Adevinta

Q3 2022 Interim Report

November 24, 2022

Content

Highlights of Q3 2022

Strong Q3 2022 results performance in a soft macro environment

Acceleration of core markets revenue growth : +12% year-on-year

- Steady double digit growth in Classifieds (+13%), with continued strong performance in Jobs (+15%), Motors (+13%) and Real Estate (+10%)
- Acceleration in Consumer Goods transaction volumes especially in France (+49%) and eBay Kleinanzeigen (+140%)
- Resilient advertising revenues, flat year-on-year, despite lower OEM spend and weaker market environment

Total consolidated revenue growth[1]: +11% year-on-year

- Total consolidated revenues of €408m

EBITDA margin of 34.5%, excluding French DST, benefiting from strict cost management

- EBITDA excluding French DST of €141m, up 12% year-on-year
- French DST[2] YTD adjustment of €(9)m
- Total consolidated EBITDA of €132m (representing a 32.4% margin)

Acceleration of cash generation and deleveraging

- Adjusted NCF from operating activities: €145m[3]
- Debt repayment: €90m in the quarter, prioritising floating debt
- Continued cash optimisation measures

[1] Continuing operations, excluding InfoJobs Brazil and Kufar
[2] Prudent provision booked following unfavourable ruling received from the French Tax Authority
[3] Net cash flow from operating activities adjusted for CAPEX and IFRS 16 lease payments

Further steps to deliver our *Growing at scale* strategy

New leadership team, with new key appointments; assignment of vertical responsibilities to align with the 'Growing at Scale' strategy:

- Re-Commerce, led by Paul Heimann
- Mobility, led by Ajay Bhatia
- Real Estate & Emerging Verticals, led by Román Campa

2022 portfolio optimisation programme close to completion with sales of Mexico, Australia and South Africa closed and Canada review completed

Continued execution on strategy for growth businesses with increased monetisation of Motors and Real Estate verticals and continued rapid scaling and product launches of transactional services

Outlook

FY 2022 target confirmed

- Low double-digit revenue growth for core markets
- Underlying EBITDA[4] in the €575-600m range, including French DST impact

2023 outlook

- Double digit Core Markets revenue growth despite soft macro environment
- Year-on-year improvement in EBITDA margin
- Group leverage down to 2-3x net debt/EBITDA by year-end
- Long-term ambition remains

Synergy targets confirmed to achieve our financial ambition

[4] Consolidated EBITDA before share-based compensation impact

Key performance indicators - Q3 2022

Core markets revenues	Visits
€366m ***+12% yoy***	**leboncoin / Mobile.de / ebayK** ***+35% yo3y / -14% yo3y / +37% yo3y*** ***+11% yoy / -15% yoy / +6% yoy***

Group revenues	Motors
€408m ***+10% yoy***	**ARPA leboncoin / ARPL Mobile.de** **€410 / €22** ***+16% yoy / +27% yoy***

EBITDA	Real Estate
€141m, excluding DST ***34.5% margin excluding DST*** ***32.4% reported margin***	**ARPA leboncoin / ARPA ebayK** **€560 / €110** ***+10% yoy / flat yoy***

Adjusted net cash-flow from operating activities	Transactions
€145m	**leboncoin / ebayK** ***+49% yoy / +140% yoy***

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, Q3'22 and Mobile.de Q1'22, Q2'22, Q3'22. 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

Our third quarter results demonstrate progress against our key strategic and financial objectives. I am proud of our team and our contribution to society in the face of a challenging macroeconomic environment. We are adapting our organisation to make it even more efficient, with laser focus on bringing more value to our users and clients.

Core markets revenue growth accelerated to 12% in the quarter as a result of strong recovery in Mobile.de and continued solid performance in other markets. Classifieds revenue grew 13% year-on-year, demonstrating the counter-cyclical nature of online classifieds and the strength of our market positions and value proposition. Transactional services, another strategic pillar, delivered an impressive performance with 79% year-on-year revenue growth. Advertising revenues saw steady performance despite the current weaker macroeconomic environment and lower OEM advertising spend.

In the current market environment we focused even more on optimising our cost base whilst prudently investing in key areas to deliver on our "Growing at Scale" plan and drive innovation for the benefit of our clients and users.

Cash generation accelerated during the quarter, allowing us to further repay debt and mitigate some of the impact of rising interest rates.

To remain true to our intent of operating in a focused and agile manner, we will continue to streamline our portfolio and we will simplify our organisation to align it with our growth strategy, centred around our key Motors and Real Estate verticals and transactional re-commerce.

Aligning our operating structures with our strategy increases efficiency and speed, as well as our ability to cater to evolving customer needs with tailored and innovative products and services. It also allows us to capture further opportunities within these vertical areas, and enhances our competitiveness and resilience.

My new executive team and I share the same vision and ambition for Adevinta. It is my pleasure to welcome Alexandre, Julien, Paul and Román. Each brings with them a combination of entrepreneurial spirit, industry knowledge and a proven track record of commercial success. I thank Alex, Gianpaolo and Zac for their contributions to Adevinta and wish them well in their next endeavours.

I remain very confident and excited about the many opportunities that we have ahead of us. As we navigate the current uncertain environment, we will continue to balance growth and profitability with disciplined investment in the mid to longer term.

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 **was classified as held for sale as at 30 June 2022** and was sold on 26 September 2022.

Quarterly restated figures from Q1 2019 to Q3 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.

Third quarter				Combined[1] Year-to-date			IFRS Year-to-date	
yoy%	**2021**	**2022**	**€ million**	**2022**	**2021**	**yoy%**	**2022**	**2021**
10%	**371**	**408**	**Operating revenues**	**1,213**	**1,127**	**8%**	**1,213**	**745**
5%	**126**	**132**	**EBITDA**	**403**	**390**	**3%**	**403**	**232**
	34.0%	32.4%	EBITDA margin	33.2%	34.6%		33.2%	31.1%
2%	**139**	**141**	**Underlying EBITDA**	**430**	**416**	**3%**	**430**	**248**
	37.4%	34.5%	Underlying EBITDA margin	35.5%	36.9%		35.5%	33.3%
			Operating revenues per segment					
12%	106	119	France	365	335	9%	365	335
15%	71	82	Mobile.de	231	214	8%	231	71
11%	158	176	European Markets	522	476	10%	522	298
-6%	32	30	International Markets	88	97	-8%	88	36
0%	0		Disposals		3	-100%		3
343%	1	3	Other and Headquarters	9	6	63%	9	6
-161%	2	-1	Eliminations	-4	-3	-21%	-4	-3
			EBITDA per segment					
2%	52	53	France	173	161	8%	173	161
11%	41	46	Mobile.de	125	126	-1%	125	41
12%	65	72	European Markets	212	196	9%	212	100
34%	11	14	International Markets	37	36	5%	37	10
0%	0		Disposals		-5	-100%		-5
-24%	-43	-53	Other and Headquarters	-145	-123	-18%	-145	-75
			Non-consolidated JVs					
30%	22	28	Proportionate share of revenues	78	60	31%	78	60
15%	5	6	Proportionate share of EBITDA	6	8	-26%	6	8

[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

	Third quarter			Combined[1] Year-to-date			IFRS Year-to-date	
yoy%[2]	2021	2022	€ million	2022	2021	yoy%	2022	2021
13%	278	311	Online classifieds revenues	912	830	11%	912	569
77%	9	16	Transactional revenues	47	33	46%	47	30
-2%	81	79	Advertising revenues	246	260	-4%	246	141
13%	2	2	Other revenues	7	4	61%	7	4
11%	**371**	**408**	**Operating revenues**	**1,213**	**1,127**	**8%**	**1,213**	**745**

[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 InfoJobs Brazil (in Q1 2022) and Kufar (in Q2 2022) which represented 3 million euros revenues in Q3 2021.

Excluding the impact of these divestments, **revenues from continuing operations were up 11% in the third quarter** compared to the same period last year, accelerating quarter after quarter:

- **Online classifieds revenues improved by 13% year-on-year**, supported by double-digit revenue growth in Jobs and Motors benefiting from successful price increases, higher dealer penetration and high added-value product development for car dealers. Real Estate saw high single digit growth in the period;
- **Transactional revenues** grew by 77%, with strong revenue growth in all Core markets;
- **Advertising revenues** proved resilient in the quarter, down marginally, 2% year-on-year. This was as a result of the overall weaker advertising business, especially in automotive display advertising, partly offset by eBay Kleinanzeigen's strong performance in the quarter.

Core Markets revenues reached €366 million euros in the quarter, representing a strong 12% growth, despite the continued supply softness in the motors segment and the weaker market environment:

- **Online classifieds revenues** improved by 13%;
- **Transactional revenues** grew by 79%;
- **Advertising revenues** were flat.

Excluding the impact from the French digital services tax legislation (DST), EBITDA improved by 12%, to 141 million euros compared to the third quarter of 2021, representing a 34.5% margin. This was the result of (i) the positive topline evolution, (ii) lower marketing investment, driven by different phasing and spend allocation discipline, and (iii) cost management in the current market context. This was partly offset by (i) the continued build-up of global capabilities ahead of the implementation of new operating models for support functions and Product and Technology teams, and to accelerate new business model development and value creation, and (ii) higher direct costs from transactional services, in line with the adoption of the service and revenue growth.

Gross operating profit from continuing operations (reported EBITDA) amounted to 132 millions euros, up 5% year-on-year, negatively impacted by the €(9) million euros provision booked related to the French DST.

Underlying EBITDA[3] was 141 million euros in the third quarter of 2022, representing a 34.5% underlying EBITDA margin.

Segment information

France

Third quarter			€ million	Combined[1] Year-to-date			IFRS Year-to-date	
yoy%	**2021**	**2022**		**2022**	**2021**	**yoy%**	**2022**	**2021**
12%	**106**	**119**	**Operating revenues**	**365**	**335**	**9%**	**365**	**335**
-21%	(54)	(66)	Operating expenses	(192)	(174)	-10%	(192)	(174)
2%	**52**	**53**	**EBITDA**	**173**	**161**	8%	**173**	**161**
	48.8%	44.5%	EBITDA margin	47.4%	48.1%		47.4%	48.1%

[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.

Traffic[5] improved compared to last year (+11%). Compared to 2019, traffic was up 35%. Listings increased 24% year-on-year, and up 4% compared to the previous quarter. Once again, this positive content development was driven by Consumer Goods (up 27% year-on-year), while Motors professional content was impacted by the continued market supply dynamics (down 19%). Real Estate professional content was slightly down year-on-year (-2%).

Total P2P transaction payments in France saw very strong traction in the quarter, with payouts up 49% year-on-year. This evolution was supported by both a successful "back to school" promotional campaign in September, during which a new record level of transactions was reached, as well as user experience improvements (eg: enriched negotiation funnel between users).

Reported revenues in France grew by 12% in the third quarter of 2022. **Online classifieds revenues grew 9% year-on-year mainly driven by Real Estate and Motors**. Real Estate double-digit revenue growth in the quarter benefited from the successful launch of enhanced subscription packages in September with high added-value for professional clients. This contributed to positive ARPA evolution (to €560; +10% year-on-year). Motors high single-digit revenue growth in the quarter was driven by the 16% ARPD increase (to €410) which more than offset the effect of declining professional volumes. **Jobs revenues were down year-on-year**, due to lower listing fees despite a good performance from subscription packages. **Advertising revenues were down 5% compared to last year**, where we saw the continued impact of reduced activity from advertisers, media agencies and programmatic. **Revenues from transactions were up 63% year-on-year**, on the back of transaction volume growth and AOV increase.

EBITDA, excluding DST, improved by 18% compared to the third quarter of 2021, supported by the positive topline evolution, and by lower marketing costs. This was partly offset by an increase in personnel and IT costs in the quarter, as investment in further product and technology development continued. Direct transactional costs also increased in the period. The impact of higher transaction volumes was partly offset by better delivery pricing structure and the introduction of wallet, with both elements positively impacting margin. **EBITDA margin, excluding DST, improved 2.9 percentage points year-on-year accordingly.**

Reported EBITDA amounted to €53 millions euros, up 2% year-on-year. It was negatively impacted by the €(9) million euros provision booked related to the French DST. **Reported EBITDA margin deteriorated 4.3 percentage points year-on-year accordingly.**

In the Real Estate vertical, we enriched our offer for professional clients with a new seller prospecting tool and a new premium pack for developers, while we further improved our rental management and mandate acquisition solutions. **In the Motors vertical,** we optimised our C2B sourcing offer "lebonsourcing" further. **For professional equipment, we launched a triple bundle** between MB Diffusion, eBay Kleinanzeigen and Mobile.de and a smartbump feature where we see very good traction so far.

In Consumer Goods, we fully deployed our wallet and split payment solutions, which are now available for all our clients and for all consumer goods categories. **We also launched our new commission-based business model for Consumer Goods professional sellers**, shifting from an economic model based on ad insertion fees to a commission-based economic model.

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

Mobile.de

Third quarter				Combined[1] Year-to-date			IFRS Year-to-date	
yoy%	2021	2022	€ million	2022	2021	yoy%	2022	2021
15%	**71**	**82**	**Operating revenues**	**231**	**214**	**8%**	**231**	**71**
-22%	(30)	(36)	Operating expenses	(106)	(88)	-21%	(106)	(30)
11%	**41**	**46**	**EBITDA**	**125**	**126**	-1%	**125**	**41**
	58.0%	55.7%	EBITDA margin	54.2%	59.1%		54.2%	58.0%

[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[6] was 15% lower than in the third quarter of 2021, and 14% lower than 2019, once again impacted by overall weakness in the car market. Dealer listings were lower when compared to the same period in the previous year (-8%) due to the reduced available inventory in the market. The rate of decline improved compared to previous quarters due to easing comps, and as a result of low demand driven by the economic environment.

Revenues in mobile.de improved by 15% in the third quarter of 2022. Online classified revenues were up 18% year-on-year, mostly driven by the dealer pricing adjustment implemented in April, which included a dealer price increase and a car value factor that resulted in a 19% average price increase. The impact of this price increase (full effect over the period), combined with the 14% listing price increase implemented in August 2021 (one-month effect over the period) more than offset the year-on-year negative volume impact. Average revenue per listing increased by +27% year-on-year, driven by these successful price increases and the lower number of listings per dealer (dealer received less volume discount based on our tier pricing). **Revenues from private sellers posted a strong performance** in the quarter, supported by higher ARPL. **Advertising revenues declined by 10% year-on-year**, once again impacted by the reduced level of advertising spending of OEMs, as a consequence of the low car production level (trend seen previously) and the current market context.

EBITDA improved 11% in the third quarter, mostly driven by the positive topline evolution. This was partly offset by the ramp-up in internal resources as we continued to invest in product development and improvement, as well as operations on the sales and customer care to support new business initiatives (online buying & selling and leasing). **Marketing expenses also increased in the quarter** (up 23% year-on-year) as a result of very low comps and marketing efforts in the context of pricing initiatives and new models and products rollout. **EBITDA margin contracted 2.3 percentage points year-on-year accordingly.**

We launched the pilot program of our new Online Buying & Selling service in late September, where selected used cars can be purchased or financed online, with free home delivery and a 21-day returns policy. Over the coming months, the service will be adjusted based on feedback from focus groups. **The core integration of Null-leasing**, which was acquired in March 2022, **is in its final stages** and the back ends between mobile.de and Null Leasing is now fully integrated, enhancing reach and setting the stage for further monetization. In the quarter, **we also improved the consumer experience** by introducing a completely new modular design of the View Item Page. This new modern look and feel generated a significant uplift in metrics for leads and other user interactions.

[6] 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.

Third quarter				Combined[1] Year-to-date			IFRS Year-to-date	
yoy%[2]	2021	2022	€ million	2022	2021	yoy%	2022	2021
12%	**158**	**176**	**Operating revenues**	**522**	**476**	**10%**	**522**	**298**
-12%	(94)	(104)	Operating expenses	(310)	(280)	-11%	(310)	(197)
12%	**65**	**72**	**EBITDA**	**212**	**196**	9%	**212**	**100**
	40.7%	41.0%	EBITDA margin	40.6%	41.1%		40.6%	33.7%

[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 (excluding Kufar) increased by 12% in the third quarter of 2022, led by strong performance at eBay Kleinanzeigen (+22% year-on-year), in Spain (+13% year-on-year) and Italy (+13% year-on-year). Online classified revenues were up by 14%, driven by growth in all verticals, especially Consumer Goods and Jobs. Advertising revenues were up 2% year-on-year, mainly due to performance at eBay Kleinanzeigen. Transactional revenues continued its strong momentum and more than doubled compared to the same period last year.

EBITDA improved by 12% compared to the third quarter of 2021, in line with topline evolution. This was partly offset by an increase in personnel expenses as we continued to invest in product development and sales and customer support, in line with the growth of the business especially on transactional. Transactional costs also increased, driven by higher volumes and by promotional campaigns held in September to drive adoption of the service. Marketing costs reduced by 5%, predominantly by lower spending in Italy. **EBITDA margin improved 0.3 percentage point year-on-year.**

eBay Kleinanzeigen revenues grew 22% in the period and reached 59 million euros. This was driven by significant momentum in Consumer Goods, with strong performance from Small and Medium Businesses (SMBs) (+25% subscribers year-on-year), in Real-Estate, with further market share gains (+21% professional clients year-on-year, stable ARPA year-on-year) and in Motors. Advertising posted double-digit revenue growth in the quarter, driven by higher vibrancy and increasing yield, despite the global weaker market environment. Transactional revenues almost doubled in the period, supported by product improvements and promotions on Buyer Protection solution. Compared to the third quarter of 2019, traffic[7] was up 37%.
In the quarter, we launched our "Buy Now" option, allowing direct purchasing from C2C sellers, increased the upper limit for our Buyer Protection, while we reinforced the security and trust of the platform (eg: two-factor authentication, context sensitive warning when sharing sensitive data).

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

In Spain, revenues grew 13% in the period and reached 53 million euros. This was mainly as a result of strong performance in online classifieds, up 13% year-on-year, with the recovery of the Jobs vertical continuing (+26% year-on-year) and solid revenue growth in the Real-Estate vertical. The Real-Estate growth was fueled by new product and packaging, driving ARPA growth, whilst the Motors vertical benefited from the good performance of new value-added solutions. Advertising revenues were up +3% year-on-year. Transactional revenues continued to ramp-up.
As mentioned above we continued to deliver new added-value solutions for our users (eg: new monthly financing instalments in Motors, Google login in Coches.net, real-time email alerts in Real Estate, Job title normalization) and our professional clients (eg: Multiple province ads at Milanuncios, advanced performance statistic for stock management in Motors).

Benelux revenues were flat compared to the third quarter of 2021 at 36 million euros. Growth in online classifieds revenues and transactional revenues, due to the launch of promotional shipping campaigns, were offset by lower advertising revenues (-9% year-on-year) impacted by the weaker macro context.
In the quarter, we launched our Marktplaats Shopify app for SMBs, to create an easy entry point while we improved the search experience and increased trust and safety on our platform.

In Italy, revenues grew 13% mainly driven by the Jobs and Motors verticals and continued strong momentum of transactional services (launched in August 2021). Advertising revenues were down year-on-year, driven by softer programmatic performance and the Kijiji.it shutdown.

In Ireland, revenues grew 11% year-on-year, with double-digit growth in Motors and Consumer Goods, high single-digit revenue growth in Real Estate while advertising revenues declined year-on-year.

In Willhaben (not included in segment information), revenues grew 23% year-on-year, with strong performance in Jobs and Real Estate. Transactional services also saw strong, growth supported by a high number of transactions.

International Markets

International Markets comprises Kijiji in Canada, Autotrader, Gumtree and Carsguide in Australia (sold on 4 October 2022), Gumtree in South Africa (sold on 23 November 2022), Segundamano and Vivanuncios in Mexico (sold on 26 September 2022) 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 **was classified as held for sale as at 30 June 2022** and was sold on 26 September 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.

Third quarter				Combined[1] Year-to-date			IFRS Year-to-date	
yoy%[2]	**2021**	**2022**	**€ million**	**2022**	**2021**	**yoy%**	**2022**	**2021**
-1%	**32**	**30**	**Operating revenues**	**88**	**97**	**-5%**	**88**	**36**
20%	(21)	(16)	Operating expenses	(51)	(61)	12%	(51)	(26)
35%	**11**	**14**	**EBITDA**	**37**	**36**	7%	**37**	**10**
	33.7%	47.9%	EBITDA margin	42.3%	36.9%		42.3%	26.6%

[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 slightly year-on-year, at -1%, excluding Infojobs Brazil, driven by a 13% contraction in advertising revenues partly offset by a 4% growth in Online classified revenues.

EBITDA was up 35% compared to the third quarter of 2021, excluding Infojobs Brazil. This was the result of a reduction in marketing spending, down 41%, and in personnel costs, down 27%, mainly due to lower share based compensation. **EBITDA margin improved by 12.8 percentage points year-on-year.**

Canada revenues were up 1% compared to the third quarter of 2021. Growth in online classifieds revenues, led by Motors and Consumer Goods, was partly offset by soft performance in advertising, driven by vibrancy and soft direct display revenues.

Mexico revenues were down 8% in the period, led by softness in the Real Estate vertical where a reduction in paid marketing spend lead impacted client acquisition. The Mexican business was sold on 26 September 2022.

OLX Brasil (not included in segment information) increased revenues by 13% year-on-year in local currency and reached 43 million euros (100% view). Revenue growth was driven by the expansion of the triple-bundle strategy across brands in Real-Estate, by higher ARPU in Motors, for both private and dealers, and high liquidity and conversion in Consumer Goods. Transactional revenues more than tripled in the period. Advertising revenues, on the other hand, were down year-on-year, with further impacts by a weaker market.

EBITDA was down 4% compared to last year in local currency and amounted to 8 million euros (100% view). This evolution was led by (i) an increase in marketing efforts mainly driven by ZAP+ branding and performance, (ii) growing transactional costs and promotional campaing at OLX Pay and (iii) investment in product & technology team and high salary inflation level. EBITDA margin was 20% in the quarter.

We improved the user experience in each of the verticals. In Consumer Goods, we launched the "Make an Offer" purchase flow and a new verticalized experience for mobile phones, including robust catalogue, ad insertion, search and filters improvements. In Motors, we introduced a price reference for private sellers and an advanced search with different buyer profiles. In Real Estate, we launched our Premiere Listing offer, a new ad format with differentiated exposure (size and placement) and we introduced additional amenities filters and side filter navigation.

Other (central P&T) and Headquarters

Other and Headquarters costs comprise Adevinta's shareholder and central functions as well as the central product and technology development.

The Other and Headquarters EBITDA decreased by 10 million euros year-on-year to (53) million euros. This evolution was driven by:

- The slight increase in headquarter costs, to (18) million euros, in the context of the eCG integration;
- The increase in central product and technology costs, to (35) million euros, with higher IT and licence costs led by increased usage;
- The further build-up of global capabilities ahead of the implementation of new operating models for support functions and Product and Technology teams, that will drive operational efficiencies (synergies) and accelerate value creation.

As a percentage of revenues, Headquarters costs were stable year-on-year while central P&T costs were slightly up year-on-year (+1.6 percentage point).

Towards optimised organisation to drive scale benefit

Our portfolio optimisation programme will be completed by year-end:

- On 22 July, we announced the signature of an agreement for the sale of Gumtree South Africa; the sale was completed on 23 November.
- 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 was closed on 4 October.
- On 26 September, we completed the sale of Mexican online classifieds businesses, Segundamano and Vivanuncios.
- We completed the strategic review for Canada. We concluded that Adevinta will continue to operate and optimise the asset, outside of Core Markets.
- We continue to assess the options for Hungary, the remaining business under strategic review, and we expect a decision by the end of the year.

New appointments in the leadership team and assignment of vertical responsibilities to align with the 'Growing at Scale' strategy:

In line with the 'Growing at Scale' strategy, Adevinta will start to verticalise its operations based on its 3 key pillars:

- Re-Commerce;
- Mobility;
- Real Estate & Emerging Verticals (including Jobs and Holiday Rentals).

Per 1 January 2023, Adevinta's executive leadership team (AdEx) welcomes new key appointments:

Paul Heimann continues his duties as the CEO of eBay Kleinanzeigen, while becoming the leader of the new Re-Commerce vertical. He joins the AdEX with Román Campa, CEO of Adevinta Spain. Campa will combine this responsibility with leading Real Estate & Emerging Verticals. Ajay Bhatia, CEO of Mobile.de, already a member of the AdEx, will additionally head up the Mobility vertical. Alexandre Collinet, former deputy GM of leboncoin and most recently responsible for the integration of eBay Classifieds Group into Adevinta, will also join Adevinta's executive team, in the newly created role of Chief Operations Officer (COO).

Uvashni Raman (CFO) and Nicki Dexter (People, Communications & Workplace) will continue in their roles, while Gianpaulo Santorsola (European Markets), Zac Candelario (International Markets) and Alex Alexander (Product & Technology) will leave Adevinta by the end of 2022. Julien Jouhault, currently CTO for leboncoin, will join the AdEX as the interim CPTO while the recruitment process for a permanent CPTO is conducted.

The delivery of our integration roadmap remained on track with more than 100% of our targeted run-rate synergies of 35 million euros for the full year 2022 achieved at the end of September 2022.

Main achievements of the period include:

- Exit of the few remaining Transitional Services Agreements (TSAs), 100% have now been exited;
- Signature of a global contract with a marketing media agency, that will unlock synergies in 2023 and onwards;
- Major systems rollouts (Phase 1 SAP and Workday) to enable the functional operating models and support the exit of the TSAs;
- Execution of more procurement synergies;
- Additional synergies from platform rationalisation and handover to local teams.

The upcoming major milestones for the next coming quarter are the cloud migration and the Data & Marketing transformation and further P&T efficiency optimization, with synergy delivery expected in 2023 onwards.

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 various value accretive opportunities across all our businesses especially in our core verticals Motors and Real Estate where a large monetization runway exists, with the potential to expand throughout the transactional value chain with new business models, and a largely untapped second-hand commerce pool. Our long-term ambition for Core Markets remains.

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.

We continue to experience temporary headwinds with the low production levels of new cars globally that have a consequential knock-on effect on used car listing volumes and 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.

Despite the current context, our strategic pillars Motors, Real Estate and transactional businesses have performed well, proving structurally more resilient while the advertising market tends to be more volatile.

We expect Core Markets revenue growth to be low double digit for the full year of 2022 and Group underlying EBITDA[8] in the range of 575 to 600 million euros, including the impact of the French Digital Services Tax.

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 remain solid in the fourth quarter.

In mobile.de, we will continue to benefit from the latest pricing initiatives, as well as easing comps. The delay in industry volume recovery is likely to continue but will likely be offset by softening demand induced by the overall macroeconomic environment. The resulting better balance between supply and demand is expected to continue to have a positive impact on the year-on year development of average live listing, 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. Importantly once optimised this model could be scaled to other markets.

In European markets we expect revenue growth softening the fourth quarter on the back of higher comps and a soft advertising market. Transactional services however 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 impacts and synergies will be more apparent from 2023.

The Group's Product and Technology operating model is being reviewed and is expected to be implemented throughout 2023. This coupled with other cost optimisation and synergy initiatives will drive further medium-long-term efficiencies and accelerate value creation.

We are confident that we can grow double digit in 2023 in Core Markets despite the soft macroeconomic environment. We will continue to actively manage and optimise our cost base, and therefore expect to deliver year-on-year improvement in EBITDA margin barring any material uncontrollable impacts.

We will also focus on deleveraging and will further optimise our debt structure to mitigate the impact of rising interest rates. We target a reduced leverage ratio of 2x to 3x net debt/EBITDA by the end of fiscal year 2023.

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

Group Overview

Results

Revenue increased by 10% in the third quarter of 2022 to €408 million, compared to the same period last year, mainly led by revenue growth in online classifieds (+13% year-on-year) and by strong revenue growth from transactional services (+77% year-on-year). Our marketplaces once again proved resilient despite continued supply pressure in the motors vertical.

Operating expenses increased by 13% in the third quarter of 2022 to €276 million, compared to the same period last year. This was mainly the result of (i) the continued build-up of global capabilities ahead of the implementation of new operating models for support functions and Product and Technology teams, and to accelerate new business model development and value creation, and (ii) higher direct costs from transactional services, in line with the adoption of the service and revenue growth.

Gross operating profit (EBITDA) increased by 5% to €132 million in the third quarter of 2022, compared to €126 million in the same period in 2021. This was negatively impacted by a YTD DST expense of €(9) million in the quarter.

Depreciation and amortisation increased by €(18) million in the quarter, mainly driven by the reassessment of useful lives of certain trademarks in Q2 2022 (see note 2).

Share of profit (loss) of joint ventures and associates in the third quarter of 2022 decreased by €(4) million compared to the same period in 2021 mainly driven by lower results in Brazil.

Other income and expenses amounted to €(83) million in the third quarter of 2022 with the main drivers being digital services tax (DST) in France related to 2019-2021 of €(31) million, integration expenses related to the eCG acquisition of €(29) million and a restructuring provision recognised due to reorganisation in France of €(15) million. In the third quarter of 2021 other income and expenses amounted to €(18) million mainly due to integration costs related to the eCG acquisition of €(10). Other income and expenses are disclosed in note 4 to the condensed consolidated financial statements.

Operating profit (loss) in the quarter amounted to €(38) million (€43 million in the third quarter of 2021). Please also refer to note 3 to the condensed consolidated financial statements.

Net financial items showed an expense of €(10) million in the quarter compared to an expense of €(30) million in 2021, mainly due to foreign exchange gain in Q3 2022 driven by the appreciation of the exchange rate of the BRL against the EUR (foreign exchange loss in Q3 2021). Net financial items are disclosed in note 5 to the condensed consolidated financial statements.

The Group reported a tax expense in Q3 2022 of €(2) million compared to a tax expense of €(12) million in Q3 2021 which is mainly due to a decrease in profit before tax. The tax expense line is after Q2 2021 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 third quarter of 2022 is €(0.04) compared to €0.00 in the third quarter of 2021. Adjusted earnings per share in the third quarter of 2022 is €0.00 compared to €0.01 in the third quarter of 2021.

Financial position

The carrying amount of the Group's assets increased by €1 million to €14,248 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 (€66 million) and the value in EUR of the loan in BRL (increase of €32 million) granted by Adevinta Finance AS to Bom Negócio Atividades de Internet Ltda (OLX Brazil joint venture), Also contributing was the appreciation of the exchange rate of the CAD against the EUR, increasing carrying amounts of the assets related to the Canadian business (€109 million), as well as the increase in fair value of the cross-currency interest rate swap contracts due to USD appreciating versus EUR (€91 million). These were partly offset by depreciation and amortisation (€(218) million) and the decrease in cash and cash equivalents (€(126 million)) during 2022.

The carrying amount of the Group's liabilities decreased by €130 million to €3,731 million during 2022, mainly due to the repayment of the multicurrency revolving facility (€150 million) and the repayment of the EUR TLB (€90 million) as well as a decrease in deferred tax liabilities (€50 million), mainly due to amortisation of intangible assets, that was partly offset by the increase in the USD TLB due to the exchange rate of the USD against the EUR (€74 million) and the provision for DST in France (€39 million).

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

The Group had at 30 September 2022 net interest-bearing debt of €2,292 million (see specification in Definitions and Reconciliations below) **and €555 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 €132 million in the third quarter of 2022, compared to €102 million in the same period of 2021, mainly due to increase in EBITDA and improvement of the other non-cash items as well as a decrease in tax payments. This has been partially offset by the increase in Other income and expenses.

Net cash flow from investing activities was €(19) million in the third quarter of 2022, compared to €(16) million in the same period of 2021.

Net cash flow from financing activities was €(115) million in the third quarter of 2022, compared to €(7) million in the same period of 2021. The increase in cash outflow is mainly due to the repayment of TLB EUR amounting to €90 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.

Transactions of Treasury 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 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 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 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 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 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 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.

In August 2022 14,126 treasury shares were transferred to employees, in relation to matching shares given to employees who enrolled in the Employee Share Saving Plan (ESSP). In addition, 8,446 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 September 2022 68,218 treasury shares were transferred to the employees, in relation to the Spot Equity Award plan. In addition, 62,015 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

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Operating revenues	**408**	**371**	**1.213**	**745**
Personnel expenses	(123)	(109)	(361)	(248)
Other operating expenses	(153)	(135)	(449)	(266)
Gross operating profit (loss)	**132**	**126**	**403**	**232**
Depreciation and amortisation	(82)	(64)	(218)	(92)
Share of profit (loss) of joint ventures and associates	(5)	(1)	(23)	(8)
Impairment loss	-	-	(0)	(20)
Other income and expenses	(83)	(18)	(98)	(115)
Operating profit (loss)	**(38)**	**43**	**64**	**(4)**
Net financial items	(10)	(30)	(14)	(37)
Profit (loss) before taxes	**(48)**	**14**	**50**	**(41)**
Taxes	(2)	(12)	(11)	(35)
Profit (loss) from continuing operations	**(50)**	**2**	**39**	**(76)**
Profit (loss) from discontinued operations	**(2)**	**1**	**(28)**	**1**
Profit (loss) attributable to:				
Non-controlling interests	2	1	6	5
Owners of the parent	(54)	1	4	(79)
Earnings per share in €:				
Basic	(0.04)	0.00	0.00	(0.09)
Diluted	(0.04)	0.00	0.00	(0.09)

Condensed consolidated statement of comprehensive income

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Profit (loss)	**(52)**	**2**	**10**	**(75)**
Remeasurements of defined benefit pension liabilities	-	-	(0)	-
Income tax relating to remeasurements of defined benefit pension liabilities	-	-	0	-
Net gain/(loss) on cash flow hedges	-	(0)	-	56
Change in fair value of financial instruments	(0)	1	(0)	1
Items not to be reclassified subsequently to profit or loss	**(0)**	**1**	**(0)**	**57**
Exchange differences on translating foreign operations	28	(21)	159	14
Net gain/(loss) on cash flow hedges	5	(0)	15	7
Items to be reclassified subsequently to profit or loss	**33**	**(21)**	**174**	**21**
Other comprehensive income	**33**	**(20)**	**173**	**78**
Comprehensive income	**(19)**	**(18)**	**183**	**3**
Comprehensive income attributable to:				
Non-controlling interests	2	1	5	4
Owners of the parent	(21)	(19)	179	(1)

Condensed consolidated statement of financial position

€ million	30 September 2022	31 December 2021
Intangible assets	12,768	12,790
Property, plant and equipment and right-of-use assets	102	118
Investments in joint ventures and associates	413	370
Other non-current assets	521	375
Non-current assets	**13,804**	**13,653**
Trade receivables and other current assets	247	247
Cash and cash equivalents	105	231
Assets held for sale	92	115
Current assets	**444**	**593**
Total assets	**14,248**	**14,247**
Equity attributable to owners of the parent	10,504	10,368
Non-controlling interests	13	18
Equity	**10,517**	**10,385**
Non-current interest-bearing borrowings	2,301	2,312
Other non-current liabilities	940	987
Non-current liabilities	**3,241**	**3,299**
Current interest-bearing borrowings	17	152
Other current liabilities	441	383
Liabilities directly associated with the assets held for sale	32	27
Current liabilities	**490**	**563**
Total equity and liabilities	**14,248**	**14,247**

Condensed consolidated statement of cash flows

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Profit (loss) before taxes from continuing operations	(48)	14	50	(41)
Profit (loss) before taxes from discontinued operations	(3)	1	(33)	1
Profit (loss) before taxes	**(50)**	**15**	**17**	**(39)**
Depreciation, amortisation and impairment losses	82	64	251	113
Share of loss (profit) of joint ventures and associates	5	1	23	8
Dividends received from joint ventures and associates	3	-	3	3
Taxes paid	(12)	(39)	(51)	(62)
Sales losses (gains) on non-current assets and other non-cash losses (gains)	5	(5)	(16)	34
Net loss on derivative instruments at fair value through profit or loss	-	-	-	3
Accrued share-based payment expenses	9	13	28	16
Unrealised foreign exchange losses (gains)	(7)	12	(39)	(2)
Other non-cash items and changes in working capital and provisions	97	40	76	61
Net cash flow from operating activities	**132**	**101**	**291**	**135**
Development and purchase of intangible assets and property, plant & equipment	(21)	(17)	(64)	(40)
Acquisition of subsidiaries, net of cash acquired	(1)	-	(11)	(2,165)
Proceeds from sale of intangible assets and property, plant & equipment	0	-	0	0
Proceeds from sale of subsidiaries, net of cash sold	3	-	1	282
Net sale of (investment in) other shares	0	5	(8)	4
Net change in other investments	0	(4)	5	(3)
Net cash flow from investing activities	**(19)**	**(16)**	**(77)**	**(1,922)**
Net cash flow before financing activities	**113**	**85**	**215**	**(1,787)**
New interest-bearing loans and borrowings	-	-	-	2,440
Repayment of interest-bearing loans and borrowings	(92)	(1)	(244)	(492)
Net sale (purchase) of treasury shares	(8)	-	(74)	(22)
Lease payments	(8)	(6)	(16)	(14)
Dividends paid to non-controlling interests	(8)	-	(8)	(8)
Net cash flow from financing activities	**(115)**	**(7)**	**(343)**	**1,904**

Condensed consolidated statement of cash flows

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Effects of exchange rate changes on cash and cash equivalents	0	1	3	1
Net increase (decrease) in cash and cash equivalents	**(2)**	**79**	**(126)**	**118**
Cash and cash equivalents at start of period	102	170	231	131
Cash and cash equivalents attributable to assets held for sale at start of period	15	-	9	-
Cash and cash equivalents at end of period	**105**	**232**	**105**	**232**
Cash and cash equivalents attributable to assets held for sale at end of period	**10**	**17**	**10**	**17**

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	179	5	183
Transactions with the owners	(42)	(10)	(52)
Share-based payment	*12*	*-*	*12*
Dividends paid to non-controlling interests	*-*	*(10)*	*(10)*
Change in treasury shares	*(54)*	*-*	*(54)*
Changes in ownership of subsidiaries that do not result in a loss of control	*(0)*	*(0)*	*-*
Equity as at 30 September 2022	**10,504**	**13**	**10,517**

€ 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	(1)	4	3
Transactions with the owners	9,105	(7)	9,098
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	*11*	*-*	*11*
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 September 2021	**10,307**	**17**	**10,323**

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.

Disposal of the Mexican disposal group

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. On 26 September 2022, Adevinta announced the completion of the sale of its Mexican online classified businesses to Navent Group, an operator of online real estate marketplaces in Latin America. The sale resulted in a loss of €(6) million recognised in other income and expenses, of which €(5) million is the reclassification of foreign currency translation reserve, with no impact consequential impact on income tax. The carrying amount of assets and liabilities as at the date of sale were €13 million and €5 million respectively, of which €9 million was intangible assets and €2 million was trade receivables and other current assets.

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 €15 million recognised in the third quarter of 2022, and assuming the trademarks are held until the end of their estimated useful lives, the additional amortisation expense will amount to €15 million during October 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 September 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 was 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 September 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 of €2 million, 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 Q3 2022 and YTD 2022 and in Q3 2021 and for the period from 25 June to 30 September 2021 (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.

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Revenue	15	39	49	39
Expenses	(18)	(35)	(47)	(35)
Gross operating profit / (loss)	(3)	3	2	3
Operating profit / (loss) - excluding impairment loss	(5)	3	(4)	3
Profit / (loss) after income tax from discontinued operations - excluding impairment loss	(4)	1	0	1
Impairment loss recognised on remeasurement to fair value less costs to sell	0	-	(28)	-
Profit / (loss) after income tax from discontinued operations	**(3)**	**1**	**(28)**	**1**
Exchange differences on translation	1	(2)	4	(2)

€	Third quarter 2022	Third quarter 2021	YTD 2022	YTD 2021
Basic earnings per share from discontinued operations	(0.00)	0.00	(0.02)	-
Diluted earnings per share from discontinued operations	(0.00)	0.00	(0.02)	-

€ million	Third quarter 2022	Third quarter 2021	YTD 2022	YTD 2021
Net cash inflow / (outflow) from operating activities	2	9	1	9
Net cash inflow / (outflow) from investing activities	0	0	1	0
Net cash inflow / (outflow) from financing activities	0	0	(1)	0
Net increase / (decrease) in cash generated by discontinued operations	**2**	**9**	**1**	**9**

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 (sold in Q3 2022), 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

Third quarter 2022 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Eliminations	Total
Operating revenues with third parties	118	89	169	30	-	3	-	**408**
Operating revenues from other segments	0	(7)	7	0	-	0	(1)	**-**
Operating revenues	**119**	**82**	**176**	**30**	**-**	**3**	**(1)**	**408**
Gross operating profit (loss)	53	46	72	14	-	(53)	-	**132**
Operating profit (loss)	**(0)**	**30**	**24**	**(10)**	**-**	**(81)**	**-**	**(38)**

Third quarter 2021 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Eliminations	Total
Operating revenues with third parties	106	77	152	32	-	4	-	**371**
Operating revenues from other segments	0	(5)	6	(0)	-	(4)	2	**-**
Operating revenues	**106**	**71**	**158**	**32**	**-**	**1**	**2**	**371**
Gross operating profit (loss)	52	41	65	11	-	(43)	-	**126**
Operating profit (loss)	**47**	**22**	**37**	**5**	**(0)**	**(68)**	**-**	**43**

YTD 2022 € million	France	Mobile.de	European Markets	Internationa l Markets	Disposals	Other / Headquarters	Eliminations	Total
Operating revenues with third parties	364	249	503	88	-	9	-	**1,213**
Operating revenues from other segments	1	(18)	20	0	-	1	(4)	**-**
Operating revenues	**365**	**231**	**522**	**88**	**-**	**9**	**(4)**	**1,213**
Gross operating profit (loss)	173	125	212	37	-	(145)	-	**403**
Operating profit (loss)	**103**	**78**	**107**	**(2)**	**(2)**	**(220)**	**-**	**64**

YTD 2021 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Eliminations	Total
Operating revenues with third parties	333	77	291	36	3	6	-	**745**
Operating revenues from other segments	1	(5)	6	0	-	0	(3)	**-**
Operating revenues	**335**	**71**	**298**	**36**	**3**	**6**	**(3)**	**745**
Gross operating profit (loss)	161	41	100	10	(5)	(75)	-	**232**
Operating profit (loss)	**146**	**22**	**67**	**(4)**	**(73)**	**(162)**	**-**	**(4)**

Disaggregation of revenues by category

Third quarter 2022 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Total
Online classifieds revenues	91	83	115	22	-	-	**311**
Advertising revenues	15	6	49	8	-	1	**79**
Transactional revenues	12	-	4	0	-	-	**16**
Revenues from contracts with customers	**118**	**89**	**169**	**30**	**-**	**1**	**406**
Revenues from lease contracts and other revenues	0	-	0	0	-	2	**2**
Operating revenues	**118**	**89**	**169**	**30**	**-**	**3**	**408**

Third quarter 2021 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Total
Online classifieds revenues	83	69	103	23	-	-	**278**
Advertising revenues	15	7	47	9	-	3	**81**
Transactional revenues	8	-	2	-	-	-	**9**
Revenues from contracts with customers	**106**	**77**	**152**	**32**	**-**	**3**	**369**
Revenues from lease contracts and other revenues	0	-	0	0	-	2	**2**
Operating revenues	**106**	**77**	**152**	**32**	**-**	**4**	**371**

YTD 2022 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Total
Online classifieds revenues	278	229	340	65	-	-	**912**
Advertising revenues	48	20	152	23	-	3	**246**
Transactional revenues	37	-	10	0	-	-	**47**
Revenues from contracts with customers	**363**	**249**	**502**	**88**	**-**	**3**	**1,206**
Revenues from lease contracts and other revenues	0	-	1	0	-	6	**7**
Operating revenues	**364**	**249**	**503**	**88**	**-**	**9**	**1,213**

YTD 2021 € million	France	Mobile.de	European Markets	International Markets	Disposals	Other / Headquarters	Total
Online classifieds revenues	255	69	218	26	1	-	**569**
Advertising revenues	50	7	70	10	2	3	**141**
Transactional revenues	28	-	2	-	0	-	**30**
Revenues from contracts with customers	**332**	**77**	**290**	**36**	**3**	**3**	**741**
Revenues from lease contracts and other revenues	1	-	1	0	0	3	**4**
Operating revenues 333	**333**	**77**	**291**	**36**	**3**	**6**	**745**

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

Note 4. Other income and expenses and impairment loss

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Restructuring costs	(15)	0	(15)	0
Gain (loss) on sale and remeasurement of subsidiaries, joint ventures and associates	(6)	2	14	(38)
Gain (loss) on sale of intangible assets, property, plant & equipment	0	0	0	1
Acquisition and divestment related costs	(2)	(6)	(3)	(45)
Integration related costs	(29)	(14)	(71)	(33)
Digital services tax related to previous years	(31)	-	(31)	-
Other	(0)	0	9	0
Total other income and expenses	**(83)**	**(18)**	**(98)**	**(115)**

Gain (loss) on sale of subsidiaries, joint ventures and associates of €(6) million in Q3 2022 relates to the loss on sale of the Mexican business which together with gain on sale of InfoJobs Brazil (Brazil) of €22 million recognised in Q1 2022 manly explains gain of €14 million YTD September 2022 (see note 2).

Acquisition related costs of €(6) million in Q3 2021 and €(45) million YTD September 2021 and **Integration related costs** of €(29) million in Q3 2022 and €(71) million YTD September 2022 (€(14) million in Q3 2021 and €(33) million YTD September 2021) mainly relate to the acquisition of eBay Classifieds Group.

Restructuring costs of €(15) million in Q3 2022 mainly related to a restructuring provision recognised due to reorganisation in France.

Digital Services Tax related to previous years of €(31) million in Q3 2022 related to the digital services tax in France for the period 2019 to 2021 (see note 7).

Note 5. Net financial items

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Interest income	9	3	22	7
Interest expense	(20)	(20)	(59)	(41)
Net foreign exchange gain (loss)	7	(10)	39	2
Net other financial income (expenses)	(6)	(2)	(16)	(4)
Net financial items	**(10)**	**(30)**	**(14)**	**(37)**

Interest expense in Q3 2022 and Q3 2021 is mainly due to financing obtained in connection to the eCG acquisition.

Net foreign exchange gain in Q3 2022 is mainly as a result of 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 foreign exchange loss** in Q2 2021 was predominantly 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 other financial expenses in Q3 2022 are mainly due to amortisation of the costs directly attributable to the issue of the 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:

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Profit (loss) before taxes from continuing operations	(48)	14	49	(41)
Tax (expense) income based on weighted average nominal tax rate*	8	(4)	(17)	5
Tax effect of share of profit (loss) of joint ventures and associates	(2)	0	(8)	(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	6	1	13	(8)
Tax effect of non-deductible part of DST	(8)	0	(8)	0
Tax effect of other permanent differences	(5)	0	(11)	(1)
Current period unrecognised deferred tax assets	(4)	(6)	(6)	(28)
Previously unrecognised tax losses used in current period	4	(3)	16	1
Reassessment of previously recognised deferred tax assets, including changes in tax rates	0	0	0	9
Adjustments of previously recognised income tax provisions	0	0	12	0
Other	(1)	(1)	(3)	(1)
Taxes recognised in profit or loss from continuing operations	**(2)**	**(12)**	**(11)**	**(35)**
***Weighted average nominal tax rate**	**15%**	**33%**	**34%**	**13%**

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. Liabilities and 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. 25% of 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 uncertainty.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 non-inclusion of some of the said services could mean the applicable worldwide revenues within the scope of DST should be below €750 million.

In Q3 2022 Adevinta received a ruling reply from the French tax authorities. Based on this ruling most of Adevinta's revenues in France would be subject to French DST. Adevinta, supported by external legal counsel opinion, disagrees with the ruling and has therefore appealed it. Despite disagreeing with this ruling, in October 2022 Adevinta paid on account €11 million related to DST for 2022. Adevinta did this payment to act in good faith and maintain its good standing status with the French tax authorities and to also prevent penalties and interest that may become due in the ensuing period as we try to refute the ruling. Pending the timing and outcome of the appeal and discussion with the French tax authorities, a further payment in good faith may occur later in Q4 2022 for the period 2019-2021. The final outcome of the appeal and other actions is uncertain, but due to the existing ruling management has at 30 September 2022 recognised a provision of €39 million of which €9 million relating to YTD September 2022 is presented in other operating expenses and €31 million relating to 2019-2021 is presented in other expense.

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 September 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 €10 million in total for 2021 and YTD September 2022.

Note 8. Events after the balance sheets date

Digital Services Tax in France

Based on a ruling reply from the French tax authorities regarding DST, Adevinta has in October 2022 voluntarily paid on account €11 million related to 2022 in order to act in good faith with the French tax authorities. However, Adevinta disagrees with the ruling and has therefore appealed it. Pending the timing and outcome of the appeal and discussion with the French tax authorities, a further payment may occur later in Q4 2022 for the period 2019-2021.

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$60 million. The transaction was closed in October 2022. The result was not material. Adevinta's operations in Australia were classified as discontinued operations.

Sale of Gumtree South Africa

On 23 November 2022, Adevinta signed an agreement for the sale of Gumtree South Africa. The economic ownership of the business will transfer on 1 December 2022. Adevinta's operations in South Africa 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 September 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.

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

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
Gross operating profit (loss)	**132**	**126**	**403**	**232**
= EBITDA	132	126	403	232

Underlying EBITDA

	Third quarter		YTD	
€ million	**2022**	**2021**	**2022**	**2021**
EBITDA	132	126	403	232
Share-based compensation	9	13	27	16
Underlying EBITDA	**141**	**139**	**430**	**248**

Liquidity reserve

	30 September		Year
€ million	**2022**	**2021**	**2021**
Cash and cash equivalents	105	232	231
Unutilised drawing rights on credit facilities	450	300	300
Liquidity reserve	**555**	**532**	**531**

Net interest-bearing debt

	30 September		Year
€ million	**2022**	**2021**	**2021**
Non-current interest-bearing borrowings	2,301	2,298	2,312
Lease liabilities, non-current	61	79	73
Total non-current liabilities	**2,363**	**2,377**	**2,384**
Current interest-bearing borrowings	17	159	152
Lease liabilities, current	18	20	19
Total current liabilities	**35**	**179**	**171**
Total interest-bearing debt	**2,397**	**2,556**	**2,555**
Cash and cash equivalents	(105)	(232)	(231)
Net interest-bearing debt	**2,292**	**2,324**	**2,324**

Earnings per share - adjusted

€ million	Third quarter 2022	Third quarter 2021	YTD 2022	YTD 2021
Profit (loss) attributable to owners of the parent	(54)	1	4	(79)
Other income and expenses	83	18	98	115
Impairment loss	(1)	-	29	20
Taxes and non-controlling interests related to other income and expenses and impairment loss	(22)	(3)	(23)	(8)
Adjustments of previously recognised income tax provisions		-	-	-
Profit (loss) attributable to owners of the parent - adjusted	**6**	**17**	**108**	**48**
Earnings per share – adjusted (EUR)	0.00	0.01	0.09	0.05
Diluted earnings per share – adjusted (EUR)	0.00	0.01	0.09	0.05

Adjusted net cash flow from operating activities

€ million	Third quarter 2022	Third quarter 2021	YTD 2022	YTD 2021
EBITDA	132	126	403	232
+/- decrease or increase in non-cash items, change in working capital and provisions related to EBITDA	42	12	22	36
+ share based compensation	9	13	27	16
- payment of income tax	(11)	(39)	(50)	(62)
- development and purchase of property, plant and equipment and intangible assets	(20)	(17)	(63)	(40)
- IFRS 16 lease payments	(7)	(6)	(16)	(14)
Adjusted net cash flow from operating activities	**145**	**90**	**323**	**169**

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