Advertising revenues** were down 5% year-on-year as a result of an overall weaker advertising market, especially in automotive display advertising.

Core Markets posted revenue growth of 10% in the quarter, despite the ongoing softness in the motors segment:

- **Online classifieds revenues** improved by 13%;
- **Transactional revenue**s grew by 29%;
- **Advertising revenues** were down 3%.

Gross operating profit from continuing operations (reported EBITDA) improved by 8%, to 146 million euros compared to the second quarter of 2021. This was the result of the positive topline evolution and lower marketing investment, due to significant marketing campaigns in the second quarter of 2021, and strict cost management. This was partly offset by (i) an anticipated and controlled increase in personnel costs related to the ramp-up in product and technology resources to fuel product development and new business models as well as the build-up of global capabilities ahead of eBay TSA exits and (ii) higher external services costs related to the deliberate use of variable workforce capacity to support the roll-out of new solutions and the ramp-up of transactional services, whilst the business reviews and implements its new operating models and processes, a key initiative to drive efficiencies and appropriate resource allocation to key value drivers. Direct costs from transactional services also increased in the quarter, in line with the adoption of the service and revenue growth.

Underlying EBITDA[3] from continuing operations was 153 million euros in the second quarter of 2022, representing a 36.6% underlying EBITDA margin.

[3] Consolidated EBITDA before share-based compensation impact (€(7)m in Q2 2022, flat vs. Q2 2021)

Segment information

France

Combined[1] Second quarter				Combined[1] Year-to-date			IFRS Year-to-date	
yoy%	2021	2022	€ million	2022	2021	yoy%	2022	2021
8%	**117**	**126**	**Operating revenues**	**246**	**228**	**8%**	**246**	**228**
3%	(63)	(61)	Operating expenses	(126)	(119)	-6%	(126)	(119)
21%	**54**	**65**	**EBITDA**	**120**	**109**	10%	**120**	**109**
	46.0%	51.4%	EBITDA margin	48.8%	47.7%		48.8%	47.7%

[1] *Combined: these figures reflect the results of Adevinta group as if the eBay Classifieds Group (acquired on 25 June 2021) has been part of the group during the full periods presented. These numbers are presented to facilitate comparability.*

Traffic[4] was slightly up compared to last year (+2%). More importantly, compared to 2019, traffic was up 30%. Listings were up 5% year-on-year, and up 2% compared to the previous quarter. This positive content development was yet again driven by Consumer Goods (up 11% year-on-year), while Motors professional content was impacted by the continued market supply dynamics (down 14%). Real Estate professional content was flat year-on-year.

Total P2P transaction payments in France continued its strong traction in the quarter, with 2.1 million transactions (payouts), up 20% year-on-year. This evolution was supported by a successful promotional campaign in June while we continued to improve our delivery offering (optimised weight prediction algorithm, more competitive prices and higher eligibility threshold).

Reported revenues in France grew by 8% in the second quarter of 2022. **Online classifieds revenues grew 10% year-on-year mainly driven by Real Estate and Motors which posted double-digit growth in revenues**. Growth in Real Estate was the result of the continued good performance of subscription packages with high added-value for professional clients. This led to positive ARPA evolution (to €530; +16% year-on-year). Motors revenue growth in the quarter was driven by the 20% ARPD increase (to €420) which more than offset declining professional volumes. **Jobs revenues were down year-on-year**, due to lower listing fees despite a steady performance of the subscription packages. **Advertising revenues were flat compared to last year.** Reduced activity from media agencies and OEMs was offset by good performance from local advertising and sponsored links. **Revenues from transactions were up 16% year-on-year**. Consumer goods transaction volume growth was partially offset by the discounting campaign on shipping fees which took place in June to drive adoption of the service.

EBITDA improved by 21% compared to the second quarter of 2021, driven by the positive topline evolution and by lower marketing costs (-45% year-on-year). The second quarter of 2021 saw strong marketing investment behind the extensive campaigns to celebrate the 15th anniversary of Leboncoin and to promote transactional services. This was partly offset by an increase in personnel and IT costs in the quarter, as we continued to invest in further product and technology development. Transactional costs also increased in the period, driven by higher volumes and by the promotional campaign held in June with Mondial Relay (partly offset by better suppliers' contractual conditions). **EBITDA margin improved 5.4 percentage points year-on-year accordingly.**

In the Motors vertical, we continued to optimise our C2B sourcing solution, with better lead qualification, **and we also continued to improve the transactional user journey,** with the launch in August of "Pack Sérénité" which includes warranty and payment solutions for used cars P2P transactions. **In Consumer Goods, we prepared for the launch of our wallet and split payment solution. We also continued to deploy our market verticalization strategy**, with for example the improvement of booking management in Holiday Rentals, and to improve the user experience of the platform (eg: Improved search experience, optimised ad recommendations and personalised push notifications).

[4] Visits: every user session on a single device, based on internal data

Mobile.de

Combined[1] Second quarter			€ million	Combined[1] Year-to-date			IFRS Year-to-date	
yoy%	2021	2022		2022	2021	yoy%	2022	2021
11%	**72**	**80**	**Operating revenues**	**149**	**142**	**4%**	**149**	
-31%	(29)	(38)	Operating expenses	(69)	(58)	-20%	(69)	
-2%	**43**	**43**	**EBITDA**	**79**	**85**	-7%	**79**	
	60.0%	53.0%	EBITDA margin	53.3%	59.6%		53.3%	

[1] *Combined: these figures reflect the results of Adevinta group as if the eBay Classifieds Group (acquired on 25 June 2021) has been part of the group during the full periods presented. These numbers are presented to facilitate comparability.*

Traffic[5] was 16% lower than in the second quarter of 2021, and 13% lower than 2019, yet again impacted by overall weakness in the car market. Dealer listings reduced further in the period when compared to the previous year (-19%) due to the low level of available inventory in the market, but stabilised marginally (+3% quarter-on-quarter) as a result of low demand driven by the economic environment.

Revenues in mobile.de improved by 11% in the second quarter of 2022. Online classified revenues were up 15% year-on-year, mostly driven by the new pricing adjustment implemented on April 1st 2022, which included a dealer price increase and a car value factor. This resulted in a 19% average price increase, additional to the 14% listing price increase implemented in August 2021 across dealers. The combined effect of these two successful price increases (whilst maintaining our leading market position) more than offset the year-on-year negative volume impact (dealer listings down 19% year-on-year). Average revenue per listing increased by +44% year-on-year, driven by the successful price increases and a lower number of listings per dealer (dealer received less volume discount based on our tier pricing). Revenues from private sellers also grew compared to the second quarter of 2021. **Advertising revenues declined by 15% year-on-year, impacted** by the reduced level of advertising spend of OEMs, as a consequence of the low car production level (trend seen previously), exacerbated by the Ukrainian war.

EBITDA was broadly stable in the second quarter. The positive topline evolution was offset by an increase in external services fees as well as a **ramp-up in internal resources.** This included product and technology investment, sales and advertising, to support new business initiatives such as online buying & selling and leasing. **Marketing expenses also increased in the quarter** (up 43% year-on-year). **EBITDA margin contracted 7 percentage points year-on-year accordingly.**

The integration of Null-leasing, which was acquired in March 2022, **is in progress**. Null-leasing.com inventory is now mirrored to Mobile.de in order to enhance reach. **We continued to optimise our C2B proposition** (eg: more consistent branding, integration of the sales assistant into the dealer area) and we enhanced our financing offer (eg: new financial partner, dealer financing introduced for motorbike dealers, additional financing comparison provider). We also deployed a new vehicle insertion flow, which improves dealer efficiency. **We continued to invest ahead of the launch of our new Online Buying & Selling service** in the third quarter of 2022

[5] Visits: every user session on a single device, based on internal data, adjusted for consent impact

European Markets

The European Markets segment comprises primarily eBay Kleinanzeigen in Germany, Marktplaats, 2ememain and 2dehands in Benelux, InfoJobs, Coches, Motos, Fotocasa, Habitaclia and Milanuncios in Spain, Subito, Infojobs, and Automobile.it in Italy; Daft, Done Deal and Adverts in Ireland; Hasznaltauto, Jofogas and Autonavigator in Hungary, Kufar in Belarus (sold on 20 May 2022) and Willhaben in Austria.

The segment information only presents a consolidated view and does not include Joint Ventures that are not 100% consolidated. Therefore, Willhaben financial results are not included in the numbers presented in the section. Results from Willhaben are presented in the line "Share of profit (loss) of joint ventures and associates" of the profit and loss statement.

Combined[1] Second quarter				Combined[1] Year-to-date			IFRS Year-to-date	
yoy%[2]	2021	2022	€ million	2022	2021	yoy%[2]	2022	2021
9%	**164**	**178**	**Operating revenues**	**347**	**317**	**9%**	**347**	**139**
-11%	(96)	(105)	Operating expenses	(206)	(186)	-11%	(206)	(103)
7%	**69**	**73**	**EBITDA**	**140**	**131**	7%	**140**	**36**
	41.8%	41.1%	EBITDA margin	40.5%	41.3%		40.5%	25.7%

[1] Combined: these figures reflect the results of Adevinta group as if the eBay Classifieds Group (acquired on 25 June 2021) has been part of the group during the full periods presented. These numbers are presented to facilitate comparability.
[2] Excluding Kufar.

Revenues in the European markets segment increased by 9% in the second quarter of 2022, excluding Kufar, **led by strong performance at eBay Kleinanzeigen (+12% year-on-year), in Spain (+12% year-on-year) and Italy (+14% year-on-year)**. Online classified revenues were up by 13%, driven by growth in all verticals, especially Consumer Goods and Jobs. Advertising revenues were down 3% year-on-year, mostly due to lower traffic compared to the same period last year. Transactional revenues continued to see strong momentum and more than doubled compared to the same period last year.

EBITDA improved by 7% compared to the second quarter of 2021. The positive topline evolution was partly offset by an increase in personnel expenses and external services fees as we continued to invest in product development, as well as sales and customer support, in line with the growth of the business. Transactional costs also increased, in line with the adoption of the service. Marketing costs reduced by 3%, mainly driven by lower spending in Italy. **EBITDA margin contracted 0.7 percentage point year-on-year**.

eBay Kleinanzeigen revenues grew 12% in the period and reached 57 million euros. This was driven by significant momentum in all verticals, especially in Jobs and Consumer Goods, with strong performance from Small and Medium Businesses (SMBs) (+43% subscribers year-on-year), while we continued to gain market share in Real-Estate (+17% professional clients year-on-year, with stable ARPA year-on-year). This evolution was partially offset by a decline in advertising, behind a global weaker market environment and high comps in 2021. Nevertheless, advertising performance was stronger than the overall German market, where online marketing spends decreased 8% year-on-year. Transactional revenues doubled in the period, supported by the recent launch of our shipping and payment propositions. Compared to the second quarter of 2019, traffic[6] was up 35%.
In the quarter, we continued to reinforce the security and trust of the platform (eg: enhanced phone number verification, fraud prevention measures) and improved the user experience (eg: individual transactional status page updates).

In Spain, revenues grew 12% in the period and reached 54 million euros. This was driven by strong performance in online classifieds, up 13% year-on-year with continued recovery of the Jobs vertical (+34% year-on-year) and solid revenue growth in the Real-Estate vertical (+6% year-on-year) fueled by our new product and packaging, driving ARPU growth. Motors and Consumer Goods also grew in the period. Advertising revenues were up +7% year-on-year, benefiting from key account activity. Transactional revenues continued to ramp-up.
In the quarter, we optimised our transactional offer, with the launch of "Where is my order" and "Shop to Shop" delivery products. We also scaled our C2B proposition in Motors and launched a pilot for a seller mandate acquisition solution in Real Estate.

Benelux revenues were flat compared to the second quarter of 2021 at 38 million euros. Online classifieds revenues were flat year-on-year. Lower advertising revenues (-2% year-on-year), due to continued traffic softness, were offset by an increase in transactional revenues.
In the quarter, we launched our new buyer protection functionality in Consumer Goods, supported with awareness marketing campaigns. We enhanced our offering for SMBs, with improved visibility and new functionality while we scaled and optimised our C2B proposition for Motors.

In Italy, revenues grew 14% mainly driven by double-digit growth in the Jobs and Motors verticals and by the continued strong momentum of transactional services (launched in August 2021). Advertising revenues were down year-on-year, driven by softer programmatic performance.

In Ireland, revenues grew 5% year-on-year, with continued good performance in Motors while Real Estate growth slowed down to mid-single digit and advertising revenues declined year-on-year.

In Willhaben (not included in segment information), revenues grew 15% year-on-year, driven by an outstanding performance in Jobs and a continued strong performance from transactional services, supported by a high number of transactions.

[6] Visits: every user session on a single device, based on internal data, adjusted for consent impact

International Markets

International Markets comprises Kijiji in Canada, Autotrader, Gumtree and Carsguide in Australia, Gumtree in South Africa, Segundamano and Vivanuncios in Mexico and OLX and Infojobs Brazil (sold on 30 March 2022) in Brazil.

Pursuant to Adevinta's decision to divest **Australia** and **South Africa**, these subsidiaries **were classified as held for sale and as discontinued operations as of 31 December 2021**. The results of these businesses are presented within "Profit (loss) from discontinued operation" in the profit and loss statement and do not contribute to the group's operating revenues and EBITDA. Following the decision to exit **Mexico**, this asset **is classified as held for sale as at 30 June 2022.**

The segment information only presents a consolidated view and does not include Joint Ventures that are not 100% consolidated. Therefore, OLX financial results are not included in the numbers presented in the section. Results from OLX are presented in the line "Share of profit (loss) of joint ventures and associates" of the profit and loss statement.

Combined[1] Second quarter			€ million	Combined[1] Year-to-date			IFRS Year-to-date	
yoy%[2]	2021	2022		2022	2021	yoy%[2]	2022	2021
-8%	**34**	**30**	**Operating revenues**	**58**	**65**	**-8%**	**58**	**4**
-1%	(19)	(18)	Operating expenses	(35)	(40)	8%	(35)	(5)
-18%	**15**	**12**	**EBITDA**	**23**	**25**	-8%	**23**	**-1**
	43.6%	40.4%	EBITDA margin	39.4%	38.5%		39.4%	-30.1%

[1] *Combined: these figures reflect the results of Adevinta group as if the eBay Classifieds Group (acquired on 25 June 2021) has been part of the group during the full periods presented. These numbers are presented to facilitate comparability.*
[2] *Excluding InfoJobs Brazil.*

The international markets revenues were down 8% year-on-year, excluding Infojobs Brazil, driven by a 22% contraction in advertising revenues and by a 1% contraction in Online classified revenues.

EBITDA was down 18% compared to the second quarter of 2021, as a result of the top line evolution and higher external services fees. This was partly mitigated by a reduction of 34% in marketing spending. **EBITDA margin contracted by 3.2 percentage points year-on-year accordingly**.

Canada revenues declined by 6% compared to the second quarter of 2021 due to soft advertising performance driven by continued vibrancy pressure and soft direct display revenues. Online classifieds were slightly up in the quarter as performance in Jobs and Consumer Goods offset the decline in the Motors and the Real Estate verticals.

Mexico revenues were down 15%, mostly led by softness in the Real Estate vertical driven by reduction in paid marketing spend leading to softer client acquisition.

OLX Brasil (not included in segment information) increased revenues by 16% year-on-year in local currency and reached 40 million euros (100% view). Revenue growth was driven by the continued expansion of the triple-bundle strategy across brands in Real-Estate, by growth in both private and dealer revenues in Motors and by high liquidity and conversion in Consumer Goods. Transactional revenues tripled in the period. Advertising revenues, on the other hand, were slightly down impacted by a weaker market.
EBITDA amounted to (7) million euros (100% view), down 3 million euros compared to last year. This evolution was led by (i) continued investment in product & technology team and high salary inflation level, (ii) an increase in marketing efforts mainly driven by ZAP+ branding, positioning and performance and (iii) growing transactional costs.

We continued to improve the user experience on OLX platform (eg: launch of seller reviews and reputation, increasing safety and confidence for buyers, launch of Specialist offer with new features such as contact management and lead temperature in Motors, launch of certificated properties stamp with main information on properties verified and dynamic map search in Real Estate) and on ZAP platform (eg: ads deduplication, roll-out of new packages with ads, performance/intelligence and education solutions combined to increase value proposition).

Other (central P&T) and Headquarters

Other and Headquarters costs comprise Adevinta's shareholder and central functions including central product and technology development.

The Other and Headquarters EBITDA decreased by 5 million euros year-on-year to (47) million euros in the second quarter of 2022. This evolution was driven by:

- The increase in headquarter costs, to (19) million euros, in the context of the eCG integration and higher impact from share-based compensation;
- The slight increase in central product and technology costs, to (28) million euros, with higher IT and licence costs;
- Ahead of the implementation of new operating models for support functions and Product and Technology teams to drive operational efficiencies and accelerate value creation.

As a percentage of revenues, Other and Headquarter costs were flat year-on-year.

Integration progress

In the second quarter of 2022, we continued to focus on delivering our "Growing at Scale" strategy.

We continue to see increasing benefits from cross-markets collaboration thanks to the sharing of expertise and best practice within the centers of excellence:

- In line with its mission of speeding up the transactional transformation of our marketplaces, our Transactional Transformation Team (TTT) held its first Transaction Product Day in Paris in June. The goals of this gathering were to connect key product stakeholders from Core markets and to share knowledge on transactional products implemented.
- Our Motors Center of Excellence and our different markets continued their cooperation to align on a strategy for a transactional Motors business, and on how to scale and accelerate C2B proposition across Core markets.

We are progressing at pace on the optimisation of our portfolio:

- On 27 April, we announced our plans to exit Kufar, by transferring 100% of Kufar shares to the existing local team and on 20 May, the sale was completed;
- On 24 May, we announced our decision to exit our Mexican assets and we have launched the sale process since;
- On 22 July, we announced the signature of an agreement for the sale of Gumtree South Africa;
- On 25 August, we announced the signature of an agreement for the sale of Gumtree Australia, CarsGuide and Autotrader Australia for a total cash consideration of US$60m. The transaction is expected to close by the beginning of Q4 2022.
- We continue to assess the options for the two remaining assets under strategic review, Canada and Hungary, and we expect to come to a decision by the end of the year.

We continue to focus on our integration roadmap: more than 100% of our targeted run-rate synergies of 35 million euros for the full year 2022 have already been executed at the end of the first half.

The main achievement of the period is the successful exit of the vast majority of eBay TSAs which was implemented faster than expected. The few selected limited extensions will be exited by Q3.

Other key achievements in the period include:

- The execution of more procurement synergies;
- The rationalisation of our local footprint in overlapping geographies (Italy, Mexico);
- The downsizing of global P&T services due to divested entities;
- Major systems rollouts (SAP and Workday mainly) to implement functional operating models.

The upcoming major milestones for the next coming quarter are the definition of the P&T operating model, the cloud migration and the Data & Marketing transformation. Those will start delivering synergies from 2023.

Our run-rate EBITDA synergy target in year 3 remains unchanged, at 130 million euros.

Outlook

As outlined during our Capital Markets Day in November 2021, we see huge opportunities across all our businesses, with a large monetization runway in core Motors and Real Estate online classifieds, potential to expand throughout the transactional value chain with new business models, and a largely untapped second-hand commerce pool.

Our strategy builds on our unparalleled scale, leadership positions and technology to accelerate sustainable growth. It is underpinned by **the following key priorities:**

- Focusing the portfolio, by investing in and growing our five Core markets of Germany, France, Spain, Benelux and Italy;
- Concentrating on high-quality verticals: Motors and Real Estate, that present a significant opportunity to increase monetization;
- Becoming fully transactional in consumer goods, expanding into a growing and profitable online commerce market; and
- Leveraging technology and transforming advertising to preserve revenue and adapt to the evolving market.

The integration of the businesses is progressing well and we remain on track to deliver on the previously-announced synergies that will progressively contribute to accelerated growth and EBITDA margin improvement.

As a result, **we expect core markets revenue growth of approximately 15% on average per annum in the mid-to-long term, driving the EBITDA margin to 40-45%, notwithstanding the required investment**.

We have been facing temporary headwinds with low production levels of new cars globally that have knock-on effects on used car listing volumes and on OEM marketing spend. The overall macro environment has also weakened as a consequence of the Ukraine war, resulting in rising inflation and interest rates and lower consumer confidence.

In the current context, our strategic Motors and Real Estate online classifieds and transactional businesses have performed well and we believe they are structurally highly resilient while the advertising market tends to be more volatile and directly impacted by weaker macro. We will continue to have a long-term approach to our investment strategy in order to drive sustainable growth. At the same time considering the current environment we are actively managing our cost base and debt position. By optimising our debt structure we will reduce interest rates therefore reducing interest cost and focus on deleveraging with the aim of achieving our mid-to-long term target of 2x to 3x.

We expect Core Markets revenue growth to be low double digit for the full year and Group underlying EBITDA[7] in the range of 575 to 600 million euros.

In France, we will continue to benefit from our resilient motors and real estate business models and our ability to drive ARPU growth through upselling and price increases. We are also seeing accelerated traction in transactional services on the back of investments in the last couple of years. As a result, we expect revenue growth to accelerate in the second half of the year.

In mobile.de, we will continue to benefit from the latest pricing initiatives, as well easing comps in the second half of the year. The delay in industry volume recovery is likely to continue to be offset by softening demand induced by the overall macroeconomic environment. The resulting better balance between supply and demand is expected to have a positive impact on average live listing year-on-year development, which strongly drives the platform's monetization level. In parallel we will continue to invest to improve our product offering and build new business lines e.g. online buying and selling.

In European markets we expect continued growth throughout 2022, on the back of a solid jobs market in Spain and further ramp-up at eBay Kleinanzeigen. Transactional services are expected to further accelerate as we enhance products and increase adoption. We will continue to drive monetization in Motors and Real Estate and to improve competitive product offerings in these categories.

Following the acquisition of eCG, we have built central capacity and redesigned support functions organisation to reflect the scale of the combined Group and drive further efficiencies.

The Group's Product and Technology operating model has been reviewed and is expected to be implemented throughout 2023. Further to the other cost optimisation initiatives it will drive further medium-long-term efficiencies and accelerate value creation.

[7] Consolidated EBITDA before share-based compensation impact (€(41)m in FY2021)

Group Overview

Results

Revenue increased by 117% in the second quarter of 2022 to €417 million, compared to the same period last year, mainly due to the eCG acquisition. Our marketplaces once again proved resilient despite continued supply pressure in the motors vertical.

Operating expenses increased by 94% in the second quarter of 2022 to €272 million, compared to the same period last year, once again due to eCG acquisition. Barring the effect of the acquisition, there was lower marketing investment in the second quarter of 2022 compared to 2021 due to significant marketing campaigns in the second quarter of 2021 and spend management in the current environment. This was partly offset by an anticipated increase in personnel costs related to the ramp-up in product and technology resources to fuel product innovation and new business models. Costs from transactional services also increased in the quarter, in line with the adoption of the service and revenue growth.

Gross operating profit (EBITDA) increased by 176% to €146 million in the second quarter of 2022, compared to €53 million in the same period in 2021.

Depreciation and amortisation increased by €(57) million in the quarter, mainly driven by the eCG acquisition.

Share of profit (loss) of joint ventures and associates in the second quarter of 2022 decreased by €(5) million compared to the same period in 2021 mainly driven by lower results in Brazil.

Other income and expenses amounted to €(16) million in the second quarter of 2022 with the main drivers being integration expenses related to the eCG acquisition of €(25) million, partly offset by a VAT claim that was cash collected in the second quarter of 2022 amounting to €11 million. In the second quarter of 2021 other income and expenses amounted to €(72) million mainly due to the loss on sale of Shpock of €(33) million and acquisition costs and integration costs mainly related to the eCG acquisition of €(33) million and €(10) million, respectively. Other income and expenses are disclosed in note 4 to the condensed consolidated financial statements.

Operating profit (loss) in the quarter amounted to €47 million (€(35) million in the second quarter of 2021). Please also refer to note 3 to the condensed consolidated financial statements.

Net financial items showed an expense of €(22) million in the quarter compared to an income of €11 million in 2021, mainly due to foreign exchange loss in Q2 2022 driven by the depreciation of the exchange rate of the BRL against the EUR (foreign exchange gain in Q2 2021) and by an increase in interest expenses and other financial expenses related to the financing obtained in connection to the eCG acquisition. Net financial items are disclosed in note 5 to the condensed consolidated financial statements.

The Group reported a tax expense in Q2 2022 of €(13) million compared to a tax expense of €(16) million in Q2 2021. The tax expense in the quarter is positively affected by reversal of deferred tax liability related to the amortisation of identifiable intangible assets recognised upon the acquisition of eCG. Please see note 6 for the relationship between Profit (loss) before tax and the reported tax expense.

Basic earnings per share in the second quarter of 2022 is €(0.01) compared to €(0.06) in the second quarter of 2021. Adjusted earnings per share in the second quarter of 2022 is €0.02 compared to €0.04 in the second quarter of 2021.

Financial position

The carrying amount of the Group's assets increased by €29 million to €14,275 million during 2022, mainly due to foreign exchange gain in the period driven by the appreciation of the exchange rate of the BRL against the EUR, increasing both the investments in joint ventures and associates and the value in EUR of the loan in BRL granted by Adevinta Finance AS to Bom Negócio Atividades de Internet Ltda (OLX Brazil joint venture), the appreciation of the exchange rate of the CAD against the EUR, increasing carrying amounts of the assets related to the Canadian business, and the increase in fair value of the cross-currency interest rate swap contracts due to USD appreciating versus EUR. These were partly offset by depreciation and amortisation and the decrease in cash and cash equivalents during 2022.

The carrying amount of the Group's liabilities decreased by €127 million to €3,735 million during 2022, mainly due to the repayment of the multicurrency revolving facility by €150 million, a decrease in deferred tax liabilities by €27 million, mainly due to amortisation of intangible assets, partly offset by the increase in the USD TLB due to the exchange rate of the USD against the EUR by €40 million.

The Group's equity ratio is 74% as at 30 June 2022 compared to 73% as at 31 December 2021.

The Group had at 30 June 2022 net interest-bearing debt of €2,347 million (see specification in Definitions and Reconciliations below) and €552 million total liquidity available. Management considers Adevinta's liquidity and refinancing risk to be acceptable considering the cash generation projections as well as the cash conversion rate of the business.

Cash flow

Net cash flow from operating activities was €119 million in the second quarter of 2022, compared to €(5) million in the same period of 2021, mainly due to increase in EBITDA and improvement of Other income and expense and adjustment for non-cash items, partly offset by an increase in tax payments.

Net cash flow from investing activities was €(20) million in the second quarter of 2022, compared to €(1,907) million in the same period of 2021. The decrease in cash outflow is mainly due to the net cash consideration paid for eCG acquisition in 2021 per €(2,162) million, partly offset by €267 million proceeds (net of cash sold) received from disposal of subsidiaries in 2021.

Net cash flow from financing activities was €(108) million in the second quarter of 2022, compared to €1,938 million in the same period of 2021. The decrease in cash inflow is mainly due to new interest-bearing borrowings of €2,440 million in 2021 partially offset by repayments of borrowings of €(490) million in 2021, compared to repayments of borrowings of €(76) million in 2022 and the acquisition in 2022 of treasury shares amounting to €(29) million.

CEO succession

On 21 July 2022, Adevinta ASA announced that its Board of Directors had unanimously decided to appoint Antoine Jouteau as CEO, effective 15 August 2022. Antoine was CEO of Adevinta's leading French marketplace business, leboncoin, and a member of Adevinta's Executive Leadership team. His appointment follows a comprehensive selection process that considered both internal and external candidates. Antoine has succeeded Rolv Erik Ryssdal, who, in February 2022, announced his intention to retire. Rolv Erik Ryssdal remained as CEO until 14 August 2022 and worked closely with Antoine to ensure a smooth transition.

Repurchase of shares by Adevinta ASA

On 24 February 2022, Adevinta ASA announced the decision to initiate a buy-back of up to 10 million of its own shares. The share buy-back programme is structured into two tranches. The first tranche was completed on 22 March 2022 and comprised a buy-back of 4 million shares amounting to €37 million. The second tranche was completed on 29 June 2022 and comprised a buy-back of 4 million shares amounting to €29 million. The purpose of the buy-back was to acquire shares to be used as settlement in the Company's share-based incentive plans over the next 3 years.

In January 2022 393,194 treasury shares were transferred to the employees, in relation to the Adevinta Performance Share Plan (PSP) granted to some senior employees in 2019. In addition, 232,310 treasury shares were sold through a broker on the Oslo Stock Exchange to cover the participant's tax liabilities in relation to the shares transferred.

In February 2022 18,707 treasury shares were transferred to the employees in relation to bonus matching shares given to employees who enrolled in the Employee Share Saving plan. In addition, 22,107 treasury shares were sold through a broker on the Oslo Stock Exchange to cover the participant's tax liabilities in relation to the shares transferred.

In April 2022 5,600 treasury shares were transferred to the employees, in relation to the Spot Equity Award plan. In addition, 5,972 treasury shares were sold through a broker on the Oslo Stock Exchange to cover the participant's tax liabilities in relation to the shares transferred.

In April 2022 272,156 treasury shares were transferred to the employees, in relation to the Legacy Equity Award program (LEP) granted to legacy eCG employees upon the acquisition of eCG. In addition, 277,552 treasury shares were sold through a broker on the Oslo Stock Exchange to cover the participant's tax liabilities in relation to the shares transferred.

In May 2022 11,380 treasury shares were transferred to the employees, in relation to bonus matching shares given to employees who enrolled in the Employee Share Saving Plan. In addition, 16,326 treasury shares were sold through a broker on the Oslo Stock Exchange to cover the participant's tax liabilities in relation to the shares transferred.

In June 2022 1,830 treasury shares were transferred to the employees, in relation to the Legacy Equity Award program (LEP). In addition, 1,857 treasury shares were sold through a broker on the Oslo Stock Exchange to cover the participant's tax liabilities in relation to the shares transferred.

Covid pandemic

The duration and extent of the pandemic and related financial, social and public health impacts of the Covid pandemic remain uncertain. Management continues monitoring Covid developments.

The Russian government invasion of Ukraine

The Russian government invasion of Ukraine, alongside the imposition of international sanctions, has a pervasive economic impact. Adevinta is monitoring the development, including updating risk assessment and measures. When we announced our new strategic plan in November 2021, we identified Belarus, as one of our operations to be placed under review. Subsequently on 27 April 2022 Adevinta announced its decision to exit Belarus and on 20 May 2022 a sales agreement was signed with the local management as buyers and closing of the deal at the same date.

Condensed Consolidated Financial Statements

Condensed consolidated income statement

€ million	Second quarter 2022	Second quarter 2021	YTD 2022	YTD 2021
Operating revenues	**417**	**193**	**804**	**375**
Personnel expenses	(118)	(68)	(238)	(138)
Other operating expenses	(154)	(72)	(295)	(131)
Gross operating profit (loss)	**146**	**53**	**271**	**106**
Depreciation and amortisation	(71)	(14)	(136)	(29)
Share of profit (loss) of joint ventures and associates	(12)	(7)	(18)	(7)
Impairment loss	-	5	(0)	(20)
Other income and expenses	(16)	(72)	(15)	(97)
Operating profit (loss)	**47**	**(35)**	**101**	**(48)**
Net financial items	(22)	11	(4)	(7)
Profit (loss) before taxes	**25**	**(24)**	**97**	**(54)**
Taxes	(13)	(16)	(9)	(23)
Profit (loss) from continuing operations	**12**	**(40)**	**88**	**(77)**
Profit (loss) from discontinued operations	**(24)**	**-**	**(26)**	**-**
Profit (loss) attributable to:				
Non-controlling interests	2	2	4	3
Owners of the parent	(14)	(43)	58	(81)
Earnings per share in €:				
Basic	(0.01)	(0.06)	0.05	(0.12)
Diluted	(0.01)	(0.06)	0.05	(0.12)

Condensed consolidated statement of comprehensive income

	Second quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Profit (loss)	**(12)**	**(40)**	**62**	**(77)**
Remeasurements of defined benefit pension liabilities	(0)	-	(0)	-
Income tax relating to remeasurements of defined benefit pension liabilities	0	-	0	-
Net gain/(loss) on cash flow hedges	-	(28)	-	56
Change in fair value of financial instruments	(0)	(0)	(0)	(0)
Items not to be reclassified subsequently to profit or loss	**(0)**	**(28)**	**(0)**	**56**
Exchange differences on translating foreign operations	31	41	131	35
Net gain/(loss) on cash flow hedges	4	8	10	7
Items to be reclassified subsequently to profit or loss	**35**	**49**	**141**	**42**
Other comprehensive income	**35**	**21**	**141**	**98**
Comprehensive income	**23**	**(19)**	**203**	**21**
Comprehensive income attributable to:				
Non-controlling interests	2	2	3	3
Owners of the parent	21	(21)	200	18

Condensed consolidated statement of financial position

€ million	30 June 2022	31 December 2021
Intangible assets	12,811	12,790
Property, plant and equipment and right-of-use assets	106	118
Investments in joint ventures and associates	408	370
Other non-current assets	469	375
Non-current assets	**13,793**	**13,653**
Trade receivables and other current assets	277	247
Cash and cash equivalents	102	231
Assets held for sale	103	115
Current assets	**482**	**593**
Total assets	**14,275**	**14,247**
Equity attributable to owners of the parent	10,520	10,368
Non-controlling interests	21	18
Equity	**10,541**	**10,385**
Non-current interest-bearing borrowings	2,355	2,312
Other non-current liabilities	954	987
Non-current liabilities	**3,310**	**3,299**
Current interest-bearing borrowings	9	152
Other current liabilities	380	383
Liabilities directly associated with the assets held for sale	36	27
Current liabilities	**425**	**563**
Total equity and liabilities	**14,275**	**14,247**

Condensed consolidated statement of cash flows

€ million	Second quarter 2022	Second quarter 2021	YTD 2022	YTD 2021
Profit (loss) before taxes from continuing operations	25	(24)	97	(54)
Profit (loss) before taxes from discontinued operations	(27)	-	(30)	-
Profit (loss) before taxes	**(2)**	**(24)**	**67**	**(54)**
Depreciation, amortisation and impairment losses	100	9	169	49
Share of loss (profit) of joint ventures and associates	12	7	18	7
Dividends received from joint ventures and associates	-	2	-	3
Taxes paid	(20)	(14)	(40)	(23)
Sales losses (gains) on non-current assets and other non-cash losses (gains)	(1)	28	(21)	39
Net loss on derivative instruments at fair value through profit or loss	-	4	-	3
Accrued share-based payment expenses	7	2	19	3
Unrealised foreign exchange losses (gains)	3	(24)	(33)	(14)
Other non-cash items and changes in working capital and provisions	19	5	(21)	20
Net cash flow from operating activities	**119**	**(5)**	**160**	**33**
Development and purchase of intangible assets and property, plant & equipment	(20)	(12)	(43)	(22)
Acquisition of subsidiaries, net of cash acquired	-	(2,162)	(10)	(2,164)
Proceeds from sale of intangible assets and property, plant & equipment	-	0	-	0
Proceeds from sale of subsidiaries, net of cash sold	-	267	(2)	282
Net sale of (investment in) other shares	(5)	(0)	(8)	(1)
Net change in other investments	5	0	5	0
Net cash flow from investing activities	**(20)**	**(1,907)**	**(58)**	**(1,905)**
Net cash flow before financing activities	**99**	**(1,913)**	**102**	**(1,872)**
New interest-bearing loans and borrowings	-	2,440	-	2,440
Repayment of interest-bearing loans and borrowings	(76)	(490)	(152)	(490)
Net sale (purchase) of treasury shares	(29)	-	(67)	(22)
Lease payments	(3)	(4)	(9)	(9)
Dividends paid to non-controlling interests	-	(8)	-	(8)
Net cash flow from financing activities	**(108)**	**1,938**	**(228)**	**1,911**

Condensed consolidated statement of cash flows

	Second quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Effects of exchange rate changes on cash and cash equivalents	1	(0)	2	(0)
Net increase (decrease) in cash and cash equivalents	**(9)**	**25**	**(124)**	**39**
Cash and cash equivalents at start of period	124	145	231	131
Cash and cash equivalents attributable to assets held for sale at start of period	1	-	9	-
Cash and cash equivalents at end of period	**102**	**170**	**102**	**170**
Cash and cash equivalents attributable to assets held for sale at end of period	**15**	**-**	**15**	**-**

Condensed consolidated statement of changes in equity

€ million	Equity attributable to owners of the parent	Non-controlling interests	Equity
Equity as at 1 January 2021	**1,203**	**19**	**1,222**
Comprehensive income	48	5	53
Transactions with the owners	9,117	(7)	9,110
Costs of hedging transferred to the carrying amount of goodwill acquired in a business combination	*88*	*-*	*88*
Issue of ordinary shares as consideration for a business combination	*9,023*	*-*	*9,023*
Capital increase	*-*	*0*	*0*
Share-based payment	*23*	*-*	*23*
Dividends paid to non-controlling interests	*-*	*(8)*	*(8)*
Change in treasury shares	*(17)*	*-*	*(17)*
Changes in ownership of subsidiaries that do not result in a loss of control	*(0)*	*0*	*-*
Equity as at 31 December 2021	**10,368**	**18**	**10,385**
Comprehensive income	200	3	203
Transactions with the owners	(47)	0	(47)
Share-based payment	*5*	*-*	*5*
Change in treasury shares	*(52)*	*-*	*(52)*
Changes in ownership of subsidiaries that do not result in a loss of control	*(0)*	*0*	*-*
Equity as at 30 June 2022	**10,520**	**21**	**10,541**

€ million	Equity attributable to owners of the parent	Non-controlling interests	Equity
Equity as at 1 January 2021	**1,203**	**19**	**1,222**
Comprehensive income	18	3	21
Transactions with the owners	9,091	(7)	9,084
Costs of hedging transferred to the carrying amount of goodwill acquired in a business combination	*88*	*-*	*88*
Issue of ordinary shares as consideration for a business combination	*9,023*	*-*	*9,023*
Share-based payment	*(2)*	*-*	*(2)*
Change in treasury shares	*(17)*	*-*	*(17)*
Changes in ownership of subsidiaries that do not result in a loss of control	*(0)*	*0*	*-*
Dividends paid to non-controlling interests	*-*	*(8)*	*(8)*
Equity as at 30 June 2021	**10,311**	**15**	**10,326**

Notes

Note 1. Corporate information, basis of preparation and changes to accounting policies

The Adevinta Group was established 9 April 2019 following demergers of Schibsted Multimedia AS and Schibsted ASA and the consequential transfer of Schibsted's online classifieds operations outside the Nordics to Adevinta ASA. The shares of Adevinta ASA are listed on the Oslo Stock Exchange. Schibsted retained a majority interest of 59% in Adevinta ASA until 25 June 2021. Pursuant to the acquisition of eCG, the economic interest held by Schibsted decreased to 33% and eBay Inc. obtained an economic interest of 44% and neither party has control over the Adevinta Group. In July 2021, an agreement between eBay Inc. and Permira was signed, which committed eBay to sell approximately 125 million shares in Adevinta (10% stake) to funds advised by Permira. On 29 July 2021, Permira exercised the 30-day option granted by eBay to purchase an additional 10 million Class A shares at the same price. The transaction between eBay Inc. and Permira was completed on 18 November 2021, and eBay sold 134,743,728 Class A Shares in Adevinta, representing an 11% stake in Adevinta, to Permira. After this transaction, voting rights held by Schibsted, eBay and Permira are 35%, 30% and 12%, respectively.

Adevinta Group reports consolidated financial statements according to IFRS 10. The consolidated financial statements comprise the Group and the Group's interests in joint ventures and associates. The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting.

The accounting policies adopted are consistent with those followed in preparing the Group's annual consolidated financial statements for 2021.

The condensed consolidated interim financial statements are unaudited. All amounts are in € million unless otherwise stated. Tables may not summarise due to rounding.

Note 2. Changes in the composition of the Group

Acquisition of Null-Leasing

On 18 March 2022, Adevinta completed the acquisition of Null-Leasing DSB Deutschland GmbH, a provider of digital leasing services in Germany. The transaction enables Adevinta to expand its offering as it looks to further build on its existing suite of products and services. Most of the purchase price is allocated to goodwill.

Disposal of InfoJobs Brazil

On 30 March 2022, Adevinta announced the completion of the sale of its 76.2% stake in InfoJobs Brazil, the largest jobs marketplace in Brazil, to Redarbor, the leading company in job marketplaces in Latin America with the purpose of connecting companies to top talent across the region. The sale resulted in a gain of €22 million recognised in other income and expenses, of which €3 million is reclassification of foreign currency translation reserve, with no impact on income tax. The carrying amount of assets and liabilities as at the date of sale were €7 million and €7 million respectively, of which €2 million was intangible assets and €3 million was trade receivables and other current assets.

Disposal of Kufar

When Adevinta announced its strategy of 'Growing at Scale' in November 2021, the company identified Belarus as one of its operations to be placed under review. In light of the recent developments in Ukraine this review was accelerated and Adevinta decided to exit Kufar, its classifieds business in Belarus, while focusing on its five core European Markets (Germany, France, Spain, Benelux and Italy). On 20 May 2022, Adevinta completed the transfer of 100% of Kufar shares to the existing local team. The transfer resulted in a loss of €(1) million recognised in other income and expenses, of which €(0) million is reclassification of foreign currency translation reserve, with no impact on income tax. The carrying amount of assets and liabilities as at the date of sale were €2 million and €2 million respectively, of which €1 million was intangible assets and €1 million was cash and cash equivalents.

Mexican disposal group classified as held for sale

When Adevinta announced its strategy of ‘Growing at Scale’ in November 2021, the company identified Mexico as one of its operations to be placed under review. Subsequently, on 24 May 2022 Adevinta announced its decision to exit Mexico. The carrying amount of the Mexican disposal group is expected to be recovered principally through a sale transaction. The Mexican disposal group is available for immediate sale in its present condition and its sale is highly probable. Therefore, the disposal group is classified as held for sale as at 30 June 2022. The Mexican operations are reported within the International Markets operating segment.

The carrying amount of assets and liabilities classified as held for sale as at 30 June 2022 were €16 million and €8 million, respectively, of which €8 million was intangible assets and €6 million cash and cash equivalents. On initial classification as held for sale, the disposal group has been measured at the lower of its carrying amount and fair value less costs to sell. In relation to this, no impairment loss has been recognised.

Reassessment of useful life of certain trademarks

In connection to the decision to exit Mexico, management has reassessed the estimated useful lives of certain trademarks within the combined CGU of Mexico, Spain and Italy with effect from 1 June 2022. The effect of the changes is additional amortisation expense of €5 million recognised in the second quarter of 2022, and assuming the trademarks are held until the end of their estimated useful lives, the additional amortisation expense will amount to €30 million during July to December 2022, €25 million in 2023 and 2024, respectively, and €10 million in 2025.

Discontinued operations

Following the decision to divest the businesses in Australia and South Africa in November 2021, the carrying amount of Carsguide Autotrader Media Solutions Australia PTY Ltd, Gumtree Australia PTY Ltd and Gumtree South Africa (PTY) Ltd is expected to be recovered principally through a sales transaction. The businesses in Australia and South Africa are available for immediate sale in their present condition and their sale is highly probable. Therefore, these subsidiaries have been classified as held for sale as at 30 June 2022 and are measured at the lower of its carrying amount and fair value less costs to sell. In relation to this, an impairment loss has been recognised in the second quarter of 2022 amounting to €(29) million. Furthermore, these operations constitute major geographical locations and are therefore classified as discontinued operations. The carrying amount of goodwill included in this disposal group as at 30 June 2022 is €10 million.

In November 2021, Adevinta sold its subsidiaries Gumtree UK and Motors.co.uk to Classifieds Group Limited. The disposal was related to a previous agreement with the UK’s Competition and Market Authority (“CMA”) for approval of Adevinta’s acquisition of eCG. Gumtree UK and Motors.co.uk were classified as subsidiaries acquired exclusively with a view to resale upon acquisition on 25 June 2021. These businesses’ net assets were classified as held for sale and measured at estimated fair value less costs to sell and their operations were presented as discontinued operations. The disposal of Gumtree UK and Motors.co.uk. resulted in a gain, with no impact on income tax. The gain was presented within the profit from discontinued operations in 2021. The carrying amount of assets and liabilities as at the date of sale (30 November 2021) were €34 million and €29 million respectively.

The financial performance and cash flow information related to the discontinued operations in Q2 2022 and YTD 2022 and for the period from 25 June to 30 June 2021 (second quarter of 2021 and YTD 2021 columns) are disclosed below. For further information relating to the discontinued operations, please refer to note 4 in Adevinta’s Annual Report for 2021.

	Second quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Revenue	16	-	32	-
Expenses	(13)	-	(27)	-
Gross operating profit / (loss)	3	-	5	-
Operating profit / (loss) - excluding impairment loss	3	-	1	-
Impairment loss recognised on remeasurement to fair value less costs to sell	(29)	-	(29)	-
Profit / (loss) after income tax from discontinued operations	**(24)**	**-**	**(26)**	**-**
Exchange differences on translation	(1)	-	3	-

€	Second quarter 2022	Second quarter 2021	YTD 2022	YTD 2021
Basic earnings per share from discontinued operations	(0.02)	-	(0.02)	-
Diluted earnings per share from discontinued operations	(0.02)	-	(0.02)	-

€ million	Second quarter 2022	Second quarter 2021	YTD 2022	YTD 2021
Net cash inflow / (outflow) from operating activities	6	-	(2)	-
Net cash inflow / (outflow) from investing activities	1	-	1	-
Net cash inflow / (outflow) from financing activities	(0)	-	(1)	-
Net increase / (decrease) in cash generated by discontinued operations	**7**	**-**	**(1)**	**-**

Note 3. Operating segment disclosures

The operating segments correspond to the management structure and the internal reporting to the Group's chief operating decision maker, defined as the CEO. The operating segments reflect an allocation based on geographical location.

Based on the new internal reporting structure, Adevinta has identified France, Mobile.de, European Markets and International Markets as reportable operating segments.

- France comprises primarily Leboncoin, Agriaffaires, MachineryZone, Truckscorner, Avendrealouer, Videdressing, Locasun, PayCar and Groupe Argus.
- Mobile.de comprises Mobile.de in Germany.
- European Markets comprises primarily eBay Kleinanzeigen in Germany, Marktplaats, 2ememain and 2dehands in Benelux, InfoJobs, Coches.net, Motos.net, Fotocasa, Habitaclia and Milanuncios in Spain, Subito, Infojobs, and Automobile in Italy, Daft, Done Deal and Adverts in Ireland, Hasznaltauto, Jofogas and Autonavigator in Hungary and Kufar in Belarus (sold in Q2 2022). Furthermore, Adevinta's share of the net profit (loss) of willhaben in Austria is included in operating profit (loss).
- International Markets comprises Segundamano and Vivanuncios in Mexico, Kijiji in Canada, Infojobs Brazil in Brazil (sold in Q1 2022) and Gumtree in other countries (Poland, Ireland, Singapore and Argentina). Furthermore, Adevinta's share of the net profit (loss) of Silver Brazil joint venture (including OLX, Zap and VivaReal) is included in operating profit (loss).

Disposals comprises Adevinta's divestments of Yapo in Chile (sold in Q1 2021) and Shpock in Austria, Germany and United Kingdom (sold in Q2 2021).

Other/Headquarters comprises Adevinta's shareholder and central functions including central product and technology development.

Eliminations comprise reconciling items related to intersegment sales. Transactions between operating segments are conducted on normal commercial terms.

In the operating segment information presented, gross operating profit (loss) is used as a measure of operating segment profit (loss). For internal control and monitoring, both gross operating profit (loss) and operating profit (loss) are used as measures of operating segment profit (loss).

Operating revenues and profit (loss) by operating segments

Second quarter 2022 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Eliminations	Total
Operating revenues with third parties	126	86	172	30	-	3	-	**417**
Operating revenues from other segments	1	(6)	7	(0)	-	0	(1)	**-**
Operating revenues	**126**	**80**	**178**	**30**	**-**	**3**	**(1)**	**417**
Gross operating profit (loss)	65	43	73	12	-	(47)	-	**146**
Operating profit (loss)	**56**	**27**	**39**	**(10)**	**0**	**(65)**	**-**	**47**

Second quarter 2021 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Eliminations	Total
Operating revenues with third parties	116	-	73	2	1	1	-	**193**
Operating revenues from other segments	1	-	0	0	-	2	(3)	**-**
Operating revenues	**117**		**73**	**2**	**1**	**3**	**(3)**	**193**
Gross operating profit (loss)	54	-	20	(1)	(3)	(17)	-	**53**
Operating profit (loss)	**51**	**-**	**17**	**(8)**	**(33)**	**(62)**	**-**	**(35)**

YTD 2022 € million	France	Mobile.de	European Markets	Internationa l Markets	Disposals	Other / Headquarters	Eliminations	Total
Operating revenues with third parties	245	160	334	58	-	6	-	**804**
Operating revenues from other segments	1	(12)	13	0	-	0	(2)	**-**
Operating revenues	**246**	**149**	**347**	**58**	**-**	**7**	**(2)**	**804**
Gross operating profit (loss)	120	79	140	23	-	(92)	-	**271**
Operating profit (loss)	**104**	**48**	**77**	**7**	**(2)**	**(133)**	**-**	**101**

YTD 2021 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Eliminations	Total
Operating revenues with third parties	227	-	139	4	3	1	-	**375**
Operating revenues from other segments	1	-	0	0	-	4	(5)	**-**
Operating revenues	**228**	**-**	**139**	**4**	**3**	**5**	**(5)**	**375**
Gross operating profit (loss)	109	-	36	(1)	(5)	(32)	-	**106**
Operating profit (loss)	**99**	**-**	**30**	**(10)**	**(73)**	**(94)**	**-**	**(48)**

Disaggregation of revenues by category

Second quarter 2022 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Total
Online classifieds revenues	96	79	116	22	-	-	**313**
Advertising revenues	18	7	52	8	-	1	**86**
Transactional revenues	12	-	3	0	-	-	**16**
Revenues from contracts with customers	**126**	**86**	**172**	**30**	**-**	**1**	**415**
Revenues from lease contracts and other revenues	0	-	0	0	-	2	**2**
Operating revenues	**126**	**86**	**172**	**30**	**-**	**3**	**417**

Second quarter 2021 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Total
Online classifieds revenues	87	-	60	2	0	(0)	**149**
Advertising revenues	18	-	12	0	0	-	**31**
Transactional revenues	11	-	0	-	0	-	**11**
Revenues from contracts with customers	**116**	**-**	**73**	**2**	**1**	**(0)**	**192**
Revenues from lease contracts and other revenues	0	-	0	0	0	1	**1**
Operating revenues	**116**	**-**	**73**	**2**	**1**	**1**	**193**

YTD 2022 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Total
Online classifieds revenues	188	146	224	43	-	-	**601**
Advertising revenues	33	14	103	16	-	2	**167**
Transactional revenues	25	-	7	0	-	-	**31**
Revenues from contracts with customers	**245**	**160**	**333**	**58**	**-**	**2**	**799**
Revenues from lease contracts and other revenues	0	-	0	0	-	4	**5**
Operating revenues	**245**	**160**	**334**	**58**	**-**	**6**	**804**

YTD 2021 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Total
Online classifieds revenues	172	-	115	3	1	-	**291**
Advertising revenues	35	-	23	1	2	-	**60**
Transactional revenues	20	-	1	-	0	-	**21**
Revenues from contracts with customers	**227**	**-**	**138**	**4**	**3**	**-**	**372**
Revenues from lease contracts and other revenues	0	-	1	0	0	1	**2**
Operating revenues	**227**	**-**	**139**	**4**	**3**	**1**	**375**

Value-added services revenues are reported within Online classifieds revenues.

Note 4. Other income and expenses and impairment loss

€ million	Second quarter 2022	Second quarter 2021	YTD 2022	YTD 2021
Restructuring costs	(0)	0	(1)	0
Gain (loss) on sale and remeasurement of subsidiaries, joint ventures and associates	(1)	(29)	19	(40)
Gain (loss) on sale of intangible assets, property, plant & equipment	0	0	0	0
Acquisition and divestment related costs	(0)	(33)	(1)	(39)
Integration related costs	(25)	(10)	(42)	(18)
Other	11	(0)	10	(1)
Total other income and expenses	**(16)**	**(72)**	**(15)**	**(97)**

Gain (loss) on sale of subsidiaries, joint ventures and associates of €(1) million in Q2 2022 relates to the loss on sale of Kufar (Belarus) and the loss of €(29) million in Q2 2021 relates to the loss on sale of Shpock of €(33) million and the gain on dilution of Younited of €5 million.

Acquisition related costs of €(33) million in Q2 2021 and **Integration related costs** of €(25) million in Q2 2022 (€(10) million in Q2 2021) mainly relate to the acquisition of eBay Classifieds Group.
Other of €11 million in Q2 2022 relates mainly to a VAT claim that was cash collected in the second quarter of 2022 amounting to €11 million related to costs incurred due to the acquisition and integration of eBay Classifieds Group.

On initial classification as held for sale of Shpock, an **impairment loss** was recognised amounting to €(25) million in Q1 2021, which was allocated to goodwill and other intangible assets. Due to losses recognised by Shpock in Q2 2021, there was a decrease in the carrying amount of Shpock and a reversal of impairment loss on other intangible assets of €5 million was recognised. As at 30 June 2021, **impairment loss** amounted to €(20) million.

Note 5. Net financial items

€ million	Second quarter 2022	Second quarter 2021	YTD 2022	YTD 2021
Interest income	8	3	13	4
Interest expense	(20)	(11)	(40)	(21)
Net foreign exchange gain (loss)	(4)	21	33	12
Net other financial income (expenses)	(5)	(2)	(11)	(2)
Net financial items	**(22)**	**11**	**(4)**	**(7)**

Interest expense in Q2 2022 and Q2 2021 is mainly due to new financing obtained in connection to the eCG acquisition.

Net foreign exchange loss in Q2 2022 is mainly due to the depreciation of the BRL against the EUR, decreasing the value in EUR of the loan in BRL granted by Adevinta Finance AS to Bom Negócio Atividades de Internet Ltda (OLX Brazil joint venture). **Net foreign exchange gain** in Q2 2021 was mainly due to the appreciation of the BRL against the EUR, increasing the value in EUR of the loan in BRL granted by Adevinta Finance AS to Bom Negócio Atividades de Internet Ltda (OLX Brazil joint venture).

Net other financial expenses in Q2 2022 are mainly due to amortisation of the costs directly attributable to the issue of the new financing obtained in connection to the eCG acquisition using the effective interest method.

Note 6. Income taxes

The relationship between tax (expense) income and accounting profit (loss) before taxes is as follows:

€ million	Second quarter 2022	Second quarter 2021	YTD 2022	YTD 2021
Profit (loss) before taxes from continuing operations	25	(24)	97	(54)
Tax (expense) income based on weighted average nominal tax rate*	(5)	2	(24)	10
Tax effect of share of profit (loss) of joint ventures and associates	(4)	(2)	(6)	(3)
Tax effect of impairment loss on goodwill and other intangible assets	0	0	0	0
Tax effect of gain on sale and remeasurement of subsidiaries, joint ventures and associates	0	(6)	8	(9)
Tax effect of other permanent differences	(3)	(1)	(6)	(2)
Current period unrecognised deferred tax assets	(1)	(12)	(2)	(22)
Previously unrecognised tax losses used in current period	2	4	12	4
Reassessment of previously recognised deferred tax assets, including changes in tax rates	0	0	0	0
Adjustments of previously recognised income tax provisions	-	-	12	-
Other	(2)	0	(2)	0
Taxes recognised in profit or loss from continuing operations	**(13)**	**(16)**	**(9)**	**(23)**
***Weighted average nominal tax rate**	**21%**	**10%**	**25%**	**18%**

The **weighted average nominal tax rate** varies over time due to differentials in nominal tax rates and variations in profit before tax in the countries where Adevinta operates.

Note 7. Contingent liabilities

Digital Services Tax in France

The French digital services tax legislation (DST) was enacted in July 2019 and applicable retroactively from 1 January 2019.

The main features of the DST bill are a single rate of 3% to be levied on gross revenue derived from two types of activities if deemed to be made or supplied in France:

- The supply, by electronic means, of a digital interface that allows users to contact and interact with other users, in particular in view of delivering goods or services directly between those users.
- Services provided to advertisers or their agents enabling them to purchase advertising space located on a digital interface accessible by electronic means in order to display targeted advertisements to users located in France, based on data provided by such users.

Taxpayers of DST are defined as companies (wherever their location) for which the annual revenue received in consideration for taxable services cumulatively exceeds both of the following thresholds in the previous tax year:

- €750 million of worldwide revenue; and,
- €25 million of revenue generated in France.

The DST applies to digital services revenue for 2019, 2020, 2021 and 2022. If applicable to Adevinta, the DST will negatively impact Adevinta Group's EBITDA. The DST amount payable is deductible for corporate income tax purposes.

Due to the complexity of the law the assessment of whether DST is applicable to Adevinta Group is surrounded by a high degree of uncertainty. However, management currently assesses that it is less likely than not that French DST is applicable to Adevinta Group and hence no provision has been recognized for DST as at 30 June 2022.

The main uncertainties relate to whether the services which Schibsted Group (for 2018 and 2019) and Adevinta Group (for 2020 and 2021) provided to its users in France and other countries are to be considered within the scope of DST. The current interpretation points to the non-inclusion of some of the said services which means the applicable worldwide revenues within the scope of DST should be below €750 million.

Should the interactions with the French tax authorities and other actions conclude differently, the DST amounts applicable to Adevinta are not expected to exceed €38 million in total for 2019, 2020, 2021 and YTD June 2022. Management will continue to work with the French tax authorities to obtain further clarification on this matter.

Digital Services Tax in Spain

The DST in Spain levies a 3% tax over certain digital services and is effective from January 2021 for groups with worldwide revenue above €750 million and Spanish revenues applicable to DST above €3 million, with the first payment made in 2021.

The assessment of the extent that Spanish DST is applicable to Adevinta Group is surrounded by a high degree of uncertainty. The main uncertainties relate to whether the services which Adevinta Group provided to its users in Spain are to be considered within the scope of DST. The current interpretation points to the non-inclusion of some of the said services and hence the provision for DST in Spain recognized as at 30 June 2022 has been based on such interpretation. Should the interactions with the Spanish tax authorities and other actions conclude differently, the additional DST amounts applicable to Adevinta are not expected to exceed €8 million in total for 2021 and YTD June 2022.

Note 8. Events after the balance sheets date

Sale of Gumtree South Africa

On 22 July 2022, Adevinta signed an agreement for the sale of Gumtree South Africa ("Gumtree SA"), to Impresa Capital, majority shareholder of Ignition Group, one of Africa's largest investors in technology, media, telecommunications and financial services. The transaction is subject to regulatory approval. Gumtree SA's operations were classified as discontinued operations.

Sale of Gumtree Australia, Carsguide and Autotrader Australia

On 25 August 2022, Adevinta signed an agreement for the sale of Gumtree Australia, CarsGuide and Autotrader Australia to The Market Herald for a total cash consideration of US$60m. The transaction is expected to close by the beginning of Q4 2022. Adevinta's operations in Australia were classified as discontinued operations.

Covid pandemic

The duration and extent of the pandemic and related financial, social and public health impacts of the Covid pandemic remain uncertain. Management continues monitoring Covid developments.

The Russian government invasion of Ukraine

The Russian government invasion of Ukraine, alongside the imposition of international sanctions, has a pervasive economic impact. Adevinta is monitoring the development, including updating risk assessment and measures.

Other than the matters described above, no further matters have arisen since 30 June 2022 which have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

Declaration by the Board of Directors and CEO

We confirm that, to the best of our knowledge, the condensed set of financial statements for the first half-year of 2022 have been prepared in accordance with IAS 34 Interim Financial Statements, as endorsed by the EU, and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group taken as a whole, and that the interim management report includes a fair review of the development and performance of the business and the position of the Group taken as a whole, together with a description of the principal risks and uncertainties that they face.

30 August 2022

Adevinta ASA's Board of Directors

Orla Noonan Board Chair	**Fernando Abril-Martorell Hernández** Board member	**Peter Brooks-Johnson** Board member
Kristin Skogen Lund Board member	**Sophie Javary** Board member	**Michael Nilles** Board member
Julia Jäkel Board member	**Marie Oh Huber** Board member	**Aleksander Rosinski** Board member
Mark Solomons Board member	**Dipan Patel** Board member	**Antoine Jouteau** CEO

Definitions and Reconciliations

The consolidated financial information is prepared in accordance with international financial reporting standards (IFRS). In addition, the Group presents alternative performance measures (APMs). The APMs are regularly reviewed by management and their aim is to enhance stakeholders' understanding of the Group's performance.

APMs should not be considered as a substitute for superior measures of performance in accordance with IFRS. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described below. As APMs are not uniformly defined, the APMs set out below might not be comparable with similarly labelled measures by other companies.

Measure	Description	Reason for including
Adjusted net cash flow from operating activities	Adjusted net cash flow from operating activities is defined as: • EBITDA; • plus the decrease or minus the increase in non-cash items (including share-based compensation), change in working capital and provisions related to EBITDA; • minus the payment of income tax; • minus development and purchase of property, plant and equipment and intangible assets; • minus IFRS 16 lease payments.	Management believes that it is a useful indicator of the amount of cash flows generated by operating activities, after income tax.
EBITDA/Gross operating profit (loss)	EBITDA is earnings before other income and expenses, impairment, joint ventures and associates, interest, tax and depreciation and amortisation. The measure equals gross operating profit (loss).	Shows performance regardless of capital structure, tax situation and adjusted for income and expenses related to transactions and events not considered by management to be part of operating activities. Management believes the measure enables an evaluation of operating performance.
EBITDA margin	Gross operating profit (loss)/Operating revenues.	Shows the operations' performance regardless of capital structure and tax situation as a ratio to operating revenue. Management believes the measure enables an evaluation of operating performance.
Underlying EBITDA	Underlying EBITDA is earnings before other income and expenses, impairment, joint ventures and associates, interest, tax and depreciation and amortisation excl. share-based compensation.	Shows performance regardless of capital structure, tax situation and share-based compensation and adjusted for income and expenses related to transactions and events not considered by management to be part of operating activities. Management believes the measure enables an evaluation of operating performance.
Underlying EBITDA margin	Gross operating profit (loss) excl. share-based compensation/Operating revenues.	Shows the operations' performance regardless of capital structure, tax situation and share-based compensation as a ratio to operating revenue. Management believes the measure enables an evaluation of operating performance.
Liquidity reserve	Liquidity reserve is defined as the sum of cash and cash equivalents and unutilised drawing rights on credit facilities.	Management believes that the liquidity reserve shows the total liquidity available for meeting current or future obligations.
Interest-bearing debt/Total debt	Interest-bearing debt is defined as interest bearing liabilities, including current and non-current lease liabilities. Total debt is defined as interest-bearing debt.	Management believes that it is a useful indicator of the Group's debt profile and its ability to meet its debt obligations.
Net interest-bearing debt/Total net debt	Net interest-bearing debt is defined as interest bearing liabilities, including current and non-current lease liabilities less cash and cash equivalents, proceeds from borrowings placed in the escrow account and cash pool holdings. Total net debt is defined as net interest-bearing debt.	Management believes that net interest-bearing debt provides an indicator of the net indebtedness and an indicator of the overall strength of the Consolidated statement of financial position. The use of net interest-bearing debt does not necessarily mean that the cash and cash equivalent and cash pool holdings are available to settle all liabilities in this measure. Net interest-bearing debt includes proceeds of the Senior Secured Notes held in escrow until closing of the eCG acquisition.

Earnings per share adjusted (EPS (adj.))	Earnings per share adjusted for other income and expenses, impairment loss, non-controlling interests related to other income and expenses and impairment loss and taxes.	The measure is used for comparing earnings to shareholders adjusted for income and expenses related transactions and events net of tax not considered by management to be part of operating activities. Management believes the measure enables an evaluation of value created to shareholders excluding effects of non-operating events and transactions.
Revenues adjusted for currency fluctuations	Growth rates on revenue adjusted for currency effects are calculated using the same foreign exchange rates for the period last year and this year.	Enables comparability of development in revenues over time excluding the effect of currency fluctuation.
Organic revenue growth	Revenue growth adjusted for the effects of currency movements and changes in the scope of consolidation.	Enables comparability of development in revenues over time excluding the effect of currency fluctuations and changes in consolidation scope.

Reconciliation of EBITDA

	Second quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Gross operating profit (loss)	**146**	**53**	**271**	**106**
= EBITDA	146	53	271	106

Underlying EBITDA

	Second quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
EBITDA	146	53	271	106
Share-based compensation	7	2	19	4
Underlying EBITDA	**153**	**55**	**289**	**109**

Liquidity reserve

	30 June		Year
€ million	**2022**	**2021**	**2021**
Cash and cash equivalents	102	170	231
Unutilised drawing rights on credit facilities	450	300	300
Liquidity reserve	**552**	**470**	**531**

Net interest-bearing debt

	30 June		Year
€ million	**2022**	**2021**	**2021**
Non-current interest-bearing borrowings	2,355	2,287	2,312
Lease liabilities, non-current	64	83	73
Total non-current liabilities	**2,419**	**2,370**	**2,384**
Current interest-bearing borrowings	9	151	152
Lease liabilities, current	20	21	19
Total current liabilities	**29**	**173**	**171**
Total interest-bearing debt	**2,449**	**2,542**	**2,555**
Cash and cash equivalents	(102)	(170)	(231)
Net interest-bearing debt	**2,347**	**2,372**	**2,324**

Earnings per share - adjusted

	Second quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Profit (loss) attributable to owners of the parent	(14)	(43)	58	(81)
Other income and expenses	16	72	15	97
Impairment loss	29	(5)	29	20
Taxes and non-controlling interests related to other income and expenses and impairment loss	(6)	0	(11)	(6)
Adjustments of previously recognised income tax provisions	-	-	(12)	-
Profit (loss) attributable to owners of the parent - adjusted	**25**	**25**	**79**	**31**
Earnings per share – adjusted (EUR)	0.02	0.04	0.06	0.04
Diluted earnings per share – adjusted (EUR)	0.02	0.04	0.06	0.04

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