



Schibsted ASA (SCHA/SCHB) - Interim Financial Statement Q2 2021

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Today, Schibsted released its Q2 2021 results

Accelerated revenue growth

“After a very strong first quarter, we are happy to see an even stronger development through the second quarter, driven by solid market recovery. Underlying¹ revenues grew 18 percent compared to a COVID-19 affected last year, but even more importantly we also delivered a 9 percent underlying¹ growth compared to 2019. Driven by the strong revenue growth, we achieved an EBITDA of NOK 743 million in Q2, up from NOK 498 million in the same period last year. The strong increase in EBITDA was driven by Nordic Marketplaces and News Media,” CEO Kristin Skogen Lund says.

“Revenues from Nordic marketplaces grew by an underlying¹ 32 percent in the quarter, mainly driven by a strong development in job verticals in all markets, but especially in Norway. At the same time, the real estate and motor verticals across the markets have also shown a positive development compared with the same period last year, as has the development in advertising revenues. In Finland, we are seeing a clear increase in traffic on Oikotie after the integration with Tori has now been completed. This supports a positive underlying¹ income development in all main verticals in Finland during the quarter,” CEO Kristin Skogen Lund says.

“News Media had another strong quarter, where underlying² revenues grew 10 percent in combination with continued good traction on the cost program. The revenue growth in News Media is driven by a significant uplift in digital advertising revenues, also compared to 2019, in addition to continued strong growth in revenues from digital subscriptions,” CEO Kristin Skogen Lund says.

“Within Financial Services, Lendo’s underlying² revenues returned to growth in the quarter, although banks continued to be restrictive in their lending practices. Distribution continued to record strong growth on top of an amplified quarter last year, when online shopping trends increased as result of the COVID-19 outbreak. Prisjakt, on the other hand, showed a slight underlying² revenue decline and affected EBITDA negatively compared to last year due to product investments,” CEO Kristin Skogen Lund says.

“On 25th June, Adevinta finally completed the acquisition of eBay Classifieds Group, creating the world’s largest online classifieds platform. As a result of the transaction, Schibsted’s ownership share has been reduced to 33 percent of Adevinta’s total outstanding share capital. Since Schibsted then no longer has a controlling ownership position in the company, the ownership interest at the time of the transaction is remeasured at fair value in our balance sheet, calculated based on Adevinta’s share price at the date of closing. This has led to a significant accounting gain, amounting to NOK 60 billion. The value of the retained interest is together with the value of the shares distributed to shareholders at the time of the spin off a strong sign of the significant value creation to shareholders coming out of Schibsted’s long term strategic focus on shaping the global classified industry,” CEO Kristin Skogen Lund says.

“The closing of the eBay transaction also means that we can finally welcome our Danish colleagues to the Schibsted family, which we have been looking forward to since last summer. Together, we will be very well equipped to develop and grow the next generation of online classified businesses in the Nordic region,” CEO Kristin Skogen Lund says.

“Lastly, Schibsted has implemented a new organizational model from 01 July, which links marketplaces with distribution, sharpens focus on venture investments and financial services, and paves the way for an even more ambitious company-wide growth agenda. The new organizational model builds on Schibsted’s proven foundation, and is all about matching businesses that can make each other better, while at the same time giving all our businesses the focus and direction they need to grow. In addition, we will increase our efforts further to shape and execute a holistic investment strategy. The aim is to identify additional opportunities for investments, growth and transformation, potentially broadening Schibsted’s portfolio of businesses and brands,” CEO Kristin Skogen Lund says.

“In connection with this, we are very happy to introduce a new member to our Schibsted Group Executive Management team. In Q3, Andrew Kvålseth will join as our new Chief Investment Officer. Andrew brings over 20 years of leadership experience across a range of investment, digital, and commercial leadership roles. This includes extensive experience from leading VC investments, internal corporate ventures and corporate M&A teams. He also brings significant commercial leadership experience from founding and growing an e-commerce company as CEO, to leading an online payments company, to his current role as Group Chief Commercial Officer in Ooredoo, the Qatar based global telecom and media company. He also has a broad international perspective having lived and worked across the US, Europe, Middle East and Asia,” CEO Kristin Skogen Lund says.

Highlights of the quarter

- Closing of Adevinta's acquisition of eBay Classifieds Group, and Schibsted's acquisition of eBay Classifieds' Danish operations, strengthening our position as the Nordic online classifieds champion
- Significant accounting gain of NOK 60 billion from Adevinta fair value recognition at closing
- Underlying¹ revenue growth of 18 percent ensured strong quarterly EBITDA of NOK 743 million, 49 percent above last year and 33 percent higher than 2019
- Nordic Marketplaces: Accelerated underlying¹ revenue growth of 32 percent, primarily driven by the Job vertical. Strong EBITDA margin of 55 percent in Norway and 43 percent in Sweden.
- News Media: Continued strong performance with underlying² revenue growth of 10 percent, driven by re-bounce in digital advertising in addition to continued strong growth in digital subscriptions. Strong EBITDA margin of 14 percent.
- Financial Services: Underlying² revenues in Lendo returned to growth vs. somewhat weak comparables. Solid EBITDA margin, increasing slightly YoY.
- Growth: Underlying² revenue growth of 16 percent on top of an amplified quarter last year, driven by Distribution. EBITDA decline YoY driven by Prisjakt investments in product development.

	Second quarter			Year to date		
(NOK million)	2021	2020	Change	2021	2020	Change
Schibsted Group						
Operating revenues	3,619	3,073	18%	7,019	6,099	15%
- of which digital	2,353	1,851	27%	4,461	3,677	21%
EBITDA	743	498	49%	1,338	783	71%
EBITDA margin	21%	16%		19%	13%	

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

Webcast presentation including Q&A 16 July at 09:00 CET

CEO Kristin Skogen Lund and CFO Ragnar Kårhus will present the Q2 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://bit.ly/3yCyPzU>.

For the Q&A, participants can send in written questions via Slido at <https://app.sli.do/event/mnzgrudf> (event code: 051602). It will not be possible to ask questions by phone.

As a result of the COVID-19 pandemic, it will not be possible to attend the presentation in person at our headquarters in Oslo.

Press/media can reach out to Schibsted's Head of External Communications & Brand Management, Nathalie Kåvin (nathalie.kavin@schibsted.com), to set up separate one-on-one interviews with CEO Kristin Skogen Lund.

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

¹ Foreign exchange neutral basis and including pro-forma Oikotie revenues in Q2 2020

² Foreign exchange neutral basis

Oslo, 16 July 2021

SCHIBSTED ASA

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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About Schibsted

Schibsted is a family of digital brands with a strong Nordic position, and more than 5,000 employees. Millions of people enjoy interacting with our companies every day through our online marketplaces such as FINN, Blocket and Oikotie; our media houses including Aftenposten, VG and Aftenbladet; and digital services like Lendo. We also help new promising businesses grow. Our joint mission of empowering people in their daily lives is rooted in the values of our media heritage and a legacy of bold change. At our best, we are a fearless force for change in a society built on trust and transparency.

Schibsted is listed on Oslo Børs and holds a majority ownership in Adevinta, a company that was spun off and publicly listed as a separate company on Oslo Børs in 2019.

Attachments

- [Download announcement as PDF.pdf](#)
- [Financials and Analytical Info Q2 2021.pdf](#)
- [Results presentation Q2 2021.pdf](#)
- [Interim Report Q2 2021.pdf](#)