



## Schibsted ASA (SCHA/SCHB) - Interim Financial Statement Q3 2022

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### **Solid quarter for Nordic Marketplaces, while News Media's financial performance suffered from challenging print business development.**

"Despite the increased macroeconomic uncertainty, Nordic Marketplaces delivered solid revenue growth this quarter, and together with decent revenue trends across the Group, this resulted in an underlying<sup>2</sup> revenue growth of 6 percent for the Group compared to the same quarter last year. Group EBITDA ended 15 per cent below last year at NOK 655 million, mainly driven by the cost development in News Media. Working on our cost base across the Group, and further tightening of our capital allocation with focus on our core and return on investment will be a key focus going into 2023, particularly looking at the increased external uncertainty and risks, affecting our input factor prices and potentially some of our revenue streams," CEO Kristin Skogen Lund says.

"Nordic Marketplaces delivered steady underlying<sup>1</sup> revenue growth of 10 per cent in Q3, with underlying<sup>1</sup> revenue growth across all markets, while EBITDA ended at NOK 486 million. Once again, Marketplaces Norway was the main driver, delivering strong revenue growth of 17 per cent driven by revenue growth across all verticals, and a particularly strong performance in Real estate. The latter was due to increased average revenue per ad and higher listing volumes. I am also happy to report that the Motor verticals in Sweden and Denmark were finally back to growth, driven by price increases in August, and somewhat better listing volume trends compared to previous quarters," CEO Kristin Skogen Lund says.

"The transition from a country- to a vertical-based operating model in Nordic Marketplaces is progressing well. During Q3, a solid management team was established, and over the next weeks, the rest of the organisation will be put in place, and new vertical strategies will be launched. Following the go-live of the new organisation in January 2023, we are planning to switch to a vertical-based financial reporting structure effective Q1, and are targeting an investor day for a deep-dive around the end of March," CEO Kristin Skogen Lund says.

"News Media reported an underlying<sup>1</sup> revenue growth of 2 per cent in Q3, lower than in previous quarters, driven by a softer quarter for advertising, and print advertising in particular. Costs increased year-on-year driven by content investments, but also significantly higher costs for our print products as a result of higher paper, electricity and other input factor prices. EBITDA margin ended at 5 per cent for Q3. Given its financial performance over the last quarters, as well as continued cost inflation and increased macroeconomic risks, we are working on reducing News Media's cost base, where costs related to our print business will make up a significant part," CEO Kristin Skogen Lund says.

"After several quarters of revenue decline due to the slowdown in the e-commerce industry, revenues in eCommerce & Distribution ended in line with last year, while EBITDA was down, driven by higher fuel prices and revenue mix. Prisjakt returned to growth driven by higher earnings-per-click due to pricing, leading to an EBITDA improvement compared to last year and Q2," CEO Kristin Skogen Lund says.

"Lendo reported once again strong revenue trends in Q3, reporting an underlying<sup>1</sup> revenue growth of 16 per cent, mainly driven by higher inflow of applications in Sweden and Norway. EBITDA margin was somewhat down due to increased marketing spend as well as development of new product verticals," CEO Kristin Skogen Lund says.

"Ventures saw another quarter with lower activity, focusing on supporting our current portfolio companies to balance growth with increased focus on revenues and reduced spending to extend their runway," CEO Kristin Skogen Lund says.

"Finally, headquarters decreased its EBITDA losses substantially in Q3 compared to last year and not least Q2. The periodic variations are primarily driven by phasing effects caused by our invoicing model for central product and technology services to our business areas," CEO Kristin Skogen Lund says.

### **This quarter's highlights**

- Underlying<sup>2</sup> revenue growth of 6 per cent, EBITDA of NOK 655 million.
- Nordic Marketplaces: 10 per cent underlying<sup>1</sup> revenue growth. Another quarter with strong performance in Norway with 17 per cent revenue growth, and 51 per cent EBITDA margin. Motor verticals in Sweden and Denmark were back

to growth, driven by price increases in August, and somewhat better listing volume trends compared to previous quarters.

- News Media: Underlying<sup>1</sup> revenue growth of 2 per cent, lower than in previous quarters, driven by a softer quarter for advertising, and print advertising in particular. Content investments and significantly higher input factor prices for our print products resulted in a 5 per cent EBITDA margin.
- eCommerce & Distribution: Revenues in line with last year, EBITDA down driven by higher fuel prices and revenue mix.
- Financial Services & Ventures: Continued strong growth momentum in Lendo with an underlying<sup>1</sup> revenue growth of 16 per cent. Ventures saw another quarter with lower activity, adjusted to market environment and financial gearing.
- The work to reduce costs and investment levels across the Group will be further strengthened in Q4 and going into 2023.

	Third quarter			Year to date		
	2022	2021	Change	2022	2021	Change
(NOK million)						
<b>Schibsted Group</b>						
Operating revenues	3,756	3,667	2%	11,284	10,687	6%
- of which digital	2,592	2,461	5%	7,742	6,922	12%
EBITDA	655	769	(15%)	1,755	2,106	(17%)
EBITDA margin	17%	21%		16%	20%	

Alternative performance measures used in this release are described and presented in the section Definitions and reconciliations in the quarterly report.

### **Programme for the day, 27 October 2022:**

#### **07:00 CET**

Publication of the Q3 results including interim report, presentation and financials and analytical information.

#### **09:00 CET**

CEO Kristin Skogen Lund and CFO Ragnar Kårhus will present the Q3 results as a live webcast, including a Q&A session. The presentation and following Q&A session will be held in English. The webcast can be viewed live at:

[https://channel.royalcast.com/landingpage/hegnarmedia/20221027\\_4/](https://channel.royalcast.com/landingpage/hegnarmedia/20221027_4/)

For the Q&A, participants can send in written questions via Slido.

Link: <https://www.sli.do/>

Event code: 3504872

It will not be possible to ask questions by phone.

It will also be possible to physically attend the presentation at our headquarters in Oslo, Akersgata 55.

A recording of the presentation will be available on our IR website shortly after the live webcast has ended.

Oslo, 27 October 2022

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<sup>1</sup> Foreign exchange neutral basis

<sup>2</sup> Foreign exchange neutral basis and adjusted for sold operations

### **Disclosure regulation**

This information is subject to the disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act.

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## Attachments

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