

Q2 2020 Results

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Creating perfect matches on the
world's most trusted marketplaces

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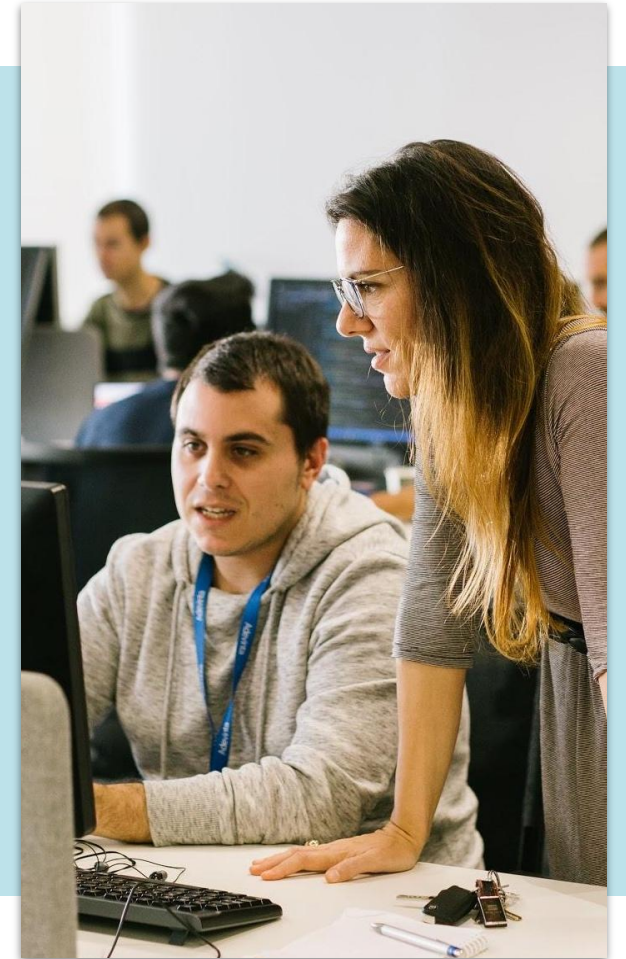
Introduction

Rolv Erik Ryssdal

CEO

Q2 performance demonstrates the resilience of our business model and agility of the operations

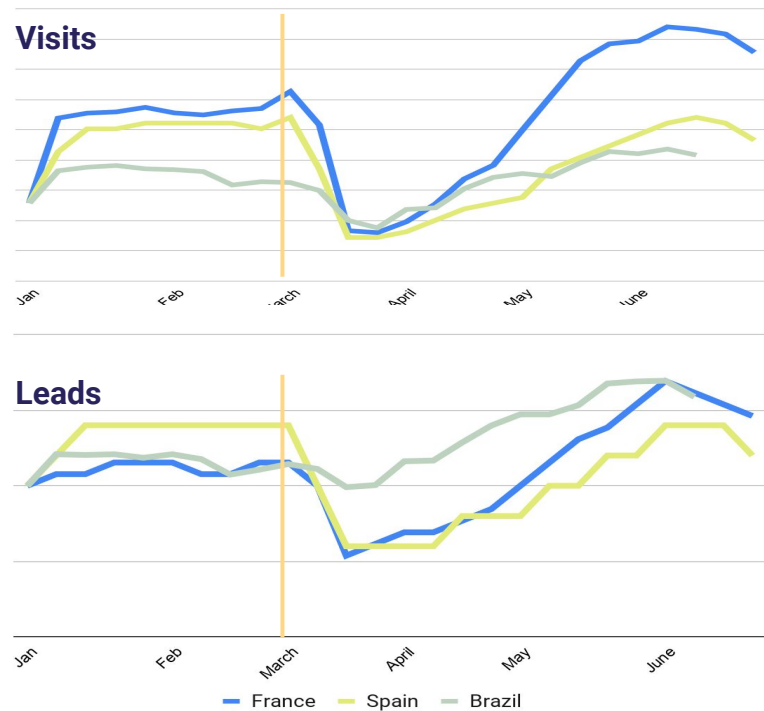
- **Stronger-than-expected recovery**, especially in France
- **Operational KPIs improving** across all markets throughout Q2
- **EBITDA outperformance** despite significant drop in revenues and sustained level of investment
- **Favorable consumer trends and opportunities arising** from the crisis, though further uncertainty ahead
- **Full speed in product & tech and transactional shift** to improve offering and strengthen leading positions
- **Strong financial position**
- Continued **portfolio review**



Recovery underway in all segments

But Q2 financial performance heavily impacted by Covid-19 as expected

Operational KPIs (100 indexed)



Revenues

Revenue trends in classifieds **improving month by month** in all segments

Advertising revenues still under pressure, **albeit improving**

France back to **positive organic growth** in June

EBITDA

Negative impact of **Covid-19**

Group-wide successful cost saving initiatives to protect short-term profitability

Sustained level of investment in product & tech to drive future growth and improve efficiency

Expected dilutive impact of acquisitions and set up of corporate functions

Positive one-offs in HQ & others

Source: Adevinta estimates



All numbers on a proportionate basis incl JVs

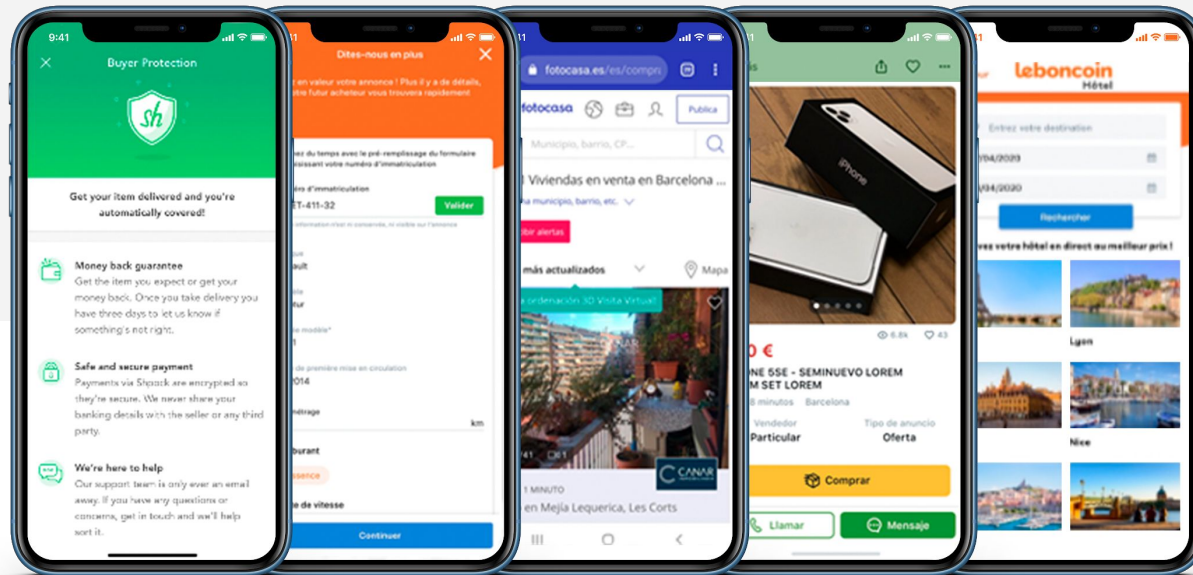
Accelerated trends support long-term growth of online classifieds

- **Accelerated digital penetration and digital transformation for professional clients**
- Expectations for **more convenient digital user journey** and higher level of **trust and safety**
- **Generalisation of transactional solutions adoption**
- **Shift towards more local, more sustainable** ways of consuming, with increasing appetite for **second-hand products**
- Expectations for **more efficient solutions** for professional clients to advertise products and services
- **Evolving operating models** for professional clients`

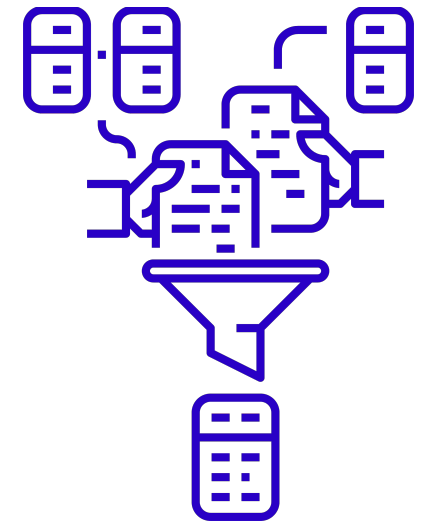


We continued to invest in Product and Technology to drive future growth and operational efficiency

New products, features and offerings



Common infrastructure



We focused on actively supporting our clients to restart activity



Continued **tailored commercial strategy** with progressive return to pre-Covid ARPU



Extension of **contract duration**



Unlimited volume of ad listing in verticals



Discounts limited to specific segments as from May

Enhanced focus on our large markets with leading positions

Exploring further portfolio optimizations and large scale consolidation

Deepen and expand our leading positions in our largest markets



- In-market consolidation
Grupo Zap
- Value chain expansion
L'Argus and Jobisjob
- Entering new markets in existing geographies
Locasun and Pilgo

Manage our Global Markets portfolio

- Do more in markets where we already have strong positions
- Portfolio optimization in other markets: divestiture of Corotos (Dominican Republic)
- Explore adjacent opportunities in Europe

Explore larger scale consolidation opportunities

- Leading positions and growth potential
- Strategic fit and complementarity
- Shared values and purpose
- Operational know-how and technological synergies
- Scalability, shared data

Track record of strong financial discipline

Q2 business review

Rolv Erik Ryssdal
CEO

France: stronger-than expected recovery



Lockdown ended on 11 May with progressive lifting of restrictive measures

- Improving momentum since before end of the lockdown
- Absolute traffic records reached several times since the end of the lockdown
- Leads above pre-Covid and last year's levels, especially in cars and real estate
- New listings closing the gap



Customer relationship management

- Professional clients supported by governmental measures
- No further discount granted from June
- Strong support to restart activity (product feature release, extension of ad listing in cars and real estate, free listing for very small companies in jobs)
- Deferral of payment
- High customer loyalty and reinforced positions

France: full speed P&T productivity and initiatives to further strengthen our positions



Product development

- **Ramp up of full transactional solution:**
 - All consumer goods categories
 - **x2 in number of daily transactions** since pre-Covid
- **Launch of comprehensive tourism offering**
- **Product launch in core verticals:**
 - Market basket analysis and pricing tool in real estate
 - Integration of L'Argus tools and payment solution in cars
 - CV library and dedicated seekers' universe in jobs



Successful execution of development projects

- **Shift to AWS**
- **SalesForce implementation**
- **Opening of new offices in Paris**

Spain: encouraging recovery trend



Following the lockdown, progressive clearout during May and June

- Traffic above last year's level in all segments
- Very strong momentum in real estate
- Jobs segment more cyclical by nature; Q2 impact softened thanks to annual contracts



Customer relationship management

- Significant hit on national economy with # of transactions down c. 30% in used cars and real estate
- Clients supported by government measures
- Tailored responsive strategy by vertical, continuously adjusted based on customers feedback and competitors moves

Spain: strong execution of Covid response plan while keeping the development pace



Product development

- Accelerated **development of transactional solution** on Milanuncios
- **Personalization and engagement products** and launch of new aggregator site in jobs
- Experimentation of **financing solutions** in cars
- Implemented **image recognition** in ad posting flow on coches.net
- **Introduction of 3D experiences** in real estate



Unchanged **strategic focus**

- **Solidify leadership** in jobs and motors
- **Improve competitive position** in real estate and generalist
- Continue to execute on **convergence strategy** and **operational efficiency**

Brazil: fast recovery in a fragmented market



Progressive reopening of the country despite record number of cases

- Traffic and leads above pre-Covid levels
- Consumer goods and real estate recovering faster than cars and jobs
- More uncertain macro environment near-term



Customer relationship management

- Strong acceleration in digitalization in a fairly immature market
- Flexible commercial strategy ongoing but discounts progressively reduced
- Limited client churn

Brazil: accelerated product development and building for expansion



Product development





- **Deployment of full transactional solution:**
 - OLX pay: **digital wallet**
 - Compra Segura: **escrow account**
 - **Delivery**
- **Physical distancing:** video listings for both real estate and motor
- **Trust and safety improvement:** car history report available, user identity validation solution
- **Improvement in automatic ad insertion**



Synergies and operational leverage

- **Client retention and support initiatives**
- **Planning for Grupo Zap acquisition and integration**
- **Synergy extraction**

Global markets: recovery across all markets & portfolio management

 <p>Italy</p>	 <p>Willhaben</p>	 <p>Ireland</p>	 <p>Hungary</p>	 <p>Shpock</p>
<p>Lockdown lifting at the beginning of May</p> <p>Since May, outstanding recovery in traffic levels and strong content trends</p> <p>Material leads growth in May (+11% yoy), driven by consumer goods (+46% yoy)</p>	<p>Most KPIs already improving since April</p> <p>All-time highs in traffic, leads and listings for all verticals except jobs</p> <p>Jobs more impacted by slow economic recovery</p>	<p>Traffic and leads back to pre-Covid levels</p> <p>Commercial flexibility extended into summer due to competitive pressure</p> <p>Relative resilience of advertising</p>	<p>Good KPI improvement since April, thanks to various mitigation initiatives</p> <p>Recovery underway in May with traffic returning to 2019 levels</p>	<p>KPIs overall above plan as recovery much faster than anticipated</p> <p>New features going live to improve user experience</p>

Continued portfolio management: exit of Dominican Republic in Q2

Italy: good progress and clear focus



Strategic focus and opportunities

- Continue to **gain market share** in motors by scaling up liquidity and ancillary services
- **Fast recovery** expected in the **used car** market
- **Accelerate consumer goods** by going transactional
- **Jobs integration** between Subito and InfoJobs and scale up database services
- Continue the **pick-up in advertising** and support it with product improvements



Accelerated product development

- **Rolled out products and systems** (new CRM, instalments, header bidding, auto-moderation)
- **Full cloud migration** in Q3
- Launch of **transactional** in Q4
- Ongoing **trust and safety** improvements

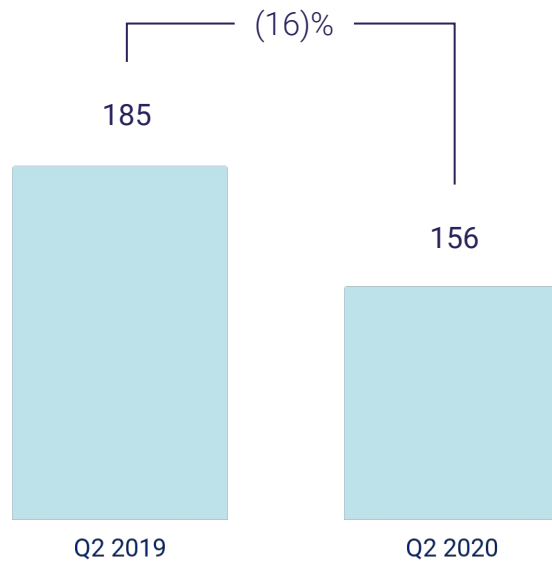
Financials

Uvashni Raman

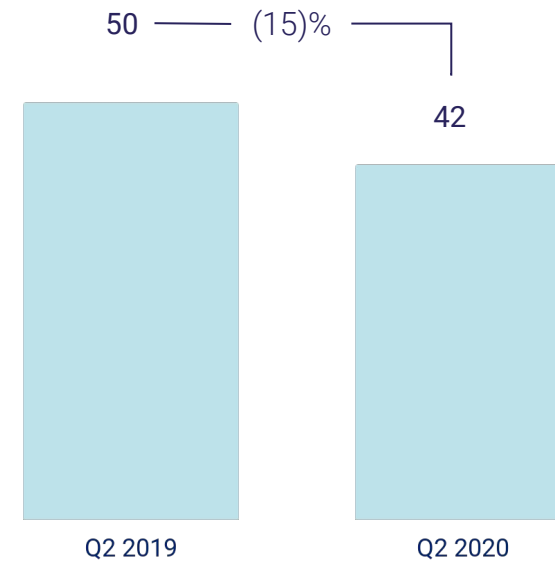
CFO

Q2 financial performance

Proportionate revenues incl JVs
€ millions



Proportionate EBITDA incl JVs
€ millions



Efficient cost management: limited increase in staff costs and strong decrease in other operating expenses



Personnel expenses

Hiring restrictions and positive impact of government support measures



Marketing expenses

Cancelled or delayed marketing campaigns



Other operating costs

Travel and meetings
Third-party services
Contract renegotiation

France: back to positive organic growth in June



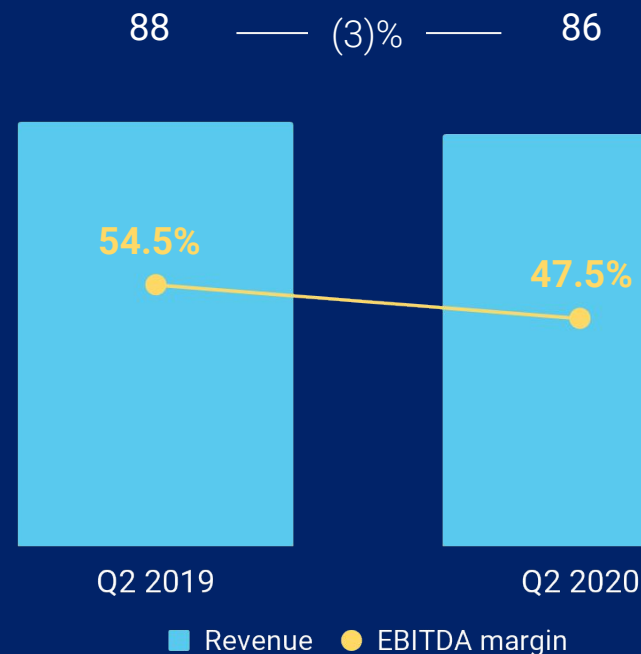
Revenues

- Total revenues **down 3%** yoy
- **Positive organic growth** in June driven by good recovery in cars and real estate and ramp up in transactional
- **Advertising trends improving** driven by programmatic

EBITDA margin

- **Negative** impact of drop in revenues in April and May
- **Dilutive** impact of acquisitions
- **Investment** in product & tech and marketing (TV and digital advertising)
- **Implementation** of cost saving initiatives and benefit from government support measures

France
Revenues and EBITDA margin (€ millions)



Spain: top-line impacted by macro situation, margins protected



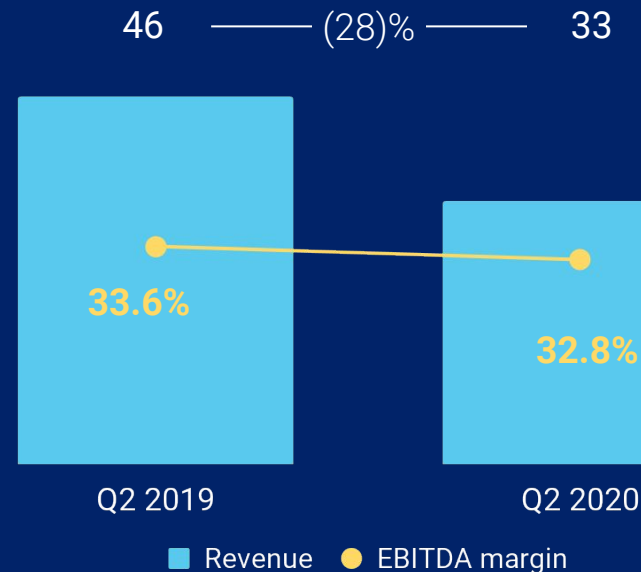
Revenues

- Strong hit of Covid but **month by month improvement** with **strong acceleration in June**
- Some **resilience of jobs** vertical due to nature of the contracts
- **Programmatic advertising back to normal level**, but limited weight

EBITDA margin

- **Down 1pp yoy, but above Q1 level**
- Benefits of **cost saving measures** (marketing spending reduction, hiring freeze)
- **Continued platform convergence**
- **Fast customers reactivation**

Spain
Revenues and EBITDA margin (€ millions)



Brazil: lower top-line impact and improving trends



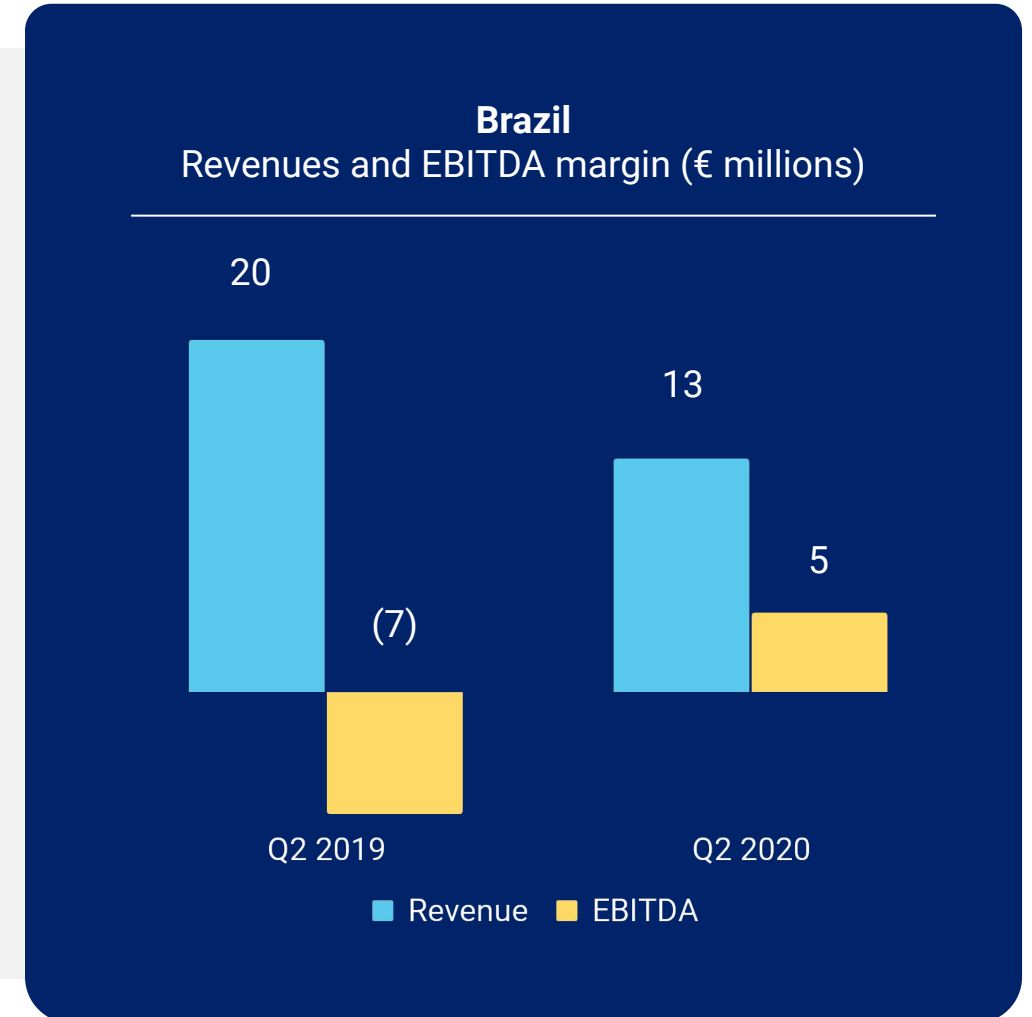
Revenues

- **Local currency revenue down 11% yoy**
- Strong impact of covid throughout the quarter
- **Slowdown in supply** in real estate and car verticals and indirect advertising
- **Recovery in professional revenues** driven by successful initiatives to improve retention and new sales
- **Progressive recovery in indirect advertising**, above pre-covid levels, due to improvement in formats and boost in traffic from mid May.

EBITDA margin

- Negative impact **one-off impact of ESOP** in Q2 2019 while positive contribution in Q2 2020
- **Underlying EBITDA down 6pp yoy** due to revenue loss and investment in product & tech resources, partially offset by cost cutting measures

Grupo ZAP acquisition process: closing expected in Q3



Global markets: negative impact in Q2 but performance improving in major markets

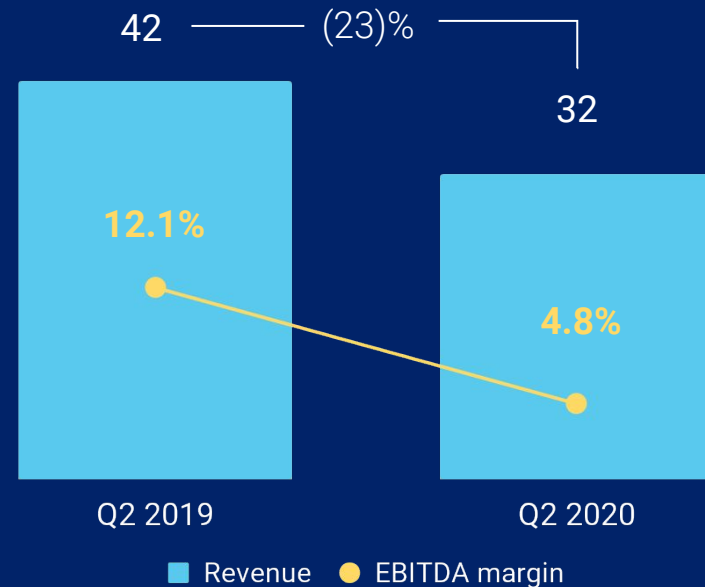
Revenues

- Local currency revenues down **22%**
- **Good recovery ongoing in Italy, mainly driven by cars**
- **Overall limited decrease in Willhaben** with June showing acceleration in recovery, driven by **strong real estate**
- **Progressive improvement in advertising** trends throughout the quarter in most markets

EBITDA margin

- Negative impact of **lower revenues**
- **Willhaben up** compared to LY
- **Strong cost reduction** initiatives partly offset revenue decline

Global markets
Revenues and EBITDA margin (€ millions)



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

Solid financial position secures ability to invest

Significant flexibility to act on value creative M&A opportunities

- Net cash flow before financing activities close to break-even
- Proceeds from the term loans signed in Q2 led to **cash & cash equivalents of € 308m** at the end of June
- **Leverage ratio** of Net Interest-Bearing Debt (NIBD¹) to EBITDA² of **0.6x** as of 30/06/2020
- Leverage following Grupo Zap acquisition expected to remain below 2.5x
- Revolving Credit Facility of **€400m** remains undrawn



1 Non-current interest-bearing borrowings + current interest-bearing borrowings - cash and cash equivalents - cash pool holdings

2 Before other income and expenses, impairment, joint ventures and associates

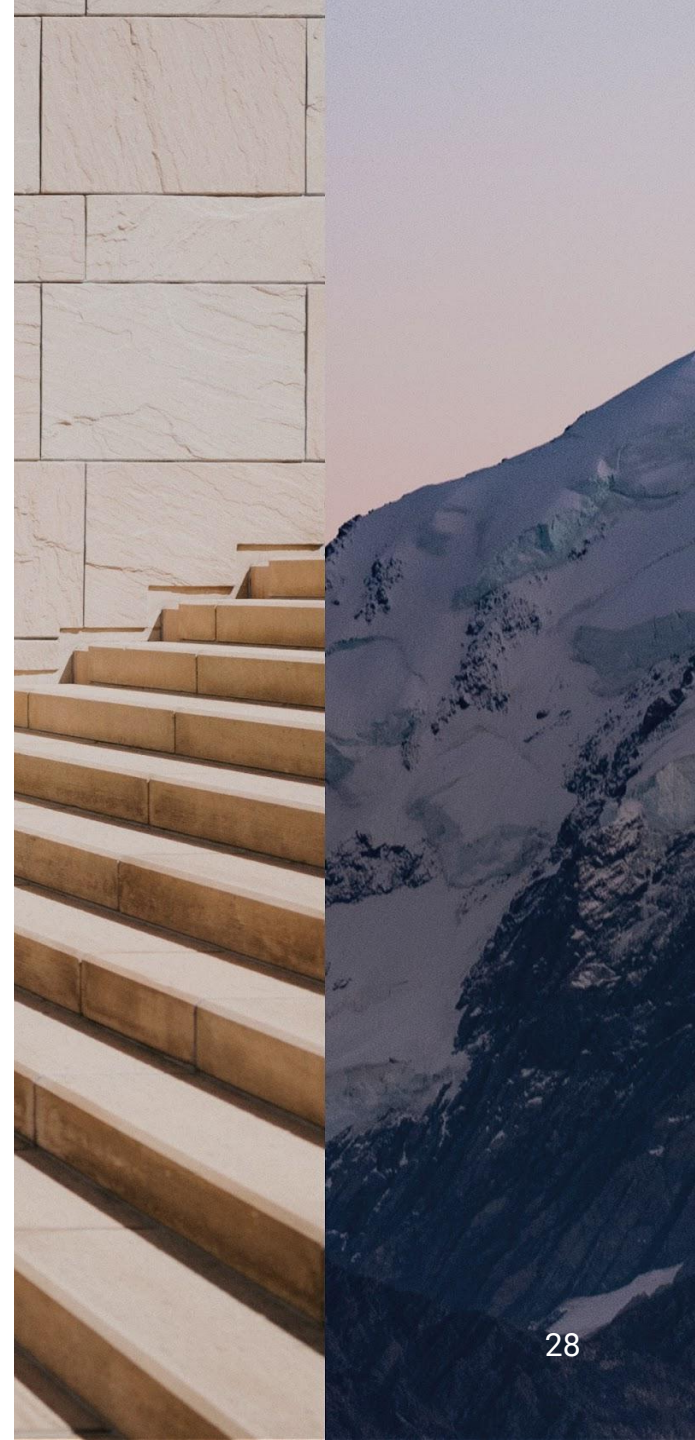


Outlook

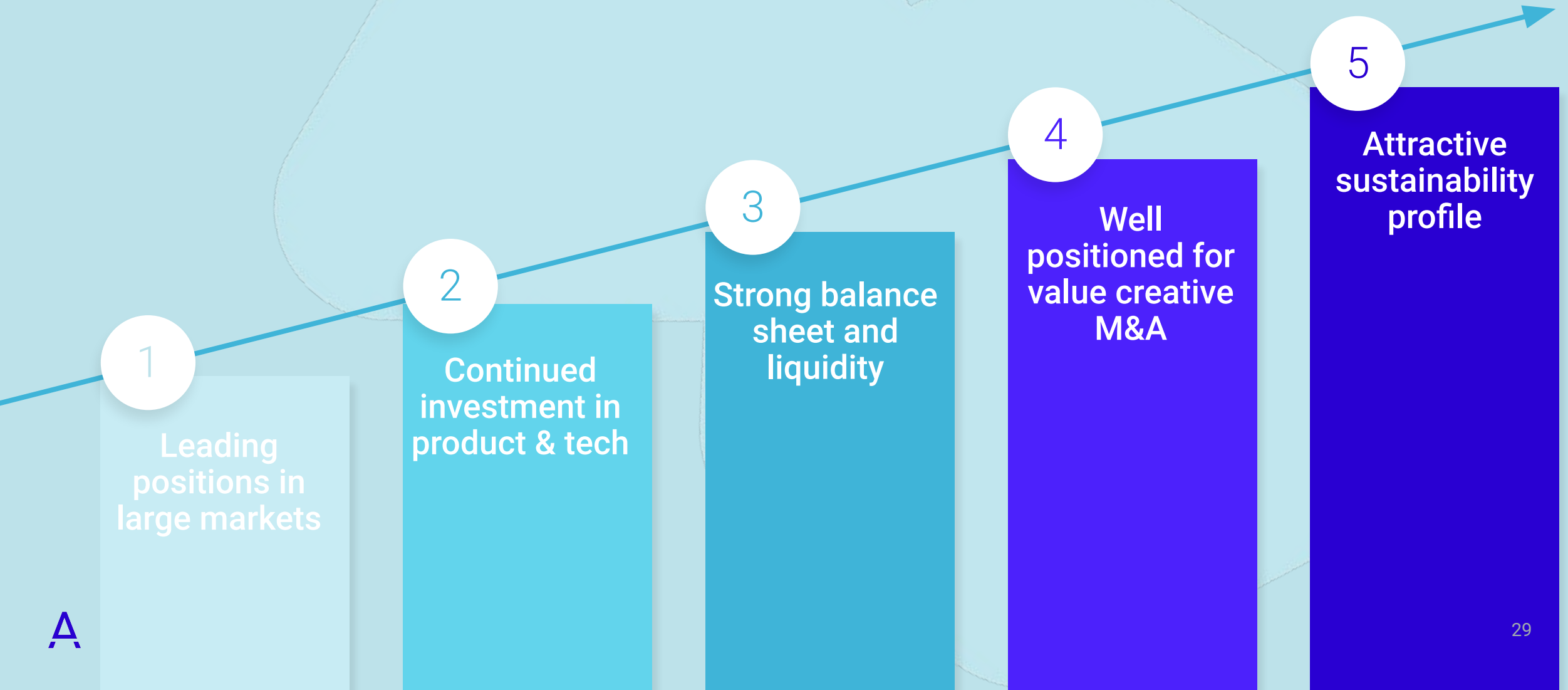
Rolv Erik Ryssdal
CEO

We remain confident in our long-term objectives

- Progressive **pick up in activity** in May and June
- **Recovery trend** expected to continue in H2 while macro uncertainty remains in the near term
- Expect to be **back to positive growth in France** in Q3 and Q4 in the absence of further stringent lockdowns
- **Acceleration of consumer behavior evolution** will support rise of leading players in online classifieds
- **Continued innovation** focus to improve user experience and professional tools' efficiency will contribute to **strengthening our positions**



We are well positioned to leverage the ongoing recovery and seize growth opportunities



Q&A

Appendices

Shareholder analysis

Rank	Name	Shares	%
1	Schibsted ASA	406,050,523	59.3%
2	Blommenholm Industrier AS	43,313,297	6.3%
3	Folketrygdfondet	24,998,775	3.7%
4	Baillie Gifford & Co.	23,772,804	3.5%
5	Fidelity Management & Research Company	23,745,993	3.5%
6	Capital World Investors	11,005,487	1.6%
7	Pelham Capital Ltd	9,074,990	1.3%
8	Capital Guardian Trust Company	8,451,460	1.2%
9	The Vanguard Group, Inc.	7,666,796	1.1%
10	Adelphi Capital LLP	7,029,990	1.0%
11	Alecta pensionsförsäkring, ömsesidigt	6,185,326	0.9%
12	Citigroup Global Markets	5,049,950	0.7%
13	Premier Miton Investors	4,712,221	0.7%
14	Alfred Berg Kapitalforvaltning AS	4,553,929	0.7%
15	UBS AG London	4,548,673	0.7%
16	Mitsubishi UFJ Trust and Banking Corporation	4,373,243	0.6%
17	Kayne Anderson Rudnick Investment Management, LLC	4,349,131	0.6%
18	BlackRock Institutional Trust Company, N.A.	3,749,248	0.5%
19	KLP Forsikring	3,727,831	0.5%
20	Storebrand Kapitalforvaltning AS	3,652,366	0.5%

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

	Adevinta share
Ticker	
<i>Oslo Stock Exchange:</i>	ADE
<i>Reuters:</i>	ADE.OL
<i>Bloomberg:</i>	ADE:NO
Number of shares	684,948,502
Treasury shares (July 15, 2020)	88,997
Number of shares outstanding	684,859,505
Free float*	40.7%
Share price (July 15, 2020)	NOK 106.30
Average daily trading volume (shares)**	556,000
Market Cap total (July 15, 2020)	NOK 73bn (USD 7.8bn)

Investor information

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