

Q4 2020 Results

12 February 2021

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Schibsted



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Alternative performance measures (APM) used in this presentation are described and presented in the section Definitions and reconciliations in the quarterly report.

Highlights Q4 2020

Returning to growth with underlying revenues growing 4%* in the quarter

Strong quarterly EBITDA of NOK 665m, up 45% YoY, resulting in full-year EBITDA above last year

Dividend of NOK 2.00 per share proposed for 2020

Higher EBITDA driven by all business areas, in particular News Media

Nordic Marketplaces

Continued QoQ recovery driven by Jobs in Norway

Underlying* revenues in line with last year after a decline over the last two quarters

EBITDA margin of 46% in Norway and 44% Sweden

Oikotie integration in Finland progressing according to plan

News Media

Main driver for the Group's YoY EBITDA improvement with growth in revenues, some one-offs and cost savings

Significant QoQ improvement in digital advertising revenues

Strong YoY growth for digital subscriptions continued

Very strong EBITDA margin of 14%

Financial Services

Underlying** revenues in Lendo declined YoY driven by the second wave of COVID-19

Robust EBITDA margin in Lendo due to improved cost and marketing efficiency, and lower expansion investments

Schibsted Growth

Another strong quarter, with significant YoY revenue growth in Distribution and Prisjakt

EBITDA improving YoY driven by higher revenues

2020 ESG achievements – new highlights

Environmental



Committed to a climate target in line with the Paris Agreement to lower our emissions with at least 50% until 2030.

Calculated the carbon footprint of our digital newspapers together with scientist from Bristol University in a project with BBC, Sky and Netflix.

Social



Reached our target to ensure a 60:40 gender ratio for our three top management levels that were stated by the Board in December 2017.

Launched a Group wide employee engagement tool, and first results show a high engagement with Schibsted as an employer – scoring 81/100 on the engagement scale.

Governance



Launched a sustainable investment policy for our Next investments and a related process for implementation of the policy.

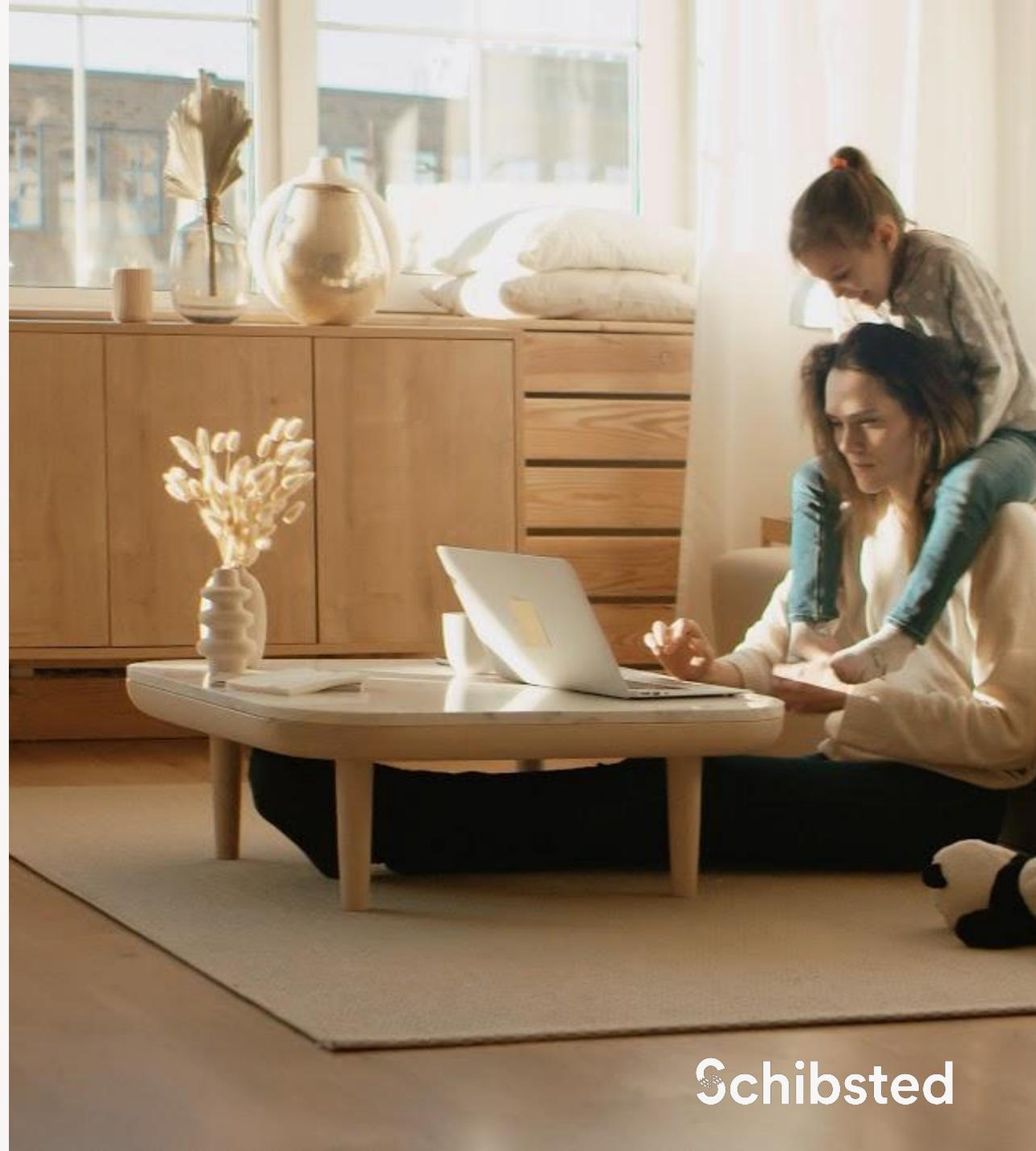
Our external score in ESG ratings has continued to increase and we are ranked as industry leader in several ratings.

Nordic Marketplaces



blocket **tori**

OIKOTIE

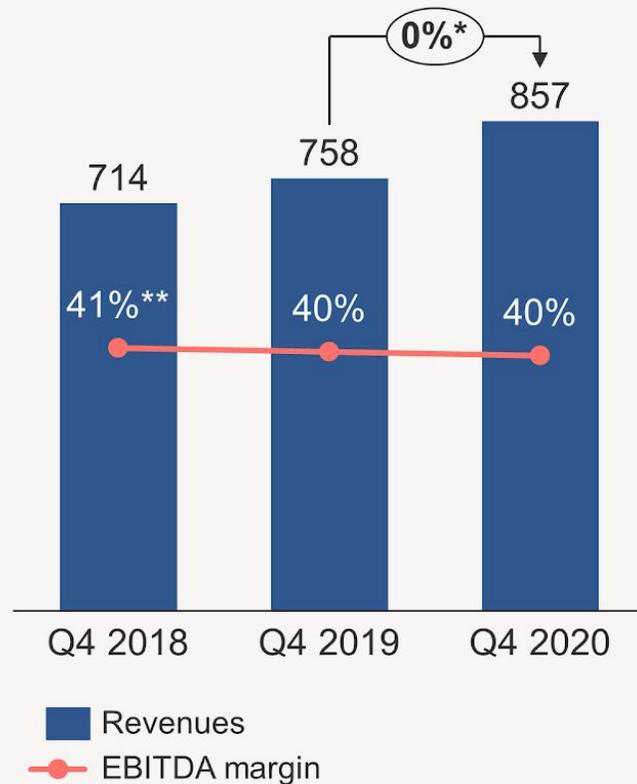


Schibsted

Improved revenue trend QoQ driven by Jobs in Norway

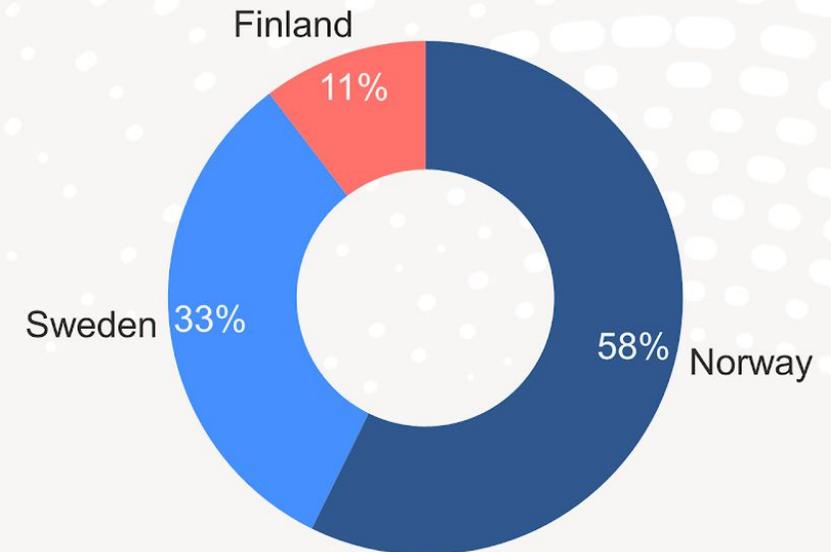
Nordic Marketplaces

Revenues (NOKm), EBITDA margin (%)



Revenues per country

Revenues (NOKm, share in %)



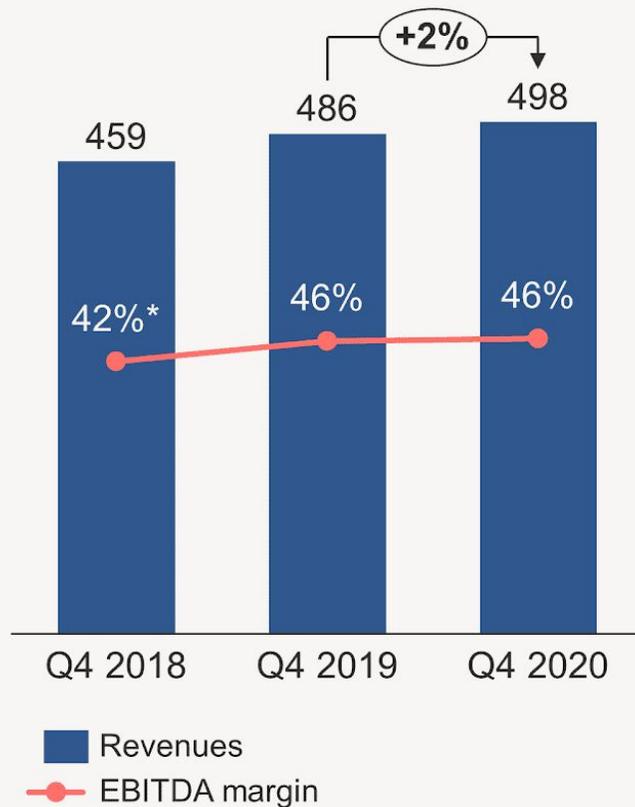
7 * Foreign exchange neutral basis and adjusted for acquisition of Oikotie (total revenue effect of NOK 62m in Q4 2020)

** EBITDA including IFRS 16 effect estimate

Job drives revenue improvement QoQ; 46% EBITDA margin in line with last year

Marketplaces Norway

Revenues (NOKm), EBITDA margin (%)



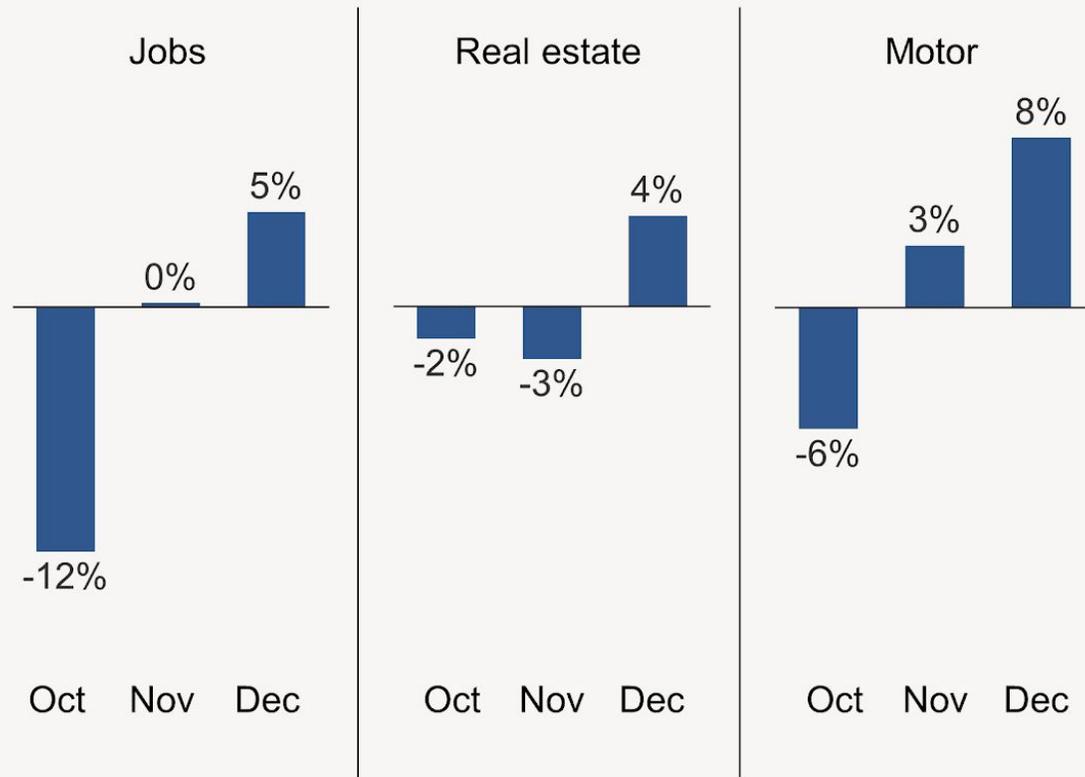
Highlights

- Job improved significantly in the quarter, and ended up growing YoY
- Good development in Real estate and Motor, though somewhat negatively affected by less need for upsell products due to increased liquidity from high demand
- Advertising and particularly Travel still significantly affected by macro environment and COVID-19, declining YoY
- Stable EBITDA margin YoY

Listings continued to recover with strong December; still good traffic growth

Marketplaces Norway

New approved ads (monthly growth YoY, %)



Continued good YoY growth in monthly visits (million)



Continued good performance within Motor drives revenue growth YoY in Q4; EBITDA margin up YoY

Marketplaces Sweden

Revenues (NOKm), EBITDA margin (%)



Highlights

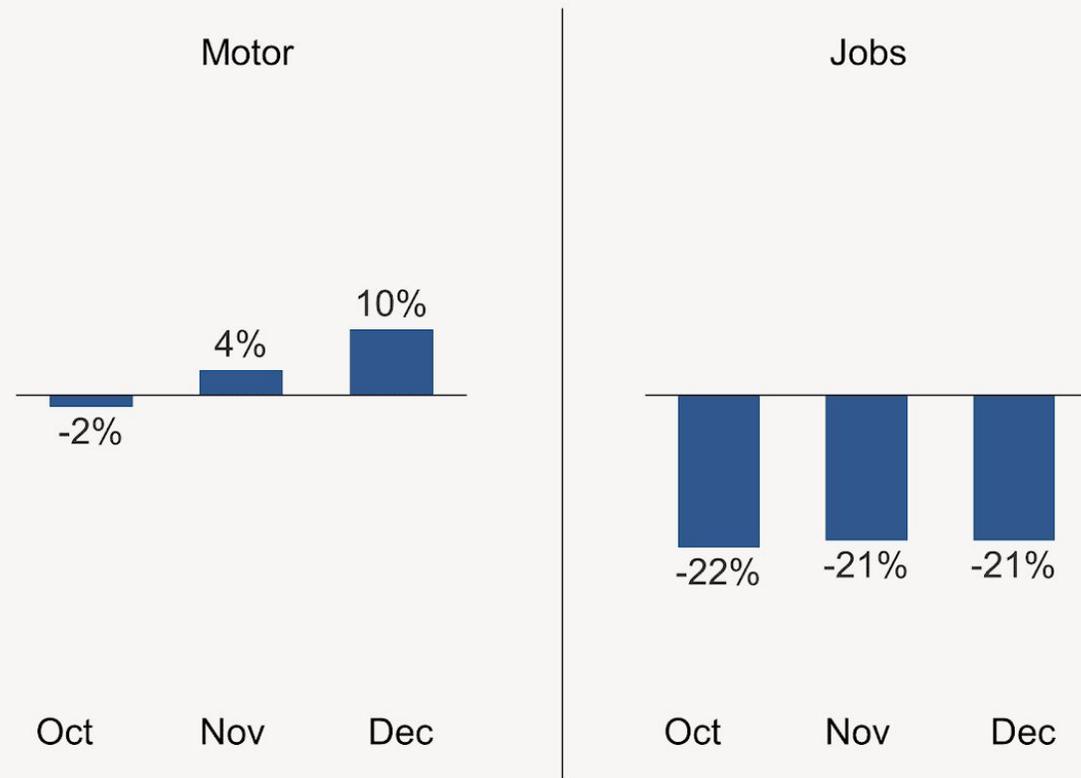
- Continued growth in Motor revenues driven by increased December volumes as well as higher ARPD from visibility product “Bump”
- Jobs and advertising continued to be down due to COVID-19, while trend for advertising (-4%*) slightly improved
- Continued strong traffic and good volume trend
- Temporary cost savings have dampened cost increase, improved EBITDA margin YoY

10 * Foreign exchange neutral basis
 ** EBITDA including IFRS 16 effect estimate; ARPD = average revenue per dealer

Motor listings improved during Q4; continued strong traffic

Marketplaces Sweden

New approved ads (monthly growth YoY, %)



Continued good YoY growth in monthly visits (million)



Good trend for advertising; increased investments in marketing and product affecting EBITDA

Marketplaces Finland

Revenues (NOKm), EBITDA margin (%)



Highlights

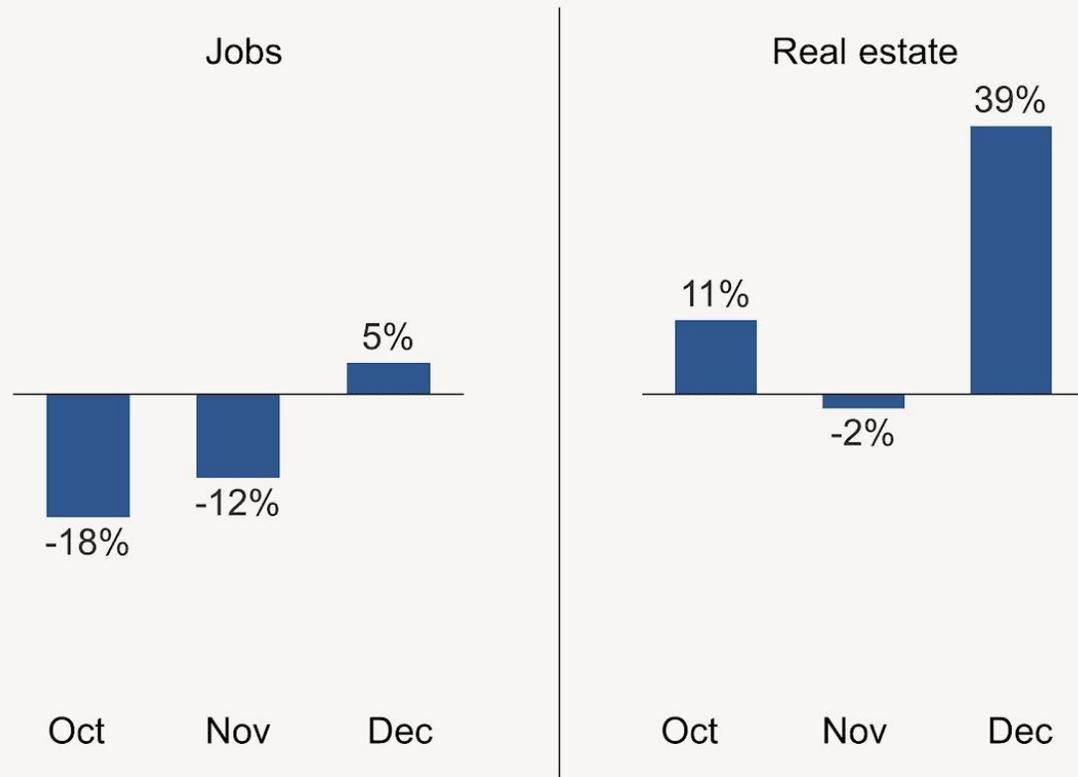
- Oikotie merger progressing as planned
- Improved trend in advertising, pro-forma revenues growing underlying 16%* YoY
- Job revenues recovering, almost stable YoY
- Real estate and Generalist continue the good trend
- Pro forma EBITDA declined driven by investments in marketing and product development

12 * Foreign exchange neutral basis
 ** EBITDA including IFRS 16 effect estimate

Improvement in Jobs and Real estate listings supported by strong traffic growth

Marketplaces Finland

New approved ads* (monthly growth YoY, %)



Continued strong YoY growth in monthly visits (million)**



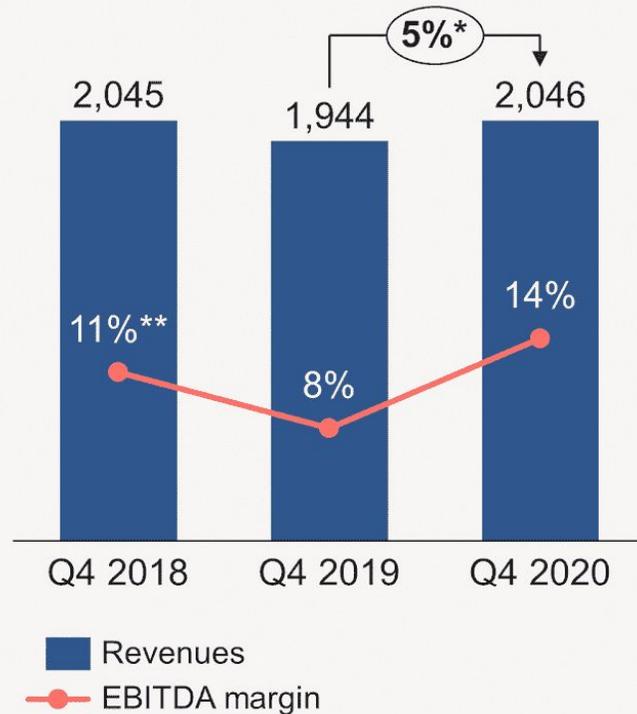
News Media



Very strong EBITDA margin due to strong growth in digital revenues, one-offs and cost savings

News Media

Revenues (NOKm), EBITDA margin (%)



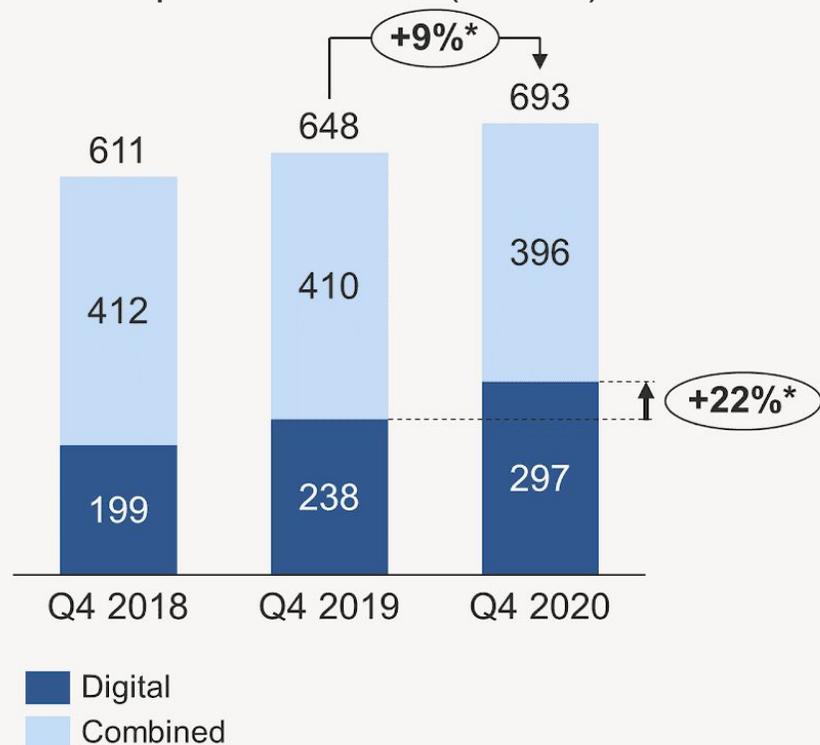
Highlights

- Continued strong YoY growth in digital subscription revenues, driven by both volume and ARPU
- Significant improvement in digital advertising, growing YoY in Q4
- Execution of cost reduction program of NOK 500m increased further, around NOK 180m effect in 2020
- Overall reduced variable costs due to remote work
- One-offs of SEK 26m from Government grants in Sweden affecting revenues and EBITDA positively

Continued strong growth for digital subscription revenues; advertising revenues improving

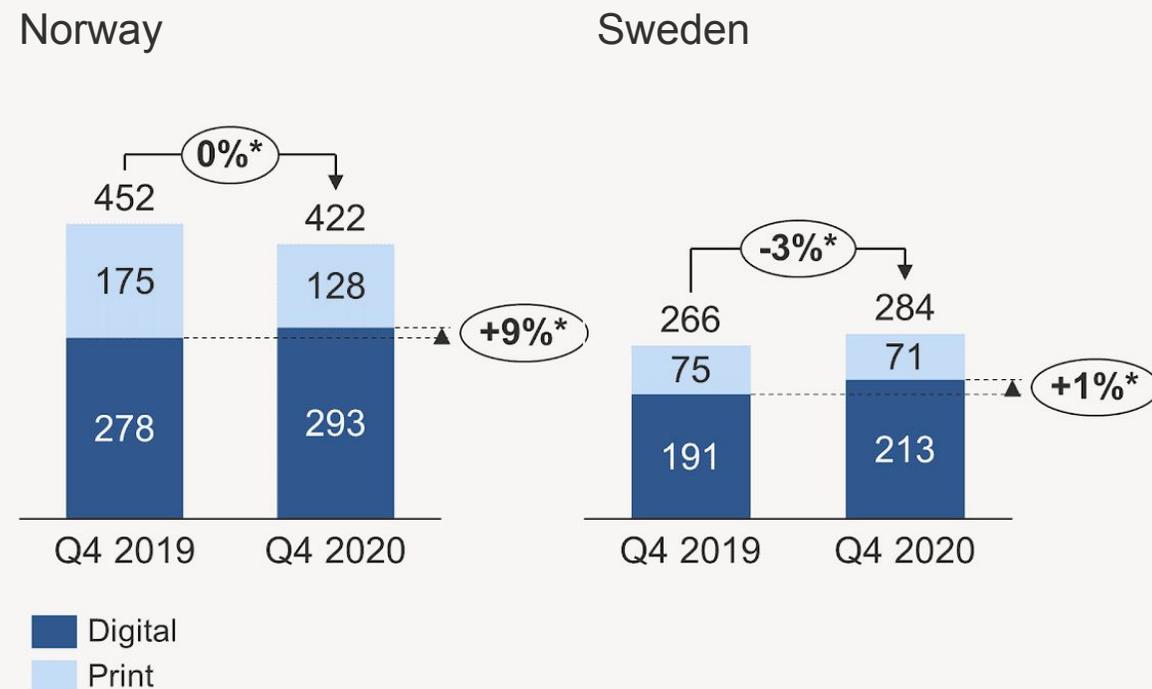
Growth in digital subscription revenues driven by both ARPU and volume

Subscription revenues (NOKm)



Strong quarter for digital advertising despite COVID-19

Advertising revenues (NOKm)**



Next

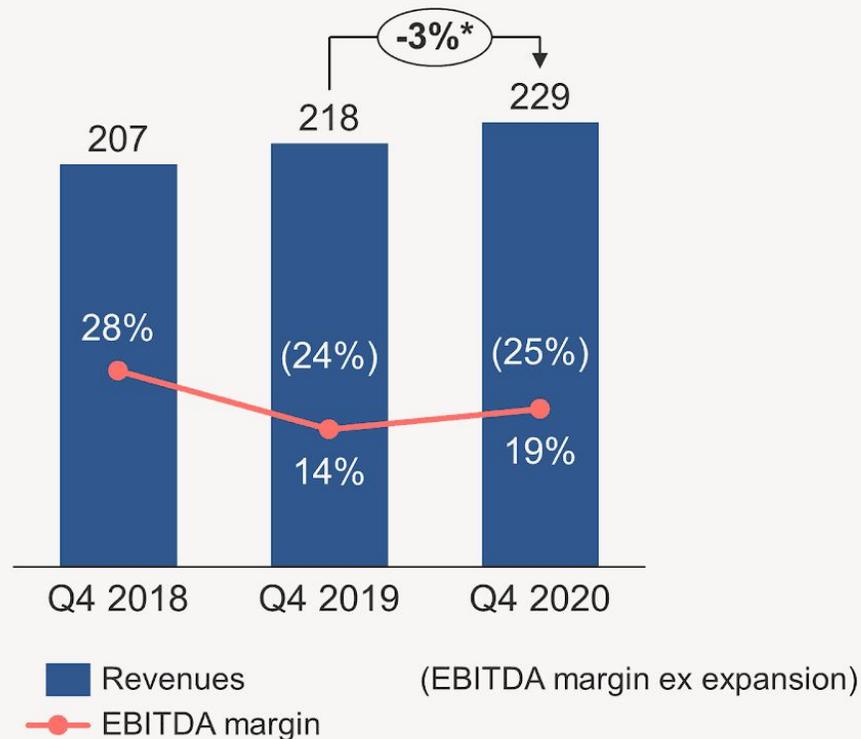
Financial Services & Growth



Robust EBITDA margin despite lower revenues due to COVID-19

Lendo Group

Revenues (NOKm), EBITDA margin (%)



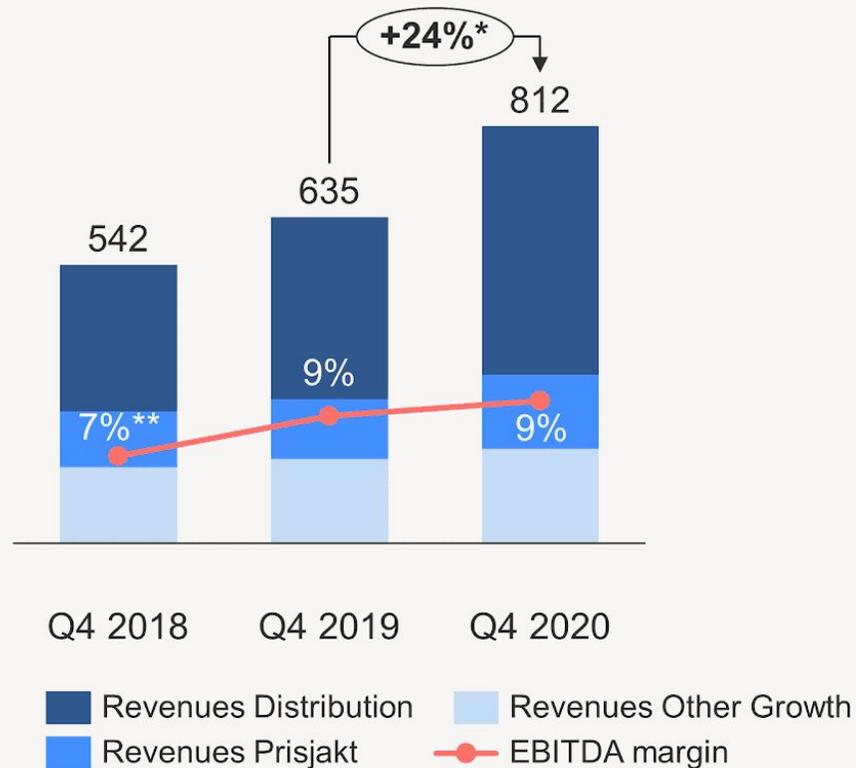
Highlights

- Profitability improved YoY due to improved cost and marketing efficiency, and lower investments for expansion in new markets
- Revenue growth impacted by second wave of COVID-19, particularly in Sweden and Finland
- Continued good growth in Denmark despite COVID-19
- EBITDA investments for expansion of NOK 73m for full-year 2020;
- For 2021, EBITDA investments of NOK 70-80 million are expected

Strong performance in Distribution and Prisjakt drives revenue growth; EBITDA improving QoQ

Schibsted Growth

Revenues (NOKm), EBITDA margin (%)



Highlights

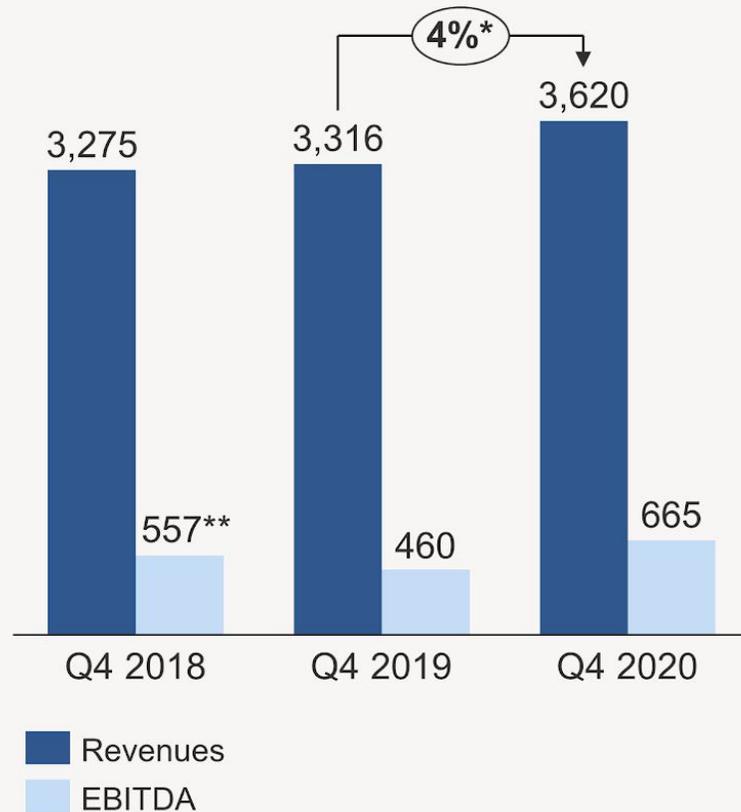
- Another strong quarter, with significant YoY revenue growth in Distribution and Prisjakt due to increased online shopping trends
- Distribution growing 36% YoY due to New Business (+139%), with continued growth in customers, volumes and increased market awareness
- Prisjakt growing 12%* driven by increased click revenues
- Other Schibsted Growth growing 8%* YoY driven by continued strong growth in MittAnbud and user payment in Omni

Finance

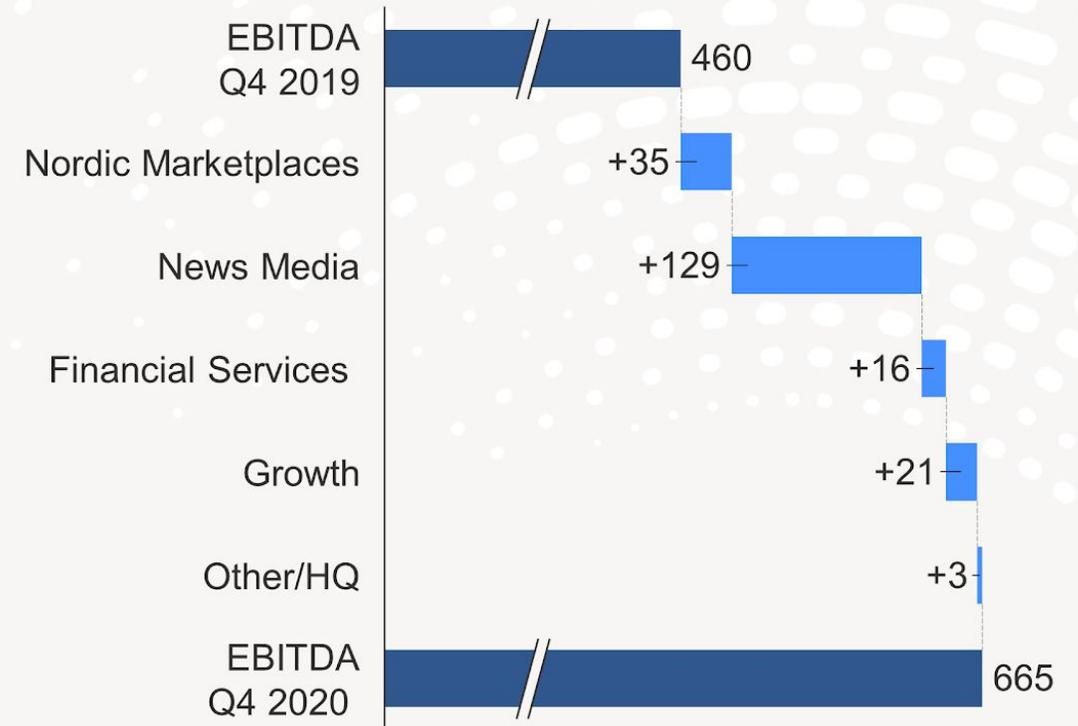


Very strong quarterly EBITDA, up 45% YoY

Schibsted Group
Revenues, EBITDA (NOKm)



Schibsted Group
EBITDA development YoY per segment (NOKm)



21 * Foreign exchange neutral basis and adjusted for acquisition of Oikotie and sale of certain regional and local newspapers
** EBITDA including IFRS 16 effect estimate

Strong 2020 results driven by robust digital business models

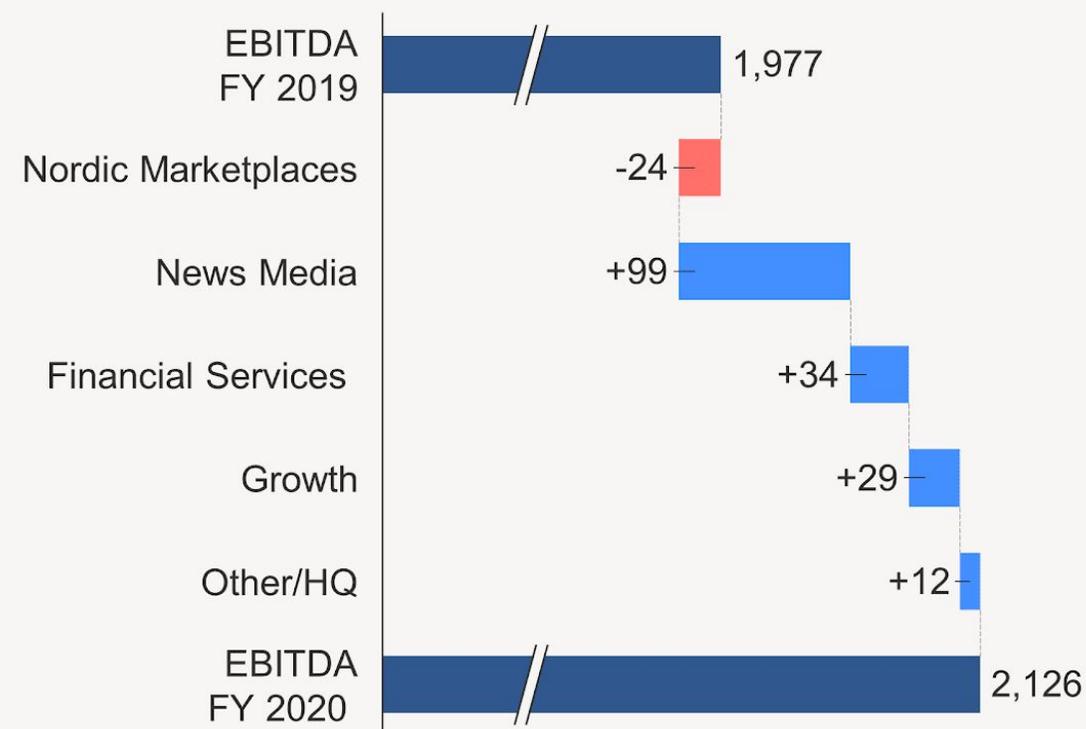
Schibsted Group

Revenues, EBITDA (NOKm)



Schibsted Group

EBITDA development YoY per segment (NOKm)



22 * Foreign exchange neutral basis and adjusted for acquisition of Oikotie and sale of certain regional and local newspapers
 ** EBITDA including IFRS 16 effect estimate

Q4 income statement Schibsted Group

Income statement (NOK million)	Fourth Quarter	
	2019	2020
Operating revenues	3 316	3 620
Operating expenses	(2 857)	(2 956)
Gross operating profit (loss) - EBITDA	460	665
Depreciation and amortisation	(201)	(218)
Share of profit (loss) of joint ventures and associates	(13)	(12)
Impairment loss	(26)	(40)
Other income and expenses	(51)	(54)
Operating profit (loss)	168	339
Net financial items	(29)	(36)
Profit (loss) before taxes from continuing operations	139	304
Taxes	(53)	(49)
Profit/loss from continuing operations	86	254
Profit/loss after tax from discontinued operations	35	444
Profit (loss)	121	698
Non-controlling interests	36	209
Owners of the parent	85	490
Earnings per share (NOK)		
EPS - basic (NOK)	0,36	2,09
EPS - basic adjusted (NOK)	1,36	2,69

Mainly scrapping of intangible assets no longer used, as well as impairment of an associate

Mainly explained by transaction-related cost in connection with the acquisition of Oikotie, the announced acquisition of eBay Denmark and restructuring cost related to headcount reductions in News Media

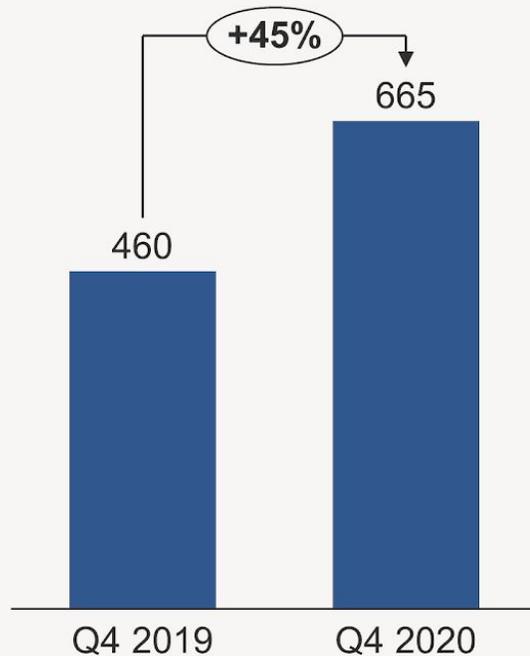
Mainly explained by net interest expenses

Includes a reassessment of unrecognised deferred tax assets of NOK 35 million

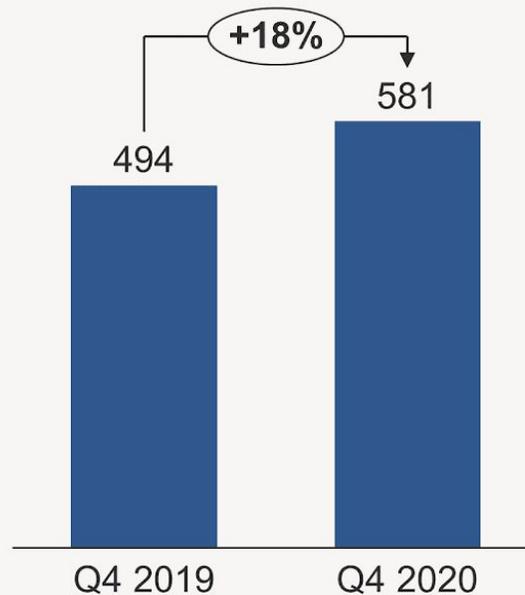
Profit after tax in Adevinta adjusted for reported amortization, depreciation, impairment and share of profit JV/associates

Q4 EBITDA, operating cash flow and capex

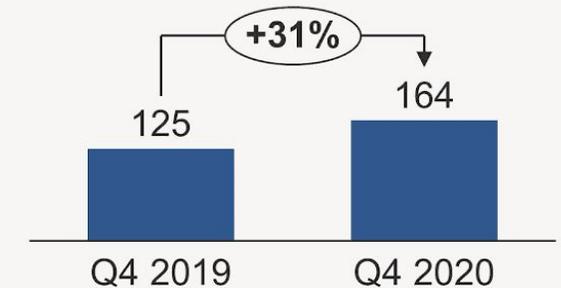
EBITDA
(NOKm)



Operating cash flow
(NOKm)

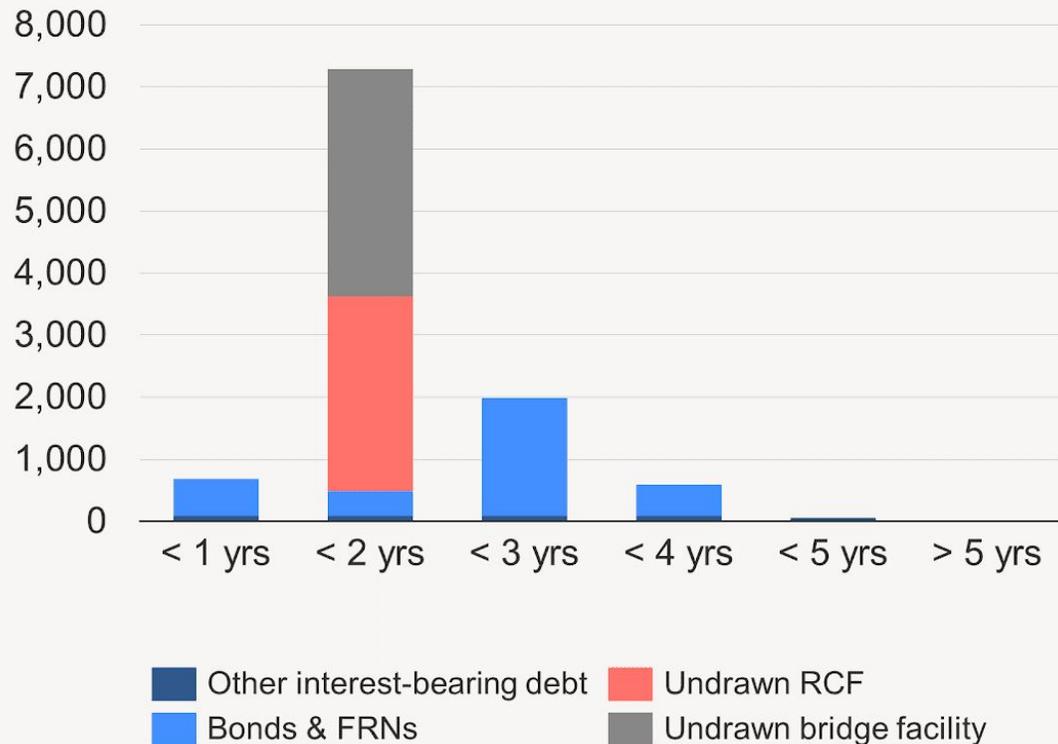


Capex
(NOKm)



NIBD/EBITDA at 1.4 ahead of closing of Danish eBay Classifieds assets

Well diversified debt maturity profile
(NOKm*)



Targeting financial gearing in the range of 1-3
(NIBD/EBITDA according to bank definition)



25 * As of 31 December 2020
** According to bank definition

Financial targets and policies

Nordic Marketplaces

Nordic Marketplaces revenues

Targeting annual revenue growth of 8-12% for the segment in the medium- to long-term

News Media

News Media EBITDA margin

EBITDA margin of 8-10% in the medium-term

Capital allocation

M&A

M&A activities targeted primarily to strengthen market positions and bolt-on adjacent businesses

Dividend policy

Stable to increasing dividend over time

Capital structure

Leverage policy

Targeting NIBD/EBITDA in the range of 1-3, making it possible to lever up if a particularly attractive investment becomes available

Any over-capitalization to be addressed through (extraordinary) dividend or share buyback

Save the date: Virtual Capital Markets Day 11 March 2021, 10:00 CET

Speakers: Kristin Skogen Lund, CEO

Christian Printzell Halvorsen, EVP Nordic Marketplaces

Siv Juvik Tveitnes, EVP News Media – Raoul Grünthal, EVP Next

Dan Ouchterlony, SVP Financial Services – Ragnar Kårhus, CFO

– More information and webcast link will be submitted closer to the event –



Q&A

12 February 2021

Kristin Skogen Lund, CEO
Ragnar Kårhus, CFO

Schibsted



Appendices

Spreadsheet containing detailed Q4 2020
and historical information can be downloaded
at schibsted.com/ir



Continuing operations

Q4 cash flow

Cash flow (NOK million)	Fourth Quarter	
	2019	2020
Profit (loss) before taxes from continuing operations	139	304
Depreciation, amortisation and impairment losses	227	258
Net effect pension liabilities	(33)	(5)
Share of loss (profit) of joint ventures and associates, net of dividends received	14	12
Taxes paid	42	(96)
Sales losses (gains) non-current assets and other non-cash losses (gains)	-	(11)
Non-cash items and change in working capital and provisions	105	118
Net cash flow from operating activities	494	581
Development and purchase of intangible assets, and property, plant and equipment	(125)	(164)
Acquisition of subsidiaries, net of cash acquired	(58)	-
Proceeds from sale of intangible assets, and property, plant and equipment	-	-
Proceeds from sale of subsidiaries, net of cash sold	-	-
Net sale of (investment in) other shares	(50)	(46)
Net change in other investments	(16)	28
Net cash flow from investing activities	(250)	(181)
Net cash flow from financing activities	(631)	(107)
Effects of exchange rate changes on cash and cash equivalents	1	(7)
Net increase (decrease) in cash and cash equivalents	(385)	285

Q4 cash flow Schibsted Group

Cash flow (NOK million)	Fourth Quarter	
	2019	2020
Profit (loss) before taxes from continuing operations	139	304
Profit (loss) before taxes from discontinued operations	88	426
Depreciation, amortisation and impairment losses	605	258
Net effect pension liabilities	(29)	21
Share of loss (profit) of joint ventures and associates, net of dividends received	(32)	12
Taxes paid	(199)	(297)
Sales losses (gains) non-current assets and other non-cash losses (gains)	1	(50)
Non-cash items and change in working capital and provisions	186	69
Net cash flow from operating activities	759	742
Net cash flow from investing activities	(1 100)	(3 162)
Net cash flow from financing activities	(196)	602
Effects of exchange rate changes on cash and cash equivalents	-	(172)
Net increase (decrease) in cash and cash equivalents	(537)	(1 989)
Cash and cash equivalents at start of period	4 403	4 666
Cash and cash equivalents at end of period	3 866	2 678

Underlying tax rate

- The underlying tax rate, for continuing operations, was 23.4%
- Taxes were positively affected by NOK 35m from recognition of deferred tax assets

Underlying tax rate (NOK million)	Q4 2020
Profit (loss) before taxes from continuing operations	304
Share of profit (loss) of joint ventures and associates	12
Basis for changes in unrecognized deferred tax assets	33
Gain on sale and remeasurement of subsidiaries, joint ventures and associates	(9)
Impairment losses	17
Non-deductible transaction-related costs	3
Adjusted tax base	360
Taxes	49
Reassessment of unrecognised deferred tax assets	35
Adjusted taxes	84
Underlying tax rate	23,4%

Shareholders analysis



Rank	Name	A-shares	B-Shares	Total	% of S/O
1	Blommenholm Industrier AS	28,541,262	30,013,354	58,554,616	25.0%
2	Folketrygdfondet	9,026,454	11,677,570	20,704,024	8.9%
3	Baillie Gifford & Co.	6,673,899	7,093,448	13,767,347	5.9%
4	Fidelity Management & Research Company LLC	8,705,859	4,072,052	12,777,911	5.5%
5	Adelphi Capital LLP	2,459,484	4,240,040	6,699,524	2.9%
6	NYA WERMLANDS-TIDNINGENS AB	3,200,000	3,200,000	6,400,000	2.7%
7	UBS AG London	2,515,505	3,630,718	6,146,223	2.6%
8	The Vanguard Group, Inc.	3,089,441	2,850,123	5,939,564	2.5%
9	Alecta pensionsforsikring, ömsesidigt	0	5,193,000	5,193,000	2.2%
10	BlackRock Institutional Trust Company, N.A.	2,012,354	2,774,558	4,786,912	2.0%
11	Pelham Capital Ltd	0	3,314,916	3,314,916	1.4%
12	KLP Forsikring	490,450	2,618,984	3,109,434	1.3%
13	DNB Asset Management AS	614,224	2,492,054	3,106,278	1.3%
14	Marathon Asset Management LLP	1,675,814	1,332,571	3,008,385	1.3%
15	Storebrand Kapitalforvaltning AS	1,046,186	1,918,256	2,964,442	1.3%
16	Mitsubishi UFJ Trust and Banking Corporation	1,457,753	1,201,114	2,658,867	1.1%
17	Goldman Sachs International	43,138	2,531,928	2,575,066	1.1%
18	Fidelity Institutional Asset Management	1,376,997	649,973	2,026,970	0.9%
19	Danske Bank (Custodian)	1,792,071	120,000	1,912,071	0.8%
20	Handelsbanken Asset Management	173,598	1,689,576	1,863,174	0.8%

The shareholder ID data are provided by Nasdaq OMX. The data are obtained through the analysis of beneficial ownership and fund manager information provided in replies to disclosure of ownership notices issued to all custodians on the Schibsted share register. Whilst every reasonable effort is made to verify all data, neither Nasdaq OMX or Schibsted can guarantee the accuracy of the analysis.

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