

BCG

BALTIC
CLASSIFIEDS
GROUP

PROSPECTUS

June 2021



This document comprises a prospectus (the “**Prospectus**”) for the purposes of Article 3 of Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”) relating to Baltic Classifieds Group PLC (the “**Company**”) prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the “**FCA**”) made under section 73A of the Financial Services and Markets Act 2000 (as amended, “**FSMA**”) (the “**Prospectus Regulation Rules**”). This Prospectus has been filed with and approved by the FCA as a competent authority under the UK Prospectus Regulation. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Shares.

Application will be made to the FCA for all of the shares of the Company (the “**Shares**”), issued and to be issued in connection with the Offer, to be admitted to the premium listing segment of the Official List of the FCA (the “**Official List**”) and to London Stock Exchange plc (the “**London Stock Exchange**”) for all of the Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (together, “**Admission**”). Admission to trading on the London Stock Exchange’s main market for listed securities constitutes admission to trading on a regulated market. Conditional dealings in the Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 30 June 2021. It is expected that Admission will become effective, and that unconditional dealings will commence on the London Stock Exchange, at 8.00 a.m. on 5 July 2021. **All dealings in Shares prior to the commencement of unconditional dealings will be on a “when issued” basis and will be of no effect if Admission does not take place and such dealings will be at the sole risk of the parties concerned.** No application has been, or is currently intended to be, made for the Shares to be admitted to listing or trading on any other stock exchange.

The Directors, whose names appear on page 86 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

Prospective investors should read the whole of this Prospectus. In particular, your attention is drawn to the risk factors described in Part II (*Risk Factors*) of this Prospectus for a discussion of certain factors that should be considered in connection with an investment in the Shares. Prospective investors should be aware that an investment in the Company involves a degree of risk and that, if one or more of the risks described in this Prospectus were to occur, investors may find their investment materially adversely affected.



Baltic Classifieds Group PLC

(incorporated in England and Wales under the Companies Act 2006 with registered number 13357598)

Offer of 200,000,000 Shares (comprising 61,304,620 New Shares and 138,695,380 Existing Shares) at an Offer Price of 165 pence per Share and admission to the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange

Sponsor, Global Coordinator and Joint Bookrunner

BofA Securities

Joint Bookrunner

BNP PARIBAS

Issued share capital immediately following Admission of 500,000,000 Shares of £1.00 nominal value

Pursuant to the terms of the Offer, the Company is offering 61,304,620 New Shares which will raise estimated net proceeds for the Company of £89.4 million and the Selling Shareholders are selling 138,695,380 Existing Shares in aggregate (representing 27.74% of the issued Shares on Admission) which will raise estimated net proceeds, in aggregate, for the Selling Shareholders of £221.2 million. This assumes no exercise of the Over-allotment Option. In addition, up to a further 30,000,000 Existing Shares (representing 15% of the total number of Shares included in the Offer) may be made available by the Major Shareholder pursuant to the Over-allotment Option. The Company will not receive any of the proceeds from the sale of the Existing Shares.

The New Shares to be issued pursuant to the Offer will, following Admission, rank pari passu in all respects with each other and with the Existing Shares (including with respect to pre-emption rights) and they will form a single class with the Existing Shares for all purposes, including with respect to voting and for all dividends and distributions thereafter declared, made or paid on the ordinary share capital of the Company (including a share in the liquidation proceeds in the case of a liquidation of the Company).

The distribution of this Prospectus and the offer of the Shares contemplated by this Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company or Merrill Lynch International (the “**Sponsor**”), BNP Paribas (together with Merrill Lynch International, the “**Underwriters**”) or the Selling Shareholders to obtain any approval, authorisation or exemption to permit the offer of the Shares or the possession or distribution of this Prospectus in any jurisdiction other than the UK. Accordingly, neither this Prospectus nor any other offering material or advertisement in connection with the Shares may be distributed or published in or from any country or jurisdiction except in circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes should inform themselves about, and observe, any applicable restrictions and legal, exchange control or regulatory requirements in relation to the distribution of this Prospectus. Any failure to comply with these restrictions and requirements may constitute a violation of the securities laws of any such jurisdiction.

This Prospectus does not constitute or form part of any offer to sell or issue, or any invitation or solicitation of any offer to invest in, any securities of the Company other than the Shares offered by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

Prospective investors should only rely on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised. Without limitation, the contents of www.balticclassifieds.com or any website directly or indirectly linked to www.balticclassifieds.com do not form part of this Prospectus and information contained therein should not be relied upon by any prospective investors. The Company will comply with its obligations to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules containing further updated information required by law or by any regulatory authority, but, except as required by any other applicable law, assumes no further obligation to publish additional information. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor Admission nor any subsequent subscription or sale shall, under any circumstances, create any implication that there has been no change in the affairs of the Group set out in this Prospectus or that the information in it is correct as at any date subsequent to the date of this Prospectus.

None of the Company, the Directors, the Underwriters, the Selling Shareholders or any of their respective affiliates or representatives is making any representation to any prospective investor in the Shares regarding the legality of an investment in the Shares by any such prospective investor under the laws applicable to any such prospective investor. The contents of this Prospectus should not be construed as legal, financial or tax advice. Each prospective investor should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice in relation to an investment in the Shares.

Prior to making any decision as to whether to invest in the Shares, prospective investors should read this Prospectus in its entirety. In making an investment decision, each prospective investor must rely on his, her or its own examination, analysis and enquiry of the Company, the Shares and the terms of the Offer, including the merits and risks involved. Prospective investors also acknowledge that: (i) they have not relied on any of the Underwriters or the Selling Shareholders, or any person affiliated with the Underwriters or the Selling Shareholders in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; (ii) they have relied only on the information contained in this Prospectus; and (iii) no person has been authorised to give any information or to make any representation concerning the Company or its subsidiaries or the Shares (other than as contained in this Prospectus) and, if

given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Underwriters or the Selling Shareholders.

Apart from the responsibilities, if any, which may be imposed on any of the Underwriters by FSMA or the regulatory regime established thereunder to the extent the exclusion of responsibility under the relevant regulatory regime would be illegal, void or unenforceable, none of the Underwriters nor any of their respective affiliates accept any responsibility whatsoever for, or make any representation or warranty, express or implied, as to, the accuracy, completeness or verification of the contents of this Prospectus or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Shares or the Offer, and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Underwriters accordingly disclaims all and any responsibility or liability for its accuracy, completeness or verification, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

Merrill Lynch International is authorised by the Prudential Regulation Authority (the “PRA”) and regulated in the UK by the PRA and the FCA. BNP PARIBAS is (i) authorised and regulated by the European Central Bank and the AUTORITÉ DE CONTRÔLE PRUDENTIEL ET DE RESOLUTION, (ii) deemed authorised by the PRA and with deemed variation of permission, and (iii) subject to regulation by the FCA and limited regulation by the PRA (details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the FCA’s website). The Sponsor and the Underwriters are acting exclusively for the Company and no one else in connection with the Offer, and will not regard any other person (whether or not a recipient of this Prospectus) as their respective clients in relation to the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for providing advice in relation to the Offer or any transaction, matter or arrangement referred to in this Prospectus.

In connection with the Offer, Merrill Lynch International (as Stabilising Manager), or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law and for stabilisation purposes, over allot Shares up to a total of 15% of the total number of Shares included in the Offer or effect other transactions with a view to supporting the market price of the Shares or any options, warrants or rights with respect thereto, or other interest in the Shares or other securities of the Company, in each case at a higher level than that which might otherwise prevail in the open market. However, there is no assurance that the Stabilising Manager (or any of its agents) will undertake stabilisation action. Such stabilisation, if commenced, may be discontinued at any time and must be brought to an end within 30 days after the commencement of conditional dealings in the Shares. Such stabilisation, if commenced, may be discontinued at any time without prior notice. If such stabilisation occurs, it will be undertaken at the London Stock Exchange. However, there will be no obligation on the Stabilising Manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. In no event will measures be taken to stabilise the market price of the Shares above the Offer Price. Except as required by law or regulation, neither the Stabilising Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.

For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotment and/or from sales of Shares effected by it during the stabilisation period, the Stabilising Manager has been granted the Over-allotment Option by the Major Shareholder under the Underwriting Agreement, pursuant to which it may purchase, or procure purchasers for, Over-allotment Shares (representing up to 15% of the total number of Shares included in the Offer) at the Offer Price. The Over-allotment Option may be exercised in whole or in part upon notice by the Stabilising Manager at any time on or before the 30th calendar day after the commencement of conditional dealings in the Shares on the London Stock Exchange. Any Over-allotment Shares made available pursuant to the Over-allotment Option will be made available on the same terms and conditions as Shares being offered or sold pursuant to the Offer, will rank *pari passu* in all respects with all other Shares (including with respect to pre-emption rights) and will form a single class with all other Shares for all purposes, including with respect to voting and for all dividends and distributions thereafter declared, made or paid on the ordinary share capital of the Company.

Date of Prospectus: 30 June 2021

NOTICE TO CERTAIN INVESTORS

The Shares are subject to selling and transfer restrictions in certain jurisdictions. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Prospective investors should read the restrictions described under section 1 (*Summary of the Offer and Use of Proceeds*) of Part XVI (*The Offer*) of this Prospectus. Each investor in the Shares will be deemed to have made the relevant representations described therein.

The distribution of this Prospectus and the Offer in certain jurisdictions may be restricted by law. No action has been or will be taken by the Company, the Directors, the Selling Shareholders, the Underwriters or any such person's affiliates to permit a public offering of the Shares or to permit the possession or distribution of this Prospectus (or any other offering or publicity materials relating to the Shares) in any jurisdiction other than the UK, where action for that purpose may be required. Accordingly, neither this Prospectus nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. For further information on the manner of distribution of the Shares, and the transfer restrictions to which they are subject, see section 11 (*Transfer and Selling Restrictions*) of Part XVI (*The Offer*) of this Prospectus.

In particular, save for the United Kingdom, no action has been taken to allow for a public offering of the Shares under the applicable securities laws of any other jurisdiction including Australia, Canada, Japan or the United States. This Prospectus does not constitute or form part of any offer to sell or issue, or any invitation or solicitation of an offer to buy Shares to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful.

Notice in connection with the United Kingdom and Member States of the European Economic Area

This Prospectus has been prepared on the basis that all offers of Shares in the European Economic Area (the "EEA") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus for offers of shares and all offers of Shares in the United Kingdom will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to produce a prospectus for offers of shares. Accordingly, any person making or intending to make any offer within the EEA or the UK of Shares which are included in the Offer contemplated in this Prospectus should only do so in circumstances in which no obligation arises for the Company, the Selling Shareholders or any of the Underwriters to produce a prospectus for such offer. None of the Company, the Selling Shareholders and the Underwriters have authorised, nor will they authorise, the making of any offer of Shares through any financial intermediary, other than offers made by the Underwriters which constitute the final placement of Shares contemplated in this Prospectus.

Notice to United States investors

The Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**US Securities Act**"), or the securities laws of any state or other jurisdiction of the United States. The Shares offered by this Prospectus may not be offered or sold in the United States, except to qualified institutional buyers ("**QIBs**") as defined in, and in reliance on, Rule 144A under the US Securities Act ("**Rule 144A**") or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Shares are being offered and sold outside the United States in reliance on Regulation S under the US Securities Act ("**Regulation S**"). Prospective investors are hereby notified that the sellers of the Shares may be relying on the exemption provided by Rule 144A of the US Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

The Shares offered by this Prospectus have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any such authorities passed upon, or endorsed the merits of, the Offer or the accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Information to distributors

Solely for the purposes of the product governance requirements contained within (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) articles 9 and 10 of Commission Delegated

Directive (EU) 2017/593 supplementing MiFID II; (c) local implementing measures (the “**EEA Product Governance Requirements**”) and (d) Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK Product Governance Requirements**”) and together with the EEA Product Governance Requirements, the “**Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail clients and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II or Chapter 3 of the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), as applicable; and (ii) eligible for distribution through all permitted distribution channels (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors (for the purposes of the Product Governance Requirements) should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or Chapters 9A or 10A respectively of COBS; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

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PART I
SUMMARY

Introduction and warnings

This summary should be read as an introduction to the prospectus (this “**Prospectus**”). Any decision to invest in the securities offered hereby should be based on a consideration of this Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the securities offered.

The issuer is Baltic Classifieds Group PLC (the “**Company**”). The Company’s Legal Entity Identifier (“**LEI**”) is 213800I1RPHCFSSQS969. Its registered office is at Highdown House, Yeoman Way, Worthing, West Sussex BN99 3HH, United Kingdom. The Company’s principal place of business is Saltoniškių St. 9B, LT-08105 Vilnius, Lithuania and the telephone number is +37052075061.

The International Security Identification Number (“**ISIN**”) of the ordinary shares with a nominal value of £1.00 each in the capital of the Company (the “**Shares**”) is GB00BN44P254. When admitted to trading, the Shares will be registered with ISIN number GB00BN44P254 and SEDOL number BN44P25, and will trade under the symbol “**BCG**”.

The Shares are offered by the Company and certain selling shareholders including the Major Shareholder (as defined below) (the “**Selling Shareholders**”).

The competent authority approving this Prospectus is the Financial Conduct Authority (the “**FCA**”) in the UK, with its office at 12 Endeavour Square, London, E20 1JN, UK, and telephone number +44 (0)20 7066 1000. The date of approval of this Prospectus is 30 June 2021.

Key information on the issuer

Who is the issuer of the securities?

The Company was incorporated and registered in England and Wales under the Companies Act 2006 as a public limited company on 26 April 2021 under the name Baltic Classifieds Group PLC with registered number 13357598. The Company’s Legal Entity Identifier (“**LEI**”) is 213800I1RPHCFSSQS969. The Company is domiciled in England and Wales.

The Group (which is Baltic Classifieds Group OÜ and each of its direct and indirect subsidiaries for the period prior to and including 23 July 2019, ANTLER MidCo S.à r.l. and each of its direct and indirect subsidiaries from 24 July 2019 to Admission (as defined below), and the Company and each of its direct and indirect subsidiaries from Admission) is the leading online classifieds group in the Baltics (based on the number of visits and listings), which owns and operates twelve leading vertical and generalist online classifieds portals in Estonia, Latvia and Lithuania. The Group’s online classifieds portfolio comprises eight vertical online classifieds portals, including vertical portals for automotive, real estate and jobs and services, and four generalist portals, offering a wide range of products. The portals are accessible through the websites of the Group’s various brands via desktop and mobile, and through the mobile applications of most of the brands.

As at the date of this Prospectus, the Company is controlled by ANTLER EquityCo S.à r.l. (the “**Major Shareholder**”), which in turn is controlled by funds advised by Apax Partners LLP (“**Apax**”). As at the date of this Prospectus, the Major Shareholder owns 100% of the Company. Insofar as it is known to the Company, as at the date of this Prospectus, the following persons are, or will be, immediately following Admission (as defined below), directly or indirectly, interested in 3% or more of the voting rights of the

Company (being the threshold for notification of voting rights that will apply to the Company's shareholders as at Admission pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules of the FCA):

	Immediately following Admission⁽¹⁾	
	Number of Shares	Percentage of issued ordinary share capital
ANTLER EquityCo S.à r.l	244,085,889	48.82%
Justinas Šimkus	22,737,463	4.55%

(1) Assuming no exercise of the Over-allotment Option. If the Over-allotment Option is exercised in full, it is expected that the Major Shareholder will beneficially hold 214,085,889 Shares, representing 42.82% of the Company's issued ordinary share capital.

Certain investors are expected to acquire interests of more than 5% of the Shares available in the Offer (assuming the Over-allotment Option is exercised in full).

The Company's key managing directors are Justinas Šimkus, Lina Mačienė and Simonas Orkinas. Justinas Šimkus is the CEO of the Company and Lina Mačienė is the CFO of the Company and Simonas Orkinas is the COO of the Company. The Company intends to appoint a statutory auditor in due course.

What is the key financial information regarding the issuer?

Set forth below is selected (i) consolidated financial information of Baltic Classifieds Group OÜ as of and for the 16-month period ended 30 April 2019 and for the period from 1 May 2019 to 23 July 2019, (ii) consolidated financial information of ANTLER MidCo S.à r.l. as of and for the period from 7 June 2019 to 30 April 2020, (iii) unaudited aggregated consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data for the 12-month period ended 30 April 2020 derived by aggregating the consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019 and the consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data of ANTLER MidCo S.à r.l. for the period from 7 June to 30 April 2020, included in an unaudited aggregated memorandum column in the Historical Financial Information and (iv) consolidated financial information of ANTLER MidCo S.à r.l. as of and for the year ended 30 April 2021. There are no qualifications in the accountant's report relating to such consolidated financial information.

Selected consolidated statement of profit or loss and other comprehensive income data

	Predecessor or (BCG Group)	Predecessor or (BCG Group)	Successor (ANTLER MidCo)	Memorandum Aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020 (restated)	Twelve months ended 30 April 2020	Year ended 30 April 2021
In EUR thousand unless stated otherwise					
Revenue	37 799	8 216	26 110	34 326	42 268
Operating profit	23 667	5 729	1 509	7 238	15 757
Profit / (loss) for the period	17 110	5 000	(10 858)	(5 858)	(46)

Notes:

- (1) It should be noted that there is no overlap in revenue recognition in the "Memorandum Aggregated (UNAUDITED)" column. ANTLER MidCo S.à r.l. had no trading activity prior to the Acquisition and the income statement for the period from 7 June 2019 to 30 April 2020 only reflects the Group's trading history starting from 24 July 2019 after the Acquisition completed.
- (2) It should be noted that the black line between the Predecessor (BCG Group) and the Successor (ANTLER MidCo) signifies a difference in the basis of consolidation. Included with the Successor's consolidated financial statements is the impact of the purchase price allocation exercise undertaken on the Acquisition on 24 July 2019.

Selected consolidated statement of financial position data

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Successor (ANTLER MidCo)
	30 April 2019	23 July 2019	30 April 2020 (restated)	30 April 2021
In EUR thousand unless stated otherwise				
Total Assets	48 900	40 446	457 657	437 517
Total equity	35 134	27 827	208 176	208 200
Total liabilities	13 766	12 619	249 481	229 317

Selected consolidated statement of cash flows data

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum Aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020 (restated)	Twelve months ended 30 April 2020 ⁽¹⁾	Year ended 30 April 2021
In EUR thousand unless stated otherwise					
Net cash inflow from operating activities	15 310	4 567	11 715	16 282	16 803
Net cash used in investing activities	(177)	(99)	(382 030)	(388 118)	(25 014)
Net cash generated from (used in) financing activities	(14 706)	(56)	390 874	390 818	4 731

Notes:

(1) Memorandum aggregated (unaudited) column considers adjustment for cash acquired from the acquired BCG Group.

Selected pro forma statement of net assets

In this Prospectus, any reference to “pro forma” financial information is to information which has been extracted without material adjustment from the unaudited pro forma financial information contained in this Prospectus. The unaudited pro forma statement of net assets set out below has been prepared to illustrate the impact of the issue of ordinary shares in the Company on the net assets of ANTLER MidCo S.à r.l., as if the issue of ordinary shares in the Company had taken place on 30 April 2021. The unaudited pro forma statement of net assets has been prepared on the basis of, and should be read in conjunction with, the notes set out below. The unaudited pro forma statement of net assets of the Group is based on the consolidated net assets of ANTLER MidCo S.à r.l. as at 30 April 2021 and has been prepared on the basis that the issue of ordinary shares in the Company was effective as of 30 April 2021 and in a manner consistent with the accounting policies to be adopted by the Company in preparing the audited financial statements for the period ending 30 April 2021. The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and in accordance with Annex 20 of Delegated Regulation (EU) 2019/980 as it forms part of retained EU law as defined by the European Union (Withdrawal) Act 2018. Because of its nature the unaudited pro forma statement of net assets addresses a hypothetical situation and does not, therefore, represent the Group’s actual financial position or results. It may not, therefore, give a true picture of the Group’s financial position or results nor is it indicative of the results that may, or may not, be expected to be achieved in the future. The unaudited pro forma statement of net assets has not been prepared, or shall not be construed as having been prepared, in accordance with Regulation S-X under the United States Securities Act of 1933, as amended (the “US Securities Act”).

	As at 30 April 2021 ⁽¹⁾	Adjustments for net proceeds of the Offer ⁽²⁾	<i>Pro forma</i>
	(€ thousands)		
Non-current Assets	417 881	—	417 881
Current Assets	19 636	(18 516)	1 120
Total Assets	437 517	(18 516)	419 001
Non-current liabilities	219 314	(114 256)	105 058
Current liabilities	10 003	(2 657)	7 346
Total Liabilities	229 317	(116 913)	112 404
Net Assets	208 200	98 397	306 597

(1) The consolidated net assets of ANTLER MidCo S.à r.l. have been extracted without adjustment from the audited historical financial information for the year ended 30 April 2021 as set out in Part B of Part XIII: (*Historical Financial Information*).

(2) Represents the proceeds and use of proceeds from the Offer as well as the impact of the refinancing. The Directors intend to use the net proceeds of £89.4 million (approximately €104.0 million) from the issue of the New Shares (as defined below) alongside net drawings of €96.8 million (approximately £83.2 million) under the New Facilities Agreement and available cash balances of €13.5 million (approximately £11.6 million), to repay the principal outstanding amount under the Senior Facilities Agreement (as defined below) of €214.3 million (approximately £184.2 million). The sterling amounts included in this note have been translated at an exchange rate of €1.00 = £0.8594, which represents the rate of exchange as of 29 June 2021.

The adjustment also includes the settlement of accrued interest held within Loans and borrowings (current) that amounted to €3.4 million as at 30 April 2021 and an early termination fee of €1.6 million payable to the lenders under the Senior Facilities Agreement. Both amounts will be paid using the Group's available cash.

The adjustment also includes (i) the write-off of upfront fees capitalised on establishment of the Senior Facilities Agreement (€4.2 million held in Loans and borrowings (non-current) and €1.0 million held in Loans and borrowings (current)) and (ii) the recognition of capitalised upfront fees in connection with the New Facilities Agreement (€1.0 million recognised in Loans and borrowings (non-current) and €0.2 million recognised in Loans and borrowings (current)).

No adjustment has been made to reflect the trading results of the Group since 30 April 2021 or any change in its financial position in this period.

What are the key risks that are specific to the issuer?

- Deterioration in economic conditions in the Baltics or a worsening global economy could have a material adverse effect on the Group's business, financial condition or results of operations.
- The Group faces risks with respect to the continuing effects of the COVID-19 pandemic.
- The Group's business may be adversely affected by geopolitical events, natural disasters, seasonal factors and other factors that could adversely affect the Group's business.
- The Group is subject to certain competition and antitrust laws which could limit the Group's ability to grow in certain markets and increase the Group's prices.
- The online classifieds market in the Baltics is competitive and the Group is subject to competition which could limit the Group's ability to maintain or increase its market share or to improve monetisation and margins.
- The Group's investments and efforts to maintain existing market positions and capture growth opportunities could prove to be unsuccessful.
- The Group's business depends significantly on its strong branding, and any failure to maintain and enhance its existing brands and to develop new brands may reduce demand for, and attractiveness of the Group's services.
- The Group's business is based on e-commerce portals for commercial transactions in which almost all activity depends on the portals' listers and consumers and is therefore largely outside of the Group's control.
- If the Group is not able to maintain and continually improve consumer and lister experiences, its business, results of operations or financial condition could be materially adversely affected.
- The Group may not be able to successfully carry out its monetisation strategy or achieve its goals and guidance and its actual results of operations may vary significantly from the financial objectives and outlook included in this Prospectus.

Key information on the securities

What are the main features of the securities?

The Company is offering 61,304,620 new ordinary shares with a nominal value of £1.00 each in the capital of the Company (the "**New Shares**"), and the Selling Shareholders are offering 138,695,380 existing ordinary shares with a nominal value of £1.00 each in the capital of the Company (the "**Existing Shares**") (together, the "**Offer**").

Currency, denomination, ISIN, par value and number of securities issued

The currency of the Shares is pound sterling. On the admission of the Shares to the premium listing segment of the Official List (as defined below) and to trading on the main market for listed securities of the London Stock Exchange (as defined below) becoming effective (the "**Admission**"), the issued share capital of the Company will be £500,000,000.00, comprising 500,000,000 ordinary shares with a nominal value of £1.00 each in the capital of the Company, all of which will be fully paid or credited as fully paid. The International Security Identification Number (ISIN) of the ordinary shares (the "**Shares**") is GB00BN44P254.

Rights attached to the securities

The rights attaching to the Shares, upon Admission, will be uniform in all respects (including with respect to pre-emption rights) and they will form a single class for all purposes, including with respect to voting and for all dividends and distributions thereafter declared, made or paid on the ordinary share capital of the Company.

Transferability of the securities

The Shares are freely transferable and there are no restrictions on transfer.

Rank of securities in the issuer's capital structure in the event of insolvency

The Shares do not carry any rights to participate in a distribution (including on a winding-up) other than those that exist under the Companies Act 2006. The Shares will rank *pari passu* in all respects.

Dividend policy

The Directors intend to return one third of Adjusted Net Income each year via an interim and final dividend split 1/3 and 2/3, respectively. It is expected that the first dividend declared will be a final dividend with respect to the financial year ending 30 April 2022, with such dividend expected to be paid in November 2022. Following Admission, the Directors expect to use excess cash to fund potential acquisition opportunities and for the continued reduction in leverage. Once leverage is less than two times the Group's Adjusted EBITDA over the prior twelve months, the Directors will consider the use of share buybacks as an additional mechanism to return cash to shareholders. "**Adjusted Net Income**" is defined as the profit / (loss) for the period adjusted for the post tax impact of the disclosed items affecting Adjusted EBITDA and the post tax impact of the amortisation of intangibles arising from acquisitions (which comprised amortisation of trademarks and domains and amortisation of relationship with clients, with a total pre-tax impact of €16.2 million, in the financial year ended 30 April 2021).

Where will the securities be traded?

Application will be made to the FCA for all the Shares, issued and to be issued in connection with the Offer, to be admitted to the premium listing segment of the Official List of the FCA (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. The London Stock Exchange's main market for listed securities is a regulated market.

What are the key risks that are specific to the securities?

Set forth below are the key risks relating to the Shares.

- There is no existing market for the Shares, and an active trading market for the Shares may not develop or be sustained.
- Shares in the Company may be subject to market price volatility, and the market price of the Shares in the Company may decline disproportionately in response to developments that are unrelated to the Company's operating performance.
- The Major Shareholder will retain significant interests in, and will continue to exert substantial influence over, the Group following the Offer, and its interests may differ from or conflict with those of other shareholders.

Key information on the offer of securities to the public and the admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

General terms and conditions

Application will be made to the FCA for all of the Shares, issued and to be issued in connection with the Offer, to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for all of the Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

It is expected that Admission will become effective and that unconditional dealings in the Shares on the London Stock Exchange will commence at 8:00 a.m. on 5 July 2021. It is expected that dealings in the Shares on a conditional basis will commence at 8:00 a.m. on 30 June 2021. The earliest date for settlement of such dealings will be 5 July 2021. All dealings in Shares prior to the commencement of unconditional dealings will

be on a “when-issued” basis, will be of no effect if Admission does not take place and will be at the sole risk of the parties concerned.

The Offer comprises 61,304,620 New Shares and 138,695,380 Existing Shares.

Expected timetable

<u>Event</u>	<u>Time and Date</u>
Announcement of the Offer Price and allocation of Shares	7:00 a.m. on 30 June 2021
Prospectus published	30 June 2021
Commencement of conditional dealings in Shares on the London Stock Exchange ⁽¹⁾	8:00 a.m. on 30 June 2021
Admission and commencement of unconditional dealings in Shares on the London Stock Exchange	8:00 a.m. on 5 July 2021 as soon as possible after
CREST accounts credited with uncertificated Shares	8:00 a.m. on 5 July 2021
Despatch of definitive share certificates (where applicable) for Shares in certificated form	by 19 July 2021

(1) It should be noted that if Admission does not occur, all conditional dealings will be of no effect and any such dealings will be at the sole risk of the parties concerned.

Details of Admission

Application will be made to the FCA for all of the Shares, issued and to be issued in connection with the Offer, to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for all of the Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities.

Plan for distribution

On 30 June 2021, the Company (for itself and as agent for and on behalf of each of those members of the Company’s management who hold interests in shares of ANTLER TopCo S.à r.l. (directly or through a holding in ANTLER Management S.A.) on the date of publication of this Prospectus who have elected to make available Shares for sale in the Offer (the “**Management Selling Shareholders**”) pursuant to the share sale election deeds entered into by the Management Selling Shareholders pursuant to which, among other things, the Management Selling Shareholders have irrevocably instructed the Company to agree the sale of Existing Shares as agent for and on behalf of each of the Management Selling Shareholders (the “**Deeds of Election**”), the Directors, the Major Shareholder, the Sponsor (as defined below) and the Underwriters (as defined below) entered into an underwriting and sponsor’s agreement (the “**Underwriting Agreement**”) pursuant to which, the Underwriters (as defined below) have agreed, subject to certain customary terms and conditions, severally to (i) use reasonable endeavours to procure subscribers or purchasers, as the case may be, or, failing which, to (ii) subscribe for or purchase, as the case may be, for themselves, at the Offer Price, the Shares to be issued or sold pursuant to the Offer.

The Offer is being made to certain institutional and professional investors in the United Kingdom and elsewhere outside the United States in accordance with Regulation S under the US Securities Act (“**Regulation S**”) and in the United States only to persons reasonably believed to be Qualified Institutional Buyers within the meaning given by Rule 144A (“**QIBs**”) in reliance on Rule 144A of the US Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

Dilution

Pursuant to the Offer, the holders of Existing Shares will experience a 12.35% dilution as a result of the issue of the 61,304,620 New Shares (that is, its, his or her proportionate interest in the Company will decrease by 12.35%).

Estimate of total expenses of the Offer

The costs and expenses of, and incidental to, Admission and the Offer payable by the Company are estimated to amount to £11.7 million (including VAT), and include, among others, underwriting commissions (including the maximum amount of any discretionary commission), the FCA’s fees, professional fees and the costs of printing and distribution of documents. No expenses will be charged by the Company or the Selling Shareholders to any subscribers or purchasers of Shares pursuant to the Offer.

Sponsor and Global Coordinator

Merrill Lynch International is acting as sponsor (the “**Sponsor**”) and global coordinator (the “**Global Coordinator**”) for the Offer.

Merrill Lynch International and BNP Paribas are acting as joint bookrunners for the Offer (together, the “**Underwriters**”).

Over-allotment Option

The Major Shareholder has granted Merrill Lynch International, acting as stabilising manager (the “**Stabilising Manager**”) an over-allotment option in the Underwriting Agreement (the “**Over-allotment Option**”) for the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotment and/or from sales of Shares effected by the Stabilising Manager during the stabilisation period.

Why is this prospectus being produced?

Reasons for the Offer and use of proceeds

The Directors believe the Offer and Admission will:

- provide access to additional sources of capital to help support the Group’s future growth ambitions,
- further enhance the ability of the Group to recruit and incentivise its key management and employees, and
- raise the profile and reputation of the Group.

The sale of the Existing Shares will provide the Selling Shareholders with an opportunity for a partial realisation of their shareholding in the Company.

Through the issue of 61,304,620 New Shares pursuant to the Offer, the Company expects to raise net proceeds of approximately £89.4 million, which are net of underwriting commissions (including the maximum amount of any discretionary commission) and other costs and expenses of and incidental to Admission and the Offer which are expected to be approximately £11.7 million (including VAT). Through the sale of 138,695,380 Existing Shares pursuant to the Offer, the Company expects the Selling Shareholders to raise net proceeds of approximately £221.2 million, in aggregate, which are net of underwriting commissions (including the maximum amount of any discretionary commission payable by the Major Shareholder) and amounts in respect of stamp duty or SDRT payable by the Selling Shareholders in connection with the Offer which are expected to be approximately £7.7 million (including VAT) (assuming there is no exercise of the Over-allotment Option).

The Directors intend to use the net proceeds of £89.4 million from the issue of the New Shares to redeem one redeemable preference share of £49,999 allotted and issued to the Major Shareholder on 27 April 2021 (the “**Redeemable Preference Share**”) for £49,999 and, alongside net drawings of €96.8 million (approximately £83.2 million) under the new term loan and revolving credit facilities entered into by the Company (the “**New Facilities Agreement**”) and available cash balances of €13.5 million (approximately £11.6 million), to repay the principal outstanding amount under the senior facilities agreement dated 13 June 2019 (the “**Senior Facilities Agreement**”) of €214.3 million (approximately £184.2 million). The sterling amounts included in this paragraph have been translated at an exchange rate of €1.00 = £0.8594, which represents the rate of exchange as of 29 June 2021. The refinancing of the Senior Facilities Agreement is conditional on Admission. This will create additional financial flexibility to be able to invest in the future growth of the business.

The Offer is, subject to certain customary conditions, fully underwritten by the Underwriters in accordance with the terms of the Underwriting Agreement.

Material conflicts of interest

Save as set out below, there are no actual or potential conflicts of interest between the duties owed by the directors of the Company (the “**Directors**”), the senior managers of the Company (the “**Senior Managers**”), or members of any administrative, management or supervisory body of the Company to the Group, and the private interests and/or other duties that they may also have.

Tom Hall is a partner of Apax and a director of other entities in which the funds advised by Apax have an interest. The Major Shareholder is controlled by funds advised by Apax. Kristel Volver was a supervisory board member of Kinnisvaraportaal OÜ and City 24 SIA from September 2017 to July 2019 and of Diginet LTU UAB and AllePal OÜ from August 2017 to July 2019. Kristel is also currently a board member of MM Grupp OÜ. MM Grupp OÜ is the indirect parent company of Media Investments & Holdings OÜ, being the company which sold Baltic Classifieds Group OÜ to an indirect subsidiary of the Major Shareholder in May 2019. Although the positions set out in this paragraph are considered by the board of directors of the Company (the “**Board**”) to represent potential conflicts of interest, as at the date of this Prospectus they are not considered by the Board to represent actual conflicts of interest. The Board has approved those conflicts of interest in accordance with the Companies Act.

PART II RISK FACTORS

An investment in the Company and the Shares involves inherent risks. Before making any decision to invest in the Shares, prospective investors should carefully consider the risks associated with an investment in the Shares, the Group's business and industry in which it operates, together with all information contained in this Prospectus, including in particular, the risk factors described below. An investment in the Shares is suitable only for prospective investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment. If any of the following risks were to materialise, individually or together with other circumstances, they could have a material adverse effect on the Group and/or its business, financial condition, results of operations, cash flows and/or prospects, which could cause a decline in the value and trading price of the Shares, resulting in the loss of all or part of an investment in the Shares.

The risk factors described below are not an exhaustive list or explanation of all risks which investors may face when making an investment in the Shares and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that the Group currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects and, if any of such risks should materialise, the price of the Shares may decline and investors could lose all or part of their investment. Prospective investors should note that the risks relating to the Group and the Shares summarised in Part I(Summary) of this Prospectus are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in Part I(Summary) of this Prospectus but also, among other things, the risks and uncertainties described below in this Part II (Risk Factors).

The risk factors deemed most material for the Group, taking into account their potential negative impact on the Group and the probability of their occurrence, are set out first. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described in that risk factor are not genuine potential threats to an investment in the Shares. Investors should consider carefully whether an investment in the Shares is suitable for them in the light of the information in this Prospectus and their personal circumstances. This Prospectus also contains forward-looking statements that involve risks and uncertainties. The Group's actual results may differ materially from those anticipated in the forward-looking statements as a result of various factors, including the risks described below and elsewhere in this Prospectus.

Risks relating to the Group's business and the industry in which it operates

Deterioration in economic conditions in the Baltics or a worsening global economy could have a material adverse effect on the Group's business, financial condition or results of operations.

The Group conducts its operations in the Baltics and therefore the macroeconomic situation in Lithuania, Latvia and Estonia impacts the Group's business, results of operations, financial condition or prospects. The economic condition of the Baltics depends on a number of factors, including government attempts to influence the economy, such as setting levels of taxation, formulating government budgets and regulating the interest rates and the labour market. The demographic situation, macroeconomic conditions in Europe and globally and inflow of funds from the European Union also affect the economic situation in the Baltics.

A potential prolonged economic slowdown in the Baltics resulting from the ongoing outbreak of the novel strain of the coronavirus identified in late 2019 ("COVID-19") or other causes could damage the Group's operations. The degree and the pace of economic recovery following the COVID-19 pandemic are not fully known. Higher unemployment, reduced disposable income and lower consumption, as well as fluctuations in the financial markets, may significantly adversely affect the financial conditions of the Group's listers and consumers. Negative economic developments may have an adverse impact on consumer confidence and discretionary consumer spending, which could have an adverse impact on the Group's listers through reduced consumer demand for the products listed on its portals, which could in turn negatively impact the demand for use of the Group's portals. There is also a risk of tax increases being imposed in order to address public debt levels that have recently increased significantly as a result of the COVID-19 pandemic. Tax increases may lead to increases in the prices of products and services sold on the Group's online classifieds portals or the prices of services the Group purchases or may reduce consumers' income available for discretionary spending, which could also weaken demand for the products offered on the Group's online classifieds portals.

The Group's business, as well as the successful implementation of its strategy, is highly dependent on the developments in the underlying automotive, real estate, employment and services markets. Local supply and demand dynamics affect the volume and value of vehicles and real estate, the number of job vacancies, and general e-commerce offerings, which in turn influence lister and consumer behaviour. Reduced supply of inventory may impact listing volumes on the Group's portals, while changes in inventory values may affect listers' willingness to spend on the Group's services. In addition, the interplay between prices of underlying goods and the financial condition of the Baltics households may affect transaction activity levels, for example, due to changes in housing affordability. An increase in unemployment rates could reduce consumer spending and lead to reduced use of the Group's classifieds portals and other services, which in turn could have an impact on the Group's business. Moreover, an increase in unemployment rates could signal a slowdown in the local job market, which could adversely impact the Group's online jobs classifieds portal.

Any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group faces risks with respect to the continuing effects of the COVID-19 pandemic.

In March 2020, the COVID-19 pandemic was characterised as a pandemic by the World Health Organization. The outbreak has resulted in governmental authorities and businesses throughout the world implementing numerous measures intended to contain and limit the spread of the COVID-19 pandemic, including travel bans and restrictions, quarantines, self-isolation, shelter-in-place and lockdown orders, business restrictions, shutdowns and other limitations. The COVID-19 pandemic and the response thereto have adversely impacted and may continue to adversely impact the Group, as well as its employees, listers and consumers. Governments in the Baltics took strong action in late March 2020, closing schools, restaurants and public spaces across Estonia, Latvia and Lithuania and putting in place work-from-home policies and travel restrictions. As a result of the strong governmental actions, the underlying economic activity in the Baltics temporarily slowed down, resulting in a decrease in the number of transactions across the Group's automotive, real estate and jobs and services portals, however, the Group's general marketplaces saw an increase in transaction activity in part due to the substitution effect from the closure of physical stores within the Baltic region.

As part of the Group's price reviews throughout the year, the Group had planned to increase the monetisation of its services by increasing lister prices across its portals during 2020 in line with past practice. However, the Group made the strategic decision to postpone the price increases planned for 2020 to strengthen its relationships with its listers, who are impacted by the uncertainties associated with the COVID-19 pandemic. Furthermore, to protect the listings database and prevent lister churn, the Group provided temporary discounts to its listers in its automotive and real estate business lines during the first lockdown, as well as free listing extensions to C2C listers, which led to a short-term revenue reduction. These decisions resulted in a decline of the Group's revenue in March, April and May of 2020, compared to the same months in 2019, before returning to year-on-year growth in the subsequent months, during which the temporary discounts were phased out. Such discounts have not been repeated subsequently, despite further restrictions such as a lockdown in Lithuania in November 2020 and restrictions in both Lithuania and Estonia continuing in early 2021, as the Group's listers had adapted their operations following the first lockdown, establishing safe, digital procedures that enabled continual trading.

The Group also faces increased risk of disruptions to its businesses due to failure by its B2C listers to operate their businesses, causing difficulties to meet the expectations of its consumers during the COVID-19 pandemic. For example, some B2C listers may experience delays in the delivery of their products or the performance of services, while others may be forced to cancel physical viewings of properties or vehicles that are listed on the Group's portals. Further government measures in the Baltics that restrict the ability to show vehicles or real estate properties, attend in-person job interviews and other consumer interactions could impact the number of transactions on the Group's portals and may require the Group to further delay price increases or offer price discounts again, and any of the above could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The COVID-19 pandemic has required and is likely to continue to require management attention. As a result of the COVID-19 pandemic and to support the health and the wellbeing of the Group's employees, listers and consumers, the Group has made significant modifications to its business practices, including restrictions on business travel, office closures and limitations on employee work locations, and cancellation of physical participation in meetings, events and conferences and the requirement for employees to work remotely for an indefinite period of time. It is possible that widespread remote work arrangements, temporarily or for extended periods, may have a negative impact on the Group's operations, the execution of its business plans, the

productivity and availability of key personnel and other employees necessary to conduct the Group's business or otherwise cause operational failures due to changes in the Group's normal business practices necessitated by the COVID-19 pandemic and related governmental actions.

If a natural disaster, power outage, connectivity issue or other event occurs that impacts the Group's employees' ability to work remotely, it may be difficult or, in certain cases, impossible, for the Group to continue its business for a substantial period of time. The increase in remote working may also result in increased consumer privacy, data security and fraud risks, and the Group's understanding of applicable legal and regulatory requirements, as well as the latest guidance from regulatory authorities in connection with the COVID-19 pandemic, may be subject to legal or regulatory challenge, particularly as regulatory guidance evolves in response to future developments. An extended period of remote work arrangements and subsequent reintroduction into the workplace could introduce health and safety risks, increase employee absence, operational risk and cybersecurity risk, fraud risk, strain the Group's business continuity plans, negatively impact productivity and mental wellbeing, give rise to claims by employees and impair the Group's ability to manage its business or otherwise adversely affect its business. The Group may take further actions as may be required, but there is no certainty that such measures will be sufficient to mitigate the risks posed by the COVID-19 pandemic.

The extent to which the COVID-19 pandemic will continue to impact the Group's business, results of operations, financial condition and prospects will depend on numerous evolving factors that are unpredictable, including the duration and scope of the COVID-19 pandemic, any subsequent waves, the effectiveness of vaccination strategies and the development of new virus variants; governmental, business and individual actions that have been and continue to be taken in response to the COVID-19 pandemic; the impact of the COVID-19 pandemic on global economic activity, unemployment levels and financial markets, including the possibility of a global recession and volatility in the global capital markets which, among others, may increase the Group's cost of capital and adversely impact the access to capital. In addition, the Group cannot predict the long-term impact that the COVID-19 pandemic will have on its employees, listers and consumers.

Any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and prospects. Further, the impact of the COVID-19 pandemic may heighten or exacerbate many of the other risks discussed in this Part II (*Risk Factors*).

The Group's business may be adversely affected by geopolitical events, natural disasters, seasonal factors and other factors that could adversely affect the Group's business.

The Group's business may be adversely affected by geopolitical events, natural disasters, seasonal factors and other factors that could adversely affect the Group's business. The Group's consumers and listers may spend less time on the Group's portals and applications for mobile devices as a result of a variety of factors, including: geopolitical events, such as war, the threat of war or terrorist activity; natural disasters or the effects of climate change (such as drought, flooding, wildfires, increased storm severity and rising sea levels); power shortages or outages, major public health issues, including pandemics (such as the COVID-19 pandemic); any impact on data centres that prevents the Group from maintaining its portals or mobile applications; significant local, national or global events capturing the attention of a large part of the population; and seasonal fluctuations due to a variety of factors. If any of these, or any other factors, divert the Group's consumers and listers from using its portals or mobile applications, this could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Furthermore, the impact of extreme weather conditions (such as extremely low temperatures during a severe winter period); geopolitical events (such as war, the threat of war, terrorist activity, political instability, protests or unrest), natural disasters or the effects of climate change (such as drought, flooding, wildfires, increased storm severity and rising sea levels) or other factors could adversely affect the underlying markets in which the Group operates resulting in less transactions taking place on the Group's portals and impacting the Group. For example, extremely cold weather conditions generally reduce the number of older used vehicles sold and make delivery or collection of vehicles less feasible, which could result in a decrease in the number of vehicles being sold on the Group's automotive portals. The Group is also vulnerable to the political instability of neighbouring countries. For example, the recent unrest in Belarus could have an impact on the real estate market of adjacent countries, including the Baltics, resulting in a decrease in the willingness to invest in real estate in the region and in the demand for the purchase or rent of real estate properties, and a corresponding decline in the number of transactions on the Group's portals and lower prices for real estate.

Any of the foregoing could impact the underlying markets in which the Group operates and could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is subject to certain competition and antitrust laws which could limit the Group's ability to grow in certain markets and increase the Group's prices.

The Group's business is subject to applicable competition and antitrust laws. The Group could become subject to legal action or investigations and proceedings by national and supranational competition and antitrust authorities and claims from its clients and business partners for alleged infringements of competition and antitrust laws, which could result in fines or other forms of liability or otherwise damage the Group's reputation. Such laws and regulations could limit or prohibit the Group's ability to grow in certain markets. Future acquisitions by the Group could be impacted by applicable antitrust laws and could be unsuccessful if the necessary competition approvals by competition authorities are not obtained. For example, in January 2020, the Group divested Soov.ee to clear merger control in relation to the acquisition of Auto24.ee. Moreover, such laws could limit the Group's ability to increase its prices and margins. For example, Diginet LTU UAB, a Group company, was subject to an investigation by the Lithuanian Competition Council ("LCC") from the end of 2018 until the end of 2020 (the "**LCC investigation**") following a complaint by UAB Ober Haus (the "**Claimant**"), a real estate broker who used the Group's Lithuanian real estate portal. The Claimant alleged that the Group had abused its dominant position in the real estate online classifieds markets by applying unfair high listing prices on its real estate online classifieds portal in Lithuania. In December 2020, the LCC concluded after an in-depth analysis that the prices to B2C listers and C2C listers were not unfair or restrictive to competition and closed the investigation. In January 2021, the Claimant appealed the LCC's decision with the court of first instance, asking the court to annul the LCC's decision and to return the case back to the LCC for further investigation arguing that the LCC erred in applying the necessary legal standards for evaluation of unfair prices. On 17 June 2021, the court of first instance declined to annul the LCC's decision and dismissed the Claimant's appeal. The Claimant has 30 days in which to appeal the decision. In the event that the case is appealed to the Lithuanian Supreme Administrative Court, the Group expects to receive a final decision up to one year following the decision by the court of first instance. If the courts were to decide that a further investigation by the LCC is required, the Group could be liable for the Claimant's legal fees and, if, following a further investigation, the LCC, contrary to its conclusion in the original investigation, concludes that the Group abused its dominant position by applying unfair prices on its Lithuanian real estate portal, the Group could be liable for a fine of up to 10% of the annual worldwide Group turnover and an obligation to cease the infringement could be imposed, capping the Group's ability to apply any further price increases on the Group's real estate portal in Lithuania.

On 21 January 2019 various Estonian real-estate portals filed a complaint with the Estonian Competition Authority ("**ECA**") against AllePal OÜ and Kinnisvaraportaál OÜ, alleging that those Group companies are abusing their dominant position by applying excessively high prices and unfairly limiting the conditions for XML data exchange. The ECA initiated supervisory proceedings on 4 March 2019 against AllePal OÜ and Kinnisvaraportaál OÜ. The Group is co-operating with the ECA and although the Group expects that the supervisory proceedings will be terminated during the second or third quarter of 2021 without any material effect to the financial position or operations of the Group, the Group cannot make any assurances that the ECA will not find any infringements. As the ECA or any other Estonian authorities have not initiated any misdemeanour (or criminal) proceedings against any Group company, the ongoing supervisory proceedings cannot lead to any imposition of fines to any Group company, however, if the ECA concludes that AllePal OÜ and Kinnisvaraportaál OÜ abused their alleged dominant position, the ECA could issue a precept ordering these Group companies to end any ongoing infringements.

Any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The online classifieds market in the Baltics is competitive and the Group is subject to competition which could limit the Group's ability to maintain or increase its market share or to improve monetisation and margins.

The Group operates in a market that is competitive and characterised by network effects in which high numbers of listings attract audience traffic and more traffic, in turn, attracts listings and advertising. The Group faces competition from a wide variety of online and offline companies providing digital platforms and advertising space to consumers and listers. Both consumers and listers have alternative channels to reach each other, and consumers and listers are generally attracted to brands and online classifieds portals with high volumes of listings and consumers and more listings attract more consumers. Consequently, the Group is significantly dependent on achieving and maintaining leading market positions to ensure that the Group's listings attract consumers, in order to maintain or increase the attractiveness of the Group's brands for listers and advertisers.

New market entrants may appear, including Amazon and Ebay, who may establish local portals in the Baltics, and some of the Group's current smaller competitors may be acquired by, receive investment from or enter into strategic relationships with well-established and well-financed companies or investors who would seek to enhance their competitive positions in the long term. Furthermore, the Group's competitors may enter into business combinations or alliances with large and well-established companies in other geographies or market segments which may seek to expand their presence and investment in the Baltics and expand their competitive position in the long term, which could have an impact on the leading market position of the Group's portals. In addition, new and enhanced technologies, including search, web and infrastructure computing services and digital content, and electronic devices may continue to increase competition in the Group's markets. The internet facilitates competitive entry and comparison shopping, which enhances the ability of new, smaller or lesser-known businesses to compete against the Group. Any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is facing increased competition from global internet companies and aggregators that have entered the global online classifieds market in recent years, such as Facebook, LinkedIn and Google. In particular, Facebook Marketplace globally has shifted its strategy from initially targeting private listers to partnering with professionals in the automotive and real estate verticals and opening its jobs functionality to third-party companies, thereby posing an increasing risk to the Group's market positions in the long term, including due to the scale and reach of Facebook Marketplace. Google has also recently entered the jobs vertical in certain geographies. Further, the existing lister and consumer base of some of these global internet companies and aggregators means that they may not have to resort to significant marketing efforts. Portals operated by global internet companies typically have access to large amounts of information about their listers and consumers, and enjoy strong brand recognition as well as large consumer and lister bases, which may be leveraged to increase their footprint across the online classifieds market via organic growth, new portals or by including additional classifieds providers into their ecosystems. Due to their size and resources, such global internet companies may increasingly compete with the Group's market share and thus have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group competes with other generalist online classifieds portals that offer listings across product categories including Alio.lt in Lithuania, Okidoki.ee in Estonia and Ss.lv in Latvia, as well as other vertical marketplaces focused on one category such as Domoplius.lt for real estate in Lithuania, Kinnisvara24.ee for real estate in Estonia, Autogidas.lt for vehicles in Lithuania, and CVOnline.lt and CVMARKET.lt for jobs in Lithuania. Many of the competing portals are owned and/or operated by other global or regional classifieds players that have access to strong competence and significant financial resources. Additionally, the Group also competes with new mobile online classifieds portals, several of which are being operated by venture capital-funded start-up companies or global classifieds players, such as Vinted.com, and have used, and are expected to continue to use, significant resources in order to gain market share in the online classifieds market through innovation and new technologies that may enable competitors to offer a more efficient or lower-cost service. Furthermore, a shift in traffic to mobile applications could result in lower advertising revenue. The Group could also face competition from existing vertically integrated players who could enter the market, for example, in the real estate vertical, real estate companies or real estate brokers may launch their own real estate classifieds portals, and existing classifieds may enter the market by partnering with real estate companies.

The Group also faces competition as a result of generalist search engines, such as Google and Yahoo, which search the internet for general information covering a wide range of subjects, and general or specialised portals and portals created by working professionals, such as real estate brokers, automotive dealers and recruiters, who are also increasingly using multiple sales channels, including by paying for search-related advertisements on generalist search engine portals. The Group uses generalist search engines and paid search advertising to help listers and consumers find the Group's portals, but such services may also potentially divert the Group's listers and consumers to other online classifieds portals, either through other advertisers out-bidding the Group in the context of paid search advertising or other portals being prioritised ahead of the Group in organic search results, thereby having a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's ability to maintain its leading positions will depend on, among others, its ability to develop and improve its products and services and the quality of its portals and mobile applications, how successful the Group's competitors are in developing competing products and services, the level of marketing expenses by competitors and to what extent major internet search and social media companies, such as Facebook and Google, are successful in capturing market shares. The success of the Group's competitors could result in fewer listers and consumers using the Group's portals and mobile applications, the loss of listers and advertisers, price reductions for the Group's subscriptions and display advertising, weaker operating results, and loss of market

share. Further, any attempt by the Group to match the products and prices offered by its competitors may require the Group to divert its resources, which may adversely impact the Group's long-term strategy and may not ultimately be successful.

Due, in part, to rapid technological changes, evolving industry standards and changing needs and preferences of listers and consumers, the Group's competitive landscape is changing rapidly. It is, therefore, difficult for the Group to accurately assess or predict the Group's future competitors and the competitive threats the Group may be facing. There can be no assurance that the Group will be able to compete successfully in the future against other companies that provide similar services and products or that the Group will be able to maintain acceptable margins in the competitive environment in which it operates. If the Group is not able to compete effectively, it could result in the Group having to make changes to its strategy, business model or asset portfolio, including divestments, either in general or in a specific market, and increased spending in marketing and/or research and development. Any of the foregoing could also have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's investments and efforts to maintain existing market positions and capture growth opportunities could prove to be unsuccessful.

The Group has made investments in and plans to continue marketing, building, developing and promoting the Group's online classifieds portals through the development of its existing portals and marketplaces and through acquisitions. The Group's strategy to leverage its existing market positions is dependent partly on its ability to drive initiatives to increase market share of traffic, listings and, eventually, profitability, and partly on external factors such as the success of the Group's competitors in the relevant markets. The Group has previously invested in new technologies as well as improving technology within its business. Further, in addition to investments to expand its product offering, the Group has in the past carried out acquisitions to enter new markets (in terms of category), to strengthen a market position or to extend its offering in a relevant market. For example, the Group acquired Auto24.ee and KuldneBörs.ee in January 2020.

The Group may in the future consider making additional investments in technology and product development and acquisitions to further support growth and profitability and there is no assurance that such investments and acquisitions will be successful at all. Successful growth through acquisitions is dependent upon the Group's ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favourable terms and ultimately complete such acquisitions and integrate acquired entities into the Group, including coordination of product, sales and marketing functions, and to retain key personnel in acquisition targets. There can be no assurance that acquisition opportunities will be available on acceptable terms or at all, or that the Group will be able to obtain necessary financing or regulatory approvals, including any antitrust approvals, to complete potential acquisitions. The Group's assessment of and assumptions regarding acquisition targets may prove to be incorrect, and actual developments may differ significantly from expectations.

The process of integrating acquired companies may also be disruptive to the Group's operations and may require greater investment and time than anticipated, as a result of, and among others, unforeseen legal, regulatory, contractual and other issues, including disputes with minority shareholders and difficulties in realising operating synergies, which could adversely affect the Group's results of operations. In addition, the Group's ability to grow and enter new markets may involve certain barriers to entry, such as scale, established market positions of existing players, language, currency, political, cultural and regulatory hurdles, and the need to make additional investments to adapt the Group's technology for local market usage. Additionally, the acquisitions may result in unintended consequences, for example, if significant liabilities are not identified during due diligence or come to light after the expiration of any applicable warranty or indemnity periods. Moreover, any acquisition and integration process may divert the Group's personnel and management's attention from day-to-day business. Should any of the above occur in connection with an acquisition, there could be a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The amount and timing of the Group's future capital requirements to fund investments in technology and acquisitions may differ materially from the current estimates due to various factors, many of which are beyond the Group's control. The type, timing and terms of any future financing will depend on the Group's cash needs and the prevailing conditions in the financial markets. There can be no assurance that the Group will make any investments or acquisitions on a timely basis or on commercially reasonable terms, or at all, or that such investments or acquisitions will be successful. The Group may need to make such investments or acquisitions in order to maintain its existing market positions, to capture growth opportunities, or to optimise the Group's portfolio. The failure to make such investments or acquisitions could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's business depends significantly on its strong branding, and any failure to maintain and enhance its existing brands and to develop new brands may reduce demand for, and attractiveness of the Group's services.

The Group's success depends in large part on its brands and their brand recognition and brand awareness. The Group needs to maintain, protect and enhance its brands in order to expand the Group's base of listers and consumers and increase their engagement with the Group's portals. In the markets where the Group is market-leading, its brands are particularly important as they benefit from network effects. The Group provides its online classifieds portals and products under a number of different brands in order to cater to the specific needs and preferences of its different lister groups and different geographic markets. The Group's brands could be negatively affected if the Group lost its market-leading positions.

The Group may be unable to strengthen or maintain the recognition and market position of its existing brands in the relevant markets due to its multi-brand strategy approach. For example, the Group's multi-brand strategy could lead to lower brand recognition relative to its competitors that focus all of their marketing efforts on one or a few selected brands. The Group may also be unsuccessful in efforts to engage in marketing campaigns to further promote the Group's brands. Furthermore, the Group cannot guarantee that certain methods of advertising that it currently utilises will not become less effective or that potential increased competition in the markets in which the Group operates will not result in a decreased return on the Group's marketing investments.

The Group's overall brand may be adversely affected if its public image or reputation is tarnished by negative publicity. For example, any events that cause listers and consumers to believe that the Group has failed to maintain high standards of integrity, corporate social responsibility, security and quality could affect the Group's brand image or lead to negative publicity, which may adversely impact its reputation and reduce demand for, and attractiveness of the Group's products and services. In addition, lister and consumer complaints, third parties posting inappropriate content or inaccurate information on the Group's portals, infringements of the Group's intellectual property rights or negative publicity about its portals, products, delivery times, return processes, the working conditions of its employees (or the employees of any of its subcontractors or suppliers), user data handling and security practices, or lister support, including on internet-based platforms such as blogs, online ratings, review services and social media websites, could have a significant negative impact on the Group's reputation and on the popularity of the Group's portals.

The Group's online classifieds portals are branded under different brands and under different domain names. The Group may be unable to prevent third parties from acquiring and maintaining domain names that infringe or otherwise decrease the value of its brand names, trademarks and other proprietary rights. Regulatory bodies and domain management organisations could establish additional top-level domains, appoint additional domain name registrars or modify requirements for processing and holding domain names, which may prevent the Group from freely using the Group's domain names. If the Group fails to protect its domain names, this could adversely affect its reputation and brand and make it more difficult for listers and consumers to find the Group's portals.

If the Group is unable to protect and maintain the recognition and market position of its brands, including its domain names, or if it were required to make significant investments to protect its brands from competition or a deterioration in consumer perception of the brands, the Group may experience a decline in demand for its products and services or an increase in operating costs as a result of increased marketing costs, which may in turn have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's business is based on e-commerce portals for commercial transactions in which almost all activity depends on the portals' listers and consumers and is therefore largely outside of the Group's control.

The Group's business is mainly dependent on listers and consumers listing and purchasing items and services on its portals. Thus, the Group has limited influence over which items will be listed, and does not make pricing or other decisions relating to the products bought and sold on its portals. The Group's future revenue depends on continued demand for the types of goods that listers offer on its online classifieds portals. The popularity of certain categories of items may vary over time due to perceived availability, subjective value and trends of consumers and society in general. A decline in the demand for certain items sold through the Group's online classifieds portals without an increase in demand for different items could reduce the overall volume of transactions on the Group's portals, resulting in reduced revenue. Certain of the principal drivers of the Group's business are largely outside of its control, and the Group depends on the continued preference for the Group's online services by millions of individual users.

The Group seeks to create online classifieds portals where products are offered at competitive prices. The Group does not control the pricing strategies of its listers, however, which could affect the Group's revenue and its ability to effectively compete on price with the other distribution channels used by the Group's listers, including other online classifieds portals and brick-and-mortar stores. Manufacturers may attempt to enforce minimum resale price maintenance arrangements to prevent distributors from selling on the Group's portals or at prices that would make its portal less attractive relative to other alternatives.

If there is a reduced consumer demand for the products or services listed on the Group's portals, if there are adverse changes in consumer or society trends or if products or services are offered by listers at non-competitive prices, the Group's business, results of operations, financial conditions and prospects could be materially adversely affected.

If the Group is not able to maintain and continually improve consumer and lister experiences, its business, results of operations or financial condition could be materially adversely affected.

The Group's success depends upon providing consumers with a wide selection of products from a variety of listers at competitive prices. If the Group does not attract listers to offer the products and brands in demand by the Group's consumers, if the Group is unable to present such products on its portals in an effective way and at competitive prices or if consumers and listers regard the Group's delivery, returns and/or payment processes as inconvenient, the Group may be unable to attract new consumers and listers, may lose existing consumers and listers or may be faced with reduced volumes of purchases on its portals. In addition, if the Group or any third-party users fail to provide accurate product information on its portals, it may lose consumer confidence and may receive a higher number of complaints and its business and operations may be materially adversely affected. Any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may not be able to successfully carry out its monetisation strategy or achieve its goals and guidance and its actual results of operations may vary significantly from the financial objectives and outlook included in this Prospectus.

Part of the Group's strategy focuses on further monetisation by increasing the prices of its core classifieds services. While the Group has previously successfully introduced price increases and has a pipeline of planned price increases across its portals, the Group cannot guarantee that its future monetisation efforts will be successful. Further, the Group has described certain goals and guidance in this Prospectus, which are forward-looking statements and are not assurances as to future results.

The Group intends to support planned price increases by improving the value proposition for listers, including offering increased consumer reach and traffic across its portals and offering new products and additional value added services to listers. Such price increases will be assessed for each portal at various points each year, taking into consideration factors such as the last price increase for each portal, market conditions and the current and planned product offering for listers. As such, the Group's monetisation strategy is ongoing and long-term, with specific price increases planned for upcoming years, as well as longer term opportunities supported by further product development. As a result, the success of the Group's monetisation strategy is partly dependent on its ability to drive initiatives to increase consumer reach and traffic on its portals and offer new products and additional value added services. Consequently, the Group might not succeed in implementing its monetisation strategy if it is unable to grow consumer reach and traffic to the portals and/or offer new products and value added services. Moreover, even if the Group succeeds in driving and implementing the foregoing initiatives, there can be no assurance that the Group's monetisation strategy will be successful. For example, in the event these new products and value added services do not appeal to listers or listers are simply not willing to pay the increased price therefor, lister churn could be negatively impacted. Any of the foregoing, could also have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

This Prospectus includes financial and business objectives for the Group, including near term guidance. The actual results of the Group may differ materially from what is expressed or implied by the financial and business objectives. These objectives may not be achievable in the relevant term or at any time. These financial objectives are based upon a number of assumptions, which are subject to significant business, operational, economic and other risks, many of which are outside of the Group's control and are included this Part II (*Risk Factors*). These assumptions may not continue to reflect the commercial, regulatory and economic environment in which the Group operates. Accordingly, such assumptions used for setting the Group's financial and business objectives may change or may not materialise at all. In addition, unanticipated events may have a material adverse effect on the actual results that the Group achieves in future periods, whether or not its assumptions

otherwise prove to be correct. As a result, the Group's actual results may vary significantly from these objectives which could impact the value of the Shares and investors should not place undue reliance on them.

The Group is subject to technological changes, evolving industry standards and listers' and consumers' evolving needs and preferences.

The online classifieds industry is characterised by the introduction of new technologies and rapid increases in the diversity and sophistication of the technologies and services offered. New technologies and methods of offering online classifieds to professionals and consumers present a dynamic competitive challenge, as market participants offer multiple new products and services, such as analytics and user optimisation. The Group's competitors may introduce features or technologies that are perceived among listers to be better than the Group's and competitors may enter the markets in which the Group operate with better products and services, or more advanced and extensive data and analytical tools. As a result, the Group may face increasing competition from the application of technologies that are currently being developed, such as artificial intelligence, augmented reality, big data and voice-based functions that could alter the way the market currently operates, or which may be developed in the future by its existing or future competitors, new market entrants or global internet companies.

A significant and growing portion of the Group's listers and consumers access its portals through mobile devices. The Group's success largely depends on its ability to successfully address the rapidly evolving market for transactions on mobile devices, and its inability to do so could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. Furthermore, future development or application of new or alternative technologies, services or standards could require significant changes to the Group's business model, the development of new products and services, the provision of additional services or substantial new investment. The Group may not be able to adapt its services in an adequate and timely manner in order to keep up with the rapid development in the market, which could lead to a loss of consumers, listers, advertisers and market share and/or increased costs, which could affect profitability. The introduction of new business models in the online classifieds industry may lead to structural changes and affect the industry standards. Whereas the Group's business model relies on charging listers for prominence on its online classifieds portals, new competitors use different approaches such as commissions or other transaction-based revenue models, while others such as Vinted.com operate a freemium business model.

Further, the Group's success depends in part upon its ability to store, retrieve, process, manage and display substantial amounts of information and data. To achieve its strategic objectives and remain competitive, the Group must continue to develop and enhance its information technology systems. This may require the acquisition of equipment and software and the development, either internally or through independent consultants, of new proprietary software. No assurance can be given that the Group will be able to continue to design, develop, implement or utilise, in a cost-effective manner, information technology systems that provide the capabilities necessary for the Group to compete effectively. Any failure to adapt to technological developments may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group cannot predict how emerging and future technological changes will affect its operations, and, therefore, the Group cannot guarantee that it will devote appropriate amounts of capital and resources to develop the necessary technologies. New or enhanced technologies, services or offerings that the Group may introduce may fail to achieve sufficient market acceptance or may experience technical difficulties. In addition, the Group may not recover the investments it has made or may make to deploy these technologies, offerings and services, and the Group cannot guarantee that it will be able to do so in a timely and cost-efficient manner. Finally, the Group may not be able to obtain funding on reasonable terms or at all in order to finance the necessary capital expenditures to keep up with technological developments or to develop new or enhanced technologies, offerings and services. Any of the foregoing may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

If the Group's security measures or those of third-party systems that host personal data are breached or unauthorised access to lister data is otherwise obtained, market perception and lister confidence may be adversely affected and the Group might be exposed to litigation, related proceedings or significant capital expenditure.

The Group's operations involve the storage and transmission of its listers' and consumers' confidential information, including personal data. Security breaches, computer malware, computer hacking attacks and cyberattacks could expose the Group to a risk of loss of this information, liability, fines and litigation. Moreover, computer malware, viruses and computer hacking, phishing and cyberattacks involving third parties

seeking unauthorised access to confidential or personal data or disrupting the Group's ability to provide services are prevalent in the industry in which the Group operates, have occurred on its systems in the past and may occur on its systems in the future. The online classifieds industry faces an ever-increasing number of threats to information systems from a broad range of threat actors, including foreign governments, criminals, competitors, computer hackers, cyberterrorists and politically motivated groups or individuals. The motivations of such actors may vary, but breaches that compromise the Group's IT systems could cause interruptions, delays or operational malfunctions. Although it is difficult to determine what, if any, harm may directly result from any specific interruption or attack, any failure to maintain performance, reliability, security and availability of the Group's products and technical infrastructure to the satisfaction of its listers and consumers may harm the Group's reputation and its ability to retain existing users and attract new listers and consumers and result in unwanted media attention, loss of valuable business data or the misappropriation of intellectual property or personal information of employees and listers as well as the inability of key personnel to perform their duties, which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's security measures may be breached as a result of third-party action, employee error or otherwise, and, as a result, third parties may obtain unauthorised access to listers' data, including identifiable information regarding users, and the Group's reputation may be damaged, its business may suffer and it could incur significant liability. Additionally, third parties may attempt to fraudulently induce employees into disclosing sensitive information such as user names, passwords or other information in order to gain access to the Group's listers' data or the Group's own data. If the Group experiences compromises to its security that result in performance or availability problems, the complete shutdown of its platform or the loss or unauthorised disclosure of confidential information, consumers and listers may lose trust and confidence in the Group and may decrease their use of the Group's services or stop using its services entirely. Because techniques used to obtain unauthorised access or to sabotage systems change frequently and hackers and cyberterrorists are increasingly sophisticated and operate large-scale and automated attacks, and because such attacks are generally not recognised until launched against a target and may be difficult to detect for long periods of time, the Group may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived breach of the Group's security measures occurs, the market perception of the effectiveness of the Group's security measures could be harmed and it could lose potential sales and existing listers, and the Group could be subjected to third-party lawsuits, regulatory fines or other action or liability, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group cannot guarantee absolute protection against unauthorised attempts to access its servers, its data and its information systems (which may contain bank account information and other personal data) or attempts to cause technical malfunctions or interruptions in its IT services or the loss or corruption, as a result of a virus or other attacks, of databases, software, hardware or any other IT equipment. In addition, the inadvertent transmission of computer viruses could expose the Group to a material risk of loss or litigation and possible liability, in particular in the event it is unable to prevent data leakage. Violation of the EU data protection regulation (Regulation EU) 2016/679 ("GDPR") or other applicable data protection laws and regulations may result in fines and lister or consumer loss, and may harm the Group's reputation in the market. In addition, a data leakage may result in an obligation to inform the individuals affected and the competent data protection supervisory authority. The Group may be required to expend significant capital in protecting against such incidents. These costs include, but are not limited to, retaining services of cybersecurity providers, compliance costs arising out of existing and future cybersecurity, data backups and other damage mitigation measures. Furthermore, as cybersecurity incidents continue to evolve, the Group may be required to expend on other resources to continue to protect its systems against the threat of such viruses and unauthorised access, to rectify any damage to its systems and remediate information security vulnerabilities, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's future success depends, in part, on the performance of its senior management team, and other key persons who possess significant experience in the Group's industry. The loss of any members of senior management or key persons could harm the Group's business.

The competence and commitment of the Group's employees are important factors for the Group's success and management of opportunities and risks. The Group's success also depends on its ability to attract, train, motivate and retain highly qualified individuals, while building its corporate culture. A lack of qualified and motivated personnel could impair the Group's development and growth or harm its reputation. The Group faces significant and increasing competition for qualified personnel, including those in information technology positions. The loss of qualified personnel, high employee turnover or persistent difficulties in filling job vacancies with suitable applicants could have a material adverse effect on the Group's ability to compete

effectively in its business and considerable expertise could be lost by the Group and subsequently gained by the Group's competitors. In addition, to attract or retain qualified personnel, the Group might have to offer increased compensation packages and other benefits which could lead to higher personnel costs. Any failure to attract, train, motivate or retain skilled personnel at reasonable costs could result in a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group has historically offered the senior management and key employees of the Group investment opportunities in the Group in order to attract and retain highly qualified individuals. Certain of these investments will crystallise in connection with, or relatively soon after, the Offer and Admission. Management intends to implement employee-incentive schemes, including share-based incentive schemes, at or soon after the Offer and Admission to ensure that total compensation remains competitive with global peers. The Group can provide no assurance that, following the crystallisation of such investments, continued employment will be consistent with the expectations, personal goals or career goals of all of those individuals who have invested in the Group and the Group may, therefore, see an increase in attrition of highly skilled individuals in the future.

Personnel expenses represent a significant cost for the Group's business. Although none of the Group's employees are currently subject to any collective bargaining agreement, there can be no assurance that labour disputes, work stoppages, strikes or similar actions will not occur in the future which might urge the Group to adopt or negotiate a collective bargaining agreement. In addition, there is no guarantee that collective bargaining would be possible on terms that are satisfactory to the Group. Any material disagreements between the Group and its employees could disrupt the Group's operations, lead to a loss in revenue, consumers and listers and increase the Group's operating costs. If the Group's operations are affected over a longer period of time by labour disputes or if the Group were forced to enter into a collective bargaining agreement at unfavourable terms, this could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's business is dependent on its ability to maintain and scale the Group's technical infrastructure.

The Group's business depends on advanced computer database and telecommunications technology. In order to compete effectively, the Group must maintain its systems as well as invest in improved technology and scaling of its technology. If the Group fails to successfully maintain, expand, integrate, upgrade or scale the Group's platforms and IT systems or is unable to do so on a timely basis or on commercially reasonable terms, margins might reduce and its offerings and services may become less attractive to listers and advertisers and the Group may lose listers to its competitors. A temporary or permanent loss of any of the Group's systems or networks could cause significant disruption to the Group's business operation, or damage to the Group's reputation resulting in a loss of revenue and potentially higher costs in the future, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Technology failures in its systems may cause a decrease in transaction volumes or otherwise harm the Group's reputation.

The Group has invested and expects to continue to invest in data centres and equipment and related network infrastructure to handle the traffic on the Group's portals and the Group has implemented systems in order to assure the quality and availability of all IT-supported processes. Additionally, the Group invests, and expects to continue to invest, in its platform and back-office security. However, the ability of the Group's IT systems to handle the demand of an unexpected spike in traffic to the Group's portals cannot be assured. In addition, the operation of these systems can become more expensive and complex, and any interruptions of such systems could result in operational failures. If the Group's lister base or the amount of traffic on the Group's portals grows more quickly than anticipated, the Group may be required to incur additional costs to enhance the underlying network infrastructure to avoid operational failures. Inadequate performance of the Group's IT systems, whether due to system failures, unavailability of data centres, distributed denial-of-service attacks, computer viruses, physical or electronic break-ins, undetected errors, design faults, sabotage, human error or other unexpected events or causes, could affect the security or availability of the Group's portals, prevent users from accessing the Group's portals and result in limited capacity, reduced demand, processing delays and loss of revenue from transactions. Although the Group has a disaster recovery site in Warsaw as additional backup for its Lithuanian portals, it is currently still in the process of setting up a disaster recovery site as additional backup for its Estonian and Latvian portals. As a result, in the event of a severe system failure, the Group's Estonian and Latvian portals may be disrupted. If any of the aforementioned risks materialises, it could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The success of the Group's generalist portals depends on the continued growth of e-commerce and the corresponding shift from offline to online shopping in the markets in which it operates.

The success of the Group's generalist portals depends on the continued development and growth of e-commerce in the Baltics as well as the development and growth of e-commerce in corresponding markets and business lines in other geographies it may seek to enter in the future. Based on projections from Euromonitor the total e-commerce market in the Baltics is projected to grow at a CAGR of approximately 20% from 2020 to 2025 (*Source: Euromonitor, March 2021*). There can be no guarantee, however, that the e-commerce market and generalist online classifieds markets in the Baltics will grow at the growth rates that the Group believes may occur, or at all. Slowing growth, stagnation or contraction in e-commerce in the markets in which the Group operates, or in geographies where it may operate in the future, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Traffic on the Group's online classifieds portals is dependent on search engine algorithms.

While the vast majority of the Group's traffic is direct traffic, the Group also utilises internet search engines and social platforms, such as Google and Facebook, to generate traffic to the Group's online classifieds portals. The purchase of product-related keywords consists of anticipating the search terms consumers will use to search for products or services on search engines and then bidding on those words and terms in the applicable search engine's auction system. If the Group does not successfully anticipate such terms, the Group may face a decline in traffic on the Group's online classifieds portals, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group also generates a significant portion of traffic to the Group's online classifieds portals from consumers clicking non-paid results links (organic search results) generated by search engine providers. The Group's positioning in search engines' search results depends on algorithms designed by the search engine providers and are based on various criteria, including the historical level of traffic on the Group's online classifieds portals. Changes in search algorithms by search engine providers may result in the exclusion of the Group's online classifieds portals from search results, lead to lower rankings on search results or otherwise impact the Group's ability to generate traffic to its online classifieds portals and/or require increasing marketing expenses, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group also seeks to enhance the relevance of the Group's online classifieds portals to common consumer search queries and thereby improve the rankings of its online classifieds portals in organic search results, which is known as "search engine optimisation" ("SEO"). Search engines frequently modify their algorithms and ranking criteria to prevent their organic search results from being manipulated, which could impair these SEO activities. Algorithms and ranking criteria may be confidential or proprietary information, and the Group may not have complete information as to the methods used to rank the Group's online classifieds portals. If the Group is unable to recognise and adapt the Group's technology to such modifications in search engine algorithms or if the Group's SEO activities are ineffective, the Group may fail to maintain or improve the Group's traffic levels, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Further, a violation of a search engine's terms of services may result in a portal's exclusion from that search engine's natural listings. If a search engine were to modify its terms of service or interpret existing or modified terms of service in a manner such that the Group's SEO practices were deemed to violate such terms, the Group's portals could be excluded from the search engine's natural listings. Such exclusion could significantly affect the Group's ability to direct traffic to the Group's portals and could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Part of the Group's traffic is directed to the Group's online classifieds portals through the Group's participation in pay-per-click advertising on internet media properties and search engines. If one or more of such arrangements are terminated or if competitive dynamics further increase market pricing, the Group may experience a decline in traffic or an increase in costs resulting in lower margins on the Group's online classifieds portals which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's advertising revenue is affected by changes in advertising trends.

The Group derives part of its revenue from the sales of advertising space on the Group's online classifieds portals to listers and third parties. Such sales can be affected by a number of factors, many of which are outside the Group's control. In the financial year ended 30 April 2021, the Group's advertising revenue contributed to

8.7% of the Group's revenue. The Group's ability to generate advertising revenue depends on, among others, the level of spending by listers, which is in turn affected by a number of factors, including general economic conditions, changes in consumer behaviour, the cyclicity of the advertising market and changes in advertising trends.

Advertising spending is affected by general economic market conditions, as cuts in advertising budgets are typically among the first initiatives taken by companies in economic downturns or unstable market conditions, and such cuts could reduce advertising spending through the Group's online classifieds portals. For example, the COVID-19 pandemic has caused volatility in user and revenue growth rates across all businesses lines including a decline in advertising revenue and traffic. Furthermore, the online advertising market is evolving at a rapid pace, and changing advertising trends or market dynamics may lead to the Group losing advertising revenue if it is unable to adapt. The Group faces intense competition in the digital advertising market where advertisers can choose from a broad selection of digital platforms and media, such as Google, Facebook and Amazon who dominate the digital advertising market. The global spending on digital advertising (search, social media, video and display) is increasing, and search, social media and video advertising are the main growth drivers, whereas advertising spending overall is stagnating. Further acceleration of this trend may negatively impact the Group's advertising revenue. A reduction in advertisers' spending on the Group's portals may result in a loss of advertising revenue, which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The traffic on the Group's portals may decline and the Group's brands and business may be adversely affected if other companies copy the Group's information and publish or aggregate the Group's information with other information for their own benefit.

From time to time, other companies copy information from the Group's portals through website scraping, robots or other means, and publish or aggregate the Group's information with other information for their own benefit. For example, third parties have attempted to copy auto listings from the Group's portals in recent years. When third parties copy, publish or aggregate content from the Group's portals, it makes them more competitive and decreases the likelihood that the consumer audience will visit the Group's portals to find the information they seek. While the Group tries to prevent or limit these activities by stipulating that such activities are infringements of intellectual property rights, creating barriers to aggregation on its portals blocking suspicious activity, adding watermarks in pictures and actively monitoring competitors' activity and engaging in discussions with consumers and listers, it has experienced them in the past and cannot guarantee that it will be successful in preventing or properly detecting such activities in the future. The Group may not be able to detect such third-party conduct in a timely manner and, even if possible, it may not be able to prevent it. In addition, the Group may be required to spend significant financial or other resources to successfully enforce its rights. If any of these activities were to occur, it could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

If the Group fails to adequately protect its know-how, sensitive confidential information, intellectual property rights, including its domain names, or faces a claim of intellectual property infringement by a third party, the Group could lose its intellectual property rights or be liable for significant damages.

The Group relies primarily on a combination of locally held copyrights, trademarks and domain name registrations to protect the Group's intellectual property, particularly the Group's brand and domain names, but may not have copyright, domain name or trademark protection for all the Group's brands in jurisdictions where a brand is not registered for the Group's goods and services. The Group's competitors may infringe the Group's trademarks and copyrights or otherwise obtain and use the Group's intellectual property without authorisation. In addition, the Group's key employees and officers have access to know-how and sensitive confidential information relating to the Group's business. In the event that competitors, third parties or the general public gain access to such confidential information, whether on purpose or by accident, the Group's market position could be materially weakened. If the Group is unable to protect its know-how, sensitive confidential information and proprietary rights against infringement or misappropriation or obtain intellectual property rights to user created content, it could materially harm the Group's future financial results and ability to develop its business. The Group might be required to spend resources to monitor and protect its intellectual property rights. The Group may not be able to discover or determine the extent of any infringement, misappropriation or other violation of the Group's intellectual property rights and other proprietary rights. The Group may initiate claims or litigation against others for infringement, misappropriation or violation of the Group's intellectual property rights or proprietary rights or to establish the validity of such rights. Despite the Group's efforts, the Group may be unable to prevent third parties from infringing upon, misappropriating or otherwise violating the Group's intellectual property rights and other proprietary rights. Any litigation, whether or not it is resolved in

the Group's favour, could result in significant expense to the Group and divert the efforts of the Group's technical and management personnel. Unauthorised use of the Group's intellectual property may damage its reputation, decrease the value of such intellectual property and reduce its market share.

The Group has adopted a multi-brand strategy where its online classifieds portals are branded under different brands and under different domain names. The Group may be unable to prevent third parties from acquiring and maintaining domain names that infringe or otherwise decrease the value of its brand names, trademarks and other proprietary rights. In addition, the Group's competitors and others could attempt to utilise the Group's brand recognition by using domain names confusingly similar to those of the Group. Internet domain names are generally regulated by law and governmental authorities and agencies that supervise this, as well as organisations involved in domain management. Regulatory bodies and domain management organisations could establish additional top-level domains, appoint additional domain name registrars or modify requirements for processing and holding domain names, which may prevent the Group from freely using the Group's domain names. Protecting and enforcing the Group's rights in its domain names may require litigation, which could result in substantial costs and diversion of management's attention. The Group may also fail to protect its domain names, which could adversely affect its reputation and brand, and make it more difficult for listers and consumers to find the Group's portals.

The Group could also be subject to potential claims from persons alleging ownership or co-ownership of certain intellectual property used by the Group. Although the Group enters into invention assignment agreements with its employees as well as third parties other than employees, there is no assurance that these contracts will be enforceable or interpreted to cover the Group's use or development of disputed intellectual property. Furthermore, third parties may initiate litigation against the Group for alleged infringement of their proprietary rights. In the event of a successful claim of infringement and the Group's failure or inability to develop non-infringing technology or content or to license the infringed or similar technology or content on a timely basis, the Group's future business could suffer. Moreover, even if the Group is able to license the infringed or similar technology or content, the Group could be required to pay license fees to the licensor that are substantial or uneconomical. As a result, the Group may also be required to develop alternative non-infringing technology, which could require significant effort and expense. If the Group cannot license or develop aspects of its technology due to infringement of intellectual property rights, it may be forced to limit its product and service offerings and may be unable to compete effectively.

Any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Legal restrictions and regulatory requirements related to the collection, storage and use of digital identities and other data may restrict the Group's operations and adversely affect its business.

The processing, storage and use of personal information and other data on the Group's portals subjects the Group to applicable laws, policies, legal obligations and industry codes of conduct relating to privacy and data protection and to changes in these regulations as well as the practice and interpretation thereof. Some of the applicable laws, policies, legal obligations and industry codes of conduct relating to privacy and data protection may be new and/or unclear. There is a possibility that the Group is too stringent in its interpretation of such obligations and that the Group thereby loses the ability to utilise data in relation to product creation and development or otherwise loses business opportunities. The Group may also interpret the applicable laws, policies, legal obligations and industry codes of conduct relating to privacy and data protection too leniently and, as a result, the Group may end up not taking necessary and appropriate steps to comply and thereby be subject to sanctions and/or loss of reputation.

Data protection in the Baltics is governed by the GDPR and the local data protection laws. The GDPR, which sets out provisions on the requirements for processing personal data and the related data security and specifies the responsibilities of the controller and the processor of personal data. The GDPR gives users broad rights to make decisions over their own data, and as a consequence users may, among others, instruct the Group to stop its processing of data and/or to delete their data. In addition to the GDPR, the current EU ePrivacy Directive is under revision and the new ePrivacy regulations that are proposed may further impact the ability to legally collect data. Any failure or perceived failure by the Group to comply with the privacy policies, privacy-related obligations to users or other third parties, or other privacy-related legal obligations, may result in governmental enforcement actions (including fines), litigation or public statements against the Group by consumer advocacy groups or others. In particular, serious breaches of the GDPR can result in administrative fines of up to the higher of 4% of annual worldwide turnover or €20 million, and fines of up to the higher of 2% of annual worldwide turnover or €10 million can be levied for other specified infringements of the GDPR.

The Group has implemented procedures and policies to ensure adherence to such legislation and is subject to significant compliance costs associated with ongoing implementation. However, there is a risk that the measures have not been implemented correctly or that the Group or parts of it will not be fully compliant. If there are breaches, the Group could face administrative injunctions and significant monetary sanctions. Additionally, if third parties, such as listers or third-party service providers violate applicable laws or the Group's policies, such violations may also put the Group's listers' information at risk. Any of the foregoing may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is dependent on online payment systems, which are exposed to security risks.

The Group is dependent on online payment systems in order to enable its consumers to pay for products and services bought from listers on its portals and in order for the Group to receive payment for its products and services rendered to professional and private listers as well as from advertisers. In these online payment transactions, secure transmission of confidential information, such as consumers' credit card numbers and personal information transmitted over public networks, is essential to maintain consumer confidence. Security breaches of the online payment systems that the Group uses could ultimately expose the Group to litigation and liability for failing to adequately secure confidential lister or consumer information, which could also damage the Group's reputation and the perceived security of the Group's classifieds portals. The occurrence of security breaches may lead to distrust of online payment systems among listers and consumers concerned about the security of online financial transactions and thus become reluctant to use the Group's online classifieds portals. In addition, there may be billing software errors that could damage consumer and lister confidence in these online payment systems. If the Group's reputation or the perceived security of the online payment systems the Group uses is impaired, the Group may lose paying listers and consumers, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may be subject to litigation and government investigations and proceedings, including investigations by tax authorities, competition authorities and financial services authorities, which could have an adverse effect on the Group's business.

In the normal course of its business operations, the Group has been and may in the future become involved from time to time in private actions, investigations and various other legal proceedings. These matters may include, among others, contract disputes, claims from listers and suppliers, fines, penalties or other sanctions imposed by the regulators and other governmental authorities (including in relation to the Group's financial intermediation and insurance distribution services), personal injury claims, employment matters, competition investigations and claims and governmental claims for taxes or duties as well as other litigation that arises in the ordinary course of business. In particular, from time to time the Group's positions in respect of taxes may be subject to review or investigation by tax authorities of the jurisdictions in which the Group operates. If any tax authority were to successfully challenge the Group's operational structure, the taxable presence of its subsidiaries in certain countries or the Group's interpretation of applicable tax laws and regulations, or if the Group were to lose a material tax dispute in any country, or any tax challenge, it could result in an increase in the Group's tax obligations and/or a higher effective tax rate.

For example, Diginet LTU UAB, a Group company, was subject to an investigation by the LCC from the end of 2018 to the end of 2020 following a complaint by UAB Ober Haus ("Claimant"), a real estate broker who used the Group's Lithuanian real estate portal, alleging that the Group had abused its dominant position in the real estate online classifieds markets by applying unfair high prices on its online classifieds real estate portal in Lithuania. In December 2020, the LCC concluded after an in-depth analysis that the prices to B2C listers and C2C listers were not unfair or restrictive on competition and closed the investigation. In January 2021, the Claimant appealed the LCC's decision with the court of first instance, asking the court to annul the LCC's decision and to return the case back to the LCC for further investigation arguing that the LCC erred in applying the necessary legal standards for evaluation of unfair prices. On 17 June 2021, the court of first instance declined to annul the LCC's decision and dismissed the Claimant's appeal. The Claimant has 30 days in which to appeal the decision.

In addition, AllePal OÜ and Kinnisvaraportaál OÜ, both Group companies, are currently involved in a complaint filed with the ECA by various Estonian real-estate portals, alleging that those Group companies are abusing their dominant position by applying excessively high prices and are unfairly limiting the conditions for XML data exchange. The ECA initiated supervisory proceedings on 4 March 2019 against AllePal OÜ and Kinnisvaraportaál OÜ. Although the Group expects that the supervisory proceedings will be terminated during the second or third quarter of 2021 without any material effect to the financial position or operations of the

Group, the Group cannot make any assurances that the ECA will not find any infringements. As the ECA or any other Estonian authorities have not initiated any misdemeanour (or criminal) proceedings against any Group company, the ongoing supervisory proceedings cannot lead to any imposition of fines to any Group company, however, if the ECA concludes that AllePal OÜ and Kinnisvaraportaál OÜ abused their alleged dominant position, the ECA could issue a precept ordering these Group companies to end any ongoing infringements.

The results of any litigation, investigations and other legal proceedings are inherently unpredictable. Any claims against the Group, whether meritorious or not, could be time-consuming, result in costly litigation, damage the Group's reputation, require significant amounts of management time and divert significant resources. If any of these legal proceedings were to be determined adversely to the Group, or if the Group were to enter into a settlement arrangement, the Group could be exposed to monetary damages or limits on the Group's ability to operate the Group's business. The ultimate outcome of any such proceedings and the potential costs associated with prosecuting or defending such lawsuits, including the diversion of management's attention to these matters, could have a material adverse effect on the Group's business, reputation results of operations, financial condition and prospects.

Failure to deal effectively with fraudulent and illegal activities on the Group's portals could harm the Group's business and reputation and lead to fines.

The Group faces risks with respect to fraudulent and illegal activities on the Group's portals. The Group periodically receives complaints from consumers and listers who may not have received the goods that they had contracted to purchase or payment for the goods that a consumer had contracted to purchase. The Group does not have the ability to require consumers and listers to make payment or deliver goods or otherwise hold the listers or consumers harmless for losses. Attempting to limit and address undesirable consumer experiences and increasing consumer satisfaction may not be effective in preventing fraudulent transactions or improving overall satisfaction among listers, consumers and other participants. Additional measures to address fraud could negatively impact the attractiveness of the Group's services to consumers or listers, which could affect the Group's ability to attract new listers and consumers and retain current listers and consumers. Any speculation about or alleged fraudulent transactions could also diminish the value of the Group's brands, and could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The listing or sale by the Group's listers of illegal, counterfeit or stolen goods or unlawful services, or the sale of goods or services in an unlawful manner, may result in allegations of civil or administrative liability for unlawful activities against the Group in relation to activities carried out by users through the Group's services and could also impact the Group's reputation and financial performance. In a number of instances, other online classifieds portals have been accused of violations of certain laws as advertiser and not as seller, including laws regarding the sale of counterfeit items, laws restricting or prohibiting the transferability (and by extension, the resale) of digital goods (such as books, music and software), the fencing of stolen goods, selective distribution channel laws, distance selling laws, product safety and consumer production laws, animal welfare laws and tax laws. The Group does not directly participate in the transactions and has clear terms prohibiting such activity on its portals, setting out consequences for any contravention, including delisting of listings and the potential banning of users from the portal, and explaining that the liability for the published content of the listing lies with the lister. Furthermore, the Group pro-actively implements measures to increase transparency in the listings and cooperates with law enforcement authorities enquiring about the users allegedly violating the laws, providing relevant information for any investigation. In addition, the Group maintains protocols for listings moderation, utilising both AI-based algorithms and manual intervention. Consumers and listers also have an easy to access channel on the portals to report any suspicious listings. These reports are reviewed by the relevant portals' moderation team where actions are taken as needed. While the Group has measures in place, the Group cannot guarantee that such measures will be successful in preventing and detecting such activities in the future and there is a risk that any of the foregoing activities could result in liability for the Group.

As the Group's online classifieds portals sales grow, the cost of remediating fraudulent activity, including consumer reimbursements, may materially increase and could negatively affect the Group's operating results. Furthermore, fraudulent activity could impede the Group's revenue and profit growth by increasing costs that the Group incurs to develop technological measures to curtail fraud and any allegation of fraud could divert management's time and attention from the business. The Group cannot rule out the possibility that any of the foregoing may occur and cause harm to the Group's business or reputation in the future. If any of the foregoing were to occur, this could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Furthermore, while applicable regulations require online portals and hosting providers to have actual knowledge of any illegal content on their portals in order to have any potential liability, certain regulations are vague and unclear with respect to the e-commerce portal provider's responsibility to actively monitor transactions or take action to prevent fraudulent or infringing activities. The laws relating to the liability of online services companies for information disseminated through their services are subject to frequent challenges globally. Any liabilities incurred as a result of these matters could require the Group to incur additional costs and harm its reputation and its business. If the Group or other online services providers are held liable or potentially liable for information carried on or disseminated through their portals, the Group may have to implement measures to reduce its exposure to this liability. As a result of the existing regulatory initiatives within the European Union to develop a new and safe accountability framework for online portals offering services in the European Union, new obligations, such as the requirement to develop a user-friendly internal complaint and redress mechanism for users, are expected to be introduced under the proposed Digital Services Act. Any measures the Group may need to implement may involve spending substantial resources and/or discontinuing certain services. Any costs that the Group incurs as a result of liability or asserted liability could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group could face legal and financial liability for the sale of items that infringe on the intellectual property and distribution rights of others and for information and material disseminated through its portals.

Although the Group's terms of use clearly prohibit the sale of counterfeit items or any items infringing upon third parties' intellectual property rights on the Group's portals and the Group has implemented solutions to exclude goods and services that have been determined to violate its terms of use, the Group is not able to detect and remove every item that may infringe on the intellectual property rights of third parties. As a result, the Group has received in the past, and anticipates that it will receive in the future, complaints alleging that certain items listed or sold through the Group's portals infringe third-party distribution rights or other intellectual property rights. Content owners and other intellectual property rights owners have been active in defending their rights against online companies. The Group has taken steps to cooperate with intellectual property rights owners to seek to eliminate allegedly infringing items listed on its online classifieds portals, as well as with law enforcement authorities inquiring about users allegedly violating the law and seeks to provide law enforcement with the relevant information for such investigations. The Group's policies prohibit the sale of goods that may infringe third-party intellectual property rights, and the Group may suspend the account of any lister who infringes third-party intellectual property rights. Moreover, the Group uses both algorithms and manual advertisement moderation personnel to review and detect advertisements that may potentially be in breach of the relevant portal's terms and conditions. The Group also has trained and dedicated personnel that are able to respond to user enquiries, resolve potential complaints and react to reports from consumers and listers about suspicious advertisements found on the Group's portals. Despite these measures, some owners of intellectual property rights may consider the Group's efforts insufficient, the Group may not be able to detect and remove every item that may infringe on the intellectual property rights of third parties, and the Group anticipates that it will continue to receive legal claims from content and intellectual property owners alleging violations of their rights, which could result in substantial monetary awards, penalties or costly injunctions against the Group.

It is also possible that third parties could bring claims against the Group for defamation, libel, breach of contract, invasion of privacy, negligence, copy right or trademark infringement or other claims based on the nature and content of the materials disseminated by third parties through the Group's portals, particularly materials disseminated by the Group's listers, and compliance with laws prohibiting corrupt payments to government officials, as well as laws designed to combat money laundering and the financing of terrorist activities. Any liabilities incurred as a result hereof could require the Group to incur additional costs and harm its reputation and its business, which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Changes in regulations or the interpretation thereof could result in additional expenditures that could adversely affect the Group's business and results of operations.

Laws and regulations applicable to e-commerce, financial intermediation services, insurance distribution services, as well as laws and regulations of broader application that apply to the Group's business (in particular, competition law), and to public companies generally, are evolving at a rapid pace and can be subject to differing interpretation. Given the extensive scope and timing of the changes, the Group cannot guarantee that its practices have complied or will comply fully with all applicable laws and regulations and their interpretation. Any failure, or perceived failure, by the Group to comply with any of these laws or regulations could result in damage to the Group's reputation and a loss of revenue, and any legal or enforcement action brought against the Group as a result of actual or alleged non-compliance could further damage its reputation

and result in substantially increased legal expenses and/or penalties, which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Changes in laws and regulations or the interpretation thereof could increase the Group's operating costs or require the Group to restrict its ability to conduct its business and/or deliver its services. As internet usage evolves, laws and regulations that regulate communications or commerce on the internet may be enacted, amended or replaced, and the interpretation and application thereof may develop, on a variety of matters, including privacy, pricing, taxation, content, copyrights, distribution, antitrust, quality of products and services, libel, property ownership, obscenity and consumer protection. As part of the Group's business consists of advertising, laws and regulations which restrict online advertising, this could also have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Tax laws and regulations relating to the provision of goods and services over the internet are currently being developed. In 2018, the EU Commission proposed a new 3% tax on gross income derived from certain digital services and applicable to groups exceeding certain revenue thresholds (the "EU DST"). The EU DST was aimed at digital services for which user participation is essential for creating value; namely, targeted online advertising and online intermediation services. The EU DST was not adopted due to the lack of unanimous agreement from all Member States. However, in July 2020, the European Union stated its continued intention to implement an EU-wide solution if no global agreement is reached and included in its 2021 work programme a commitment to propose an EU wide digital levy in the first half of 2021. In addition, the European Union has approved a programme promoting safer use of the internet and new online technologies, and there may be further EU legislation in this area that would restrict or otherwise affect the Group's online operations. Such initiatives, along with the GDPR and other laws and regulations, may limit the Group's ability to use data to tailor and develop its products and offerings.

Due to the global nature of the internet, the governments of countries in which the Group does not currently operate may:

- attempt to regulate the content contained on or transmitted using the Group's online classifieds portals;
- prosecute the Group for violations of their laws;
- require the Group to qualify to do business in their country;
- require the Group to notify governmental authorities of its activities relating to the collection and processing of user data or relating to the provision of financial services information; or
- require the Group to retain user or communications data for law enforcement purposes.

Any such legislation or regulation, the application of laws and regulations from jurisdictions whose laws do not currently apply to the Group's business or the application of certain existing laws and regulations to the internet and other online services could make it difficult for the Group to operate its online businesses in its current form and require the Group to make significant additional investments in its online portals, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's ability to service its debts and meet its cash requirements depends on many factors, some of which are beyond the Group's control.

The Group's ability to satisfy its debt obligations in the longer term will depend on the Group's operating performance and financial results, which will be subject, in part, to factors beyond its control, such as interest rates and general economic, financial and business conditions, factors affecting the Group's key markets as well as other factors. If the Group is unable to generate sufficient cash flow to service its debt in the longer term, the Group may be required to dispose of material assets or operations, obtain additional debt or equity capital or restructure or refinance all or a portion of the Group's debt on or before its maturity to meet its obligations.

Furthermore, the type, timing and terms of any future financing, restructuring, asset sales or other capital raising transactions will depend on the Group's future cash needs and the prevailing conditions in the financial markets. The Group cannot make assurances that it would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In such an event, the Group may not have sufficient assets in the longer term to repay any portion or all of its debt. In addition, the Group cannot make assurances that it would be able to take any of these actions in the future or that these actions would enable the Group to satisfy its capital requirements or would be permitted under the terms of its various debt instruments then in effect. If the Group is required to take any of these actions in the future, it could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Investors should note that the contents of this risk factor are not intended to qualify the statements made as to the sufficiency of the Group's working capital contained in this Prospectus.

The Group is subject to complex tax regimes in a number of jurisdictions and changes in, or new interpretations of, tax laws, tax rulings or their application by tax authorities, which could affect the amount of taxes payable by the Group and adversely affect the Group's business.

The Group's tax obligations are varied due to the nature of the Group's business. Tax laws applicable to the Group are subject to interpretation, and significant judgement will be required in determining the Group's provision for taxes, deferred tax assets or liability and evaluating the Group's tax position. Changes in tax rates, enactment of new tax laws, revisions of tax regulations and claims or litigation with tax authorities may require significant judgement in determining the appropriate provision and related accruals for these taxes, and such changes could result in substantially higher taxes. Furthermore, adverse interpretation of such laws, or changes in future activities of the Group, could impact the Group's tax obligations. Any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Tax laws and regulations relating to the provision of goods and services over the internet are currently being developed. The Group's business model subjects it, or may subject it, to current or prospective laws, policies, legal obligations and industry codes of conduct relating to the taxation of the digital economy, as well as potentially any future changes in such measures or the practice and interpretation thereof.

The Organisation for Economic Co-operation and Development ("OECD"), as part of its Base Erosion and Profit Shifting ("BEPS") project, has been looking to achieve a multilateral solution to the issue of taxing the digital economy. In October 2020, it was announced that negotiators failed to find an agreement for a global digital taxation framework—initially expected for October 2020—and announced that a consensus-based solution may be reached by mid-2021. The OECD solution is expected to be based on profit reallocation and is currently under negotiation and, as such, its final impact, if any, is uncertain. Given such uncertainty concerning both whether the proposals will be implemented and, if implemented, the scope of such proposals, it is difficult to predict the impact these proposals may have on the tax position of the Group.

Within the European Union, in March 2018 the European Commission proposed a new 3% EU DST tax on gross income derived from certain digital services and applicable to groups exceeding certain revenue thresholds. The EU DST was aimed at digital services for which user participation is essential for creating value; namely targeted online advertising and online intermediation services. The EU DST was not adopted due to the lack of unanimous agreement from all Member States. However, in July 2020, the European Union stated its continued intention to implement an EU-wide solution if no global agreement is reached and included in its 2021 work-programme a commitment to propose an EU wide digital levy in the first half of 2021. After the unsuccessful implementation of the EU DST proposal, several Member States have approved or announced their intention to approve national taxes with features similar to the EU DST.

Due to the complexity of each of the relevant regimes discussed above, including the uncertain scope of the taxable services, it is possible that any of these regimes may increase the amount of tax payable by the Group which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's results of operations and financial condition could be adversely impacted by impairments of goodwill and other intangible assets.

As of 30 April 2021, the Group had €329 million of goodwill relating to past acquisitions on its balance sheet which represented 75.1% of its total assets. Events or changes in circumstances relating to the businesses acquired can give rise to significant impairment charges in a particular year. An asset impairment charge may result from the occurrence of unexpected adverse events that impact the Group's estimates of expected cash flows generated from the acquired businesses. In accordance with UK-IFRS, the Group tests non-financial assets, including goodwill, annually for impairment, or more frequently if there are indications that they might be impaired, to determine whether the carrying value of these assets may no longer be completely recoverable, in which case impairment is recorded in the income statement. Any impairment may have a material adverse effect on the Group's results of operations and financial condition.

The Group is subject to various risks which may not be adequately insured.

The Group seeks to cover foreseeable risks through insurance coverage. Such insurance coverage, however, may not fully cover the risks to which the Group is exposed. This can be the case with insurance covering legal and administrative claims as well as with respect to insurance covering other risks. For certain risks, adequate

insurance coverage may not be available on the market at all or may not be available on reasonable commercial terms. As a result, the amount of any costs, including fines or damages that the Group might incur in such circumstances, could substantially exceed any insurance the Group has to cover such losses. Consequently, any harm resulting from the materialisation of these risks could result in significant capital expenditures and expenses as well as liabilities, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. In addition, the Group's insurance providers could become insolvent. In the case of any of these events occurring, alone or in combination, it could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Risks relating to the Offer and the Shares

There is no existing market for the Shares, and an active trading market for the Shares may not develop or be sustained.

Prior to Admission, there has been no public trading market for the Shares. Although the Company will apply to the FCA for admission of the Shares to the premium listing segment of the Official List and will apply to the London Stock Exchange for admission of the Shares to trading on its main market for listed securities, the Company can give no assurance that an active trading market for the Shares will develop or, if developed, will be sustained following Admission. If an active trading market does not develop or is not sustained, the liquidity and trading price of the Shares could be adversely affected. The Offer Price has been determined by negotiation between the Group and the Underwriters and may not be indicative of market prices of the Shares that will prevail following the Completion of the Offer.

Shares in the Company may be subject to market price volatility, and the market price of the Shares in the Company may decline disproportionately in response to developments that are unrelated to the Company's operating performance.

The Offer Price is not indicative of the market price of the Shares that will prevail following Admission. The market price of the Shares may be volatile and subject to wide fluctuations. The market price of the Shares may fluctuate as a result of a variety of factors, including, but not limited to, those referred to in this Part II (*Risk Factors*), as well as period-to-period variations in operating results or changes in revenue or profit estimates by the Group, industry participants or financial analysts. The market price could also be adversely affected by developments unrelated to the Group's operating performance, such as the operating and share price performance of other companies that investors may consider comparable to the Group, speculation about the Group in the press or the investment community, unfavourable press, the research and reports that industry or securities analysts publish about the Group or the Group's business or the lack of any such reports, strategic actions by competitors (including acquisitions and restructurings), changes in market conditions, regulatory changes and broader market volatility and movements. Any or all of these factors could result in material fluctuations in the price of Shares, which could lead to investors getting back less than they invested or a total loss of their investment.

The Major Shareholder will retain significant interests in, and will continue to exert substantial influence over, the Group following the Offer, and its interests may differ from or conflict with those of other shareholders.

Immediately following Admission, the Major Shareholder will continue to own beneficially approximately 48.82% of the issued ordinary share capital of the Company, assuming no exercise of the Over-allotment Option, and approximately 42.82% if the Over-allotment Option is exercised in full. Whilst the Company has entered into a Relationship Agreement with the Major Shareholder to ensure that the Group is capable of carrying on its business independently of the Major Shareholder, the Major Shareholder will possess sufficient voting power to have a significant influence over all matters requiring shareholder approval, including the election of directors, approval of significant corporate transactions and delay, deferral or prevention of a change of control. The interests of the Major Shareholder may not always be aligned with those of other shareholders. In addition, affiliates of the Major Shareholder may own businesses that directly compete with the Group's business and, although it is not the case currently, there are parts of the world or certain activities in which the Group and affiliates of the Major Shareholder may be in competition with one another.

The Major Shareholder has retained the right to enter into margin loan facilities that could encompass the entire shareholding of the Major Shareholder. Should the Major Shareholder enter into a margin loan facility, the security granted by the Major Shareholder in favour of the relevant margin loan lenders could represent a significant majority of the Shares that the Major Shareholder will hold following Admission. An enforcement of such a security by margin loan lenders could have a significant impact on the Company's ordinary

shareholding structure. The enforcement of such a security, in whole or in part, by margin loan lenders will reduce the Major Shareholder's shareholding in the Company and may result in it ceasing to be a significant shareholder.

In certain circumstances, the enforcement of a security granted in connection with a margin loan facility in respect of Shares which carry 30% or more of the voting rights of the Company may trigger an obligation on the relevant margin loan lenders to make a mandatory offer for the Shares they do not otherwise own. However, the Takeover Panel will not normally require such an offer from a lender enforcing security if sufficient interests in Shares are disposed of within a limited period to persons unconnected with the lender, so that the percentage of shares carrying voting rights in which the lender, together with any persons acting in concert with it, is interested is reduced to the percentage held by those persons prior to the triggering acquisition being made. Any such disposal, or the perception that such disposal may occur, may depress the market price of the Shares and could impair the Group's ability to raise capital through the issue of new Shares.

Shareholders in the United States and other jurisdictions outside the UK may not be able to participate in future equity offerings.

The Articles provide for pre-emption rights to be granted to shareholders in the Company, unless such rights are disapplied by a shareholder resolution. However, securities laws of certain jurisdictions may restrict the Company's ability to allow participation by shareholders in future offerings. In particular, shareholders in the United States may not be entitled to exercise these rights, unless either the Shares and any other securities that are offered and sold are registered under the US Securities Act, or the Shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Company cannot assure prospective investors that any exemption from such overseas securities law requirements would be available to enable United States or other overseas shareholders to exercise their pre-emption rights or, if available, that the Company will utilise any such exemption.

Not all rights available to shareholders under United States law will be available to holders of the Shares.

Rights afforded to shareholders under English law differ in certain respects from the rights of shareholders in typical United States companies. The rights of holders of the Shares are governed by English law and the Articles. In particular, English law currently limits significantly the circumstances under which the shareholders of English companies may bring derivative actions. Under English law, in most cases, only the Company may be the proper claimant for the purposes of maintaining proceedings in respect of wrongful acts committed against it and, generally, neither an individual shareholder, nor any group of shareholders, will have any right of action in such circumstances. In addition, English law does not afford appraisal rights to dissenting shareholders in the form typically available to shareholders in a United States company.

The market price of the Shares could be negatively affected by sales of substantial amounts of such Shares in the public markets, including following the expiry of the lock-up period, or the perception that these sales could occur.

Following Admission, it is expected that the Major Shareholder, the Management Shareholders and the Directors will in aggregate hold approximately 59.66% of the Company's issued share capital, assuming no exercise of the Over-allotment Option, and approximately 53.66% if the Over-allotment Option is exercised in full. The Company cannot predict what effect, if any, future sales of Shares, or the availability of Shares for future sale, will have on the market price of Shares. Sales of substantial numbers of Shares in the public market following the Offer, or the perception or any announcement that such sales could occur, following the expiry of the lock-up arrangements described below, could adversely affect the market price of Shares and may make it more difficult for investors to sell their Shares at a time and price which they deem appropriate. Such sales may also make it more difficult for the Company to issue equity securities in the future at a time and at a price that it deems appropriate.

The Company, the Major Shareholder, the Management Shareholders and the Directors have agreed to certain lock-up arrangements from the date of this Prospectus until 180 days after Admission, in the case of the Company and the Major Shareholder, and from the date of this Prospectus until 360 days after Admission, in the case of the Directors and the Management Shareholders. During the periods immediately prior to, and following the end of, the periods of sales restriction provided for by these lock-up arrangements, the market price of the Shares may fall in anticipation of a substantial sale of Shares. Following the expiry of these lock-up arrangements (or if waived by the Global Coordinator), there will be no contractual restriction on the sale of the Shares owned by the shareholders who were previously subject to them. The Group cannot predict whether a substantial number of Shares in addition to those which will be available in the Offer will be sold in the open

market following the expiry or waiver of these restrictions. In particular, there can be no assurances that after the restrictions expire, or prior to such time if any such restrictions are waived, such shareholders will not reduce their holdings of the Shares. In addition, certain of the Shares could be granted as security by the Major Shareholder in connection with margin loan facilities, the enforcement of which would reduce the Major Shareholder's shareholding, may have a significant impact on the Company's shareholding structure and corporate governance, may depress the market price of the Shares and could impair the Group's ability to raise capital through the issue of further Shares.

The Company's ability to pay dividends in the future depends, among other things, on the Group's financial performance and capital requirements.

There can be no guarantee that the Group's historical performance will be repeated in the future, particularly given the competitive nature of the industry in which it operates, and its revenue, profit and cash flow may significantly underperform market expectations. If the Group's cash flow underperforms market expectations, then the Company's capacity to pay a dividend will suffer. Any decision to declare and pay dividends will be made at the discretion of the Directors and will depend on, among other things, applicable law, regulation, restrictions on the payment of dividends in the Group's financing arrangements, the Group's financial position, the Company's distributable reserves, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Directors deem significant from time to time.

Overseas shareholders may be subject to exchange rate risk.

The Shares are, and any dividends to be paid in respect of them will be, denominated in pound sterling. An investment in Shares by an investor whose principal currency is not pound sterling exposes the investor to foreign currency exchange rate risk. Any depreciation of pound sterling in relation to such foreign currency will reduce the value of the investment in the Shares or any dividends in foreign currency terms.

The Company is a holding company with no business operations of its own and depends on its subsidiaries for cash, including in order to pay dividends.

The Company is a group holding company with no independent operations and is dependent on earnings and distributions of funds from its operating subsidiaries for cash, including in order to pay dividends to shareholders.

As a matter of English law, the Company can pay dividends only to the extent that it has sufficient distributable reserves available, which depends upon the Company receiving cash from its operating subsidiaries in a manner which creates distributable reserves. The Company's ability to pay dividends to shareholders therefore depends on the future Group profitability, the ability to distribute or dividend profits from the operating subsidiaries up the Group structure to the Company, general economic conditions and other factors the Directors deem significant. The Group's distributable reserves can be affected by reductions in profitability as well as by impairment of assets.

The issuance of additional Shares in the Company in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings.

The Group may seek to raise financing for future acquisitions and other growth opportunities. The Group may, for these and other purposes, such as in connection with share incentive and share option plans, issue additional equity or convertible equity securities. As a result, Existing Shareholders may suffer dilution in their percentage of ownership or the market price of the Share may be adversely affected.

There is doubt as to the enforceability in England and Wales of claims based on the federal securities laws of the United States.

The Company is a public limited company incorporated under the laws of England and Wales. The Directors and the Major Shareholder reside outside of the United States. In addition, the Group's assets and the assets of the Directors and the Major Shareholder are or may be located outside the United States. It may not be possible, therefore, for investors to effect service of process within the United States upon the Company or its Directors or the Major Shareholder, or to enforce in United States courts judgments against them obtained in those courts based upon the civil liability provisions of the federal securities laws of the United States. Furthermore, there is substantial doubt as to the enforceability in England and Wales, whether by original actions or by seeking to enforce a judgment of a United States court or claims based on the federal securities laws of the United States.

The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions.

The Shares have not been registered under the US Securities Act or United States state securities laws or any other jurisdiction outside of England and Wales. As such, the Shares may not be offered or sold except pursuant to an exemption from the registration requirements of the US Securities Act and applicable securities laws.

PART III

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the following times and dates in the table below is indicative only and subject to change without further notice. References to a time of day are to London time.

<u>Event</u>	<u>Time and Date</u>
Announcement of the Offer Price and allocation of Shares	7:00 a.m. on 30 June 2021
Prospectus published	30 June 2021
Commencement of conditional dealings in Shares on the London Stock Exchange ⁽¹⁾	8:00 a.m. on 30 June 2021
Admission and commencement of unconditional dealings in Shares on the London Stock Exchange	8:00 a.m. on 5 July 2021 as soon as possible after
CREST accounts credited with uncertificated Shares	8:00 a.m. on 5 July 2021
Despatch of definitive share certificates (where applicable) for Shares in certificated form	by 19 July 2021

(1) It should be noted that if Admission does not occur, all conditional dealings will be of no effect and any such dealings will be at the sole risk of the parties concerned.

PART IV
OFFER AND ADMISSION STATISTICS

Offer Price (per Share)	165 pence
Number of Shares in issue on Admission ⁽¹⁾	500,000,000
Number of Shares (61,304,620 New Shares and 138,695,380 Existing Shares) included in the Offer (excluding any Over-allotment Shares)	200,000,000
Number of Shares in the Offer as a percentage of total number of Shares in issue on Admission	40.00%
Maximum number of Shares subject to the Over-allotment Option	30,000,000
Estimated net proceeds of the Offer receivable by the Company ⁽²⁾	£89.4 million
Estimated net proceeds of the Offer receivable by the Selling Shareholders ⁽³⁾	£221.2 million
Indicative market capitalisation of the Company at the Offer Price	£825.0 million

Notes:

- (1) Represents the total number of Shares in issue on Admission following the Pre IPO Reorganisation and after the issue of New Shares by the Company and the issue of Shares to certain Non-Executive Directors and certain individuals known to the Company as described in section 10 (*Subscription of Shares Outside of the Offer*) of Part XVI (*The Offer*) of this Prospectus.
- (2) The estimated net proceeds of the Offer receivable by the Company are stated after the deduction of underwriting commissions (including the maximum amount of any discretionary commission) and other costs and expenses of, and incidental to, Admission and the Offer payable by the Company expected to be approximately £11.7 million (including VAT). The Company will not receive any of the proceeds from the sale of the Existing Shares in the Offer or the sale of any Existing Shares pursuant to the Over-allotment Option.
- (3) The estimated net proceeds of the Offer receivable by the Selling Shareholders are stated after the deduction of underwriting commissions (including the maximum amount of any discretionary commission payable by the Major Shareholder) and amounts in respect of stamp duty or SDRT payable by the Selling Shareholders in connection with the Offer, expected to be approximately £7.7 million (including VAT) (assuming there is no exercise of the Over-allotment Option).

PART V
IMPORTANT INFORMATION

General

Prospective investors should rely only on the information in this Prospectus (and any supplementary prospectus produced to supplement the information contained in this Prospectus). No person has been authorised to give any information or to make any representation or warranty in connection with the Company, the Shares or the Offer other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors, the Selling Shareholders or any of the Underwriters or any of the Underwriters' respective affiliates. No representation or warranty, express or implied, is made by any of the Underwriters as to the accuracy or completeness of such information, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by any of the Underwriters as to the past, present or future. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor Admission nor any subsequent subscription or sale shall, under any circumstances, create any implication that there has been no change in the affairs of the Group set out in this Prospectus or that the information in it is correct as at any date subsequent to the date of this Prospectus.

The Company and the Directors do not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Offer or the Company. The Company and the Directors make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

The Company will update the information provided in this Prospectus by means of a supplement to this Prospectus if a significant new factor that may affect the evaluation by prospective investors in the Offer arises prior to Admission or if it is noted that this Prospectus contains any material mistake or material inaccuracy. Any supplement to this Prospectus will be subject to approval by the FCA and will be made public in accordance with the Prospectus Regulation Rules. If a supplement to this Prospectus is published prior to Admission, investors shall have the right to withdraw their subscriptions and/or purchases made prior to the publication of such supplement. Such withdrawal must be done within the time limits set out in the supplement (if any) (which shall not be shorter than two clear Business Days after publication of such supplement).

The validity of this Prospectus will expire on 30 June 2022.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice in relation to any Shares. None of the Company, the Selling Shareholders, the Directors, any of the Underwriters or any of their respective representatives or affiliates is making any representation to any potential investor in the Shares regarding the legality of an investment by such potential investor. Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold Shares under applicable legal investment or similar laws or regulations.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a financial opinion or recommendation by any of the Company, the Selling Shareholders, the Directors, the Underwriters or any of their representatives or affiliates that any recipient of this Prospectus should invest in the Shares. Prior to making any decision whether to invest in the Shares, prospective investors should read this Prospectus in its entirety and, in particular, Part II (*Risk Factors*) of this Prospectus. In making an investment decision, prospective investors must rely upon their own examination of the Company, the Shares and the terms of this Prospectus, including the risks involved. Any decision to invest in the Shares should be based solely on this Prospectus. The merit and suitability of an investment in the Company should be independently evaluated and any person considering such an investment in the Company is advised to obtain independent advice as to the legal, tax, accounting, financial and credit implications and other related advice prior to making an investment.

Prospective investors who invest in the Shares in the Offer will be deemed to acknowledge that: (i) they have not relied on any of the Underwriters or any person affiliated with any of them in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; (ii) they have relied solely on the information contained in this Prospectus; and (iii) no person has been authorised to give any information or to make any representation concerning the Group or the Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should

not be relied upon as having been authorised by the Company, the Selling Shareholders, the Directors or any of the Underwriters.

In connection with the Offer, any of the Underwriters and any of their affiliates, acting as investors for their own accounts, may take up a portion of the Shares in the Offer as a principal position, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its own accounts in such Shares and other securities of the Company or related investments and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in this Prospectus to the Shares being issued, offered, subscribed for, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing of or dealing by, any Underwriter and any of its affiliates acting as an investor for its own accounts. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which the Underwriters (or any of their affiliates) may from time to time acquire, hold or dispose of Shares. Neither the Underwriters nor any of their affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

The Sponsor and the Underwriters and any of their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to the Company and/or its respective affiliates, for which they would have received customary fees and commissions. The Sponsor and the Underwriters and any of their respective affiliates may provide such services to the Company and any of their affiliates in the future and BNP Paribas SA is a lender under the New Facilities Agreement.

The Directors intend to use the net proceeds of £89.4 million from the issue of the New Shares to redeem the Redeemable Preference Share for £49,999 and, alongside net drawings of €96.8 million (approximately £83.2 million) under the New Facilities Agreement and available cash balances of €13.5 million (approximately £11.6 million), to repay the principal outstanding amount under the Senior Facilities Agreement of €214.3 million (approximately £184.2 million). The sterling amounts included in this paragraph have been translated at an exchange rate of €1.00 = £0.8594, which represents the rate of exchange as of 29 June 2021. The refinancing of the Senior Facilities Agreement is conditional on Admission. This will create additional financial flexibility to be able to invest in the future growth of the business.

Presentation of financial information

Historical Financial Information

As the Company was only incorporated on 26 April 2021 and has not traded since incorporation, unless otherwise indicated, the historical financial information presented in this Prospectus has been derived from (i) the audited consolidated financial statements of Baltic Classifieds Group OÜ as of and for the 16-month period ended 30 April 2019, (ii) the audited consolidated financial statements of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019, (iii) the audited consolidated financial statements of ANTLER MidCo S.à r.l. as of and for the period from 7 June 2019 to 30 April 2020 and (iv) the audited consolidated financial statements of ANTLER MidCo S.à r.l. as of and for the year ended 30 April 2021 (the “**financial year ended 30 April 2021**”), in each case included in the Part B of Part XIII (*Historical Financial Information*) of this Prospectus (the “**Historical Financial Information**”). The Group’s financial year runs from 1 May to 30 April.

On 16 November 2018, Baltic Classifieds Group OÜ was inserted as a holding company above Dignet LTU UAB, AllePal OÜ, Kinnisvaraportaal OÜ and City 24 SIA. The transaction constituted a group capital reorganisation whereby all entities were under common control by UP Invest OÜ both before and after the transaction. Accordingly, as allowed under UK-IFRS, the predecessor values method (book value) with the retrospective presentation approach was applied to prepare the consolidated financial statements for Baltic Classifieds Group OÜ for the two periods included in the Historical Financial Information. Under this approach, the consolidated financial statements of Baltic Classifieds Group OÜ are presented as if the businesses have been combined from the beginning of the earliest period presented because they were under common control from the date of incorporation of Baltic Classifieds Group OÜ.

The first accounting period ended 30 April 2019 started on 1 January 2018 and is 16 months long as a result of a change in the financial year end of Dignet LTU UAB, AllePal OÜ, Kinnisvaraportaal OÜ and City 24 SIA from 31 December to 30 April during this period. The second period is a short bridging period from 1 May 2019 to 23 July 2019 where Baltic Classifieds Group OÜ remained under the control of UP Invest OÜ prior to its acquisition by UAB Antler Group, an indirect subsidiary of ANTLER MidCo S.à r.l., on 24 July 2019 (the “**Acquisition**”). Following the Acquisition, the results of Baltic Classifieds Group OÜ, Dignet LTU UAB, AllePal OÜ, Kinnisvaraportaal OÜ and City 24 SIA have been consolidated in the consolidated financial statements of ANTLER MidCo S.à r.l.

On 7 June 2019, ANTLER MidCo S.à r.l. was incorporated in preparation for the Acquisition. ANTLER MidCo S.à r.l. prepared its first financial statements for the period from 7 June 2019 to 30 April 2020. However, ANTLER MidCo S.à r.l. had no trading activity prior to the Acquisition and the consolidated financial statements for the period from 7 June 2019 to 30 April 2020 only reflect the Group's trading history starting from 24 July 2019 after the Acquisition completed.

Accordingly, due to the impact of (i) the varying period lengths presented in the Historical Financial Information and (ii) the fact that the consolidated financial statements of the Group do not give pro forma effect to the Acquisition, the historical periods presented are not directly comparable. Consequently, for illustrative purposes only, this Prospectus also contains (i) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the 12-month period ended 30 April 2019 (the “**twelve months ended 30 April 2019**”) included in Note 26 to the Historical Financial Information and (ii) the unaudited aggregated consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data for the 12-month period ended 30 April 2020 (the “**aggregated period ended 30 April 2020**”) derived by aggregating the consolidated statement of profit or loss and other comprehensive income data and the statement of cash flows data of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019 and the consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data of ANTLER MidCo S.à r.l. for the period from 7 June to 30 April 2020, included in an unaudited aggregated memorandum column in the Historical Financial Information.

The directors believe that presenting the unaudited aggregated memorandum information is useful to investors in evaluating the Group's financial performance, as this will aid comparability of historical results of operations and cash flows.

The unaudited aggregated memorandum information has not been prepared in accordance with UK-adopted international accounting standards or any other generally accepted accounting standards. The unaudited aggregated memorandum information should be considered in addition to, as opposed to in substitution for, the audited historical financial results included in the Historical Financial Information.

Refer to Note 1 of Part B of Part XIII (*Historical Financial Information*) of this Prospectus for further information on the basis of preparation of the Historical Financial Information.

The Historical Financial Information included in Part B of Part XIII (*Historical Financial Information*) of this Prospectus is covered by the accountant's report included in Part A of Part XIII (*Historical Financial Information*) of this Prospectus, which was prepared in accordance with Standards for Investment Reporting issued by the Auditing Practices Board. Such Historical Financial Information is presented in accordance with UK-adopted international accounting standards (“**UK-IFRS**”) and has been prepared in accordance with the requirements of the UK Prospectus Regulation. The basis of preparation and significant accounting policies are set out within Notes 1, 2 and 3 of the Historical Financial Information. None of the Historical Financial Information has been audited in accordance with auditing standards generally accepted in the United States (“**US GAAS**”) or auditing standards of the Public Company Accounting Oversight Board (the “**PCAOB**”).

The financial information and historical consolidated financial information included in this Prospectus are presented in euro.

Prior year adjustment

The financial information for the period ending 30 April 2020 has been restated in the application of IFRS15 (Revenue recognition). The Group had previously recognised revenue with business to consumers and consumers to consumers customers at a point in time when the listing was first published. In the period ended 30 April 2021, the Group have reviewed their accounting policies and determined that their performance obligation is satisfied over time as the customer obtains control of the services across the life of the contract as their product is listed (more details on the Group's revenue accounting policies are set out in Note 3 of Part B of Part XIII (*Historical Financial Information*) of this Prospectus). As a result the financial information for the period ending 30 April 2020 has been restated.

In addition the purchase price allocation on the Acquisition has been restated to reflect the fair value of the contract liabilities that existed on the Acquisition as a result of satisfying the performance obligation over time. The impact of the adjustment on the balance sheet is to increase contract liabilities by €1.1 million, increase deferred tax assets by €0.2 million and increase goodwill by €1.0 million (see Note 3 of Part B of Part XIII (*Historical Financial Information*)).

The impact of the adjustment as of 30 April 2020 is to increase contract liabilities by €1.1 million, increase deferred tax assets by €0.2 million and increase goodwill by €1.0 million, increasing net assets and equity by nil. There was no material movement in the contract liabilities or the associated deferred tax between the date

of the Acquisition and 30 April 2020, thus the impact on revenue, profit before tax and tax expense in the period ended 30 April 2020 is nil (see Note 3 of Part B of Part XIII (*Historical Financial Information*)).

There was no impact on operating cash flows and no material tax impact.

The predecessor information presented herein has been prepared using consistent accounting policies and thus is prepared on a basis that is consistent with the above adjustments.

Changes in presentation

In preparing the Historical Financial Information, the Group has made certain presentational changes if compared to the previously published financial statements for the period ended 30 April 2020 in order to better align these items to the relevant IFRS financial statement captions and to better reflect the underlying nature of the transactions. The period ended 30 April 2020 has been updated to reflect this change in classification for all instances. These changes are:

- Consolidated statement of cash flows: interest of €25 thousand was reclassified from financing activities to operating activities.
- Consolidated statement of financial position, Trade and other payables (Note 17 of Part B of Part XIII (*Historical Financial Information*)), Financial liabilities (Note 18 of Part B of Part XIII (*Historical Financial Information*)): Osta.ee cash balance was reclassified from contract liabilities to other payables within trade payables.
- Revenue (Note 5 of Part B of Part XIII (*Historical Financial Information*)): Revenue was adjusted to disaggregate ancillary revenue from other revenue streams and to provide further disaggregation of revenue information across business lines.
- Consolidated Statement of Profit or Loss and Other Comprehensive Income and Operating profit (Note 6 of Part B of Part XIII (*Historical Financial Information*)): The Group has determined that analysis of expenses by nature provides a more relevant basis of determining the performance of the Group given the activities of the Group and has therefore restated the Consolidated Statement of Profit or Loss and Other Comprehensive Income to provide the analysis by nature of expense. Expenses by function have then been provided in Note 6 of Part B of Part XIII (*Historical Financial Information*).
- Net finance costs (Note 8 of Part B of Part XIII (*Historical Financial Information*)): The interest unwind on lease liabilities was disaggregated from interest expense.
- Effective tax reconciliation (Note 9 of Part B of Part XIII (*Historical Financial Information*)): The items within the reconciliation were reclassified to provide greater comparability between periods.
- Intangibles Assets (Note 11 of Part B of Part XIII (*Historical Financial Information*)): Client relationships have been disaggregated from other intangibles. Amortisation has been reclassified accordingly.
- Financial assets (Note 18 of Part B of Part XIII (*Historical Financial Information*)): A loan receivable has been disaggregated from other receivables to allow for greater transparency.

Pro Forma Financial Information

In this Prospectus, any reference to “pro forma” financial information is to information which has been extracted without material adjustment from the unaudited pro forma financial information contained in Part XIV (*Unaudited Pro Forma Financial Information*) of this Prospectus. The unaudited pro forma statement of net assets has been prepared for illustrative purposes only in accordance with Annex 20 of the Delegated Regulation and should be read in conjunction with the notes set out in Part XIV (*Unaudited Pro Forma Financial Information*) of this Prospectus. Because of its nature, the unaudited pro forma statement of net assets addresses a hypothetical situation and therefore may not give a true picture of the Group’s financial position or results as of 30 April 2021 nor is it indicative of the results that may or may not be expected to be achieved in the future.

The unaudited pro forma statement of net assets has not been prepared in accordance with Regulation S-X of the US Securities Act, any other US regulatory requirements or any US generally accepted accounting principles.

Alternative performance measures and key performance indicators

This Prospectus contains financial measures that are not defined or recognised under UK-IFRS or UK GAAP, including financial measures relating to the Group such as EBITDA, Adjusted EBITDA, Adjusted EBITDA

Margin, Adjusted EBITDA minus Capex, Cash Conversion, Net Debt, Total Debt, average number of B2C automotive dealers per month, monthly average revenue per dealer (“**ARPD**”), total automotive B2C revenue, average monthly active C2C auto listings, average monthly revenue per active C2C auto listing, average monthly revenue per uploaded C2C auto listing, total automotive C2C revenue, average number of real estate brokers per month, monthly average revenue per real estate broker (“**ARPB**”), total real estate B2C revenue, average monthly active C2C real estate listings, average monthly revenue per active C2C real estate listing, average monthly revenue per uploaded C2C real estate listing, total real estate C2C revenue, average number of job listers on CVbankas.lt per month, monthly average B2C revenue per job lister on CVbankas.lt, total CVbankas.lt B2C revenue, average monthly active listing on Paslaugos.lt, average monthly revenue per active listing on Paslaugos.lt, total Paslaugos.lt C2C revenue, average monthly paid listings on Skelbiu.lt, average monthly revenue per paid listing on Skelbiu.lt, total Skelbiu.lt classifieds revenue, automotive revenue, real estate revenue, jobs and services revenue, generalist revenue, organic revenue, advertising revenue, ancillary revenue, C2C revenue, B2C revenue, Adjusted total Group traffic, total Group traffic, automotive traffic growth, real estate traffic growth, jobs and services traffic growth, generalist traffic growth, Adjusted Expenses, Adjusted Other Operating Costs and Labour costs plus capitalised labour, all of which the Company considers to be alternative performance measures (“**APMs**”) or key performance indicators (“**KPIs**”). These APMs and KPIs are used by the Directors and management to analyse the business and financial performance, track the Group’s progress and help develop long-term strategic plans. The Directors present these APMs and KPIs to provide additional information to investors and enhance their understanding of the Group’s results of operations. Furthermore, the Directors believe that these APMs and KPIs are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity.

APMs and KPIs should not be considered in isolation and investors should not consider such information as alternatives to revenue, profit before tax or cash flow from operating activities calculated in accordance with UK-IFRS, as indications of operating performance or as measures of the Group’s profitability or liquidity. Such financial information must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with UK-IFRS included elsewhere in this Prospectus. APMs and KPIs are non-UK-IFRS financial measures and have not been audited or reviewed. Investors are cautioned not to place undue reliance on these APMs and KPIs and are also advised to review them in conjunction with the historical financial information in Part B of Part XIII (*Historical Financial Information*) of this Prospectus

For the definition of and a reconciliation from an appropriate measure calculated in accordance with UK-IFRS of the APMs included in this Prospectus, see the section headed “Alternative Performance Measures” in Part XI (*Operating and Financial Review*).

The Directors believe that the description of these APMs in this Prospectus follows and complies with the European Securities and Markets Authority Guidelines on Alternative Performance Measures dated 5 October 2015.

ROUNDING

Certain numerical figures included in this Prospectus have been rounded. Discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding. In addition, percentages in tables have been rounded and accordingly may not add up to 100%.

MARKET AND INDUSTRY DATA

This Prospectus contains statistics, data, and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group’s business and markets. Unless otherwise indicated, this information is based on the Group’s analysis of multiple third-party sources, such as market studies and other available information, including data compiled by Bain & Company, Inc. and information obtained from SimilarWeb.com (“**SimilarWeb**”), Google Analytics (“**Google Analytics**”) and other third-party market research and information published by public institutions, professional organisations, analysts and information otherwise obtained from other third-party sources. All third-party information included in this Prospectus has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information provided inaccurate or misleading.

While the Directors believe that all third-party information included in this Prospectus is reliable, the Group has not independently verified such third-party information, and the Group makes no representation or warranty as to the accuracy or completeness of such information as set forth in this Prospectus.

Where third-party information has been used in this Prospectus, the source of such information has been identified.

EXCHANGE RATE AND CURRENCY INFORMATION

Unless otherwise indicated, references in this Prospectus to “pound sterling” or “£” are to the lawful currency of the United Kingdom.

Unless otherwise indicated, references in this Prospectus to “euro” or “€” are to the lawful currency of the European Union.

FORWARD-LOOKING STATEMENTS

This Prospectus includes certain forward-looking statements, forecasts, estimates, projections and opinions (“**Forward-looking Statements**”). When used in this Prospectus, the words “anticipate”, “believe”, “estimate”, “forecast”, “expect”, “intend”, “plan”, “project”, “may”, “will” or “should” or, in each case, their negative or other variations or similar expressions, as they relate to the Company, the Group, its management or third parties, identify Forward-looking Statements. Forward-looking Statements include statements regarding the Group’s business strategy, its objectives (as detailed in Part VII (*The Business*) of this Prospectus), financial condition, results of operations and market data, as well as any other statements that are not historical facts. These statements reflect beliefs of the Directors (including as based on their expectations arising from pursuit of the Group’s strategy), as well as assumptions made by the Directors and information currently available to the Company.

Although the Company believes that these beliefs and assumptions are reasonable, by their nature, Forward-looking Statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of the Company. These risks, uncertainties, assumptions and other factors could cause actual outcomes and results to be materially different from those projected. Past performance cannot be relied upon as a guide to future performance and should not be taken as a representation that trends or activities underlying past performance will continue in the future. No representation is made or will be made that any Forward-looking Statements will be achieved or will prove to be correct. These risks, assumptions, uncertainties and other factors expressly qualify all subsequent oral and written Forward-looking Statements attributable to the Group or persons acting on its behalf.

Forward-looking Statements contained in this Prospectus speak only as of the date of this Prospectus. The Company does not assume any obligation to update any Forward-looking Statement and disclaims any obligation to update its view of any risks or uncertainties described herein or to publicly announce the result of any revisions to Forward-looking Statements made in this Prospectus, except as required by law, the Prospectus Regulation Rules, the Listing Rules, the Disclosure Guidance and Transparency Rules or the UK Market Abuse Regulation.

In addition, this Prospectus contains information concerning the Group’s industry and its market and business lines generally, which is forward-looking in nature and is based on a variety of assumptions regarding the ways in which the industry, and the Group’s market and business lines, will develop. These assumptions are based on information currently available to the Company. If any one or more of these assumptions turns out to be incorrect, actual market results may differ from those predicted. While the Company does not know what effect any such differences may have on the Group’s business, if there are such differences, they could have a material adverse effect on the Company’s future results of operations and financial condition. The Company does not intend, and does not assume any obligation, to update industry or market data set forth in this Prospectus.

The Forward-looking Statements are not guarantees of future performance and involve risks and uncertainties. The Forward-looking Statements are based on the Directors’ current expectations and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the Forward-looking Statements. The Group’s actual results may differ materially as a result of various factors including, but not limited to:

- risks related to operating in a competitive market and the Group’s failure to maintain or increase market share or to improve monetisation and margins;
- risks related to the Group’s dependency on its strong branding and any failure to maintain and enhance its existing brands and to develop new brands;
- risks related to the fact that all activity on the Group’s e-commerce portals for commercial transactions in which almost all activity depends on the portals’ listers and consumers, which is largely outside of the Group’s control;
- risks related to technology failures in the Group’s systems; and

- risks related to a decline in traffic on the Group’s portals and other companies copying, publishing or aggregating the Group’s information for their own benefit.

The foregoing factors and others described under Part II (*Risk Factors*) should not be construed as exhaustive. Due to such uncertainties and risks, investors are cautioned not to place undue reliance on the Forward-looking Statements, which speak only as of the date of this Prospectus. It is urged by the Directors that this Prospectus, including Part II (*Risk Factors*), Part XI (*Operating and Financial Review*) and Part VII (*The Business*), be read for a more complete discussion of the factors that could affect the Group’s future performance and the industry in which it operates. Moreover, the Group operates in a competitive and rapidly changing environment. The Group may face new risks from time to time, and it is not possible to predict all such risks; nor can the Directors assess the impact of all such risks on the Group’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in the Forward-looking Statements. Given these risks and uncertainties, no undue reliance should be placed on the Forward-looking Statements as a prediction of actual results.

Investors should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to the sufficiency of working capital in this Prospectus.

US Securities law consideration

The Company has agreed that, for so long as any of the Shares are “restricted securities” as defined in Rule 144(a)(3) under the US Securities Act, the Company will, during any period in which it is neither subject to section 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), nor exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such restricted securities or to any prospective investor in such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective investor, the information required to be delivered pursuant to Rule 144A(d)(4) under the US Securities Act. The Company expects that it will be exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder.

This Prospectus is being furnished by the Company in connection with an offering exempt from the registration requirements of the US Securities Act, solely for the purpose of enabling a prospective investor to consider the acquisition of Shares described herein. The information contained in this Prospectus has been provided by the Company and other sources identified herein. This Prospectus is being furnished on a confidential basis only to persons reasonably believed to be QIBs in the United States and other eligible persons outside of the United States. Any reproduction or distribution of this Prospectus, in whole or in part, in the United States and any disclosure of its contents or use of any information herein in the United States for any purpose, other than in considering an investment by the recipient in the Shares offered hereby in accordance with the offer and sale restrictions described herein, is prohibited. Each prospective investor in the Shares, by accepting delivery of this Prospectus, agrees to the foregoing. The Shares are being offered in the United States through United States registered broker-dealer affiliates of the Underwriters.

Service of process and enforcement of civil liabilities

The Company is a public limited company incorporated under the laws of England and Wales. The Directors and the Major Shareholder reside outside of the United States. In addition, the Group’s assets and the assets of the Directors and the Major Shareholder are or may be located outside the United States. It may not be possible, therefore, for investors to effect service of process within the United States upon the Company or its Directors or the Major Shareholder, or to enforce in United States courts judgments against them obtained in those courts based upon the civil liability provisions of the federal securities laws of the United States. Furthermore, there is substantial doubt as to the enforceability in England and Wales, whether by original actions or by seeking to enforce a judgment of a United States court or claims based on the federal securities laws of the United States.

PART VI

MARKET OVERVIEW

The following information set out in this Part VI (Market Overview) relating to the Group's markets has been provided for background purposes only. Unless indicated otherwise, all market, industry, market share and competitive position data set out in this Part VI (Market Overview) and elsewhere in this Prospectus that relate to the market in which the Group operates are estimates and should be treated with caution. The information has been extracted from a variety of sources released by public and private organisations. The information has been accurately reproduced and, as far as the Group is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Investors should read this Part VI (Market Overview) in conjunction with the more detailed information contained in this Prospectus including Part II (Risk Factors) and Part XI (Operating and Financial Review)

This Part VI (Market Overview) provides prospective investors with an overview of the macroeconomic drivers of the Group's market and the Company's competitive landscape.

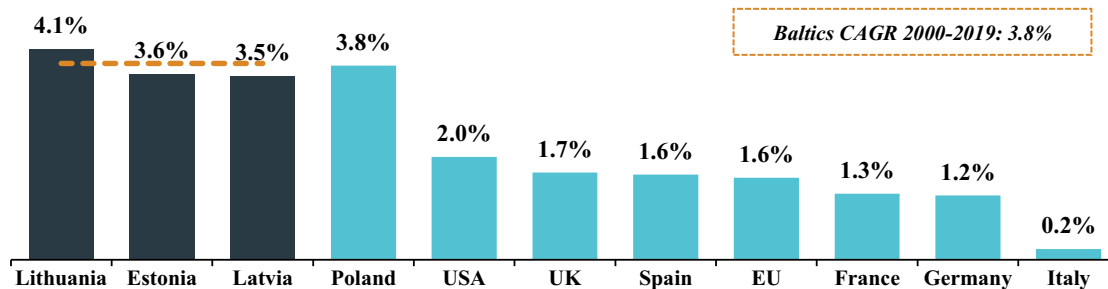
MACROECONOMIC OVERVIEW

The Group operates in the Baltic region, with 66.0%, 31.5% and 2.4% of the Group's revenue for the financial year ended 30 April 2021 coming from Lithuania, Estonia, and Latvia, respectively. The Baltics are Member States with a total population in 2020 of 6.0 million (Lithuania: 2.8 million, Estonia: 1.3 million and Latvia: 1.9 million (*Source: Euromonitor, 2020*)) and an aggregate real gross domestic product ("GDP") of approximately €105 billion in 2020 (Lithuania: €49 billion, Estonia: €27 billion and Latvia: €29 billion (*Source: Euromonitor, constant 2020 prices*)). The region's GDP per capita at constant prices (expressed in purchasing power parity ("PPP") US dollar, population weighted across the Baltics) reached approximately \$36,000 in 2020, compared to approximately \$44,000 for the European Union area for the same period (*Source: Euromonitor*). The Baltics joined the European Union in May 2004 and the eurozone in January 2011 (Estonia), January 2014 (Latvia) and January 2015 (Lithuania), all adopting the euro as their currency. All three countries also joined NATO in 2004 and the OECD in 2010 (Estonia), 2016 (Latvia) and 2018 (Lithuania).

The region's economy has demonstrated resilience and ability to grow since the global financial crisis of 2008, with real GDP growing at a compound annual growth rate ("CAGR") of 3.8% in the period from 2000 to 2019, more than two times higher than the average European Union real GDP CAGR during the same period (*Source: Euromonitor*). This growth was largely driven by internal consumption and increasing net exports into neighbouring countries for Lithuania, and internal consumption and gross investments for Estonia and Latvia. In addition, the region's average PPP GDP per capita has experienced sustained growth at a CAGR of 6.9% from 2000 to 2019, approximately two times more than the equivalent European Union growth rate of 3.5% for the same period, and is expected to continue growing at a rate of 6.0% from 2020 to 2025, faster than the European Union expected rate of 5.0% for the same period (*Source: Euromonitor, GDP per capita PPP*).

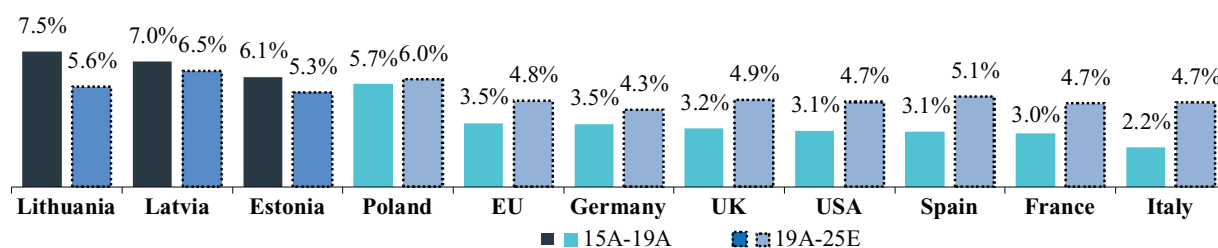
The Baltic economies were less impacted by the COVID-19 pandemic than other European countries, in part due to swift lockdown measures put in place by the local governments in late March 2020. In the second quarter of 2020, when the three countries instilled strict lockdown measures for approximately a month and a half, GDP for that quarter declined compared to the previous year by 4.4% in Lithuania, 8.4% in Estonia, and 9.9% in Latvia, while the average decline for the European Union was 12.6% (*Source: Euromonitor, real GDP at current prices*). There was a strong GDP recovery in the third quarter of 2020; overall, the region's economy was relatively resilient to the shock of the COVID-19 pandemic as tourism represents a very low proportion of the economy. For the calendar year 2020, the region's real GDP per capita contracted by approximately 2.4%, compared to an average decline of 6.7% for the European Union (*Source: Euromonitor, constant 2020 prices, weighted by country population*).

Real GDP CAGR 2000–2019



(Source: Euromonitor, real GDP at constant 2020 prices)

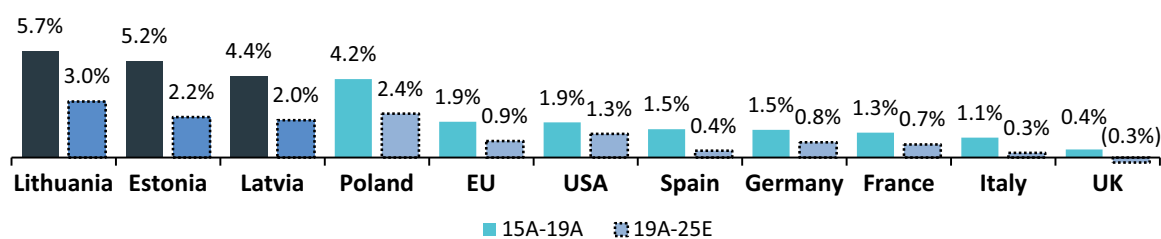
Real GDP per capita (PPP) CAGR 2015–2019, 2019–2025



(Source: Euromonitor, GDP per capita (PPP))

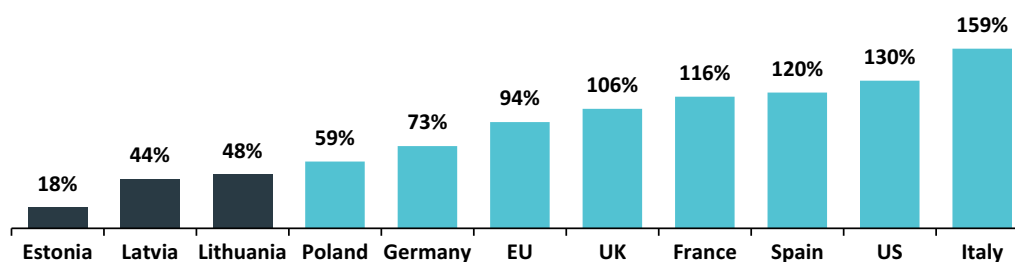
The Baltic economy is also underpinned by strong and attractive macroeconomic fundamentals. Net migration in the region has been positive since 2019, largely driven by reduced emigration of Lithuanian nationals, a rise in immigration from neighbouring countries and nationals returning home due to increased prosperity. Disposable income per capita in the region has increased at a CAGR of 5.1% from 2015 to 2019, compared to the European Union average of 1.9% for the same period (Source: Euromonitor, disposable income per capita at constant 2020 prices). In addition, the region has a strong credit profile with some of the lowest gross public debt to GDP ratios in Europe, which averaged 37% in 2020, significantly below the European Union average of 94% (Source: Euromonitor).

Disposable Income CAGR 2015–2019, 2019–2025



(Source: Euromonitor, disposable income per capita at constant prices)

Gross Public Debt to GDP ratio (2020)



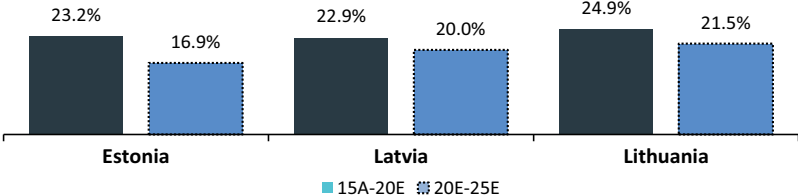
(Source: Euromonitor)

Moreover, the region presents an attractive business environment, with each of Estonia, Latvia and Lithuania ranked among the top six countries in Europe with respect to ease of doing business (Estonia #5, Latvia #6, and Lithuania #4 in the European Union) while also benefitting from one of the lowest average labour costs in Europe, according to the World Bank’s Doing Business 2020 report. All three countries also ranked among the top 20 countries globally with respect to the economic freedom enjoyed in the respective countries (Estonia #14, Latvia #19, and Lithuania #11).

The Baltics also benefit from high levels of digital adoption, underpinned by internet access and 4G mobile penetration. As of September 2020, 4G penetration was one of the highest in Europe, at 96%, 96% and 89% in Latvia, Lithuania, and Estonia, respectively, compared to the European Union average of 79% (Source: Telegeography). The region’s average smartphone penetration in 2020 reached 71% and is expected to increase to 86% by 2025 (Source: Statista, smartphone penetration forecast 2010—2025). The Baltics also rank high in the EU Digital Economy and Society Index (DESI) 2020 for digital public services (Estonia #1, Latvia #5 and Lithuania #6 (Source: EU Digital Economy and Society Index (DESI) 2020)), as well as in the EBRD Knowledge Economy Index for innovation and access to information (Estonia #1, Lithuania #3 and Latvia #4 (Source: European Bank for Reconstruction and Development, March 2019; the Knowledge Economy index evaluates economic development of 46 EBRD countries in terms of innovation and access to information)).

With increasing penetration of 4G and smartphone use, and supported by an innovative business environment, the region is seeing growing online activity. In 2020, Estonia and Lithuania were ranked 6th and 8th, respectively, for mobile application creation and 14th and 21st for overall online creativity according to the Global Innovation Index (Source: World Intellectual Property Organization, Global Innovation Index, 2020). In addition, online activity in the Baltics is also increasing, as the total e-commerce market has grown at a CAGR of 24% from 2015 to 2020, and is estimated to grow at a CAGR of 20% from 2020 to 2025 (Source: Euromonitor). The increase in internet and smartphone adoption, along with the growth in e-commerce demand, in part accelerated due to COVID-19 pandemic-related lockdowns, continue to drive the shift towards online advertising and online shopping. The Group believes that there is still significant room for online advertising to grow as internet ad spending remains relatively low compared to other countries.

E-Commerce Demand CAGR 2015–2020, 2020–2025



(Source: Euromonitor)

BALTIC AUTOMOTIVE CLASSIFIEDS MARKET

Overview of the Baltic Automotive Market

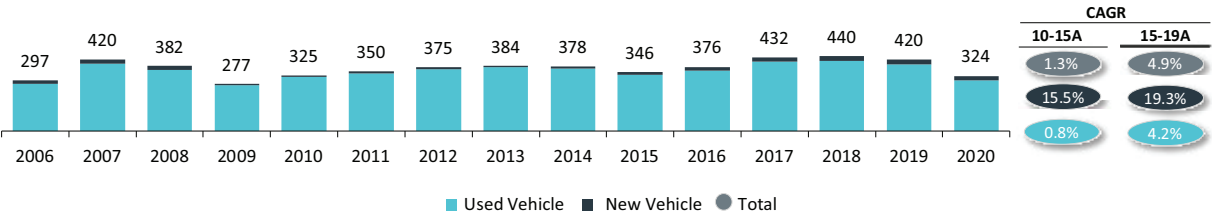
Lithuania and Estonia Automotive Market

The Group operates in the Lithuanian and Estonian automotive markets, where in total there are 2.4 million vehicles in circulation as of 31 December 2020. In the year 2020, there were approximately 475,000 total vehicle transactions in Lithuania and Estonia, of which over 90% were used vehicle transactions. The total value of vehicle sales in these countries in 2020 was €4.4 billion, without taking into account other types of vehicles, vehicle parts and associated products (for example, vehicle financing and insurance). The Group currently does not operate in the Latvian automotive market.

The total number of vehicle transactions in Lithuania and Estonia has gradually increased over the past two decades, supported by a growing economy. Vehicle transactions are influenced by the economic environment, as shown by the decline in 2009 following the global financial crisis of 2008. Growth in vehicle transactions combined for Lithuania and Estonia has accelerated from approximately 2.7% CAGR between 2010 to 2015 (post the global financial crisis) to approximately 4.5% CAGR from 2015 to 2019, with steady growth in the used vehicle market (mid-single digit CAGR) and significant growth in new vehicle sales (mid-teens CAGR) in the same period. In 2020, the COVID-19 pandemic led to a decrease in vehicle transactions by 23% and 14% in Lithuania and Estonia, respectively, compared to the previous year. While the advanced digital infrastructure

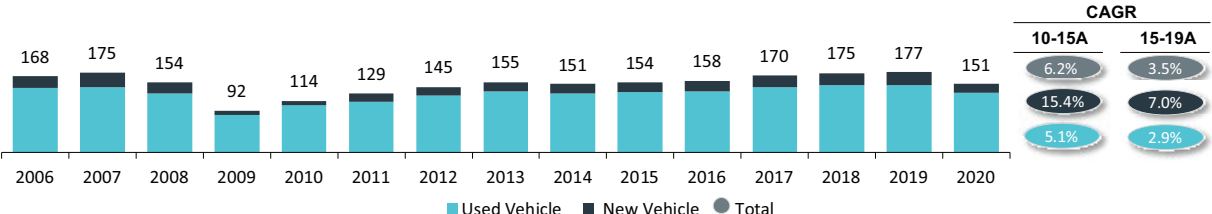
and usage of online classifieds portals in the Baltics enabled consumers and listers to continue transacting, transaction levels were lower, driven by government-mandated lockdowns slowing retail activity and viewings, travel restrictions impacting vehicle sourcing and inventory, and general economic conditions. The COVID-19 pandemic has lengthened the average vehicle renewal period across Lithuania and Estonia by 1.3 years as certain consumers have postponed vehicle purchasing decisions, however, an estimated vehicle holding period of approximately five years in Lithuania and Estonia, compared to approximately three years in the UK, supports scope for consistent vehicle demand in the Baltics (*Source: Company Information*). The following charts show the development in the number of vehicle transactions in Lithuania and Estonia for the period from 2006 to 2020:

Vehicle Transactions in Lithuania (in thousands)



(*Source: Regitra*)

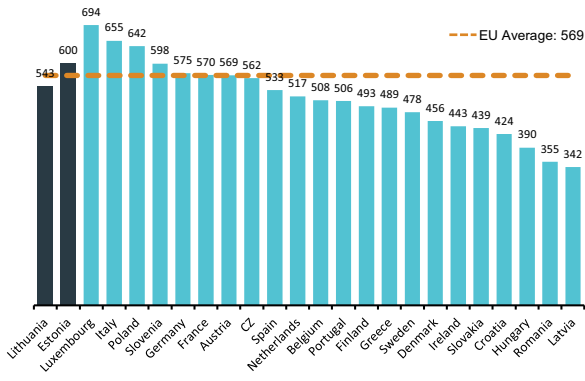
Vehicle Transactions in Estonia (in thousands)



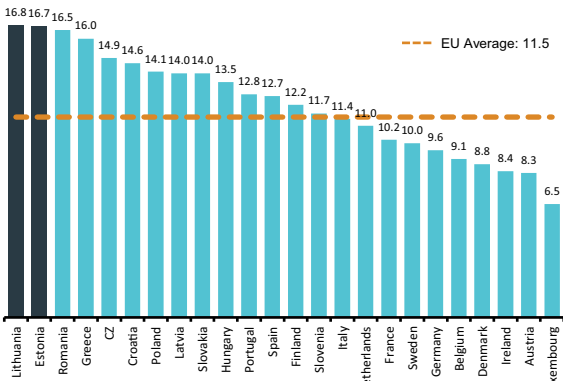
(*Source: MNT*)

Growth in Lithuanian and Estonian vehicle transactions has been supported by positive macroeconomic development and structural trends in vehicle density and fleet age. Disposable income per capita in Lithuania and Estonia has grown at an average CAGR of 5.4% from 2015 to 2019 (*Source: Euromonitor*). Improving consumer confidence and low unemployment rate also contributed to continued growth in vehicle transactions. Vehicle density in Lithuania and Estonia averaged approximately 571 vehicles per 1,000 inhabitants in 2019, in line with the European Union average of 569 vehicles per 1,000 inhabitants (*Source: ACEA (European Automobile Manufacturers Association)*). As of 31 December 2019, the average age of the vehicle parc across Lithuania and Estonia remained elevated at an average of 16.8 years relative to other European Union countries at an average of 11.5 years (*Source: ACEA*), suggesting significant pent-up demand for vehicle replacement.

Passenger Vehicles per 1,000 inhabitants



Avg. Age of Passenger Vehicles (Yrs.)



(*Source: ACEA*)

As a result of the demand for new and used vehicles, there has been consistent growth in the vehicle parc in Lithuania and Estonia, equivalent to a CAGR of 4% in the period from 2016 to 2020, reaching 1.6 million and 0.8 million registered vehicles in circulation at the end of 2020, respectively (*Source: ACEA*). Imports of used autos from Western Europe are the primary source of vehicle parc growth, however, the growth in the introduction of new vehicles also drives vehicle parc growth.

For the year 2020, the average price of a new vehicle remained approximately two to three times the average price of a used vehicle, with the used vehicle market expected to continue accounting for the vast majority of vehicle transactions in the region. The need to renew an aging fleet and growing disposable incomes have resulted in an increasing average price of used vehicles as vehicle owners seek newer, higher quality models. Average prices of used vehicles have increased over time from 2016 to 2020 by a CAGR of 6.4% in Lithuania and 4.4% in Estonia (*Source: Company Information*). With the price of new vehicles growing at a lower CAGR of 0.6% for the same period, the positive price trend in used vehicle prices has been the main driver behind a steadily rising average transaction value for the industry.

Average Price of a New Vehicle and a Used Vehicle in Lithuania & Estonia (€k)

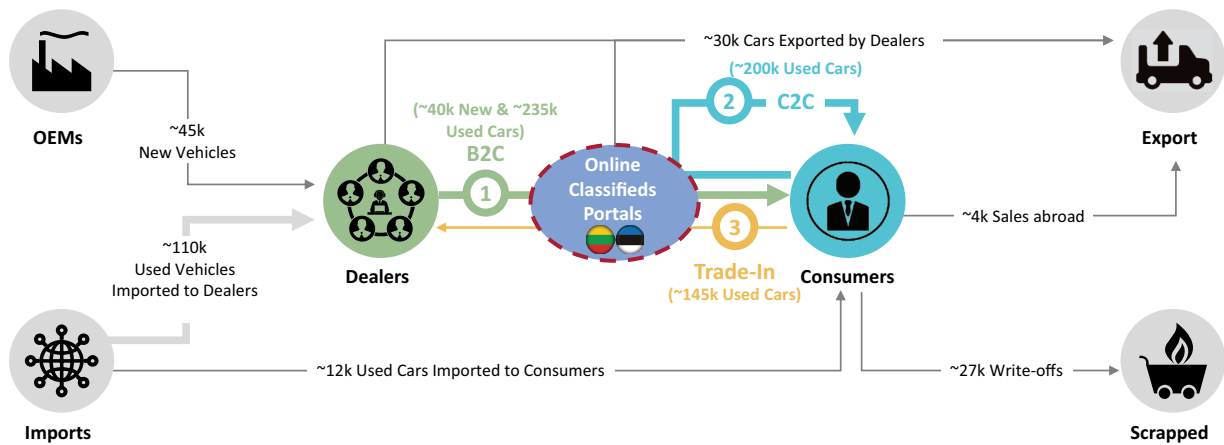
<u>Lithuania</u>	New Vehicle	Used Vehicle	<u>Estonia</u>	New Vehicle	Used Vehicle
2016	21.5	5.7	2016	21.3	8.3
2017	21.7	6.2	2017	21.6	9.0
2018	21.8	6.4	2018	21.6	9.4
2019	21.7	6.8	2019	21.5	9.6
2020	21.9	7.3	2020	21.8	9.8
CAGR 16-20	0.6%	6.4%	CAGR 16-20	0.6%	4.4%

(*Source: Company Information*)

In recent years, the Lithuanian government has intensified efforts to decrease vehicle emissions and renew the vehicle parc. A new tax has been introduced for vehicles with higher CO2 emissions (paid upon ownership change) as well as various subsidies towards the decommissioning of more pollutive vehicles and the purchase of cleaner, electric vehicles. The introduction of this tax policy, together with growing disposable incomes, has pushed consumer demand towards newer vehicles and more premium used vehicles, contributing to the growth of the average vehicle price in 2020. In 2020, the share of electrical vehicles (excluding hybrids) out of total sold vehicles is approximately 0.4% and 0.3% in Lithuania and Estonia, respectively, compared to the EU average of 3.0% and the German average of 3.0% (*Source: Regitra, MNT, Company Information*). The Lithuanian Ministry of Environment has announced the goal to fully electrify the Lithuanian vehicle parc by 2045, and future initiatives are likely to support further growth in the average transaction value. There are currently no passenger vehicle related taxes or subsidies in Estonia. Should they be introduced, following the EU’s Green Course policy, a similar trend towards newer, less pollutive vehicles may support average price growth.

Baltic Automotive Market Ecosystem

The flow of vehicles in the Baltic ecosystem starts with vehicles entering the system from original equipment manufacturers (“OEMs”) and imports, reaching end-consumers through B2C automotive dealers, consumer-to-consumer sales (“C2C”), and, to a lesser extent, the direct imports of used vehicles to consumers. Online classifieds portals serve as an underlying portal facilitating activity between the various market participants in this ecosystem, particularly between automotive dealers and consumers, and between consumers themselves.



(Source: Company Information)

In the calendar year 2020, new vehicles represented less than 10% of the overall transaction volume in Lithuania and Estonia, which are generally sold through franchised automotive dealers. For used vehicle sales, automotive dealer intermediation represented 56% and 37% in Lithuania and Estonia, respectively, with the remainder of the sales in 2020 being C2C transactions (Source: Company Information, 2020). Consumers also occasionally import used vehicles directly from other countries, but this remains a small part of the market. As the Baltic automotive online classifieds portals developed with high internet penetration as a backdrop, there is a greater propensity for consumers to list their used vehicles directly on online classifieds portals, resulting in a greater proportion of C2C transactions relative to other European markets. This is especially the case in Estonia, where online automotive classifieds portals have been present since the early 2000s. Lithuania, on the other hand, has a wider automotive dealer ecosystem due to Lithuania historically being a hub for the trading of used vehicles among Western Europe and CIS countries.

From a consumer's perspective, online classifieds portals serve as the primary and most efficient channel for searching and buying vehicles. Transactions in the Baltics have historically been concentrated around online classifieds portals rather than directly through automotive dealers' own channels, which have limited reach in terms of both physical and online presence. Accordingly, consumers typically have a strong preference to transact on online classifieds portals, with either an automotive dealer or a C2C lister as their counterparty.

Automotive dealer networks are large but highly fragmented, with approximately 3,800 automotive dealers in Lithuania (Source: Lithuanian tax authority) and over 1,000 automotive dealers in Estonia as of 30 April 2021 (Source: Company Information). Franchised and large independent automotive dealers represent a smaller proportion of the market, while over 90% of the market consists of medium and a long tail of small unregistered/independent automotive dealers typically having three to 50 vehicles in stock at any time during the year (Source: Company Information, 30 April 2021).

The majority of automotive dealer networks in Lithuania and Estonia have made limited investments in marketing and operations, resulting in underdeveloped brands and limited retail locations. The vast majority of automotive dealers also lack an independent online presence. Consequently, online classifieds portals such as Autoplus.lt and Auto24.ee are often the preferred channel for automotive dealers, serving essentially as storefronts for reaching consumers. In Estonia, where more than half of automotive dealers do have their own websites, they tend to populate such websites with data from Auto24.ee's stock management tool, further indicating the important role of online classifieds portals. As a result, as of April 2021, approximately 95% and 88% of automotive dealers in Lithuania and Estonia, respectively, operated on the Group's online classifieds portals (Source: Company Information, including semi-professionals defined as C2C listers that have more than three active listings simultaneously).

From an automotive dealer's perspective, in this highly fragmented ecosystem, optimised vehicle sourcing is paramount for maximising profit margins. Online classifieds portals are crucial enablers of rapid inventory turnover. Inventory sourcing is done through a number of channels, including:

- **Local consumers and other automotive dealers:** In the year 2020, approximately 60% of all used vehicles sold in the Baltics were sourced domestically from either individual consumers or other automotive dealers (Source: Regitra, MNT, Company Information). This occurs through the following principal channels: (i) purchases from consumer listings on online classifieds portals (in Lithuania and Estonia, approximately 50% and 20% of used cars owned by consumers are traded in through automotive dealers, respectively), (ii) owner trade-ins, and (iii) other marketing channels

(for example, advertising campaigns to buy vehicles from consumers or purchasing vehicles at the end of leasing contracts). The Directors believe that between these channels, purchasers on online classifieds portals represented the largest proportion. In other European countries, automotive dealers predominantly source vehicles through wholesale networks such as BCA in the United Kingdom.

- **Imported used vehicles from neighbouring countries:** In the year 2020, approximately 40% of all used vehicles sold in the Baltics were imported from continental Europe, primarily from large auctions, but also sourced from automotive dealerships and C2C listers (*Source:* Regitra, MNT, Company Information). These imported vehicles are perceived as higher quality than domestic vehicles and are typically sold at higher margins. Large import markets include Germany, France, the Netherlands, Italy, Belgium, Sweden, and the United States.
- **OEMs:** New vehicles are almost exclusively sold through franchised automotive dealers in both Lithuania and Estonia. They typically source them directly from manufacturers or authorised importers for the Baltic market.

Baltic Automotive Classifieds Market Overview

Online channels are the primary form of automotive advertising in the Baltics. The Baltics have bypassed the more material shift from offline to online channels that has been observed in Western European markets. Growth in online automotive advertising is expected to increase primarily through the automotive dealer efficiencies and the reallocation of automotive dealer costs. Key cost savings include smaller automotive dealership sizes, as buyers will primarily visit automotive dealers to collect vehicles purchased online, and reductions in specialised sales teams as buyers conduct their own research, leading to a bigger focus on customer service experts and not vehicle product specialists. Furthermore, given the relatively low penetration of vehicle financing, automotive dealers will continue to benefit from ancillary services leading to an increased profit pool. Moreover, the increase in vehicle prices, and to a smaller extent, transaction volumes are expected to further underpin continued growth in the online advertising market.

B2C: Automotive Dealer Market Structure

All new vehicle transactions, and approximately 56% and 37% of used vehicle transactions were intermediated by automotive dealers in Lithuania and Estonia, respectively, in 2020.

Automotive dealer gross margins on a vehicle sold are typically between 8% and 12% of the value of the vehicle in Lithuania and Estonia. The total in-country automotive dealer commission pool (for both new and used vehicles) in 2020 is estimated at €140 to €170 million in Lithuania and €65 to €80 million in Estonia (*Source:* Company Information). The automotive dealer gross profit pool may increase in size due to factors such as growing vehicle transaction volumes and values, higher automotive dealer intermediation, and potential expansion of profit sources such as vehicle financing.

Baltic automotive dealers' spend on online classifieds portals currently represents a relatively small portion of their gross profit pool, estimated at approximately 1% in Lithuania and 2% in Estonia. In comparison, leading portals in the UK and German markets are estimated to take approximately 4% to 6% of the respective in-country used automotive dealers' gross profit pools, suggesting significant headroom for Baltic automotive dealers to increase their expenditure in online classifieds (*Source:* Company Information, calculated for used vehicles, assessed for 2019 given the disproportionate impact of the COVID-19 pandemic on the automotive market across countries in 2020). To the extent that Baltic automotive dealer gross profit pools expand in the future (for example, due to higher vehicle transaction values), online classifieds take-rates may not increase significantly even if the Group's portals increase their monetisation, signalling ample room for growth.

C2C: Private Lister Market Structure

In 2020, the C2C lister market represented approximately 44% of total vehicle transactions in Lithuania and 63% in Estonia (*Source:* Company Information) and consisted of individual (private) vehicle listers and smaller automotive dealers which pay listing fees per listing, rather than subscribing to a broader B2C package. These smaller automotive dealers often switch between C2C and B2C packages depending on the pricing for their current transactions.

Similar to the situation of the B2C online classifieds services, there is significant runway for continued monetisation of C2C online classifieds services, as the cost of listing a vehicle for sale on the portals is low compared to the value of the vehicles sold. In addition, the cost of listing tends to be significantly lower than costs of alternative sales methods (such as trade-in or sale to an automotive dealer or through a dealer on

commission basis), when assessing the opportunity cost to the seller of not achieving a higher sale price given prices offered by automotive dealers are designed to enable trade margins. In 2020, the estimated average effective price for a C2C listing on the Group’s portals represented approximately 0.4% of the average C2C used vehicle price in Lithuania and Estonia, compared to an estimated range of 0.4% to 1.2% in other markets such as Poland, Australia, UK, Netherlands and Norway, further highlighting the scope for growth in C2C online classifieds spending (Source: Company Information).

Ancillary services

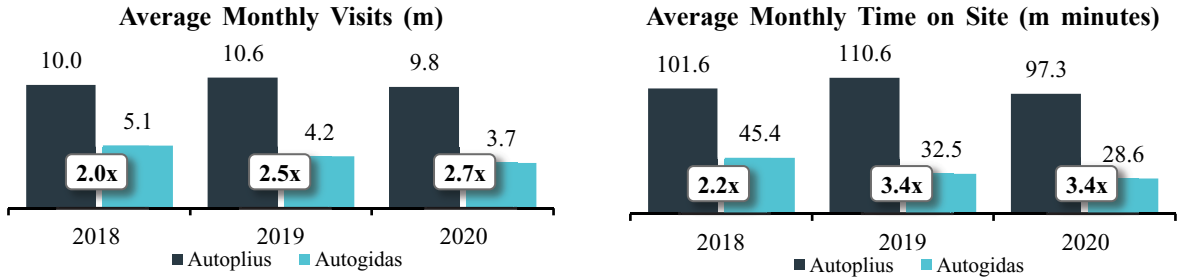
Given the earlier stage of development of vehicle financing services in Lithuania and Estonia, the usage of vehicle financing remains lower compared to other markets. In Lithuania, approximately 56% and 5% of consumers financed new and used vehicle purchases, respectively, during 2020 (Source: Regitra, Association of Lithuanian Banks, Company Information). In Estonia, approximately 55% and 18% of consumers financed new and used vehicle purchases, respectively, during 2020 (Source: MNT, Eestipank Statistics, Company Information). In comparison, consumers in the UK financed 57% and 19% of new and used vehicle purchases, respectively, during 2020 (Source: FLA Motor Finance, SMMT)). The Group currently provides financial intermediation services, where potential vehicle buyers are presented with financing offerings from third-party banking partners. There is an opportunity for the Group to grow its revenue from financial intermediation, supported by low interest rates, growing disposable income and potential market developments such as increased financing penetration and increase in average vehicle prices.

Competitive Landscape in the Baltic Automotive Classifieds Market

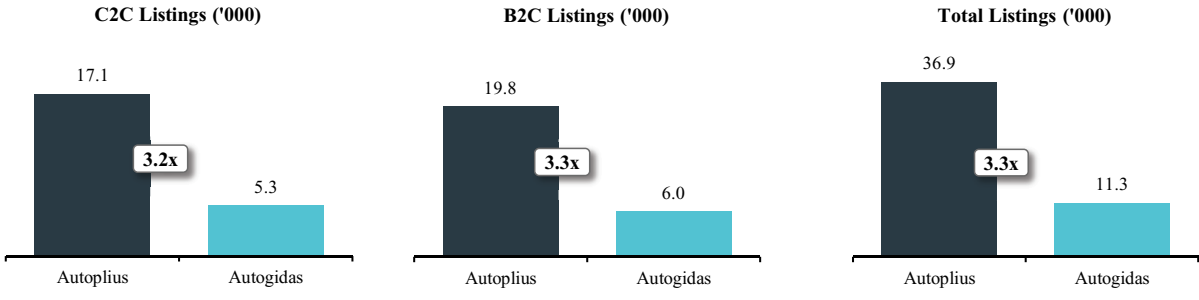
Lithuania

The Lithuanian online automotive classifieds market consists of two vertical players (Autoplius.lt and Autogidas.lt), free portals for used vehicles and parts (such as Autobilis.lt and Autobonus.lt), and several generalist players with vehicle listings typically leaning towards value offerings (such as Skelbiu.lt and Alio.lt).

Through Autoplius.lt, the Group is the clear market leader, and has been growing its lead over Autogidas.lt, the next largest vertical competitor, based on average number of monthly visits and average time on site in 2020. As shown in the figure below, Autoplius.lt had 2.7 times more average monthly visits and 3.4 times greater average monthly time on site than Autogidas.lt during 2020 (Source: SimilarWeb (www.similarweb.com)), as well as 3.3 times more total listings compared to Autogidas as of 30 April 2021 (Source: Company Information). Furthermore, Autoplius.lt’s lead over Autogidas.lt has increased in recent years, as measured by number of visits, driven by Autoplius.lt’s strong brand and reach, as well as continued investment into product. The decline in average monthly visits and average monthly time on site in 2020 was largely driven by the COVID-19 pandemic and its impact on the broader automotive market. Paid traffic on Autoplius.lt also decreased as a percentage of total traffic between 2018 and 2020, representing 3.8%, 0.8% and 1.1% of Autoplius.lt’s traffic in calendar year 2018, 2019 and 2020, respectively (Source: Google Analytics).



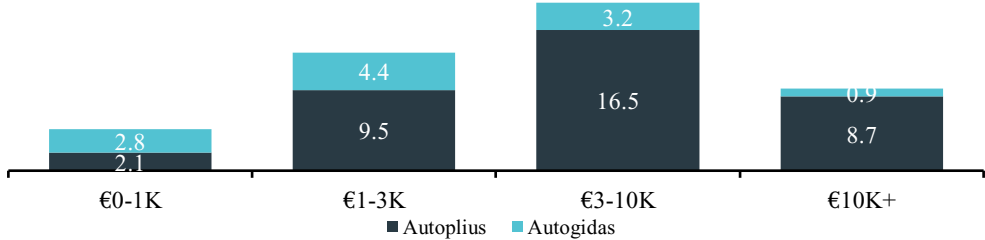
(Source: SimilarWeb (www.similarweb.com)).



(Source: Company Information).

Competition from the two free portals is minimal, as Autoptius.lt had 58 times more visits than Autobilis.lt in 2020 (Source: SimilarWeb (www.similarweb.com)). Furthermore, Facebook Marketplace has had limited traction despite entering the market in 2017, as the portal is less specialised, provides limited functionality compared to the vertical players and is offering lower quality inventory. As of 30 April 2021, the number of vehicle listings on Autoptius.lt across the largest three cities in Lithuania (Vilnius, Kaunas and Klaipeda) was approximately 14.5 times larger than the number of vehicle listings on Facebook Marketplace for the three same cities (Source: Company Information). Autoptius.lt also benefits from cross-listings of its listings on the Group’s generalist portal Skelbiu.lt, driving additional traffic and providing greater buyer reach. Because lower-priced vehicles tend to be listed on Skelbiu.lt while premium vehicles tend to be listed on Autoptius.lt, the Group is able to maintain leadership at all price points.

Listing distribution Across Different Vehicle Price Ranges (‘000), April 2021



Furthermore, given the sub-scale nature of automotive dealers’ own networks, online classifieds portals face limited competition from automotive dealers, who source the majority of leads from the Group’s portals.

Autoptius.lt’s strong leadership position makes it a crucial portal for automotive dealers and C2C listers who wish to transact, resulting in leading lister penetration and supporting continued monetisation potential.

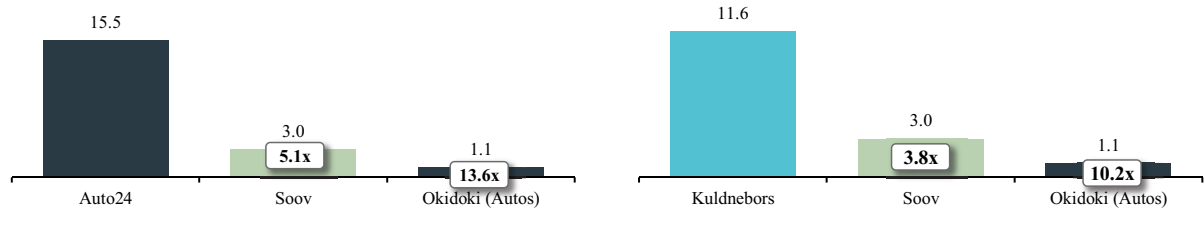
Estonia

The Estonian online automotive classifieds market consists of vertical player Auto24.ee and several generalist players with vehicle listings typically leaning towards lower-value offerings, including KuldneBörs.ee (owned by the Group), Soov.ee and Okidoki.ee.

With no relevant vertical competitor in Estonia, the Group, through Auto24.ee, is the clear market leader with a significant lead over the generalist players. As shown in the figure below, Auto24.ee had 13.6 times more active used auto listings than Okidoki.ee and 5.1 times more active used auto listings than Soov.ee, as of 30 April 2021. Auto24.ee is a clear leader among B2C listers with approximately 88% of automotive dealers in Estonia using it as of 30 April 2021 (Source: Company Information). Furthermore, Auto24.ee maintains leadership across all vehicle price points with a significantly higher lead in the more expensive vehicle price segments (Source: Company Information, April 2021). Based on average number of monthly visits, Auto24.ee had 1.8 times more visits than the entire Okidoki.ee portal in 2020 despite all other categories available on Okidoki.ee and the lead would be significantly higher if compared to Okidoki.ee’s number of monthly visits that are attributed to the automotive category only (Source: SimilarWeb (www.similarweb.com)). Paid traffic on Auto24.ee represented 0.2% of Auto24.ee’s traffic in calendar year 2020 (Source: Google Analytics).

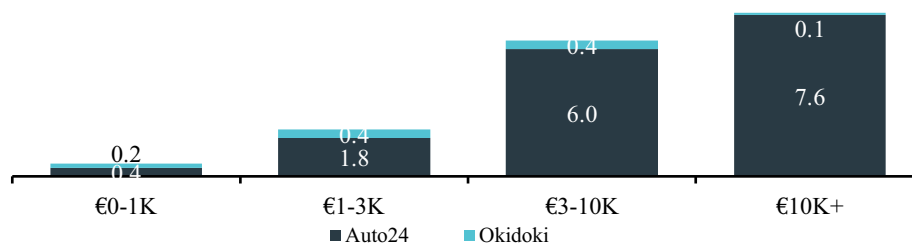
Auto24.ee also offers cross-listing of its listings on the generalist portal KuldneBörs.ee, which is also owned by the Group. This functionality grows the reach for listers on Auto24.ee and provides a competitive advantage for KuldneBörs.ee, making KuldneBörs.ee the second largest player by active used auto listings, with 10.2 times more active used auto listings than Okidoki.ee and 3.8 times more active used auto listings than Soov.ee as of 30 April 2021 (Source: Company Information).

Auto Advertised Listing (‘000)



(Source: Company Information, used autos only as of 30 April 2021)

Listing distribution Across Different Vehicle Price Ranges ('000), April 2021



Competition from Facebook Marketplace is limited in Estonia. As of 30 April 2021, the number of active vehicle listings on Auto24.ee across Estonia (Tallinn, Tartu and Kohtla-Järve) was approximately 6.5 times larger than the number of vehicle listings on Facebook Marketplace for the three same regions (*Source: Company Information*). In addition, the Facebook Marketplace product offering is not well developed, lacking features and offering lower-quality inventory. Auto24.ee faces little competition from automotive dealers directly, with the majority of automotive dealers having a limited online presence and using Auto24.ee as their channel. Franchised automotive dealers, though more developed in terms of branding and operations, focus on new rather than used vehicle sales and hence do not compete directly with portals which are oriented towards used vehicle sales. Auto24.ee's leading position makes it an essential part of Estonia's used vehicle trade ecosystem and allows for further automotive dealer and C2C monetisation.

BALTIC REAL ESTATE CLASSIFIEDS MARKET

Overview of the Baltic Real Estate Market

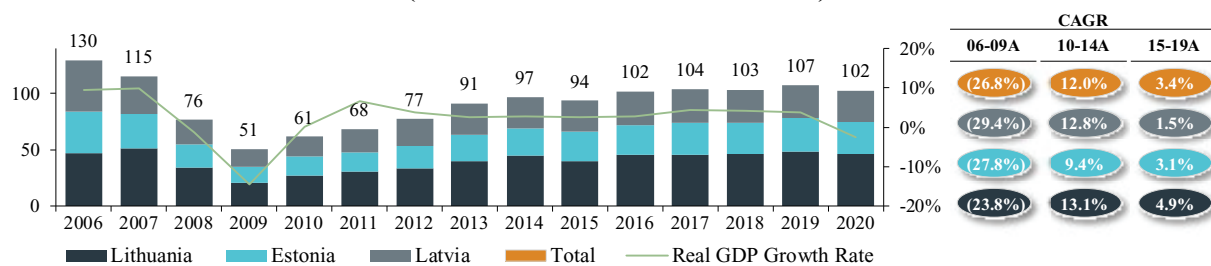
Baltic Real Estate Market—Sales

The Group currently operates in the real estate markets of Lithuania, Estonia and Latvia, including residential real estate, non-residential real-estate (commercial properties and other premises) and land.

Residential real estate represents an important sector in the Baltics, which have some of the highest home ownership rates in Europe, with home ownership rates at 90%, 82% and 80% in Lithuania, Estonia and Latvia, respectively, compared to 70% for the EU average, 65% for the UK and 51% for Germany (*Source: Eurostat, 2019*). In 2020 across the three countries, combined transaction value for residential property sales was approximately €11 billion and residential transaction volumes totalled approximately 102,500. Supported by the development of the Baltic economies over the last two decades, the size of Baltic property markets has experienced strong growth, primarily driven by increasing property values.

As shown in the charts below, the number of residential property transactions in the Baltics has been relatively stable for the period from 2006 to 2020, aside from a decline during the global financial crisis of 2008. Since 2015, the level of residential sales volume has been approximately 40,000—50,000 in Lithuania, and approximately 30,000 in each of Estonia and Latvia, totalling 100,000-110,000 transactions per annum across the three markets. In 2020, driven by the COVID-19 pandemic, property transactions in the Baltics experienced a dip in the first half of the year, corresponding to government-imposed lockdowns during the first wave. However, transaction levels quickly recovered, supported by the advanced digitalisation of activity in the Baltics, resulting in transactions for the full year 2020 declining by a moderate 4% compared to 2019.

Total Residential Real Estate Transactions Volume in the Baltics (thousands of houses and flats sold)



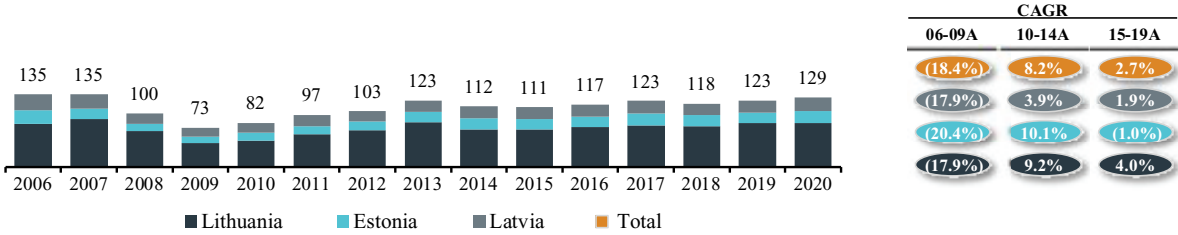
(*Source: State Enterprise Centre of Registers Lithuania, Statistics Estonia, Land Register Latvia, Euromonitor*)

Residential property is a significant segment of the overall Baltics real estate market by volume, accounting for slightly under half of total sales volumes in the Baltics in the period since 2015. Non-residential transactions

(including commercial properties and other premises) and land account for the balance with approximately 129,000 transactions in 2020 across the three countries. Because of the advanced digitalisation of the Baltic economies, non-residential property transactions also occur via online channels and are therefore addressable for the Group’s market.

In 2020 across the three countries, combined transaction value for non-residential property and land was approximately €13 billion, slightly larger than the residential market due to higher unit values for commercial properties (*Source: Company Information*). Following a dip during the global financial crises and subsequent recovery, non-residential property and land transactions have been growing at approximately 3% CAGR from 2015 to 2019.

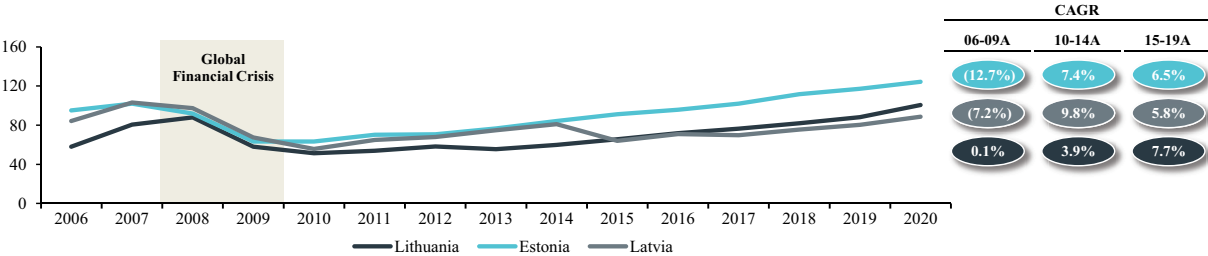
**Total Non-Residential Real Estate and Land Transactions Volume in the Baltics
(thousands of non-residential properties and land sold)**



(*Source: State Enterprise Centre of Registers Lithuania, Statistics Estonia, Land Register Latvia*)

From a transaction value perspective, residential property prices have been increasing steadily following the global financial crisis of 2008. Between 2015 and 2019, residential property prices grew at a CAGR of 8%, 7% and 6% for Lithuania, Estonia and Latvia, respectively (*Source: Company Information*). In 2020, average prices across houses and apartments were approximately €101,000, €124,000, and €89,000 in Lithuania, Estonia and Latvia, respectively (*Source: Company Information*), with the differences between countries correlating to relative levels of GDP per capita.

**Average Residential Real Estate Transactions Values in the Baltics
(Thousands in € per property sold, average across houses and flats)**

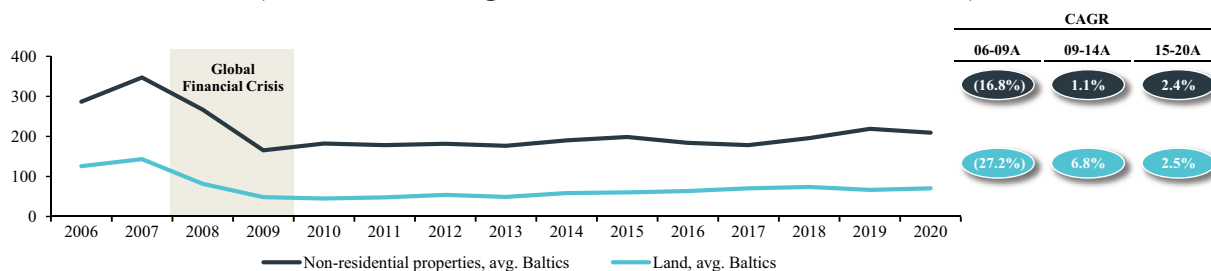


(*Source: Company Information*)

Growth in residential property prices during such period was supported by positive macroeconomic trends such as growth in GDP and disposable income and low unemployment rates. Moreover, as a result of the increased urbanisation around large cities such as Vilnius, Tallinn and Riga, transaction volumes have grown at a faster rate in such urban areas, where house prices are generally higher. As of 2020, new developments represented approximately 40% of total apartments transactions in Vilnius (*Source: Lithuania Centre of Registers*) and approximately 30% of the total apartments transactions in Tallinn (*Source: Land Board*). As prices of such new developments also grew in recent years due to increasing construction costs and limited supply of land plots, this has also supported the increase in average real estate transaction value. Despite growth in average property prices, housing affordability remains high for the Baltics as wages and disposable income are also growing (*Source: Euromonitor, Company Information*).

In addition, driven by similar positive macroeconomic trends, average transaction values for non-residential properties and land have also grown in the period following the global financial crisis of 2008, as shown in the following chart. In 2020, non-residential transactions averaged approximately €210,000 per premise and land transactions had an average value of approximately €70,000.

Average Non-Residential and Land Transaction Values in the Baltics (€ thousands, averaged across Lithuania, Estonia and Latvia)

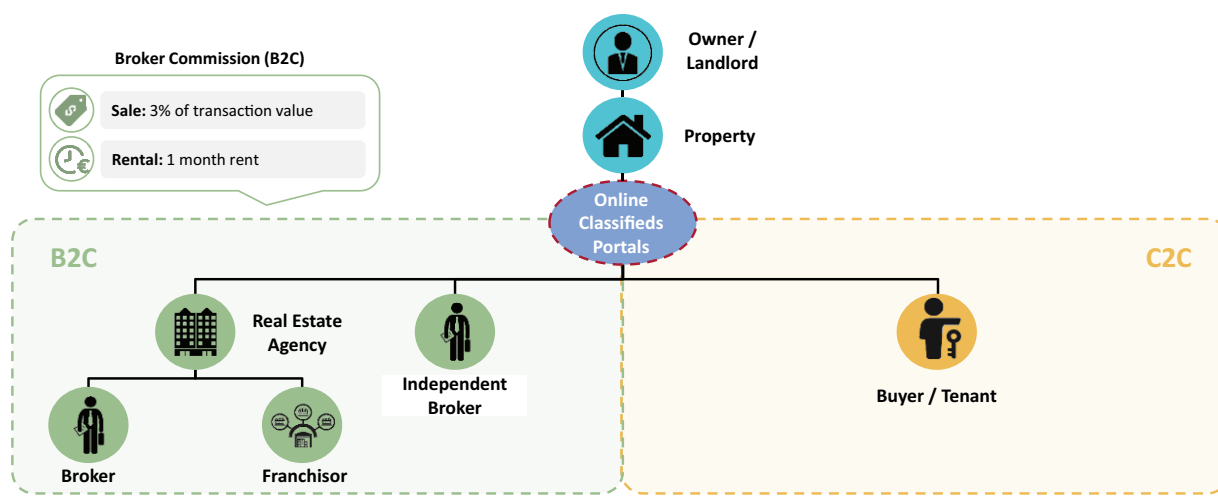


(Source: Company Information)

Baltic Real Estate Market—Rental

Due to historical policies following the Baltics’ independence, Lithuania, Estonia and Latvia have some of the highest home ownership rates in Europe at 90%, 82% and 80%, respectively (Source: Eurostat, 2019). As a result, property transactions in the Baltic real estate market are predominantly sales transactions as opposed to rentals. In 2020, rental transaction volumes totalled approximately 40,000 in Lithuania and 14,000 in Estonia (Source: Company Information). On the Group’s portals, sales represented approximately three-quarters of all listings in 2020 (Source: Company Information).

Baltic Real Estate Market Ecosystem



(Source: Company Information)

The real estate market is made up of B2C listers (real estate brokers intermediating between property buyers and sellers) and C2C listers who own the property they are selling. B2C listers can be individual real estate brokers or estate agencies, franchised or independent. A small proportion of the C2C listers (for example, approximately 350 estimated in Lithuania as of 30 April 2021) are small real estate brokers with three or more listings (Source: Company information).

The Baltic real estate market is less intermediated than certain European markets such as the real estate markets in the United Kingdom and Germany. In 2020, approximately 52%, 79% and 39% of residential sales transactions were intermediated through real estate brokers in Lithuania, Estonia and Latvia, respectively, whereas approximately 90% and 60% of residential sales transactions are estimated to have been intermediated in the United Kingdom and Germany, respectively (Source: Company Information). The difference in the level of real estate intermediation in the Baltics is primarily due to the level of professional development in each market, with Estonia being most developed, Latvia at an earlier stage, and Lithuania in between. Furthermore, the higher intermediation in Estonia may correlate with slightly higher levels of disposable income compared to other Baltic countries. Across the region, sellers often appoint multiple real estate brokers believing that more real estate brokers will result in a greater reach and the possibility of a quicker sale. Generally, more premium properties entail exclusive listings whereby only one real estate broker is appointed.

Over the last 10 years, the level of real estate broker intermediation in the Baltics has remained relatively stable, with slight growth mostly driven by increased professionalization of the market particularly for higher

value property transactions. However, C2C activity remains sizeable as some listers, including younger and lower income households, transact directly with buyers to save agency fees, facilitated by the ease of use and reach of online classifieds platforms. C2C activity is also more prevalent in the Baltic markets as governmental agencies and intermediaries have adopted more advanced digital infrastructure, enhancing security and trust in online processes.

The residential sales market is more intermediated than the rental market, as landlords look to avoid real estate broker fees (which are on average one month's rent) on rental income. In 2020, approximately 28%, 48% and 29% of residential rental transactions were intermediated by real estate brokers in Lithuania, Estonia and Latvia, respectively, whereas approximately 80% and 20% of residential rental transactions are estimated to have been intermediated in the United Kingdom and Germany, respectively (*Source: Company Information*). The higher levels of intermediation in Estonian rentals may be influenced by Estonian tenants, and not landlords, paying the real estate broker fees, therefore landlords are less reluctant to rent properties through real estate brokers.

Baltic Real Estate Classifieds Market Overview

Real estate online classifieds portals play a key role in the Baltic property market, providing a liquid marketplace for sellers and a means for buyers to research, compare properties and engage with sellers. Following the Baltics regaining their independence in 1991, the real estate market developed in the context of widespread internet usage. Online classifieds players such as Aruodas.lt and Kv.ee were established in the late 1990s and early 2000s and grew in tandem with the market, as the wealth of the population increased and numerous segments of the real estate ecosystem (including developers and real estate brokers) evolved.

B2C: Real Estate Broker Market Structure

The real estate broker market is large and fragmented, with over 2,000 real estate brokers in each of Lithuania and Estonia as of 30 April 2021 (*Source: Lithuania Tax Authority, Company Information*). A significant number of real estate brokers are smaller part-time and independent real estate brokers that manage a small inventory. As of March 2021, less than 20% and 40% of real estate brokers in Lithuania and Estonia, respectively, were estimated to be employed by agencies with more than 10 real estate brokers (*Source: Company Information*).

The majority of the real estate brokers limits investments in marketing and operations, resulting in underdeveloped brands, limited retail locations and limited independent online presence. Consequently, online classifieds portals, such as Aruodas.lt in Lithuania and Kv.ee and City24.ee in Estonia, are the preferred marketing and sales channel for real estate brokers, serving essentially as storefronts for reaching consumers. As of 30 April 2021, approximately 86% and 95% of real estate brokers in Lithuania and Estonia, respectively, operated on the Group's online classifieds portals (*Source: Company Information, including semi-professionals defined as C2C listers that have more than three active listings simultaneously*).

Real estate broker commissions are typically based on a percentage of property sales value. The Group estimates that sellers in the Baltic markets pay real estate brokers a sales commission of approximately 3% of the transaction sale value on average (*Source: Company Information*). For 2020, the total Lithuanian real estate broker commission pool for sales was estimated at €150 to €160 million, with rentals estimated to add a further €7 to €9 million. In Estonia, the real estate broker commission pool for sales in 2020 was estimated at €125 to €135 million, with rentals estimated to add a further €5-6 million. In Latvia, the real estate broker commission pool for sales in 2020 was estimated at €50 to €60 million, with rentals estimated to add a further €1 to €2 million. The size of the commission pool is expected to continue to grow, driven by factors such as increasing property values and, to a lesser extent, transaction volumes, and potential increases in levels of real estate broker intermediation (*Source: Company Information*).

Online classifieds spend as a percentage of real estate broker commissions can be used to estimate a share of wallet, or "take-rate," representing the extent of B2C monetisation by leading classifieds portals for a given country. In 2019, aggregate real estate broker spend on online classifieds in each of Lithuania, Estonia and Latvia were estimated to be approximately 2% to 3% of the respective real estate broker commission pools in each country, taking into account both sales and rentals. (*Source: Company Information*). In comparison, leading online classifieds portals in other markets such as the UK and Germany had an estimated take-rate in the range of 3% to 9% in 2019, suggesting a significant potential upside to increase monetisation by online classifieds portals in the Baltics (*Source: Company Information, assessed for 2019 given the disproportionate impact of the COVID-19 pandemic on the real estate market across countries in 2020*).

C2C: Private Market Structure

The C2C real estate market represented approximately 48% of the total residential property transactions in Lithuania, 21% in Estonia and 61% in Latvia in 2020 (Source: Company Information), primarily consisting of individual property sellers who pay listing fees per listing rather than subscribe to a monthly subscription package.

The penetration of online classifieds portals in the private residential real estate market is high, at 85 to 90% in Lithuania and approximately 50% to 55% in Estonia as of 2019 (Source: Company Information). The advanced digitalisation of the Baltic economies create a significant audience of online consumers and result in systems and processes that facilitate trust and efficiency in online transactions. Furthermore, following the independence of the Baltic states the real estate markets largely developed with widespread internet penetration as a backdrop, resulting in consumer habits being conditioned towards online activity.

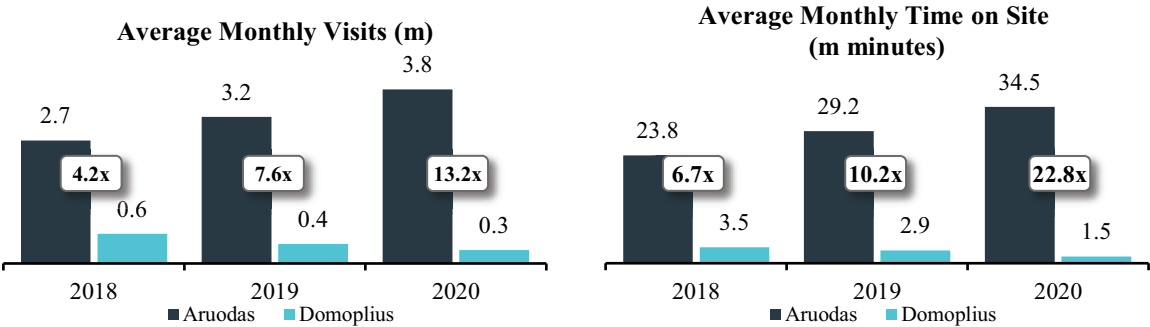
Similar to the B2C online real estate classifieds market, there is significant headroom for continued price increases of C2C online classifieds services and products, as the cost of listing a property for sale or rent on an online classifieds portal is low compared to the underlying value of the property. Furthermore, given real estate brokers’ commissions are typically 3% of the transaction value, C2C listings represent a significantly lower cost. In 2020, the effective average cost of a C2C listing on Aruodas.lt, Kv.ee and City24.lv represented around 0.04%, 0.04% and 0.02% of the average national residential property sales price, respectively. In comparison, in other countries such as Belgium, Switzerland and Finland, the effective cost of a C2C listing in 2020 ranged from 0.04% to 0.09% of the average residential property sale price in the respective country.

Competitive Landscape in the Baltic Online Real Estate Classifieds Market

Lithuania

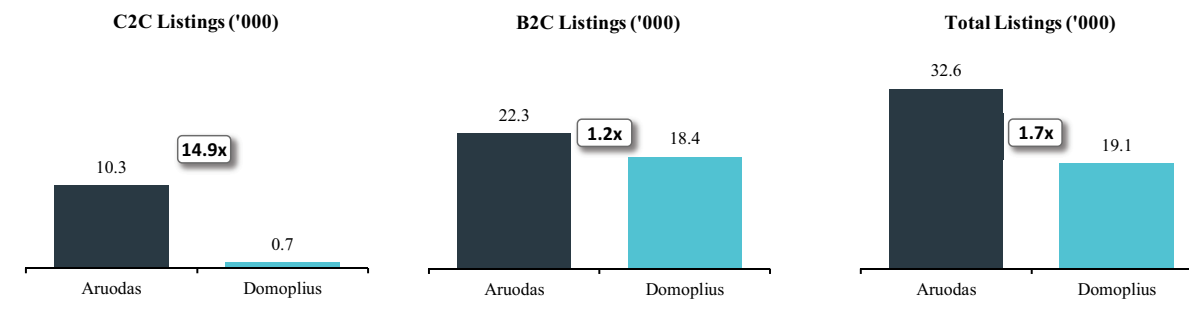
The Lithuanian online real estate classifieds market consists of two vertical players (Aruodas.lt and Domoplius.lt), free portals (for example, Kampas.lt), and generalist players with real estate listings typically leaning towards value offerings (including Skelbiu.lt and Alio.lt).

Through Aruodas.lt, the Group is the clear market leader. Domoplius.lt, which launched in 2006 has struggled to gain traction. During 2020, Aruodas.lt had 13.2 times more average monthly visits and 22.8 times greater average monthly time on site (Source: SimilarWeb (www.similarweb.com)). Furthermore, Aruodas.lt’s lead over Domoplius.lt consistently increased over time due to the Group’s investments in user experience (for example, a better search function) and product innovation (for example, providing an option to receive notifications about new listings tailored to consumers’ searches) that maintain engagement on the portal. Paid traffic on Aruodas.lt also decreased significantly as a percentage of total traffic between 2018 and 2020, representing 10.0%, 8.1% and 1.3% of Aruodas.lt’s traffic in calendar year 2018, 2019 and 2020, respectively (Source: Google Analytics).



(Source: SimilarWeb (www.similarweb.com))

Compared to Domoplius.lt, Aruodas.lt had 14.9 times more C2C listings and 1.2 times more B2C listings as of 30 April 2021 (Source: Company Information). The number of C2C listings on each portal is a more accurate reflection of the portals’ market position, as C2C listers generally choose to list only on one portal and therefore list primarily on the leading portal. B2C listers tend to list on multiple portals, because the incremental cost of listing on the non-leading portal is typically low. However, nearly all Lithuanian real estate brokers consider Aruodas.lt their primary portal, where they list the bulk of their inventory (Source: Company Information).



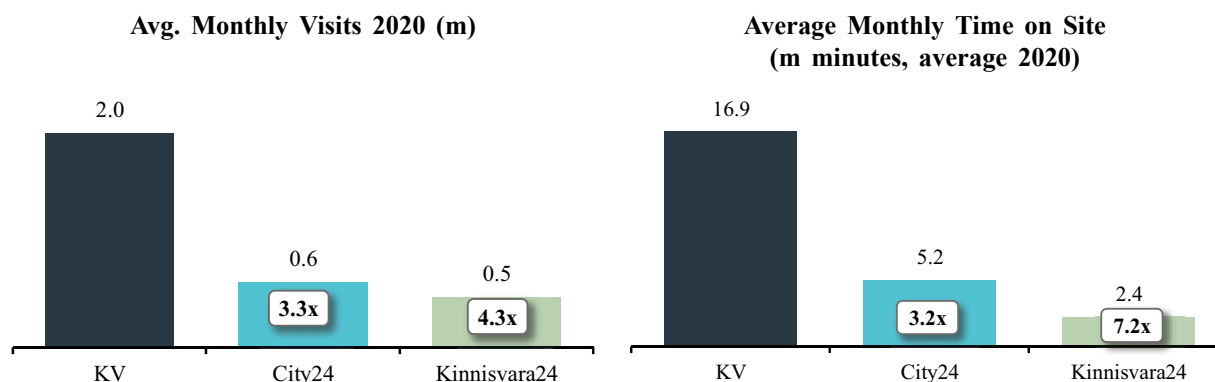
(Source: Company Information)

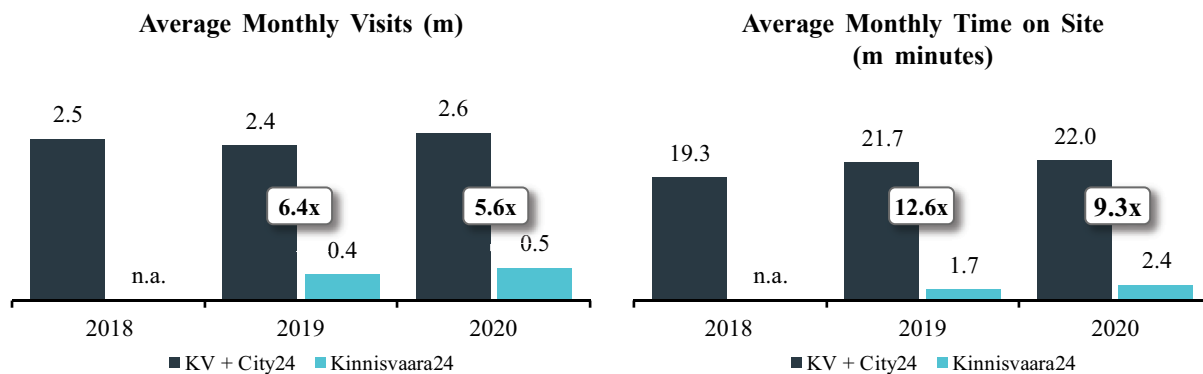
Over the last 20 years, several independent online classifieds players and local real estate agencies have tried to launch competing brands, but none of the attempts were successful in achieving relevant scale in terms of listings and audience. In other classifieds markets, competitors and new entrants have typically provided a free-of-charge or freemium offer, in order to attract listers who are either C2C listers or that have lower value inventory, including rentals. Because the Group owns a generalist portal, Skelbiu.lt, which provides lower-cost options for real estate listings, the Group protects itself against competition from players who may otherwise seek to gain market share through free-of-charge and freemium models, including Facebook Marketplace. As of 30 April 2021, the number of real estate listings on Aruodas.lt across the largest three cities in Lithuania (Vilnius, Kaunas and Klaipeda) was approximately 15 times larger than the number of real estate listings on Facebook Marketplace for the three same cities (Source: Company Information).

Estonia

In Estonia, the Group’s portals Kv.ee and City24.ee are the top two real estate online classifieds portals, as demonstrated by the average monthly visits and average monthly time spent on site during 2020.

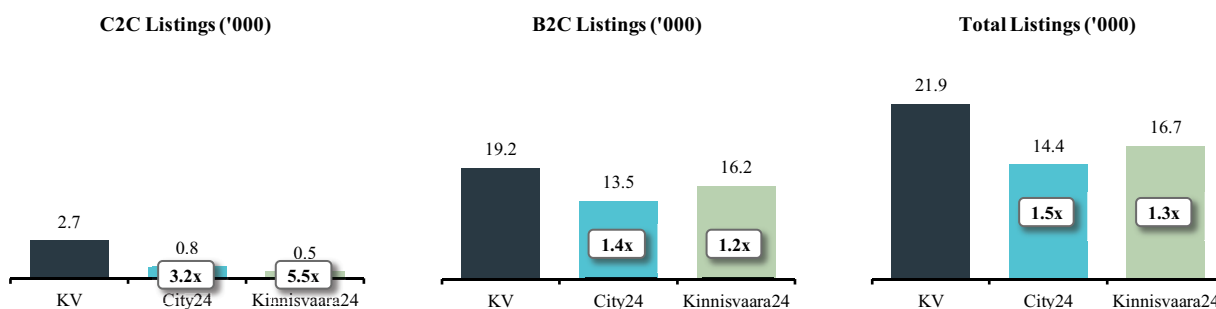
Kinnisvara24.ee, the Group’s nearest competitor, was launched by a group of six local real estate agencies in 2018 as their third attempt to compete with the leading classifieds portals of the Group. Despite gaining some traction since its launching, Kinnisvara24.ee lacks traffic quality compared to the Group’s portals, which is evidenced by the Group’s bounce rate being lower at approximately 25—30% compared to Kinnisvara24.ee at approximately 40%, and has a weaker lister experience, which is evidenced by the consumers on the Group’s portals spending approximately 1.7 times more time per visit on the Group’s portals than on Kinnisvara24.ee (Source: SimilarWeb (www.similarweb.com), 2020). Paid traffic on Kv.ee also decreased significantly as a percentage of total traffic between 2018 and 2020, representing 1.8%, 2.1% and 0.04% of Kv.ee’s traffic in calendar years 2018, 2019 and 2020, respectively (Source: Google Analytics). Over the past two decades, there have been more than 10 attempts by independent online classifieds players or local real estate agencies to launch competing brands, but none of those attempts were successful to average build a strong market position. Both Kv.ee and City24.ee have a larger number of average monthly visits and average monthly time on site compared to Kinnisvara24.ee, as shown in the following figures. In particular, Kv.ee has 4.3 times more average monthly visits and 7.2 times more average monthly time on site compared to Kinnisvara24.ee (Source: SimilarWeb (www.similarweb.com)).





(Source: SimilarWeb)

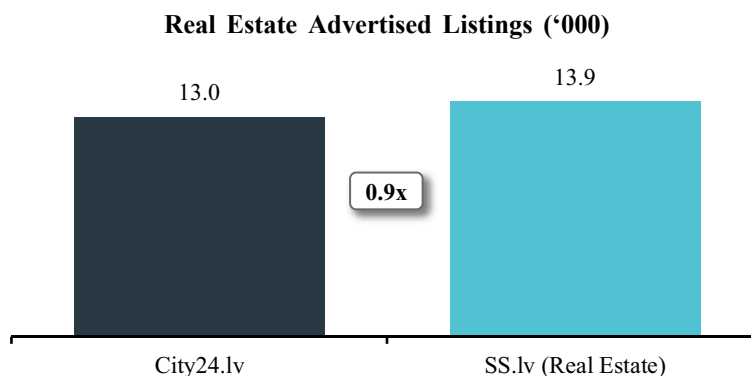
Kv.ee also has a larger number of listings compared to Kinnisvara24.ee as of 30 April 2021, with C2C listings in particular exceeding those of Kinnisvara24.ee by approximately 5.5 times (Source: Company Information).



(Source: Company Information).

Latvia

As part of the acquisition of City24.ee in Estonia, the Group also acquired City24.lv in Latvia. While there are no competing real estate vertical online classifieds portals in Latvia, City24.lv is the second largest portal in the market behind the generalist portal, SS.lv based on the number of real estate listings as of 30 April 2021.



(Source: Company Information).

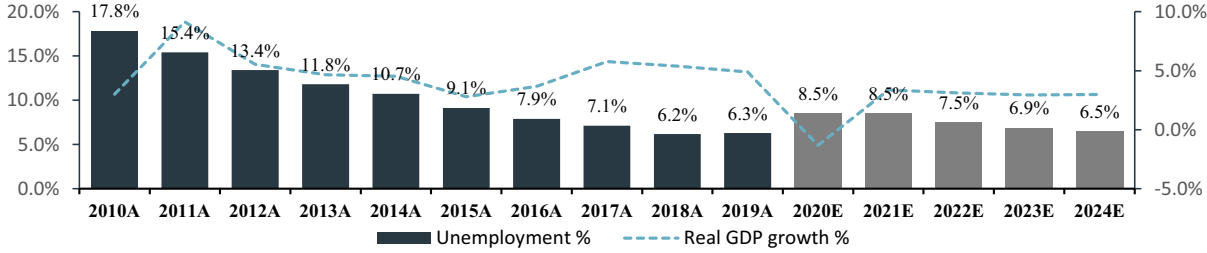
LITHUANIAN JOBS AND SERVICES CLASSIFIEDS MARKET

Job Market Overview

The Group currently operates online classifieds portals in the jobs and services markets of Lithuania. From 2010 to 2019, the Lithuanian job market experienced steady growth, driven by underlying economic development and declining unemployment rates. A strong recovery following the global financial crisis of 2008 drove real GDP growth of 3.8% CAGR from 2010 to 2019 (Source: Euromonitor, real GDP at constant 2020 prices), with the unemployment rate decreasing from 17.8% to 6.3% in the same period (Source: Euromonitor). Supported by the high level of digitalisation in the country and swift policies implemented by the government, the Lithuanian economy has been relatively resilient during the COVID-19 pandemic, with GDP only declining by 1.3% and an increase in unemployment rate to 8.5% in 2020 as a large portion of emigrants returned home

and filed for government benefits. Recent macroeconomic forecasts suggest that real GDP per capita is expected to grow at a rate of 3.1% from 2020 to 2025, and unemployment rate is expected to remain at relatively low and stable levels (Source: Euromonitor).

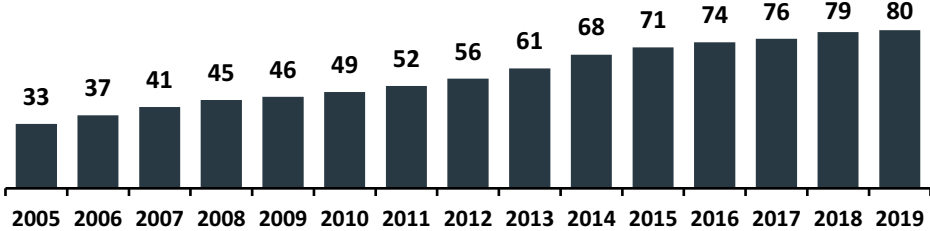
Unemployment rate in Lithuania 2010-2024E



As of the end of 2020, an estimated 1.4 million people were employed in Lithuania (Source: Euromonitor), with the share of the working age population in Lithuania being 65%, in line with the EU average of 64% (Source: Euromonitor). Since 2019, net migration in Lithuania has become positive, largely driven by reduced emigration of Lithuanian nationals, a rise in immigration from neighbouring countries and nationals returning home due to increased prosperity. The Directors believe that these factors will support continued growth in the Lithuanian economy.

Lithuania has an active job market, as a growing number of local and international companies compete for highly skilled labour. The number of vacancies increased from approximately 6,700 in 2010 to approximately 18,300 in 2019, corresponding to a CAGR of 12%, while the total number of companies in the country grew by 6% CAGR from 2010 to 2019 (Source: Statistics Lithuania). The number of international companies in Lithuania has more than doubled from 2010 to 2018 (Source: Statistics Lithuania), with more companies entering the Baltic markets to benefit from the attractive business environment while seeking lower—cost qualified white collar (such as IT, accounting, human resources specialists) and blue collar (such as production workers and engineers) workforce. The Directors believe the Estonian and Latvian job markets benefit from similar attributes, all of which are favourable for future growth in the region’s recruitment spending.

Total Number of Enterprises in Lithuania 2005-2019 ('000)



(Source: Statistics Lithuania).

The entry of international companies, a thriving local start-up scene and the increasing competition for highly skilled labour have fuelled the popularity of the online recruitment market in Lithuania. Online recruiting portals streamline the entire recruiting process, providing a more informative and accessible resource for individuals and employers relative to offline methods and resulting in lower cost and time spent on recruiting and job hunting.

Online Jobs Classifieds Market Overview

Lithuanian job listers rely primarily on online channels to advertise their recruitment needs. In 2020, online job listings represented approximately 90% of the total number of vacancies in Lithuania, compared to 80% in 2016 (Source: Company Information). The increase in penetration of online job listings has been driven by continued shift in recruiting spend from offline channels, such as print advertising and classifieds newspapers, to online portals. There is strong potential to take further share from offline channels, due to significantly higher reach and efficiency of online channels.

Online job listings in Lithuania are available through paid or free channels. Paid channels include online classifieds portals (CVbankas.lt, CVMarket.lt, CVOnline.lt and CV.lt) and a specialised social media platform (LinkedIn) while free channels include free portals (Darbo.lt, Manodarbas.lt and CVme.lt), general social media platforms (such as Facebook), and a government unemployment agency (Užimtumo tarnyba). In 2020,

approximately two-thirds of the online job listings in Lithuania were listed through paid online classifieds, and one-third was listed through free online job portals. However, the two-thirds of paid listings were disproportionately more effective, representing approximately 90% of all online job advertisement views in 2020 (*Source: Company Information*). There is potential for growth in online classifieds as companies shift from free portals towards the more effective paid portals.

Professional recruitment agencies are usually used either for top level executives and specific white collar positions, or when large volumes blue collar workforce is required. They primarily utilise the existing online portals rather than having their own online channels and most companies in the region hire without recruitment agencies but through online classifieds. Some job advertisement aggregators have tried to establish a presence in the market, but none of them were able to gain traction due to the strong brand and reach maintained by the online classifieds portals.

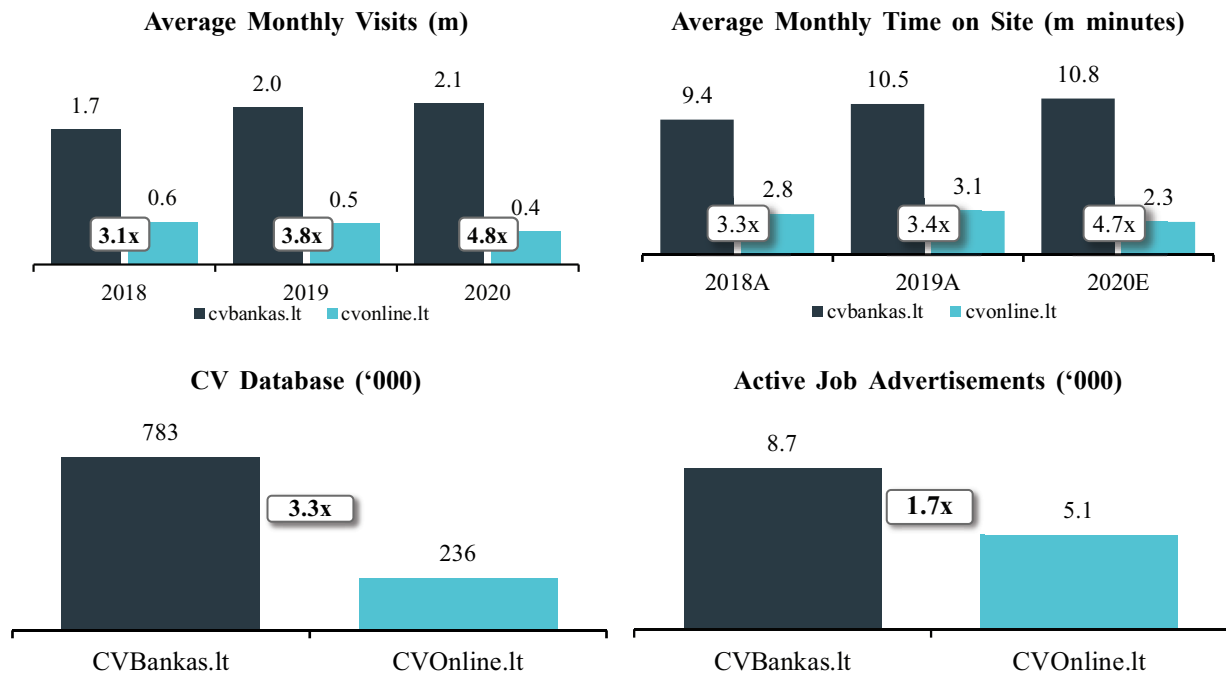
Online job classifieds portals have been active since the late nineties and offer paid service packages to companies and recruiters that allow for specialised job postings and access to a broad résumé database. The portals are usually free to use by job seekers, though some additional services may be available for a fee. Average prices for online job advertisement in the Lithuanian market have increased at a 14% CAGR from 2016 to 2020, reaching €41 per advertisement in 2020, largely driven by increased monetisation from online classifieds portals (*Source: Company Information*). There is significant runway for continued monetisation of online jobs classifieds services as the cost of listing a job advertisement is low compared to the monthly salary of the posted job advertisement. In 2019, the estimated average effective price for a job listing on the Group's jobs portal represented approximately 3% of the average monthly national wage in Lithuania. In comparison, in other countries such as Sweden, Norway, and Finland, the effective cost of a job listing in 2019 ranged from 8% to 17% of the average monthly national wage in the respective countries, suggesting a significant upside to increase monetisation in Lithuania (*Source: Company Information, assessed for 2019 given the disproportionate impact of the COVID-19 pandemic on the job market across countries in 2020*). Furthermore, there is additional scope for growth in online jobs classified spending driven by the rising average monthly national wage in Lithuania, which has increased at a CAGR of 5.2% from 2016 to 2019 (*Source: OECD*).

Competitive Landscape in the Lithuanian Online Jobs Classifieds Market

The Group, through CVbankas.lt, operates the largest online jobs classifieds portal in Lithuania, bringing together the largest pool of job seekers and résumé database with the largest stock of job listings (*Source: Company Information, as of 30 April 2021*). CVbankas.lt generates revenue from three different revenue streams: (1) fees for service packages based on the number of job ad postings; (2) fees for short-term services including job ad promotion, job ads and access to the résumé database and (3) fees for optional services for jobseekers.

In 2020, CVbankas.lt had a significant lead over its next largest competitor CVOnline.lt, with approximately 4.8 times more average monthly visits and 4.7 times more time on site than CVOnline.lt (*Source: SimilarWeb (www.similarweb.com), 2020*). Traffic leadership further strengthened during the COVID-19 pandemic as CVbankas.lt's traffic grew while CVOnline.lt's traffic continued to decline. Growth in monthly time spent on CVbankas.lt is driven by strong traffic growth, partly offset by a slight drop in time spent per visitor due to a more streamlined and shortened application process. Paid traffic on CVbankas.lt also decreased significantly as a percentage of total traffic between 2018 and 2020, representing 6.2%, 2.8% and 0.7% of CVbankas.lt's traffic in calendar years 2018, 2019 and 2020, respectively (*Source: Google Analytics*).

CVbankas.lt's résumé database included approximately 783 thousand résumés as of 30 April 2021, more than three times the number of résumés on CVOnline.lt (*Source: Company Information*). As of 30 April 2021, CVbankas.lt also had approximately 1.7 times more active job listings on the portal than CVOnline.lt (*Source: Company Information*).



(Source: SimilarWeb (www.similarweb.com), Company Information).

While specialised social media players such as LinkedIn have seen increasing popularity since their market entry, they are mostly used by employers for approaching candidates via direct messaging, which is time consuming and generally used only for the most difficult positions, focused on people with niche skills and on executive searches, and seen as additional tools for headhunting and branding purposes rather than the main database to find applicants. Large social media portals such as Facebook also recently started to compete in the job market, however, they still have a low number of listings on their platforms and are usually more used as branding tools by recruiters than as a recruitment tool.

Services Market Overview

In addition to its online jobs classifieds portal, the Group also operates an online services classifieds portal in Lithuania, Paslaugos.lt, with more than 5,900 paid service provider profiles listed as of 30 April 2021 (Source: Company Information). Services portals help consumers find and compare service providers for a wide range of industries including construction, home repair, maintenance & improvement, auto service, healthcare, business services, weddings & events, lessons & training, and many other categories.

Online service classifieds portals share similar underlying market characteristics with the online jobs classifieds portals, in terms of growing online penetration. Furthermore, both online jobs and services classifieds portals are business-oriented and generally charge higher prices for listings relative to other online classifieds portals.

Paslaugos.lt's listers are primarily freelancers and small businesses (with one to four employees), the number of which has been growing rapidly recently in Lithuania. In 2019, there were over 176,000 freelancers in Lithuania, increasing by over 2.7 times since 2010 (Source: Statistics Lithuania). Furthermore, the total revenue earned by freelancers in Lithuania increased by 4.5 times over the same period (Source: Statistics Lithuania), driven by the growth in opportunities and the underlying macroeconomic performance.

Services Competitive Landscape

There are no direct competitors to Paslaugos.lt in the online services classifieds market in Lithuania. There have been multiple attempts to launch similar portals (for example, Getfix.lt and Discontract.com) but with fewer than 500 listings (mostly free and low—quality content) and very low traffic, none of the attempts have gained traction (Source: Company Information).

The nearest similar portal in Lithuania is the services section of the Group's generalist portal Skelbiu.lt, however, Paslaugos.lt offers a more specialized user experience for services, including more detailed listing information (such as prices of services and reviews) and more advanced search functionalities.

As an alternative, some listers advertise on social media platforms or aggregators such as Facebook, Instagram or Google Ads. However, Paslaugos.lt maintains multiple competitive advantages, including its simple user

interface to manage and post services listings, lower prices than Facebook or Google Ads campaigns and eliminates the need for freelancers to set up their own portal.

BALTIC GENERALIST CLASSIFIEDS MARKET OVERVIEW

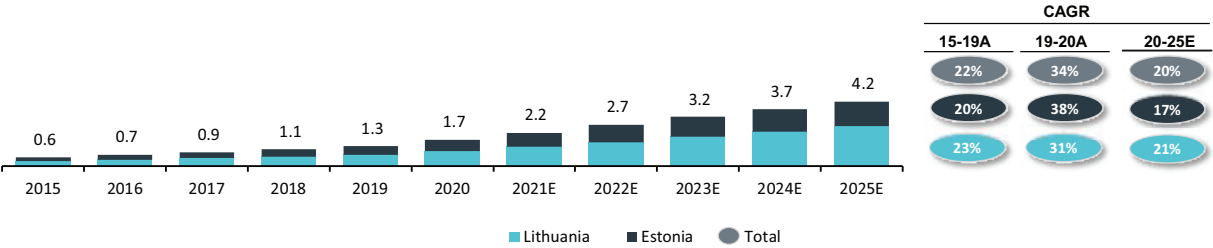
Overview of the Baltic Generalist Market

The Group currently operates generalist portals in Lithuania and Estonia. The generalist market in the Baltics is highly localised, with large and entrenched players in each country, such as Skelbiu.lt in Lithuania, Osta.ee in Estonia and SS.lv in Latvia, and smaller local portals including Alio.lt in Lithuania, and Okidoki.ee, KuldneBörs.ee and Soov.ee in Estonia. These local portals face limited competition from international marketplaces (such as eBay and Amazon), who do not have localised portals in the Baltics, therefore consumer access is limited by language barriers, limited payment options, slow and expensive fulfilment and shipping and overall low level of focus on the Baltic markets. In recent years, international social media platforms have developed some marketplace functionality (such as Facebook Marketplace), however, they have struggled to gain traction in the Baltics given users perceive the platforms as mainly for social and communication purposes, with poor customer engagement, limited functionality for e-commerce, lower quality of listings and a lack of value added service adoption (which is a key differentiating factor for Skelbiu.lt). Local generalist players also face limited competition from other e-commerce platforms (such as Aliexpress.com and Pigu.lt), which target a similar lister base but are used primarily for purchases and sales of new products. In addition, there are also specialist C2C marketplaces in the Baltics such as Vinted.lt, which focus on a narrow set of categories (such as second-hand fashion).

High internet penetration and well-established ICT infrastructure in the region provides a strong foundation for online transactions in the Baltics. In the period 2009 to 2019, e-commerce penetration has accelerated rapidly in Lithuania and Estonia, growing by approximately 40 percentage points and 50 percentage points to 48% and 68% penetration, respectively (Source: Eurostat). The Group has been able to capitalise on early entry in the market, at the inception of internet and e-commerce adoption; for example, Skelbiu.lt was founded in 2003 as a first-mover within the generalist classifieds space, enabling it to establish strong brand recognition with both consumers and listers over multiple years. Subsequently, the introduction of dedicated mobile websites and applications by players such as Skelbiu.lt to the market has led to continued traffic growth and high user engagement.

Despite the high rate of e-commerce growth in Lithuania and Estonia, there remains scope for further growth in e-commerce penetration when compared to 87% in the UK and 79% in Germany (Source: Eurostat, 2019). The Lithuanian and Estonian e-commerce markets have, combined, grown at approximately 22% CAGR between 2015 and 2019, and accelerated to approximately 34% between 2019 and 2020 (Source: Euromonitor), likely driven by COVID-19 pandemic limitations on physical retail and evolving consumer habits. Growth is expected to continue at a CAGR of approximately 20% between 2020 and 2025 for Lithuania and Estonia combined (Source: Euromonitor).

E-commerce market in Lithuania and Estonia (€ in billions)



(Source: Euromonitor, retail value RSP excl Sales Tax, current prices)

Online classifieds and marketplace portals provide one of the most effective channels for people to market and discover products and services across the Baltics. The small land mass of the region facilitates offline collection of products, often relevant in used-products transactions. Furthermore, generalist portals act as a storefront for independent service providers such as construction and transport companies, who owing to their smaller scale do not otherwise have their own marketing channels.

The Group operates in the generalist market in Lithuania through Skelbiu.lt and in Estonia through Osta.ee and KuldneBörs.ee. Generalist portals offer listings across a wide variety of products and services, such as but not limited to electronics & accessories, automotive, real estate, jobs & services, entertainment, home goods, and beauty and apparel. The portals generate revenue by charging for listings on a per-listing basis or earning

commissions from transactions, selling listing promotion services, and providing ancillary services such as third-party delivery services offered through the portals.

The Group's generalist listers are by nature diverse, large in number and fragmented, including both B2C listers as well as C2C listers. Examples of B2C listers include automotive dealers selling vehicles or vehicle parts, smaller real estate brokers listing real estate properties for sale or rental, or service providers advertising transport or construction services. B2C listers are only offered paid services across nearly all categories, including "vertical" categories such as automotive, real estate and jobs and services. C2C listers are also only offered paid services within these "vertical" categories (for example, landlords advertising rental properties), but in generalist categories (such as clothing, electronics, and home goods) C2C listers are generally able to list free-of-charge with promotional services available for an additional charge.

Market Dynamics between Generalist and Vertical Portals

Generalist portals, by nature, overlap with product categories covered by vertical portals, including automotive, real estate and jobs and services, while also covering a large number of other product categories. Ownership of both the leading vertical portals and generalist portals by the Group results in the following unique dynamics:

- driving consumer traffic: Skelbiu.lt, the Group's generalist portal in Lithuania, is able to reach approximately 52% of the adult population in Lithuania (*Source*: SimilarWeb (www.similarweb.com), based on the maximum Skelbiu.lt deduplicated audience in a month in 2020 as % of population over age 16 (Euromonitor)), which through organic referral traffic also increases traffic to the Group's vertical portals;
- cross-listing content: the Group's C2C listers are presented with the option to, while listing on a vertical portal, also list on the generalist portal for an additional fee (and vice versa, generalist listers are offered the option to also list on the relevant vertical portal). Cross-listing is included in most packages for B2C listers in the relevant product categories. This drives higher audience reach for sellers and larger inventory on the Group's portals, and increases brand awareness of the Group's portals, without incremental marketing spend. As of 30 April 2021, Skelbiu.lt had approximately 64% native listings and 36% of listings from the Group's Lithuanian vertical portals (*Source*: Company Information);
- optimising monetisation: generalist portals target value offerings and help capture the lower price-point market, while integration with vertical portals allows rechannelling of users towards verticals, which have higher revenue potential; and
- the Directors of the Group believe that all of the above discourages other generalist portals to enter the specialised markets and "verticalise" their portal.

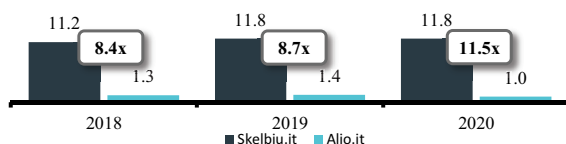
Furthermore, the Group operates Kainos.lt in Lithuania, a price comparison portal which focuses on a range of new products, whereas the Group's generalist portals focus on used goods. The cross-listing of products from Kainos.lt on Skelbiu.lt increases the Group's reach, by targeting consumers who would consider both used and new products in their purchase journey.

Lithuanian Competitive Landscape and Positioning

Through the generalist portal Skelbiu.lt, the Group has developed a market-leading position in the generalist market in Lithuania. As of April 2021, Skelbiu.lt was the 5th most visited website in Lithuania and the most frequently visited portal out of all specialized classifieds, marketplaces and e-commerce sites in Lithuania. In comparison, the next largest competitor, Alio.lt, ranked 66th in website rankings in Lithuania as of April 2021 (*Source*: SimilarWeb (www.similarweb.com)).

During the year 2020, Skelbiu.lt attracted an average of 1.6 million unique visitors. Compared to Alio.lt, Skelbiu.lt had approximately 12 times more average monthly visits, 19 times more average monthly page views and 20 times average monthly time on site in 2020, as shown in the following charts.

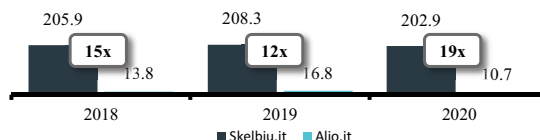
Average Monthly Visits (m)



Average Monthly Time on Site (m minutes)



Average Monthly Page Views (m)



(Source: SimilarWeb (www.similarweb.com))

In 18 years of history, Skelbiu.lt has built the largest online inventory and strong brand heritage in Lithuania. As of 30 April 2021, Skelbiu.lt had approximately 808,000 listings on its portal, approximately 3.4 times Alio.lt's listings of approximately 238,000 (despite listings on Alio.lt being free-of-charge for all listers). Furthermore, Facebook Marketplace has struggled to gain traction due to low brand awareness for the Marketplace functionality, its lower quality content and its more limited functionality. As of 30 April 2021, Skelbiu.lt had approximately 23.5 times more listings in the home goods category than Facebook Marketplace and approximately 18.0 times more listings than Facebook Marketplace when combining property rentals, property sales and vehicle sales (Source: Company Information). In 2020, Skelbiu.lt had the highest unaided awareness among classifieds portals and marketplaces for both consumers and listers, and generated almost 90% of its traffic through direct and organic search, with virtually no paid traffic (Source: Company Information for 2020). Paid traffic on Skelbiu.lt decreased as a percentage of total traffic between 2018 and 2020, representing 2.2%, 1.6% and 1.1% of Skelbiu.lt's traffic in calendar years 2018, 2019 and 2020, respectively (Source: Google Analytics). Continued product development at Skelbiu.lt helps facilitate its market leadership, with a focus on quality of user experience and innovations to reduce friction in the transaction journey.

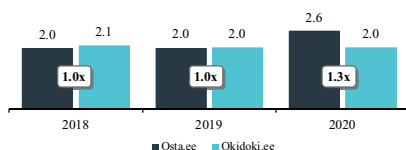
Furthermore, Skelbiu.lt offers free C2C listings for non-vertical categories (meaning categories that are not in the specialised areas of automotive, real estate, jobs or services). This strategy maximises the content of unique, second-hand items which drives traffic to the portal and makes it more difficult for competitors who operate a completely free-of-charge or freemium model to gain market share. To keep the quality of its free content high, all free listings are pre-moderated by a combination of artificial intelligence and human input.

Estonian Competitive Landscape and Positioning

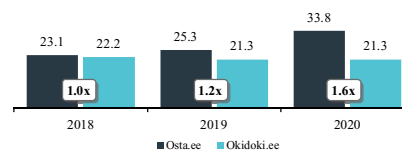
In Estonia, the Group operates through marketplace Osta.ee and generalist classifieds portal KuldneBörs.ee.

Osta.ee was the 17th most visited portal in Estonia (Source: SimilarWeb (www.similarweb.com), as of April 2021), and the largest generalist player with an average in 2020 of approximately 440,000 monthly unique visitors, reaching approximately 33% of the adult population in Estonia in 2020 (Source: SimilarWeb (www.similarweb.com), based on the maximum Osta.ee deduplicated audience in a month in 2020 as % of population over age 16 (Euromonitor). Compared to the next largest generalist portal, Okidoki.ee, Osta.ee had 1.3 times more average monthly visits and 1.7 times greater monthly time on site in 2020 (Source: SimilarWeb (www.similarweb.com)), as shown in the following charts.

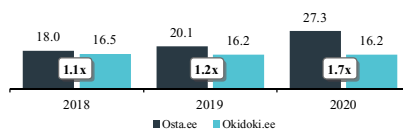
Average Monthly Visits (m)



Average Monthly Page Views (m)



Average Monthly Time on Site (m minutes)



(Source: SimilarWeb (www.similarweb.com))

As of 30 April 2021, Osta.ee had approximately 854,000 active listings, 7.2 times the number of listings of the number two player Okidoki.ee's approximately 118,000 active listings (Source: Company Information). In the last three years, paid traffic represented no more than 5% of Osta.ee's traffic (Source: Google Analytics).

Similar to the Group's position in Lithuania, the Group has limited competition from Facebook Marketplace. Osta.ee has built strong brand awareness over the course of its 22-year history. Furthermore, Osta.ee offers free C2C listings for non-vertical categories and charges a commission only in the case of a successful sale, maximizing the content of unique, second-hand items which drives traffic to the portal and makes it more difficult for competitors who operate a completely free-of-charge or freemium model to scale.

As part of the acquisition of Auto24.ee in January 2020, the Group also acquired KuldneBörs.ee, which is the number one generalist online classifieds portal for generic items in Estonia based on the number of listings as of 30 April 2021 (Source: (Company Information)) and the fourth largest generalist portal in Estonia following Osta.ee, Okidoki.ee and Soov.ee on the basis of average monthly visits and average monthly time on site in 2020 (Source: SimilarWeb (www.similarweb.com), 2020).

PART VII THE BUSINESS

The following Part VII (The Business) of this Prospectus should be read in conjunction with the more detailed operating and financial information included in Part XIII (Historical Financial Information) and Part XIV (Unaudited Pro Forma Financial Information) of this Prospectus. The financial information included in this Part VII (The Business) has been extracted without material adjustment from the financial information in Part XIII (Historical Financial Information) of this Prospectus, or has been extracted without material adjustment from the Group's accounting records, which formed the underlying basis of the financial information contained in Part XIII (Historical Financial Information) of this Prospectus. Prospective investors should read the entire Prospectus and not just rely on the information set out below.

The foregoing Part VII (The Business) contains Forward-looking Statements that reflect the Company's plans and estimates; see Part V (Important Information—Forward-looking Statements). Prospective Investors should read this Part VII (The Business) in conjunction with the other parts of this Prospectus, in particular Part II (Risk Factors), and the entire Prospectus and not just rely on the information set out below.

Overview

The Group is the leading online classifieds group in the Baltics (based on the number of visits and listings), which owns and operates 12 leading vertical and generalist online classifieds portals in Estonia, Latvia and Lithuania. The Group's online classifieds portfolio comprises eight vertical online classifieds portals, including vertical portals for automotive, real estate and jobs and services, and four generalist portals, offering a wide range of products. The portals are accessible through the websites of the Group's various brands via desktop and mobile, and through the mobile applications of most of the brands.

In the 12 months ended 30 April 2021, the Group's portals reached on average 69.2 million monthly visits (*Source: Google Analytics*), making the Group one of the largest online companies in the region (*Source: Google Analytics*). The Directors believe that the leadership positions of the Group's portals are highly sustainable due to the combination of the strong network effects created by having the largest and most engaged user base and the highest number of listings at any given time, as well as the largest choice for prospective buyers, and by the strong brand awareness of the Group's portals, with most portals ranked as among the most visited websites in their respective country.

Furthermore, the Group's strategic decision to run both generalist and vertical portals allows the Group to efficiently increase the traffic by offering cross-listings between its vertical and its generalist portals, which have a higher reach and traffic. Additionally, offering cross-listings on the vertical portals to the listers on the Group's generalist portals and vice versa increases the content available on all the portals. As such, cross-listing is a strategic means of increasing content across both vertical and generalist portals, improving the market positions of the Group's vertical and generalist online classifieds portals and directing traffic to higher monetising vertical portals. See also "*—Strengths—The leading online classifieds portals in the Baltics—Powerful network effects strengthened by vertical and generalist leadership*".

The Group has deep knowledge of the needs and operations of its listers, who are the customers of the Group's portals. The Group's portals deliver a large and engaged consumer audience for listers, enabling efficient lead generation in exchange for a fee. Having operated leading portals since the late 1990s, the Group has significant experience developing a strong value proposition for its listers and consumers.

The Group's portals offer consumers free access to search for a wide range of products and services listed by B2C listers (listers that have a subscription-based contract with the Group) and C2C listers (listers that transact with the Group through one-off transactions), portal-specific ancillary services, such as financial intermediation and data services (such as vehicle history and fraud checks on the Group's automotive portals). The Group's operations comprise four business lines: an automotive business line, a real estate business line, a jobs and services business line and a generalist business line, which generated €42.3 million, €34.3 million and €29.1 million in revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively, growing at a CAGR of 20.5% from 2019 to 2021. The Group's business lines further benefit from diverse revenue streams, including (i) revenue from B2C listers ("**B2C revenue**"), (ii) revenue from C2C listers ("**C2C revenue**"), (iii) advertising revenue and (iv) ancillary services revenue.

The Group's automotive business line comprises Autoplus.lt in Lithuania and Auto24.ee in Estonia, and the automotive business line represented 39.8%, 32.8% and 28.4% of the Group's revenue for the financial year

ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively. Autoplus.lt and Auto24.ee generate revenue from offering:

- slot-based subscription contracts and value added services to B2C listers, which represented 39.4%, 41.8% and 41.6% of the Group's reported automotive revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.
- listings and value added services to C2C listers, which represented 34.8%, 39.3% and 42.3% of the Group's reported automotive revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.
- advertising space to advertisers, which represented 6.6%, 7.9% and 10.6% of the Group's reported automotive revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.
- ancillary services to its consumers, such as financial intermediation services for vehicle loans, and leasing products, insurance distribution services for insurance against technical failures of the vehicle, in each case provided by third parties, and data services, such as vehicle history checks based on the Vehicle Identification Number ("VIN"), which represented 19.2%, 11.0% and 5.6% of the Group's reported automotive revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.

The Group's real estate business line comprises Aruodas.lt in Lithuania, Kv.ee and City24.ee in Estonia, and City24.lv in Latvia, and the real estate business line represented 25.2%, 30.9% and 34.9% of the Group's revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively. Aruodas.lt, Kv.ee, City24.ee and City24.lv generate revenue from offering:

- monthly subscription packages and value added services to B2C listers, which represented 56.8%, 55.0% and 54.1% of the Group's real estate revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.
- listings and value added services to C2C listers, which represented 26.1%, 24.0% and 23.4% of the Group's real estate revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.
- advertising space to advertisers, which represented 16.7%, 20.2% and 22.5% of the Group's real estate revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.
- ancillary services to its consumers such as financial intermediation services for home improvement loans and mortgages provided by third parties, and data services, which represented 0.4%, 0.8% and 0.1% of the Group's real estate revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively, and which the Group expects to expand in the near term.

The Group's jobs and services business line comprises CVbankas.lt and Paslaugos.lt in Lithuania and the jobs and services business line represented 11.8%, 12.4% and 12.0% of the Group's revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.

- CVbankas.lt, the Group's job portal, generates revenue from offering (i) large job listers customised service packages based on the number of job listings the job lister requires, (ii) small job listers short-term services with unique features such as trial job listings, limited access to the résumé database and job listing promotion services and (iii) private jobseekers value added services such as résumé promotion services and the ability to apply for a listed job without the requirement to register on the portal.
- Paslaugos.lt, the Group's services portal, generates revenue from service provider profile page activation fees and value added services such as increased visibility of a profile page.

The Group's generalist business line comprises Skelbiu.lt and Kainos.lt in Lithuania and Osta.ee and KuldneBörs.ee in Estonia and the generalist business line represented 23.2%, 23.9% and 24.6% of the Group's revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.

- Skelbiu.lt, the Group's generalist portal in Lithuania, generates revenue from listing fees, value added services (including listing promotions that are priced through competitive bidding and cross-listings), third-party delivery services ordered through the portal and advertising.
- KuldneBörs.ee, the Group's generalist portal in Estonia, generates revenue from listing fees, value added services, and advertising.
- Osta.ee, the Group's generalist marketplace in Estonia, generates revenue primarily from commissions on realised sales, and from value added services such as additional payments to promote the visibility of listings and front page listings, listing fees from accounts that list more than a certain number of items, integrated delivery services and the sale of advertising space.
- Kainos.lt, the Group's price comparison portal, generates revenue on a cost-per-click basis from retailers who list their products on the portal.

History and development of the Group

The Group's operations started in 1999 with the foundation of Kv.ee and Osta.ee, the Group's real estate portal and generalist portal in Estonia, respectively. Since 1999, the Group has expanded its operations through organic development and by acquiring market-leading online classifieds assets operating automotive, real estate, jobs and services vertical online classifieds portals and generalist portals in Estonia, Latvia and Lithuania under the ownership of Moonfish Media (from 2005 to 2008), Naspers (from 2008 to 2014) and Eesti Meedia (from 2014 to 2019). On 24 July 2019, the Group was acquired by funds advised by Apax, continuing its growth through acquisitions with the acquisition of Auto24.ee and KuldneBörs.ee in 2020.

Year Important events
















1999	Launch of Kv.ee
1999	Launch of Osta.ee
2005	<i>Merger of Kv.ee and Osta.ee to form Moonfish Media</i>
2006	Acquisition of Aruodas.lt
2007	Acquisition of Skelbiu.lt
2008	<i>Acquisition of the Group by Naspers</i>
2009	Acquisition of CVbankas.lt
2014	<i>Acquisition of the Group by Eesti Meedia Group</i>
2014	Acquisitions of Autoplus.lt and Kainos.lt
2015	Acquisition of Versliukai.lt (rebranded to Paslaugos.lt upon the acquisition of the domain name Paslaugos.lt in 2017)
2017	Acquisitions of City24.ee and City24.lv
2019	<i>Acquisition of the Group by funds advised by Apax</i>
2020	Acquisition of Auto24.ee and KuldneBörs.ee

Strengths

The leading online classifieds portals in the Baltics

The Group has a broad and diversified portfolio of leading portals across the Baltic region, with the leading portals by average monthly visits in 2020 and by number of listings as of 30 April 2021 in the automotive, real estate and generalist business lines in both Lithuania and Estonia, the jobs and services business line in Lithuania and with the number two real estate portals in Estonia and Latvia (*Source: SimilarWeb (www.similarweb.com)*).

Over time the Group has grown through a 'build and acquire' strategy, either having built businesses from small start-ups in the early days of the internet which developed into market leaders or acquired market-leading businesses with long histories, such that almost all of the Group's portals have over 15 years of operations history. Consequently, the Group believes that it benefits from a first mover advantage and brands that have built a strong affinity with consumers and listers. Moreover, in most markets, the Group's leadership position has increased over time.

	 Lithuania	 Estonia	 Latvia
Auto			
Real Estate		 	
Jobs & Services	 		
Generalist	 	 	

(Source: Company Information)

Large and engaged audience of Baltic consumers

Due to its leading market positions and strong brand affinity, the Group's portals attract a large and highly engaged consumer audience. In the financial year ended 30 April 2021, the Group had 69.2 million visits on average per month based on Google Analytics, including visits through its desktop and mobile websites and mobile applications, and as of April 2021, the Group's portals were among the most visited websites in Lithuania and Estonia (Source: SimilarWeb (www.similarweb.com)), with Skelbiu.lt, Autoplus.lt and Aruodas.lt as the 5th, 8th and 13th most visited website in Lithuania and Auto24.ee and Kv.ee as the 9th and 24th most visited website in Estonia.

The Group's large consumer audience is highly engaged on the Group's portals. In calendar year 2020, a person in the Baltics visited the Group's portals on average 6.5 times a month (based on average monthly visits per capita (Source: SimilarWeb (www.similarweb.com), Euromonitor), making the portals, the go to place for consumers to shop. Using Google Analytics, which has a different data collection mechanism than Similarweb and also includes visits from mobile applications, in the financial year ended 30 April 2021, a person in the Baltics visited the Group's portals on average 11.5 times a month (based on average monthly visits per capita (Source: Google Analytics, Euromonitor)). The high level of consumer engagement is demonstrated further through the amount of time spent on the Group's portals, which in general has been growing over time, with the total minutes spent monthly on the Group's portals increasing at a CAGR of 5% from 2018 to 2020 (Source: SimilarWeb (www.similarweb.com)).

With a large and engaged consumer audience, the Group's brands are widely known and thus organically attract listers to advertise products for sale, resulting in the Group's portals having leading content that in turn attracts more consumer traffic. These strong network effects result in the Group having limited marketing spending requirements, with only approximately 2% of all traffic on the Group's online classifieds portals being generated through paid channels in the calendar year 2020 (Source: Google Analytics, calculation does not include Kainos.lt, a price comparison site). The Directors believe this low marketing spend still outpaced the Group's competitors in terms of marketing spend during the same period, further enhancing the Group's brand position.

“Go to” portals for the vast majority of listers in a fragmented market

The Directors believe that the leadership positions of the Group’s portals in terms of their large and highly engaged consumer audience make them the most attractive portals for B2C and C2C listers and, consequently, the Group’s portals capture the vast majority of the respective listing markets and the best in class content. For example, as of 30 April 2021, the automotive dealers listing on Autoplius.lt, including B2C listers and C2C listers with three or more listings, represented approximately 95% of the total number of automotive dealers in the Lithuanian online automotive market (*Source: Company Analysis*), and the real estate brokers on Aruodas.lt, including B2C listers and C2C listers with three or more listings, represented approximately 86% of the total number of real estate brokers in the Lithuanian online real estate market (*Source: Company Analysis*). Furthermore, in 2020, approximately 70% of the top 100 companies in Lithuania (based on the number of FTEs in 2020) used CVbankas.lt (*Source: Company Analysis*) and approximately 52% of the adult population in Lithuania in 2020 visited Skelbiu.lt every month (*Source: SimilarWeb (www.similarweb.com)*, based on the maximum number of Skelbiu.lt deduplicated audience in a month in 2020 as % of population over age 16 (Euromonitor)). High penetration means that listers use the Group’s portals as their primary channel for advertising, resulting in the Group’s portals also having the leading amount of content compared to competitors (*Source: Company Information*).

This high penetration does not depend on a small number of large B2C listers as the automotive, real estate, jobs and services and generalist markets remain fragmented in the Baltics. Both the automotive dealer and the real estate broker markets are large but highly fragmented, for example, as of 30 April 2021, there were approximately 3,800 automotive dealers in Lithuania and approximately 1,000 automotive dealers in Estonia, and approximately 2,000 real estate brokers in Lithuania and approximately 2,100 real estate brokers in Estonia (*Source: Company Information*). As of 30 April 2021, 90% of the automotive dealers were active on a daily basis on the Group’s automotive portals. Franchised and large independent automotive dealers represent a smaller proportion of the market, while the majority of the market consists of medium and a long tail of small unregistered/independent automotive dealers typically having three to 50 vehicles in stock at any time during the year (*Source: Company Information*). The same applies in the real estate broker market, where a significant number of real estate brokers are smaller single and semi-professional real estate brokers. The majority of those smaller and independent automotive dealers and real estate brokers have limited resources to invest in marketing and operations, resulting in underdeveloped brands, limited retail locations and limited independent online presence. Consequently, online classifieds portals such as Autoplius.lt and Auto24.ee with respect to automotive, and Aruodas.lt, Kv.ee and City24.ee with respect to real estate, are often considered the preferred channel for automotive dealers and real estate brokers, serving essentially as storefronts for reaching consumers and as the backbone for several of their back-office functions.

In addition, in contrast with most Western European countries, a significant part of the automotive and real estate markets in the Baltics is represented by C2C listers. For used vehicle sales, the private seller market represented 44% and 63% in Lithuania and Estonia, respectively, with the remainder of the sales being B2C transactions for 2020 (*Source: Company Information*). The private seller real estate market represented approximately 48% of total residential property sales transactions in Lithuania, 21% in Estonia and 61% in Latvia in 2020 (*Source: Company Information*). As the Baltic online classifieds portals developed with high internet penetration as a backdrop, there is a greater propensity for consumers to list their used vehicles and properties directly on online classifieds portals, resulting in a relatively high proportion of C2C transactions compared to other European countries such as the UK and Germany. Furthermore, the advanced digital infrastructure in the Baltics facilitates C2C self-service with intermediaries such as state vehicle agencies having the ability to carry out processes online. Thus, the presence of a sizeable C2C market also contributes to greater fragmentation in the market.

Powerful network effects strengthened by vertical and generalist leadership

Each of the Group’s portals hosts an extensive number of listings and attracts significant consumer traffic. Listers and consumers are motivated to find the best match for their respective needs to sell inventory or buy products. The leading market positions of the Group’s portals in terms of traffic and consumer audience engagement, attract higher numbers of listings, which in turn attract even more traffic, creating positive network effects which drives sustainable leadership positions. The strong leadership positions of the Group’s portals make it more difficult for new entrants to enter those markets, with over a dozen new companies having launched across vertical and generalist categories in the last 20 years without reaching sizeable market positions.

The Group’s leading positions across both its vertical and generalist portals also drives cross-listing traffic and revenue, resulting in further competitive advantages. Cross-listing allows the Group to efficiently increase

traffic for listings on its vertical portals, as it offers listers the opportunity, through a series of multi-tiered bundled packages, to also display a particular listing on a generalist portal, which typically has a higher reach and traffic. A significant portion of the traffic is organically diverted between the Group's portals. For example, in calendar year 2020, approximately 13%, 1% and 6% of all visits to Autoplus.lt, Aruodas.lt and CVbankas.lt, respectively, and 32% of all clicks on Kainos.lt, came from Skelbiu.lt (*Source: Google Analytics*). Aruodas.lt's lower cross-listing percentage from Skelbiu.lt is due to the fact that the Group has implemented a different integration strategy between Aruodas.lt and Skelbiu.lt, compared to the other vertical portals Autoplus.lt and CVbankas.lt. When a consumer clicks on a cross-listed Skelbiu.lt real estate listing, the real estate listing natively opens within Skelbiu.lt, instead of directing the consumer to the Group's vertical portal (which is the integration strategy currently applied between Autoplus.lt and CVbankas.lt, and Skelbiu.lt). As the competitive lead for Aruodas.lt is already strong (see Part VI (*Market Overview*)), the Group decided to focus on real estate listings on Skelbiu.lt itself. The Directors believe that cross-listed traffic from Skelbiu.lt to Aruodas.lt could potentially reach 20% if Aruodas.lt was integrated in Skelbiu.lt in the same way as Autoplus.lt and CVbankas.lt (i.e. redirecting the consumer to the Group's relevant vertical portal).

Offering cross-listings on the vertical portals to the listers on the Group's generalist portals and vice versa increases the content available on all portals. For example, as of 30 April 2021, approximately 90% of all automotive listings on Skelbiu.lt were cross-listed from Autoplus.lt (*Source: Company Information*). As such, cross-listing is a strategic means of increasing content across both vertical and generalist portals, enhancing the quality of content in the generalist portals, improving the market positions of the Group's vertical and generalist portals and directing traffic to higher monetising vertical portals.

Furthermore, in general, vertical portals tend to attract listings for higher-value items, whereas the generalist portals tend to attract listings for lower-value items and therefore, leadership, across vertical and generalist portals allows leadership across all price points. This limits the possibility of generalist competition building leadership positions in particular price categories, as well as 'verticalising' (i.e., becoming a specialized portal) in that segment, this is particularly the case with respect to the C2C market.

Strong value proposition for listers enabling pricing increases, and resilience during market volatility and recessions

The Group has deep knowledge of the needs and operations of its listers. The Group's portals deliver a large and engaged consumer audience for listers, enabling efficient lead generation in exchange for a fee. Having operated leading portals since the late 1990s, the Group has significant experience developing a strong value proposition for its listers and consumers. The Directors believe that the continued focus on improving content quality and investment in new features and value added services increases lister and consumer engagement and user retention. Examples of improved features include enriched listings data, as well as strategic tools (such as direct chat functionality) to boost lister and consumer interactions. The Group's scale and network effects also increase the amount of data that can be gathered from its portals, which in turn allows the Group to generate better data insights, to offer improved services to listers, and to implement mechanisms to support trust and safety in transactions.

The Group's deep lister and consumer knowledge and strong value proposition, resulting in high consumer engagement and user retention, has enabled the Group to implement price increases for both its B2C and C2C services consistently over the years without significant lister churn. The monthly average revenue per B2C lister from the twelve months ended 30 April 2019 to the financial year ended 30 April 2021 grew at a 14.6% CAGR for dealers on the automotive portals, a 9.2% CAGR for brokers on the real estate portals, and a 7.4% CAGR for job listers on CVbankas.lt. The revenue per Skelbiu.lt paid listings grew at a 3.0% CAGR for the same period (*Source: Company Information*).

The Group's strong user retention resulting from its deep lister and consumer knowledge and strong value proposition, was demonstrated by its resilient performance through the COVID-19 pandemic with continued revenue growth and margin expansion for 2020, despite supporting measures offered to B2C listers (mainly automotive dealers and real estate brokers) in the form of discounts from March 2020 to June 2020, as well as the delay in planned price increases. For C2C listers, additional package benefits were also provided free of charge, such as free prolongation of listings. While the Group experienced a dip in traffic in March 2020 and April 2020 at the outset of the COVID-19 pandemic, traffic remained above the 2019 levels for the whole of 2020.

Fit-for-purpose and well-invested technology capability

The Group has taken a pragmatic, long-term focus towards technology, resulting in a scalable infrastructure that is capable of handling increasing levels of traffic with very high uptime. All technology is developed in-house and on a portal specific basis, which allows an agile approach while ensuring shared components and applications across the platforms. By operating a lean and sustainable technology stack, the platforms have been harmonised at the core level and are under constant development through a series of frequent updates in partnership with each portal. The Group's technology team consists of a highly skilled, efficient and motivated team, centrally located but allocated to a specific portal.

High-quality management team with proven operational track record

The Group has a highly experienced and committed management team, with a significant background in running and scaling online classifieds portals. The management retention of the Group is very high, with an average tenure of leadership of 12 years (estimate based on Group's Lithuanian entities but with a similar profile in the Estonian and Latvian entities). The CEO and COO joined the Group in 2005 and 2007, respectively. Many members of the management team come from acquired portals and have stayed with the Group after the acquisition and integration. There is a strong culture of entrepreneurship, with portal managers given flexibility to drive their own operations, as well as best-in-class knowledge sharing practices. The existing management team has a solid track record in delivering organic growth and margin improvements through a systematic approach to price increases implemented through detailed planning phases and close engagement with listers, as well as through efficiently and successfully identifying, executing and integrating M&A opportunities and realising synergies.

The Group's revenue grew at a 20.5% CAGR from the twelve months ended 30 April 2019 to the financial year ended 30 April 2021. In January 2020, the Group acquired a 100% shareholding in eight legal entities and a 51% non-controlling shareholding in one further legal entity (the "**acquisition of eight legal entities**"), which included Auto24.ee, the leading automotive classifieds vertical in Estonia, and KuldneBörs.ee, the leading generalist online classifieds portal for generic items in Estonia. This acquisition accounted for €1.7 million and €6.9 million of revenue in the aggregated period ended 30 April 2020 and the financial year ended 30 April 2021, respectively. Organic revenue, which excludes revenue from portals that were either acquired or disposed of during the period, grew at a 10.9% CAGR from the twelve months ended 30 April 2019 to the financial year ended 30 April 2021. This growth has been achieved despite the impact of the COVID-19 pandemic in both periods (*Source*: Company Information).

Cash generative business with excellent margin profile

Careful cost management creates operating leverage

The Group benefits from a lean organisational structure, with core sales, user support and IT functions at the level of each portal. Other key corporate functions are shared across the Group's portals which also enables high levels of synergies when new portals are acquired. Due to the high level of brand awareness, leading market positions and high organic traffic referrals, the Group has a low marketing spending requirement that has been decreasing over time, while traffic growth has grown at double digit rates from the twelve months ended 30 April 2018 to the financial year ended 30 April 2021.

Margin and cash conversion characteristics translating into sustainable, attractive returns to shareholders

The Group has a track record of a consistently strong, industry-leading Adjusted EBITDA margins, which reached 78.1% for the financial year ended 30 April 2021. Through continued improvements in operating efficiency, the Group's Adjusted EBITDA margins have increased by 2 percentage points from 76.2% for the twelve months ended 30 April 2019. Furthermore, the Group's Adjusted EBITDA margin has been supported by the increased cross-selling of bundled packages, cross-marketing of the Group's portals and high-margin value added services. Despite these Adjusted EBITDA margin improvements, the Directors believe that the business remains fully invested and capable of delivering on its growth strategy.

Due to the development of technology in-house, the Group benefits from low capital requirements to maintain its existing IT infrastructure. The Group's capital expenditure has remained relatively low as a percentage of revenue, representing 0.2%, 2.0% and 1.2% of revenue for the financial year ended 30 April 2021, the aggregate period ended 30 April 2020 and the 16-month period ended 30 April 2019, respectively. As a result, the Group had demonstrated high cash conversion of 99.8% for the financial year ended 30 April 2021, supporting the ability to return cash to shareholders over the longer term.

High level of digitalisation and attractive business environment facilitate Group operations

The Baltics benefit from high levels of digital adoption, underpinned by internet access and 4G mobile penetration. As of September 2020, 4G penetration was one of the highest in Europe, at 96%, 96% and 89% in Latvia, Lithuania, and Estonia, respectively, compared to the European Union average of 79% (*Source: Telegeography*). The region's average smartphone penetration in 2020 reached 71%, and is expected to increase to 86% by 2025 (*Source: Statista, smartphone penetration forecast 2010-2025*). The Baltics also rank high in the EU Digital Economy and Society Index (DESI) 2020 for digital public services (Estonia #1, Latvia #5 and Lithuania #6 (*Source: EU Digital Economy and Society Index (DESI) 2020*)), as well as in the EBRD Knowledge Economy Index for innovation and access to information (Estonia #1, Lithuania #3, and Latvia #4 (*Source: European Bank for Reconstruction and Development, March 2019; the Knowledge Economy index evaluates economic development of 46 EBRD countries in terms of innovation and access to information*)).

Moreover, the region presents an attractive business environment, with each of Estonia, Latvia and Lithuania ranked among the top six countries in Europe with respect to ease of doing business (Estonia #5, Latvia #6, and Lithuania #4 in the EU) while also benefitting from one of the lowest average labour costs in Europe, according to the World Bank's Doing Business 2020 report (*Source: Eurostat*). All three countries also ranked among the top twenty countries globally with respect to the economic freedom enjoyed in the respective countries (Estonia #14, Latvia #19, and Lithuania #11). Furthermore, the Baltic region has strong credit profiles, with some of the lowest gross debt to real GDP ratios in Europe, with an average for the Baltic region of 37% as of 2020 compared to the European Union average of 79% (*Source: Euromonitor*).

The Baltic markets benefit from being fully integrated with several international economic unions. All three regions joined the European Union in May 2004. The countries joined the eurozone in January 2011 (Estonia), January 2014 (Latvia) and January 2015 (Lithuania), all adopting the euro as their currency. Finally, all three regions were accessioned to the OECD in 2010 (Estonia), 2016 (Latvia) and 2018 (Lithuania).

The high level of digitalisation and the ease of doing business in the Baltics further supports the Group's business and operations and its ability to efficiently and effectively execute on its growth strategy.

Strategy

The Group's objective is to provide trusted marketplaces to connect listers and consumers across the Baltic region through "easy-to-use" and "feature-rich" portals that result in an efficient transaction experience for all parties. The Directors believe that the Group is well placed to achieve this due to its portfolio of leading brands, strong market positions and sustainable and scalable business model. The Group aims to continue to deliver profitable growth by further monetising its portfolio of leading online classifieds portals through systematic price increases of its core classifieds products, supported by its strong value proposition and new features and products (including listings promotions), the development of ancillary services and selective bolt-on acquisitions and in-market consolidation in the Group's existing markets and beyond.

Focus on driving monetisation of core services

The primary growth driver and focus of the Group is to drive increased monetisation of its core services, by increasing average revenue per B2C lister and average revenue from each C2C lister. Increased monetisation can take different forms, including pricing actions and product and packaging development (including listing promotions) enabling upsell and cross-sell.

The Group's management team has successfully increased monetisation across all portals and across B2C and C2C in the past, with limited impact on lister churn, owing to the Group's objective to optimally balance the improved value proposition offered by its portals, with the increased spending from its listers. While listers can defer increased spending by choosing or downgrading to more basic packages that have fewer features or that have limits on the level of transaction activity (for example, fewer slots), in the past the Group has observed the majority of its listers take up more premium packages in recognition of the value of the additional features provided. Even if listers continue to use the same service packages where like-for-like pricing actions take place, over time the Directors believe that listers will still receive more value as the Group's traffic and reach continue to grow.

The Group has a systematic approach to price increases which are implemented through detailed planning phases and close engagement with listers. Prices are typically adjusted at the start of each high season, usually in the first and third calendar quarter of each year, with major changes followed by smaller updates in subsequent high seasons. The Group usually updates pricing for C2C transactions first to assess lister impact

before changing B2C pricing in a similar manner. As pricing changes are made separately on each portal, there is a constant process of reviewing prices throughout the year whilst also ensuring alignment for cross-listings. Furthermore, as the majority of B2C listers have an auto-renewing subscription contract, price increases are seamlessly rolled-out without significant administrative burden.

The Group has a pipeline of planned price increases across its portals with various strategic levers to drive monetisation. These include introducing new packages and driving the adoption of more expensive packages with B2C listers, reducing volume discounts for large B2C listers, deepening the implementation of a value-based pricing model and driving the take-up of longer duration listings for C2C listers. The Directors believe that this is supported by significant headroom to increase monetisation as the level of monetisation of B2C listers by the Group's portals in the Baltics is considerably below that of leading classifieds portals in other European markets:

- In 2019, the Group's B2C automotive revenue as a percentage of used vehicles dealers' gross profits in Lithuania and Estonia (known as the "take-rate") is estimated to have been approximately 1% in Lithuania and 2% in Estonia (*Source: Company Information*). By comparison, take-rates of leading portals in the UK and in Germany in 2019 are estimated at approximately 4% to 6% of used vehicles dealers' gross profit pools in each country (*Source: Company Information*, assessed for 2019 given the disproportionate impact of the COVID-19 pandemic on the automotive market across countries in 2020).
- The Group's take-rate in real estate (taking into account both sales and rental markets) for the calendar year 2019 is estimated to have been approximately 2% to 3% in the Baltics (*Source: Company Information*). By comparison, leading real estate portals in the UK and Germany had an estimated take-rate in the range of 3% to 9% in 2019 (*Source: Company Information*, assessed for 2019 given the disproportionate impact of the COVID-19 pandemic on the automotive market across countries in 2020).
- Similarly, in 2019, CVbankas.lt's job listing fee as a percentage of monthly Lithuanian national living wages was approximately 3%, whilst the Directors believe based on their estimates that in countries including Finland, Norway and Sweden, listing fees of leading portals as a percentage of monthly national wages reached between 13% to 17%, 10% to 15% and 8% to 12%, respectively (*Source: Company Information*, assessed for 2019 given the disproportionate impact of the COVID-19 pandemic on the automotive market across countries in 2020).
- While monetisation levels in other countries are already higher than the Group's current monetisation levels, leading classifieds portals in such countries have still increased their average revenue per lister in the last three years, further supporting significant growth potential for the Group's B2C revenue (*Source: Company Information*).

The Directors believe that the Group's C2C revenue has a similar strong growth potential:

- Compared to leading portals in other countries, the average effective cost of a C2C listing on the Group's portals as a percentage of the underlying transaction values in 2020 is significantly lower. For example, in 2020, the estimated average effective price for a C2C listing on the Group's automotive portals represented approximately 0.4% of the average C2C used vehicle price in Lithuania and Estonia, compared to an estimated range of 0.4% to 1.2% in other markets such as Australia, the Netherlands, Norway, Poland and the UK (*Source: Company Information*).
- Similarly, the effective average cost of a C2C listing on Aruodas.lt, Kv.ee and City24.lv in 2020 represented around 0.04%, 0.04% and 0.02% of the average national residential property sales price, respectively. By comparison, in other countries such as Belgium, Finland and Switzerland the effective cost of a C2C listing ranged from 0.04% to 0.09% of the average residential property sale price in the respective country in 2020 (*Source: Company Information*).
- Furthermore, the Group's C2C pricing is significantly cheaper than the alternative transaction channels offered to its listers. For example, C2C real estate listings on the Group's portals are more cost effective for sellers when compared to instructing a local real estate broker who typically charges a 3% commission fee on the transaction value. For the sale of a residential property priced between €100,000 and €149,999, the traditional real estate broker commission would range between €3,000 and €5,000, whereas the average effective cost of such a C2C real estate listing on Aruodas.lt would be approximately €38, with the property being sold within 56 days on average on Aruodas.lt. The same applies to C2C automotive listings on the Group's portal. For example, for the sale of a used vehicle priced between €5,000 and €10,000, the traditional automotive dealer gross margin on the

vehicle sold would range between €250 and €500, whereas the average effective cost of such a C2C vehicle listing on Autoplius.lt would be approximately between €22 and €25, with the vehicle being sold within five to six weeks on average within the Autoplius.lt 90-day package.

In addition, as the prices of the Group's core classifieds offerings are linked to the value of the transactions, the Group's revenue is expected to grow in line with expected growth in the underlying automotive, real estate, jobs and services, and e-commerce markets. Transaction volumes are expected to remain stable with some growth potential in the automotive and real estate business lines, and transaction values are expected to increase as the economies develop. The jobs and services business line is expected to benefit from continued growth in the number of companies in the Baltic region and continued penetration of online channels for recruitment as well as wage increases driven by GDP growth. The generalist business line is also expected to benefit from continued growth in e-commerce.

These underlying market growth drivers in each business line are further supported by positive macroeconomic development in the Baltic region. The Baltics have experienced strong macroeconomic performance recently, with average PPP GDP per capita growing at a CAGR of 6.9% in the period from 2000 to 2019, ahead of the European Union markets growing on aggregate at 3.5% in the same period (*Source: Euromonitor, GDP per capita (PPP)*). This trend is expected to continue with the Baltic region average PPP GDP per capita expected to grow at a CAGR of 5.8% for the period 2020 to 2025, slightly ahead of the forecast growth of the European Union markets on an aggregate of 4.8% (*Source: Euromonitor, GDP per capita (PPP)*). Similarly, disposable income per capita in the region has increased at a CAGR of 5.1% from 2015 to 2019, compared to the European Union average of 1.9% for the same period (*Source: Euromonitor, at constant 2020 prices*). The positive macroeconomic trends provide the Group's listers and consumers with more money available to transact on its portals and pay for the Group's products and offerings.

Drive traffic through leading market positions and network effects

The Group will continue to leverage the existing strong market positions of its portals, their high brand recognition and traffic to drive more listings and traffic across its portals. As more listings are added, consumer audience traffic is expected to increase, and the more traffic increases, the more attractive its portals are, which again attracts more listings. These network effects are expected to continue to support more revenue growth through an increase in income from listing fees, subscription fees and other revenue sources. Positive network effects are also expected to strengthen the portals' brand recognition.

Grow ancillary revenue through existing and new partnerships

In addition to increasing monetisation of the core classifieds services, the Group aims to grow revenue by offering ancillary products and services, with the overall objective of enhancing the transaction journey of consumers and listers in the Baltic markets. This includes opportunities such as:

- Further leveraging existing ancillary services for example, the Group's third-party financing partnerships offering consumers loan or leasing products to help buy vehicles or to get a home improvement loan, the monetisation of the data collected from transactions, and the offering of third-party delivery services.
- The expansion of ancillary services in the future, whether through existing partnerships or by selectively identifying new services for example, delivery services that would further enhance the portals audience, user engagement and retention; and
- Potentially entering adjacent areas of the automotive, real estate and jobs and services marketplaces that are not currently fully participating in the digital marketplace.

Pursue strategic opportunities through acquisitions

The Group constantly evaluates its portfolio to optimise value creation, and will continue its pursuit of attractive options for inorganic growth, particularly through bolt-on acquisitions and in-market consolidation in the Group's existing markets, and potentially new markets outside of the Baltics with a strong focus on similarly high-quality, market-leading businesses. The Group has a strong track record of successfully acquiring and integrating target companies with many senior managers continuing to work within the Group following acquisition, and an entrepreneurial culture of sharing of best-practices across portals. For example, following the acquisition of Auto24.ee in January 2020, existing monetisation strategies at Autoplius.lt (such as basing C2C cost of listing on the underlying vehicle value) were implemented at Auto24.ee. In addition, the

acquisition led to efficiencies in technology development with certain key developers shared between the Lithuania and Estonian portals.

The Group believes its history of acquisitions, its size and geographical reach, combined with the efficiency of its centralised shared functions, a common technology approach and the ability to deploy its existing products into new marketplaces, renders it well positioned to capitalise on these additional growth opportunities and realise synergies.

Continuously improving the Group's scalability and maintaining high levels of operational efficiency while making necessary investments

While the Group already demonstrates high operating leverage, and operational and cost efficiency, it is committed to continue to optimising costs and maintain high cash conversion. However, the commitment to a lean and efficient organization does not prevent the Group from making strategic investments, for example in technology, to maintain its market-leading position and strong value proposition for listers and consumers, and to support the sustainability of a growing organisation. The Group has a robust process of assessing business areas requiring further investments, and a streamlined approach to implementing internal change, with recent examples including the increased investment in the technology team and additional security infrastructure.

The Group's business lines

The Group's portfolio of 12 online classifieds portals can be classified into four business lines: (i) automotive (Autoplius.lt (Lithuania) and Auto24.ee (Estonia)), (ii) real estate (Aruodas.lt (Lithuania), Kv.ee and City24.ee (Estonia) and City24.lv (Latvia)), (iii) jobs and services (CVbankas.lt and Paslaugos.lt (Lithuania)) and (iv) generalist (Skelbiu.lt and Kainos.lt (Lithuania) and Osta.ee and KuldneBörs.ee (Estonia)). Each of the Group's portals is the number one portal in its respective market, other than City24.ee and City24.lv, which are the number two leading players in their respective markets, based on the metrics set forth below.

Automotive (Autoplius.lt and Auto24.ee)

The Group's automotive business line comprises two vertical online classifieds portals: Autoplius.lt in Lithuania and Auto24.ee in Estonia. Autoplius.lt is the leading automotive portal in Lithuania for trading new and used vehicles, vehicle parts and "non-car" vehicles (including heavy transport and agricultural machinery) based on number of listings as of 30 April 2021, average number of monthly visits in 2020 and average monthly time on site per visit in 2020 (*Source*: SimilarWeb (www.similarweb.com)), and Auto24.ee is the leading automotive portal in Estonia based on the number of listings as of 30 April 2021 (*Source*: Company Information). As of April 2021, Autoplius.lt was the 8th most visited website in Lithuania and Auto24.ee was the 9th most visited website in Estonia (*Source*: SimilarWeb (www.similarweb.com)).

For the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, the automotive business line generated €16.8 million, €11.3 million and €8.3 million of the Group's revenue, respectively, representing 39.8%, 32.8% and 28.4% of the Group's revenue for such periods and growing at a CAGR of 42.6% from 2019 to 2021, which includes the effect of acquired revenue from the Auto24.ee acquisition for three months in the aggregated period ended 30 April 2020 and 12 months for the financial year ended 30 April 2021.

Products and offerings

The Group's automotive online classifieds portals enable vehicle buyers to connect more effectively with vehicle sellers leading to a more efficient buying and selling experience for both consumers and sellers, compared to offline sales processes. The portals provide prospective consumers with a comprehensive, searchable database of new and used vehicles, vehicle parts and "non-car" vehicles (including heavy transport and agricultural machinery). As of 30 April 2021, the Group's automotive online classifieds portals included over 52,000 available passenger cars listed by both B2C and C2C listers, each typically with a price, description and photographs. Consumers can customise their search by category, brand, model, price, first registration, location and specific keywords to identify attributes that meet their requirements and can sort and display results in a variety of customisable ways.

Consumers can also freely follow listings, save specific searches, consult the valuation history of the vehicle and watch review videos. The portals also have additional features that are available for consumers who log-in using their credentials such as getting alerts when new products, matching their requirements, become available and submitting purchase requests and bids to participate in an auction. Having a sizeable share of users logged

in on the portals enables content personalisation, improves lead generation efficiency and drives higher engagement.

The portals also have features such as messaging, which allows consumers to easily contact listers to obtain more information about the item for sale, and to negotiate and agree on a sale. In addition, prospective consumers often have questions relating to the vehicle search and sales process and look to seek additional advice provided on the portals. The Group's portals also provide its consumers with vehicle review videos.

In addition to its core classifieds listing business activities, the Group also offers consumers certain ancillary services, for instance, the option to apply for personalised vehicle financing from partnering banks, or request a vehicle history check for mileage fraud, previous ownership, damages and technical inspections.

The Group's automotive online classifieds portals generate revenue from B2C offerings, C2C offerings, ancillary services and advertising.

B2C offerings

The Group offers a wide range of products and services to automotive dealers listing vehicles, vehicle parts and "non-car" vehicles (including heavy transport and agricultural machinery) for sale. Revenue is generated from monthly multi-tier subscription plans priced on a per-slot basis, where each slot provides the B2C lister with a certain listing space on the Group's portals for a period of time, which the B2C lister can use for an unlimited number of listings during that period. The Group's B2C listers are diverse and comprise a large number of franchisees, large and small independent professional sellers and semi-professional sellers (which are sellers selling less than 10 vehicles a month), with the top 10 B2C listers representing 5% and 21% of the Autoplus.It and Auto24.ee aggregate B2C automotive revenue for the financial year ended 30 April 2021, respectively. The top 100 B2C listers represented 22% and 75% of the Autoplus.It and Auto24.ee aggregate B2C automotive revenue for the financial year ended 30 April 2021, respectively. The Directors believe that there has been a slow but gradual increase in intermediation in the market over the past five to ten years. As of 30 April 2021, the Group had more than 3,500 B2C listers on its automotive portals and the Directors believe that the Group has substantially all of the main automotive dealers in Lithuania and Estonia on its portals, the vast majority of which have B2C subscription plans and log in to use the Group's automotive portals on a daily basis.

B2C listers benefit from the exposure to the significant audience of consumers who access the Group's portals and the enquiries and new instructions generated by those consumers. As most of the Group's B2C listers do not have a significant online presence of their own, and instead rely on the Group's vertical portal to access consumers online, the Directors believe the Group has a very large and loyal B2C lister base. The Group offers a range of monthly slot-based subscription plans at differing price points to enable B2C listers to select the subscription most appropriate for their business. As of 30 April 2021, prices ranged from €5 to €8 per slot on Autoplus.It (which as of 30 April 2021 had one package type) and from €7 to €25.6 per slot on Auto24.ee (which as of 30 April 2021 had a 3-tier package structure). The price per slot at a given package level varies primarily due to volume discounts, whereby the per-slot unit price becomes cheaper when more slots are purchased. Between 2016 and 2021, the Group has successfully reduced volume discounts for large B2C listers, demonstrating the Group's ability to further monetise its automotive verticals by further reducing volume discounts. On Auto24.ee, the plans are differentiated by the mix of features and services included, with more extensive packages having higher fees per slot than basic packages. Given the success of the Auto24.ee package structure, the Group intends to introduce a similar 3-tier package structure for Autoplus.It in the near future. Prices are typically increased on a semi-annual basis, supported by additional features offered to B2C listers and the growth of the portals' consumer base. Tools and features offered to B2C listers include branded or unbranded automotive dealer sites, highlighted warranties, employee photos, the ability to contact consumers who saved the listing, cross-listing on the Group's generalist portals such as Skelbiu.It in Lithuania, add import and export via XML feeds, inventory management tools, value added services to improve the visibility and the ranking of the listings, a chat functionality and advanced statistics, among others.

Value added services sold on Autoplus.It include the sale of "stars", allowing automotive dealers to promote the visibility of listings for a fixed price per day. The price of the "stars" is a result of competitive bidding between the B2C listers. The listing with the most stars is shown first, generating more views and leads, which ultimately increases the likelihood of a successful transaction.

Revenue from B2C offerings represented 39.4% of the Group's automotive revenue for the financial year ended 30 April 2021.

C2C offerings

The Group offers a wide range of services to C2C listers listing their vehicle, vehicle parts and “non-car” vehicles (including heavy transport and agricultural machinery) for sale. The automotive portals do not offer free listings for C2C listers, except for a limited number of vehicle parts listings on Auto24.ee. Revenue is generated by charging fees per listing (as compared to a subscription plan offering a set number of slots in the B2C offerings) with a variety of pricing packages dependant on the type of the object, the underlying value of the object, and the duration of listings, as well as any additional value added services purchased. C2C listers can also extend listings by renewing the package after the initial duration of the listing expires. As of 30 April 2021, the Group reported that approximately 55% of the Autoplus.lt C2C listers chose the highest price package.

The Group’s automotive verticals are designed to ensure a simple and easy-to-use listing creation process for listers and include tools to update, modify and remove listings and to automatically populate part of the data related to the listing. By posting listings on the Group’s automotive online classifieds portals, C2C listers gain access to a wide audience of consumers searching for a vehicle or vehicle-related products and services. C2C listers can engage in conversations and negotiations with prospective consumers via the Group’s messaging tools.

Listing prices vary depending on the selected listing category (for example, used vehicles, vehicle parts, freight transport, etc.), the selected length of the listing period (30 days, 60 days, 90 days or 14 days for specific object value ranges) and the value of the object. Depending on the value of the object, as of May 2021 the Group offers 15 different pricing formulations on Autoplus.lt and eight on Auto24.ee, ranging from €9.99 to €24.99 for vehicles of values between €1,000 and €5,000. These different pricing formulations based on object value drive defensibility in the lower price segment of the market while allowing for deeper monetisation in the higher-end segments. In addition to the listing price, the C2C lister can purchase additional value added services and the higher the price of the package, the more value added services are included, such as boosting the visibility of the listing, cross-listing on the Group’s generalist portals (such as Skelbiu.lt in Lithuania) and advertising the listing on the homepage of the portal. As of 30 April 2021, listing prices (including VAT) ranged from €5 to €34.99 on Autoplus.lt and from €9.9 to €25.9 on Auto24.ee. Given the success of previous price increases and as part of its monetisation strategy, the Group has implemented new price increases as of 17 May 2021 in the C2C segment.

The Group also offers C2C listers free valuation services and access to statistics for their listings, including the number of times a listing has been viewed and the number of people who have saved the listing.

Revenue from C2C offerings represented 34.8% of the Group’s automotive revenue for the financial year ended 30 April 2021.

Ancillary services

The Group offers a private-label (i.e. “Autoplus.lt loan”, “Auto24.ee loan” and “Auto24.ee leasing”) automated online financing solution through which consumers can apply, get approval and receive financing online from selected banks prior to buying a vehicle. This solution is attractive for consumers as they can finance their vehicle purchase from smaller automotive dealers who do not offer vehicle financing. The Group’s automotive portals have partnered with one bank in Estonia and one bank in Lithuania which offer loan and leasing products for the different vehicle segments. The Group does not incur any liability, balance sheet risk or credit risk. In Lithuania, a Group company acts as a dependant consumer credit intermediary under Lithuanian law, and, therefore, the Group company is subject to Lithuanian financial intermediary regulation, which has a very limited scope because the intermediaries are not themselves providing the loan or leasing products. The Lithuanian financial intermediary regulation requires intermediaries to disclose their status as dependent consumer credit intermediary acting on behalf and for the benefit of the bank. In Estonia, however, the Group is exempt from financial intermediary regulation for loan and leasing products as these services are considered ancillary in nature under Estonian law.

Consumers are able to apply for financing before selecting a vehicle to buy and get approval and receive a financing offer automatically online. After accepting the financing offer, the loan is directly transferred to the consumer and a 60-day and 30-day period are granted to consumers who applied to the loan through Autoplus.lt and Auto24.ee, respectively, to purchase a vehicle with the funds. In case of leasing, the purchased vehicle is pledged to the bank. Leasing with residual value, where a substantial part of the payment is made at the end of leasing contract, is also available on Auto24.ee. In addition to the automated process on the Group’s portals, the partner banks also dedicate manual call centre resources to assist consumers, provide additional manual checks and improve sales conversion.

Revenue from financial intermediation services is generated through commissions charged by the Group's portals on the loan and leasing products sold through the portals, with minimum monthly commission fees in place to ensure that the revenue does not fall below a set threshold.

The Group also has a range of marketing and data partnerships with companies in a variety of automotive-related business areas. For example, through Vin Solutions OÜ, the Group's listers can order a vehicle history check based on the VIN code of the vehicles offered on its portals. The Group also offers market price history reports for finance and insurance companies and its listers.

Revenue from ancillary services, including intermediation services and data services represented 19.2% of the Group's automotive revenue for the financial year ended 30 April 2021.

Advertising

In addition to the Group's core automotive revenue streams, the Group also generates revenue from selling display advertising space on its automotive portals.

The Group provides a variety of online display advertising formats on its portals. The majority of the Group's display advertising sales are to agencies under trading agreements and real time bidding. The Group's most popular online display advertisements include banners, which are placed at the top, bottom or middle of a page, as well as tower advertisements placed alongside a page. The Group charges for these advertisements based on the number of times the advertisement is displayed, or based on a fixed amount for a campaign or based on clicks on the banner. Advertisement rates vary depending on the web pages upon which the advertisements are placed, the geographic region targeted, the amount of advertising purchased and the length of time the advertisement runs on the portal.

Revenue from advertising represented 6.6% of the Group's automotive revenue for the financial year ended 30 April 2021.

Real estate (Aruodas.lt, Kv.ee, City24.ee and City24.lv)

The Group's real estate business line comprises four vertical online classifieds portals: Aruodas.lt in Lithuania, Kv.ee and City24.ee in Estonia, and City24.lv in Latvia. Aruodas.lt and Kv.ee are the leading real estate portals based on number of listings as of 30 April 2021, average number of monthly visits in 2020 and average monthly time on site per visit in 2020 (*Source*: SimilarWeb (www.similarweb.com)). City24.ee is the number two player in Estonia, based on average number of monthly visits in 2020 and average monthly time on site per visit in 2020 (*Source*: SimilarWeb (www.similarweb.com)), and City24.lv is the number two player in Latvia, based on the number of listings as of 30 April 2021 (*Source*: Company Information). As of April 2021, Aruodas.lt was the 13th most visited website in Lithuania, and Kv.ee and City24.ee were the 24th and 60th most visited websites in Estonia, respectively (*Source*: SimilarWeb (www.similarweb.com)).

Kv.ee was launched in 1999 and City24.ee was acquired in 2017 (along with City24.lv). In Estonia, as Kv.ee and City24.ee both benefit from strong brand awareness in the real estate market, the Directors believe that it is beneficial to the Group to continue operating Kv.ee and City24.ee as two separate portals, increasing consumer reach and traffic on both portals through cross-listings.

For the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, the real estate business line generated €10.7 million, €10.6 million and €10.2 million of the Group's revenue, respectively, representing 25.2%, 30.9% and 34.9% of the Group's revenue for such periods and growing at a CAGR of 2.4% from 2019 to 2021.

Products and offerings

The Group's real estate online classifieds portals help prospective consumers search for property, research the market and connect with local property owners and real estate brokers. The Group provides prospective buyers with a comprehensive, searchable database of properties available for sale and rent. As of 30 April 2021, the Group's real estate online classifieds portals included over approximately 82,000 available properties listed by both B2C and C2C listers, each typically with a price, description, location information and photographs. Consumers can customise their search by property type, location, price, size, specific keywords and a number of other parameters to identify attributes that meet their requirements and can sort and display results in a variety of customisable ways.

The Group also provides local neighbourhood information to contextualise consumers' property searches by providing information on the proximity of shops, schools and public transport, as well as crime rates.

Consumers can also freely follow listings to receive updates on their status, property value and price changes, save specific listings and searches to receive specific property alerts, receive notification of new listings and register for open door events.

The portals also have features such as messaging, which allows consumers to easily contact listers to obtain more information about the property, and to negotiate and agree on a sale or rent. Consumers often have many questions relating to the property search and home-moving processes and look to seek advice from property professionals in the area they are moving to.

The Group's portals moderate the quality of the listings by human resources and automated tools. Listings of the same property by different persons are integrated in a list on Aruodas.lt, providing consumers all the information related to the property in a structured and easily accessible way.

The Group's real estate online classifieds portals generate revenue from B2C offerings, C2C offerings, advertising and ancillary services.

B2C offerings

The Group provides a wide array of tools and services to enable property professionals to market their listings and win more business. Revenue is generated from monthly subscription packages allowing real estate brokers to choose the package that is adapted to their volume, size and needs. The Group's B2C listers are loyal and diverse, with the top 10 B2C listers representing approximately 18% and 28% of Aruodas.lt and Kv.ee's B2C revenue for the financial year ended 30 April 2021, respectively. The top 100 B2C listers represented approximately 48% and 59% of the Aruodas.lt and Kv.ee aggregate B2C real estate revenue for the financial year ended 30 April 2021, respectively. As of 30 April 2021, the Group had more than 3,800 unique B2C listers (unique B2C listers are real estate brokers who are uniquely listed on one of the Group's real estate portals, i.e. not double counting real estate brokers that have a subscription plan on several of the Group's real estate portals) on its real estate portals and the Directors believe that the Group has substantially all of the main real estate brokers in Lithuania and Estonia on its portals, the vast majority of which have B2C subscription plans.

B2C listers benefit from the exposure to the significant audience of consumers who access the Group's portals and the enquiries generated by those consumers. Subscription packages are differentiated by the number of listings and the mix of services included, with more extensive packages having higher subscription fees than basic packages. As of 30 April 2021, prices ranged from €129 per month for real estate broker accounts with 15 listing limit for the basic package to €159 per month for a real estate broker account with a 25 listing limit for the premium package on Aruodas.lt and from €59 per month for a real estate broker account with a 10 listing limit for the basic package to €89 per month for a real estate broker account with a 25 listing limit for the premium package on Kv.ee. Tools and features offered to B2C listers include display of company logo, the ability to contact consumers who saved the listing, cross-listings on the Group's generalist portals such as Skelbiu.lt in Lithuania, value added services to improve the visibility and the ranking of the listings, a chat functionality, organise open doors, among others. As of 30 April 2021, the Group reported that the majority of the B2C listers chose the premium subscription packages over the other packages offered, demonstrating the Group's ability to further monetise its real estate verticals by offering a higher value proposition and expanded packages.

The Group's real estate portals operate as a platform for the real estate brokers' daily operations, providing tools and information to coordinate and improve their daily activities, such as providing statistical analysis on interested consumers, allowing real estate brokers to create a real estate broker page and receive recommendations, creating commercial proposals for properties, among other things. In addition, the Group organises seminars and best real estate broker awards for the real estate brokers that are active on the Group's portals to build stronger relationships.

Revenue from B2C offerings represented 56.8% of the Group's real estate revenue for the financial year ended 30 April 2021.

C2C offerings

The Group offers a wide range of products and services to property owners placing property for sale or rent on its real estate portals. The real estate portals do not offer free listings for C2C listers. Revenue is generated by charging fees for listings, with pricing packages available which vary by duration of listings and the value of the underlying object, property type and fees for other additional value added services. C2C listers can also pay a fee to prolong listings after the fixed duration expires.

The Group's real estate portals are designed to ensure a simple and easy-to-use listing creation process and include tools to update, modify and remove listings. By posting listings on the Group's real estate online classifieds portals, C2C listers gain access to a wide audience of consumers searching for a property.

The listing fee generally depends on the property category, the value of the property, and the duration of the listing period. C2C listers purchase bundled packages which include additional value added services, such as boosting the visibility of the listing, cross-listing on the Group's generalist portals (such as Skelbiu.lt in Lithuania) and advertising the listing on the homepage of the portal. On Aruodas.lt and Kv.ee, the Group recently launched a new package, "until you sell" pursuant to which the portal charges a fixed amount on an annual or semi-annual basis until the property is sold. As of 30 April 2021, Aruodas.lt listing prices ranged from €9.99 to €69.99, with semi-annual and annual packages ranging from €99 to €199, and Kv.ee listing prices ranged from €14.99 to €84.99, with semi-annual packages of €199.99. The semi-annual "until you sell" packages are cost effective to C2C listers in comparison to instructing a local real estate broker, who typically charges a 3% commission fee on the transaction value. C2C listers are increasingly choosing higher value packages.

The Group also offers listers free valuation services based on data for similar listings collected on its portals and access to basic statistics for their listings, including the number of times a listing has been viewed and the number of times someone saved the listing.

Revenue from C2C offerings represented 26.1% of the Group's real estate revenue for the financial year ended 30 April 2021.

Advertising and Ancillary Services

In addition to the Group's core real estate revenue streams, the Group also generates revenue from offering display advertising opportunities across its portals.

The Group provides a variety of online display advertising formats on its portals, including banners, which are placed at the top, bottom or middle of a page, as well as tower advertisements placed alongside a page. The Group charges for these advertisements based on the number of times the advertisement is displayed, or based on number of clicks on banner, or based on a fixed amount for a campaign. Advertisement rates vary depending on the web pages upon which the advertisements are placed, the geographic region targeted, the amount of advertising purchased and the length of time the advertisement runs on the portal.

The Group also has a range of marketing and data partnerships with companies in a variety of property-related business areas such as financial services for home furnishing and plans to provide financial intermediation services by connecting consumers looking for mortgages or other financing solutions to certain selected banks in the near term.

Revenue from advertising services represented 16.7% and revenue from ancillary services represented 0.4% of the Group's real estate revenue for the financial year ended 30 April 2021.

Jobs and services (CVbankas.lt and Paslaugos.lt)

The Group's jobs and services business line comprises CVbankas.lt, a classifieds vertical portal for jobs in Lithuania, and Paslaugos.lt, a classifieds vertical portal for services in Lithuania. CVbankas.lt is the leading jobs portal in Lithuania based on number of listings as of 30 April 2021, average number of monthly visits and average monthly time on site in 2020 (*Source*: SimilarWeb (www.similarweb.com)). Paslaugos.lt is the leading specialised service portal in Lithuania based on number of service provider listings as of 30 April 2021 (*Source*: Company Information).

For the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, the jobs and services business line generated €5.0 million, €4.3 million and €3.5 million of the Group's revenue, respectively, representing 11.8%, 12.4% and 12.0% of the Group's revenue of such periods and growing at a CAGR of 19.4% from 2019 to 2021.

CVbankas.lt (jobs portal—Lithuania)

CVbankas.lt is the Group's job portal which helps individuals search for a job, research the job market and connect with employers. CVbankas.lt provides job seekers with a comprehensive, searchable database across all job types, including management, blue collar and white collar jobs. Job seekers can customise their search by city, job category and specific keywords. The Group's job portal allows job seekers to create their résumé in just a few minutes via a simple and easy-to-use résumé template and receive notifications of new listings and

résumé views. Job listers (employers, companies and recruitment agencies) have access to a simple and functional job listing form, where they can specify, amongst others, the work location, the salary, the job description, and also upload a cover image and accompanying video. Job listers also have access to an applicant management system, providing them with the job seeker's employment history and allowing them to rate job seekers and contact them via direct messaging.

As part of the registration process, CVbankas.lt requires job seekers to create their résumé on the portal and, in contrast with the traditional model of job listings where parties can interact with each other outside of the job boards, all interactions between job seekers and job listers take place on the portal, resulting in a highly engaged user base within the CVbankas.lt portal ecosystem. CVbankas.lt's closed system model ensures that job seekers' résumés and other information, as well as interactions with job listers are retained within the system, which drives job seekers' lock-in and provides job listers with a comprehensive résumé database, which in turn incentivises them to post more listings on CVbankas.lt. As of 30 April 2021, CVbankas.lt maintained a database of over 783 thousand résumés uploaded by job seekers, and reached over 20% of the working age population in Lithuania on average monthly in 2020 (*Source: SimilarWeb (www.similarweb.com) monthly unique visitors, population between 15 and 64 years based on Euromonitor*).

CVbankas.lt generates revenue from job listers and private jobseekers. Job listers with more extensive recruitment needs purchase customised subscription packages created by the Group's sales team based on the number of job listings they require. Other job listers purchase short-term services directly online, that provide single job listings as well as unique features such as trial job listings, limited access to the résumé data base and job listing value added services to increase listings visibility. Subscription packages are generally renewed annually and paid upfront for the entire year. Job listers cannot cancel annual subscription packages and request a refund. CVbankas.lt has a loyal job lister base, with over 1,500 listers on average for the financial year ended 30 April 2021, with approximately 70% of the top 100 companies in Lithuania using CVbankas.lt during 2020. For the larger packages sold to job listers, prices per job listing as of 30 April 2021 ranged from €13 to €119.8. For short-term services sold, prices per job listing as of 30 April 2021 ranged from €83 to €129 based on the job location. During the calendar years 2018, 2019 and 2020, the Group reported that there was a clear trend whereby job listers were increasingly adopting medium and large packages and that it was able to successfully and continuously reduce its volume discounts for large job listers. This demonstrates the Group's ability to further monetise its job portal by offering higher value improved and expanded packages, as well as by reducing volume discounts. Separately, private jobseekers purchase value added services such as increased résumé visibility and the ability to apply for a listed job using their own résumé template. The Group also reported that during the first four months of 2021, while revenue from large packages has continued to grow, its share of total CVbankas.lt revenue slightly decreased, compared to the first four months of 2020, as the growth of large package revenue during that period was less than the growth of self-service and medium packages revenue due to the rapid recovery of smaller companies in the job market after the second wave of the COVID-19 pandemic, as well as the Group's decision to postpone previously planned price increases during the COVID-19 pandemic.

Paslaugos.lt (services portal—Lithuania)

Based on the number of listings as of 30 April 2021, Paslaugos.lt is the number one service portal in Lithuania, providing consumers a portal to solicit quotes from service providers in a wide range of industries through reverse-auctions. In the year 2020, Paslaugos.lt had on average an audience of 313,000 visits per month, growing at a CAGR of 50% from between 2018 and 2020. The portal is designed to help consumers find and compare service providers by reviewing their profile pages, service prices, portfolios and other consumers' reviews. Paslaugos.lt generates revenue from service provider profile page activation fees and from value added services such as increased visibility of a profile page.

Service providers can upload content on a profile page, including their service portfolio, a service description, photos and videos, reviews, certificates and contact information. Typically, service providers, mainly freelancers and small businesses, post their listings on the portal during a period ranging from one to six months.

Consumers can also post service requests to which suitable service providers can respond with proposals. Consumers can then choose service professionals based on proposals and other information available on profile pages.

As of 30 April 2021, Paslaugos.lt had more than 5,900 paid service provider profile pages in categories such as construction, home repair, maintenance & improvement, auto service, health care, business services, weddings & events and lessons & training, among others.

Generalist (Skelbiu.lt, KuldneBörs.ee, Osta.ee and Kainos.lt)

The generalist business line comprises two generalist online classifieds portals for generic items: Skelbiu.lt in Lithuania and KuldneBörs.ee in Estonia; one online marketplace portal in Estonia: Osta.ee; and one price comparison portal in Lithuania: Kainos.lt. Skelbiu.lt was the 5th most visited website and the leading generalist portal in Lithuania based on the number of listings as of April 2021, average number of monthly visits in 2020 and average monthly time on site in 2020 (*Source*: SimilarWeb (www.similarweb.com)) and Osta.ee was the 17th most visited website as of April 2021 and the leading generalist portal in Estonia based on the number of listings as of 30 April 2021, average number of monthly visits in 2020 and average monthly time on site in 2020 (*Source*: SimilarWeb (www.similarweb.com)).

For the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, the generalist business line generated €9.8 million, €8.2 million and €7.2 million of the Group's revenue, respectively, representing 23.2%, 23.9% and 24.6% of the Group's revenue of such periods and growing at a CAGR of 17.0% from 2019 to 2021.

Skelbiu.lt and KuldneBörs.ee (generalist classifieds portals—Lithuania and Estonia)

General

Consumers have free access to the Group's generalist portals to search for a wide range of products and services listed by both private individuals and businesses. Consumers can search the portal with or without prior registration and have access to a large volume of listings across the portals in numerous categories including real estate, automotive, jobs (blue and white collar), home furnishing, clothing, construction materials, agricultural equipment and pets. Filtering functionalities allow for more precise searches, for example, by category, keywords, geography and price.

Listings in product categories for which the Group also has a vertical portal (automotive, real estate, jobs and services) are paid listings for both private individuals and businesses. For a premium price, listers on Skelbiu.lt have the option to choose for a bundled listing, including a listing on the generalist portal and a simultaneous listing on the Group's relevant vertical portal. Pricing of bundled listings matches the pricing for listings on the relevant vertical portal to avoid any cannibalisation by the generalist portals of the vertical portals. As of 30 April 2021, approximately 64% of listings on Skelbiu.lt were native listings, while 36% of listings on Skelbiu.lt were cross-listed from the Group's vertical automotive, real estate or jobs and services portals in Lithuania (*Source*: Company Information). Revenue from such bundled listings is allocated to the vertical portals when the purchase originates from the vertical portals, and to the generalist portals when the purchase originates from the generalist portals. Listings in product categories other than automotive, real estate, jobs and services are free for private individuals and paid for business listers, with limited exceptions. Value added services can be purchased for listings in any product category.

Free listings and listings only displayed on generalist portals are moderated by artificial intelligence software and human resources with the aim of preventing listings of illegal and counterfeit goods, as well as fraud. Different moderation features are applied on each portal. In addition, consumers have the option to pinpoint suspicious listings and that feedback is directed to the Group's teams.

Typically, consumers can save their favourite items for later consultation and save specific searches to receive alerts when new products matching their requirements become available. The online classifieds portals also have additional product features such as messaging, which allows consumers to easily contact B2C and C2C listers to obtain more information about the item for sale, and to negotiate and agree on a sale.

For advertisers, the Group's generalist portals offer access to a wide audience with buying intent, and the ability to display advertisements according to a large selection of tailored categories such as motors, real estate and jobs, as well as fashion, and household appliances, targeting by geography, or more specific elements such as brand, price or keywords.

Skelbiu.lt (generalist portal—Lithuania)

Skelbiu.lt is the number one generalist portal in Lithuania based on the number of listings as of 30 April 2021 (*Source*: Company Information), average number of monthly visits in 2020 and average monthly time on-site in 2020 (*Source*: SimilarWeb (www.similarweb.com)). Skelbiu.lt generates revenue by charging listing fees, fees for competition driven value added services and advertising. In the year 2020, Skelbiu.lt had an audience of on average 23 million visits per month (*Source*: Google Analytics).

Listings in generalist categories (categories other than automotive, real estate, jobs and services) are free for private individuals but business listers are generally charged a listing fee based on the category of the product.

Both private individuals and business listers are charged a listing fee for listings in vertical categories. Rather than paying for a subscription on the vertical portals, some business listers choose to self-serve and pay on a listing-by-listing basis on Skelbiu.lt, similar to private individuals. The Group categorises both types of listers and the associated revenue, including revenue generated from value added services, as C2C. As of 30 April 2021, listing prices ranged from €0.29 to €149.99 per listing. Skelbiu.lt typically targets two price increases per year, one in spring and one in autumn, however the Group constantly monitors opportunities (including category by category) and may therefore also increase prices more often and during other periods of the year. C2C price increases on one of the Group's vertical portals are also implemented in the equivalent vertical categories on Skelbiu.lt. Approximately 27% of all native listings on Skelbiu.lt are paid listings, with the free generalist categories acting as a strategic driver of portal traffic (*Source*: Company Information). Value added services sold on Skelbiu.lt include the sale of "stars" to promote the visibility of listings for a fixed price per day. The listing with the most stars in its product category is shown first on that category's page, increasing the likelihood of a successful transaction. Additional listing features, such as the "star" system, drive the average realised listing price across both the vertical and generalist categories.

Skelbiu.lt also integrates offers for third-party delivery services whereby both sellers and buyers can opt for a delivery service via the portal itself. Consumers can compare offers from several delivery service providers and choose the service that fits them best. Revenue from delivery services is generated through monthly fees paid by delivery service providers.

Categories of products that are listed on Skelbiu.lt are (among others): automotive (37%), real estate (8%), jobs (blue and white collar) (2%), life (21%), clothing (8%), electronics and tools (7%), entertainment (6%), toys (5%), computer and equipment (3%) and communications (2%).

Osta.ee (marketplace portal—Estonia)

Osta.ee is the largest marketplace portal in Estonia with over two million visits per month in 2020 (*Source*: Google Analytics). As of April 2021 Osta.ee was the 17th most visited website in Estonia with an average of approximately 440,000 unique visitors per month in the year 2020 (*Source*: Company Information, SimilarWeb (www.similarweb.com)). Osta.ee is used by B2C listers with subscription packages, C2C listers and governmental listers. Osta.ee generates revenue primarily from commissions on realised sales, and to a lesser extent, from value added services such as additional payments to promote the visibility of listings by buying "stars" and front page listings, listing fees from listers that list more than a certain number of items, integrated delivery services, the sale of advertising space and penalties for buyers who do not settle their transaction. As of 30 April 2021, prices for B2C packages on Osta.ee ranged from €29.99 to €700 per month. In vertical categories, the portal charges a C2C listing fee of €9.97 per listing. In non-vertical categories, C2C listings are free of charge up to 20 listings per month and with every additional listing costing €0.20 per listing. For both B2C and C2C listings in non-vertical categories, Osta.ee charges a commission of up to 9% of the sales price of the listed item on a successful transaction, deducting the previously paid listing fee from such commission.

Osta.ee offers its consumers and listers advanced features and offerings such as user identification via e-signature, the option to create an e-wallet on the portal (facilitating online payments for product purchases and listing fees), secure escrow payment mechanics and unique government auctions through which the government sells used products such as furniture, vehicles and other materials.

Categories of products that are listed on Osta.ee are: home (16%), fashion (13%), antiques and art (11%), collectibles (10%), governmental (8%), tools, machines and construction (7%), hobbies and leisure (6%), automotive and motor (5%), audio and video (5%), computers (4%), beauty and health (3%), home appliances (3%), books (3%), phones (2%) and others (5%).

KuldneBörs.ee (generalist portal—Estonia)

KuldneBörs.ee is the number one generalist online classifieds portal for generic items in Estonia based on the number of listings as of 30 April 2021 (*Source*: (Company Information)). KuldneBörs.ee generates revenue by charging listing fees, fees for value added services and advertising. Listers are charged a listing fee based on the category of the product. For some categories, such as spare parts, clothing, computers and phones, there are no listing fees for C2C listers. Value added services on KuldneBörs.ee include front page listings, "first in category" listing (ensuring that the listing is displayed first in the subcategory of a search result) or other prioritisation options and automatic updates (ensuring that the date of the listing is renewed, which in turn places the listing higher on the search result list).

Categories of products that are listed on KuldneBörs.ee are (among others): construction services; transportation services; job offers; job search; real estate rentals; construction materials; furniture; vehicle parts; plots; agricultural vehicles; flats; pets; cars; houses; computers; beauty and health; industrial machines; for garden; fuel; and others.

Kainos.lt (price comparison portal—Lithuania)

Kainos.lt is the leading price comparison portal in Lithuania based on average number of visits in April 2021 (*Source*: SimilarWeb (www.similarweb.com)). As of 30 April 2021, the specialised e-commerce portal works with over 350 e-shops and has helped consumers consult and compare prices of more than three million e-store offers. Kainos.lt is designed to help consumers find the best online deals by comparing prices and offering consumers the possibility to consult price history and set price alerts. The product-related price information, including price and inventory status, is usually updated every 30 minutes. The cross-listing of products from Kainos.lt on Skelbiu.lt increases the Group's reach, by targeting consumers who would consider both used and new products in their purchase journey. Kainos.lt lists products from an array of categories including, among others, computers, games and consoles, home and garden, beauty, books, pharmacy and toys.

Kainos.lt generates revenue on a cost-per-click basis, from retailers who contract with the Group to automatically link the products in their e-shop with Kainos.lt. In 2020, Kainos.lt generated 12.5 million paid clicks, which is 4.7 times the amount of paid clicks generated in 2018. The cost-per-click has remained generally stable over the years. However, there are two pricing formats in place, whereby a higher price can be triggered depending on the popularity of a product category reaching a certain threshold.

Intellectual property and systems to prevent intellectual property infringement, and fraudulent and illegal activities

The Group protects its intellectual property through a combination of trademarks, domain names and copyrights, as well as contractual restrictions on access and use of its proprietary data and technology.

As of 30 April 2021, the Group had a portfolio of 39 registered European and or national trademarks, one pending trademark registration, and 79 registered domain names in relation to its business. These include, among others, trademarks and domain names in relation to the Autoplus.lt, Skelbiu.lt, Auto24.ee, Aruodas.lt, CVbankas.lt, Kv.ee, Osta.ee, City24.ee, City24.lv, Kainos.lt, Paslaugos.lt and KuldneBörs.ee websites. The Group may pursue additional trademark and domain name registrations in the future if it is in the interests of the Group.

Save as set out above or elsewhere in this Prospectus, the Group is not dependent on any other intellectual property.

No member of the Group is, or has in the 12 months preceding the date of this Prospectus been, a party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Group is aware) with respect to any infringements by the Group of third-party intellectual property rights or brought by a member of the Group against third parties for breach of its intellectual property rights which may have, or have had during the 12 months preceding the date of this Prospectus, a significant effect on the Group or its respective financial position or profitability.

The Group has taken steps to cooperate with intellectual property rights owners to seek to eliminate allegedly infringing items listed on its online classifieds portals, as well as with law enforcement authorities inquiring about users allegedly violating the law and the Group seeks to provide law enforcement with the relevant information for such investigations. The Group's policies prohibit the sale of goods that may infringe third-party intellectual property rights, and the Group may suspend the account of any lister who infringes third-party intellectual property rights. Moreover, the Group uses both algorithms and manual advertisement moderation personnel to review and detect advertisements that may potentially be in breach of the relevant portal's terms and conditions. The Group has trained and dedicated personnel that is able to respond to user enquiries, resolve potential complaints and react to reports from consumers and listers about suspicious advertisements found on the Group's portals.

Furthermore, the Group's terms and conditions stipulate that all content is the Group's own or otherwise lawfully controlled intellectual property and any copying, reprogramming, transfer, redirection or other use of the content without the written consent of the Group shall be considered an infringement of intellectual property and other rights punishable under applicable domestic laws. Moreover, the Group's portals are designed in such a way that creates barriers to aggregation, for example, by blocking sessions with suspicious browsing activity, adding watermarks in pictures, or hiding certain data fields in the listing. Portal managers

and the technology team actively monitor competitor activity, and engage in regular interactions with clients in order to protect content on the Group's portals.

The Group has clear guidelines detailing the terms and conditions for its users. These terms prohibit illegal activity, set out consequences for any contravention, including delisting of listings and the potential banning of users from the portal, and explains that the liability for the published content of the listing lies with the lister. Furthermore, the Group pro-actively implements measures to increase transparency in the listings and cooperates with law enforcement authorities enquiring about the users allegedly violating the laws, providing relevant information for any investigation. In addition, the Group maintains protocols for listings moderation, utilising both AI-based algorithms and manual intervention. Consumers and listers also have an easy to access channel on the portals to report any suspicious listings. These reports are reviewed by the relevant portals' moderation team where actions is taken as needed.

Product and technology

The Group is a data and technology-driven business and, as such, its infrastructure and websites are designed to provide consumers and B2C and C2C listers with real-time access to information and data made available through its online classifieds portals. The Group develops and hosts all its technology and infrastructure in-house from two technology hubs, one in Vilnius, for the Lithuanian portals, and one in Tallinn, for the Estonian and Latvian portals. With respect to its Lithuanian portals, the Group also has a disaster recovery site in Warsaw. The Group is currently in the process of setting up a disaster recovery site as additional backup for its Estonian and Latvian operations. As most of the Group's technology and infrastructure developments are made in-house by its own employees, the Group does not have any material third-party licenses or material arrangements with third-party service providers.

While the architecture and technology is harmonised at the Group level, the Group's software is maintained and developed independently for each platform in close proximity with the business of the respective portal and tailored to meet local demands and the specific business logic of the portal. The local platforms share components and applications and best practices in order to improve performance of each platform. There is a high usage of open source software across the technology stack and the Directors believe that there is a relatively lower level of legacy codebase across the technology stack when compared with other businesses of similar age.

Advanced and robust monitoring systems have been put in place to ensure a high level of availability. The Group has designed its systems such that failure of any individual component should not affect the overall availability of the various platforms.

The Group's strategy from inception was to hire senior agile full-stack engineers, who can work on both the front- and back-end of the portals, ensuring that the developers manage, develop and understand the full portal rather than only one part of a portal. Each technology hub has a dedicated team consisting of infrastructure and software engineers, as well as QA/UX/UI engineers. For each platform, there is a dedicated team of two to three software engineers, while the infrastructure and QA/UX/UI engineers are shared. The entire technology team consisted of 26 developers, five system administrators, seven QA/UX/UI engineers and two product managers who accounted for approximately 29% of the total Group's full time employees as of 30 April 2021. The average tenure of the senior engineers is seven years as of 30 April 2021. The Group's business is highly attractive to developers, which allows the Group to easily grow additional resources if need be.

High standards are a key element of the Group's culture and best practices are implemented on every level where possible. Work is organised in such a way that the teams operate independently. A highly optimised continuous integration process takes only a few minutes to implement amendments to the code in the live version of the portals. This allows the Group to rollout new features or make adjustments quickly. In 2020, the Group's platforms received approximately 30 production releases daily on average. The development process is accompanied by a test-driven development philosophy. Thousands of tests, static analysers, security checks and other best practices are implemented in the integration process. Continuous integration and delivery is supported by the Atlassian stack (Jira, Bitbucket and Bamboo).

The Group leases three modern data centres: the main centres in Vilnius and Tallinn, and a disaster recovery centre in Warsaw. Despite growing traffic, the whole infrastructure is currently located in one rack per data centre with significant capacity for future expansion. The Group performs periodical exercises switching traffic from one data centre to another to test its infrastructure.

The Group's hosting system consists of hundreds of virtual machines and is scaled in the private cloud. The platform uses SQL (PostgreSQL and MySQL) and NoSQL (Redis, MongoDB) databases. Elasticsearch is used

for text search. The Group currently runs over 20 million page views per day, with 3 Gbps of total peak outgoing traffic. PHP is the core programming language of the applications and Symfony components are used as a base for the framework.

The development of new and improved features comes from inputs provided by the Group's community of buyers and sellers, experienced management and engineers. As the portal managers control every piece of the business and development pipeline, they take the lead in setting development priorities. Feature-rich portals facilitate sellers' and buyers' interactions, drive engagement and liquidity. AI is utilised across the portals for better navigation, simplified listing posting, content moderation and pricing.

The Group employs a host of encryption, antivirus, firewall and monitoring technology to protect and maintain its systems. In addition to a series of automated systems that monitor the Group's technology, infrastructure and a dedicated team works to ensure stability across the systems and platforms.

Marketing and sales

The Group has a multi-brand marketing strategy and operates with independent brands by country. Over the years, the various brands have built strong positions with high brand recognition in their local markets. The brand recognition of the Group's portals goes beyond the portals being known as portals for the exchange of goods and services, and the Directors believe its employees for the vertical portals are viewed as experts in their respective markets with the media frequently quoting the portal managers' views on the market. As of 30 April 2021, the Group employed 32 employees in its marketing and sales function.

The Group's online classifieds portals benefit from a high share of direct traffic, particularly for the Group's established online classifieds portals, such as Autoplius.lt, Auto24.ee, Aruodas.lt, Kv.ee, Skelbiu.lt, CVbankas.lt and Osta.ee. The Group's portals also generate significant organic traffic and traffic from social media. Only approximately 2% of the Group's traffic was generated through paid channels during 2020 (*Source: Google Analytics, excluding price comparison site Kainos.lt*).

The Group's brands use a combination of communication and marketing approaches with the aim of driving audience growth and increasing brand awareness and reputation, directed at both professional and private buyers and sellers. The Group's brands typically use a combination of online and offline channels, but most of the marketing budget is allocated to online advertising. The Group advertises in a variety of online media channels such as social media and search engines, as well as offline channels such as TV, radio, print, outdoor advertising and events. Paid digital advertising includes search engine marketing where the Group pays for listings generated from search engine queries. In addition, the Group's brands engage in search engine optimisation to increase organic traffic from search engines, and promote the Group's online classifieds portals to ensure that they benefit from free exposure offered through channels such as social media.

The Group's sales activities are organised independently for each portal, enabling its sales force to benefit from its strong local brands and traffic position, all while having a close proximity to the listers in the local market. The Group holds a number of initiatives each year, targeted at its B2C listers. For example, the Group holds a number of seminars and award ceremonies, bringing professionals from the same industry together, which are well attended. The Group's various brands have built strong partnerships both in local markets and across these markets.

Employees

As of 30 April 2021, the Group had 124 full-time employees, with an average tenure of approximately six years for those based in Lithuania, and a leadership team with an average approximate tenure of 12 years. As the Group is run by founder entrepreneurs and many employees have joined from acquired portals, the Group benefits from deep local knowledge, entrepreneurial spirit and desire to continue to grow the Group. None of the Group's employees are covered by a collective bargaining agreement or represented by a labour organisation. To date, the Group has not experienced any labour-related work stoppage. The Group believes it has good relations with its employees. For the financial year ended 30 April 2021, the attrition rate was 9%, primarily driven by students and young professionals employed in the Group's moderation teams. The Group has also received external recognition for its culture in 2020 when Diginet LTU UAB was awarded "The Most Desirable Employer of 2020" in the services sector by business news portal Verslozinios.lt.

The Group's core HR objective is to attract high potential and highly motivated employees and giving them room to develop and grow. The Group manages recruitment in-house and organises a yearly performance review. The Group also believes in the power of diversity to establish a creative workplace. The Group actively

supports women choosing careers in the technology industry. As of 30 April 2021, 49% of the employees were female.

The Group seeks to treat all of its employees equally, regardless of gender, age, disability, health, nationality, ethnic origin, religion, political belief, union membership, gender identity, family status or lifestyle, including when evaluating performance and making hiring and promotion decisions.

Property, plant and equipment

The Group's headquarters are located in Vilnius, Lithuania. The Company's property, plant and equipment mainly comprise furniture and IT equipment used in the Group's offices across all three jurisdictions. The Group mainly has lease contracts for office buildings and vehicles used in its operations. The Group's office buildings generally have lease terms ranging between one and five years, while motor vehicles generally have lease terms between four and five years.

Insurance

The Group has insurance coverage in place which is appropriate for its business, in respect of its level and applicable excesses and deductibles, considering the Group's business location as well as the size and scope of its business activities.

Environmental Matters

The Group does not have any material environmental compliance costs or environmental liabilities. Wherever possible, the Group seeks to minimise the environmental impact of its business activities, including in relation to the recycling of paper and plastic, and extensive use of digital documentation, including e-signatures and e-contracts to reduce paper usage. Many of the Group's portals, by their nature, play a key part in facilitating the circular economy, in promoting the reuse and repair of unwanted assets, whether they be vehicles or vehicle parts traded through its automotive portals, or used goods traded through its generalist portals. As such they provide a channel of green commerce to divert secondary goods from landfill, recycling or disuse, and allow increasingly environmentally conscious consumers and businesses to reduce their environmental impact. In addition, the online nature of the transactions facilitated by the Group, and in particular the jobs and services portal that connects local workers and service providers with those in need of their services, all helps minimise greenhouse gas emissions related to unnecessary travel.

PART VIII

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Trevor Mather Justinas Šimkus Lina Mačienė Simonas Orkinas Ed Williams Tom Hall Kristel Volver
Company Secretary	Miglė Pranaitytė
Registered Office	Highdown House Yeoman Way Worthing West Sussex BN99 3HH United Kingdom
Sponsor, Global Coordinator and Joint Bookrunner	Merrill Lynch International 2 King Edward St London EC1A 1HQ
Joint Bookrunner	BNP PARIBAS 16, boulevard des Italiens 75009 Paris France
Legal Advisers to the Company as to English and US law	Simpson Thacher & Bartlett LLP CityPoint One Ropemaker Street London EC2Y 9HU
Legal Advisers to the Company as to Lithuanian, Latvian and Estonian law	Ellex Jogailos 9 LT-01116 Vilnius Lithuania Ellex K.Valdemara 62 LV-1013 Riga Latvia Ellex Kaarli pst 1 / Roosikrantsi 2 EE-10119 Tallinn Estonia
Legal Advisers to the Sponsor and the Underwriters as to English and US law	Clifford Chance LLP 10 Upper Bank Street London E14 5JJ

Reporting Accountant KPMG LLP
15 Canada Square
London
E14 5GL

Registrar Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

PART IX

DIRECTORS, SENIOR MANAGERS, EMPLOYEES AND CORPORATE GOVERNANCE

1. DIRECTORS

The following table lists the name and position of each Director:

<u>Name</u>	<u>Position</u>
Trevor Mather	Chair
Justinas Šimkus	CEO
Lina Mačienė	CFO
Simonas Orkinas	COO
Ed Williams	Senior Independent Non-Executive Director
Tom Hall	Non-Executive Director
Kristel Volver	Independent Non-Executive Director

The business address of each of the Directors (in such capacity) is Highdown House, Yeoman Way, Worthing, West Sussex BN99 3HH, United Kingdom.

A brief description of the Directors' business experience and principal business activities outside the Group is set out below:

Trevor Mather—Chair

Trevor joined the Group in 2021 as Chair. He was Chief Executive of Auto Trader, which was floated on the London Stock Exchange in March 2015, from June 2013 until February 2020. Previously, Trevor was President and CEO of ThoughtWorks, a global IT and software consulting company. Trevor joined ThoughtWorks in 2001, to kick-start the United Kingdom branch of the company and then took responsibility for all international operations before becoming CEO in 2007. Before his time at ThoughtWorks, Trevor spent almost ten years at Andersen Consulting (now Accenture). Trevor holds an M.Eng. in Aeronautics and Astronautics from Southampton University.

Justinas Šimkus—CEO

Justinas joined the Group in 2005 as CEO of Diginet LTU. Justinas holds a BSc of Management and Business administration from Vilnius University and an MSc of International Business from Vilnius University.

Lina Mačienė—CFO

Lina joined the Group in 2017 as CFO. She previously worked at PwC in its audit and assurance services department from 2010 until 2017. Lina holds a BSc in Economics from Kaunas University of Technology and an MSc of Management and Business Administration from ISM University of Management and Economics.

Simonas Orkinas—COO

Simonas joined the Group in 2007 as Skelbiu.lt Portal Manager, in 2009 was appointed COO of the Group and was appointed CEO of Diginet LTU in August 2019. Simonas holds a BSc in Business Management from Vilnius University.

Ed Williams—Senior Independent Non-Executive Director

Ed joined the Group in 2021 as the senior independent Non-Executive Director. He was appointed chairman of Auto Trader prior to its flotation on the London Stock Exchange in March 2015. He served as an independent director of idealista, the privately owned Spanish property portal from 2015 to 2020. Ed was founding chief executive of Rightmove, serving in that capacity from 2000 until his retirement from the business in 2013. Rightmove was floated on the London Stock Exchange in 2006.

Tom Hall—Non-Executive Director

Tom joined the Group in July 2019 and is a Non-Executive Director. He leads the Internet/Consumer team in Europe for Apax, where he has worked for over 20 years. He has led many of Apax's marketplace investments, including Auto Trader, idealista and SouFun. He also serves on the Boards of idealista, MatchesFashion, NEXT and Wehkamp.

Kristel Volver—Independent Non-Executive Director

Kristel joined the Group in 2021 as an independent Non-Executive Director and was previously CFO and a supervisory board member for Kinnisaraportaal, City 24, AllePal and Diginet LTU. Since 2019, she has been a board member of MM Grupp and is currently a member of the supervisory boards of Postimees Grupp, Magnum, Apollo Group, iDeal Group, 15min, AS Kroonpress and TVNET Latvia. She worked in the audit department at KPMG from August 2012 until December 2015, was deputy head of Group Finance Estonia for Nordea from December 2015 until March 2017 and Group CFO for Eesti Meedia (Postimees Grupp). She holds a BSc and MSc in Finance from the University of Tartu and has been a certified auditor since 2016.

2. SENIOR MANAGERS

The current members of the senior executive team with responsibility for day-to-day management are set out below, together with a brief description of their management expertise and experience. The business address of each of the Senior Managers (in such capacity) is Highdown House, Yeoman Way, Worthing, West Sussex BN99 3HH, United Kingdom.

<u>Name</u>	<u>Position</u>
Justinas Šimkus	CEO
Lina Mačienė	CFO
Simonas Orkinas	COO

Justinas Šimkus—CEO

See above.

Lina Mačienė—CFO

See above.

Simonas Orkinas—COO

See above.

3. EMPLOYEES

The average number of employees employed by the Group for the twelve months ended 30 April 2019, the aggregated period ended 30 April 2020 and the financial year ended 30 April 2021 was 106, 114 and 133, respectively.

The tables below shows the breakdown of the average number of employees for the twelve months ended 30 April 2019, the aggregated period ended 30 April 2020 and the financial year ended 30 April 2021 by geographic location.

	<u>Average for the twelve months ended 30 April</u>		
	<u>2019</u>	<u>2020</u>	<u>2021</u>
Lithuania	68	71	72
Estonia	31	37	54
Latvia	<u>7</u>	<u>6</u>	<u>7</u>
Total	106	114	133

4. CORPORATE GOVERNANCE

The Board is committed to the highest standards of corporate governance. Save as disclosed, as at the date of this Prospectus and on and following Admission, the Board will comply with the Corporate Governance Code, and the Company intends to comply in full with the Corporate Governance Code in due course. The Company will report to the shareholders on its compliance with the Corporate Governance Code in accordance with the Listing Rules.

The Corporate Governance Code recommends that at least half the board of directors of a company, excluding the Chair, should comprise non-executive directors whom the board considers to be independent. As at the date of this Prospectus, the Board consists of the Chair, the CEO, the CFO, the COO, a non-executive director appointed by the Major Shareholder, a senior independent non-executive director and an independent non-executive director. At Admission, the Company will not comply with the Corporate Governance Code

recommendations on the number of independent non-executive directors on the board of a company with a premium listing on the Official List, since only two of the six directors (excluding, for these purposes, the Chair) are regarded by the Company as independent for the purposes of the Corporate Governance Code. The Company will seek to comply with this requirement prior to the date of its first annual general meeting.

The Corporate Governance Code recommends that the Chair of a company should be independent on appointment when assessed against the circumstances set out in the Corporate Governance Code. The Chair was deemed independent on appointment.

Pursuant to the Relationship Agreement, the Major Shareholder will be able to appoint one non-executive director to the Board for so long as it (together with any of its Associates) holds voting rights over 10% or more of the Company's issued share capital. The Major Shareholder will consult in advance with the Nomination Committee regarding the identity of any director proposed to be nominated by it. In addition, for so long as the Major Shareholder (together with any of its Associates) holds voting rights over 10% or more of the Company's issued share capital, the Major Shareholder's representative director shall be a member of the Nomination Committee and shall be entitled to attend as an observer all meetings of the Audit Committee and the Remuneration Committee. The Major Shareholder's first appointed representative director is Tom Hall.

The Corporate Governance Code recommends that the board of directors of a company should appoint one of the independent non-executive directors to be the senior independent director to provide a sounding board for the Chair and serve as an intermediary for the other directors and shareholders. Ed Williams has been appointed as Senior Independent Non-Executive Director.

The Corporate Governance Code further recommends that directors should be subject to annual re-election. The Company intends to comply with this recommendation.

5. BOARD COMMITTEES

As envisaged by the Corporate Governance Code, the Board has established an Audit Committee, a Nomination Committee and a Remuneration Committee. If the need should arise, the Board may set up additional committees as appropriate.

5.1 Audit Committee

The Audit Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Group's annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the Group's relationship with its external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Group's internal audit, internal controls, whistleblowing and fraud systems. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Audit Committee will give due consideration to laws and regulations, the provisions of the Corporate Governance Code and the requirements of the Listing Rules and the Disclosure Guidance and Transparency Rules. The Audit Committee is also responsible for overseeing financial risk, controls and operational (including information technology) risks, with responsibility for other areas of risk remaining with the Board. When appropriate, the Audit Committee will meet with members of the executive management team in attendance. The Audit Committee will meet not less than three times a year, at least one of which will be without management present.

The Corporate Governance Code recommends that an audit committee should comprise at least three members, that all members should be independent non-executive directors, that at least one member should have recent and relevant financial experience and that the committee as a whole should have competence relevant to the sector in which the company operates. The Chair of the board should not be a member. At Admission, the Audit Committee will be chaired by Kristel Volver and its other member will be Ed Williams. In addition, pursuant to the Relationship Agreement, for so long as the Major Shareholder (together with any of its Associates) holds voting rights over 10% or more of the Company's share capital, the Major Shareholder's representative director (being Tom Hall at Admission) will be entitled to attend meetings of the Audit Committee as an observer.

The Directors consider that Kristel Volver has recent and relevant financial experience and that the Audit Committee as a whole has competence relevant to the sector in which the Group operates. Both Kristel Volver and Ed Williams are independent non-executive directors, however, at Admission, the Company will not comply with the Corporate Governance Code recommendations on the number of members comprising an audit

committee. The Company intends to appoint an additional independent non-executive director in due course, who will be appointed as a member of the Audit Committee. The Company will seek to be compliant with the principles and provisions of the Corporate Governance Code in respect of audit committees prior to the date of its first annual general meeting whereby it will have appointed a third independent non-executive director to the Audit Committee.

The Audit Committee will take appropriate steps to ensure that the statutory auditor is independent of the Company and obtain written confirmation from the statutory auditor that it complies with guidelines on independence issued by the relevant accountancy and auditing bodies.

5.2 Nomination Committee

The Nomination Committee assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as directors or committee members as the need may arise. The Nomination Committee is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and committees of the Board, and retirements and appointments of additional and replacement directors and committee members, and will make appropriate recommendations to the Board on such matters. The Nomination Committee will meet not less than twice a year.

The Corporate Governance Code recommends that a majority of the members of a nomination committee should be independent non-executive directors, and that the Chair of the board should not Chair the committee when it is dealing with the appointment of a successor to the Chair position. Pursuant to the Relationship Agreement, for so long as the Major Shareholder (together with any of its Associates) holds voting rights over 10% or more of the Company's share capital, the Major Shareholder's representative director shall be a member of the Nomination Committee. At Admission, the Nomination Committee will be chaired by Trevor Mather and its other members will be Ed Williams, Kristel Volver and Tom Hall (acting as representative director of the Major Shareholder).

The Directors consider that the Company applies the principles and complies with the provisions of the Corporate Governance Code in respect of nomination committees.

5.3 Remuneration Committee

The Remuneration Committee assists the Board in determining its responsibilities in relation to executive directors' remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, including setting the over-arching principles, parameters and governance framework of the Group's remuneration policy and determining the individual remuneration and benefits package of each of the Executive Directors, the Chair and members of the executive management team (being the first layer of management below the level of the Board and reporting to the CEO, including the Company Secretary). The Remuneration Committee will give due regard to the provisions and recommendations in the Corporate Governance Code when determining the remuneration policy. The Remuneration Committee will meet not less than three times a year.

The Corporate Governance Code recommends that a remuneration committee should comprise at least three members and that all members should be independent non-executive directors. The Chair of the board should only be a member if they were independent on appointment, and cannot Chair the committee. The Chair of the remuneration committee should have served on a remuneration committee for at least 12 months prior to his or her appointment as such. At Admission, the Remuneration Committee will be chaired by Ed Williams (who has previously served on a remuneration committee for at least 12 months) and its other members will be Kristel Volver and Trevor Mather. In addition, pursuant to the Relationship Agreement, for so long as the Major Shareholder (together with any of its Associates) holds voting rights over 10% or more of the Company's share capital, the Major Shareholder's representative director (being Tom Hall at Admission) will be entitled to attend meetings of the Remuneration Committee as an observer.

The Directors consider that the Company applies the principles and complies with the provisions of the Corporate Governance Code in respect of remuneration committees.

6. SHARE DEALING CODE

The Company has adopted, with effect from Admission, a code of securities dealings in relation to the Shares, which is based on the requirements of the UK Market Abuse Regulation. The code adopted will apply to the Directors and other relevant employees of the Group.

7. RELATIONSHIP WITH THE MAJOR SHAREHOLDER

The Major Shareholder will retain a significant interest in the Company following Admission, and will be deemed to be a “controlling shareholder” for the purposes of the Listing Rules. For information about the Company’s relationship with the Major Shareholder, see section 16.4 (*Relationship Agreement*) of Part XVII (*Additional Information*) of this Prospectus.

8. REMUNERATION

Details regarding remuneration of the Directors are set out in section 11 (*Remuneration policy, Directors’ Employment Agreements and Letters of Appointment*) of Part XVII (*Additional Information*) of this Prospectus.

PART X

SELECTED FINANCIAL INFORMATION

The Selected Financial Information set out below has been extracted without material amendment from Part B of Part XIII (Historical Financial Information) of this Prospectus.

On 16 November 2018, Baltic Classifieds Group OÜ was inserted as a holding company above Diginet LTU UAB, AllePal OÜ, Kinnisvaraportaal OÜ and City 24 SIA. The transaction constituted a group capital reorganisation whereby all entities were under common control by UP Invest OÜ both before and after the transaction. Accordingly, as allowed under UK-IFRS, the predecessor values method (book value) with the retrospective presentation approach was applied to prepare the consolidated financial statements for Baltic Classifieds Group OÜ for the two periods included in the Historical Financial Information. Under this approach, the consolidated financial statements of Baltic Classifieds Group OÜ are presented as if the businesses have been combined from the beginning of the earliest period presented because they were under common control from the date of incorporation of Baltic Classifieds Group OÜ.

*The first accounting period ended 30 April 2019 started on 1 January 2018 and is 16 months long as a result of a change in the financial year end of Diginet LTU UAB, AllePal OÜ, Kinnisvaraportaal OÜ and City 24 SIA from 31 December to 30 April during this period. The second period is a short bridging period from 1 May 2019 to 23 July 2019 where Baltic Classifieds Group OÜ remained under the control of UP Invest OÜ prior to its acquisition by UAB Antler Group, an indirect subsidiary of ANTLER MidCo S.à r.l., on 24 July 2019 (the “**Acquisition**”). Following the Acquisition, the results of Baltic Classifieds Group OÜ, Diginet LTU UAB, AllePal OÜ, Kinnisvaraportaal OÜ and City 24 SIA have been consolidated in the consolidated financial statements of ANTLER MidCo S.à r.l.*

On 7 June 2019, ANTLER MidCo S.à r.l. was incorporated in preparation for the Acquisition. ANTLER MidCo S.à r.l. prepared its first financial statements for the period from 7 June 2019 to 30 April 2020. However, ANTLER MidCo S.à r.l. had no trading activity prior to the Acquisition and the consolidated financial statements for the period from 7 June 2019 to 30 April 2020 only reflect the Group’s trading history starting from 24 July 2019 after the Acquisition completed.

Accordingly, due to the impact of (i) the varying period lengths presented in the Historical Financial Information and (ii) the fact that the consolidated financial statements of the Group do not give pro forma effect to the Acquisition, the historical periods presented are not directly comparable.

*Consequently, for illustrative purposes only, this Prospectus also contains (i) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the 12-month period ended 30 April 2019 (the “**twelve months ended 30 April 2019**”) included in Note 26 to the Historical Financial Information and (ii) the unaudited aggregated consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data for the 12-month period ended 30 April 2020 (the “**aggregated period ended 30 April 2020**”) derived by aggregating the consolidated statement of profit or loss and other comprehensive income data and the statement of cash flows data of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019 and the consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data of ANTLER MidCo S.à r.l. for the period from 7 June to 30 April 2020, included in an unaudited aggregated memorandum column in the Historical Financial Information.*

The Directors believe that presenting the unaudited aggregated memorandum information is useful to investors in evaluating the Group’s financial performance, as this will aid comparability of historical results of operations and cash flows.

The unaudited aggregated memorandum information has not been prepared in accordance with UK-adopted international accounting standards or any other generally accepted accounting standards. The unaudited aggregated memorandum information should be considered in addition to, as opposed to in substitution for, the audited historical financial results include in the Historical Financial Information.

This Part X (Selected Financial Information) contains:

- (i) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the **16 months ended 30 April 2019**, (ii) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the **twelve months ended 30 April 2019**, (iii) the unaudited aggregated consolidated statement of profit or loss and other comprehensive income data for the **aggregated period ended 30 April 2020**, and (iv) the consolidated statement of profit or loss and other comprehensive income data of ANTLER MidCo S.à r.l.*

r.l. for the year ended 30 April 2021 (the “**financial year ended 30 April 2021**”) extracted without adjustment from the Historical Financial Information;

- (i) the audited consolidated statement of financial position of Baltic Classifieds Group OÜ as of 30 April 2019 and (ii) the audited consolidated statement of financial position of ANTLER MidCo S.à r.l. as of 30 April 2020 and 2021, in each case as included in the Historical Financial Information; and
- (i) the audited consolidated statement of cash flows data of Baltic Classifieds Group OÜ for the 16-month period ended 30 April 2019, (ii) the unaudited aggregated consolidated statement of cash flows data for the aggregated period ended 30 April 2020, and (iii) the audited consolidated cash flows data of ANTLER MidCo S.à r.l. for the year ended 30 April 2021;

Refer to Note 1 of Part B of Part XIII (Historical Financial Information) of this Prospectus for further information on the basis of preparation of the Historical Financial Information

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DATA

In EUR thousand unless stated otherwise	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Successor (ANTLER MidCo)
	Balance at 30 April 2019	Balance at 23 July 2019	Balance at 30 April 2020 (restated ⁽¹⁾)	Balance at 30 April 2021
Assets				
Property, plant and equipment	185	182	334	211
Intangible assets and goodwill	31 506	30 996	433 517	416 909
Right-of-use assets	786	728	896	761
Other non-current receivables	6	68	65	—
Deferred tax assets	583	581	—	—
Non-current assets	33 066	32 555	434 812	417 881
Trade and other receivables	14 240	1 847	2 142	2 513
Prepayments	17	55	144	44
Cash and cash equivalents	1 577	5 989	20 559	17 079
Current assets	15 834	7 891	22 845	19 636
Total Assets	48 900	40 446	457 657	437 517
Equity				
Share capital	3	3	21 916	21 916
Share premium	5	5	197 118	197 188
Reserves	358 328	346 021	—	27
Retained earnings	(323 202)	(318 202)	(10 858)	(10 931)
Total equity	35 134	27 827	208 176	208 200
Loans and borrowings (non-current)	484	426	194 568	210 413
Deferred tax liabilities	—	—	10 550	8 901
Non-current liabilities	484	426	205 118	219 314
Current tax liabilities	1 541	765	1 192	1 293
Loans and borrowings (current)	227	229	12 731	2 713
Payroll related liabilities	497	425	701	769
Trade and other payables (current)	9 758	9 471	28 437	3 580
Contract liabilities	1 259	1 303	1 302	1 648
Current liabilities	13 282	12 193	44 363	10 003
Total liabilities	13 766	12 619	249 481	229 317
Total equity and liabilities	48 900	40 446	457 657	437 517

(1) See sections “Changes in presentation” and “Prior year adjustment” in Note 3 of Part B of Part XIII (Historical Financial Information).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION DATA AS OF 30 APRIL 2019, 2020 AND 2021

	Predecessor (BCG Group)	Successor (ANTLE MidCo)	Successor (ANTLE MidCo)
<u>In EUR thousand unless stated otherwise</u>	<u>30 April 2019</u>	<u>30 April 2020 (restated⁽¹⁾)</u>	<u>30 April 2021</u>
Assets			
Property, plant and equipment	185	334	211
Intangible assets and goodwill	31 506	433 517	416 909
Right-of-use assets	786	896	761
Other non-current receivables	6	65	—
Deferred tax assets	583	—	—
Non-current assets	33 066	433 812	417 881
Trade and other receivables	14 240	2 142	2 513
Prepayments	17	144	44
Cash and cash equivalents	1 577	20 559	17 079
Current assets	15 834	22 845	19 636
Total Assets	48 900	457 657	437 517
Equity			
Share capital	3	21 916	21 916
Share premium	5	197 118	197 188
Reserves	358 328	—	27
Retained earnings	(323 202)	(10 858)	(10 931)
Total equity	35 134	208 176	208 200
Loans and borrowings (non-current)(non-current)	484	194 568	210 413
Deferred tax liabilities	—	10 550	8 901
Non-current liabilities	484	205 118	219 314
Current tax liabilities	1 541	1 192	1 293
Loans and borrowings (current) (current)	227	12 731	2 713
Payroll related liabilities	497	701	769
Trade and other payables (current)current)	9 758	28 437	3 580
Contract liabilities	1 259	1 302	1 648
Current liabilities	13 282	44 363	10 003
Total liabilities	13 766	249 281	229 317
Total equity and liabilities	48 900	457 657	437 517

(1) See sections “Changes in presentation” and “Prior year adjustment” in Note 3 of Part B of Part XIII (*Historical Financial Information*).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME DATA

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum Aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020 (restated ⁽¹⁾)	Twelve months ended 30 April 2020	Year ended 30 April 2021
In EUR thousand unless stated otherwise					
Revenue	37 799	8 216	26 110	34 326	42 268
Other Income	13	3	784	787	7
Expenses	(14 145)	(2 490)	(25 385)	(27 875)	(26 518)
Operating profit	23 667	5 729	1 509	7 238	15 757
Finance income	27	—	7	7	2
Finance expenses	(3 728)	(6)	(9 734)	(9 740)	(13 935)
Net finance costs	(3 701)	(6)	(9 727)	(9 733)	(13 933)
Profit / (loss) before tax	19 966	5 723	(8 218)	(2 495)	1 824
Income tax expense	(2 856)	(723)	(2 640)	(3 363)	(1 870)
Profit/(loss) for the period	17 110	5 000	(10 858)	(5 858)	(46)
Other comprehensive income/(loss) . . .	—	—	—	—	—
Total comprehensive income/(loss) for the year attributable to:	17 110	5 000	(10 858)	(5 858)	(46)
Owners of predecessor/successor	17 110	5 000	(10 858)	(5 858)	(46)
Earnings Per Share:	(€ cents)	(€ cents)	(€ cents)		(€ cents)
Basic	6 483,54	1 669,19	(55,34)		(0,21)

(1) See sections “Changes in presentation” and “Prior year adjustment” in Note 3 of Part B of Part XIII (*Historical Financial Information*).

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
DATA FOR THE 12 MONTHS ENDED 30 APRIL 2019, THE AGGREGATED PERIOD
ENDED 30 APRIL 2020 AND THE FINANCIAL YEAR ENDED 30 APRIL 2021**

<u>In EUR thousand unless stated otherwise</u>	Predecessor (BCG Group)	Memorandum Aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Twelve months ended 30 April 2019	Twelve months ended 30 April 2020	Year ended 30 April 2021
Revenue	29 098	34 326	42 268
Other income	10	787	7
Expenses	<u>(10 607)</u>	<u>(27 875)</u>	<u>(26 518)</u>
Operating profit	<u>18 501</u>	<u>7 238</u>	<u>15 757</u>
Finance income	23	7	2
Finance expenses	<u>(3 568)</u>	<u>(9 740)</u>	<u>(13 935)</u>
Net finance costs	<u>(3 545)</u>	<u>(9 733)</u>	<u>(13 933)</u>
Profit / (loss) before tax	<u>14 956</u>	<u>(2 495)</u>	<u>1 824</u>
Income tax expense	<u>(2 220)</u>	<u>(3 363)</u>	<u>(1 870)</u>
Profit/(loss) for the period	<u>12 736</u>	<u>(5 858)</u>	<u>(46)</u>
Other comprehensive income/ (loss)	—	—	—
Total comprehensive income/ (loss) for the year	<u>12 736</u>	<u>(5 858)</u>	<u>(46)</u>
attributable to:			
Owners of predecessor/successor	<u>12 736</u>	<u>(5 858)</u>	<u>(46)</u>

CONSOLIDATED STATEMENT OF CASH FLOWS DATA

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum Aggregated (UNAUDITED)	Successor (ANTLER MidCo)
<i>In EUR thousand unless stated otherwise</i>	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from June 2019 to 30 April 2020 (restated ⁽¹⁾)	Twelve months ended 30 April 2020 ⁽²⁾	Year ended 30 April 2021
Cash flows from operating activities					
Profit (loss) for the period	17 110	5 000	(10 858)	(5 858)	(46)
<i>Adjustments for:</i>					
Depreciation and amortisation	3 690	662	11 077	11 739	16 966
Bad debts write-off	2	—	(73)	(73)	23
(Profit) / Loss on property, plant and equipment disposals	—	2	291	293	20
Taxation	2 856	722	2 640	3 362	1 870
Net finance costs	3 701	5	9 752	9 757	13 935
Other non-cash items	666	—	14	14	—
<i>Working capital adjustments:</i>					
Decrease / (Increase) in inventories . . .	—	—	100	100	—
Decrease / (Increase) in trade and other receivables	(9 057)	24	13	37	(395)
Decrease / (Increase) in prepayments . .	12	(38)	4	(34)	160
(Decrease) / Increase in trade and other payables	(1 509)	(354)	939	585	253
(Decrease) / Increase in contract liabilities	363	44	130	174	387
Cash generated from operating activities	17 834	6 067	14 029	20 096	33 173
Corporate income tax paid	(2 060)	(1 494)	(1 763)	(3 257)	(3 420)
Interest and commitment fees paid	(464)	(6)	(551)	(557)	(12 950)
Net cash inflow from operating activities	15 310	4 567	11 715	16 282	16 803
Cash flows from investing activities . . .					
Acquisition of intangible assets and property, plant and equipment	(450)	(99)	(592)	(691)	(78)
Proceeds from sale of intangible assets and property, plant and equipment	247	—	53	53	75
Acquisition of subsidiaries, net of cash acquired	—	—	(381 491)	(387 480)	(25 000)
Interest and dividends received	26	—	—	—	—
Other investments	—	—	—	—	(11)
Net cash used in investing activities . . .	(177)	(99)	(382 030)	(388 118)	(25 014)
Cash flows from financing activities					
Proceeds from issuance of share capital . .	—	—	207 026	207 026	70
Proceeds from loans and borrowings	—	—	197 348	197 348	15 000
Repayment of loans and borrowings	(9 143)	—	(13 282)	(13 282)	(10 000)
Payment of lease liabilities	(296)	(56)	(218)	(274)	(339)
Dividends paid	(5 267)	—	—	—	—
Net cash generated from (used in) financing activities	(14 706)	(56)	390 874	390 818	4 731
Net increase in cash and cash equivalents	427	4 412	20 559	18 982	(3 480)
Cash and cash equivalents at the previous period	1 150	1 577	—	1 577	20 559
Cash and cash equivalents at the current period	1 577	5 989	20 559	20 559	17 079

Notes:

- (1) See sections “Changes in presentation” and “Prior year adjustment” in Note 3 of Part B of Part XIII (*Historical Financial Information*).
- (2) Memorandum aggregated (unaudited) column considers adjustment for cash acquired from the acquired BCG Group. See Note 23 of the Historical Financial Information in Part B of Part XIII (*Historical Financial Information*).

CONSOLIDATED STATEMENT OF CASH FLOWS DATA FOR THE 16-MONTHS ENDED 30 APRIL 2019, THE AGGREGATED PERIOD ENDED 30 APRIL 2020 AND THE FINANCIAL YEAR ENDED 30 APRIL 2021

In EUR thousand unless stated otherwise	Predecessor (BCG Group)	Memorandum Aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Twelve months ended 30 April 2020⁽¹⁾	Year ended 30 April 2021
Cash flows from operating activities			
Profit (loss) for the period	17 110	(5 858)	(46)
<i>Adjustments for:</i>			
Depreciation and amortisation	3 690	11 739	16 966
Bad debts write-off	2	(73)	23
(Profit)/ Loss property, plant and equipment disposals	—	293	20
Taxation	2 856	3 362	1 870
Net finance costs	3 701	9 757	13 935
Other non-cash items	666	14	—
<i>Working capital adjustments:</i>			
Decrease / (Increase) in inventories	—	100	—
Decrease / (Increase) in trade and other receivables	(9 057)	37	(395)
Decrease / (Increase) in prepayments	12	(34)	160
(Decrease) / Increase in trade and other payables	(1 509)	585	253
(Decrease) / Increase in contract liabilities	363	174	387
Cash generated from operating activities	17 834	20 096	33 173
Corporate income tax paid	(2 060)	(3 257)	(3 420)
Interest and commitment fees paid	(464)	(557)	(12 950)
Net cash inflow from operating activities	15 310	16 282	16 803
Cash flows from investing activities			
Acquisition of intangible assets and property, plant and equipment	(450)	(691)	(78)
Proceeds from sale of intangible assets and property, plant and equipment	247	53	75
Acquisition of subsidiaries, net of cash acquired	—	(387 480)	(25 000)
Interest and dividends received	26	—	—
Other investments	—	—	(11)
Net cash used in investing activities	(177)	(388 118)	(25 014)
Cash flows from financing activities			
Proceeds from issuance of share capital	—	207 026	70
Proceeds from loans and borrowings	—	197 348	15 000
Repayment of loans and borrowings	(9 143)	(13 282)	(10 000)
Payment of lease liabilities	(296)	(274)	(339)
Dividends paid	(5 267)	—	—
Net cash generated from (used in) financing activities	(14 706)	390 818	4 731
Net increase in cash and cash equivalents	427	18 982	(3 480)
Cash and cash equivalents at the previous period	1 150	1 577	20 559
Cash and cash equivalents at the current period	1 577	20 559	17 079

(1) Memorandum aggregated (unaudited) column considers adjustment for cash acquired from the acquired BCG Group. See Note 23 of the Historical Financial Information in Part B of Part XIII (*Historical Financial Information*).

PART XI OPERATING AND FINANCIAL REVIEW

This Part XI (Operating and Financial Review) should be read in conjunction with Part V (Important Information), Part VI (Market Overview), Part VII (The Business), Part X (Selected Financial Information) and Part XIII (Historical Financial Information) of this Prospectus. The financial information set out in this Part XI (Operating and Financial Review) is extracted without material adjustment from the financial information set out in Part XIII (Historical Financial Information) of this Prospectus.

*Unless otherwise indicated, the financial information presented in this Part XI (Operating and Financial Review) has been derived from (i) the audited consolidated financial statements of Baltic Classifieds Group OÜ as of and for the 16-month period ended 30 April 2019, (ii) the audited consolidated financial statements of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019, (iii) the audited consolidated financial statements of ANTLER MidCo S.à r.l. as of and for the period from 7 June 2019 to 30 April 2020 and (iv) the audited consolidated financial statements of ANTLER MidCo S.à r.l. as of and for the year ended 30 April 2021 (the “**financial year ended 30 April 2021**”), in each case included in Part B of Part XIII (Historical Financial Information) of this Prospectus (the “**Historical Financial Information**”).*

Due to the impact of (i) the varying period lengths presented in the Historical Financial Information and (ii) the fact that the consolidated financial statements of the Group do not give pro forma effect to the Acquisition, the historical periods presented are not directly comparable.

*Consequently, for illustrative purposes only, this Prospectus also contains (i) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the 12-month period ended 30 April 2019 (the “**twelve months ended 30 April 2019**”) included in Note 26 to the Historical Financial Information and (ii) the unaudited aggregated consolidated statement of profit or loss and other comprehensive income data and the statement of cash flows data for the 12-month period ended 30 April 2020 (the “**aggregated period ended 30 April 2020**”) derived by aggregating the consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019 and the consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data of ANTLER MidCo S.à r.l. for the period from 7 June to 30 April 2020, included in an unaudited aggregated memorandum column in the Historical Financial Information.*

The Directors believe that presenting the unaudited aggregated memorandum information is useful to investors in evaluating the Group's financial performance, as this will aid comparability of historical results of operations and cash flows.

The unaudited aggregated memorandum information has not been prepared in accordance with UK-adopted international accounting standards or any other generally accepted accounting standards. The unaudited aggregated memorandum information should be considered in addition to, as opposed to in substitution for, the audited historical financial results include in the Historical Financial Information.

This Part XI (Operating and Financial Review) presents the following information:

- (i) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the 16 months ended 30 April 2019, (ii) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the twelve months ended 30 April 2019, (iii) the unaudited aggregated consolidated statement of profit or loss and other comprehensive income data for the aggregated period ended 30 April 2020, and (iv) the consolidated statement of profit or loss and other comprehensive income data of ANTLER MidCo S.à r.l. for the financial year ended 30 April 2021 extracted without adjustment from the Historical Financial Information;*
- (i) the audited consolidated statement of financial position of Baltic Classifieds Group OÜ as of 30 April 2019 and (ii) the audited consolidated statement of financial position of ANTLER MidCo S.à r.l. as of 30 April 2020 and 2021, in each case as included in the Historical Financial Information; and*
- (i) the audited consolidated statement of cash flows data of Baltic Classifieds Group OÜ for the 16-month period ended 30 April 2019, (ii) the unaudited aggregated consolidated statement of cash flows data for the aggregated period ended 30 April 2020, and (iii) the audited consolidated cash flows data of ANTLER MidCo S.à r.l. for the financial year ended 30 April 2021.*

The following discussion of the Group's results of operations and financial condition contains Forward-looking Statements. The Group's actual results could differ materially from those that it discusses in these Forward-looking Statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Prospectus, particularly under Part II (Risk Factors) and Part V (Important Information—Forward-looking Statements). In addition, certain industry issues also affect the Group's results of operations and are described in Part VI (Market Overview) of this Prospectus. Furthermore, the Group's results in the periods presented contain certain areas of complexity or risk within the organisation that involve the exercise of judgement by management. Potential investors should read the whole of this Prospectus, including the financial statements, and the operating and financial review set out in this Part XI (Operating and Financial Review).

Certain statements in this Part XI (Operating and Financial Review), including in particular the Group's outlook described below, constitute forward-looking statements. These forward-looking statements are subject to a number of known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the Group's current beliefs and expectations about future events. As a result, the Group's actual results may vary from the outlook established herein, and those variations may be material. Some of the risks and uncertainties are described in Part II (Risk Factors) of this Prospectus. The forward-looking statements included in this Part XI (Operating and Financial Review) in particular are not guarantees of future financial performance.

It is strongly urged that undue reliance should not be placed on any of the statements set forth below. The Group can give no assurance that the outlook described below will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results of operations could differ materially from those described below. The Group does not undertake to publish updates as to its progress towards achieving any of the objectives set out below, including as the Group may be impacted by events or circumstances existing or arising after the date of this Prospectus or may reflect the occurrence of unanticipated events or circumstances. See also Part II (Risk Factors) for further information.

OVERVIEW

The Group is the leading online classifieds group in the Baltics (based on the number of visits and listings), which owns and operates 12 leading vertical and generalist online classifieds portals in Estonia, Latvia and Lithuania. The Group's online classifieds portfolio comprises eight vertical online classifieds portals, including vertical portals for automotive, real estate and jobs and services, and four generalist portals, offering a wide range of products. The portals are accessible through the websites of the Group's various brands via desktop and mobile, and through the mobile applications of most of the brands.

In the 12 months ended 30 April 2021, the Group's portals reached on average 69.2 million monthly visits (*Source: Google Analytics*), making the Group one of the largest online companies in the region (*Source: Google Analytics*). The Directors believe that the leadership positions of the Group's portals are highly sustainable due to the combination of the strong network effects created by having the largest and most engaged user base and the highest number of listings at any given time, as well as the largest choice for prospective buyers, and by the strong brand awareness of the Group's portals, with most portals ranked as among the most visited websites in their respective country.

Furthermore, the Group's strategic decision to run both generalist and vertical portals allows the Group to efficiently increase the traffic by offering cross-listings between its vertical and its generalist portals, which have a higher reach and traffic. Additionally, offering cross-listings on the vertical portals to the listers on the Group's generalist portals and vice versa increases the content available on all the portals. As such, cross-listing is a strategic means of increasing content across both vertical and generalist portals, improving the market positions of the Group's vertical and generalist online classifieds portals and directing traffic to higher monetising vertical portals. See also "*—Strengths—The leading online classifieds portals in the Baltics—Powerful network effects strengthened by vertical and generalist leadership*".

The Group has deep knowledge of the needs and operations of its listers, who are the customers of the Group's portals. The Group's portals deliver a large and engaged consumer audience for listers, enabling efficient lead generation in exchange for a fee. Having operated leading portals since the late 1990s, the Group has significant experience developing a strong value proposition for its listers and consumers.

The Group's portals offer consumers free access to search for a wide range of products and services listed by B2C listers (listers that have a subscription-based contract with the Group) and C2C listers (listers that transact with the Group through one-off transactions), portal-specific ancillary services, such as financial intermediation

and data services (such as vehicle history and fraud checks on the Group's automotive portals). The Group's operations comprise four business lines: an automotive business line, a real estate business line, a jobs and services business line and a generalist business line, which generated €42.3 million, €34.3 million and €29.1 million in revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively, growing at a CAGR of 20.5% from 2019 to 2021. The Group's business lines further benefit from diverse revenue streams, including (i) revenue from B2C listers ("**B2C revenue**"), (ii) revenue from C2C listers ("**C2C revenue**"), (iii) advertising revenue and (iv) ancillary services revenue.

RECENT DEVELOPMENTS AND OUTLOOK

On 11 June 2021, the Group entered into a new facilities agreement ("**New Facilities Agreement**") with, amongst others, Bank Polska Kasa Opieki S.A., BNP Paribas SA and PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 2 and Bank Polska Kasa Opieki S.A., BNP Paribas SA, Bankfilial Sverige and PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 2, Lucid Agency Services Limited as facility agent and Lucid Trustee Services Limited as security agent, including a term loan facility of up to €105 million and a multicurrency revolving credit facility of €10 million. See also section 16.6 (*Material Contracts*) in Part XVII (*Additional Information*) of this Prospectus. The Directors intend to use the net proceeds of £89.4 million from the issue of the New Shares to redeem the Redeemable Preference Share for £49,999 and, alongside net drawings of €96.8 million (approximately £83.2 million) under the New Facilities Agreement and available cash balances of €13.5 million (approximately £11.6 million), to repay the principal outstanding amount under the Senior Facilities Agreement of €214.3 million (approximately £184.2 million). The sterling amounts included in this paragraph have been translated at an exchange rate of €1.00 = £0.8594, which represents the rate of exchange as of 29 June 2021. The refinancing of the Senior Facilities Agreement is conditional on Admission. The Directors target a net debt following the Offer and Admission of approximately 2.75 times Adjusted EBITDA for the financial year ended 30 April 2021.

There has been no significant change in the financial performance or financial condition of the Group since 30 April 2021, and there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's prospects for at least the current financial year.

Current trading

Despite continued COVID-19 restrictions across the majority of the Group's region and the fact that the Group has delayed most pricing actions across the Group over the past twelve months, the Group has seen strong revenue growth of more than 20% in the fourth quarter of the financial year ended 30 April 2021, compared to the fourth quarter of the aggregated period ended 30 April 2020. This was driven by the Group's core classifieds business and indicated a step-up in organic growth compared to the first nine months of the financial year ended 30 April 2021, although this partly reflects discounts provided in March and April 2020. Continued careful cost management combined with this revenue growth enhanced the Group's EBITDA and Adjusted EBITDA growth further. This strong performance was achieved relative to the final quarter of the aggregated period ended 30 April 2020 which included the full effect of the acquisition of Auto24.ee.

Across the Group's markets, used car transactions are returning to growth, real estate transactions have returned to growth and the job market is growing strongly. The Group continues to see strong growth in traffic figures across the Group, which has driven more leads to listers. The Group has been rolling out price increases in the C2C businesses towards the end of the last quarter of the financial year ended 30 April 2021, and intend to implement price increases broadly in the range of 15% to 30% across all of its leading portals in the first half of the financial year ending 30 April 2022.

As with any high quality subscription business, good growth in the final quarter of any financial year tends to flow through into the next year. Therefore, combined with the continued improvements in the macroeconomic backdrop and the Group's planned price increases, the Directors are confident that the Group will start life as a public company on track to achieve its medium-term guidance.

Outlook

The Directors are targeting revenue growth of approximately 15% for the Group in the medium term, with growth across all business lines broadly in-line. The Directors are confident in the sustainability of the Group's Adjusted EBITDA margin, before the impact of listed company costs which are expected to be approximately €2 million in the first year following the Offer, and expect the Group's low level of capital expenditure to continue.

Certain statements in this Part XI (*Operating and Financial Review*), including in particular the Group's outlook described above, constitute forward-looking statements. These forward-looking statements are subject to a number of known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the Group's current beliefs and expectations about future events. As a result, the Group's actual results may vary from the outlook established herein, and those variations may be material. Some of the risks and uncertainties are described in Part II (*Risk Factors*) of this Prospectus. The forward-looking statements included in this Part XI (*Operating and Financial Review*) in particular are not guarantees of future financial performance.

It is strongly urged that undue reliance should not be placed on any of the statements set forth above. The Group can give no assurance that the outlook described above will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results of operations could differ materially from those described above. The Group does not undertake to publish updates as to its progress towards achieving any of the objectives set out above, including as the Group may be impacted by events or circumstances existing or arising after the date of this Prospectus or may reflect the occurrence of unanticipated events or circumstances. See also Part II (*Risk Factors*) for further information.

FACTORS AFFECTING COMPARABILITY OF RESULTS OF OPERATIONS

Acquisition of a group of eight legal entities including Auto24.ee and KuldneBörs.ee

On 27 January 2020, the Group acquired a 100% shareholding in eight legal entities and a 51% non-controlling shareholding in one further legal entity (the “**acquisition of eight legal entities**”), including Auto24.ee, the leading automotive vertical portal in Estonia, and KuldneBörs.ee, the leading generalist online classifieds portal for generic items in Estonia. The total purchase price amounted to €53.8 million and was settled in cash (consisting of €52.4 million in cash and €1.4 million in equity instruments). Accordingly, from 27 January 2020, the assets and operations acquired in such transaction are included in the Group's Historical Financial Information. For the aggregated period ended 30 April 2020 and the financial year ended 30 April 2021, the acquired business contributed €1.7 million and €6.9 million, respectively, to the Group's total revenue. The impact of this acquisition should be taken into account when comparing the Historical Financial Information across the periods under review.

ALTERNATIVE PERFORMANCE MEASURES AND KEY PERFORMANCE INDICATORS

The discussion of financial information prepared under UK-adopted international accounting standards begins on page 122. The analysis below includes a discussion of alternative performance measures (“**APMs**”) and certain key performance indicators (“**KPIs**”) which are used by the Group's Directors and management to monitor the Group's business. These APMs and KPIs are not defined or recognised under UK-IFRS or UK GAAP and have not been audited or reviewed. These APMs and KPIs are used by the Group's Directors and management to analyse the business and financial performance, track the Group's progress and help develop long-term strategic plans. The Directors present these APMs and KPIs to provide additional information to investors and enhance their understanding of the Group's results of operations. Furthermore, the Directors believe that these APMs and KPIs are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. For more information regarding the APMs and KPIs, see Part V (*Important Information—Presentation of financial information*).

In this section “Alternative performance measures and key performance indicators” the Group presents certain data, which is derived from the Group's underlying accounting records, as of and for (i) the 12-month period ended 30 April 2018, (ii) the 12-month period ended 30 April 2019, (iii) the aggregated period ended 30 April 2020 and (iv) the financial year ended 30 April 2021.

Automotive

	For the twelve month period ended 30 April						
	2018	change	2019	change	2020	change	2021
Average number of B2C automotive dealers per month ⁽¹⁾	1,936	18.2%	2,288	20.2%	2,749	22.1%	3,356
Monthly ARPD (in €) ⁽²⁾	113.3	10.6%	125.4	13.2%	141.9	16.0%	164.6
Total automotive B2C revenue (€ in millions) ⁽³⁾	2.6	30.7%	3.4	36.0%	4.7	40.9%	6.6
Total automotive B2C revenue as a % of total automotive revenue	42.0%	NA	41.6%	NA	41.8%	NA	39.4%
Average monthly active C2C auto listings ⁽⁴⁾	20,313	5.7%	21,467	7.3%	23,042	25.3%	28,870
Average monthly revenue per active C2C auto listing (in €) ⁽⁵⁾	11.5	17.6%	13.6	17.9%	16.0	5.5%	16.9
Average monthly revenue per uploaded C2C auto listing (in €) ⁽⁶⁾	12.1	22.6%	14.8	19.1%	17.7	2.5%	18.1
Total automotive C2C revenue (€ in millions) ⁽⁷⁾	2.8	24.3%	3.5	26.5%	4.4	32.1%	5.8
Total automotive C2C revenue as a % of total automotive revenue	44.9%	NA	42.3%	NA	39.3%	NA	34.8%

(1) Average number of B2C automotive dealers per month represents the average number of B2C automotive dealers with a subscription (at any time) per month during the respective twelve month period.

(2) Monthly ARPD (average revenue per automotive dealer) represents the total automotive B2C revenue for the respective twelve month period divided by the average number of B2C automotive dealers with a subscription per month divided by 12.

(3) Total automotive B2C revenue represents the total revenue from B2C classifieds and value added services generated by the Group's automotive portals for the respective twelve month period.

(4) Average monthly active C2C auto listings represents the average number of C2C auto listings available on the Group's automotive portals at a specific day and time in each month during the respective twelve month period and excludes vehicle parts, vehicles other than autos and other C2C listings.

(5) Average monthly revenue per active C2C auto listing represents the total C2C revenue (including C2C revenue from vehicle parts, vehicles other than autos and other C2C listings) for the respective twelve month period divided by the average number of active C2C auto listings per month divided by 12. Based on management estimates, approximately 75% of the total C2C automotive revenue in the respective periods was generated from C2C auto listings, with the remainder of the total C2C automotive revenue generated from vehicle parts, vehicles other than autos and other C2C listings. Going forward, the Group will present the average monthly revenue per active C2C auto listing on the basis of the C2C revenue generated by auto listings only, excluding any C2C revenue generated from vehicle parts, vehicles other than autos and other C2C listings.

(6) Average monthly revenue per uploaded C2C auto listing represents the total C2C revenue (including C2C revenue from vehicle parts, vehicles other than autos and other C2C listings) for the respective twelve month period divided by the total number of C2C auto listings uploaded to the portal in the period, divided by 12. The number of uploaded listings is measured as the number of auto listings that are paid for by a lister during a period, which can differ from the number of active listings as the latter depends on the duration for which an uploaded listing is displayed and the day and time on which the number of active listings is counted. Based on management estimates, approximately 75% of the total C2C automotive revenue in the respective periods was generated from C2C auto listings, with the remainder of the total C2C automotive revenue generated from vehicle parts, vehicles other than autos and other C2C listings. Going forward, the Group will present the average monthly revenue per uploaded C2C auto listing on the basis of the C2C revenue generated by auto listings only, excluding any C2C revenue generated from vehicle parts, vehicles other than autos and other C2C listings.

(7) Total automotive C2C revenue represents the total revenue from C2C listings generated by the Group's automotive portals for the respective twelve month period, including C2C revenue from vehicle parts, vehicles other than autos and other C2C listings. Based on management estimates, approximately 75% of the total automotive C2C revenue in the respective periods was generated from C2C auto listings, with the remainder of the total automotive C2C revenue generated from vehicle parts, vehicles other than autos and other C2C listings. Going forward, the Group will present the total automotive C2C revenue generated by auto listings only, excluding any automotive C2C revenue generated from vehicle parts, vehicles other than autos and other C2C listings.

(€ in millions unless otherwise indicated)	For the twelve month period ended 30 April				
	2019	change	2020	change	2021
Advertising revenue	0.9		0.9		1.1
Ancillary revenue	0.5		1.2		3.2
C2C revenue	3.5		4.4		5.8
B2C revenue	3.4		4.7		6.6
Total automotive revenue⁽¹⁾	8.3	36.1%	11.3	49.4%	16.8

(1) From 27 January 2020, the operations acquired pursuant to the acquisition of eight legal entities are included in the Group's Historical Financial Information. For the aggregated period ended 30 April 2020, Auto24.ee contributed €1.6 million to the Group's automotive revenue. For the financial year ended 30 April 2021, Auto24.ee contributed €6.6 million to the Group's automotive revenue.

Real estate

	For the twelve month period ended 30 April						
	2018	change	2019	change	2020	change	2021
Average number of brokers per month ⁽¹⁾	5,325	(2.1)%	5,213	(2.3)%	5,093	(5.6)%	4,809
Monthly ARPB (in €) ⁽²⁾	72.7	21.0%	87.9	8.7%	95.5	9.8%	104.9
Total real estate B2C revenue (€ in millions) ⁽³⁾	4.6	18.4%	5.5	6.1%	5.8	3.7%	6.1
Total real estate B2C revenue as a % of total real estate revenue	51.1%	NA	54.1%	NA	55.0%	NA	56.8%
Average monthly active C2C real estate listings ⁽⁴⁾	11,858	8.2%	12,825	8.0%	13,853	3.5%	14,341
Average monthly revenue per active C2C real estate listing (in €) ⁽⁵⁾	15.1	2.3%	15.4	(0.6)%	15.3	5.2%	16.1
Average monthly revenue per uploaded C2C real estate listing (in €) ⁽⁶⁾	20.1	28.4%	25.8	7.4%	27.7	5.6%	29.2
Total real estate C2C revenue (€ in millions) ⁽⁷⁾	2.1	10.7%	2.4	7.3%	2.6	8.9%	2.8
Total real estate C2C revenue as a % of total real estate revenue	23.6%	NA	23.4%	NA	24.0%	NA	26.1%

(1) Average number of brokers per month represents the average number of real estate brokers with a subscription (at any time) per month during the respective twelve month period.

(2) Monthly ARPB (average revenue per broker) represents the total real estate B2C revenue for the respective twelve month period divided by the average number of real estate brokers with a subscription per month divided by 12.

(3) Total real estate B2C revenue represents the total revenue from B2C classifieds and value added services generated by the Group's real estate portals for the respective twelve month period.

(4) Average monthly active C2C real estate listings represents the average number of active C2C listings available on the Group's real estate portals at a specific day and time in each month during the respective twelve month period.

(5) Average monthly revenue per active C2C real estate listing represents the total C2C revenue for the respective twelve month period divided by the average number of active C2C real estate listings per month divided by 12.

(6) Average monthly revenue per uploaded C2C real estate listing represents the total C2C revenue for the respective twelve month period divided by the total number of C2C real estate listings uploaded to the portal in the period, divided by 12. The number of uploaded listings is measured as the number of real estate listings that are paid for by a lister during a period, which can differ from the number of active listings as the latter depends on the duration for which an uploaded listing is displayed and the day and time on which the number of active listings is counted.

(7) Total real estate C2C revenue represents the total revenue from C2C listings generated by the Group's real estate portals for the respective twelve month period.

(€ in millions unless otherwise indicated)	For the twelve month period ended 30 April				
	2019	change	2020	change	2021
Advertising revenue	2.3		2.1		1.8
Ancillary revenue	0.0		0.1		0.0
C2C revenue	2.4		2.6		2.8
B2C revenue	5.5		5.8		6.1
Total real estate revenue	10.2	4.4%	10.6	0.4%	10.7

Jobs and services

	For the twelve month period ended 30 April						
	2018	change	2019	change	2020	change	2021
Average number of job listers on CVbankas.lt per month ⁽¹⁾	1,225	8.1%	1,324	(2.2)%	1,296	17.4%	1,521
Monthly average B2C revenue per job lister on CVbankas.lt (in €) ⁽²⁾	169.8	20.1%	203.8	20.1%	244.8	(4.0)%	235.0
Total CVbankas.lt B2C revenue (€ in millions) ⁽³⁾	2.5	29.8%	3.2	17.5%	3.8	12.7%	4.3
<i>Total CVbankas.lt B2C revenue as a % of total jobs and services revenue</i>	<i>91.1%</i>	<i>NA</i>	<i>92.5%</i>	<i>NA</i>	<i>89.4%</i>	<i>NA</i>	<i>85.9%</i>
Average monthly active listings on Paslaugos.lt ⁽⁴⁾	2,275	42.9%	3,251	42.9%	4,644	29.4%	6,008
Average monthly revenue per active listing on Paslaugos.lt (in €) ⁽⁵⁾	5.8	(24.0)%	4.4	39.4%	6.2	34.4%	8.3
Total Paslaugos.lt C2C revenue ⁽⁶⁾	0.2	8.6%	0.2	99.2%	0.3	73.9%	0.6
<i>Total Paslaugos.lt C2C revenue as a % of total jobs and services revenue</i>	<i>5.8%</i>	<i>NA</i>	<i>5.0%</i>	<i>NA</i>	<i>8.1%</i>	<i>NA</i>	<i>12.0%</i>

- (1) Average number of job listers on CVbankas.lt per month represents the average number of job listers who had at least one active paid job listing on CVbankas.lt per month during the respective twelve month period.
- (2) Monthly average B2C revenue per job lister on CVbankas.lt represents the total CVbankas.lt B2C revenue for the respective twelve month period divided by the average number of job listers with at least one active paid job listing at CVbankas.lt per month divided by 12.
- (3) Total CVbankas.lt B2C revenue represents the total B2C revenue from B2C services generated by CVbankas.lt for the respective twelve month period.
- (4) Average monthly active listings on Paslaugos.lt represents the average number of active listings available on Paslaugos.lt at the last day of each month during the respective twelve month period.
- (5) Average monthly revenue per active listing represents the total Paslaugos.lt C2C revenue for the respective twelve month period divided by the average number of active listings on Paslaugos.lt per month divided by 12.
- (6) Total Paslaugos.lt C2C revenue represents the total revenue from services generated by Paslaugos.lt for the respective twelve month period.

<u>(€ in millions unless otherwise indicated)</u>	For the twelve month period ended 30 April				
	2019	change	2020	change	2021
C2C revenue	0.3		0.4		0.7
B2C revenue	3.2		3.8		4.3
Total jobs and services revenue	3.5	21.5%	4.3	17.3%	5.0

Generalist

	For the twelve month period ended 30 April						
	2018	change	2019	change	2020	change	2021
Average monthly paid listings on Skelbiu.lt ⁽¹⁾	71,922	4.8%	75,400	10.1%	83,008	6.9%	88,726
Average monthly revenue per paid listing on Skelbiu.lt (in €) ⁽²⁾	4.3	16.3%	5.0	4.8%	5.2	1.3%	5.3
Total Skelbiu.lt classifieds revenue (€ in millions) ⁽³⁾	3.7	21.9%	4.5	15.4%	5.2	8.2%	5.6
<i>Total Skelbiu.lt classifieds revenue as a % of total generalist revenue</i>	<i>63.7%</i>	<i>NA</i>	<i>62.9%</i>	<i>NA</i>	<i>63.4%</i>	<i>NA</i>	<i>57.4%</i>

- (1) Average monthly paid listings on Skelbiu.lt represents the average number of paid listings on Skelbiu.lt per month during the respective twelve month period.
- (2) Average monthly revenue per paid listing on Skelbiu.lt represents the total Skelbiu.lt classifieds revenue (including value added services) for the respective twelve month period divided by the average number of monthly paid listings on Skelbiu.lt divided by 12.
- (3) Total Skelbiu.lt classifieds revenue represents the total revenue from classifieds products and value added services generated by Skelbiu.lt for the respective twelve month period.

(€ in millions unless otherwise indicated)	For the twelve month period ended 30 April				
	2019	change	2020	change	2021
Advertising revenue	0.9		0.9		0.8
Ancillary revenue	0.1		0.2		0.2
C2C revenue	5.9		6.7		7.6
B2C revenue	0.3		0.5		1.2
Total generalist revenue⁽¹⁾	7.2	14.5%	8.2	19.6%	9.8

(1) From 27 January 2020, the operations acquired pursuant to the acquisition of eight legal entities are included in the Group's Historical Financial Information. For the aggregated period ended 30 April 2020, KuldneBörs.ee contributed €0.1 million to the Group's generalist revenue. For the financial year ended 30 April 2021, KuldneBörs.ee contributed €0.3 million to the Group's generalist revenue. In January 2020, the Group divested Soov.ee to clear merger control in relation to the acquisition of Auto24.ee. For the twelve months ended 30 April 2019, Soov.ee contributed €0.3 million to the Group's generalist revenue. For the aggregated period ended 30 April 2020, Soov.ee contributed €0.2 million to the Group's generalist revenue.

Group

Revenue by business line

(€ in millions unless otherwise indicated)	For the twelve month period ended 30 April						
	2018	change	2019	change	2020	change	2021
Automotive revenue ⁽¹⁾	6.3	31.9%	8.3	36.1%	11.3	49.4%	16.8
<i>Percentage of Group revenue</i>	<i>26.2%</i>		<i>28.4%</i>		<i>32.8%</i>		<i>39.8%</i>
Real estate revenue	9.1	11.8%	10.2	4.4%	10.6	0.4%	10.7
<i>Percentage of Group revenue</i>	<i>38.0%</i>		<i>34.9%</i>		<i>30.9%</i>		<i>25.2%</i>
Jobs and services revenue	2.7	27.9%	3.5	21.5%	4.3	17.3%	5.0
<i>Percentage of Group revenue</i>	<i>11.5%</i>		<i>12.0%</i>		<i>12.4%</i>		<i>11.8%</i>
Generalist revenue ⁽²⁾⁽³⁾	5.8	23.5%	7.2	14.5%	8.2	19.6%	9.8
<i>Percentage of Group revenue</i>	<i>24.3%</i>		<i>24.6%</i>		<i>23.9%</i>		<i>23.2%</i>
Total Group revenue	23.9	21.7%	29.1	18.0%	34.3	23.1%	42.3

(1) From 27 January 2020, the operations acquired pursuant to the acquisition of eight legal entities are included in the Group's Historical Financial Information. For the aggregated period ended 30 April 2020, Auto24.ee contributed €1.6 million to the Group's automotive revenue. For the financial year ended 30 April 2021, Auto24.ee contributed €6.6 million to the Group's automotive revenue.

(2) From 27 January 2020, the operations acquired pursuant to the acquisition of eight legal entities are included in the Group's Historical Financial Information. For the aggregated period ended 30 April 2020, KuldneBörs.ee contributed €0.1 million to the Group's generalist revenue. For the financial year ended 30 April 2021, KuldneBörs.ee contributed €0.3 million to the Group's generalist revenue.

(3) In January 2020, the Group divested Soov.ee to clear merger control in relation to the acquisition of Auto24.ee. For the twelve months ended 30 April 2018, Soov.ee contributed €0.1 million to the Group's generalist revenue. For the twelve months ended 30 April 2019, Soov.ee contributed €0.3 million to the Group's generalist revenue. For the aggregated period ended 30 April 2020, Soov.ee contributed €0.2 million to the Group's generalist revenue.

Organic revenue

<u>(€ in millions unless otherwise indicated)</u>	For the twelve month period ended 30 April				
	2019	change	2020	change	2021
Total Group revenue	29.1	18.0%	34.3	23.1%	42.3
Revenue from divested businesses ⁽¹⁾	(0.4)		(0.2)		0.0
Revenue from acquired businesses ⁽²⁾	0.0		(1.7)		(6.9)
Total organic revenue	28.7	12.7%	32.4	9.1%	35.3
<i>Organic automotive revenue</i> ⁽³⁾	8.3		9.6		10.2
<i>Organic real estate revenue</i> ⁽⁴⁾	10.2		10.6		10.7
<i>Organic jobs and services revenue</i> ⁽⁵⁾	3.5		4.3		5.0
<i>Organic generalist revenue</i> ⁽⁶⁾	6.8		7.9		9.5

(1) In January 2020, the Group divested Soov.ee to clear merger control in relation to the acquisition of Auto24.ee. For the twelve months ended 30 April 2019, Soov.ee contributed €0.3 million to the Group's revenue. The remaining €0.1 million of revenue from divested businesses for the twelve months ended 30 April 2019 related to Mets.ee. For the aggregated period ended 30 April 2020, Soov.ee contributed €0.2 million to the Group's revenue.

(2) From 27 January 2020, the operations acquired pursuant to the acquisition of eight legal entities are included in the Group's Historical Financial Information.

(3) For the twelve month period ended 30 April 2019 organic automotive revenue was equal to reported automotive revenue. For the aggregated period ended 30 April 2020, reported automotive revenue was €11.3 million, organic automotive revenue was €9.6 million and excludes €1.6 million of revenue generated by Auto24.ee. For the twelve month period ended 30 April 2021, reported automotive revenue was €16.8 million, organic automotive revenue was €10.2 million and excludes €6.6 million of revenue generated by Auto24.ee.

(4) Organic real estate revenue is equal to reported real estate revenue for all periods presented.

(5) Organic jobs and services revenue is equal to reported jobs and services revenue for all periods presented.

(6) For the twelve month period ended 30 April 2019 reported generalist revenue was €7.2 million whereas organic generalist revenue was €6.8 million and excludes €0.3 million and €0.1 million of revenue generated by Soov.ee and Mets.ee, respectively. For the aggregated period ended 30 April 2020 reported generalist revenue was €8.2 million whereas organic generalist revenue was €7.9 million and excludes €0.2 million and €0.1 million of revenue generated by Soov.ee and KuldneBörs.ee, respectively. For the twelve month period ended 30 April 2021 reported generalist revenue was €9.8 million whereas organic generalist revenue was €9.5 million and excludes €0.3 million of revenue generated by KuldneBörs.ee.

Revenue by product offering

<u>(€ in millions unless otherwise indicated)</u>	For the twelve month period ended 30 April				
	2019	change	2020	change	2021
Advertising revenue	4.0		3.9		3.7
Ancillary revenue	0.6		1.5		3.5
C2C revenue	12.0		14.1		16.9
B2C revenue	12.5		14.8		18.2
Total Group revenue	29.1	18.0%	34.3	23.1%	42.3

Traffic growth

	For the twelve month period ended 30 April						
	2018	change	2019	change	2020	change	2021
Adjusted total Group traffic (visits in millions) ⁽¹⁾	47.5	11.2%	52.8	13.9%	60.2	15.0%	69.2
Total Group traffic (visits in millions) ⁽²⁾	43.3	12.6%	48.7	16.6%	56.8	21.8%	69.2
Automotive traffic growth		12.6%		21.1%		24.9%	
Real estate traffic growth		4.9%		11.8%		24.4%	
Jobs and services traffic growth		6.2%		19.7%		21.1%	
Generalist traffic growth		16.8%		14.6%		18.3%	

(1) Adjusted total Group traffic is total Group traffic adjusted to include Auto24.ee and to exclude Soov.ee for all periods presented.

(2) Total Group traffic as reported, whereby traffic from the acquisition of Auto24.ee is included only after the date of acquisition.

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are APMs regarding profitability. EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are representations of the operating profitability of the business before the costs of financing and corporate transactional activity. In the opinion of the Directors, EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin allow the Group to supplement the evaluation of its trading results by excluding material non-cash items such as depreciation, amortisation and certain income and costs that do not reflect the underlying operations of the business.

EBITDA is calculated by reference to the profit / (loss) for the period and adjusting this to add back income tax expense, interest expense, depreciation and amortisation.

Adjusted EBITDA is calculated by reference to EBITDA for the period and adjusting this for the financial result for the period (including commitment fees and finance expense and income other than interest), costs related to acquisitions and disposals in the period, historical costs relating to the previous ownership structure and one-off costs that do not reflect the underlying operations of the business.

Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA for the period by revenue for such period.

Set forth below is the calculation from profit / (loss) for the period to EBITDA and Adjusted EBITDA for the periods indicated.

	Predecessor (BCG Group) 16 months ended 30 April 2019	Predecessor (BCG Group) 12 months ended 30 April 2019	Memorandum aggregated (unaudited) period ended 30 April 2020	Successor (ANTLER MidCo) financial year ended 30 April 2021
	(€ in millions)			
Profit / (loss) for the period	17.1	12.7	(5.9)	(0.0)
Income tax expense	2.9	2.2	3.4	1.9
Interest expense	0.4	0.2	8.8	13.4
Depreciation and amortisation ⁽¹⁾	<u>3.7</u>	<u>2.7</u>	<u>11.7</u>	<u>17.0</u>
EBITDA	24.0	17.9	18.0	32.2
SFA commitment and agency fees ⁽²⁾	—	—	0.9	0.5
Acquisition related costs ⁽³⁾	—	—	7.5	0.1
LCC investigation professional fees ⁽⁴⁾	0.0	0.0	0.3	—
Revaluation of earn-out under prior ownership structure ⁽⁵⁾	3.3	3.3	—	—
Revaluation of put option under prior ownership structure ⁽⁶⁾	0.7	0.7	—	—
Management fee to previous shareholder ⁽⁷⁾	0.4	0.2	—	—
Gain on sale of Soov.ee ⁽⁸⁾	—	—	(0.4)	—
Offer related costs ⁽⁹⁾	—	—	—	0.3
Adjusted EBITDA	<u>28.4</u>	<u>22.2</u>	<u>26.3</u>	<u>33.0</u>
Revenue	37.8	29.1	34.3	42.3
Adjusted EBITDA Margin⁽¹⁰⁾	75.1%	76.2%	76.7%	78.1%

- (1) The increase in depreciation and amortisation from the twelve months ended 30 April 2019 to the aggregated period ended 30 April 2020 was due to higher amortisation of acquired intangibles following the upward revaluation of the intangible assets at the time of the Acquisition.
- (2) Adjustment for commitment and agency fees incurred in relation to the Senior Facilities Agreement. Management considers such costs to be unrepresentative of the underlying operations of the Group's business.
- (3) Fees and costs incurred in relation to the Acquisition and the acquisition of eight legal entities.
- (4) Advisor and legal fees incurred in relation to the investigation by the Lithuanian Competition Council regarding excessive pricing, which was concluded without any findings of abuse of dominant position or excessive pricing by the Group.
- (5) Non-cash adjustment relating to the revaluation at fair value of earn-out relating to shareholding structure prior to the Acquisition, recognised as other financial expense.
- (6) Non-cash adjustment relating to the revaluation at fair value of put option relating to shareholding structure prior to the Acquisition, recognised as other expense.
- (7) Fees charged by the previous owner of the Group in relation to the management of the Group.
- (8) Net proceeds of the divestment of Soov.ee by the Group. Accounting gain recognised on the sale of Soov.ee is calculated as proceeds of €0.7 million less the write-off of the book value of assets of €0.3 million.
- (9) Fees and costs incurred up to 30 April 2021 in relation to the Offer.
- (10) Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of total revenue.

Adjusted EBITDA minus Capex and Cash Conversion

Adjusted EBITDA minus capex is an APM monitored by the Directors as a proxy for cash generated from operations excluding the impact of the financial result for the period (including commitment fees and finance expense and income other than interest), costs related to acquisitions and disposals in the period, historical costs relating to the previous ownership structure, one-off costs that do not reflect the underlying operations of the business and capital expenditure. It should be noted that the metric, although used by the Directors as measure of cash generation, does not consider the working capital impact of such adjustments and therefore may not be an accurate reflection of the Group's ability to generate cash from operations.

Cash Conversion is calculated as Adjusted EBITDA minus Capex divided by Adjusted EBITDA. The metric is used by the Directors to monitor the Group's ability to generate cash from operations. It should be noted that both Adjusted EBITDA and Adjusted EBITDA minus Capex are measures of performance and are used by the Directors as proxies for cash generated from operations adjusted for the impact of the financial result for the period (including commitment fees and finance expense and income other than interest), costs related to acquisitions and disposals in the period, historical costs relating to the previous ownership structure, one-off costs that do not reflect the underlying operations of the business and capital expenditure. The working capital impact of such adjustments is not considered in the calculation of such metrics and therefore Cash Conversion may not be an accurate reflection of the Group's ability to generate cash from operations.

Set forth below is the calculation of Adjusted EBITDA minus Capex and Cash Conversion for the periods indicated.

	Predecessor (BCG Group) 16 months ended 30 April 2019	Memorandum aggregated (unaudited) period ended 30 April 2020	Successor (ANTLER MidCo) financial year ended 30 April 2021
	(€ in millions)		
Adjusted EBITDA for the period	28.4	26.3	33.0
Capital expenditure ⁽¹⁾	(0.5)	(0.7)	(0.1)
Adjusted EBITDA minus Capex	27.9	25.6	32.9
Cash Conversion⁽²⁾	98.4%	97.4%	99.8%

(1) Derived from Acquisition of intangible assets and property, plant and equipment as presented in the Statement of Cash Flows in Part XIII (*Historical Financial Information*) and primarily relates to investments in physical infrastructure, such as servers and computers. In the 16 month period ended 30 April 2019, €0.2 million of technology development spend was capitalised and forms part of the €0.5 million capital expenditure and the remaining €0.3 million capital expenditure related to investments in property, plant and equipment. In the aggregated period ended 30 April 2020, €0.3 million of technology development spend was capitalised and forms part of the €0.7 million capital expenditure and the remaining €0.4 million capital expenditure related to investments in property, plant and equipment. In the financial year ended 30 April 2021, capital expenditure related only to investments in property, plant and equipment.

(2) Cash Conversion is Adjusted EBITDA minus Capex as a percentage of Adjusted EBITDA.

Adjusted Expenses and Adjusted Other Operating Costs

Adjusted Expenses and Adjusted Other Operating Costs are APMs monitored by the Directors as a proxy for the underlying expenses of the business and are calculated by reference to expenses for the period and adjusting for costs related to depreciation and amortisation, acquisitions and disposals in the period, historical costs relating to the previous ownership structure and one-off costs that do not reflect the underlying operations of the business. Other than the adjustment for depreciation and amortisation, all the adjustments to expenses are applied to the Other Operating Costs line item within expenses. See Note 6 to the Historical Financial Information.

Set forth below is a reconciliation from expenses to Adjusted Expenses for the periods indicated.

	Predecessor (BCG Group) 12 months ended 30 April 2019	Memorandum aggregated (unaudited) period ended 30 April 2020	Successor (ANTLER MidCo) financial year ended 30 April 2021
	(€ in millions)		
Expenses	10.6	27.9	26.5
Depreciation and amortisation ⁽¹⁾	(2.7)	(11.7)	(17.0)
Acquisition related costs ⁽²⁾	—	(7.5)	(0.1)
LCC investigation professional fees ⁽³⁾	(0.0)	(0.3)	—
Revaluation of put option under prior ownership structure ⁽⁴⁾	(0.7)	—	—

	Predecessor (BCG Group) 12 months ended 30 April 2019	Memorandum aggregated (unaudited) period ended 30 April 2020 (€ in millions)	Successor (ANTLER MidCo) financial year ended 30 April 2021
Management fee to previous shareholder ⁽⁵⁾	(0.2)	—	—
Asset write-off on disposal of Soov.ee ⁽⁶⁾	—	(0.3)	—
Offer related costs ⁽⁷⁾	—	—	(0.3)
Adjusted Expenses	<u>6.9</u>	<u>8.0</u>	<u>9.2</u>

- (1) The increase in depreciation and amortisation from the twelve months ended 30 April 2019 to the aggregated period ended 30 April 2020 was due to higher amortisation of acquired intangibles following the upward revaluation of the intangible assets at the time of the Acquisition.
- (2) Fees and costs incurred in relation to the Acquisition (€6.1 million) and the acquisition of eight legal entities including Auto24.ee (€1.4 million).
- (3) Advisor and legal fees incurred in relation to the investigation by the Lithuanian Competition Council regarding excessive pricing, which was concluded without any findings of abuse of dominant position or excessive pricing by the Group.
- (4) Non-cash adjustment relating to the revaluation at fair value of put option relating to shareholding structure prior to the Acquisition, recognised as other expense.
- (5) Fees charged by the previous owner of the Group in relation to the management of the Group.
- (6) The write-off of the book value of assets of €0.3 million in relation to the disposal of Soov.ee.
- (7) Fees and costs incurred up to 30 April 2021 in relation to the Offer.

Set forth below is a reconciliation from Other Operating Costs to Adjusted Other Operating Costs for the periods indicated.

	Predecessor (BCG Group) 12 months ended 30 April 2019	Memorandum aggregated (unaudited) period ended 30 April 2020 (€ in millions)	Successor (ANTLER MidCo) financial year ended 30 April 2021
Other Operating Costs ⁽¹⁾	2.1	9.8	2.2
Acquisition related costs ⁽²⁾	—	(7.5)	(0.0)
LCC investigation professional fees ⁽³⁾	(0.0)	(0.3)	—
Revaluation of put option under prior ownership structure ⁽⁴⁾	(0.7)	—	—
Management fee to previous owner ⁽⁵⁾	(0.2)	—	—
Asset write-off on disposal of Soov.ee ⁽⁶⁾	—	(0.3)	—
Offer related costs ⁽⁷⁾	—	—	(0.3)
Adjusted Other Operating Costs	<u>1.2</u>	<u>1.7</u>	<u>1.9</u>

- (1) Other Operating Costs comprise “Other” and “Impairment loss / Reversal of Impairment loss on trade receivables and contract assets” as presented within Note 6 of Part B of Part XIII (*Historical Financial Information*).
- (2) Fees and costs incurred in relation to the Acquisition (€6.1 million) and the acquisition of eight legal entities including Auto24.ee (€1.4 million).
- (3) Advisor and legal fees incurred in relation to the investigation by the Lithuanian Competition Council regarding excessive pricing, which was concluded without any findings of abuse of dominant position or excessive pricing by the Group.
- (4) Non-cash adjustment relating to the revaluation at fair value of put option relating to shareholding structure prior to the Acquisition, recognised as other expense.
- (5) Fees charged by the previous owner of the Group in relation to the management of the Group.
- (6) The write-off of the book value of assets of €0.3 million in relation to the disposal of Soov.ee.
- (7) Fees and costs incurred up to 30 April 2021 in relation to the Offer.

Labour costs plus capitalised labour

Labour costs plus capitalised labour is an APM monitored by the Directors as a proxy of the underlying labour costs of the business and combines labour costs presented as an expense in the consolidated statement of profit or loss and other comprehensive income data with labour costs capitalised within fixed assets during the relevant period. Historically in-house technology development costs were capitalised but from the financial year ended 30 April 2021 onwards, only such costs resulting from material projects will be capitalised. Therefore, in

the absence of such material projects, in-house technology development costs were fully expensed in the financial year ended 30 April 2021.

Set forth below is a reconciliation from labour costs to Labour costs plus capitalised labour for the periods indicated.

	Predecessor (BCG Group) 12 months ended 30 April 2019	Memorandum aggregated (unaudited) period ended 30 April 2020 (€ in millions)	Successor (ANTLER MidCo) financial year ended 30 April 2021
Labour costs	4.0	4.7	6.0
Adjustment for historical capitalised labour development cost	<u>0.2</u>	<u>0.3</u>	<u>—</u>
Labour costs plus capitalised labour	<u>4.2</u>	<u>5.0</u>	<u>6.0</u>

Net Debt and Total Debt

Total Debt represents bank loans and Osta.ee prepayments. Net Debt represents Total Debt, less cash. The Directors believe that Total Debt and Net Debt are useful measures to show the Group's debt financing.

	<u>As of 30 April</u>		
	<u>2019</u>	<u>2020</u>	<u>2021</u>
	(€ in millions)		
Bank loan ⁽¹⁾	—	208.9	214.3
Osta.ee prepayments ⁽²⁾	<u>1.5</u>	<u>1.7</u>	<u>2.2</u>
Total Debt ⁽³⁾	1.5	210.6	216.5
Cash	<u>(1.6)</u>	<u>(20.6)</u>	<u>(17.1)</u>
Net Debt	<u>(0.1)</u>	<u>190.1</u>	<u>199.4</u>

(1) Bank loan as of 30 April 2020 and 2021 includes €208.9 million and €214.3 million, respectively, of borrowings under the Senior Facilities Agreement, dated 13 June 2019, as amended on 4 November 2019 and 11 January 2021. Bank loan does not take into account interest on loans and borrowings and debt issue costs.

(2) Osta.ee prepayments as of 30 April 2019, 2020 and 2021 include €1.5 million, €1.7 million and €2.2 million respectively, of liabilities related to customer cash deposited into online wallets for usage on Osta.ee which is held in escrow by the Company.

(3) Total Debt does not include lease liabilities.

The Directors intend to continue using these metrics, ensuring that any relevant normalisation adjustments are correctly identified and adjusted as part of the disclosure of the Group's APMs and KPIs in future periods as indications of profitability and cash generation.

PRINCIPAL FACTORS AFFECTING RESULTS OF OPERATIONS

The Directors believe that the factors described below significantly affected the Group's results of operations and financial condition in the periods under review and/or will have a significant impact on its results of operations and financial condition in the future.

Sale of classifieds products and value added services

The Group derives most of its revenue from sale of classifieds products, with a minority of its revenue coming from ancillary services and advertising. For the financial year ended 30 April 2021, revenue from listing fees and listing promotions represented 83.0% of its revenue, of which the automotive, real estate, jobs and services and generalist portals represented 35.6%, 25.2%, 14.2% and 25.1%, respectively. Classifieds revenue result from sales of classifieds products to the Group's listers, including products sold to B2C and C2C listers to facilitate listings and value added services, such as listing promotions.

Growth in classifieds revenue is driven by growth in volume (number of listings) and price increases.

In general, the listers' willingness to pay for listings and additional products and services increases when they are offered products and services that can help them increase sales (such as increased visibility or better pricing) or improve the listing experience (such as through better tools for placing new listings or managing existing listings). In addition, the volume of classifieds products sold is affected by the portal's market position,

availability of substitute channels, number of unique visitors of the portal, general market conditions and the industry shift from offline to online channels and from desktop to mobile.

Classifieds revenue is affected by the price paid by listers for the classifieds products. C2C listers pay for listings and value added services on the Group's vertical portals. While listings by C2C listers on the Group's generalist portals in non-vertical categories are free, C2C listers on the Group's generalist portals pay for listings in the vertical categories and for value added services such as increased visibility in all categories. The Group offers different subscription packages to its B2C listers. Subscription packages are generally differentiated by the number of listings and the mix of value added services included, with more extensive packages having higher subscription fees than basic packages. The revenue generated by the Group's portals from B2C listers depends, among others, on the market position of its portals, the amount and the speed of effective leads being delivered by the portals, its ability to develop and improve its products and services, the number and quality of features on its portals, how successful its pricing strategy is and prices as well as the overall attractiveness of substitute channels.

Historically, the Group has applied a pricing and monetisation strategy pursuant to which it has initially increased C2C prices, following which the Group collected and closely monitored data on the impact of the price increases on C2C listings (making small adjustments to its pricing as required), before proceeding with B2C price increases. Such C2C price increases are typically initiated at the start of one of the peak seasons, either in spring (after the Christmas holiday period, which is a period of lower activity for the Group) or in autumn (after the summer holiday period, which is a period of lower activity for the Group), such that C2C price increases occur either in spring, with B2C price increases in autumn, or in autumn with B2C price increases in spring. Price increases are typically supported by the ongoing improvement of the packages offered to listers, including additional features and tools, and the growth of the Group's portals, increasing the leads its listers can generate on the portals. While the Group had to delay the majority of these price increases in the years ended 30 April 2020 and 2021 during the COVID-19 pandemic (see "*—The COVID-19 pandemic*"), the Group expects to apply the same pricing and monetisation strategy in the near term.

Although not binding for future cases, the LCC's conclusion of its original investigation, after an in-depth analysis that the prices to B2C listers and C2C listers on the Group's Lithuanian real estate portal were not unfair or restrictive to competition, provides the Group comfort that its pricing strategy and the implementation thereof is in line with Lithuanian competition and antitrust laws. In addition, the Group had a number of discussions with the LCC, providing the Group insight in the parameters and the approach the LCC takes when analysing alleged unfair or restrictive pricing behaviour under Lithuanian competition and antitrust laws, which allowed the Group to confirm its pricing strategy.

Automotive business line

In the periods under review, B2C classifieds revenue from the automotive business line grew at a CAGR of 38.8%, from €3.4 million in the twelve months ended 30 April 2019 to €6.6 million in the financial year ended 30 April 2021. The growth in B2C classifieds revenue from the automotive business line was mainly due to the increase of the monthly ARPD from €125.4 in the twelve months ended 30 April 2019 to €164.6 in the financial year ended 30 April 2021, driven by price increases and partly offset by a decline in monthly ARPD due to COVID-19 pandemic-related discounts granted to automotive dealers in April, May, and June 2020. The growth of monthly ARPD slowed down in the financial year ended 30 April 2021 due to the decision to delay price increases during the COVID-19 pandemic. The Group expects to further apply price increases on its automotive portals in the near term. The growth in B2C classifieds revenue from the automotive business line was also partly due to the increase in the number of B2C automotive dealers on the Group's automotive portals, from an average of 2,288 B2C automotive dealers with a subscription per month in the twelve months ended 30 April 2019 to an average of 3,356 B2C automotive dealers with a subscription per month in the financial year ended 30 April 2021, driven by the professionalization of small automotive dealers and the migration of small automotive dealers from C2C to B2C contracts, which trend is expected to slow down and come to an end in the near term and also due to the acquisition of Auto24.ee.

In the periods under review, C2C classifieds revenue from the automotive business line, including revenue from C2C listings of autos, vehicle parts, vehicles other than autos and other C2C listings grew at a CAGR of 29.3%, from €3.5 million in the twelve months ended 30 April 2019 to €5.8 million in the financial year ended 30 April 2021. The growth in C2C classifieds revenue from the automotive business line, including revenue from C2C listings of autos, vehicle parts, vehicles other than autos and other C2C listings, was partly due to the increase of the average monthly revenue per uploaded C2C auto listing from €14.8 in the twelve months ended 30 April 2019 to €18.1 in the financial year ended 30 April 2021, driven by price increases. Growth in average monthly revenue per uploaded C2C auto listing slowed down in the financial year ended 30 April 2021

due to the decision to delay price increases and the extension of listings by the Group free of charge during the COVID-19 pandemic. The growth in C2C classifieds revenue from the automotive business line, including revenue from C2C listings of autos, vehicle parts, vehicles other than autos and other C2C listings, was also due to an increase in the average monthly active C2C auto listings from an average of 21,467 monthly active auto listings in the twelve months ended 30 April 2019 to an average of 28,870 monthly active auto listings in the financial year ended 30 April 2021 driven by organic growth, the Auto24.ee acquisition, and the extension of listings free of charge by the Group during April, May and June 2020 as a response to the COVID-19 pandemic. These factors more than offset the trend of small automotive dealers migrating from C2C to B2C contracts, and the restrictions on C2C listers during the COVID-19 pandemic.

The total number of vehicle transactions and transaction values are growing, supported by strong macroeconomic fundamentals. Growth in vehicle transactions combined for Lithuania and Estonia has accelerated from approximately 2.7% CAGR between 2010 to 2015 (post the global financial crisis) to approximately 4.5% CAGR from 2015 to 2019, with steady growth in the used vehicle market (mid-single digit CAGR) and significant growth in new vehicle sales (mid-teens CAGR) in the same period (*Source*: Regitra, MNT). In 2020, the COVID-19 pandemic led to a year-on-year decrease in vehicle transactions by 23% and 14% in Lithuania and Estonia, respectively. See Part VI (*Market Overview*). Vehicle parts revenue has been growing at mid-single digit growth rates historically and “non-car” vehicles (including heavy transport and agricultural machinery) revenue has largely tracked the historical growth in the overall vehicle segment.

Real estate business line

In the periods under review, B2C classifieds revenue from the real estate business line grew at a CAGR of 4.9%, from €5.5 million in the twelve months ended 30 April 2019 to €6.1 million in the financial year ended 30 April 2021. The growth in B2C classifieds revenue from the real estate business line was due to the increase of the monthly ARPB from €87.9 in the twelve months ended 30 April 2019 to €104.9 in the financial year ended 30 April 2021, driven by price increases, substantially offset by the decrease in the average number of real estate brokers with a subscription per month on the Group’s real estate portals from an average of 5,213 real estate brokers per month in the twelve months ended 30 April 2019 to an average of 4,809 real estate brokers per month in the financial year ended 30 April 2021, driven by the migration of real estate brokers from B2C contracts to C2C contracts, especially during periods of lower activity, and free-rider behaviour of real estate brokers sharing their account with other real estate brokers. The Group has taken measures to identify real estate brokers sharing their account with other real estate brokers in breach of the terms of their contract and to block such shared use going forward. The Directors believe the decline in the average number of real estate brokers with a subscription per month on the Group’s real estate portals is not caused by consolidation of the real estate market as the accounts held by real estate brokers on the Group’s real estate portals are individual real estate broker accounts and not accounts held by the real estate broker agencies.

In the periods under review, C2C classifieds revenue from the real estate business line grew at a CAGR of 8.1%, from €2.4 million in the twelve months ended 30 April 2019 to €2.8 million in the financial year ended 30 April 2021. The growth in C2C classifieds revenue from the real estate business line was primarily due to the increase in the average monthly revenue per uploaded C2C listing from €25.8 in the twelve months ended 30 April 2019 to €29.2 in the financial year ended 30 April 2021, driven by price increases, sales of value added services and upselling of more expensive packages. When measuring average revenue per listing on the basis of active listings (as opposed to uploaded listings), pricing actions, and therefore growth in average monthly revenue per listing is less prominent, as listers are increasingly choosing longer duration packages and free listing prolongation was offered during the first few months of the COVID-19 pandemic. As a result, average monthly number of active C2C listings has grown from 12,825 in the twelve months ended 30 April 2019 to 14,341 in the financial year ended 30 April 2021, while the average number of uploaded C2C listings has remained stable.

Jobs and services business line

In the periods under review, B2C revenue generated by CVbankas.lt grew at a CAGR of 15.1%, from €3.2 million in the twelve months ended 30 April 2019 to €4.3 million in the financial year ended 30 April 2021. The growth in B2C revenue generated by CVbankas.lt was due to both the increase in the average number of job listers with at least one paid job listing on CVbankas.lt per month from a monthly average of 1,324 in the twelve months ended 30 April 2019 to a monthly average of 1,521 in the financial year ended 30 April 2021, driven by the increased penetration of CVbankas.lt in the Lithuanian job market, and the increase in monthly average B2C revenue per job lister from €203.8 in the twelve months ended 30 April 2019 to €235.0 in the financial year ended 30 April 2021, driven by price increases, the trend whereby job listers are

increasingly adopting medium and large packages and the successful and continuous reduction of the Group's volume discounts for large job listers. The decline of 4.0% in monthly average B2C revenue per job lister from the aggregated period ended 30 April 2020 to the financial year ended 30 April 2021 was due to the delay in price increases as a result of the COVID-19 pandemic and the strong growth in the number of job listers during the fourth quarter of the financial year ended 30 April 2021 driven by the recovery in the job market, leading to an increase in the average number of job listers for the financial year ended 30 April 2021, whereas the majority of the contracted revenue generated from the new job listers during the fourth quarter of the financial year ended 30 April 2021 was deferred to the following financial year given the revenue recognition policy to recognize revenue during the life of the contract. The temporary decline in the average number of job listers with at least one paid job listing on CVbankas.lt per month in the aggregated period ended 30 April 2020 (1,296, compared to 1,324 as of 30 April 2019) due to the impact of the COVID-19 pandemic and the restrictions during the first lockdown in April 2020 was followed by growth in the average number of job listers with at least one paid job listing on CVbankas.lt per month during the financial year ended 30 April 2021 to 1,521 job listers, driven by the strong recovery of the job market after the initial drop during the first lockdown.

In the periods under review, C2C revenue generated by Paslaugos.lt grew at a CAGR of 86.1%, from €0.2 million in the twelve months ended 30 April 2019 to €0.6 million in the financial year ended 30 April 2021. The growth in C2C revenue generated by Paslaugos.lt was due to both the increase in the average monthly active C2C listings from an average of 3,251 listings per month in the twelve months ended 30 April 2019 to an average of 6,008 active listings per month in the financial year ended 30 April 2021, driven by the growth in the Group's lister adoption rate and the increase in average monthly revenue per active C2C listing from €4.4 in the twelve months ended 30 April 2019 to €8.3 in the financial year ended 30 April 2021, driven by price increases.

Growth of the Group's jobs business line was supported by the active job market in Lithuania, with a growing number of local and international companies competing for highly skilled labour. The number of vacancies increased from approximately 6,700 in 2010 to approximately 18,300 in 2019, corresponding to a CAGR of 12%, while the total number of companies in the country grew by 6% CAGR from 2010 to 2019 (*Source: Statistics Lithuania*). The number of international companies in Lithuania has more than doubled from 2010 to 2018 (*Source: Statistics Lithuania*), with more companies entering the Baltic markets to benefit from the attractive business environment while seeking lower-cost qualified white collar (such as IT, accounting and human resources specialists) and blue collar (such as production workers and engineers) workforce. The Directors believe the Estonian and Latvian job markets benefit from similar attributes, all of which are favourable for future growth in the region's recruitment spending. See Part IV (*Market Overview*).

Generalist business line

In the periods under review, classifieds revenue generated by Skelbiu.lt grew at a CAGR of 11.8%, from €4.5 million in the twelve months ended 30 April 2019 to €5.6 million in the financial year ended 30 April 2021. The growth in classifieds revenue generated by Skelbiu.lt was due to the increase in the average number of paid listings per month from 75,400 paid listings per month in the twelve months ended 30 April 2019 to an average of 88,726 paid listings per month in the financial year ended 30 April 2021, driven by strong growth in e-commerce activity, which has been accelerated by the COVID-19 situation. Average monthly revenue per paid listing on Skelbiu.lt increased slightly throughout the periods under review from €5.0 per paid listing in 2019 to €5.3 in 2021 driven by price increases and offset by free listing extensions and discounts offered during the first few months of the COVID-19 pandemic in addition to a negative mix effect on average prices from the dilution of expensive listings in favour of cheaper listings during the COVID-19 pandemic.

Traffic

In the periods under review, the aggregate total traffic on the Group's portals grew at a CAGR of 19.2%, from 48.7 million visits during the twelve months ended 30 April 2019 to 69.2 million visits during the financial year ended 30 April 2021, with traffic growth in all business lines, driven by the increased number of listings on the Group's portals, the transition from offline shopping to online shopping and the growth in e-commerce increasing consumer traffic on the Group's generalist portals, accelerated due to the restrictions during the COVID-19 pandemic, and the shift from desktop to mobile increasing the frequency of consumer visits on the Group's portals. Adjusted total Group traffic on the Group's portals grew at a CAGR of 14.5% from 52.8 million visits in the twelve months ended 30 April 2019 to 69.2 million visits in the financial year ended 30 April 2021.

Macroeconomic conditions

The volumes of classifieds products and value added services sold to listers on the Group's portals are influenced by general economic conditions, both in the global market and in the regional markets in which the Group operates. Developments in the real estate market, the automotive market and the employment market, as well as consumer spending patterns and consumer confidence in general, have an impact on the number of listings placed on and the traffic generated by the Group's portals and, therefore, the revenue generated.

The Group operates in Lithuania, Estonia and Latvia. The Group's Lithuanian portals contributed 66.0%, 72.8% and 74.3% of its revenue in the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively. The Group's Estonian portals contributed 31.5%, 23.9% and 22.2% of its revenue in the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively. The Group's Latvian portal contributed 2.4%, 3.3% and 3.5% of its revenue in the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively.

The region's economy has demonstrated resilience and ability to grow since the financial crisis, with real GDP growing at a CAGR of 4% in the period from 2000 to 2019, more than two times higher than the average European Union real GDP CAGR during the same period (*Source*: Euromonitor). This growth was largely driven by internal consumption and increasing net exports into neighbouring countries for Lithuania, and internal consumption and gross investments for Estonia and Latvia. In addition, the region's average PPP GDP per capita has experienced sustained growth at a CAGR of 6.9% from 2000 to 2019, approximately two times more than the equivalent European Union growth rate of 3.5% for the same period, and is expected to continue growing at a rate of 5.8% from 2020 to 2025, faster than the European Union expected rate of 4.8% for the same period (*Source*: Euromonitor, GDP per capita at PPP).

The Baltic economy is also underpinned by strong and attractive macroeconomic fundamentals. Net migration in the region has been positive since 2019 largely driven by reduced emigration of Lithuanian nationals, a rise in immigration from neighbouring countries and nationals returning home due to increased prosperity. Disposable income per capita in the region has increased at a CAGR of 5.1% from 2015 to 2019, compared to the European Union average of 1.9% for the same period (*Source*: Euromonitor). In addition, the region has a strong credit profile with some of the lowest gross public debt to GDP ratios in Europe, which averaged 37% in 2020 significantly below the European Union average of 94% (*Source*: Euromonitor).

The COVID-19 pandemic

In general, the Baltic region has been less impacted by the COVID-19 pandemic than the Western European countries. The first lockdown happened in late March and the governments took strong action, closing schools, restaurants and public spaces across Estonia, Latvia and Lithuania and putting in place working from home policies and travel restrictions. In Lithuania, additional action was taken to close all retail shops except for grocery stores. Such strong governmental actions temporarily slowed the underlying economic activity, particularly in the automotive, real estate and jobs business lines, with automotive listings on the Group's portals in March 2020 down by 40% in Lithuania and 20% in Estonia, compared to the activity levels in February 2020, real estate listings on the Group's portals in March 2020 down by 30% in Lithuania and 15% in Estonia, compared to the activity levels in February 2020 and most recruitment activity coming to a halt. To protect the listings database and prevent lister churn, the Group provided temporary discounts to its B2C listers in its automotive and real estate business lines until the end of June 2020, as well as free listing extensions to C2C listers until the end of April 2020, which, together with other short-term COVID-19 impacts, led to a short-term revenue reduction (revenue in April to June was cumulatively down 9% year-over-year on a like-for-like basis), but increasing the Group's market share leadership over the number two players during the first lockdown. In addition, the Group postponed previously planned price increases in its automotive, real estate and jobs and services business lines and increased the limit on the number of job listings and automotive dealer listings, slowing the growth in revenue for 2020 and 2021.

In late May 2020, lockdowns were eased and the Baltic economies recovered well. In early November 2020, the Latvian and Lithuanian governments announced a second lockdown, including closure of non-essential retail, followed by the Estonian government in March 2021. However, in contrast with the first lockdown, where the uncertainty led to an instant, but brief, drop in traffic in March as consumers were focused on news portals to follow the developments of the COVID-19 pandemic and relatively lower levels of interest in purchases of real estate or autos, the second lockdown did not have the same level of impact on the Group's operations, with positive growth in revenue for both November and December 2020 compared to November

and December 2019. Traffic throughout 2020 remained above 2019 levels and the months to date in 2021 are also above 2020 levels.

The strong results were mainly driven by the Group's continued enhanced monetisation of its core B2C and C2C products. Aruodas.lt implemented price increases for B2C listers via a trial period for the premium package. Due to the improved packages offered, the majority of B2C listers chose to remain on premium packages, despite the COVID-19 pandemic. In the autumn, pricing initiatives were also successfully carried out in the Estonian automotive and real estate portals. In addition, the generalist portals performed well with sale of used and new goods increasing and taking advantage of the delivery service (provided by a partner company) offered on the Group's portals, also driven by the accelerated shift from offline to online shopping during the COVID-19 pandemic. As the majority of the Group's revenue is based on subscription contracts (paid monthly) which roll over automatically each month (and which are terminable on two weeks' notice without payment of any termination fees), listers could call to cancel, at which point the Group's sales team had an opportunity to engage with the listers and offer discounts or alternative packages. As a result, the revenue hit from the COVID-19 pandemic was mainly due to discounted prices during the first lockdown rather than significant B2C lister churn.

Furthermore, while the Group already had a lean cost structure, due to the impact of the COVID-19 pandemic and the consequential governmental measures to contain the virus, the Group further cut marketing costs, applied for office rent discounts and reduced other non-essential costs, leading to a cost optimisation during the financial year ended 30 April 2021.

Shift from offline to online shopping and from desktop to mobile

The Directors believe the structural shift towards online shopping has had, and will continue to have, a significant positive impact on classifieds revenue and revenue from ancillary services as it drives the total number of listings and traffic on the Group's portals and the number of classifieds products, value added services and ancillary services sold. In particular, the Group's generalist portals selling new products and ancillary services, such as delivery services, benefit from the ongoing shift from offline to online shopping and e-commerce. Moreover, as a result of the COVID-19 pandemic, local businesses and governmental agencies were forced to accelerate their digitalisation, which in turn accelerated the shift from sales through offline channels to sales through online channels, increasing the Group's potential future lister base. In addition, the COVID-19 pandemic also accelerated the shift in consumer behaviour towards digital services, which is expected to increase traffic to the Group's portals. Both trends in the digitalisation of listers and consumers were noticeable in the Group's performance in the second half of calendar year 2020.

In addition, the Baltics, and the Western world in general, is experiencing a switch from desktop internet to mobile, which leads to an increase in the frequency of visits from consumers on the Group's portals and consumer engagement. For example, 64%, 70% and 72% of traffic to the Group's portals was on mobile and tablet devices in the twelve months ended 30 April 2019, the aggregated period ended 30 April 2020 and the financial year ended 30 April 2021, respectively, with the balance being desktop traffic.

The shift from offline to online and from desktop to mobile in consumer behaviour generally contributes to an increase in traffic to the Group's portals, which in turn attracts more C2C and B2C listers and increases the frequency of consumer visits on the Group's portals, thereby increasing its classifieds revenue.

Interplay of generalist portals with vertical portals

The Group's strategic decision to run both generalist and vertical portals, allows the Group to efficiently increase the traffic on its vertical portals by cross-listing listings on its generalist portals, which have a higher reach and traffic, thereby driving traffic and, to a lesser extent, listings, to those vertical portals. As of 30 April 2021, listings from the Group's Lithuanian automotive, real estate and jobs portals represented 36% of listings on Skelbiu.lt (*Source*: Company Information). The Directors believe that this synergistic combination of the Group's vertical and generalist portals brings significant benefits for listers and consumers in terms of increased traffic and reach, and this in turn allows the Group to improve its monetisation through higher listing fees for bundled packages and cross-listings. In addition, the improved value proposition of the Group's portals resulting from cross-listing and bundled packages, allows the Group to spend less on marketing, compared to the marketing expenses the Group would need to incur to maintain the market position of a standalone portal. See also "*The Business—Strengths*" and "*The Business—Strategy*".

For the financial year ended 30 April 2021, 1% of the visits on Aruodas.lt, 13% of the visits on Autoptius.lt, 6% of the visits on CVbankas.lt, 2% of the visits on Paslaugos.lt and 32% of the number of clicks on Kainos.lt

were directed from Skelbiu.lt. The increased traffic and reach supports the Group's regular price increases and attracts more listings to its vertical portals, which are fully monetised.

The relationship between revenue and expenses

The Group's expenses are primarily related to the operation of its portals. The direct cost to the Group for each listing or advertisement placed on its portals is marginal. Consequently, neither volumes of listings nor product and lister mix has a significant impact on the Group's expenses. This means that if the Group is successful in increasing its revenue, its operating margins are also expected to increase. Conversely, a fall in revenue is not expected to necessarily result in a decrease in expenses. As such, an important element of the Group's strategy is to increase its "operational leverage" and increase its revenue over a stable cost base.

On an underlying basis, the Group's Adjusted Expenses as a share of revenue decreased from 23.9% for the twelve months ended 30 April 2019 to 23.3% for the aggregated period ended 30 April 2020 to 21.9% for the financial year ended 30 April 2021, primarily due to slower growth in expenses compared to the growth in revenue in the same periods, reflecting the Group's lean and efficient operations. Adjusted Expenses adjust for the impact of depreciation and amortisation, acquisitions and disposals in the period, historical costs relating to the previous ownership structure and one-off costs that do not reflect the underlying operations of the business.

On an actual basis, during the periods under review, the Group's Expenses as a share of revenue increased from 36.5% for the twelve months ended 30 April 2019 to 81.2% for the aggregated period ended 30 April 2020, primarily as a result of increased other costs including the costs related to the Acquisition and the acquisition of Auto24.ee in the aggregated period ended 30 April 2020, and increased depreciation and amortisation charges resulting from the significant value uplift of the intangible assets following the purchase price allocation related to the Acquisition and the acquisition of Auto24.ee. The Group's expenses as a share of revenue decreased to 62.7% in the financial year ended 30 April 2021, primarily reflecting the non-recurrence of the costs related to the Acquisition and the acquisition of Auto24.ee in financial year ended 30 April 2021 and the realisation of synergies following the Auto24.ee transaction, and to a lesser extent resulting from the increase in revenue during the period and with a relatively lower increase in expenses, partially offset by increased depreciation and amortisation expenses due to the full period impact of the depreciation and amortisation charges resulting from the significant value uplift of the intangible assets following the purchase price allocation related to the Acquisition and the acquisition of Auto24.ee.

The Group's main cost driver is its labour cost driven by its headcount and cost per FTE. Labour costs includes the cost of management, the technology team and the salesforce. These costs are key to the Group's operations and enable product development to provide an attractive user experience and new features, and sales efforts to attract and retain B2C listers and advertisers. The Group's labour cost for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019 were €6.0 million, €4.7 million and €4.0 million, respectively, and the increase was primarily driven by the Group's yearly salary reviews and the additional personnel hires as a result of the acquisition of Auto24.ee and KuldneBörs.ee. Costs per FTE increased from €38.1 thousand for the twelve months ended 30 April 2019 to €45.6 thousand for the financial year ended 30 April 2021, in line with wage inflation. The Group expects to continue to review the personnel salaries on a yearly basis. In addition, the increase in labour costs in the financial year ended 30 April 2021 was also driven by a change in accounting as historically part of in-house technology development costs were capitalised but from the financial year ended 30 April 2021 onwards, only such costs resulting from material projects will be capitalised. Therefore, in the absence of such material projects, in-house technology development costs were fully expensed in the financial year ended 30 April 2021. Labour costs for the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, on a comparable basis (excluding capitalised labour costs), were €5.0 million and €4.2 million, respectively.

Advertising and marketing expenses are incurred to attract and increase traffic to the Group's portals. Advertising and marketing expenses for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019 were €0.8 million, €1.0 million and €1.1 million, respectively, and mainly comprise online advertising spend and client events. Expressed as a percentage of revenue, the Group's advertising and marketing expenses were 1.8%, 3.0% and 3.9% in the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively. Advertising and marketing spend has decreased in absolute terms and as a percentage of revenue, however, the Group continues to drive traffic growth, with 14.5% CAGR in total visits from 52.8 million visits in the twelve months ended 30 April 2019 to 69.2 million visits in the financial year ended 30 April 2021 (including traffic from Auto24.ee and KuldneBörs.ee in all periods) and the Group's portals continue to be the most visited websites in their respective countries. In addition, the combination of generalist and vertical portals creates organic referral traffic between portals, allowing the Group to spend less on marketing compared to

operators of standalone generalist or vertical portals. Therefore, the Directors believe that the Group is in a position to maintain its market share based on similar levels of marketing spend as in historical financial years, which contributes to higher margins and profitability.

The Group's IT expenses support the Group's IT infrastructure and primarily include software, hosting and server-related expenses. The Group's IT expenses slightly decreased during the periods under review to €0.5 million for the financial year ended 30 April 2021 from €0.6 million and €0.6 million for the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively. The Group does not expect any material step up in its IT expenses in the near future. See also "*—Product, technology and capital expenditure*".

Other costs comprise general administrative expenses (including bank fees and office related costs) and ordinary course consulting, legal and audit fees. Other costs for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019 were €2.2 million, €9.9 million and €2.0 million, respectively. The increased other costs for the aggregated period ended 30 April 2020 primarily related to the costs related to the Acquisition and the acquisition of Auto24.ee. On an underlying basis, Adjusted Other Operating Costs for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019 were €1.9 million, €1.7 million and €1.2 million, respectively. The increase in Adjusted Other Operating Costs for the aggregated period ended 30 April 2020 and the financial year ended 30 April 2021 was primarily driven by the inclusion of Auto24.ee's cost base, however, Adjusted Operating Costs as a percentage of revenue reduced in the financial year ended 30 April 2021, compared to the aggregated period ended 30 April 2020, reflecting the benefit of synergies.

The undertaking of the Offer and Admission will result in various fees and expenses (including VAT), estimated to be approximately €14.0 million, being incurred in connection with the Offer and Admission and related Reorganisation, which are partly recognized in the financial year ended 30 April 2021 (€0.3 million) and which will partly be recognized in the financial year ended 30 April 2022. In addition, following the Offer and Admission, the Group expects its expenses to increase by approximately €2 million in the first year following the Admission, reflecting the costs in connection with being a publicly traded company.

Product, technology and capital expenditure

The Group has placed, and will continue to place, significant focus on continuously improving user experience through product innovation and technology investments in order to attract C2C and B2C listers and drive revenue. The Group has, during the periods under review, invested in its products and related technology to improve its offering to consumers and listers, and product and technology costs are, accordingly, important cost items for the Group. Development in products and technology takes place both centrally and locally within each business line. The Group develops and hosts all its technology and infrastructure in-house from two technology hubs, one in Vilnius, for the Lithuanian portals, and one in Tallinn, for the Estonian and Latvian portals. While the architecture and technology are harmonised at the Group level, the Group's software is maintained and developed independently for each platform in close proximity with the business of the respective portal and tailored to meet local demands and the specific business logic of the portal. The local platforms share components and applications and best practices in order to improve the performance of each platform.

The Group's product development is typically in the form of enhancements on existing products and development of new features on its portals, which requires personnel's time. Consequently, the Group's investments in products and technology primarily impact its number of employees and its labour costs. As the Group reviews personnel salaries on a yearly basis, it is expected that its labour costs will continue to increase on a yearly basis, with further increases as a result of additional personnel hires.

The Group's capital expenditure, which principally relates to investments in computers and servers, has remained low and stable as a percentage of revenue during the periods under review, comprising 0.2%, 2.0% and 1.2% of revenue for the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the 16-month period ended 30 April 2019, respectively. From the financial year ended 30 April 2021 and onwards, technology development costs are not capitalised unless relating to material projects. In the absence of such material projects, capital expenditure in the financial year ended 30 April 2021 does not include any capitalised labour cost. On a comparable basis (excluding capitalised labour costs), the Group's capital expenditure as a percentage of revenue for the aggregated period ended 30 April 2020 and the 16-month period ended 30 April 2019 would reduce to 1.2% and 0.8%, respectively.

Ancillary services, including financial intermediation, insurance, data and other services

Since the launch of its financial intermediation offering in 2015 on Auto24.ee and in 2018 on Autoplus.lt, commissions earned by the Group on financial intermediation services have had a significant impact on the revenue generated by the automotive business line, contributing 17.2%, 9.5% and 5.6% of the automotive revenue and 6.8%, 3.1% and 1.6% of the Group's revenue in the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively. The increased contribution from financial intermediation services revenue to the Group's revenue was driven by growing lending volumes, the introduction of the leasing solution in Auto24.ee and the renegotiation of improved terms with the Group's banking partners who provide the underlying products.

Revenue from its financial intermediation offering is generated through commissions charged by the Group's portals on the loan and leasing products sold on the portals. The Group offers a private-label (i.e. "Autoplus.lt loan", "Auto24.ee loan", "Auto24.ee leasing") automated online financing solution through which consumers can apply and receive financing online prior to buying a vehicle. The Group's automotive portals have partnered with selected banks in Estonia and Lithuania (one per country) which offer the loan and leasing products. In the event the commissions in a particular month do not reach a certain threshold, the Group charges a minimum fee to the banks, securing a stable minimum revenue from its financial intermediation services and protecting the Group from any market risk. The Group does not incur any liability, balance sheet risk or credit risk as the Group does not provide the loan or leasing products itself.

Revenue from the Group's insurance distribution services is generated through commissions charged by Auto24.ee on the insurance products sold through the portal. Auto24.ee offers an automated online insurance solution through which listers can apply for and receive insurance against the risk of technical failures of the sold vehicle that may occur after the sale of the vehicle to the new owner. The Group has partnered with a selected insurance company in Estonia which offers this insurance product. The Group does not incur any liability, balance sheet risk or credit risk as the Group does not provide the insurance products itself. Estonian financial intermediary regulation requires insurance intermediaries to be registered as an insurance agent acting on behalf and for the benefit of the insurance company, to provide pre-contractual information about the insurance product to consumers, and to have management board members complying with reputational and knowledge requirements.

In addition, the Group offers data services to the consumers of Auto24.ee by providing vehicle history checks using the Vehicle Identification Number through VINinfo.ee.

From time to time, the Group considers and reviews various strategic opportunities to expand its current services or to add further features and additional services to its existing products and services, including the roll-out of the vehicle history check services on its Autoplus.lt and the offering of financial intermediation services on its real estate portals offering mortgage products through a commission-based model.

Strategic acquisitions

Acquisitions have been an important driver of the Group's growth, supporting its strategy of maintaining and acquiring market-leading positions and creating value in the both its vertical and generalist portals. In January 2020, the Group acquired different complementary businesses, including Auto24.ee (the Group's automotive portal in Estonia) and KuldneBörs.ee (the Group's generalist portal in Estonia) and divested Soov.ee (generalist portal in Estonia) to clear merger control in relation to the acquisition of Auto24.ee given that both Soov.ee and KuldneBörs.ee are direct competitors. Each of these acquisitions led (or is expected to lead) to an increase in the Group's revenue, as well as an increase in expenses, most notably in personnel costs and transaction-related expenses. Due to the Group's centralised management structure and shared functions, the Group realised costs synergies following the acquisitions, as certain management costs incurred by Auto24.ee and KuldneBörs.ee were not transferred to the Group.

From 27 January 2020 to the end of the aggregated period ended 30 April 2020, Auto24.ee contributed €1.6 million to the Group's revenue in the aggregated period ended 30 April 2020. Auto24.ee contributed €6.6 million to the Group's revenue in the financial year ended 30 April 2021. The acquisition of Auto24.ee was part of the acquisition of eight legal entities, which together contributed €1.7 million to the Group's revenue in the aggregated period ended 30 April 2020 and €6.9 million in the financial year ended 30 April 2021.

Revenue from advertising

Although revenue from classifieds listings is the Group's main revenue component, the Group also derives revenue from the sale of advertisements on the Group's portals. Sale of advertising space generated €3.7 million, €3.9 million and €4.0 million of revenue for the Group in the financial year ended 30 April 2021, the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively, representing 8.7% of the Group's revenue for the financial year ended 30 April 2021, compared to 11.4% and 13.8% of the Group's revenue for the aggregated period ended 30 April 2020 and the twelve months ended 30 April 2019, respectively. The competition in the advertising market has increased in recent years with the increased use of social media and other digital platforms and the Group has been directing advertisers from advertising to value added services and ancillary products, resulting in decreased advertising revenue for the Group. The Group has made the strategic decision to focus on the development and roll-out of its higher margin ancillary services and value added services instead of its advertising products.

EXPLANATION OF KEY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME DATA LINE ITEMS

Set forth below are the key line items in the Group's historical consolidated statement of profit or loss and other comprehensive income data.

Revenue

Revenue primarily comprise listings revenue, advertising revenue and revenue from ancillary services. Listing revenue consists of B2C subscription revenue, C2C listing fees and other revenue from premium products and value added services, such as products offering increased visibility. Advertising revenue consists of sales of advertisement space on the Group's portals as well as RTB generated revenue. Ancillary services revenue consists of financial intermediation services revenue, such as commissions received on loan and leasing products sold by selected banks on the Group's portals and revenue generated by other ancillary services provided by the Group.

Other income and expenses

Other income and expenses is gains or losses from the disposal of property, plant and equipment, intangible assets, as well as other income not directly related to the primary activities of the Group.

Expenses

Expenses comprise direct labour costs (including labour costs of the IT department, unless capitalised), depreciation and amortisation, advertising and marketing services (such as costs related to client events), IT expenses (such as software, hosting and server-related expenses), and other expenses including general administrative expenses (such as bank fees and office related costs) and ordinary course consulting legal and audit fees and other one-off costs.

Operating profit / (loss)

Operating profit / (loss) is revenue, plus other income, less expenses.

Net finance costs

Finance income and expenses comprise interest receivable and payable, realised and unrealised exchange gains and losses regarding trade receivables, trade payables and loans denominated in foreign currencies.

Finance costs comprise interest expense on borrowings and the unwinding of the discount on provisions.

Income tax expense

Income tax on the profit or loss for the period comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted as of the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Profit / (loss) for the period being total comprehensive income

Profit / (loss) is operating profit, less net finance costs and income tax expense.

RESULTS OF OPERATIONS

Unless otherwise indicated, the financial information presented has been derived from (i) the audited consolidated financial statements of Baltic Classifieds Group OÜ as of and for the 16-month period ended 30 April 2019, (ii) the audited consolidated financial statements of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019, (iii) the audited consolidated financial statements of ANTLER MidCo S.à r.l. as of and for the period from 7 June 2019 to 30 April 2020 and (iv) the audited consolidated financial statements of ANTLER MidCo S.à r.l. as of and for the year ended 30 April 2021 (the “**financial year ended 30 April 2021**”), in each case included in Part B of Part XIII (*Historical Financial Information*) of this Prospectus (the “**Historical Financial Information**”).

Due to the impact of (i) the varying period lengths presented in the Historical Financial Information and (ii) the fact that the consolidated financial statements of the Group do not give pro forma effect to the Acquisition, the historical periods presented are not directly comparable.

Consequently, for illustrative purposes only, this Prospectus also contains (i) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the 12-month period ended 30 April 2019 (the “**twelve months ended 30 April 2019**”) included in Note 26 to the Historical Financial Information and (ii) the unaudited aggregated consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data for the 12-month period ended 30 April 2020 (the “**aggregated period ended 30 April 2020**”) derived by aggregating the consolidated statement of profit or loss and other comprehensive income data and the statement of cash flows data of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019 and the consolidated statement of profit or loss and other comprehensive income data and statement of cash flows data of ANTLER MidCo S.à r.l. for the period from 7 June to 30 April 2020, included in an unaudited aggregated memorandum column in the Historical Financial Information.

The Directors believe that presenting the unaudited aggregated memorandum information is useful to investors in evaluating the Group’s financial performance, as this will aid comparability of historical results of operations and cash flows.

The unaudited aggregated memorandum information has not been prepared in accordance with UK-adopted international accounting standards or any other generally accepted accounting standards. The unaudited aggregated memorandum information should be considered in addition to, as opposed to in substitution for, the audited historical financial results include in the Historical Financial Information.

This Part XI (Operating and Financial Review) presents the following information:

- (i) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the 16 months ended 30 April 2019, (ii) the consolidated statement of profit or loss and other comprehensive income data of Baltic Classifieds Group OÜ for the twelve months ended 30 April 2019, (iii) the unaudited aggregated consolidated statement of profit or loss and other comprehensive income data for the aggregated period ended 30 April 2020, and (iv) the consolidated statement of profit or loss and other comprehensive income data of ANTLER MidCo S.à r.l. for the financial year ended 30 April 2021 extracted without adjustment from the Historical Financial Information;
- (i) the audited consolidated statement of financial position of Baltic Classifieds Group OÜ as of 30 April 2019 and (ii) the audited consolidated statement of financial position of ANTLER MidCo S.à r.l. as of 30 April 2020 and 2021, in each case as included in the Historical Financial Information; and
- (i) the audited consolidated statement of cash flows data of Baltic Classifieds Group OÜ for the 16-month period ended 30 April 2019, (ii) the unaudited aggregated consolidated statement of cash flows data for the aggregated period ended 30 April 2020, and (iii) the audited consolidated cash flows data of ANTLER MidCo S.à r.l. for the year ended 30 April 2021.

The following discussion of the Group’s results of operations and financial condition contains Forward-looking Statements. The Group’s actual results could differ materially from those that it discusses in these Forward-looking Statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Prospectus, particularly under Part II (*Risk Factors*) and Part V (*Important*

Information—Forward-looking Statements). In addition, certain industry issues also affect the Group’s results of operations and are described in Part VI (*Market Overview*) of this Prospectus. Furthermore, the Group’s results in the periods presented contain certain areas of complexity or risk within the organisation that involve the exercise of judgement by management. Potential investors should read the whole of this Prospectus, including the financial statements, and the operating and financial review set out in this Part XI (*Operating and Financial Review*).

Financial year ended 30 April 2021 compared with aggregated period ended 30 April 2020

The following table sets out the Group’s consolidated statement of profit or loss and other comprehensive income data, extracted from the Historical Financial Information set out in Part XIII (*Historical Financial Information*) of this Prospectus, for the financial year ended 30 April 2021 (with comparatives for the aggregated period ended 30 April 2020, extracted from the unaudited memorandum column in the Historical Financial Information):

	Memorandum aggregated (unaudited) period ended 30 April 2020	Successor (ANTLER MidCo) financial year ended 30 April 2021
	(€ in millions)	
Revenue	34.3	42.3
Other income	0.8	0.0
Expenses	(27.9)	(26.5)
<i>Labour costs</i>	(4.7)	(6.0)
<i>Depreciation and amortisation</i>	(11.7)	(17.0)
<i>Advertising and marketing services</i>	(1.0)	(0.8)
<i>IT expenses</i>	(0.6)	(0.5)
<i>Impairment loss / Reversal of Impairment loss on trade receivables and contract assets</i>	0.1	(0.0)
<i>Other</i>	(9.9)	(2.2)
Operating profit / (loss)	7.2	15.8
Net finance costs	(9.7)	(13.9)
Income tax expense	(3.4)	(1.9)
Profit / (loss) for the year	<u>(5.9)</u>	<u>(0.0)</u>

Revenue

Revenue increased by €7.9 million, or 23.1%, from €34.3 million for the aggregated period ended 30 April 2020 to €42.3 million for the financial year ended 30 April 2021. This increase was primarily due to strong organic growth in the Group’s generalist, jobs and services and automotive business lines, with slower growth in the Group’s real estate business line, which was relatively more impacted by the COVID-19 pandemic and discounts granted to listers. Growth in the Group’s automotive business line was also driven by the full period impact of the acquisition of Auto24.ee (€6.6 million) (compared to only three months in the aggregated period ended 30 April 2020 (€1.6 million)).

Expenses

Expenses decreased by €1.4 million, or 4.9%, from €27.9 million for the aggregated period ended 30 April 2020 to €26.5 million for the financial year ended 30 April 2021. This decrease was primarily due to the non-recurrence of the costs related to the Acquisition and the acquisition of Auto24.ee, the LCC investigation and the write-off of assets in connection with the disposal of Soov.ee in financial year ended 30 April 2021. In addition, following the Auto24.ee transactions, the Group realized certain synergies related to its expenses. The decrease in expenses was partially offset by increased depreciation and amortisation expenses due to the full period impact of the depreciation and amortisation charges resulting from the significant value uplift of the intangible assets following the purchase price allocation related to the Acquisition and the acquisition of Auto24.ee, increased labour costs driven by the Group’s yearly salary reviews, additional personnel as a result of the acquisition of Auto24.ee and KuldneBörs.ee, and the incurrence of costs in relation to the Offer.

Labour costs

Labour costs increased by €1.4 million, or 28.9%, from €4.7 million for the aggregated period ended 30 April 2020 to €6.0 million for the financial year ended 30 April 2021. Labour costs as a percentage of revenue was 14.3% for the financial year ended 30 April 2021, compared to 13.7% for the aggregated period ended 30 April 2020. The increase of labour costs and the increase of labour costs as a percentage of revenue was primarily due to additional personnel as a result of the acquisition of Auto24.ee and KuldneBörs.ee.

Depreciation and amortisation

Depreciation and amortisation increased by €5.2 million, or 44.5%, from €11.7 million for the aggregated period ended 30 April 2020 to €17.0 million for the financial year ended 30 April 2021. This increase was primarily due to the full period impact of the depreciation and amortisation charges resulting from the significant value uplift of the intangible assets following the purchase price allocation related to the Acquisition and the acquisition of Auto24.ee, compared to a nine-month and three-month impact, respectively, in the aggregate period ended 30 April 2020.

Advertising and marketing services costs

Advertising and marketing services costs decreased by €0.3 million, or 25.4%, from €1.0 million for the aggregated period ended 30 April 2020 to €0.8 million for the financial year ended 30 April 2021. This decrease was primarily due to reduced spending on marketing, particularly in the context of the COVID-19 situation. Only approximately 2% of the Group's traffic was paid traffic and the Group continued to increase traffic to its portals and grew its lead over competitors during the period despite the low level of marketing spend.

Advertising and marketing services costs as a percentage of revenue was 1.8% for the financial year ended 30 April 2021, compared to 3.0% for the aggregated period ended 30 April 2020. The decrease of advertising and marketing services costs as a percentage of revenue was primarily due to the reduced spending on advertising and marketing in the financial year ended 30 April 2021 and the growth in revenue.

IT expenses

IT expenses slightly decreased by €0.1 million, or 11.5%, from €0.6 million for the aggregated period ended 30 April 2020 to €0.5 million for the financial year ended 30 April 2021. This decrease was primarily due to reduced development provided by third parties, driven by synergies in technology development between the Group's portals leading to intragroup services replacing external provision of certain services.

IT expenses as a percentage of revenue was 1.3% for the financial year ended 30 April 2021, compared to 1.8% for the aggregated period ended 30 April 2020. The decrease of IT expenses as a percentage of revenue was primarily due to reduced IT expenses in the financial year ended 30 April 2021 and the growth in revenue.

Other costs

Other costs decreased by €7.7 million, or 77.9%, from €9.9 million for the aggregated period ended 30 April 2020 to €2.2 million for the financial year ended 30 April 2021. This decrease was primarily due to the non-recurrence of the costs related to the Acquisition and the acquisition of Auto24.ee, the costs related to the LCC investigation and the write-off of assets in connection with the disposal of Soov.ee in financial year ended 30 April 2021, partially offset by the incurrence of costs in relation to the Offer.

Operating profit

Operating profit increased by €8.5 million, from €7.2 million for the aggregated period ended 30 April 2020 to €15.8 million for the financial year ended 30 April 2021. This increase was primarily due to the reasons set out above.

Net finance costs

Net finance costs increased by €4.2 million, or 43.2%, from €9.7 million for the aggregated period ended 30 April 2020 to €13.9 million for the financial year ended 30 April 2021. This increase was primarily due to the effect of a full year of interest being due on the Senior Facilities in the financial year ended 30 April 2021, while the Senior Facilities were not in place for the full aggregated period ended 30 April 2020, and due to the increased drawdown of the Senior Facilities in relation to the payment of contingent consideration to UP Invest OÜ in February 2021 following the decision by the LCC to terminate its investigation.

Income tax expense

Income tax expense decreased by €1.5 million, or 44.4%, from €3.4 million for the aggregated period ended 30 April 2020 to €1.9 million for the financial year ended 30 April 2021. This decrease was primarily due to a change in deferred tax.

Loss for the year

Loss for the year decreased by €5.8 million, from a loss of €5.9 million for the aggregated period ended 30 April 2020 to a loss of €0.0 million for the financial year ended 30 April 2021. This increase was primarily due to the reasons set out above.

Aggregated period ended 30 April 2020 compared with twelve months ended 30 April 2019

The following table sets out the Group's consolidated statement of profit or loss and other comprehensive income data, extracted from the unaudited memorandum column in the Historical Financial Information set out in Part B of Part XIII (*Historical Financial Information*) of this Prospectus, for the aggregated period ended 30 April 2020 (with comparatives for the twelve months ended 30 April 2019, extracted from Note 26 to the Historical Financial Information):

	Predecessor (BCG Group) 12 months ended 30 April 2019	Memorandum aggregated (unaudited) period ended 30 April 2020
	(€ in millions)	
Revenue	29.1	34.3
Other income	0.0	0.8
Expenses	10.6	(27.9)
<i>Labour costs</i>	(4.7)	(4.7)
<i>Depreciation and amortisation</i>	(2.7)	(11.7)
<i>Advertising and marketing services</i>	(1.1)	(1.0)
<i>IT expenses</i>	(0.6)	(0.6)
<i>Impairment loss / Reversal of Impairment loss on trade receivables and contract assets</i>	(0.1)	0.1
<i>Other</i>	(2.0)	(9.9)
Operating profit / (loss)	18.5	7.2
Net finance costs	(3.5)	(9.7)
Income tax expense	(2.2)	(3.4)
Profit / (loss) for the year	<u>12.7</u>	<u>(5.9)</u>

Revenue

Revenue increased by €5.2 million, or 18.0%, from €29.1 million for the twelve months ended 30 April 2019 to €34.3 million for the aggregated period ended 30 April 2020. This increase was primarily due to the impact of three months revenue following completion of the acquisition of eight legal entities on 27 January 2020, and organic growth across all business lines of the Group, driven by price increases (partially offset by a decline in average monthly revenue per active C2C real estate listing) and an increase in the number of listings and listers on the Group's portals (partially offset by a decline in average monthly number of real estate brokers and average monthly number of job listers on CVbankas.lt).

Expenses

Expenses increased by €17.3 million, from €10.6 million for the twelve months ended 30 April 2019 to €27.9 million for the aggregated period ended 30 April 2020. This increase was primarily due to the costs related to the Acquisition and the acquisition of Auto24.ee, costs related to the LCC investigation and the write-off of assets in connection with the disposal of Soov.ee in the aggregated period ended 30 April 2020, increased depreciation and amortisation expenses due to the depreciation and amortisation charges resulting from the significant value uplift of the intangible assets following the purchase price allocation related to the Acquisition and the acquisition of Auto24.ee, increased labour costs driven by the Group's yearly salary reviews and additional personnel as a result of the acquisition of Auto24.ee and KuldneBörs.ee, partially offset by the non-recurrence of management fees paid to the previous shareholder in the twelve months ended 30 April 2019.

Labour costs

Labour costs increased by €0.6 million, or 15.9%, from €4.0 million for the twelve months ended 30 April 2019 to €4.7 million for the aggregated period ended 30 April 2020. This increase was primarily due to the increased salaries resulting from the Group's yearly performance review and the three-month impact of the employees who joined the Group as a result of the Auto24.ee acquisition.

Labour costs as a percentage of revenue was 13.7% for the aggregated period ended 30 April 2020, compared to 13.9% for the twelve months ended 30 April 2019. The slight decrease of labour costs as a percentage of revenue was primarily due to revenue growing faster than the labour costs.

Depreciation and amortisation

Depreciation and amortisation increased by €9.0 million, from €2.7 million for the twelve months ended 30 April 2019 to €11.7 million for the aggregated period ended 30 April 2020. This increase was primarily due to the impact of the depreciation and amortisation charges resulting from the significant value uplift of the intangible assets following the purchase price allocation related to the Acquisition and the acquisition of Auto24.ee.

Advertising and marketing services costs

Advertising and marketing services costs decreased by €0.1 million, or 9.9%, from €1.1 million for the twelve months ended 30 April 2019 to €1.0 million for the aggregated period ended 30 April 2020. This decrease was primarily due to reduced spending on marketing. Despite the reduction in spending, the Group increased traffic to its portals over the year.

Advertising and marketing services costs as a percentage of revenue was 3.0% for the aggregated period ended 30 April 2020, compared to 3.9% for the twelve months ended 30 April 2019. The decrease of advertising and marketing services costs as a percentage of revenue was primarily due to the slightly reduced spending on advertising and marketing for the aggregated period ended 30 April 2020 and the growth in revenue.

IT expenses

IT expenses remained stable at €0.6 million for the twelve months ended 30 April 2019 and the aggregated period ended 30 April 2020.

IT expenses as a percentage of revenue was 1.8% for the aggregated period ended 30 April 2020, compared to 2.1% for the twelve months ended 30 April 2019. The decrease of IT expenses as a percentage of revenue was primarily due to the growth in revenue, while IT expenses remained stable.

Other costs

Other costs increased by €7.8 million, from €2.0 million for the twelve months ended 30 April 2019 to €9.9 million for the aggregated period ended 30 April 2020. This increase was primarily due to the costs related to the Acquisition and the acquisition of Auto24.ee, the costs related to the LCC investigation and the write-off of assets in connection with the disposal of Soov.ee in the aggregated period ended 30 April 2020, partially offset by the non-recurrence of the management fees charged by the previous shareholder.

Operating profit

Operating profit decreased by €11.3 million, or 60.9%, from €18.5 million for the twelve months ended 30 April 2019 to €7.2 million for the aggregated period ended 30 April 2020. This decrease was primarily due to the reasons set out above.

Net finance costs

Net finance costs increased by €6.2 million from €3.5 million for the twelve months ended 30 April 2019 to €9.7 million for the aggregated period ended 30 April 2020. This increase was primarily due to the increase in interest expense and finance costs, including commitment and agency fees, related to the Senior Facilities drawn by the Group in the aggregated period ended 30 April 2020 to fund the Acquisition and the acquisition of Auto24.ee.

Income tax expense

Income tax expense increased by €1.1 million, or 51.5%, from €2.2 million for the twelve months ended 30 April 2019 to €3.4 million for the aggregated period ended 30 April 2020. This increase was primarily due to higher taxable profits in the Lithuanian entities. In Lithuania the corporate income tax rate is 15%, while in Estonia and Latvia the corporate income rate is 20%. However, in Estonia and Latvia no tax is applicable if there are no profit distributions from the respective entities.

Loss for the year

Loss for the year was €5.9 million for the aggregated period ended 30 April 2020, €18.6 million down from a profit of €12.7 million for the twelve months ended 30 April 2019. This decrease was primarily due to the reasons set out above.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

The Group's liquidity requirements arise primarily in relation to the funding of acquisitions, capital expenditure, working capital and servicing debt. The Group has historically funded its business primarily using cash from its operations and third-party debt.

In connection with the Offer and Admission, the Senior Facilities Agreement is being refinanced, and the Group entered into a New Facilities Agreement on 11 June 2021, including a term loan facility of up to €105 million and a multicurrency revolving credit facility of €10 million, as part of the changes being made to its capital structure. Going forward, the Group expects to fund its business using cash from operations and proceeds from the New Facilities Agreement.

Total financial debt

The Group's debt structure as of 30 April 2021 consisted of €214.3 million of bank loans and €2.2 million of prepayment liabilities, which total €216.5 million of Total Debt. Set forth below is a table showing the Group's debt figures as of 30 April 2021.

	<u>As of 30 April 2021</u> (€ in millions)
Bank loan ⁽¹⁾	214.3
Osta.ee prepayments ⁽²⁾	<u>2.2</u>
Total Debt	216.5
Cash	<u>(17.1)</u>
Net Debt	<u>199.4</u>

(1) Bank loans as of 30 April 2021 includes €214.3 million of borrowings under the Senior Facilities Agreement, dated 13 June 2019, as amended on 4 November 2019 and 11 January 2021. Bank loan does not take into account interest on loans and borrowings and debt issue costs.

(2) Osta.ee prepayments includes liabilities related to Osta.ee.

Set forth below is a table summarising the Group's debt facilities as of 30 April 2021 as provided under the Senior Facilities Agreement (the "**Senior Facilities**"). In the financial year ended 30 April 2021, the Senior Facilities had an average weighted interest rate of 6.08%. Any drawings are secured by, among others, share pledges over the shares of the respective borrowing entities and their immediate subsidiaries and holding companies and bank account pledges.

	<u>Amount of drawn</u> <u>capital</u>	<u>Amount of undrawn</u> <u>capital</u>
	(€ in millions)	
Senior Facilities		
Facility A1	35.0	—
Facility A2	17.5	—
Facility B1	115.0	—
Facility B2	46.8	10.7
Revolving facility	<u>—</u>	<u>10.0</u>
Total	<u>214.3</u>	<u>20.7</u>

In connection with the Offer and Admission, the Senior Facilities Agreement is being refinanced, and the Group entered into a New Facilities Agreement including a term loan facility of up to €105 million and a multicurrency revolving credit facility of €10 million on 11 June 2021 as part of the changes being made to its capital structure. The Directors intend to use the net proceeds of £89.4 million from the issue of the New Shares to redeem the Redeemable Preference Share for £49,999 and, alongside net drawings of €96.8 million (approximately £83.2 million) under the New Facilities Agreement and available cash balances of €13.5 million (approximately £11.6 million), to repay the principal outstanding amount under the Senior Facilities Agreement of €214.3 million (approximately £184.2 million). The sterling amounts included in this paragraph have been translated at an exchange rate of €1.00 = £0.8594, which represents the rate of exchange as of 29 June 2021. Going forward, the Group expects to fund its business using cash from operations and proceeds from the New Facilities Agreement. For details on the Senior Facilities Agreement as well as the New Facilities Agreement, see section 16.6 of Part XVII (*Additional Information*) of this Prospectus.

Cash flow

The table below sets out the Group's condensed consolidated statement of cash flows for the 16-month period started 1 January 2018 and ended 30 April 2019 and the financial years ended 30 April 2020 and 2021.

	Predecessor (BCG Group) 16 months ended 30 April 2019	Memorandum aggregated (unaudited) period ended 30 April 2020	Successor (ANTLER MidCo) financial year ended 30 April 2021
	(€ in millions)		
Net cash from operating activities	15.3	16.3	16.8
Net cash from / (used in) investing activities	(0.2)	(388.1)	(25.0)
Net cash from financing activities	(14.7)	390.8	4.7
Net (decrease) / increase in cash and cash equivalents	0.4	19.0	(3.5)
Cash and cash equivalents at beginning of the period	1.2	1.6	20.6
Cash and cash equivalents at the end of the period	1.6	20.6	17.1

Cash flow from operating activities

Cash inflow from operating activities was €16.8 million for the financial year ended 30 April 2021, primarily as a result of €33.2 million of cash generated from operating activities, net of corporate income tax payments of €3.4 million and €13.0 million of financial costs.

Cash inflow from operating activities was €16.3 million for the aggregated period ended 30 April 2020, primarily reflecting €20.1 million of cash generated from operating activities (accounting for the cash payment of costs in relation to the Acquisition and the acquisition of Auto24.ee), net of corporate income tax payments of €3.3 million and €0.6 million of interest and commitment fees.

Cash inflow from operating activities was €15.3 million for the 16-month period ended 30 April 2019, primarily as a result of €17.8 million cash generated from operating activities, net of €2.1 million corporate income tax payments and €0.5 million of financial costs.

Cash flow from investing activities

Cash used in investing activities was €25.0 million for the financial year ended 30 April 2021, primarily reflecting €25.0 million of contingent consideration paid in connection with the Baltic Classifieds Group share purchase agreement terms from the Acquisition. The Group had agreed to pay the selling shareholders (Up Invest OÜ) additional consideration, dependent on whether there would be any negative effects on BCG after the investigation performed by the LCC. The contingent consideration was paid out to the selling shareholders (Up Invest OÜ) in full amount in February 2021 following the findings of the LCC.

Cash used in investing activities was €388.1 million for the aggregated period ended 30 April 2020, primarily reflecting the purchase price paid for the Acquisition and the acquisition of Auto24.ee.

Cash used in investing activities was €0.2 million for the 16-month period ended 30 April 2019, primarily driven by cash contributions to the cash-pool arrangement with Eesti Meedia.

Cash flow from financing activities

Cash inflow from financing activities was €4.7 million for the financial year ended 30 April 2021, primarily reflecting €15.0 million borrowings drawn under the Senior Facilities to partially fund the contingent consideration paid in February 2021, offset by repayment in July 2021 of €10.0 million borrowings outstanding under a revolving credit facility which was drawn in March 2020.

Cash inflow from financing activities was €390.8 million for the aggregated period ended 30 April 2020, primarily reflecting the borrowings drawn under the Senior Facilities and the equity contributed by the Group's shareholders to finance the Acquisition and the acquisition of Auto24.ee.

Cash used in financing activities was €14.7 million for the 16-month period ended 30 April 2019, primarily reflecting the payment of a dividend to the previous direct shareholder Eesti Meedia in the amount €5.3 million.

OFF-BALANCE SHEET ARRANGEMENTS

As of 30 April 2021, the Group did not have any off-balance sheet arrangements in place, except in regards to the planned recharge of IPO-related fees from UAB Antler Group to the Company.

QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK, CREDIT RISK AND LIQUIDITY RISK

In its activities, the Group is exposed to various financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Group's senior management is responsible for the creation and control of an overall risk management policy in the Group.

Risk management policies are established to identify and analyse the risks faced by the Group and to set appropriate risk limits and controls. Risk management policies and systems are reviewed on a regular basis to reflect changes in the market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. From time to time, the Group may use derivative financial instruments in order to hedge against certain risks.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising returns.

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. As of 30 April 2021, the Group had €209 million of interest-bearing financial instruments with a variable interest rate. A change of 100 basis points in interest rate as of 30 April 2021 would have increased or decreased equity and profit or loss by €2.1 million.

Currency risk

The euro is the functional currency of the Group. The Group may be exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the euro. The Group is not using any financial instruments to hedge against the foreign currency exchange risk. As of 30 April 2021, the Group has no material monetary assets or liabilities denominated in other currencies other than the euro.

Credit risk

Credit risk is the risk of a financial loss for the Group if a customer or counterparty fails to comply with contractual obligations. Credit risk is controlled by applying credit limits depending on the risk profile of the customer and monitoring debt collection procedures.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

PART XII

CAPITALISATION AND INDEBTEDNESS

The information below should be read together with historical financial information presented in Part XIII (Historical Financial Information) as well as the information under Part XI (Operating and Financial Review) of this Prospectus. The tables below are prepared for illustrative purposes only.

CAPITALISATION

The capitalisation information as of 30 April 2021 set out below has been extracted without material adjustment from the historical financial information set out in Part XIII (Historical Financial Information) of this Prospectus:

	<u>As of</u> 30 April 2021 (€ in thousands)
Shareholders' equity	
Share capital	21 916
Share premium	197 188
Reserves	27
Retained earnings	<u>(10 931)</u>
Total capitalisation	<u>208 200</u>

There has been no material change in ANTLER MidCo S.à r.l.'s capitalisation since 30 April 2021.

The following table sets out the Group's indebtedness as of 30 April 2021:

	<u>As of</u> 30 April 2021 (€ in thousands)
Total current debt	
Guaranteed	—
Secured	—
Unguaranteed/Unsecured	<u>2 510</u>
Total non-current debt (excluding current portion of long-term debt)	
Guaranteed	—
Secured	214 295
Unguaranteed/Unsecured	<u>362</u>

NET FINANCIAL INDEBTEDNESS

The following table sets out the Group's net financial indebtedness as of 30 April 2021:

	<u>As of</u> <u>30 April 2021</u> (€ in thousands)
Cash	(17 079)
Cash equivalents	—
Trading securities	—
Liquidity	<u>(17 079)</u>
Current bank debt	—
Current portion of non-current debt	—
Other current financial debt ⁽¹⁾	<u>2 510</u>
Current financial debt	<u>2 510</u>
Net current financial indebtedness	<u>(14 569)</u>
Non-current bank loans	214 295
Bonds issued	—
Other non-current loans ⁽¹⁾	<u>362</u>
Non-current financial indebtedness	<u>214 657</u>
Net financial indebtedness	<u><u>200 088</u></u>

(1) Other current financial debt includes €301 thousand of lease liabilities. Other non-current loans includes €362 thousand of lease liabilities.

The Group had no other indirect or contingent liabilities, or any contingent commitments as of 30 April 2021.

PART XIII
HISTORICAL FINANCIAL INFORMATION

PART A: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION



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The Directors
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Highdown House
Yeoman Way
Worthing
West Sussex
BN99 3HH
United Kingdom
30 June 2021

Ladies and Gentlemen

Baltic Classifieds Group PLC

We report on the financial information set out in Part XIII for (i) Baltic Classifieds Group OÜ and its subsidiary undertakings for the 16 month period ended 30 April 2019 and the period from 1 May 2019 to 23 July 2019; and (ii) ANTLER MidCo S.à r.l. and its subsidiary undertakings for the period from 7 June 2019 to 30 April 2020 and the year ended 30 April 2021. This report is required by Item 18.3.1 of Annex 1 of the UK version of Commission Delegated Regulation (EU) 2019/980 (the 'PR Regulation') and is given for the purpose of complying with that item and for no other purpose.

We have not audited the memorandum aggregated information for the 12 months ended 30 April 2020, and accordingly do not express an opinion thereon.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the prospectus dated 30 June 2021, a true and fair view of the state of affairs of Baltic Classifieds Group OÜ and its subsidiary undertakings as at 30 April 2019 and as at 23 July 2019 and of its consolidated profits/losses, other comprehensive income, cash flows and changes in equity for the 16 months ended 30 April 2019 and the period from 1 May 2019 to 23 July 2019 in accordance with the basis of preparation set out in Note 1 of Part B of Part XIII (*Historical Financial Information*) and in accordance with UK-adopted international accounting standards as described in Note 1 of Part B of Part XIII (*Historical Financial Information*).

In our opinion, the financial information gives, for the purposes of the prospectus dated 30 June 2021, a true and fair view of the state of affairs of ANTLER MidCo S.à r.l. and its subsidiary undertakings as at 30 April 2020 and as at 30 April 2021 and of its consolidated profits/losses, other comprehensive income, cash flows and changes in equity for the period from 7 June 2019 to 30 April 2020 and for the year ended 30 April 2021 in accordance with the basis of preparation set out in Note 1 of Part B of Part XIII (*Historical Financial Information*) and in accordance with UK-adopted international accounting standards as described in Note 1 of Part B of Part XIII (*Historical Financial Information*).

Responsibilities

The Directors of Baltic Classifieds Group PLC are responsible for preparing the financial information on the basis of preparation set out in Notes 1 and 2 of Part B of Part XIII (*Historical Financial Information*) and in accordance with UK-adopted international accounting standards.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 1.3 of Annex 1 of the PR Regulation, consenting to its inclusion in the prospectus.

Basis of Preparation

The financial information has been prepared for inclusion in the prospectus dated 30 June 2021 of Baltic Classifieds Group PLC on the basis of the accounting policies set out in Note 2 of Part B of Part XIII (*Historical Financial Information*).

Basis of Opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom (the 'FRC'). We are independent of Baltic Classifieds Group PLC, and have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements of the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Conclusions Relating to Going Concern

The Directors of Baltic Classifieds Group PLC have prepared the financial information on the going concern basis as they do not intend to liquidate the entity or cease its operations, and as they have concluded that the entity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial information ("the going concern period").

Our conclusions:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the entity's financial information is appropriate; and
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for the going concern period.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R (2)(f) we are responsible for this report as part of the prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the prospectus in compliance with Item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

KPMG LLP

PART B: HISTORICAL FINANCIAL INFORMATION

ANTLER MidCo S.à r.l.

Historical Financial Information comprising:

**Consolidated financial statements of Baltic Classifieds Group OÜ for the 16 month period ended
30 April 2019 and for the period from 1 May 2019 to 23 July 2019**

**Consolidated financial statements of ANTLER MidCo S.à r.l. for the periods ended
30 April 2020 and 2021**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Note	Period from 1 January 2018 to 30 April 2019 (€ thousands)	Period from 1 May 2019 to 23 July 2019 (€ thousands)	Period from 7 June 2019 to 30 April 2020 (restated*) (€ thousands)	Twelve months ended 30 April 2020 (€ thousands)	Year ended 30 April 2021 (€ thousands)
Revenue	5	37 799	8 216	26 110	34 326	42 268
Other income		13	3	784	787	7
Expenses		(14 145)	(2 490)	(25 385)	(27 875)	(26 518)
Operating profit	6	23 667	5 729	1 509	7 238	15 757
Finance income	8	27	—	7	7	2
Finance expenses	8	(3 728)	(6)	(9 734)	(9 740)	(13 935)
Net finance costs		(3 701)	(6)	(9 727)	(9 733)	(13 933)
Profit / (loss) before tax		19 966	5 723	(8 218)	(2 495)	1 824
Income tax expense	9	(2 856)	(723)	(2 640)	(3 363)	(1 870)
Profit / (loss) for the period		17 110	5 000	(10 858)	(5 858)	(46)
Other comprehensive income/(loss)		—	—	—	—	—
Total comprehensive income/(loss) for the year		17 110	5 000	(10 858)	(5 858)	(46)
Attributable to:						
Owners of predecessor/ successor		17 110	5 000	(10 858)	(5 858)	(46)
Earnings Per Share:		(€ cents)	(€ cents)	(€ cents)		(€ cents)
Basic	10	6 483,54	1 669,19	(55,34)		(0,21)

* See Changes in presentation section in Note 3.

The accompanying notes in pages 142–188 are an integral part of these consolidated financial statements.

As described in Note 1, the financial information presented above comprises:

- the consolidated results of Baltic Classifieds Group OÜ and its subsidiaries (the “BCG Group”) from 1 January 2018 to 30 April 2019 and the period from 1 May 2019 to 23 July 2019 (ending one day prior to the date of acquisition of the BCG Group by ANTLER MidCo); and
- the consolidated results of ANTLER MidCo and its subsidiaries (the “Antler Group”) for the period from 7 June 2019 (the date of incorporation of ANTLER MidCo) to 30 April 2020, and the year ended 30 April 2021.

On 16 November 2018, UP Invest OÜ (the previous ultimate parent of Baltic Classifieds Group OÜ) completed a reorganisation whereby Baltic Classifieds Group OÜ was inserted as a holding company above UAB Diginet LTU, OÜ AllePal, OÜ Kinnisvaraportaal, SIA City 24. The transaction constituted a group reorganisation whereby all entities were under common control by UP Invest OÜ both before and after the transaction. Accordingly, in preparing the historical track record, book value accounting was applied to prepare consolidated financial statements for Baltic Classifieds Group OÜ for the entirety of the BCG Group accounting periods.

On 24 July 2019, ANTLER MidCo through its indirect subsidiary UAB Antler Group acquired BCG Group. BCG is a holding company that controls UAB Diginet LTU, OÜ AllePal, OÜ Kinnisvaraportaal, SIA City 24. Prior to the acquisition, ANTLER MidCo had no trading activity. The consolidated results of ANTLER MidCo for the period from 7 June 2019 to 30 April 2020 therefore include the trading results of BCG Group for the period from 24 July 2019 (the date of acquisition) to 30 April 2020.

The memorandum column presented above represents the aggregated results of BCG Group for the period from 1 May 2019 to 23 July 2019 and the results of the ANTLER MidCo for the period from 7 June 2019 to 30 April 2020, i.e. the memorandum includes the result of underlying business for full 12 months from 1 May 2019 to 30 April 2020 and the result of the Company since its incorporation on 7 June 2019 to 30 April 2020. See Note 1 for full details.

Consolidated Statements of Financial Position

		Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Successor (ANTLER MidCo)
	Note	Balance at 30 April 2019 (€ thousands)	Balance at 23 July 2019 (€ thousands)	Balance at 30 April 2020 (restated*) (€ thousands)	Balance at 30 April 2021 (€ thousands)
Assets					
Property, plant and equipment		185	182	334	211
Intangible assets and goodwill	11	31 506	30 996	433 517	416 909
Right-of-use assets	12	786	728	896	761
Other non-current receivables		6	68	65	—
Deferred tax assets	9	583	581	—	—
Non-current assets		33 066	32 555	434 812	417 881
Trade and other receivables	13	14 240	1 847	2 142	2 513
Prepayments		17	55	144	44
Cash and cash equivalents	14	1 577	5 989	20 559	17 079
Current assets		15 834	7 891	22 845	19 636
Total Assets		48 900	40 446	457 657	437 517
Equity					
Share capital	15	3	3	21 916	21 916
Share premium	15	5	5	197 118	197 188
Reserves	15	358 328	346 021	—	27
Retained earnings	15	(323 202)	(318 202)	(10 858)	(10 931)
Total equity		35 134	27 827	208 176	208 200
Loans and borrowings (non-current)	16	484	426	194 568	210 413
Deferred tax liabilities	9	—	—	10 550	8 901
Non-current liabilities		484	426	205 118	219 314
Current tax liabilities		1 541	765	1 192	1 293
Loans and borrowings (current)	16	227	229	12 731	2 713
Payroll related liabilities		497	425	701	769
Trade and other payables (current)	17	9 758	9 471	28 437	3 580
Contract liabilities	5	1 259	1 303	1 302	1 648
Current liabilities		13 282	12 193	44 363	10 003
Total liabilities		13 766	12 619	249 481	229 317
Total equity and liabilities		48 900	40 446	457 657	437 517

* See Changes in presentation and Prior year adjustment sections in Note 3.

The accompanying notes in pages 142–188 are an integral part of these consolidated financial statements.

As described in Note 1, the financial information presented above comprises:

- the consolidated statement of financial position of Baltic Classifieds Group OÜ (the “BCG” Group) as at 30 April 2019 and 23 July 2019; and
- the consolidated statement of financial position of ANTLER MidCo as at 30 April 2020 and 30 April 2021.

As 1 January 2018 to 30 April 2019 represents the first period of IFRS in BCG Group, IFRS1 requires the presentation of an opening balance sheet which is provided in Note 25.

Consolidated Statements of Changes in Equity

<u>Predecessor (BCG Group)</u>	<u>Note</u>	<u>Share capital</u>	<u>Share premium</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
		(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Balance at 1 January 2018 . . .		<u>3</u>	<u>5</u>	<u>360 332</u>	<u>(337 345)</u>	<u>22 995</u>
Profit for the period		—	—	—	17 110	17 110
Total comprehensive income . . .		—	—	—	17 110	17 110
Contribution in kind	15	—	—	296	—	296
Dividends	15	—	—	(2 300)	(2 967)	(5 267)
Balance at 30 April 2019 . . .		<u>3</u>	<u>5</u>	<u>358 328</u>	<u>(323 202)</u>	<u>35 134</u>
Profit for the period		—	—	—	5 000	5 000
Total comprehensive income . . .		—	—	—	5 000	5 000
Dividends in kind	15	—	—	(12 307)	—	(12 307)
Balance at 23 July 2019		<u>3</u>	<u>5</u>	<u>346 021</u>	<u>(318 202)</u>	<u>27 827</u>
<u>Successor (ANTLER MidCo)</u>	<u>Note</u>	<u>Share capital</u>	<u>Share premium</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
		(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Balance at 7 June 2019		<u>22</u>	—	—	—	<u>22</u>
Loss for the period		—	—	—	(10 858)	(10 858)
Total comprehensive income . . .		—	—	—	(10 858)	(10 858)
Issuance of ordinary shares . . .	15	20 693	186 241	—	—	206 934
Share for share exchange	15	1 201	10 877	—	—	12 078
Balance at 30 April 2020 . . .		<u>21 916</u>	<u>197 118</u>	—	<u>(10 858)</u>	<u>208 176</u>
Profit for the period		—	—	—	(46)	(46)
Total comprehensive income . . .		—	—	—	(46)	(46)
Transfer to reserves	15	—	—	27	(27)	—
Capital contribution	15	—	70	—	—	70
Balance at 30 April 2021 . . .		<u>21 916</u>	<u>197 188</u>	<u>27</u>	<u>(10 931)</u>	<u>208 200</u>

The accompanying notes in pages 142–188 are an integral part of these consolidated financial statements.

As described in Note 1, the financial information presented above comprises:

- the consolidated statement of changes in equity of BCG Group as at 30 April 2019 and 23 July 2019; and
- the consolidated statement of changes in equity of ANTLER MidCo as at 30 April 2020 and 30 April 2021.

Consolidated Statements of Cash Flows

		Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Note	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020 (restated ⁽¹⁾)	Twelve months ended 30 April 2020 ²	Year ended 30 April 2021
		(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Cash flows from operating activities						
Profit (loss) for the period		17 110	5 000	(10 858)	(5 858)	(46)
<i>Adjustments for:</i>						
Depreciation and amortisation		3 690	662	11 077	11 739	16 966
Bad debts write-off		2	—	(73)	(73)	23
(Profit) / Loss on property, plant and equipment disposals		—	2	291	293	20
Taxation	9	2 856	722	2 640	3 362	1 870
Net finance costs	8	3 701	5	9 752	9 757	13 935
Other non-cash items	6	666	—	14	14	—
<i>Working capital adjustments:</i>						
Decrease / (Increase) in inventories		—	—	100	100	—
Decrease / (Increase) in trade and other receivables		(9 057)	24	13	37	(395)
Decrease / (Increase) in prepayments		12	(38)	4	(34)	160
(Decrease) / Increase in trade and other payables		(1 509)	(354)	939	585	253
(Decrease) / Increase in contract liabilities		363	44	130	174	387
Cash generated from operating activities		17 834	6 067	14 029	20 096	33 173
Corporate income tax paid		(2 060)	(1 494)	(1 763)	(3 257)	(3 420)
Interest and commitment fees paid		(464)	(6)	(551)	(557)	(12 950)
Net cash inflow from operating activities		15 310	4 567	11 715	16 282	16 803
Cash flows from investing activities						
Acquisition of intangible assets and property, plant and equipment		(450)	(99)	(592)	(691)	(78)
Proceeds from sale of intangible assets and property, plant and equipment		247	—	53	53	75
Acquisition of subsidiaries, net of cash acquired ⁽²⁾	23	—	—	(381 491)	(387 480)	(25 000)
Interest and dividends received		26	—	—	—	—
Other investments		—	—	—	—	(11)
Net cash used in investing activities		(177)	(99)	(382 030)	(388 118)	(25 014)
Cash flows from financing activities						
Proceeds from issuance of share capital	15	—	—	207 026	207 026	70
Proceeds from loans and borrowings	16	—	—	197 348	197 348	15 000
Repayment of loans and borrowings	16	(9 143)	—	(13 282)	(13 282)	(10 000)
Payment of lease liabilities		(296)	(56)	(218)	(274)	(339)
Dividends paid	15	(5 267)	—	—	—	—
Net cash generated from (used in) financing activities		(14 706)	(56)	390 874	390 818	4 731
Net increase in cash and cash equivalents		427	4 412	20 559	18 982	(3 480)
Cash and cash equivalents at the previous period		1 150	1 577	—	1 577	20 559
Cash and cash equivalents at the current period		1 577	5 989	20 559	20 559	17 079

The accompanying notes in pages 142–188 are an integral part of these consolidated financial statements.

(1) See Changes in presentation in Note 3.

(2) Memorandum aggregated (unaudited) considers adjustment for cash acquired from the acquired BCG group (Note 23).

As described in Note 1, the financial information presented above comprises:

- the consolidated results of Baltic Classifieds Group OÜ and its subsidiaries (the “BCG Group”) from 1 January 2018 to 30 April 2019 and the period from 1 May 2019 to 23 July 2019 (ending one day prior to the date of acquisition of the BCG Group by ANTLER MidCo); and
- the consolidated results of ANTLER MidCo and its subsidiaries (the “Antler Group”) for the period from 7 June 2019 (the date of incorporation of ANTLER MidCo) to 30 April 2020 and the year ended 30 April 2021.

On 16 November 2018, UP Invest OÜ (the previous ultimate parent of Baltic Classifieds Group OÜ) completed a reorganisation whereby Baltic Classifieds Group OÜ was inserted as a holding company above UAB Diginet LTU, OÜ AllePal, OÜ Kinnisaraportaal, SIA City 24. The transaction constituted a group reorganisation whereby all entities were under common control by UP Invest OÜ both before and after the transaction. Accordingly, in preparing the historical track record, book value accounting has been applied to prepare

consolidated financial statements for Baltic Classifieds Group OÜ for the entirety of the BCG Group accounting periods.

On 24 July 2019, ANTLER MidCo through its indirect subsidiary UAB Antler Group acquired BCG Group. BCG is a holding company that controls UAB Diginet LTU, OÜ AllePal, OÜ Kinnisvaraportaal, SIA City 24. Prior to the acquisition, ANTLER MidCo had no trading activity. The consolidated results of ANTLER MidCo for the period from 7 June 2019 to 30 April 2020 therefore include the trading results of BCG Group for the period from 24 July 2019 (the date of acquisition) to 30 April 2020.

The memorandum column presented above represents the aggregated results of BCG Group for the period from 1 May 2019 to 23 July 2019 and the results of the ANTLER MidCo for the period from 7 June 2019 to 30 April 2020. See Note 1 for full details.

Notes to the Consolidated Financial Statements

1. General Information and Basis of Presentation

General information

This section describes how the Financial Information has been prepared, as well as the critical accounting judgements and key sources of estimation uncertainty that the Group has identified that could potentially have a material impact on the consolidated Financial Information in the next 12 months. This note also sets out the significant accounting policies that relate to the Financial Information as a whole. Where an accounting policy is mainly applicable to a specific note to the Financial Information, the policy is described within that note. Where the Group believes any new Accounting Standards yet to be adopted could have a material impact, these have also been disclosed in this note.

Successor (ANTLER MidCo S.à r.l.)

ANTLER MidCo S.à r.l. (the “Company”), is a Luxembourg holding company incorporated on June 7, 2019. The Company’s registered office is established at 1-3, Boulevard de la Foire, L-1528 Luxembourg. The Company is registered with the Register of Commerce and Companies in Luxembourg under B 235 872.

ANTLER MidCo S.à r.l. is the controlling entity of the Group, comprising the Company and its subsidiaries (the “Group”).

The Group’s financial year begins on 1 May and ends on 30 April, except for the first financial period which started on 7 June 2019 (date of incorporation of the Company) and ended on 30 April 2020.

Predecessor (Baltic Classifieds Group OÜ)

On 16 November 2018, Baltic Classifieds Group OÜ was inserted as a holding company above UAB Diginet LTU, OÜ AllePal, OÜ Kinnisvaraportaal and SIA City 24. The transaction constituted a group capital reorganisation whereby all entities were under common control by UP Invest OÜ both before and after the transaction. Accordingly, as allowed under IFRS, the predecessor values method (book value) with the retrospective presentation approach was applied to prepare the consolidated financial statements for Baltic Classifieds Group OÜ for the two periods included in the Historical Financial Information. Under this approach, the consolidated financial statements of Baltic Classifieds Group OÜ are presented as if the businesses have been combined from the beginning of the earliest period presented, because they were under common control as of that date.

The first accounting period ended 30 April 2019 is 16 months long as a result of a change in the financial year end of UAB Diginet LTU, OÜ AllePal, OÜ Kinnisvaraportaal and SIA City 24 from 31 December to 30 April during this period. IFRS 1 First-time Adoption of International Financial Reporting Standards was applied in preparing this financial information. The date of transition was considered to be 1 January 2018. The second period is a short bridging period representing the portion of the financial year ending 30 April 2020 where Baltic Classifieds Group OÜ remained under the control of UP Invest OÜ prior to its acquisition by UAB Antler Group, an indirect subsidiary of the Company, on 24 July 2019.

Basis of Presentation of the Historical Financial Information

The Group is seeking admission to the London Stock Exchange. A new company has been incorporated Baltic Classifieds Group PLC and it is this company that will admit its shares to trading on the London Stock Exchange main market for listed securities (the “Admission”).

Shortly following Admission, Baltic Classifieds Group PLC will acquire via a new subsidiary (not yet incorporated) UAB Antler Group, being the main holding company of the trading entities in the Group. UAB Antler Group is currently an indirect subsidiary of ANTLER MidCo S.à r.l.

Given Baltic Classifieds Group PLC was only incorporated on 26 April 2021 and has not traded since incorporation, for the purposes of the Historical Financial Information, Consolidated Historical Financial Information of ANTLER MidCo S.a.r.l has been prepared for the 12 month period ending 30 April 2021 and from its date of incorporation to 30 April 2019. Given, the requirement for historical financial information for the last 3 years, Consolidated Historical Financial Information has also been prepared for Baltic Classifieds Group OÜ, which was the holding company of the trading entities prior to its acquisition by ANTLER Midco S.à r.l. (“Acquisition”). For the purposes of the Historical Financial Information, the consolidated financial information of ANTLER MidCo S.à r.l. is known as the Successor Financial Information and the consolidated financial information of Baltic Classifieds Group OÜ is known as the Predecessor Financial Information. More

information is provided on the historical ownership and group structure of Baltic Classifieds Group OÜ and ANTLER MidCo S.à r.l. below.

The Historical Financial information for both the Predecessor and Successor Consolidated Financial Statements have been prepared in accordance with UK-adopted International Financial Reporting Standards (IFRS) as this is the framework that will be adopted in the next financial statements of Baltic Classifieds Group PLC.

The Predecessor and Successor periods are separated by a vertical black line on the consolidated financial statements to distinctly highlight the periods pre- and post-acquisition and the fact that the financial information for those periods has been prepared under two different cost basis of accounting

In addition to the above, in order to aid comparability of financial information, the Historical Financial Information includes the following:

- An unaudited memorandum column representing the aggregation of the consolidated financial information, namely Consolidated Statement of Profit of Loss and Other Comprehensive Income and Consolidated Statement of Cash Flows, of Baltic Classifieds Group OÜ for the period from 1 May 2019 to 23 July 2019 with the consolidated financial information of the Group for the period from 7 June 2019 (date of incorporation) to 30 April 2020. As the consolidated financial information for the period from 7 June 2019 to 30 April 2020 include only 9 months result of underlying business due to BCG acquisition on 24 July 2019 (Note 23), the aggregate memorandum column represents a total underlying business result for a 12-month period ended 30 April 2020.
- A note 26 containing Consolidated Income Statement for Baltic Classifieds Group OÜ for the 12 months period ended 30 April 2019, along with composition of revenue and other limited disclosures on financial performance over this period.

Going concern assessment

The Directors have made an assessment of the Group's ability to continue as a going concern covering a period of at least 12 months from the date of approval of this Historical Financial Information (the assessment period) and has a reasonable expectation that the Group has adequate resources to continue in operational existence over this period. Accordingly, the Historical Financial Information has been prepared on a going concern basis.

The Group meets its day to day working capital requirements from cash balances and a bank loan facility. The bank loan is due for renewal in July 2026 and its availability is subject to continued compliance with certain covenants (see Note 16), it becomes repayable on demand in the case of a change in control. The Group had cash balances of €17m at the year end.

When assessing the going concern of the group, the directors have reviewed the year to date financial actuals, as well as detailed financial forecasts for the period ending 12 months from the date of approval of this Historical Financial Information. The assumptions used in the financial forecasts are based on the Group's historical performance and the Directors' experience of the industry. The forecasts have been stress tested taking into consideration the impact of Covid-19 on the wider economic environment.

On the planned admission to trading, the Group's existing debt facilities (under which €214m were drawn down as at 30 April 2021) would become repayable on demand. The Directors are confident that the transaction will raise sufficient funds to settle a significant portion of these existing facilities. The remainder is to be refinanced. The negotiations in respect of the refinancing are in an advanced stage and the Directors is confident that the refinancing will be successfully implemented and the Admission will not proceed unless sufficient appropriate facilities are in place.

As part of the Admission process, the new FloatCo, Baltic Classifieds Group PLC was incorporated as the ultimate parent of the existing group. The existing parent, ANTLER MidCo S.à r.l., will be liquidated. While the intention to liquidate the existing parent may result in the group headed by ANTLER MidCo S.à r.l. technically ceasing to be a going concern, the trade of the group will continue under the ownership of Baltic Classifieds Group PLC and has no effect on the recognition, measurement or presentation of any items in the financial statements.

The stress testing indicates that the Group will comply with its debt covenants and have sufficient funds to meet its liabilities as they fall due during the assessment period.

Consequently, the Directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of this Historical Financial Information and therefore has prepared the Historical Financial Information on a going concern basis.

2. Principles of preparation of consolidated financial statements

These consolidated financial statements have been prepared in accordance with UK-adopted International Financial Reporting Standards (IFRS).

Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, unless otherwise stated in the accounting policies below.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has existing rights that give it the ability to direct the relevant activities of an entity and has the ability to affect the returns the Group will receive as a result of its involvement with the entity. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Functional and presentation currency

These consolidated financial statements are presented in Euro (€), which is the Company's functional currency. All amounts are rounded to the nearest thousand (€ 000), except where otherwise indicated.

Use of estimates and judgments

The preparation of the consolidated financial statements, in accordance with UK-adopted IFRS, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised or in any future periods affected.

The below accounting estimates or judgements are considered to be critical to the reporting of results of operations and financial position:

- Carrying values of goodwill. An impairment review is performed of goodwill balances by the Predecessor (BCG Group) and the Group on a 'value in use' basis. This requires judgement in estimating the future cash flows, the time period over which they occur, an in arriving at an appropriate discount rate to apply to the cashflows as well as an appropriate long term growth rate. Each of these judgements has an impact on the overall value of cashflows expected and therefore the headroom between the cashflows and carrying values of the cash generating units. Key assumptions and uncertainties for impairment are disclose in Note 11.

Other important estimates and judgements:

- Useful lives of intangible assets. A useful life is assigned to an acquired intangible asset based on the estimated period of time an asset is likely to remain in service. This judgement has an impact on the amortisation expense for any given period. Useful lives of intangible assets are disclosed in Note 3.
- Deferred tax asset. The availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised has to be assessed before any deferred tax asset is recognised. If it is not probable that future taxable profit will be available against which the Predecessor (BCG Group) and the Group can use the benefits, no deferred tax asset is recognised. Deferred taxes are discussed in Note 9.

Effective new standards as at 1 May 2020

Amendments to References to Conceptual Framework in IFRS Standards

The revised Conceptual Framework includes a new chapter on measurement; guidance on reporting financial performance; improved definitions and guidance—in particular the definition of a liability; and clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The amendments did not have a material impact on the Group's financial statements.

Amendments to IAS 1 and IAS 8: Definition of Material

The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS Standards. Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments did not have a material impact on the Group's financial statements.

Amendments to IFRS 3: Definition of a business

The amendments revise definition of a business. A business must have inputs and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present, including for early stage companies that have not generated outputs. An organised workforce should be present as a condition for classification as a business if there are no outputs. The definition of the term 'outputs' is narrowed to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. It is also no longer necessary to assess whether market participants are capable of replacing missing elements or integrating the acquired activities and assets. An entity can apply a 'concentration test'. The assets acquired would not represent a business if substantially all of the fair value of gross assets acquired is concentrated in a single asset (or a group of similar assets). The amendments did not have a material impact on the Group's financial statements.

Amendments to IFRS 9, IAS 39 and IFRS 7: Interest rate benchmark reform, Phase 1

The amendments were triggered by replacement of benchmark interest rates such as LIBOR and other inter-bank offered rates ('IBORs'). The amendments provide temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by the IBOR reform. The amendments did not have a material impact on the Group's financial statements.

Standards issued but not yet effective

The following new and amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) (not yet endorsed by the UK), effective for annual periods beginning on or after 1 January 2023;
- Reference to the Conceptual Framework (Amendments to IFRS 3) (not yet endorsed by the UK), effective for annual reporting periods beginning on or after 1 January 2022;
- Property, Plant and Equipment—Proceeds before Intended Use (Amendments to IAS 16) (not yet endorsed by the UK), effective for annual reporting periods beginning on or after 1 January 2022;
- Onerous Contracts—Cost of Fulfilling a Contract (Amendment to IAS 37) (not yet endorsed by the UK), effective for annual reporting periods beginning on or after 1 January 2022.
- Annual Improvements to IFRS Standards 2018-2020 (not yet endorsed by the UK), effective for annual reporting periods beginning on or after 1 January 2022;
- COVID-19-Related Rent Concessions (Amendment to IFRS 16) (not yet endorsed by the UK), effective for annual reporting periods beginning on or after 1 April 2021;
- Interest Rate Benchmark Reform—Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16), effective for annual periods beginning on or after 1 January 2021;
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) (not yet endorsed by the UK);
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts (not yet endorsed by the UK), effective for periods beginning on or after 1 January 2023;
- Definition of Accounting Estimates (Amendments to IAS 8) (not yet endorsed by the UK), effective for annual periods beginning on or after 1 January 2023;

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) (not yet endorsed by the UK), effective for annual periods beginning on or after 1 January 2023;
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) (not yet endorsed by the UK), effective for annual periods beginning on or after 1 January 2023.

3. Significant accounting policies

The Group has consistently applied the accounting policies to all the periods presented in these consolidated financial statements.

Revenue

Revenue is measured based on the consideration specified in a contract with a customer and is recognised at the point when the performance obligations are satisfied. The Group applies the five-step revenue recognition model in accordance with IFRS 15 as follows.

- i. Identification of the contract with a customer
- ii. Identification of performance obligations
- iii. Determination of the transaction price
- iv. Allocating the transaction price to individual performance obligations
- v. Recognition of revenue when performance obligations are satisfied

The Group's revenue streams include listings revenue, advertising revenue, financial intermediation and ancillary revenue. The different types of services offered to customers along with the nature and timing of satisfaction of performance obligations are set as follows:

Listing fees and listing promotions

The Group operates leading online classifieds portals for automotive, real estate, jobs and services, and general merchandise. Listing fees revenue is generated from both private ("C2C") and business customers ("B2C").

Private customers pay a fee in advance to advertise their product (automotive, real estate, general merchandise) on the Group's platform for a specified period of time. Revenue is deferred until the customer obtains control over the services. Control is obtained by customers across the life of the contract as their product is continuously listed. Contracts for these services are typically entered into for a period of between a day and a year.

Business customers pay fees to obtain a "service pack" which allows the customer to advertise a set number of listings during a period, unused listings cannot be rolled over. Revenue is deferred until the customer obtains control over the services. Control is obtained by the customers across the life of the contract, which is the set period in the contract. B2C are typically invoiced monthly, although some contracts are annual contracts and have 7-60 days settlement terms.

The Group applies a fixed price to all listings, both C2C and B2C.

One of the Group's general merchandise platforms, Osta.ee allows a customer to fill an e-wallet with money that can then be used to pay for services provided by the Group. The customer can cash out at any time. This cash balance is therefore accounted for as a financial liability within trade payables and other payables in the consolidated statement of financial position. No revenue is recognised unless the customer purchases a product provided by the Group using money from their e-wallet. Revenue is then recognised in accordance with the product purchased.

Advertising

Advertising revenue comprises fees (net of rebates) from business customers for banner advertising on the Group's platforms. The customer pays fees to advertise on the Group's platforms. Revenue is deferred until the customer obtains control over the services. Control is obtained by the customers over the life of the advertisement. Customers are typically invoiced monthly and have a 7-60 days settlement term.

The Group has rebate agreements with some customers. The Group estimates, based on agreed metrics, the discount which is then applied in determining the transaction price for advertising. The estimate is updated throughout the term of the contract and is settled annually. The rebate amounts are not material.

Ancillary

Ancillary revenue comprises revenue from financial intermediation, subscription services and other.

Ancillary revenue is recognised as the Group satisfies its performance obligation by bringing leads to a customer or by providing other agreed services. Financial intermediation revenue comprises commission fees from financial institutions for directing potential customers from the Group's portals to financing offers such institutions provide. At the beginning of each month the Group agrees certain traffic metrics with financial institutions and issues invoices for the commission or a minimum agreed fee. Revenue is recognised as the Group satisfies its performance obligation by directing potential customer traffic to the financial institutions.

The revenue accounting policy across business lines is the same for each revenue stream, i.e. advertising revenue is accounted for the same in both automotive and real estate business lines.

As the timing of the satisfaction of performance obligations usually is the same as the typical timing of payment or recognition of trade receivable, therefore usually no contract liability or asset arises (with an exception of *osta.ee* that is discussed above).

Other income and expenses

Other income and expenses comprise gains or losses from disposal of property, plant and equipment, intangible assets, as well as other income and costs not directly related to the primary activities of the Group.

Finance income and finance costs

Finance income and expenses comprise interest receivable and payable, realised and unrealised exchange gains and losses regarding trade receivables, trade payables and loans denominated in foreign currencies.

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and unwinding of discounts on provisions. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

Income tax

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and if they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Segment information

Operating segment is reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources, assessing

performance of the operating segment and making strategic decisions, has been identified as the executive management team, comprised of key executive management members.

Earnings per share

Basic earnings per share and diluted earnings per share are presented for ordinary shares.

Basic earnings per share is calculated by dividing profit / (loss) attributable to owners of the Company by the weighted average number of shares outstanding.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Consolidation

i. Business combinations

Business combinations are accounted for using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issuance of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, it is then not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

ii. Non-controlling interests (hereinafter—NCI)

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

iv. Transactions eliminated on consolidation

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Foreign currency

Transactions in foreign currencies are translated into functional currency of the respective group entity at the exchange rates set at the dates of the transactions.

Intangible assets and goodwill

i. Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Other intangible assets, including customer relationships, software and trademarks, that are acquired by the Group and have finite useful lives, are measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Research and development

Costs associated with maintaining software programmes are recognised as an expense as incurred. Material development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iv. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is recognised in profit or loss. Goodwill is not amortised. Estimated useful lives are as follows:

Trademarks and domains	10 years
Relationship with clients	5–7 years
Other intangible assets	3–7 years

Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised within other operating income/other operating expenses in profit or loss.

ii. Subsequent expenditure

The expenditure of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits within the part will flow to the Group, and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The cost of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii. Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Depreciation is calculated from the first day of the next month when the asset is available for use, using the straight-line method.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings	15–20
Vehicles	4–10
Other	3–6

The useful lives, residual values and depreciation method are reviewed annually to ensure that the depreciation period and other estimates are consistent with the expected pattern of economic benefits from items in property, plant and equipment.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of the identified asset, the Group uses the definition of a lease in IFRS 16 Leases.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension

option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments arising from a change in an index or rate, if there is a change in the Group's and the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group's changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'Right-of-use assets' and lease liabilities in 'long-term lease liabilities' and 'short-term lease liabilities' in the statement of financial position.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-current assets, except for inventories and deferred tax asset, to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use, that are largely independent of the cash inflows of other assets (the "cash-generating unit, or CGU").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

Cash and cash equivalents

Cash includes cash at banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents include cash at banks.

Financial instruments

Financial instruments—initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

The Group qualifies financial assets to one of the following categories:

- measured at amortised cost,
- measured at fair value through other comprehensive income,
- measured at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables

that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

The Group's business model for managing financial assets refers to how the Group manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Regular way purchases or sales of financial assets are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

After initial recognition, the Group measures a financial asset at amortised cost (debt instruments).

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade, other current and non-current receivables and contract assets.

Impairment of financial assets

As relevant for:

- Financial assets measured at amortised cost;
- Contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- (a) debt securities that are determined to have low credit risk at the reporting date; and
- (b) other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, and includes forward-looking information.

The Group considers a financial asset to be in default when the financial asset is more than 180 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual and corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the procedures for recovery of amounts due.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Predecessor and the Group's financial liabilities include trade and other payables, loans and borrowings, lease liabilities and financial liabilities measured at fair value with changes recognised in profit or loss.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

After initial recognition, the Group's loans, borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss, when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance expenses in profit or loss.

In Predecessor Group, earn-out and put option financial liabilities (both within trade and other payables) are subsequently measured at fair value through profit or loss. The Predecessor Group's loans, borrowings and other payables apart from earn-out and put option financial liabilities are subsequently measured at amortised cost using the EIR method.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, i.e. to realize the assets and settle the liabilities simultaneously.

Payroll related liabilities

Short-term payroll related liabilities are expensed as the related service is provided. These include salaries and wages, social security contributions, vacation payouts, compensation for illness, bonuses, allowances, severance payments, vacation accruals, all of which are recognised as costs when an employee has fulfilled his duties in exchange for the received allowance.

Provisions

Provisions on obligations are accounted for only when the Group has legal obligation or irrevocable commitment as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle it, and the amount of obligation can be measured reliably. Provisions are

determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance expenses.

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as deductions from equity. Income tax relating to transaction costs of equity transactions is accounted for in accordance with IAS 12.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividend is approved by the Company's shareholders in the case of final dividends, or the date at which they are paid in the case of interim dividends.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements, unless the realisation of income is virtually certain. They are disclosed in the consolidated financial statements when an inflow of economic benefit is probable.

Subsequent events

Events that provide additional evidence on conditions that existed at the end of the reporting period (the adjusting events) are recognised in the final statements. Other subsequent events are not adjusting events and are disclosed in the notes if material.

Prior year adjustment

The financial information for the period ending 30 April 2020 has been restated in the application of IFRS15, revenue recognition. The Group had previously recognised revenue with business to consumers and consumer to consumer customers at a point in time when the listing was first published. In the current period, the Group have reviewed their accounting policies and determined that their performance obligation is satisfied over time as the customer obtains control of the services across the life of the contract as their product is listed (more details on the Group's revenue accounting policies are set out in Note 3). As a result the financial information for the period ending 30 April 2020 has been restated.

In addition the purchase price allocation on the acquisition of BCG Group has been restated to reflect the fair value of the contract liabilities that existed on acquisition as a result of satisfying the performance obligation over time. The impact of the adjustment on that balance sheet is to increase contract liabilities by €1 120 thousand, increase deferred tax assets by €155 thousand and increase goodwill by €966 thousand (see note 23).

The impact of the adjustment as at 30 April 2020 is to increase contract liabilities by €1 120 thousand, increase deferred tax assets by €155 thousand and increase goodwill by €966 thousand, increasing net assets and equity by nil. There was no material movement in the contract liabilities or the associated deferred tax between the date of acquisition and the 30 April 2020, thus the impact on revenue, profit before tax and tax expense in the period ending 30 April 2020 is nil.

There is no impact on the operating cash flows.

The predecessor information has been prepared using consistent accounting policies and thus is prepared on a basis that is consistent with the above adjustments.

Changes in presentation

In preparing this financial information, the Group has made certain presentational changes if compared to the previously published financial statements for the period ended 30 April 2020 in order to better align these items to the relevant IFRS financial statement captions and to better reflect the underlying nature of the transactions.

The period ended 30 April 2020 has been updated to reflect this change in classification for all instances. These changes are:

- Consolidated statement of cash flows: interest of € 25 thousand was reclassified from financing activities to operating activities.
- Consolidated statement of financial position, Trade and other payables (Note 17), Financial liabilities (Note 18): Osta.ee cash balance was reclassified from contract liabilities to other payables within trade payables.
- Revenue (Note 5): was adjusted to disaggregate ancillary revenue from other revenue streams and to provide further disaggregation of revenue information across business lines.
- Consolidated Statement of Profit or Loss and Other Comprehensive Income and Operating profit (Note 6): The Group has determined that analysis of expenses by nature provides a more relevant basis of determining the performance of the Group given the activities of the Group and has therefore restated the Consolidated Statement of Profit or Loss and Other Comprehensive Income to provide the analysis by nature of expense. Expenses by function have then been provided in Note 6.
- Net finance costs (Note 8): the interest unwind on lease liabilities was disaggregated from interest expense.
- Effective tax reconciliation (Note 9): the items within the reconciliation were reclassified to provide greater comparability between periods.
- Intangibles Assets (Note 11): Client relationships have been disaggregated from other intangibles. Amortisation has been reclassified accordingly.
- Financial assets (Note 18): A loan receivable has been disaggregated from other receivables to allow for greater transparency.

4. Operating segments

Operating segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance. The CODM has been identified as the executive management team, comprised of key executive management members.

The main focus of the Group is operating leading online classifieds platforms for automotive, real estate, jobs and services, and general merchandise in the Baltics. The Group's business is managed on a consolidated level. The CODM views information for each classified platform at a revenue level only and therefore the platforms are considered products but not a separate line of business or segment. The Group considers itself a classified business operating in a well-defined and economically similar geographical area, the Baltic countries. Therefore the CODM views detailed revenue information but only views costs and profit information at a Group level. As such, management concluded that Baltic Classifieds Group makes one operating segment, which also represents one reporting segment.

The revenue break-down is disclosed by primary geographical markets, key revenue streams and revenue by business lines in accordance with IFRS 15 in Note 5.

5. Revenue

In the following tables, revenue from contracts with customers is disaggregated by primary geographical markets, key revenue streams and revenue by business lines.

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020 (restated*)	Twelve months ended 30 April 2020	Year ended 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Primary geographic markets					
Lithuania	27 788	6 311	18 683	24 994	27 915
Estonia	8 678	1 630	6 582	8 212	13 332
Latvia	1 333	275	845	1 120	1 021
Total	37 799	8 216	26 110	34 326	42 268
Key revenue streams					
Advertising revenue	5 364	980	2 939	3 919	3 661
Listings revenue	31 774	7 003	21 899	28 902	35 091
—Listings revenue: B2C	16 097	3 594	11 245	14 839	18 187
—Listings revenue: C2C	15 677	3 409	10 654	14 063	16 904
Ancillary revenue	661	233	1 272	1 505	3 516
Total	37 799	8 216	26 110	34 326	42 268
Revenue by business line					
Automotive	10 547	2 353	8 908	11 261	16 822
—Advertising revenue	1 161	198	697	895	1 111
—Listings revenue: B2C	4 413	986	3 718	4 704	6 629
—Listings revenue: C2C	4 511	976	3 449	4 425	5 847
—Ancillary revenue	462	193	1 044	1 237	3 235
Real Estate	13 409	2 717	7 898	10 615	10 655
—Advertising revenue	3 107	542	1 605	2 147	1 782
—Listings revenue: B2C	7 179	1 473	4 363	5 836	6 051
—Listings revenue: C2C	3 117	697	1 854	2 551	2 778
—Ancillary revenue	6	5	76	81	44
Generalist	9 305	2 003	6 191	8 194	9 798
—Advertising revenue	1 079	238	628	866	763
—Listings revenue: B2C	336	69	423	492	1 218
—Listings revenue: C2C	7 698	1 662	4 993	6 655	7 587
—Ancillary revenue	192	34	147	181	230
Jobs & Services	4 538	1 143	3 113	4 256	4 993
—Advertising revenue	17	3	9	12	5
—Listings revenue: B2C	4 170	1 065	2 741	3 806	4 289
—Listings revenue: C2C	351	74	358	432	692
—Ancillary revenue	—	1	5	6	7
Total	37 799	8 216	26 110	34 326	42 268

* See *Changes in presentation* section in Note 3.

Ancillary revenue includes revenue from financial intermediation services, subscription services and other.

In year ended 30 April 2021, most recently acquired Auto24 group contributed 12 month revenue to the Group which is € 6 613 thousands of revenue to the automotive business line and € 325 thousands of revenue to the generalist business line.

In the period ended 30 April 2020, Auto24 group contributed 3 month revenue which was € 1650 thousands and € 90 thousands to the automotive and generalist business lines respectively.

Divested business in the historic period comprises of Soov.ee, divested in January 2020 as a part of Auto24 group acquisition, and Mets.ee. These businesses contributed € 214 thousands during the 12 months ended 30 April 2020 (aggregated unaudited) and € 521 thousands during the 16 months ended 30 April 2019 (€ 328 thousands during the 12 months ended 30 April 2019) to the generalist business line.

Due to the large number of customers the Group serves, there are no individual customers whose revenue is greater than 10% of the Group's total revenue in all periods presented in these financial statements.

Contract liabilities

Contract liabilities include advanced consideration received for which revenue is received as or when services are provided.

The movement of contract liabilities is provided below:

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Successor (ANTLER MidCo)
	Balance at 30 April 2019	Balance at 23 July 2019	Balance at 30 April 2020 (restated*)	Balance at 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Opening balance	870	1 121	—	1 121
Acquisitions through business combinations	—	—	1 120	—
Recognised in revenue in the period	(870)	(1 121)	(1 120)	(1 121)
Advanced consideration for services not yet provided	<u>1 121</u>	<u>1 120</u>	<u>1 121</u>	<u>1 464</u>
Closing balance	1 121	1 120	1 121	1 464

* See *Prior year adjustment* section in Note 3.

6. Operating profit

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020 (restated*)	Twelve months ended 30 April 2020	Year ended 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
<i>Operating profit is after charging the following:</i>					
Labour costs (a)	(5 391)	(1 048)	(3 644)	(4 692)	(6 047)
Depreciation and amortisation	(3 690)	(662)	(11 077)	(11 739)	(16 966)
Advertising and marketing services	(1 533)	(263)	(751)	(1 014)	(756)
IT expenses	(883)	(139)	(478)	(617)	(546)
Impairment loss / Reversal of Impairment loss on trade receivables and contract assets	(71)	(21)	73	52	(23)
Other (b)	<u>(2 577)</u>	<u>(357)</u>	<u>(9 508)</u>	<u>(9 865)</u>	<u>(2 180)</u>
	(14 145)	(2 490)	(25 385)	(27 875)	(26 518)

* See *Changes in presentation* section in Note 3.

(a) Labour costs include € 36 thousands of Auto24 acquisition related expenses for the year ended 30 April 2021.

(b) Other expenses include:

—c, d, f, g and h from the table below;

—for the 16 month period ended 30 April 2019 other expenses include revaluation at fair value of a put option (€ 666 thousands) related to a minority shareholder of Diginet LTU (Note 17) as relates to the previous shareholding structure under UP Invest OÜ. No similar costs were incurred in any other periods presented.

Profit / (loss) reconciliation with the Adjusted EBITDA

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED) Twelve months ended 30 April 2020	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019 (€ thousands)	Period from 1 May 2019 to 23 July 2019 (€ thousands)	Period from 7 June 2019 to 30 April 2020 (€ thousands)	(€ thousands)	Year ended 30 April 2021 (€ thousands)
Profit / (loss) for the period	17 110	5 000	(10 858)	(5 858)	(46)
Income tax expense	2 856	723	2 640	3 363	1 870
Net interest expense	356	—	8 789	8 789	13 396
Depreciation and amortisation (a)	3 690	662	11 077	11 739	16 966
EBITDA	24 012	6 385	11 648	18 033	32 186
SFA commitment and agency fees (b)	—	—	883	883	497
Acquisition related costs (c)	—	—	7 542	7 542	75
LCC investigation professional fees (d)	15	69	207	276	—
Revaluation of earn- out under prior ownership structure (e)	3 308	—	—	—	—
Revaluation of put option under prior ownership structure (f)	666	—	—	—	—
Management fee to previous shareholder (g)	391	—	—	—	—
Sale proceeds and asset write-off (h)	—	—	(417)	(417)	—
Offer related costs (i)	—	—	—	—	256
Adjusted EBITDA	28 392	6 454	19 863	26 317	33 014
Adjusted EBITDA Margin (j)	75,1%	78,6%	76,1%	76,7%	78,1%

- (a) The increase in depreciation and amortisation from the twelve months ended 30 April 2019 to the aggregated unaudited period ended 30 April 2020 was due to higher amortisation of acquired intangibles following the upward revaluation of the intangible assets at the time of the Acquisition.
- (b) Adjustment for commitment and agency fees incurred in relation to the acquisitions (Note 23) related Senior Facilities Agreement.
- (c) Fees and costs incurred in relation to the Acquisition and the acquisition of eight legal entities including Auto24.ee.
- (d) Advisor and legal fees incurred in relation to the investigation by the Lithuanian Competition Council regarding excessive pricing, which was concluded without any findings of abuse of dominant position or excessive pricing by the Group.
- (e) Non-cash adjustment relating to the revaluation at fair value of earn-out relating to shareholding structure prior to the Acquisition, recognised as other financial expense (Note 8).
- (f) Non-cash adjustment relating to the revaluation at fair value of put option relating to shareholding structure prior to the Acquisition, recognised as other expense (Note 6).
- (g) Fees charged by the previous owner of the Predecessor Group in relation to the management of the Predecessor Group.
- (h) Net proceeds of the divestment of Soov.ee by the Group.
- (i) Fees and costs incurred in relation to the Offer.
- (j) Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of total revenue.

Services provided by the Company's auditors

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020	Twelve months ended 30 April 2020	Year ended 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Fees payable for audit services:					
Audit of the Company and consolidated financial statements . . .	—	—	(52)	(52)	(73)
Audit of the Company's subsidiaries pursuant to legislation	(32)	(4)	(52)	(56)	(77)
Total audit remuneration	(32)	(4)	(104)	(108)	(150)
Fees payable for other services:					
- Tax advisory services	(10)	—	(7)	(7)	(4)
Total non-audit remuneration	(10)	—	(7)	(7)	(4)
Total	(42)	(4)	(111)	(115)	(154)

7. Employee numbers and costs

The average number of persons employed (including executive directors) during the year, analysed by category, was as follows:

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020	Twelve months ended 30 April 2020	Year ended 30 April 2021
	(number)	(number)	(number)	(number)	(number)
Administration	100	108	108	108	127
Key management personnel (Note 20)	4	4	6	6	6
Total	104	112	114	114	133

The aggregate payroll costs of these persons were as follows:

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020	Twelve months ended 30 April 2020	Year ended 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Wages and salaries	(4 309)	(949)	(3 225)	(4 174)	(5 369)
Social security costs	(1 081)	(99)	(419)	(518)	(678)
Total	(5 390)	(1 048)	(3 644)	(4 692)	(6 047)

8. Net finance costs

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020 (restated ²)	Twelve months ended 30 April 2020	Year ended 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Interest income	26	—	—	—	—
Other financial income	1	—	7	7	2
Total finance income	27	—	7	7	2
Interest expense 16	(382)	—	(8 789)	(8 789)	(13 396)
Commitment and agency fees 16	—	—	(883)	(883)	(497)
Other financial expenses (a)	(3 310)	—	(42)	(42)	(16)
Interest unwind on lease liabilities 16	(36)	(6)	(20)	(26)	(26)
Total finance expenses	(3 728)	(6)	(9 734)	(9 740)	(13 935)
Net finance costs recognised in profit or loss	(3 701)	(6)	(9 727)	(9 733)	(13 933)

* See *Changes in presentation* section in Note 3.

a) Other financial expenses for the 16 month period ended 30 April 2019 include revaluation at fair value of an earn-out (€ 3 308 thousands) related to a minority shareholder of Dignet LTU (Note 17) as relates to the previous shareholding structure under UP Invest OÜ. No similar costs were incurred in any other periods presented.

9. Income taxes

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Memorandum aggregated (UNAUDITED)	Successor (ANTLER MidCo)
	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020 (restated ⁽¹⁾)	Twelve months ended 30 April 2020	Year ended 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
A. Tax recognised in profit or loss					
Current tax expense					
Current year	(2 883)	(721)	(2 190)	(2 911)	(3 519)
Adjustments in respect of prior years	(13)	—	—	—	—
Deferred tax expense					
Change in deferred tax	40	(2)	(450)	(452)	1 649
Tax expense	(2 856)	(723)	(2 640)	(3 363)	(1 870)
B. Reconciliation of effective tax rate					
Profit (loss) before tax	19 966	5 723	(8 218)	(2 495)	1 824
Tax using the consolidating entity's domestic tax rate ⁽²⁾	—	—	2 050	2 050	(455)
Effect of tax rates in foreign jurisdictions	(2 391)	(692)	(1 336)	(2 028)	(509)
Non-deductible expenses	(465)	(31)	(1 116)	(1 147)	(188)
Tax-exempt income	—	—	—	—	1 039
Current year losses for which no deferred tax asset is recognised	—	—	(2 238)	(2 238)	(1 757)
	(2 856)	(723)	(2 640)	(3 363)	(1 870)

(1) See *Changes in presentation* section in Note 3.

(2) In Predecessor (BCG Group) the consolidating entity's domestic tax rate refers to the tax rate in Estonia, therefore for Predecessor period 0% rate is applied. In Successor (ANTLER MidCo) period it refers to the tax rate in Luxembourg, therefore 25% rate is applied.

Summary of taxation rates by country is presented below:

	Period from 1 January 2018 to 30 April 2019	Period from 1 May 2019 to 23 July 2019	Period from 7 June 2019 to 30 April 2020	Twelve months ended 30 April 2020	Year ended 30 April 2021
Lithuania	15%	15%	15%	15%	15%
Latvia*	20%	20%	20%	20%	20%
Estonia*	20%	20%	20%	20%	20%
Luxembourg	25%	25%	25%	25%	25%

* 0% income tax rate applies in Estonia and Latvia if there are no profit distributions.

C. Movement in deferred tax balances

Predecessor (BCG Group)

	Balance at 1 January 2018 (€ thousands)	Recognised in profit or loss (€ thousands)	Recognised in OCI (€ thousands)	Acquired in business combinations (€ thousands)	Balance at 30 April 2019 (€ thousands)	Deferred tax asset (€ thousands)	Deferred tax liability (€ thousands)
Intangible assets amortisation	397	(16)	—	—	381	381	—
Other temporary differences	146	56	—	—	202	202	—
Tax assets (liabilities) before set-off	543	40	—	—	583	583	—
Set-off of tax	—	—	—	—	—	—	—
Net tax assets (liabilities)	543	40	—	—	583	583	—

	Balance at 1 May 2019 (€ thousands)	Recognised in profit or loss (€ thousands)	Recognised in OCI (€ thousands)	Acquired in business combinations (€ thousands)	Balance at 23 July 2019 (€ thousands)	Deferred tax asset (€ thousands)	Deferred tax liability (€ thousands)
Intangible assets amortisation	381	3	—	—	384	384	—
Other temporary differences	202	(5)	—	—	197	197	—
Tax assets (liabilities) before set-off	583	(2)	—	—	581	581	—
Set-off of tax	—	—	—	—	—	—	—
Net tax assets (liabilities)	583	(2)	—	—	581	581	—

Successor (ANTLER MidCo)

	Balance at 7 June 2019 (€ thousands)	Recognised in profit or loss (€ thousands)	Recognised in OCI (€ thousands)	Acquired in business combinations (restated ¹) (€ thousands)	Balance at 30 April 2020 (restated ¹) (€ thousands)	Deferred tax asset (€ thousands)	Deferred tax liability (€ thousands)
Intangible assets amortisation	—	1 039	—	(10 255)	(9 216)	—	(9 216)
Front-end commission fee	—	(1 447)	—	—	(1 447)	—	(1 447)
Other temporary differences	—	(42)	—	155	113	113	—
Tax assets (liabilities) before set-off	—	(450)	—	(10 100)	(10 550)	113	(10 663)
Set-off of tax	—	—	—	—	—	(113)	113
Net tax assets (liabilities)	—	(450)	—	(10 100)	(10 550)	—	(10 550)

	Balance at 1 May 2020 (€ thousands)	Recognised in profit or loss (€ thousands)	Recognised in OCI (€ thousands)	Acquired in business combinations (€ thousands)	Balance at 30 April 2021 (€ thousands)	Deferred tax asset (€ thousands)	Deferred tax liability (€ thousands)
Intangible assets							
amortisation	(9 216)	1 264	—	—	(7 952)	—	(7 952)
Front-end commission fee	(1 447)	140	—	—	(1 307)	—	(1 307)
Other temporary differences	113	245	—	—	358	358	—
Tax assets (liabilities) before set-off	(10 550)	1 649	—	—	(8 901)	358	(9 259)
Set-off of tax*	—	—	—	—	—	(358)	358
Net tax assets (liabilities)	(10 550)	1 649	—	—	(8 901)	—	(8 901)

* Set-off is allowed as it is the same jurisdiction (Lithuania).

(1) See *Prior year adjustment* sections in Note 3.

D. Unrecognised deferred tax asset

Successor (ANTLER MidCo)

The Company's indirect subsidiary UAB Antler Group incurred taxable losses for the year ended 30 April 2021 due to financing costs and for the period ended 30 April 2020 due to financing costs and other expenses related to BCG and Auto24 acquisitions (Note 23). The applicable tax rate is 15%. No deferred tax assets have been recognised in respect to the tax losses incurred by UAB Antler Group, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

	As at 30 April 2020 (€ thousands)		As at 30 April 2021 (€ thousands)	
	Gross amount	Tax effect	Gross amount	Tax effect
Tax losses	(14 874)	(2 238)	(26 547)	(3 995)
	(14 874)	(2 238)	(26 547)	(3 995)

E. Tax losses carried forward

Successor (ANTLER MidCo)

Tax losses carried forward were incurred by the Company (€69 thousand in the year ended 30 April 2021 and €61 thousand in the period ended 30 April 2020) and the Company's indirect subsidiary UAB Antler Group (€11 604 thousand in the year ended 30 April 2021 and €14 813 thousand in the period ended 30 April 2021). UAB Antler Group incurred losses due to financing costs and other expenses related to BCG and Auto24 acquisitions (Note 23). According to Lithuanian legislation, deductible tax losses carried forward can be used to reduce the taxable income earned during the reporting year by maximum 70%. Tax losses can be carried forward for an indefinite period, except for the losses incurred as a result of disposal of securities and/or derivative financial instruments. Such carrying forward is disrupted if the Group and the Company stop the activities due to which these losses were incurred except when the Group and the Company do not continue their activities due to reasons which do not depend on the Company itself. The losses from disposal of securities and/or derivative financial instruments can be carried forward for 5 consecutive years and can only be used to reduce the taxable income earned from transactions of the same nature.

Tax losses carried forward by expiration:

	As at 30 April 2021	As at 30 April 2020
Expire in 2037	(61)	(61)
Expire in 2038	(69)	—
Does not expire	(26 417)	(14 813)
Total	(26 547)	(14 874)

10. Earnings per share

	Predecessor (BCG Group) Period from 1 January 2018 to 30 April 2019	Predecessor (BCG Group) Period from 1 May 2019 to 23 July 2019	Successor (ANTLER MidCo) Period from 7 June 2019 to 30 April 2020	Successor (ANTLER MidCo) Year ended 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Weighted average number of shares outstanding	2 639	3 000	19 621 578	21 916 205
Profit (loss) attributable to owners of the Company	17 110	5 000	(10 858)	(46)
	(€ cents)	(€ cents)	(€ cents)	(€ cents)
Basic and diluted earnings per share	6 483,54	1 669,19	(55,34)	(0,21)

Basic earnings per share (EPS) amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. There were no dilutive instruments, thus earnings per share equals diluted earnings per share.

The reconciliation of the weighted average number of shares

	Number of shares
Issued ordinary shares at 1 January 2018	2 500
Effect of ordinary shares issued at 17 December 2018	139
Weighted average number of ordinary shares at 30 April 2019	2 639
Issued ordinary shares at 1 May 2019	3 000
Weighted average number of ordinary shares at 23 July 2019	3 000
Issued ordinary shares at 7 June 2019	22 000
Effect of ordinary shares issued at 1 July 2019	1 816 953
Effect of ordinary shares issued at 1 August 2019	9 572 530
Effect of ordinary shares issued at 1 January 2020	8 210 095
Weighted average number of ordinary shares at 30 April 2020	19 621 578
Issued ordinary shares at 1 May 2020	21 916 205
Weighted average number of ordinary shares at 30 April 2021	21 916 205

11. Intangible assets and goodwill

<u>Predecessor (BCG Group)</u>	<u>Goodwill</u> (€ thousands)	<u>Trademarks and domains</u> (€ thousands)	<u>Relationship with clients</u> (€ thousands)	<u>Other intangible assets</u> (€ thousands)	<u>Total</u> (€ thousands)
Balance at 1 January 2018	23 411	—	7 981	9 799	41 191
Cost					
Acquisitions	—	296	—	328	624
Disposals	—	—	—	(784)	(784)
Balance at 30 April 2019	23 411	296	7 981	9 343	41 031
Acquisitions	—	—	—	71	71
Balance at 23 July 2019	23 411	296	7 981	9 414	41 102
Balance at 1 January 2018	—	—	2 226	4 572	6 798
Accumulated amortisation and impairment losses					
Amortisation	—	15	1 393	1 856	3 264
Disposals	—	—	—	(537)	(537)
Balance at 30 April 2019	—	15	3 619	5 891	9 525
Amortisation	—	7	261	313	581
Balance at 23 July 2019	—	22	3 880	6 204	10 106
Carrying amounts					
Balance at 30 April 2019	23 411	281	4 362	3 452	31 506
Balance at 23 July 2019	23 411	274	4 101	3 210	30 996
<u>Successor (ANTLER MidCo)</u>	<u>Goodwill (restated*)</u> (€ thousands)	<u>Trademarks and domains</u> (€ thousands)	<u>Relationship with clients</u> (€ thousands)	<u>Other intangible assets</u> (€ thousands)	<u>Total</u> (€ thousands)
Balance at 7 June 2019	—	—	—	—	—
Cost					
Acquisitions	—	—	—	333	333
Disposals	—	(344)	—	(51)	(395)
Acquisitions through business combinations (restated*)	328 732	63 661	50 710	1 253	444 356
Balance at 30 April 2020 (restated*)	328 732	63 317	50 710	1 535	444 294
Disposals	—	(97)	—	(188)	(285)
Balance at 30 April 2021	328 732	63 220	50 710	1 347	444 009
Balance at 7 June 2019	—	—	—	—	—
Accumulated amortisation and impairment losses					
Amortisation	—	4 390	6 308	145	10 843
Disposals	—	(15)	—	(51)	(66)
Balance at 30 April 2020	—	4 375	6 308	94	10 777
Amortisation	—	6 331	9 824	340	16 495
Disposals	—	(13)	—	(159)	(172)
Balance at 30 April 2021	—	10 693	16 132	275	27 100
Carrying amounts					
Balance at 30 April 2020	328 732	58 942	44 402	1 441	433 517
Balance at 30 April 2021	328 732	52 527	34 578	1 072	416 909

* See Changes in presentation and Prior year adjustment sections in Note 3.

Predecessor (BCG Group)

Impairment testing for cash generating units containing goodwill

The following carrying amounts of goodwill are allocated to each cash-generating unit within the Predecessor (BCG Group):

	<u>30 April 2019</u> <u>(€ thousands)</u>	<u>23 July 2019</u> <u>(€ thousands)</u>
(i) Diginet LTU UAB	21 228	21 228
(ii) AllePal OU	<u>2 183</u>	<u>2 183</u>
	23 411	23 411

Successor (ANTLER MidCo)

Impairment testing for cash generating units containing goodwill

The following carrying amounts of goodwill are allocated to each cash-generating unit within the Group:

	<u>30 April 2020</u> <u>(restated*)</u> <u>(€ thousands)</u>	<u>30 April 2021</u> <u>(€ thousands)</u>
(i) Diginet LTU UAB	228 515	228 515
(ii) AllePal OU	82 027	82 027
(iii) Kinnisvaraportaal OU	13 976	13 976
(iv) City24 SIA	3 039	3 039
(v) VIN Solutions OU	<u>1 175</u>	<u>1 175</u>
	328 732	328 732

* See Prior year adjustment sections in Note 3.

The smallest groups of assets that generate cash inflows from continuing use are legal entities based in Lithuania, Estonia and Latvia. The recoverable amount of each cash generating unit as at 30 April 2021 and 2020 was determined based on the value in use calculations that use cash flow projections based on the five-year financial forecasts prepared by the management. The pre-tax discount rates applied to the cashflows are derived from the post-tax weighted cost of capital. The assumptions used in the calculation of the Group's weighted average cost of capital are benchmarked to externally available data. The terminal growth rate was determined based on the management's estimate of the long-term growth rate, consistent with assumptions that would be made by a reasonable market participant. Budgeted revenues and expenses were estimated based on past performance and management's expectation of growth from pricing, volume and product development. Due, in part, to rapid technological changes, evolving industry standards and changing needs and preferences of listers and consumers, the Group's competitive landscape is changing rapidly. It is, therefore, difficult for the Group to accurately assess or predict the Group's future competitors and the competitive threats the Group may be facing.

The key assumptions used for the value in use calculations are as follows:

30 April 2021

<u>In percent</u>	<u>Diginet</u> <u>LTU UAB</u>	<u>AllePal</u> <u>OÜ</u>	<u>Kinnisvara-</u> <u>portaal OÜ</u>	<u>City24</u> <u>SIA</u>	<u>VIN</u> <u>Solutions OÜ</u>
Discount rate (pre-tax)	9,48%	9,16%	9,16%	9,68%	9,16%
Terminal value growth rate	2%	2%	2%	2%	2%

30 April 2020

<u>In percent</u>	<u>Diginet</u> <u>LTU UAB</u>	<u>AllePal</u> <u>OÜ</u>	<u>Kinnisvara-</u> <u>portaal OÜ</u>	<u>City24</u> <u>SIA</u>	<u>VIN</u> <u>Solutions OÜ</u>
Discount rate (pre-tax)	9,56%	8,36%	8,36%	8,67%	8,36%
Terminal value growth rate	2%	2%	2%	2%	2%

The value in use forecasts assume a double digit growth in revenue in the initial 5 year period. Revenue growth is also considered to be a key assumption. Key drivers to future growth rates are dependent on the Group's ability to maintain and grow income streams. The level of headroom may change if different growth rate assumptions or a different pre-tax rate were used in the cashflow projections.

Sensitivity analysis has been performed in assessing the recoverable amounts of goodwill. There are no changes to the key assumptions of revenue growth or discount rate that are considered by the management to be reasonably possible, which give rise to an impairment of goodwill relating to any of the CGU's, with the exception of Kinnisvaraportaal OÜ (see below).

For the Kinnisvaraportaal OÜ a pre-tax discount rate of 9.16% has been applied based on the weighted average cost of capital reflecting specific principal risks and uncertainties to Kinnisvaraportaal OÜ. Forecasts cashflows assume good levels of organic growth due to increased revenue via price increases.

Sensitivity analysis has been performed in assessing the recoverable amounts of goodwill. Management has identified that a reasonably possible change in two key assumptions could cause the carrying value to exceed the recoverable amount. The amounts by which these two assumptions would need to change individually and collectively for the estimated recoverable amount to be equal to the carrying amount are set out below:

- Increasing the pre-tax discount rate by 2%
- Decreasing revenue growth in the initial 5 year period by 3%
- Increasing the pre-tax discount rate to 1% and decreasing the revenue growth by 1%

Having completed the impairment review for the year ended 30 April 2021, no impairment has been recognised in relation to any of the CGU's (for the period ended 30 April 2020: no impairment).

12. Right-of-use assets

Predecessor (BCG Group)

	<u>Buildings</u> (€ thousands)	<u>Vehicles</u> (€ thousands)	<u>Machinery</u> (€ thousands)	<u>Total</u> (€ thousands)
Balance at 1 January 2018	<u>923</u>	<u>99</u>	<u>16</u>	<u>1 038</u>
Cost				
Acquisitions	—	59	—	59
Balance at 30 April 2019	<u>923</u>	<u>158</u>	<u>16</u>	<u>1 097</u>
Acquisitions	—	—	—	—
Balance at 23 July 2019	<u>923</u>	<u>158</u>	<u>16</u>	<u>1 097</u>
Balance at 1 January 2018	—	—	—	—
Accumulated depreciation and impairment losses				
Depreciation	254	53	4	311
Balance at 30 April 2019	<u>254</u>	<u>53</u>	<u>4</u>	<u>311</u>
Depreciation	48	9	1	58
Balance at 23 July 2019	<u>302</u>	<u>62</u>	<u>5</u>	<u>369</u>
Carrying amounts				
Balance at 30 April 2019	<u>669</u>	<u>105</u>	<u>12</u>	<u>786</u>
Balance at 23 July 2019	<u>621</u>	<u>96</u>	<u>11</u>	<u>728</u>

Successor (ANTLER MidCo)

	<u>Buildings</u> (€ thousands)	<u>Vehicles</u> (€ thousands)	<u>Machinery</u> (€ thousands)	<u>Total</u> (€ thousands)
Balance at 7 June 2019	—	—	—	—
Cost				
Acquisitions	410	69	7	486
Acquisitions through business combinations	519	76	12	607
Balance at 30 April 2020	<u>929</u>	<u>145</u>	<u>19</u>	<u>1 093</u>
Acquisitions	—	108	—	108
Reassessment	67	2	10	79
Balance at 30 April 2021	<u>996</u>	<u>255</u>	<u>29</u>	<u>1 280</u>
Balance at 7 June 2019	—	—	—	—
Accumulated depreciation and impairment losses				
Depreciation	165	28	4	197
Balance at 30 April 2020	<u>165</u>	<u>28</u>	<u>4</u>	<u>197</u>
Depreciation	255	57	10	322
Balance at 30 April 2021	<u>420</u>	<u>85</u>	<u>14</u>	<u>519</u>
Carrying amounts				
Balance at 30 April 2020	<u>764</u>	<u>117</u>	<u>15</u>	<u>896</u>
Balance at 30 April 2021	<u>576</u>	<u>170</u>	<u>15</u>	<u>761</u>

13. Trade and other receivables

	<u>Predecessor (BCG Group) Balance at 30 April 2019 (€ thousands)</u>	<u>Predecessor (BCG Group) Balance at 23 July 2019 (€ thousands)</u>	<u>Successor (ANTLER MidCo) Balance at 30 April 2020 (€ thousands)</u>	<u>Successor (ANTLER MidCo) Balance at 30 April 2021 (€ thousands)</u>
Trade receivables	2 087	1 972	2 184	2 524
Expected credit loss (–) on trade receivables	(240)	(236)	(107)	(84)
Other short term receivables	86	111	41	73
Loan receivable 14	<u>12 307</u>	—	<u>24</u>	—
Total	<u>14 240</u>	<u>1 847</u>	<u>2 142</u>	<u>2 513</u>

Reconciliation of changes in impairment allowance for trade receivables:

Predecessor (BCG Group)

	<u>(€ thousands)</u>
Balance at 1 January 2018	<u>(251)</u>
Recoveries	7
Write offs	82
Impairment gain (loss) on trade receivables	<u>(78)</u>
Balance at 30 April 2019	<u>(240)</u>
Recoveries	5
Write offs	25
Impairment gain (loss) on trade receivables	<u>(26)</u>
Balance at 23 July 2019	<u>(236)</u>

Successor (ANTLER MidCo)

	<u>(€ thousands)</u>
Balance at 7 June 2019	—
Acquisitions through business combinations	(243)
Recoveries	32
Write offs	63
Impairment gain (loss) on trade receivables	<u>41</u>
Balance at 30 April 2020	<u>(107)</u>
Recoveries	53
Write offs	46
Impairment gain (loss) on trade receivables	<u>(76)</u>
Balance at 30 April 2021	<u>(84)</u>

Predecessor (BCG Group)

Trade and other receivables (except for loan receivables) are non-interest bearing. Loan receivable is cash-pool amount borrowed by the related parties. The Predecessor (BCG Group) has recognised impairment allowances in the amount of € 240 thousands as at 30 April 2019 and € 236 thousands as at 23 July 2019. Change in impairment losses for trade receivables for financial year amounted to € 21 thousands for the period ended 23 July 2019 (€ 71 thousands for the period ended 30 April 2019).

Successor (ANTLER MidCo)

Trade and other receivables (except for loan receivables) are non-interest bearing. The Group has recognised impairment losses in the amount of € 84 thousands as at 30 April 2021 (€ 107 thousands as at 30 April 2020). Change in impairment losses for trade receivables for financial year amounted to € 23 thousands as at 30 April 2021 (€ 73 thousands reversal as at 30 April 2020).

As at 30 April 2020 and 30 April 2021, no trade receivables are pledged to secure the bank loans. The amounts pledged include current intragroup receivables only (see Note 16).

14. Cash and cash equivalents

Predecessor (BCG Group)

As at 30 April 2019 € 12 307 thousands of cash was on loan to the related companies outside the BCG Group via shareholder cash-pool instruments previously in place. These amounts are shown under loan receivables in Note 13. During the period ended 23 July 2019 the cash-pool was settled as deemed distribution in the statement of changes in Equity (Note 15).

Successor (ANTLER MidCo)

The balance of the Group's cash and cash equivalents as at 30 April 2020 and 30 April 2021 comprises of cash in banks. The credit rating of banks the Group holds its cash and cash equivalents varies from Aa2 to Baa2 as per Moody's ratings.

As at 30 April 2020 and 30 April 2021, cash in major bank accounts is pledged to secure the bank loans (see Note 16).

As at 30 April 2020 and 30 April 2021, there are no restrictions on cash in Group's bank accounts.

15. Equity

Predecessor (BCG Group)

Subscribed capital and share premium

	<u>Number of shares</u>	<u>Share capital amount</u> (€ thousands)	<u>Share premium amount</u> (€ thousands)
Share capital			
Balance at 1 January 2018	3 000	3	5
Issuance of shares	—	—	—
Balance at 30 April 2019	3 000	3	5
Issuance of shares	—	—	—
Balance at 23 July 2019	3 000	3	5

All issued shares are fully paid. Subsidiaries did not hold any shares of Baltic Classifieds Group OÜ and Baltic Classifieds Group OÜ did not hold its own shares as at 30 April 2019 and 23 July 2019.

Share premium includes a cash contribution at the amount € 5 thousands made by Eesti Media AS at the incorporation of Baltic Classifieds Group OÜ.

Reconciliation of movement in reserves and retained earnings:

	<u>Reserves</u> (€ thousands)	<u>Retained earnings</u> (€ thousands)
Balance at 1 January 2018	360 332	(337 345)
Profit for the period	—	17 110
Dividends—distribution* of AllePal reserves to Eesti Meedia AS	(2 300)	—
Dividends—paid by Diginet LTU to Eesti Meedia AS	—	(2 967)
Contribution in kind by Eesti Media AS in the form of intangible assets	296	—
Balance at 30 April 2019	358 328	(323 202)
Profit for the period	—	5 000
Dividends in kind—deemed distribution* upon closing of Eesti Meedia cash pool agreement (Note 14)	(12 307)	—
Balance at 23 July 2019	346 021	(318 202)

* Distributed from reserves as a return of previous shareholder contribution

Legal reserve

Baltic Classifieds Group OÜ is an Estonian entity. Based on Estonian law, there is no requirement to form a legal reserve. As at 30 April 2019 or 23 July 2019, no amount was allocated to the legal reserve.

Successor (ANTLER MidCo)

Subscribed capital and share premium

	<u>Number of shares</u>	<u>Share capital amount</u> (€ thousands)	<u>Share premium amount</u> (€ thousands)
Share capital			
Balance at 7 June 2019	22 000	22	—
Issuance of shares	20 693 461	20 693	186 241
Share for share exchange	1 200 744	1 201	10 807
Capital contribution in cash	—	—	70
Balance at 30 April 2020	21 916 205	21 916	197 118
Capital contribution in cash	—	—	70
Balance at 30 April 2021	21 916 205	21 916	197 188

As at 30 April 2021 and 2020, the capital of the Company is represented by 21 916 205 fully paid-up ordinary shares of € 1 each.

Subsidiaries did not hold any shares of the Company as at 30 April 2021 and 2020. The Company did not hold its own shares as at 30 April 2021 and 2020.

The share capital was increased during both BCG and Auto24 group acquisitions, which took place in July 2019 and January 2020 (Note 23). In both cases, additional shares were issued and share premiums arose.

In April 2021 and April 2020, ANTLER PIKCo S.à r.l. contributed an additional € 70 thousands to the share premium account of the Company without issuing shares.

Reconciliation of movement in reserves and retained earnings:

	<u>Reserves</u> (€ thousands)	<u>Retained earnings</u> (€ thousands)
Balance at 7 June 2019	—	—
Loss for the period	—	<u>(10 858)</u>
Balance at 30 April 2020	—	<u>(10 858)</u>
Loss for the period	—	(46)
Transfer to reserves	<u>27</u>	<u>(27)</u>
Balance at 30 April 2021	<u>27</u>	<u>(10 931)</u>

Dividends paid and proposed

No dividends were declared or paid during the period ended 30 April 2021 and 2020.

Legal reserve

In accordance with Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve until the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders. As at 30 April 2021 € 27 thousands were allocated to the legal reserve (nil as at 30 April 2020).

16. Loans and borrowings

	<u>Predecessor (BCG Group) Balance at 30 April 2019 (€ thousands)</u>	<u>Predecessor (BCG Group) Balance at 23 July 2019 (€ thousands)</u>	<u>Successor (ANTLER MidCo) Balance at 30 April 2020 (€ thousands)</u>	<u>Successor (ANTLER MidCo) Balance at 30 April 2021 (€ thousands)</u>
Non-current liabilities				
Bank loan 1)	—	—	194 036	210 051
Lease liabilities	<u>484</u>	<u>426</u>	<u>532</u>	<u>362</u>
Total	484	426	194 568	210 413
Current				
Bank loan 1)	—	—	12 446	2 412
Lease liabilities	<u>227</u>	<u>229</u>	<u>286</u>	<u>301</u>
Total	227	229	12 732	2 713

Predecessor (BCG Group)

1) Borrowings

	<u>Maturity</u>	<u>Loan currency</u>	<u>Effective interest rate</u>	<u>30 April 2019 (€ thousands)</u>
Loan from Eesti Media	2023 March	€	3%	—

At the beginning of the period starting on 1 January 2018, the Predecessor (BCG Group) had a loan at the amount €15 512 thousand from its previous direct shareholder Eesti Media AS with a fixed interest rate of 3,13%. No assets were pledged and no loan covenants were applicable.

Upon establishment of Baltic Classifieds Group OÜ in November 2018, the outstanding loan of the amount of €6 375 thousand was contributed to the equity of the newly formed entity.

Successor (ANTLER MidCo)

1) Bank loan

	<u>Period end</u>	<u>Maturity</u>	<u>Loan currency</u>	<u>Effective interest rate</u>	<u>Amount</u> (€ thousands)
Bank Loan	30 April 2020	2026 July	€	6,18%	203 107
Bank Loan	30 April 2021	2026 July	€	6,08%	209 052

As at 30 April 2020 the loan comprises of Facility A1 (outstanding balance: €35 000 thousand), Facility A2 (€17 500 thousand), Facility B1 (€115 000 thousand), Facility B2 (€31 410 thousand) and Revolving facility (€10 000 thousand). As at 30 April 2020 the undrawn facilities amount to €26 090 thousand.

As at 30 April 2021, in addition to the balances listed as at 30 April 2020, the loan comprises additional facility B2 (€15 385 thousand). The revolving facility (€10 000 thousand) is undrawn as it was repaid in July 2020. It is still available as at 30 April 2021 (see Note 18). As at 30 April 2021 the undrawn facilities amount to €20 705 thousand.

The loan agreement prescribes a Total Leverage Ratio covenant. Total Leverage Ratio means the ratio of Consolidated Net Indebtedness to Consolidated EBITDA (as defined in the loan agreement) (9.75:1 and 11.5:1 for different loan parts). As at 30 April 2020 and 2021, the Group complied with the covenant prescribed in the loan agreement.

As per the same agreement, the interest margin for each facility is tied to the Total Leverage Ratio at each interest calculation date on quarterly basis:

<u>Total Leverage Ratio</u>	<u>Facility A Margin</u> (% p.a.)	<u>Facility B Margin</u> (% p.a.)	<u>Revolving Facility Margin</u> (% p.a.)
Greater than 6.00:1	2.75	7.32	2.75
Equal to or less than 6.00:1 but greater than 5.50:1	2.50	7.07	2.50
Equal to or less than 5.50:1	2.25	6.82	2.25

For the borrowings received from the bank, the following pledges and securities were granted as of 30 April 2020 and 2021: group companies shares, loan receivables, cash in major bank accounts and trademarks. The carrying amount of pledged assets is as follows:

<u>Pledged assets</u>	<u>30 April 2021</u> (€ thousands)	<u>30 April 2020</u> (€ thousands)
Group companies shares*	705 369	705 369
Current receivables (including intragroup)	58 837	58 463
Bank accounts	5 742	4 867
Trademarks	39 947	44 789
	<u>809 895</u>	<u>813 488</u>

* As defined in the loan agreement, the pledged assets include the shares held by Group companies (see the full list of subsidiaries in Note 22):

- the shares of UAB Antler Group that are held by ANTLER HoldCo S.à r.l.
- the shares of Baltic Classifieds Group OÜ and UAB Diginet LTU that are held by UAB Antler Group
- the shares of AllePal OÜ that are held by Baltic Classifieds Group OÜ

Reconciliation of movements of liabilities to cashflows arising from financing activities

Predecessor (BCG Group)

	<u>Bank Loan</u> (€ thousands)	<u>Lease</u> (€ thousands)	<u>Total</u> (€ thousands)
Balance at 1 January 2018	9 189	949	10 138
<i>Changes from financing cash flows</i>			
—Proceeds from loans and borrowings	—	—	—
—Repayment of borrowings ^(a)	(9 143)	—	(9 143)
—Payment of lease liabilities	—	(296)	(296)
Total changes from financing cash flows	(9 143)	(296)	(9 439)
<i>Changes arising from obtaining or losing control of subsidiaries or other businesses</i>	—	—	—
<i>Other liability related changes</i>			
—New leases	—	58	58
—Interest expenses	382	36	418
—Capitalised commitment and agency fees	—	—	—
—Interest paid	(428)	(36)	(464)
Total other liability related changes	(46)	58	12
Balance at 30 April 2019	—	711	711
<i>Changes from financing cash flows</i>			
—Proceeds from loans and borrowings	—	—	—
—Repayment of borrowings	—	—	—
—Payment of lease liabilities	—	(56)	(56)
Total changes from financing cash flows	—	(56)	(56)
<i>Changes arising from obtaining or losing control of subsidiaries or other businesses</i>	—	—	—
<i>Other liability related changes</i>			
—New leases	—	—	—
—Interest expenses	—	6	6
—Capitalised commitment and agency fees	—	—	—
—Interest paid	—	(6)	(6)
Total other liability related changes	—	—	—
Balance at 23 July 2019	—	655	655

(a) The amount refers to the repayment of a loan the Predecessor (BCG Group) had from its previous direct shareholder Eesti Media AS.

Successor (ANTLER MidCo)

	<u>Bank Loan</u> (€ thousands)	<u>Lease</u> (€ thousands)	<u>Total</u> (€ thousands)
Balance at 7 June 2019	—	—	—
<i>Changes from financing cash flows</i>			
—Proceeds from loans and borrowings	197 348	—	197 348
—Repayment of borrowings ^(a)	(13 282)	—	(13 282)
—Payment of lease liabilities	—	(218)	(218)
Total changes from financing cash flows	184 066	(218)	183 848
<i>Changes arising from obtaining or losing control of subsidiaries or other businesses</i>			
	13 282	1 036	14 318
<i>Other liability related changes</i>			
—New leases	—	—	—
—Interest expenses	8 789	20	8 809
—Capitalised commitment and agency fees	366	—	366
—Interest paid	(22)	(20)	(42)
Total other liability related changes	9 133	—	9 133
Balance at 30 April 2020	206 481	818	207 299
<i>Changes from financing cash flows</i>			
—Proceeds from loans and borrowings	15 000	—	15 000
—Repayment of borrowings ^(b)	(10 000)	—	(10 000)
—Payment of lease liabilities	—	(339)	(339)
Total changes from financing cash flows	5 000	(339)	4 661
<i>Changes arising from obtaining or losing control of subsidiaries or other businesses</i>			
	—	—	—
<i>Other liability related changes</i>			
—New leases	—	184	184
—Interest expenses	13 396	26	13 422
—Capitalised commitment and agency fees	—	—	—
—Interest paid	(12 414)	(26)	(12 440)
Total other liability related changes	982	184	1 166
Balance at 30 April 2021	212 463	663	213 126

(a) At the point of acquisition, Auto24 AS had Senior and Junior Bonds (including break fees and interests) which were repaid by the Group.

(b) Revolving facility (€ 10 000 thousands) was repaid in July 2020.

17. Trade and other payables

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Successor (ANTLER MidCo)
	Balance at 30 April 2019	Balance at 23 July 2019	Balance at 30 April 2020 (restated*)	Balance at 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Trade payables	188	184	408	315
Accrued expenses	12	79	625	189
Tax payables (except for corporate income tax)	616	628	647	849
Contingent consideration	6 070	6 070	25 000	—
Other payables	<u>2 872</u>	<u>2 510</u>	<u>1 757</u>	<u>2 227</u>
Total	9 758	9 471	28 437	3 580

* See *Changes in Presentation* section in Note 3.

Predecessor (BCG Group)

As at 30 April 2019 and 23 July 2019 the contingent consideration includes earn-out liabilities and other payables include option liabilities related to a noncontrolling shareholder of Baltic Classifieds Group OÜ's subsidiary Dignet LTU. The same person is also the CEO of BCG Group. A few years prior to the BCG Group being acquired by ANTLER MidCo, its subsidiary Dignet LTU underwent several corporate transactions and reorganisations (including a change in control event in 2015) and, as a result, the aforementioned noncontrolling shareholder of the subsidiary was granted certain financial instruments in or related to Dignet LTU, including the following:

- preferred shares accounting for 7.1% of the total share capital of Dignet LTU, accounted for as equity in the subsidiary. These preferred shares had voting rights and carried a cumulative annual dividend of 10% per annum from their nominal value. Such cumulative dividends were not material to the BCG Group's financial statements. When ANTLER MidCo acquired BCG group, these preferred shares were assigned to the new owners of the Group above ANTLER MidCo, resulting in 100% of Dignet LTU shares held by a single shareholder;
- contingent consideration in the amount € 6 070 thousands, accounted for as a financial liability. This was payable to the noncontrolling shareholder of the subsidiary for sale of common shares previously held in Dignet LTU, structured as an earn-out arrangement paid out annually for 2016-2022 if specific results are achieved;
- put option liability in the amount of € 1 000 thousands, accounted for as a financial liability, in relation the aforementioned preferred shares, given that the noncontrolling shareholder of Dignet LTU had the right to sell his preferred shares to the BCG Group.

Both financial liabilities were accounted for at fair value with any changes being recorded in profit or loss. When the Group acquired the BCG Group, both liabilities were extinguished in exchange for received interests in companies above ANTLER MidCo S.à r.l. Group. Therefore, no such financial liabilities were recognised as of 30 April 2020 and 2021.

Other payables include user's individually immaterial credit balances in osta.ee portal, that may be reimbursed upon request: € 2210 thousands as at 30 April 2021, € 1739 thousands as at 30 April 2020, € 1505 thousands as at 23 July 2019 and € 1473 thousands as at 30 April 2019.

Successor (ANTLER MidCo)

On April 30, 2020, other obligations comprised a contingent consideration based on the Baltic Classifieds Group OÜ share purchase agreement terms. The Group had agreed to pay the selling shareholders (Up Invest OÜ) additional consideration of € 25 000 thousands, dependent on whether there would be any negative effects (such as restrictions on service provision) on BCG after investigation by the Competition Council in Lithuania. The share purchase agreement included a clause stating that in the case of no negative effects, the full amount would be payable. In the case of any negative effects, the contingent consideration would have been decreased by such a negative effect.

The management fair valued the contingent consideration as at 30 April 2020 and determined the fair value to be € 25 000 thousands. There had been no material change in the fair value given the short period since its initial recognition and no significant changes in the underlying assumptions.

The contingent consideration was paid out to the selling shareholders (Up Invest OÜ) in full in February 2021 as in December 2020, the LCC concluded after an in-depth analysis that the prices to B2C listers and C2C listers were not unfair or restrictive on competition and closed the investigation (Note 21).

18. Financial risk management

In its activities, the Group is exposed to various financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The managers are responsible for creation and control of overall risk management policy in the Group.

Risk management policies are established to identify and analyse the risks faced by the Group, and to set appropriate risk limits and controls. Risk management policies and systems are reviewed on a regular basis to reflect changes in the market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. From time to time, the Group may use derivative financial instruments in order to hedge against certain risks.

The note below presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing the risk, and the Group's management of capital.

a) Credit risk

Credit risk is the risk of Group's financial loss if a customer or counterparty fails to comply with contractual obligations. Credit risk is controlled by applying credit limits depending on the risk profile of the customer and monitoring debt collection procedures.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Predecessor (BCG Group)	Predecessor (BCG Group)	Successor (ANTLER MidCo)	Successor (ANTLER MidCo)
	Balance at 30 April 2019 (€ thousands)	Balance at 23 July 2019 (€ thousands)	Balance at 30 April 2020 (restated*) (€ thousands)	Balance at 30 April 2021 (€ thousands)
Other non-current receivables	6	68	65	—
Trade receivables	1 847	1 736	2 077	2 440
Other short term receivables	86	111	41	73
Loans receivable	12 307	—	24	—
Cash and cash equivalents	1 577	5 989	20 559	17 079
Total	15 823	7 904	22 766	19 592

* See *Changes in Presentation* section in Note 3.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk related to loans receivable is managed by monitoring counterparty's profitability and their cash flow projections. Credit risk related to cash and cash equivalent balances is managed by monitoring credit ratings of the Group's banks.

Expected credit loss assessment for trade receivables

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited consolidated financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and are aligned to external credit rating definitions from agencies.

An ECL rate is calculated based on delinquency status and actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The trade receivables do not have a significant financing component. The Group's credit terms on sales to business customers are 7-60 days from receipt of the invoice by the customer. For sales to private customers, the Group collects payments instantly at the time of the transaction and is not exposed to credit risk.

The Group applies the simplified approach for trade receivables.

The Group has elected to use a provision matrix to calculate lifetime ECLs, which is based on:

- Historical default rates over the expected life of the trade receivables;
- Adjustment for forward-looking estimates.

Impairment allowance—analysis

	Predecessor (BCG Group) Balance at 30 April 2019			Predecessor (BCG Group) Balance at 23 July 2019			Successor (ANTLER MidCo) Balance at 30 April 2020			Successor (ANTLER MidCo) Balance at 30 April 2021		
	ECL rate	Trade receivables	Impairment	ECL rate	Trade receivables	Impairment	ECL rate	Trade receivables	Impairment	ECL rate	Trade receivables	Impairment
	(%)	(€ thousands)	(€ thousands)	(%)	(€ thousands)	(€ thousands)	(%)	(€ thousands)	(€ thousands)	(%)	(€ thousands)	(€ thousands)
Not past due	(1,1)%	1 531	(16)	(0,9)%	1 469	(14)	(0,4)%	1 537	(7)	(0,2)%	1 825	(4)
1–30 days past due	(4,2)%	219	(9)	(4,3)%	185	(8)	(1,1)%	252	(3)	(1,1)%	306	(3)
31–60 days past due	(16,1)%	57	(9)	(18,1)%	62	(11)	(9,0)%	138	(12)	(4,6)%	113	(5)
61–90 days past due	(31,9)%	19	(6)	(35,6)%	20	(7)	(24,3)%	17	(4)	(8,4)%	63	(5)
> 90 days past due	(76,6)%	261	(200)	(83,3)%	236	(196)	(34,5)%	240	(81)	(30,1)%	217	(67)
Total	(11,5)%	2 087	(240)	(12,0)%	1 972	(236)	(4,9)%	2 184	(107)	(3,3)%	2 524	(84)

For the movement in impairment allowance see Note 13.

a) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's policy is to maintain sufficient amounts of cash and cash equivalents via operations, borrowings and credit facilities to meet its commitments at a given date. This policy excludes the potential impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters.

Cash flow budgeting is performed by the Group's management and the Group's liquidity requirements are monitored to ensure it has sufficient cash to meet operational needs.

The Group has access to a credit facility with the current lender at a total of € 235 000 thousands. All of the commitment matures in July 2026. At 30 April 2021, € 214 295 thousand was drawn under the credit facilities available. The covenant of this credit facility is discussed in Note 16.

The table below summarizes the remaining contractual maturities of financial liabilities, including estimated interest payments:

Predecessor (BCG Group)

Balance at 30 April 2019

Financial liabilities	Carrying amount	Contractual cash flows	Up to 1 year	1–2 years	2–5 years	More than 5 years
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Bank loan	—	—	—	—	—	—
Lease liabilities	711	(726)	(247)	(234)	(245)	—
Trade payables	188	(188)	(188)	—	—	—
Other obligations	6 070	(6 070)	(6 070)	—	—	—
Other payables	2 872	(2 872)	(2 872)	—	—	—
Total	9 841	(9 856)	(9 377)	(234)	(245)	—

Balance at 23 July 2019

Financial liabilities	Carrying amount	Contractual cash flows	Up to 1 year	1-2 years	2-5 years	More than 5 years
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Bank loan	—	—	—	—	—	—
Lease liabilities	655	(693)	(247)	(225)	(218)	(3)
Trade payables	184	(184)	(184)	—	—	—
Other obligations	6 070	(6 070)	(6 070)	—	—	—
Other payables	<u>2 510</u>	<u>(2 510)</u>	<u>(2 510)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total	9 419	(9 457)	(9 011)	(225)	(218)	(3)

Successor (ANTLER MidCo)**Balance at 30 April 2020**

Financial liabilities	Carrying amount	Contractual cash flows	Up to 1 year	1-2 years	2-5 years	More than 5 years
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Bank loan	203 107	(292 558)	(22 958)	(12 898)	(38 665)	(218 037)
Lease liabilities	818	(871)	(285)	(262)	(324)	—
Trade payables	408	(408)	(408)	—	—	—
Other obligations	25 000	(25 000)	(25 000)	—	—	—
Other payables (restated*)	<u>1 757</u>	<u>(1 757)</u>	<u>(1 757)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total	231 090	(320 594)	(50 408)	(13 160)	(38 989)	(218 037)

* See *Changes in Presentation* section in Note 3.

Balance at 30 April 2021

Financial liabilities	Carrying amount	Contractual cash flows	Up to 1 year	1-2 years	2-5 years	More than 5 years
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Bank loan	209 052	(286 684)	(13 097)	(13 194)	(39 620)	(220 773)
Lease liabilities	663	(779)	(312)	(260)	(207)	—
Trade payables	315	(315)	(315)	—	—	—
Other obligations	—	—	—	—	—	—
Other payables	<u>2 227</u>	<u>(2 227)</u>	<u>(2 227)</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total	212 257	(290 005)	(15 951)	(13 454)	(39 827)	(220 773)

c) Market risk

Market risk is the risk that changes in market prices—such as foreign exchange rates and interest rates—will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i. Currency risk

Euro (€) is the functional currency of each legal entity comprising the Group, as well as the Group's reporting currency. The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than Euro.

The Group is not using any financial instruments to hedge against the foreign currency exchange risk.

Predecessor (BCG Group)

As at 30 April 2019 and 23 July 2019, the BCG Group had no monetary assets and liabilities denominated in other currencies other than Euro.

Successor (ANTLER MidCo)

As at 30 April 2020 and 30 April 2021, the Group has no monetary assets and liabilities denominated in other currencies than Euro.

ii. Interest rate risk

Predecessor (BCG Group)

The BCG Group's income and operating cash flows are substantially independent of changes in market interest rates. The BCG Group had no significant interest-bearing assets and liabilities.

Successor (ANTLER MidCo)

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has no significant interest-bearing assets.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was as follows:

<u>Carrying amount</u>	<u>30 April 2020</u>	<u>30 April 2021</u>
	(€ thousands)	(€ thousands)
<i>Instruments with a variable interest rate</i>		
Bank loan	203 107	209 052
	203 107	209 052

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant.

30 April 2020

<u>Financial instruments by class</u>	<u>Impact of financial instruments on profit before tax</u>			
	<u>Increase</u>	<u>Impact to finance costs</u>	<u>Decrease</u>	<u>Impact to finance costs</u>
		(€ thousands)		(€ thousands)
Variable rate bank loan	+100 bp	(2 089)	-100 bp	2 089

30 April 2021

<u>Financial instruments by class</u>	<u>Impact of financial instruments on profit before tax</u>			
	<u>Increase</u>	<u>Impact to finance costs</u>	<u>Decrease</u>	<u>Impact to finance costs</u>
		(€ thousands)		(€ thousands)
Variable rate bank loan	+100 bp	(2 143)	-100 bp	2 143

d) Capital management

Equity in combination with net debt is considered to be capital for capital management purposes. The Board's policy regarding capital is to maintain the confidence of investors, creditors and the market, to fund business development opportunities in the future and comply with external capital requirements.

e) Fair value of financial instruments

The Group's principal financial instruments not carried at fair value are trade and other receivables, trade and other payables, non-current and current borrowings.

The management of the Group is of the opinion that carrying amount of trade and other receivables, trade and other payables is a reasonable approximation of fair value due to their short-term nature.

Based on the discounted cash flow analysis performed, management considers that the borrowings carrying amount is a reasonable approximation of fair value. The discounted cash flow analysis was performed using a

market rate of interest and principal payments discounted to a present value using interest rate as a discount rate.

A number of the Group's accounting policies and disclosures require determination of fair value, for both financial and non-financial assets and liabilities.

Fair value hierarchy

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group recognised transfers between the fair value hierarchy from the end of the reporting period in which the change occurred. Below listed are financial assets and financial liabilities:

Predecessor (BCG Group)

Balance at 30 April 2019

<u>Financial assets</u>	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Other non-current receivables	6	—	—	—	—
Trade and other receivables	14 240	—	—	—	—
Total	14 246	—	—	—	—

<u>Financial liabilities</u>	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Loans and borrowings	(711)	—	(711)	—	(711)
Trade and other payables	(9 758)	—	—	(6 070)	(6 070)
Total	(10 469)	—	(711)	(6 070)	(6 781)

Balance at 23 July 2019

<u>Financial assets</u>	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Other non-current receivables	68	—	—	—	—
Trade and other receivables	1 847	—	—	—	—
Total	1 915	—	—	—	—

<u>Financial liabilities</u>	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Loans and borrowings	(655)	—	(655)	—	(655)
Trade and other payables	(9 471)	—	—	(6 070)	(6 070)
Total	(10 126)	—	(655)	(6 070)	(6 725)

Successor (ANTLER MidCo)

Balance at 30 April 2020

<u>Financial assets</u>	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Other non-current receivables	65	—	—	—	—
Trade and other receivables	2 142	—	—	—	—
Total	2 207	—	—	—	—

<u>Financial liabilities</u>	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Loans and borrowings	(206 481)	—	(206 481)	—	(206 481)
Trade and other payables (restated*)	(28 437)	—	—	—	—
Total	(234 918)	—	(206 481)	—	(206 481)

* See *Changes in Presentation* section in Note 3.

Balance at 30 April 2021

<u>Financial assets</u>	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Other non-current receivables	—	—	—	—	—
Trade and other receivables	2 513	—	—	—	—
Total	2 513	—	—	—	—

<u>Financial liabilities</u>	<u>Carrying amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Loans and borrowings	(212 463)	—	(212 463)	—	(212 463)
Trade and other payables	(3 580)	—	—	—	—
Total	(216 043)	—	(212 463)	—	(212 463)

For the valuation of loans and borrowings, the management of the Predecessor (BCG Group) and the Group uses a discounted cash flows technique where key inputs are contractual cash outflows and market interest rate as a discount factor (thus Level 2).

For the valuation of earn-out contingent consideration, the Predecessor (BCG Group) uses such unobservable data as annual business performance measures as main inputs for the valuation (thus Level 3).

19. Related parties

Transactions carried out during the reporting year and outstanding balances with these related parties can be presented as follows:

	Predecessor (BCG Group) Balance at 30 April 2019	Predecessor (BCG Group) Balance at 23 July 2019	Successor (ANTLER MidCo) Balance at 30 April 2020	Memorandum aggregated (UNAUDITED) Balance at 30 April 2020	Successor (ANTLER MidCo) Balance at 30 April 2021
	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)	(€ thousands)
Trade receivables and other receivables					
Cash-pool receivable from Eesti Media Group companies . . .	12 307	—	—	—	—
Trade receivables from Eesti Media Group companies	24	16	—	—	—
	<u>12 331</u>	<u>16</u>	—	—	—
Trade payables					
Payables for purchases of management, IT, accounting and advertising services and office rent from Eesti Media Group companies	54	33	—	—	—
	<u>54</u>	<u>33</u>	—	—	—
Sales revenue					
Sales of advertising services to Eesti Media Group companies	1 399	42	—	42	—
	<u>1 399</u>	<u>42</u>	—	<u>42</u>	—
Purchases					
Purchases of management, IT, accounting and advertising services and office rent from Eesti Media Group companies	1 252	62	—	62	—
	<u>1 252</u>	<u>62</u>	—	<u>62</u>	—
Finance income					
Interest income for cash-pool receivables from Eesti Media Group companies	26	—	—	—	—
	<u>26</u>	—	—	—	—
Finance expenses					
Interest expense for loans from Eesti Media Group companies (Note 16)	382	—	—	—	—
	<u>382</u>	—	—	—	—
Dividends to shareholder					
Dividends—distribution of AllePal reserves to Eesti Media AS ¹	2 300	—	—	—	—
Dividends—paid by Diginet LTU to Eesti Media AS	2 967	—	—	—	—
Dividends in kind—deemed distribution upon closing of Eesti Media cash pool agreement ²	—	12 307	—	—	—
	<u>5 267</u>	<u>12 307</u>	—	—	—
Contributions from shareholder					
Contribution in kind by Eesti Media As in the form of intangible assets ³	296	—	—	—	—
	<u>296</u>	—	—	—	—

1 Distributed from reserves as a return of previous shareholder contribution

2 As at 30 April 2019 € 12 307 thousands of cash was on loan to the related companies outside the BCG Group via shareholder cash-pool instruments previously in place. These amounts are shown under loan receivables in Note 13. During the period ended 23 July 2019 the cash-pool was settled as deemed distribution.

3 Shareholder's contribution in a form of trademarks.

All the above transactions with related companies were conducted at arm's length.

Eesti Media is a previous shareholder of the Predecessor (BCG Group).

A current ultimate controlling party of the Group are Funds advised by Apax Partners.

20. Remuneration of key management personnel and other payments

Predecessor (BCG Group)

Key management personnel comprises managers of the Predecessor (BCG Group) legal entities. Remuneration of the key management personnel in the reporting period, including social security and related accruals, amounted to € 332 thousands for the period ended 30 April 2019 and € 98 thousands for the period ended 23 July 2019.

During the period ended 30 April 2019 and 23 July 2019, key management personnel of the Predecessor (BCG Group) did not receive any loans, guarantees, and no other payments or property transfers occurred.

Successor (ANTLER MidCo)

Key management personnel CEO, CFO, COO and Directors of Group companies. Remuneration of key management personnel in the reporting period, including social security and related accruals, amounted to € 339 thousands for the period ended 30 April 2020 and € 560 thousands for the period ended 30 April 2021.

During the period ended 30 April 2020 and 30 April 2021, key management personnel of the Group did not receive any loans, guarantees, and no other payments or property transfers occurred.

During the year ended 30 April 2019 BCG Group incurred € 666 thousands of expenses related to the revaluation at fair value of a put option related to a noncontrolling shareholder of Baltic Classifieds Group OÜ's subsidiary Dignet LTU who was also a CEO of BCG Group (Note 6, Note 17). The arrangement relates to the previous shareholding structure under UP Invest OÜ. No similar costs were incurred in any other periods presented.

21. Contingent liabilities and contingent assets

Predecessor (BCG Group)

As of 30 April 2019 and 23 July 2019, the Predecessor (BCG Group) had no contingent liabilities or assets.

Successor (ANTLER MidCo)

As of 30 April 2020, the Group had no contingent liabilities or assets, other than the contingent consideration disclosed in Note 17.

As of 30 April 2021, the Group had no contingent liabilities or assets, however due to the Admission planned the Group estimates to have contingent expenses in the next financial year.

Litigation

Dignet LTU UAB, a Group company, was subject to an investigation by the Lithuanian Competition Council (LCC) from the end of 2018 to the end of 2020 following a complaint a real estate broker who used the Group's Lithuanian real estate portal, alleging that the Group had abused its dominant position in the real estate online classifieds markets by applying unfair high prices. In December 2020, the LCC concluded after an in-depth analysis that the prices to B2C listers and C2C listers were not unfair or restrictive on competition and closed the investigation.

22. List of subsidiaries

Predecessor (BCG Group)

Company name	Registered office	Registration Number	Date of acquisition	Activity	Share in capital
UAB Dignet LTU	Saltoniškių 9B-1, Vilnius, Lithuania	126222639	12 December 2018	Online classifieds	100%
OÜ AllePal	Pärnu mnt. 141, Tallinn, Estonia	12209337	12 December 2018	Online classifieds	100%
AS Kinnisaraportaal	Pärnu mnt. 141, Tallinn, Estonia	10680295	12 December 2018	Online classifieds	100%
SIA City24	Gustava Zemgala 78—1, Rīga, Latvia	40003692375	12 December 2018	Online classifieds	100%

Successor (ANTLER MidCo)

Company name	Registered office	Registration Number	Date of acquisition	Activity	Share in capital
ANTLER HoldCo S.à r.l	1-3 Boulevard de la Foire, Luxembourg	B234342	10 June 2019	Holding investments	100%
UAB Antler Group	V. Nagevičiaus 3, Vilnius, Lithuania	305147427	10 June 2019	Management and consulting services	100%
UAB Dignet LTU	Saltoniškių 9B-1, Vilnius, Lithuania	126222639	24 July 2019	Online classifieds	100%
OÜ AllePal	Pärnu mnt. 141, Tallinn, Estonia	12209337	24 July 2019	Online classifieds	100%
OÜ Kinnisaraportaal	Pärnu mnt. 141, Tallinn, Estonia	10680295	24 July 2019	Online classifieds	100%
OÜ VIN Solutions	Turu 2, Tartu, Estonia	14071883	27 January 2020	Information services	100%
OÜ Baltic Classifieds Group	Pärnu mnt. 141, Tallinn, Estonia	14608656	24 July 2019	Online classifieds	100%
OÜ Autopilv*	Turu 2, Tartu, Estonia	14679515	27 January 2020	Information services	100%
SIA City24	Gustava Zemgala 78—1, Rīga, Latvia	40003692375	24 July 2019	Online classifieds	100%

OÜ Autopilv was acquired at the end of financial year 2020 and liquidated during the financial year 2021.

23. Acquisitions of subsidiaries

Acquisition of the BCG Group

On 24 July 2019, the Group acquired a 100% shareholding in Baltic Classifieds Group OÜ (BCG). BCG was a holding company, controlling UAB Diginet LTU, OÜ AllePal, OÜ Kinnisvaraportaal, SIA City24.

<u>Consideration</u>		<u>(€ thousands)</u>
Cash		335 988
Equity instruments	(1)	10 608
Contingent consideration arrangement	(2)	25 000
Total consideration transferred		371 596

- 1) Fair value of the ordinary 1 060 744 shares of ANTLER Midco S.à r.l. was determined based on the independent valuation report.
- 2) The Group has agreed to pay the selling shareholders (Up Invest OÜ) additional consideration of € 25 000 thousands. The contingent consideration was dependent on whether there would be any negative effects (such as restrictions on service provision) on BCG after investigations by Competition Council in Lithuania. Contingent consideration was paid out to the selling shareholders (Up Invest OÜ) in full amount in February 2021 as no negative effects were apparent following a decision by the Lithuanian Competition Counsel to terminate the investigation.

	<u>(€ thousands)</u>
Acquisition-related costs (legal fees, due diligence costs and other) are included in other expenses for the year ended 30 April 2020	<u>6 121</u>

Recognised amounts of identifiable assets acquired, and liabilities assumed:

		<u>Restated *</u> <u>(€ thousands)</u>
Property, plant and equipment		182
Intangible assets	(a), Note 11	95 182
Other non-current receivables		6
Trade and other receivables	(b)	1 673
Prepayments		206
Cash and cash equivalents		5 986
Loans and borrowings		—
Deferred tax assets (liabilities)	Note 9	(10 100)
Current tax liabilities		(765)
Payroll related liabilities		(425)
Trade and other payables (current)		(2 401)
Contract liabilities		<u>(1 123)</u>
Total identifiable net assets		<u>88 421</u>

* See *Prior year adjustment* sections in Note 3.

- a) The relief-from-royalty method and multi-period excess earnings method were used for determination of the fair value of the intangible assets. The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the internet domains being owned. Fair value of the internet domains amounts to € 56 170 thousands. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer contracts and relationships, by excluding any cash flows related to contributory assets. Fair value of the customer contracts and relationships amounts to € 38 520 thousands.
- b) Trade and other receivables comprise of gross contractual amounts due of € 1 909 thousands, of which € 236 thousands was expected to be uncollectable at the date of acquisition.

There were no significant adjustments to the assets acquired and liabilities assumed except for the intangible assets that are discussed above.

Goodwill arising from the acquisition has been recognised as follows:

	<u>Restated*</u> <u>(€ thousands)</u>
Consideration transferred	371 596
Fair value of identifiable net assets	(88 421)
Goodwill	<u>283 175</u>

* See *Prior year adjustment* sections in Note 3.

The goodwill that arose is not deductible for tax purposes.

Net cash flow on acquisition:

	<u>(€ thousands)</u>
Consideration in cash	335 988
Less cash and cash equivalents of the acquiree	<u>(5 986)</u>
Net cash flow on acquisition	<u>330 002</u>

Acquisition of the Auto24 business

On January 27, 2020, the Group acquired a 100% shareholding in BC2 HoldCo OÜ, X24OÜ and VIN Solutions OÜ together with their subsidiaries Parts 24 OÜ, Autopilv OÜ, Autoads OÜ, Auto 24 AS, Carparts Online OÜ and 51% non-controlling shareholding in Automaakler Eesti OÜ. The group of acquired companies manages a leading automotive classifieds business in Estonia as well as a generalist portal and other smaller businesses. Subsequent to the acquisition, BC2 HoldCo OÜ, X24OÜ, Parts 24OÜ, Autoads OÜ, Auto 24 AS, Carparts Online OÜ were merged with AllePal OÜ. The acquisition and subsequent merger resulted in synergies such as cost efficiencies in managing the group of entities in Estonia, decrease in administrative requirements and facilitation of product development.

Consideration

	<u>(€ thousands)</u>
Cash	52 375
Equity instruments (3)	1 400
Contingent consideration arrangement	—
Total consideration transferred	<u>53 775</u>

3) Fair value of the ordinary 140 000 shares of ANTLER MidCo S.à r.l was determined based on an independent valuation report.

	<u>(€ thousands)</u>
Acquisition-related costs (legal fees, due diligence costs and other) are included in other expenses for the year ended 30 April 2020	<u>1 423</u>

Recognised amounts of identifiable assets acquired, and liabilities assumed:

	<u>(€ thousands)</u>
Property, plant and equipment	34
Intangible assets (c), Note 11	20 442
Other non-current receivables	—
Deferred tax assets (liabilities)	—
Inventories	102
Trade and other receivables	407
Prepayments	4
Cash and cash equivalents	886
Loans and borrowings	(13 282)
Current tax liabilities	—
Employee benefits (current)	(181)
Trade and other payables (current)	(180)
Contract liabilities	(14)
Total identifiable net assets	8 218

c) The relief-from-royalty method and multi-period excess earnings method were used for determination of the fair value of the intangible assets. The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the internet domains being owned. Fair value of the internet domains amounts to € 7 490 thousands. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer contracts and relationships, by excluding any cash flows related to contributory assets. Fair value of the customer contracts and relationships amounts to € 12 190 thousands.

There were no significant adjustments to the assets acquired and liabilities assumed except for the intangible assets that are discussed above.

Goodwill arising from the acquisition has been recognised as follows:

	<u>(€ thousands)</u>
Consideration transferred	53 775
Fair value of identifiable net assets	(8 218)
Goodwill	45 557

The goodwill that arose is not deductible for tax purposes.

Net cash flow on acquisition

	<u>(€ thousands)</u>
Consideration in cash	52 375
Less cash and cash equivalents of the acquiree	(886)
Net cash flow on acquisition	51 489

24. Subsequent events

In June 2021, UAB Antler Group entered into loan agreements with 17 employees, whereby UAB Antler Group agreed to pay on behalf of these employees any tax charges that may arise on the acquisition of incentive shares in ANTLER Management S.A. by these employees (the “**Employee Loans**”). The Employee Loans will only be granted if Admission does not occur, and in that case the aggregate amount to be advanced will not exceed €2.9 million. The Employee Loans, if granted, are repayable at the earlier of a liquidity event and eight years.

There were no other events that would have a significant impact on the consolidated financial statements or require a disclosure occurred subsequent to the reporting date.

25. Transition to IFRS—Predecessor (BCG Group)

The BCG Group has adopted IFRS in preparing its consolidated financial statements included in the Historical Financial Information herein. The date of transition to IFRS for the BCG Group is 1 January 2018. The period ended 30 April 2019 and included herein is the first period when the BCG Group has prepared IFRS financial

statements and also the first time when the BCG Group has prepared its consolidated financial statements. Previously, the BCG Group has never prepared consolidated financial statements either under IFRS or local Generally Accepted Accounting Principles (“GAAP”). As a result, a reconciliation from previous GAAP to IFRS is not available and not meaningful, and therefore not included in the Historical Financial Information. The consolidated statement of financial position of the BCG Group under IFRS as of the IFRS transition date is presented below.

	<u>Link to note below</u>	<u>Balance at 1 January 2018</u> (€ thousands)
Assets		
Property, plant and equipment		177
Intangible assets and goodwill	(a)	34 393
Right-of-use assets	(b)	1 038
Deferred tax assets		<u>543</u>
Non-current assets		<u>36 151</u>
Trade and other receivables	(e)	5 194
Prepayments	(b)	30
Cash and cash equivalents	(e)	<u>1 150</u>
Current assets		<u>6 374</u>
Total Assets		<u>42 525</u>
Equity		
Share capital		3
Share premium		5
Reserves		360 332
Retained earnings		<u>(337 346)</u>
Total equity	(c)	<u>22 994</u>
Loans and borrowings (non-current)	(b)	4 730
Trade and other payables (non-current)		<u>4 471</u>
Non-current liabilities		<u>9 201</u>
Current tax liabilities		709
Loans and borrowings (current)	(b)	5 407
Payroll related liabilities		421
Trade and other payables (current)		2 898
Contract liabilities	(d)	<u>895</u>
Current liabilities		<u>10 330</u>
Total liabilities		<u>19 531</u>
Total equity and liabilities		<u>42 525</u>

Transition from previous GAAP to IFRS was accounted for by applying all applicable mandatory exemptions and reliefs of IFRS 1.

Major exemptions and practical expedients adopted by the BCG Group are as follows:

a) Business combinations

The BCG Group chose not to apply IFRS 3, „Business Combinations” retrospectively to business combinations occurring before the date of transition to IFRS. As a result, goodwill as of 1 January 2018 was grandfathered (refer to table below) at the carrying amount under previous GAAP. After the initial application of IFRS, goodwill is no longer amortised but tested annually for impairment. No changes were made to other intangible assets.

	<u>Balance at 1 January 2018</u> (€ thousands)
Goodwill (grandfathered)	23 411
Other intangible assets (no IFRS impact)	<u>10 982</u>
Total intangible assets and goodwill:	34 393

b) Lease

- If an arrangement was determined to be a lease contract in accordance with previous accounting standards, no reassessment was performed upon transition to IFRS on 1 January 2018.
- Right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments;
- BCG Group elected not to apply the requirements of IFRS 16 to leases for which the lease term ends within 12 months of the date of transition to IFRSs. Instead, these leases were accounted for as short-term leases with lease payments recognised as expenses.
- BCG Group excluded initial direct costs from the measurement of the right-of-use asset at the date of transition to IFRSs.
- BCG Group used hindsight, such as in determining the lease term, if the contract contains options to extend or terminate the lease.

The following is a summary of the impact of the initial application of IFRS 16 on the statement of financial position as of 1 January 2018:

	Balance at 1 January 2018
	(€ thousands)
Right-of-use assets	1 038
Prepayments	<u>(89)</u>
Total assets	949
Non-current lease liability	737
Current lease liability	<u>212</u>
Total liabilities	949

Lease liabilities were included within Loans and borrowings (non-current) and Loans and borrowings (current) on the statement of financial position.

Upon initial application of IFRS, the BCG Group also:

- Recognised all assets and liabilities whose recognition is required by IFRS;
- Did not recognize assets and liabilities if IFRS do not permit such recognition;
- Used inputs and assumptions that had been used to determine previous GAAP estimates as of 1 January 2018. The BCG Group did not use any information that became available only after the previous GAAP estimates were made;
- Reclassified assets and liabilities that were recognised in accordance with previous GAAP as one group of asset, liability or equity, but are a different type of asset, liability or equity group in accordance with IFRS;
- Applied IFRS in measuring all recognised assets and liabilities; and
- Aligned the revenue recognition policy with that of the successor, including in respect of the matters identified in the prior year adjustment note at note 3.

The following are the major items that were reclassified between lines in the statement of financial position on the date of transition to IFRS, but had no impact on shareholders' equity and / or profit and loss:

- c) In accordance with the presentation provisions under IFRS 15 "Prepayments received" at the amount € 1 380 thousands were reclassified to "Contract liabilities".
- d) Receivables from group overdraft facilities (cash pool) at the amount € 3 579 thousands were reclassified from "cash and cash equivalents" to "other receivables".

26. 12 month ended 30 April 2019 Income Statement data

	<u>12 month period ended 30 April 2019</u>
Continuing operations	
Revenue	29 098
Other income	10
Expenses	<u>(10 607)</u>
Operating profit	<u>18 501</u>
Finance income	23
Finance expenses	<u>(3 568)</u>
Net finance costs	<u>(3 545)</u>
Profit / (loss) before tax	<u>14 956</u>
Income tax expense	<u>(2 220)</u>
Profit / (loss) for the period	<u>12 736</u>
Other comprehensive income/(loss)	<u>—</u>
Total comprehensive income/(loss) for the year	<u>12 736</u>
Attributable to:	
Owners of the Company	<u>12 736</u>

**PART XIV
UNAUDITED PRO FORMA FINANCIAL INFORMATION**

PART A: ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION



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The Directors
Baltic Classifieds Group PLC
Highdown House
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BN99 3HH
United Kingdom

30 June 2021

Ladies and Gentlemen

Baltic Classifieds Group PLC

We report on the pro forma financial information (the 'Pro forma financial information') set out in Part B of Part XIV of the prospectus dated 30 June 2021. This report is required by Section 3 of Annex 20 of the UK version of Commission Delegated Regulation (EU) 2019/980 (the 'PR Regulation') and is given for the purpose of complying with that Section and for no other purpose.

Opinion

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Baltic Classifieds Group PLC.

Responsibilities

It is the responsibility of the directors of Baltic Classifieds Group PLC to prepare the Pro forma financial information in accordance with Annex 20 of the PR Regulation.

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 of the PR Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 1.3 of Annex 1 of the PR Regulation, consenting to its inclusion in the prospectus.

Basis of Preparation

The pro forma financial information has been prepared on the basis described in Part B of Part XIV, for illustrative purposes only, to provide information about how the issue of shares might have affected the financial information presented on the basis of the accounting policies to be adopted by Baltic Classifieds Group PLC in preparing the financial statements for the period ending 30 April 2022.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom (the 'FRC'). We are independent, and have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements of the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of Baltic Classifieds Group PLC.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Baltic Classifieds Group PLC.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R (2)(f) we are responsible for this report as part of the prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the prospectus in compliance with Item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

KPMG LLP

PART B: UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma statement of net assets set out below has been prepared to illustrate the impact of the issue of ordinary shares in Baltic Classifieds Group PLC on the net assets of ANTLER MidCo S.à r.l., as if the issue of ordinary shares in Baltic Classifieds Group PLC had taken place on 30 April 2021. The unaudited pro forma statement of net assets has been prepared on the basis of, and should be read in conjunction with, the notes set out below.

The unaudited pro forma statement of net assets of the Group is based on the consolidated net assets of ANTLER MidCo S.à r.l. as at 30 April 2021 and has been prepared on the basis that the issue of ordinary shares in Baltic Classifieds Group PLC was effective as of 30 April 2021 and in a manner consistent with the accounting policies to be adopted by Baltic Classifieds Group PLC in preparing the audited financial statements for the period ending 30 April 2022.

The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and in accordance with Annex 20 of the PR Regulation. Because of its nature the unaudited pro forma statement of net assets addresses a hypothetical situation and does not, therefore, represent the Group's actual financial position or results. It may not, therefore, give a true picture of the Group's financial position or results nor is it indicative of the results that may, or may not, be expected to be achieved in the future.

The unaudited pro forma statement of net assets does not constitute a statutory account within the meaning of section 434 of the Companies Act 2006. Prospective investors should read the whole of this Prospectus and not rely solely on the summarised financial information contained in this Part XIV (*Unaudited Pro Forma Financial Information*).

The unaudited pro forma statement of net assets has not been prepared, or shall not be construed as having been prepared, in accordance with Regulation S-X under the US Securities Act.

Unaudited pro forma statement of net assets as at 30 April 2021

	As at 30 April 2021 ⁽¹⁾	Adjustments for net proceeds of the Offer ⁽²⁾	Pro forma
		(€ thousands)	
Assets			
Property, plant and equipment	211	—	211
Intangible assets and goodwill	416 909	—	416 909
Right-of-use assets	761	—	761
Other non-current receivables	—	—	—
Deferred tax assets	—	—	—
Non-current Assets	417 881	—	417 881
Trade and other receivables	2 513	—	2 513
Prepayments	44	—	44
Cash and cash equivalents	17 079	(18 516)	(1 437)
Current Assets	19 636	(18 516)	1 120
Total Assets	437 517	(18 516)	419 001
Liabilities			
Loans and borrowings (non-current)	210 413	(114 256)	96 157
Deferred tax liabilities	8 901	—	8 901
Non-current Liabilities	219 314	(114 256)	105 058
Current tax liabilities	1 293	—	1 293
Loans and borrowings (current)	2 713	(2 657)	56
Payroll related liabilities	769	—	769
Trade and other payables (current)	3 580	—	3 580
Contract liabilities	1 648	—	1 648
Current Liabilities	10 003	(2 657)	7 346
Total Liabilities	229 317	(116 913)	112 404
Net Assets	208 200	98 397	306 597

(1) The consolidated net assets of ANTLER MidCo S.à r.l. has been extracted without adjustment from the audited historical financial information for the year ended 30 April 2021 as set out in Part B of Part XIII: “Historical Financial Information”.

(2) Represents the proceeds and use of proceeds from the Offer as well as the impact of the refinancing. The Directors intend to use the net proceeds of £89.4 million (approximately €104.0 million) from the issue of the New Shares alongside net drawings of €96.8 million (approximately £83.2 million) under the New Facilities Agreement and available cash balances of €13.5 million (approximately £11.6 million), to repay the principal outstanding amount under the Senior Facilities Agreement of €214.3 million (approximately £184.2 million). The sterling amounts included in this note have been translated at an exchange rate of €1.00 = £0.8594, which represents the rate of exchange as of 29 June 2021.

The adjustment also includes the settlement of accrued interest held within Loans and borrowings (current) that amounted to €3.4 million as at 30 April 2021 and an early termination fee of €1.6 million payable to the lenders under the Senior Facilities Agreement. Both amounts will be paid using the Group’s available cash.

The adjustment also includes (i) the write-off of upfront fees capitalised on establishment of the Senior Facilities Agreement (€4.2 million held in Loans and borrowings (non-current) and €1.0 million held in Loans and borrowings (current)) and (ii) the recognition of capitalised upfront fees in connection with the New Facilities Agreement (€1.0 million recognised in Loans and borrowings (non-current) and €0.2 million recognised in Loans and borrowings (current)).

No adjustment has been made to reflect the trading results of the Group since 30 April 2021 or any change in its financial position in this period.

PART XV
TAXATION

1. UK TAX CONSIDERATIONS

The following comments are intended only to be a general guide. They relate only to certain limited aspects of the UK tax consequences of acquiring, holding or disposing of Shares and are based on current UK tax law and what is understood to be the current published practice of HMRC as at the date of this document (which are both subject to change at any time, possibly with retrospective effect). The rates and allowances for the 2021/2022 tax year stated in this UK tax section reflect the current law.

Except where otherwise specifically stated, the comments below are intended to apply only to shareholders: (i) who are resident (and, in the case of individuals, domiciled or deemed-domiciled) in (and only in) the UK for UK tax purposes; (ii) who are and will be the absolute beneficial owners of their Shares and any dividends paid in respect of them; and (iii) who hold, and will hold, their Shares as investments and not as securities to be realised in the course of a trade.

The comments below may not apply to certain shareholders, such as (but not limited to) persons who are dealers in securities, insurance companies, shareholders who acquired their Shares in the course of their employment and other shareholders who are exempt from UK taxation. Such shareholders may be subject to special rules.

The material set out in the paragraphs below does not constitute tax advice. Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the UK should consult an appropriate professional adviser.

1.1 Direct Taxation of Dividends

Liability to UK income tax or UK corporation tax on income in respect of dividends payable on the Shares will depend upon the individual circumstances of the shareholder. An overview of the UK tax rules applicable to dividends is set out below.

UK withholding tax

There is no UK withholding tax on dividends paid by the Company.

Individual shareholders within the charge to UK income tax

When the Company pays a dividend to a shareholder who is an individual resident (for tax purposes) in the UK, the amount of income tax payable on the receipt, if any, will depend on the individual's own personal tax position.

No UK income tax should be payable by a UK resident individual shareholder if the amount of dividend income received, when aggregated with the shareholder's other dividend income in the year of assessment, does not exceed the dividend allowance. The dividend allowance is £2,000 for the 2021/2022 tax year. Dividend income in excess of the dividend allowance is taxed at the following rates for the 2021/2022 tax year:

- (a) 7.5% to the extent that it falls below the threshold for higher rate income tax;
- (b) 32.5% to the extent it falls within the higher rate band; and
- (c) 38.1% to the extent it falls within the additional rate band.

For the purposes of determining which of the taxable bands dividend income falls into, dividend income is treated as the highest part of a shareholder's income. In addition, dividend income which is within the dividend allowance counts towards an individual's basic or higher rate limits and so will be taken into account in determining whether the threshold for higher rate or additional rate income tax is exceeded.

Corporate shareholders within the charge to UK corporation tax

Shareholders within the charge to UK corporation tax should generally not be subject to UK tax on dividends from the Company provided certain conditions are met (including an anti-avoidance condition).

Other shareholders

Shareholders who are not resident in the UK and who hold their Shares as an investment and not in connection with any trade, profession or vocation carried on by them in the UK (in the case of individuals) and not in connection with a trade carried on in the UK through a permanent establishment in the UK (in the case of corporates), in each case, should not generally be subject to UK tax on dividends received from the Company.

1.2 Chargeable Gains

Individuals resident in the United Kingdom

A disposal (or deemed disposal) of Shares by a UK resident individual shareholder may give rise to a chargeable gain (or allowable loss) for the purposes of UK capital gains tax, depending on the circumstances and subject to any available exemption or relief. However, the capital gains tax annual exemption (which is £12,300 for individuals in the 2021/2022 tax year) may be available to exempt any chargeable gain, to the extent that the exemption has not already been utilised.

Capital gains tax on share disposals by a UK resident individual shareholder will generally be charged at 10% to the extent that the total chargeable gains and, generally, total taxable income arising in a tax year, after all allowable deductions (including losses, the income tax personal allowance and the capital gains tax annual exempt amount), are less than the upper limit of the income tax basic rate band. To the extent that any chargeable gains (or part of any chargeable gains) arising in a tax year exceed the upper limit of the income tax basic rate band when aggregated with any such income (in the manner referred to above), capital gains tax will generally be charged at 20%.

Corporate shareholders resident in the United Kingdom

A disposal (or deemed disposal) of Shares by a UK resident corporate shareholder may give rise to a chargeable gain (or allowable loss) for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemption or relief. The main rate of UK corporation tax is currently 19% (it being announced, subject to enactment, that this main rate will increase to 25% with effect from 1 April 2023).

Other shareholders

An individual shareholder who is not resident or domiciled in the United Kingdom should not be liable to UK capital gains tax on capital gains realized on the disposal of his or her Shares unless such shareholder carries on a trade, profession or vocation in the United Kingdom through a branch or agency in the United Kingdom to which the Shares are attributable.

A corporate holder of Shares that is not resident in the United Kingdom and does not carry on a trade through a permanent establishment in the United Kingdom to which the Shares are attributable should not be liable for UK corporation tax on chargeable gains realized on the disposal of Shares.

1.3 UK Stamp Duty and SDRT

General

Generally, no stamp duty or SDRT is payable on an issuance of the Shares, but transfers of the Shares will generally attract a stamp duty or SDRT charge equal to 0.5% of the consideration for the Shares, rounded up to the nearest £5 in the case of stamp duty. The purchaser or transferee of the Shares will generally be responsible for paying such stamp duty or SDRT. However, with respect to the initial transfer of the Existing Shares by the Selling Shareholders as part of the Offer, the Selling Shareholders have agreed to pay any such stamp duty or SDRT arising in respect of that initial transfer.

Shares transferred through CREST

Paperless transfers of Shares occurring within CREST are liable to SDRT rather than stamp duty, at the rate of 0.5% of the amount or value of the consideration. CREST is obliged to collect SDRT on relevant transactions settled within the system. The charge is generally borne by the purchaser.

2. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following discussion describes certain United States federal income tax consequences of the purchase, ownership and disposition of Shares as of the date hereof. This discussion deals only with Shares that are held as capital assets (generally, assets held for investment) by a United States Holder (as defined below). In addition, the discussion set forth below is applicable only to United States Holders (i) who are residents of the United States for purposes of the current Convention between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the “**Treaty**”), (ii) whose Shares are not, for purposes of the Treaty, effectively connected with a permanent establishment in the United Kingdom and (iii) who otherwise qualify for the full benefits of the Treaty.

As used herein, the term “United States Holder” means a beneficial owner of Shares that is, for United States federal income tax purposes, any of the following:

- (a) an individual who is a citizen or resident of the United States;
- (b) a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- (c) an estate the income of which is subject to United States federal income taxation regardless of its source; or
- (d) a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

This discussion is based upon provisions of the Internal Revenue Code of 1986, as amended (the “**Code**”), and regulations, rulings and judicial decisions thereunder as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those summarized below.

This discussion does not represent a detailed description of the United States federal income tax consequences applicable to a United States Holder subject to special treatment under the United States federal income tax laws, such as:

- (a) a dealer or broker in securities or currencies;
- (b) a financial institution;
- (c) a regulated investment company;
- (d) a real estate investment trust;
- (e) an insurance company;
- (f) a tax-exempt organization;
- (g) a person holding Shares as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;
- (h) a trader in securities that has elected the mark-to-market method of accounting for its securities;
- (i) a person liable for alternative minimum tax;
- (j) a person who owns or is deemed to own 10% or more of the Company’s stock (by vote or value);
- (k) a partnership or other pass-through entity for United States federal income tax purposes;
- (l) a person required to accelerate the recognition of any item of gross income with respect to the Shares as a result of such income being recognized on an applicable financial statement; or
- (m) a person whose “functional currency” is not the United States dollar.

If a partnership (or other entity or arrangement treated as a partnership for United States federal income tax purposes) holds Shares, the tax treatment of a partner will generally depend upon the status of the

partner and the activities of the partnership. A partnership or a partner of a partnership holding Shares should consult their own tax advisors.

This discussion does not contain a detailed description of all the United States federal income tax consequences to a United States Holder in light of the United States Holder's particular circumstances and does not address the Medicare tax on net investment income, United States federal estate and gift taxes or the effects of any state, local or non-United States tax laws. Any persons considering the purchase of Shares should consult their own tax advisors concerning the particular United States federal income tax consequences of the purchase, ownership and disposition of Shares, as well as the consequences arising under other United States federal tax laws and the laws of any other taxing jurisdiction.

2.1 Passive Foreign Investment Company

The Company does not believe that it is, for United States federal income tax purposes, a passive foreign investment company (a "PFIC") and expects to operate in such a manner so as not to become a PFIC. If, however, the Company is or becomes a PFIC in any taxable year, United States Holders generally would be subject to special tax rules that could result in materially adverse United States federal income tax consequences related to the ownership of the Shares, including additional United States federal income taxes on gain recognized with respect to the Shares and on certain distributions, plus an interest charge on certain taxes treated as having been deferred under the PFIC rules.

The PFIC rules are complex. United States Holders are urged to consult their tax advisors concerning the United States federal income tax consequences of holding Shares if the Company is considered a PFIC in any taxable year.

Unless noted otherwise, the remainder of this discussion assumes that the Company is not and will not become a PFIC.

2.2 Taxation of Dividends

The gross amount of distributions on the Shares will be taxable as dividends to the extent paid out of current or accumulated earnings and profits, as determined under United States federal income tax principles. To the extent that the amount of any distribution exceeds the Company's current and accumulated earnings and profits for a taxable year, the distribution will first be treated as a tax-free return of capital, causing a reduction in the United States Holder's tax basis in the Shares, and to the extent the amount of the distribution exceeds a United States Holder's tax basis, the excess will be taxed as capital gain recognized on a sale or exchange. However, the Company does not expect to determine earnings and profits in accordance with United States federal income tax principles. Therefore, United States Holders of the Shares should expect that a distribution will generally be reported as a dividend.

Any dividends received (including any withheld taxes) will be includable in a United States Holder's gross income as ordinary income on the day actually or constructively received by the United States Holder. Such dividends will not be eligible for the dividends received deduction allowed to corporations with respect to certain dividends under the Code. Subject to applicable limitations (including a minimum holding period requirement), dividends received by non-corporate United States investors from a qualified foreign corporation may be treated as "qualified dividend income" that is subject to reduced rates of taxation. A qualified foreign corporation includes a foreign corporation that is eligible for the benefits of a comprehensive income tax treaty with the United States which the United States Treasury Department determines to be satisfactory for these purposes and which includes an exchange of information provision. The United States Treasury Department has determined that the Treaty meets these requirements, and the Company believes it is eligible for the benefits of the Treaty. Thus, the Company believes that dividends paid on Shares to United States Holders will be potentially eligible for these reduced tax rates. United States Holders should consult their own tax advisors regarding the application of these rules to their particular circumstances.

Non-corporate United States Holders will not be eligible for reduced rates of taxation on any dividends received from the Company if the Company is a PFIC in the taxable year in which such dividends are paid or in the preceding taxable year.

The amount of any dividend paid in pound sterling will equal the United States dollar value of the pound sterling received calculated by reference to the exchange rate in effect on the date the dividend is received by a United States Holder, regardless of whether the pound sterling are converted into United

States dollars. If the pound sterling received as a dividend are converted into United States dollars on the date they are received, a United States Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income. If the pound sterling received as a dividend are not converted into United States dollars on the date of receipt, a United States Holder will have a basis in the pound sterling equal to their United States dollar value on the date of receipt. Any gain or loss realised on a subsequent conversion or other disposition of the pound sterling will be treated as United States source ordinary income or loss.

Distributions of Shares or rights to subscribe for Shares that are received as part of a pro rata distribution to all of the Company's shareholders generally will not be subject to United States federal income tax.

2.3 Taxation of Capital Gains

For United States federal income tax purposes, a United States Holder will recognise taxable gain or loss on any sale, exchange or other taxable disposition of the Shares in an amount equal to the difference between the amount realised for the Shares and the United States Holder's tax basis in the Shares, both determined in United States dollars. Such gain or loss will generally be capital gain or loss and will generally be long-term capital gain or loss if the United States Holder has held the Shares for more than one year. Long-term capital gains of non-corporate United States Holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Any gain or loss recognised by a United States Holder will generally be treated as United States source gain or loss.

United States Holders should note that any United Kingdom stamp duty or SDRT, if any, will not be treated as a creditable foreign tax for United States federal income tax purposes, although United States Holders may be entitled to deduct such taxes, subject to applicable limitations under the Code.

2.4 Information Reporting and Backup Withholding

In general, information reporting will apply to dividends in respect of Shares and the proceeds from the sale, exchange or other disposition of Shares that are paid to a United States Holder within the United States (and in certain cases, outside the United States), unless the United States Holder establishes, if required to do so, that it is an exempt recipient. A backup withholding tax may apply to such payments if a United States Holder fails to provide a taxpayer identification number or certification of exempt status or fails to report in full dividend and interest income.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a credit or refund against a United States Holder's United States federal income tax liability provided the required information is timely furnished to the IRS.

United States Holders are urged to consult their own tax advisors regarding any information reporting requirements that may be applicable in their particular circumstances relating to acquiring, holding or disposing of the Shares.

PART XVI
THE OFFER

1. SUMMARY OF THE OFFER AND USE OF PROCEEDS

The Offer comprises an offer of 200,000,000 Shares comprising 61,304,620 New Shares and 138,695,380 Existing Shares (assuming that there is no exercise of the Over-allotment Option). The New Shares will represent approximately 12.26% of the expected issued ordinary share capital of the Company immediately following Admission. In addition, a further 30,000,000 Over-allotment Shares are being made available by the Major Shareholder pursuant to the Over-allotment Option.

All Shares issued or sold pursuant to the Offer are being issued or sold at the Offer Price.

Through the issue of 61,304,620 New Shares pursuant to the Offer, the Company expects to raise net proceeds of approximately £89.4 million, which are net of underwriting commissions (including the maximum amount of any discretionary commission) and other costs and expenses of, and incidental to, Admission and the Offer which are expected to be approximately £11.7 million (including VAT).

The Directors intend to use the net proceeds of £89.4 million from the issue of the New Shares to redeem the Redeemable Preference Share for £49,999 and, alongside net drawings of €96.8 million (approximately £83.2 million) under the New Facilities Agreement and available cash balances of €13.5 million (approximately £11.6 million), to repay the principal outstanding amount under the Senior Facilities Agreement of €214.3 million (approximately £184.2 million). The sterling amounts included in this paragraph have been translated at an exchange rate of €1.00 = £0.8594, which represents the rate of exchange as of 29 June 2021. The refinancing of the Senior Facilities Agreement is conditional on Admission. This will create additional financial flexibility to be able to invest in the future growth of the business.

Through the sale of 138,695,380 Existing Shares pursuant to the Offer, the Company expects the Selling Shareholders to raise net proceeds of up to approximately £221.2 million, in aggregate, which are net of underwriting commissions (including the maximum amount of any discretionary commission payable by the Major Shareholder) and amounts in respect of stamp duty or SDRT payable by the Selling Shareholders in connection with the Offer which are expected to be approximately £7.7 million (including VAT) (assuming there is no exercise of the Over-allotment Option).

Pursuant to the Offer, the Existing Shareholders will experience a 12.35% dilution as a result of the issue of the 61,304,620 New Shares (that is, its, his or her proportionate interest in the Company will decrease by 12.35%).

The Offer is being made to certain institutional and professional investors in the UK and elsewhere outside the United States in accordance with Regulation S and in the United States only to persons reasonably believed to be QIBs in reliance on Rule 144A of the US Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

The Offer is, subject to certain customary conditions, fully underwritten by the Underwriters in accordance with the terms of the Underwriting Agreement summarised in section 16.3 (*Underwriting Agreement and Deeds of Election*) of Part XVII (*Additional Information*) of this Prospectus.

Certain restrictions that apply to the distribution of this Prospectus and the Shares being issued or sold in jurisdictions outside the UK are described in section 11 (*Transfer and Selling Restrictions*) of this Part XVI (*The Offer*) of this Prospectus.

The Offer is conditional on, among other things:

- (a) the Underwriting Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms; and
- (b) Admission having occurred by not later than 8.00 a.m. (London time) on 5 July 2021 (or such later time and/or date as the Global Coordinator (for itself and on behalf of the other Underwriter) and the Company may agree, being not later than 12 July 2021).

When admitted to trading, the Shares will be registered with ISIN number GB00BN44P254 and SEDOL number BN44P25, and will trade under the symbol “BCG”. Conditional dealings in the Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 30 June 2021. Admission is

expected to take place and unconditional dealings in the Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 5 July 2021.

Immediately following Admission, it is expected that in excess of 25% of the Company's issued ordinary share capital will be held in public hands.

The Company, the Major Shareholder and the Underwriters expressly reserve the right to determine, at any time prior to Admission, not to proceed with the Offer. If such right is exercised, the Offer will lapse and any monies received in respect of the Offer will be returned to investors without interest. The Offer cannot be terminated after Admission.

The rights attaching to the Shares issued or sold pursuant to the Offer, including any Shares sold pursuant to the Over-allotment Option, will be uniform in all respects, including the right to vote and the right to receive all dividends and other distributions declared, made or paid in respect of the Company's share capital after Admission. The Shares will be freely transferable and there will be no restrictions on transfer. The Shares will not carry any rights to participate in a distribution (including on a winding-up) other than those that exist under the Companies Act 2006. The Shares will rank *pari passu* in all respects.

No expenses will be charged by the Company or the Selling Shareholders to any subscribers or purchasers of Shares pursuant to the Offer.

2. REASONS FOR THE OFFER

The Directors believe the Offer and Admission will:

- (a) provide access to additional sources of capital to help support the Group's future growth ambitions;
- (b) further enhance the ability of the Group to recruit and incentivise its key management and employees; and
- (c) raise the profile and reputation of the Group.

The sale of the Existing Shares will provide the Selling Shareholders with an opportunity for a partial realisation of their shareholding in the Company.

3. ALLOCATIONS UNDER THE OFFER

Participants in the Offer will be advised verbally or by electronic mail of their allocation as soon as practicable following allocation. Upon notification of any allocation, prospective investors will be contractually committed to acquire the number of Shares allocated to them at the Offer Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment.

4. DEALING ARRANGEMENTS

Application will be made to the FCA for all of the Shares issued and to be issued in connection with the Offer to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for all of the Shares to be admitted to trading on the main market for listed securities of the London Stock Exchange. It is expected that dealings in the Shares will commence on a conditional basis on the London Stock Exchange at 8.00 a.m. on 30 June 2021. The earliest date for settlement of such dealings will be 5 July 2021. It is expected that Admission will become effective and that unconditional dealings in the Shares will commence on the London Stock Exchange at 8.00 a.m. on 5 July 2021. All dealings in Shares prior to the commencement of unconditional dealings will be on a "when issued basis" and will be of no effect if the Offer does not become unconditional in all respects and Admission does not take place, and such dealings will be at the sole risk of the parties concerned. These dates and times may be changed without further notice.

Pricing information will be published on the Company's website at www.balticclassifieds.com on 30 June 2021.

Each investor will be required to undertake to pay the Offer Price for the Shares sold or issued to such investor in such manner as shall be directed by the Global Coordinator.

It is expected that Shares allocated to investors in the Offer will be delivered in uncertificated form and settlement will take place through CREST on Admission. No temporary documents of title will be issued. Dealings in advance of crediting of the relevant CREST stock account shall be at the risk of the person concerned.

In connection with the Offer, any of the Underwriters and any of their affiliates, acting as investors for their own accounts, may take up a portion of the Shares in the Offer as a principal position, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its own accounts in such Shares and other securities of the Company or related investments and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in this Prospectus to the Shares being issued, offered, subscribed for, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing of or dealing by, any Underwriter and any of its affiliates acting as an investor for its own accounts. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which the Underwriters (or any of their affiliates) may from time to time acquire, hold or dispose of Shares. Neither the Underwriters nor any of their affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

5. OVER-ALLOTMENT AND STABILISATION

In connection with the Offer, Merrill Lynch International (as Stabilising Manager), or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law and for stabilisation purposes, over-allot Shares up to a total of 15% of the total number of Shares included in the Offer or effect other transactions with a view to supporting the market price of the Shares or any options, warrants or rights with respect thereto, or other interest in the Shares or other securities of the Company, in each case at a higher level than that which might otherwise prevail in the open market. The Stabilising Manager is not required to enter into such transactions and such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the conditional dealings in the Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. Stabilisation transactions aim at supporting the market price of the securities during the stabilisation period. Such stabilisation, if commenced, may be discontinued at any time without prior notice. If such stabilisation occurs, it will be undertaken at the London Stock Exchange. However, there will be no obligation on the Stabilising Manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. In no event will measures be taken to stabilise the market price of the Shares above the Offer Price. Except as required by law or regulation, neither the Stabilising Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.

For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotment and/or from sales of Shares effected by it during the stabilisation period, the Stabilising Manager has been granted the Over-allotment Option by the Major Shareholder under the Underwriting Agreement, pursuant to which it may purchase, or procure purchasers for, Over-allotment Shares (representing up to 15% of the total number of Shares included in the Offer) at the Offer Price. The Over-allotment Option may be exercised in whole or in part upon notice by the Stabilising Manager at any time on or before the 30th calendar day after the commencement of conditional dealings in the Shares on the London Stock Exchange. Any Over-allotment Shares made available pursuant to the Over-allotment Option will be made available on the same terms and conditions as Shares being offered or sold pursuant to the Offer, will rank *pari passu* in all respects with all other Shares (including with respect to pre-emption rights) and will form a single class with all other Shares for all purposes, including with respect to voting and for all dividends and distributions thereafter declared, made or paid on the ordinary share capital of the Company.

6. STOCK LOAN AGREEMENT

In connection with the arrangements detailed in section 5 (*Over-allotment and Stabilisation*) of this Part XVI (*The Offer*) of this Prospectus, the Stabilising Manager has entered into a Stock Loan Agreement with the Major Shareholder pursuant to which the Stabilising Manager will be able to borrow, from the Major Shareholder free of charge, Shares on Admission up to an amount equal to 15% of the total number of Shares included in the Offer for the purposes, among other things, of allowing

the Stabilising Manager to settle, at Admission, over allocations, if any, made in connection with the Offer. If the Stabilising Manager borrows any Shares pursuant to the Stock Loan Agreement it will be required to return equivalent securities to the Major Shareholder by no later than three Business Days following the Stabilisation End Date.

7. CREST

CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another's without the need to use share certificates or written instruments of transfer. With effect from Admission, the Articles will permit the holding of Shares under the CREST system. Application has been made for the Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Shares following Admission may take place within the CREST system if any shareholder so wishes. CREST is a voluntary system and holders of Shares who wish to receive and retain share certificates will be able to do so.

8. UNDERWRITING ARRANGEMENTS

The Company (for itself and as agent for and on behalf of each of the Management Selling Shareholders pursuant to the Deeds of Election), the Directors, the Major Shareholder, the Sponsor and the Underwriters have entered into the Underwriting Agreement pursuant to which the Underwriters have agreed, subject to certain terms and conditions, severally (and not jointly or jointly and severally) to (i) use reasonable endeavours to procure subscribers or purchasers, as the case may be, or, failing which, to (ii) subscribe for or purchase, as the case may be, for themselves, at the Offer Price, the Shares (in such proportions as are set out in the Underwriting Agreement) to be issued or sold pursuant to the Offer.

The Offer is conditional on, among other things, Admission occurring not later than 8.00 a.m. (London time) on 5 July 2021 (or such later time and/or date as the Company may agree with the Global Coordinator (for itself and on behalf of the other Underwriter), being not later than 12 July 2021) and the Underwriting Agreement becoming unconditional in all respects. The Underwriting Agreement contains provisions entitling the Global Coordinator (for itself and on behalf of the other Underwriter) to terminate the Offer (and the arrangements associated with it) at any time prior to Admission in certain customary circumstances. If such right is exercised, the Offer will lapse and any monies received in respect of the Offer will be returned to investors without interest. The underwriting commitment of the Underwriters will cease to be conditional at the point of Admission. If the conditions to the Underwriting Agreement have not been satisfied and the Global Coordinator determines that the Underwriting Agreement should be terminated, or if the Underwriters otherwise cease to underwrite the Offer in accordance with the terms of the Underwriting Agreement, Admission will not occur.

Under the terms and conditions of the Underwriting Agreement, the Sponsor has agreed to provide certain assistance to the Company in connection with Admission.

Further details of the terms of the Underwriting Agreement are set out in section 16.3 (*Underwriting Agreement and Deeds of Election*) of Part XVII (*Additional Information*) of this Prospectus.

9. LOCK-UP ARRANGEMENTS

Pursuant to the Underwriting Agreement, the Company has agreed that, subject to certain customary exceptions, for a period from the date of this Prospectus until 180 days after Admission, neither it nor any member of the Group will, without the prior written consent of the Global Coordinator (for itself and on behalf of the other Underwriter), directly or indirectly, offer, issue, allot, lend, mortgage, assign, charge, pledge, sell or contract to sell or issue, issue options in respect of, or otherwise dispose of, or announce an offering or issue of, any Shares (or any interest therein or in respect thereof) or any other securities exchangeable for, or convertible into, or substantially similar to, Shares or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing. The lock-up restrictions described in this paragraph shall not apply to, (i) the issue of New Shares pursuant to the Offer; (ii) the issue of Shares to certain of the Non-Executive Directors and certain other persons as described in section 10 (*Subscription of Shares Outside of the Offer*) of this Part XVI (*The Offer*) of this Prospectus; (iii) the issue of Shares pursuant to the grant or exercise of options or awards under, or in relation to, the PSP described in section 12 (*Performance Share Plan*) of Part XVII (*Additional Information*) of this Prospectus and the gift of free Shares to certain employees described in section 11.2 (*Company-wide remuneration*) of Part XVII (*Additional Information*) of this Prospectus; and (iv) the

grant of any options or awards under the PSP and (v) the issue of Shares in connection with the Reorganisation as disclosed in section 3.1 (*Pre-Admission steps under the Reorganisation*) of Part XVII (*Additional Information*) of this Prospectus;

Pursuant to the Underwriting Agreement, the Major Shareholder has agreed that, subject to the paragraph below in relation to margin loan facilities and to certain customary exceptions, for a period from the date of this Prospectus until 180 days after Admission, it will not, without the prior written consent of the Global Coordinator (for itself and on behalf of the other Underwriter), directly or indirectly, offer, issue, lend, mortgage, assign, charge, pledge, sell or contract to sell, issue options in respect of, or otherwise dispose of, or announce an offering or issue of any Shares (or any interest therein or in respect thereof) or any other securities exchangeable for, or convertible into, or substantially similar to, Shares or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing other than pursuant to the Offer or in connection with the Over-allotment Option in the manner described in this Prospectus. The lock-up restrictions described in this paragraph shall not apply to any Shares sold by the Major Shareholder pursuant to the Offer.

The lock up restrictions described in the preceding paragraph shall not prohibit the Major Shareholder from:

- (a) granting or agreeing to grant powers, pledges, mortgages or charges (a “**Security Interest**”) in respect of Shares to or for the benefit of one or more margin loan finance providers (a “**Margin Loan Lender**”) in connection with any margin loan facility granted to the Major Shareholder (a “**Margin Loan Facility**”) including transferring or agreeing to transfer Shares into a securities custody account for the purposes of granting any such Security Interest; or
- (b) selling, disposing or transferring or agreeing to sell, dispose or transfer any Shares pursuant to any enforcement of any Security Interest over Shares granted to or for the benefit of one or more Margin Loan Lenders in connection with any Margin Loan Facility, irrespective of whether such sale, disposal or transfer is conducted by the Major Shareholder, its custodian, agent or other representative or by a Margin Loan Lender,

provided that, in each case, prior to any such transfer the relevant transferee agrees to be bound by the lock up restrictions applicable to the Major Shareholder in respect of such number of Shares sold, transferred or disposed of.

The Major Shareholder has retained the right to enter into a margin loan facility following Admission. Should the Major Shareholder enter into a margin loan facility, the security granted in favour of the margin loan lender could represent up to all of the Shares held by the Major Shareholder in the Company at Admission. Ordinarily under such arrangements, the Major Shareholder will continue to be able to vote Shares over which security has been granted unless and until a default occurs under a margin loan facility. In the event that an event of default occurs under a margin loan facility, the security agent under the margin loan facility agreement may enforce the security granted by the Major Shareholder over its Shares and sell those Shares. Any transferee of such Shares during the lock-up period applicable to the Major Shareholder would be required to be bound by the lock-up arrangements described above.

Pursuant to the Underwriting Agreement, each of the Directors has agreed that, subject to certain customary exceptions, for a period from the date of this Prospectus until 360 days after Admission, he or she will not, without the prior written consent of the Global Coordinator (for itself and on behalf of the other Underwriter), directly or indirectly, offer, issue, lend, mortgage, assign, charge, pledge, sell or contract to sell, issue options in respect of, or otherwise dispose of, or announce an offering or issue of any Shares (or any interest therein or in respect thereof) or any other securities exchangeable for, or convertible into, or substantially similar to, Shares held by him or her immediately after Admission and any Shares which accrue to him or her as a result of such holding or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing. The restrictions described in this paragraph shall not apply to any Shares sold by a Director pursuant to the Offer in accordance with the terms of their Deed of Election or, for the avoidance of doubt, to Shares issued pursuant to the grant, exercise or vesting of options or awards under the PSP described in section 12 (*Performance Share Plan*) of Part XVII (*Additional Information*) of this Prospectus. In addition, the lock-up restrictions described in this paragraph shall not apply to (i) the sale or disposal of Shares by a Director where the proceeds of such disposal are used to raise monies to discharge any tax liability (including income tax liabilities, PAYE and employee’s national insurance contributions) and any interest, surcharges or penalties connected therewith arising in relation to such Director’s acquisition, holding or disposal of

Shares and/or the acquisition of or the disposal of or holding of any Shares or securities of any current or former member of the Group, provided that this exception shall only apply from the 181st day of the the relevant Director's lock-up period, or (ii) any sale or disposal of Shares by a Director in order to satisfy a claim under the Underwriting Agreement.

Pursuant to the Deeds of Election, each of the Management Shareholders has agreed that, subject to certain customary exceptions, for a period from the date of this Prospectus until 360 days after Admission, he or she will not, without the prior written consent of the Global Coordinator (for itself and on behalf of the other Underwriter), directly or indirectly, offer, issue, lend, mortgage, assign, charge, pledge, sell or contract to sell, issue options in respect of, or otherwise dispose of, or announce an offering or issue of any Shares (or any interest therein or in respect thereof) or any other securities exchangeable for, or convertible into, or substantially similar to, Shares held by him or her immediately after Admission and any Shares which accrue to him or her as a result of such holding or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing. The restrictions described in this paragraph shall not apply to any Shares sold by a Management Selling Shareholder pursuant to the Offer in accordance with the terms of their Deed of Election or, for the avoidance of doubt to Shares issued pursuant to the grant, exercise or vesting of options or awards under the PSP described in section 12 (*Performance Share Plan*) of Part XVII (*Additional Information*) of this Prospectus or pursuant to the gift of free Shares to certain employees described in section 11.2 (*Company-wide remuneration*) of Part XVII (*Additional Information*) of this Prospectus. In addition, the lock-up restrictions described in this paragraph shall not apply to (i) the sale or disposal of Shares by a Management Shareholder where the proceeds of such disposal are used to raise monies to discharge any tax liability (including income tax liabilities, PAYE and employee's national insurance contributions) and any interest, surcharges or penalties connected therewith arising in relation to such Management Shareholder's acquisition, holding or disposal of Shares and/or the acquisition of or the disposal of or holding of any Shares or securities of any current or former member of the Group, provided that this exception shall only apply from the 181st day of the the relevant Management Shareholder's lock-up period, or (ii) any sale or disposal of Shares by a Management Shareholder in order to satisfy a claim under their Deed of Election.

10. SUBSCRIPTION OF SHARES OUTSIDE OF THE OFFER

On Admission, 606,060 Shares will be issued by the Company to Trevor Mather for a total price of £1,000,000, 606,060 Shares will be issued by the Company to Ed Williams for a total price of £1,000,000, and 515,151 Shares will be issued by the Company to Kristel Volver for a total price of £850,000. In addition, 1,703,030 Shares will be issued in aggregate by the Company to certain individuals known to the Company for a total price of £2,810,000. The Shares referred to in this section 10 (*Subscription of Shares Outside of the Offer*) in Part XVI (*The Offer*) of this Prospectus will be issued at the Offer Price but will not form part of the Offer.

11. TRANSFER AND SELLING RESTRICTIONS

The distribution of this Prospectus and the offer of Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions, including those set out in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been or will be taken in any jurisdiction (other than the UK) that would permit a public offering of the Shares, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Shares may be distributed or published, in or from any country or jurisdiction except in circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions on the distribution of this Prospectus and the Offer. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus does not constitute an offer to subscribe for or purchase any of the Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

No Shares have been marketed to, or are available for purchase in whole or in part by, the public in the UK and elsewhere in connection with the Offer. This document does not constitute a public offer in the UK to subscribe for or purchase any securities in the Company or any other entity.

11.1 United States

This Prospectus is not a public offering (within the meaning of the US Securities Act) of securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the US Securities Act and applicable state or other securities laws. Accordingly, the Company and the Selling Shareholders may offer Shares: (a) in the United States only to persons reasonably believed to be QIBs as defined in and pursuant to Rule 144A; and (b) outside the United States in offshore transactions in reliance on Regulation S.

In addition, until 40 days after the commencement of the Offer, an offer or sale of Shares within the United States by any dealer (whether or not participating in the Offer) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

Rule 144A transfer restrictions

Each acquirer of Shares in the United States, by accepting delivery of this Prospectus, will be deemed to have represented, agreed and acknowledged that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision and that:

- (a) it is, and at the time of its purchase of any Shares will be, a QIB within the meaning of Rule 144A;
- (b) the Shares have not been, nor will they be, registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, that sellers of the Shares may be relying on the exemption from the registration requirements of the US Securities Act provided by Rule 144A, and that the Shares may not be offered or sold, directly or indirectly, in the United States, other than in accordance with section 11.1 (*United States*) of this Part XVI (*The Offer*) of this Prospectus;
- (c) it is purchasing the Shares: (i) for its own account; or (ii) for the account of one or more other QIBs for which it is acting as duly authorised fiduciary or agent with sole investment discretion with respect to each such account and with full authority to make the acknowledgements, representations and agreements herein with respect to each such account (in which case it hereby makes such acknowledgments, representations and agreements on behalf of such QIBs as well), in each case for investment and not with a view to any resale or distribution of any such Shares in violation of United States securities laws;
- (d) offers and sales of the Shares are being made in the United States only to QIBs in transactions not involving a public offering or which are exempt from, or not subject to, the registration requirements of the US Securities Act, and that if in the future it or any such other QIB for which it is acting or any other fiduciary or agent representing such investor, decides to offer, sell, deliver, pledge or otherwise transfer any Shares, it or any such other QIB and any such fiduciary or agent will do so only: (i) to a person that the seller and any person acting on its behalf reasonably believe is a QIB within the meaning of Rule 144A purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A; (ii) outside the United States in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S under the US Securities Act; (iii) in accordance with Rule 144 under the US Securities Act; or (iv) pursuant to an effective registration statement under the US Securities Act, and in each case in accordance with any applicable securities law of any state or territory of the United States and of any other jurisdiction. The purchaser understands that no representation can be made as to the availability of the exemption provided by Rule 144 under the US Securities Act for the resale of the Shares;

- (e) for so long as the Shares are “restricted securities” within the meaning of Rule 144A(a)(3) of the US Securities Act, no such shares may be deposited into any unrestricted depositary receipt facility established or maintained by a depositary bank;
- (f) the Shares will not settle or trade through the facilities of DTCC or any other United States clearing system;
- (g) the Shares (to the extent they are in certified form), unless otherwise determined by the Company in accordance with applicable law, will bear a legend substantially to the following effect:

“THE SHARES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE US SECURITIES ACT, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT: (I) TO A PERSON THAT THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QIB WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A; (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT; (III) IN ACCORDANCE WITH RULE 144 UNDER THE US SECURITIES ACT; OR (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE US SECURITIES ACT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OR TERRITORY OF THE UNITED STATES AND OF ANY OTHER JURISDICTION. NO REPRESENTATIONS CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR REALES OF THE SHARES REPRESENTED HEREBY. FOR SO LONG AS THE SHARES ARE “RESTRICTED SECURITIES” WITHIN THE MEANING OF RULE 144A(A)(3) OF THE US SECURITIES ACT, SUCH SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.”

- (h) these representations and undertakings are required in connection with the securities laws of the United States and that the Company, the Selling Shareholders, the Underwriters, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Shares are no longer accurate, it will promptly notify the Company;
- (i) any resale made other than in compliance with the above stated restrictions shall not be recognised by the Company; and
- (j) it represents that if, in the future, it offers, resells, pledges or otherwise transfers such Shares while they remain “restricted securities” within the meaning of Rule 144, it shall notify such subsequent transferee of the restrictions set out above.

Regulation S transfer restrictions

Each acquirer of Shares outside the United States in accordance with Regulation S, by accepting delivery of this Prospectus, will be deemed to have represented, agreed and acknowledged that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision and that:

- (a) it is authorised to consummate the purchase of the Shares in compliance with all applicable laws and regulations;
- (b) the Shares have not been, nor will they be, registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;
- (c) it is acquiring such Shares in an offshore transaction meeting the requirements of Regulation S;

- (d) it is not an affiliate of the Company as defined in Rule 405 under the US Securities Act or a person acting on behalf of such an affiliate; and
- (e) the Company, the Selling Shareholders, the Underwriters, their affiliates and others will rely upon truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

11.2 Australia

This Prospectus (a) does not constitute a prospectus or a product disclosure statement under the Corporations Act 2001 of the Commonwealth of Australia (“**Corporations Act**”); (b) does not purport to include the information required of a prospectus under Part 6D.2 of the Corporations Act or a product disclosure statement under Part 7.9 of the Corporations Act; has not been, nor will it be, lodged as a disclosure document with the Australian Securities and Investments Commission (“**ASIC**”), the Australian Securities Exchange operated by ASX Limited or any other regulatory body or agency in Australia; and (c) may not be provided in Australia other than to select investors (“**Exempt Investors**”) who are able to demonstrate that they (i) fall within one or more of the categories of investors under section 708 of the Corporations Act to whom an offer may be made without disclosure under Part 6D.2 of the Corporations Act and (ii) are “wholesale clients” for the purpose of section 761G of the Corporations Act.

The Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for, or buy, the Shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any Shares may be distributed, received or published in Australia, except where disclosure to investors is not required under Chapters 6D and 7 of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Shares, each purchaser or subscriber of Shares represents and warrants to the Company, the Selling Shareholders, the Underwriters and their affiliates that such purchaser or subscriber is an Exempt Investor.

As any offer of Shares under this Prospectus, any supplement or the accompanying prospectus or other document will be made without disclosure in Australia under Parts 6D.2 and 7.9 of the Corporations Act, the offer of those Shares for resale in Australia within 12 months may, under the Corporations Act, require disclosure to investors if none of the exemptions in the Corporations Act applies to that resale. By applying for the Shares each purchaser or subscriber of Shares undertakes to the Company, the Selling Shareholders and the Underwriters that such purchaser or subscriber will not, for a period of 12 months from the date of issue or purchase of the Shares, offer, transfer, assign or otherwise alienate those Shares to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

11.3 Japan

The Shares have not been, and will not be, registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948 as amended, the “**FIEL**”) and disclosure under the FIEL has not been, and will not be, made with respect to the Shares. Neither the Shares nor any interest therein may be offered, sold, resold, or otherwise transferred, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and all other applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities. As used in this paragraph, a resident of Japan is any person that is resident in Japan, including any corporation or other entity organised under the laws of Japan.

11.4 EEA

In relation to each Member State of the European Economic Area (each, a “Relevant State”), no Shares have been offered or will be offered pursuant the Offer to the public in that Relevant State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent

authority in that Relevant State, or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the Shares may be offered to the public in that Relevant State at any time:

- (a) to any legal entity which is a “qualified investor” as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than “qualified investors” as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Global Coordinator for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Shares shall result in a requirement for the Company or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person in a Relevant State who initially acquires any Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with each of the Underwriters, the Company and the Selling Shareholders that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will also be deemed to have represented, warranted and agreed that the Shares acquired by it in the Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Shares to the public, other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the Global Coordinator has been obtained to each such proposed offer or resale.

The Company, the Selling Shareholders, the Underwriters and their affiliates will rely upon the truth and accuracy of the foregoing representations, warranties and agreements. Notwithstanding the above, a person who is not a “qualified investor” and who has notified the Underwriters of such fact in writing may, with the prior consent of the Global Coordinator, be permitted to acquire Shares in the Offer.

For the purposes of this provision, the expression an “offer to the public” in relation to any Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares.

11.5 United Kingdom

No Shares have been offered or will be offered pursuant to the Offer to the public in the United Kingdom prior to the publication of the Prospectus which has been approved by the FCA, except that the Shares may be offered to the public in the United Kingdom at any time:

- (a) to any legal entity which is a “qualified investor” as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than “qualified investors” as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Global Coordinator for any such offer; or
- (c) in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of Shares shall result in a requirement for the Company or any Underwriter to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation and each person who initially acquires any Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with each of the Underwriters and the Company that it is a qualified investor within the meaning of the UK Prospectus Regulation.

In the case of any Shares being offered to a financial intermediary as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will also be deemed to have represented, warranted and agreed that the Shares acquired by it in the Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Shares to the public, other than their

offer or resale in the United Kingdom to qualified investors as so defined or in circumstances in which the prior consent of the Global Coordinator has been obtained to each such proposed offer or resale.

The Company, the Selling Shareholders, the Underwriters and their affiliates will rely upon the truth and accuracy of the foregoing representations, warranties and agreements. Notwithstanding the above, a person who is not a “qualified investor” and who has notified the Underwriters of such fact in writing may, with the prior consent of the Global Coordinator, be permitted to acquire Shares in the Offer.

For the purposes of this provision, the expression an “offer to the public” in relation to any Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares.

11.6 DIFC

This Prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (“**DFSA**”). This Prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Prospectus nor taken steps to verify the information set forth herein and has no responsibility for the Prospectus. The Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this Prospectus you should consult an authorised financial adviser.

11.7 Switzerland

The offering of the Shares in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act (“**FinSA**”) because the Shares are offered to less than 500 investors and the Shares will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This Prospectus does not constitute a prospectus or a similar document pursuant to FinSA, and no such prospectus has been or will be prepared for or in connection with the offering of the Shares.

11.8 Hong Kong

This document has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. The Shares may only be offered or sold in Hong Kong (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance and (b) in other circumstances which do not result in this document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong.

11.9 Canada

The Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (“**NI 33-105**”), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

11.10 Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined under Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person under Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise under, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (A) a corporation (which is not an accredited investor (as defined in the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (B) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 2(1) of the SFA) or Securities-based Derivatives Contracts (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares under an offer made under Section 275 of the SFA except:
 - (1) to an institutional investor under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
 - (2) where no consideration is or will be given for the transfer;
 - (3) where the transfer is by operation of law;
 - (4) as specified in Section 276(7) of the SFA; or
 - (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time, including by such of its subsidiary legislation as may be applicable at the relevant time.

11.11 South Africa

In South Africa, the Offer will only be made by way of private placement to, and be capable of acceptance by, persons falling within the exemptions set out in Section 96(1)(a) of the South African Companies Act and to whom the Offer will be specifically addressed (“**Qualifying Investors**”) and this Prospectus is only being made available to such Qualifying Investors. The Offer and the Prospectus do not constitute an offer for the sale of or subscription for, or the solicitation of an offer to buy and to subscribe for, shares to the public as defined in the South African Companies Act and will not be made or distributed, as applicable, to any person in South Africa in any manner which could be construed as an offer to the public in terms of the South African Companies Act. Should any person who is not a Qualifying Investor receive this Prospectus they should not and will not be entitled to acquire any Shares or otherwise act thereon. This Prospectus does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act.

12. TERMS AND CONDITIONS OF THE OFFER

These terms and conditions apply to investors agreeing to subscribe for New Shares and/or purchase Existing Shares under the Offer. Each investor agrees with each of the Company, the Selling Shareholders and the Underwriters to be bound by these terms and conditions as being the terms and conditions upon which Shares will be issued and/or sold under the Offer.

12.1 Agreement to acquire Shares

Conditional on (i) Admission occurring on or prior to 8.00 a.m. on 5 July 2021 (or such later date as the Global Coordinator (on behalf of itself and the other Underwriter) and the Company may agree), and (ii) the investor being allocated Shares, each investor agrees to become a member of the Company and agrees to acquire Shares at the Offer Price. To the fullest extent permitted by law, each investor acknowledges and agrees that it will not be entitled to exercise any rights to rescind or terminate or, subject to any statutory rights, to withdraw an application for Shares in the Offer, or otherwise to withdraw from, such commitment.

12.2 Payment for Shares

Each investor undertakes to pay the Offer Price for the Shares issued to or acquired by such investor in such manner as shall be directed by the Global Coordinator (on behalf of itself and the other Underwriter). In the event of any failure by any investor to pay as so directed by the Global Coordinator, the relevant investor will be deemed thereby to have appointed the Global Coordinator or any nominee of the Global Coordinator to sell (in one or more transactions) any or all of the Shares in respect of which payment will not have been made as directed by the Global Coordinator and indemnifies on demand the Global Coordinator and/or any relevant nominee of the Global Coordinator in respect of any liability for stamp duty and/or SDRT arising in respect of any such sale or sales.

Liability for stamp duty and SDRT is described in section 1.3 (*UK Stamp Duty and SDRT*) of Part XV (*Taxation*) of this Prospectus.

12.3 Supply and disclosure of information

If the Company or the Global Coordinator (on behalf of itself and the other Underwriter) or any of their agents request any information about an investor's agreement to subscribe for and/or purchase Shares, such investor must promptly disclose it to them and ensure that such information is complete and accurate in all respects.

12.4 Miscellaneous

- (a) The rights and remedies of the Company, the Selling Shareholders and the Underwriters under these terms and conditions are in addition to any rights and remedies which would otherwise be available to them, and the exercise or partial exercise of one will not prevent the exercise of others.
- (b) All documents sent by, to, from or on behalf of the investor will be sent at the investor's risk. They may be sent by post to such investor at an address notified to the Global Coordinator (on behalf of itself and the other Underwriter).
- (c) Each investor agrees to be bound by the Articles (as amended from time to time) once the Shares which such investor has agreed to subscribe for and/or purchase have been issued or transferred to such investor.
- (d) The contract to subscribe for and/or purchase Shares and the appointments and authorities mentioned herein will be governed by, and construed in accordance with, English law. For the exclusive benefit of the Company, the Selling Shareholders and the Underwriters, each investor irrevocably submits to the exclusive jurisdiction of the English courts in respect of these matters. This does not prevent an action being taken against an investor in any other jurisdiction.
- (e) In the case of a joint agreement to subscribe for and/or purchase Shares, references to an investor in these terms and conditions are to each of such investors and any investors' liability is joint and several.

13. WITHDRAWALS

If the Company is required to publish any supplementary prospectus, applicants who have applied for Shares in the Offer shall have at least two clear Business Days following the publication of the relevant supplementary prospectus within which to withdraw their application to acquire Shares in the Offer in its entirety. The right to withdraw an application to acquire Shares in the Offer in these circumstances will be available to all investors in the Offer. If the application is not withdrawn within the stipulated period, any application to apply for Shares in the Offer will remain valid and binding.

Details of how to withdraw an application will be made available if a supplementary prospectus is published.

14. FTSE ELIGIBILITY

Subject to satisfying the appropriate criteria, the Company expects that it would be eligible following completion of the Offer for inclusion in the UK's FTSE UK Index Series at the quarterly review in September 2021.

15. OTHER RELATIONSHIPS

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) in the Company, the Major Shareholder and their respective affiliates for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments.

PART XVII
ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Directors, whose names appear in Part IX (*Directors, Senior Managers, Employees and Corporate Governance*) of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

2. INCORPORATION AND ACTIVITY OF THE COMPANY

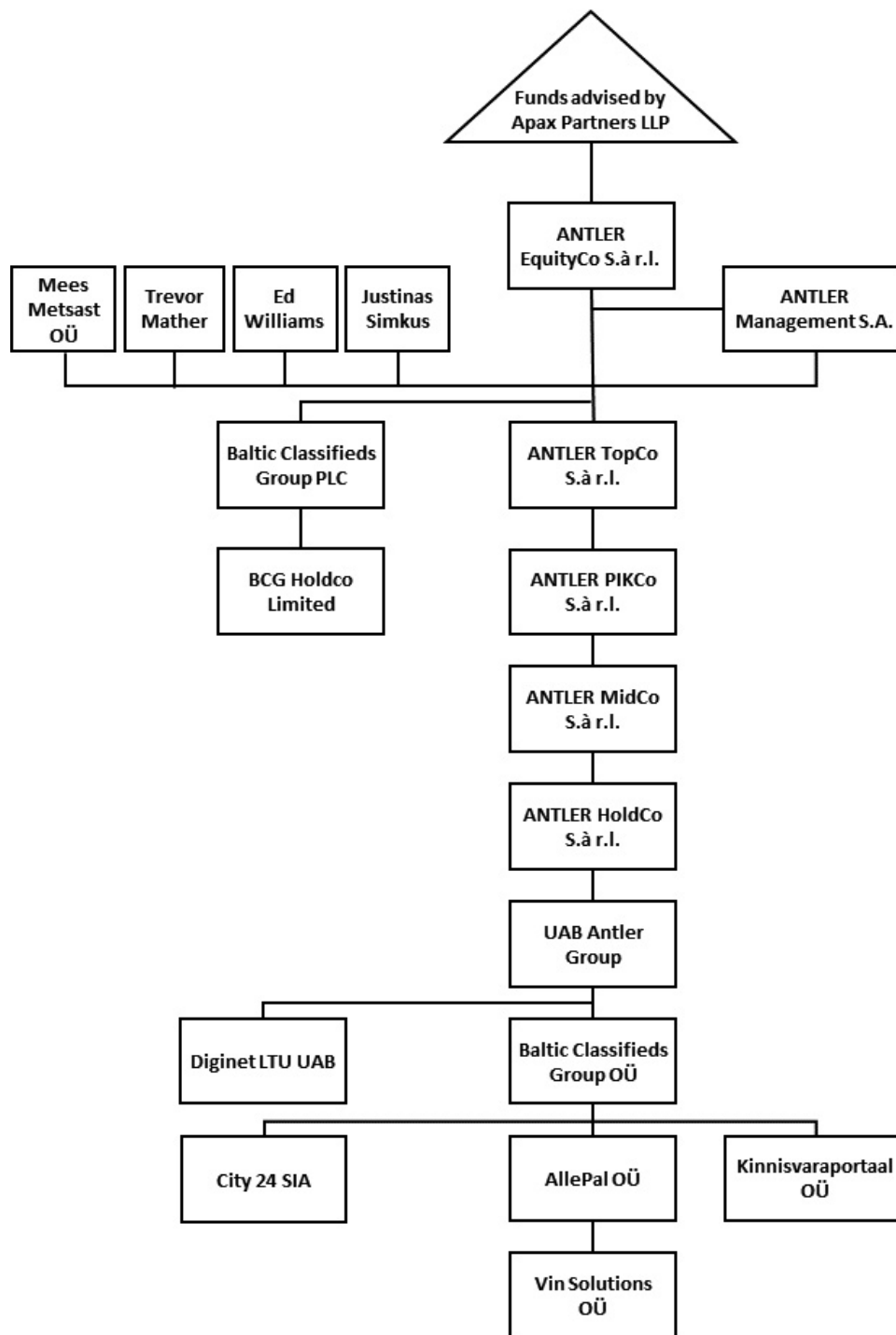
On 26 April 2021, the Company was incorporated and registered in England and Wales under the Companies Act 2006 as a public limited company under the name Baltic Classifieds Group PLC with registered number 13357598. The commercial name of the Company (and the Group as a whole) is “Baltic Classifieds Group”.

The principal activity of the Company is to act as the holding company of the Group. The principal legislation under which the Company operates is the Companies Act 2006 and regulations made thereunder. The Company operates in conformity with its articles of association. On 5 May 2021, the Company was issued with a trading certificate under section 761 of the Companies Act 2006, entitling it to commence business.

The Company is domiciled in England and Wales with its registered office at Highdown House, Yeoman Way, Worthing, West Sussex BN99 3HH, United Kingdom. The Company’s principal place of business is Saltoniškių St. 9B, LT-08105 Vilnius, Lithuania and the telephone number is +37052075061. The Company’s LEI number is 213800I1RPHCFSSQS969.

3. REORGANISATION

The diagram below sets out the simplified Group structure as at the date of this Prospectus. ANTLER TopCo S.à r.l. is controlled by the Major Shareholder. Ed Williams (jointly with his spouse), Trevor Mather, Justinas Šimkus (jointly with his spouse), Mees Metsast OÜ (a personal investment vehicle for a member of the Company’s management team) (together the “**Individual Shareholders**”) and ANTLER Management S.A. are the other persons holding interests in shares in ANTLER TopCo S.à r.l. The shareholders in ANTLER Management S.A. are the Major Shareholder and various members of the Company’s management team and other employees of the Group. Following Admission, the Company shall be controlled by the Major Shareholder, which shall hold 244,085,889 Shares in the Company (assuming no exercise of the Over-allotment Option). Further details of the share capital structure are set out in section 4 (*Share Capital of the Company*) of this Part XVII (*Additional Information*) below and in the remainder of this section 3 (*Reorganisation*) of this Part XVII (*Additional Information*).



3.1 Pre-Admission steps under the Reorganisation

On 3 June 2021, the Company, BCG Holdco Limited, ANTLER TopCo S.à r.l., ANTLER HoldCo S.à r.l., the Major Shareholder, ANTLER Management S.A. and the Individual Shareholders entered into a reorganisation agreement (the “**Reorganisation Agreement**”) in which it was agreed that effective on and conditional upon Admission occurring, the Major Shareholder, ANTLER Management S.A. and the Individual Shareholders shall transfer all of their shares in ANTLER TopCo S.à r.l. to the Company in exchange for the allotment and issue by the Company of Shares except ANTLER Management S.A. may elect not to transfer its shares in ANTLER TopCo S.à r.l. only if all the shareholders in ANTLER Management S.A. transfer their shares in ANTLER Management S.A. to the Company, in which case the acquisition of 100% of ANTLER Management S.A. by the Company will occur effective and conditional upon Admission but before the acquisition by the Company of all the shares in ANTLER TopCo S.à r.l. (other than those held

by ANTLER Management S.A.), the foregoing step comprising and being the “**Pre IPO Reorganisation**”.

3.2 Post-Admission steps under the Reorganisation

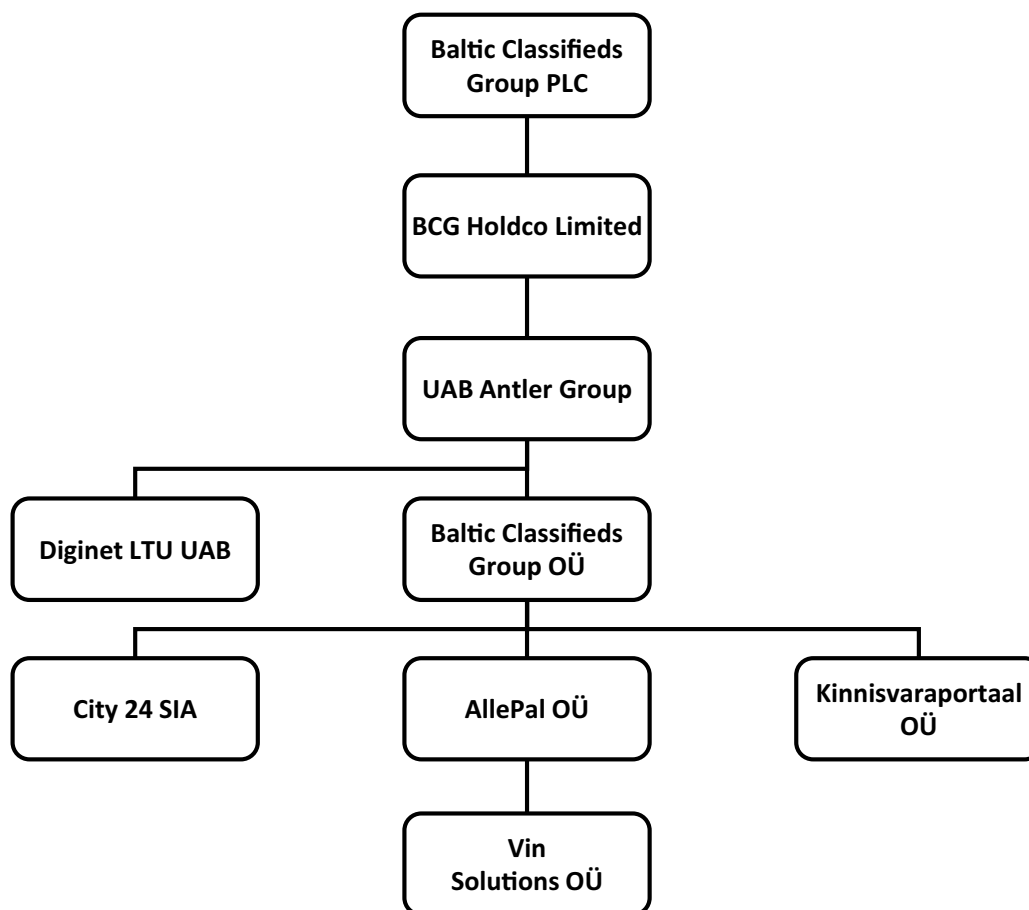
Shortly following Admission, and in accordance with the Reorganisation Agreement:

- (a) the Company shall use a portion of the net proceeds raised from the Offer to redeem the Redeemable Preference Share;
- (b) BCG Holdco Limited will acquire each of (i) UAB Antler Group, being the main holding company of the operating entities in the Group, from ANTLER HoldCo S.à r.l. and (ii) ANTLER TopCo S.à r.l., with each acquisition completing simultaneously; and
- (c) each of ANTLER Management S.A., ANTLER TopCo S.à r.l., ANTLER PIKCo S.à r.l., ANTLER MidCo S.à r.l. and ANTLER HoldCo S.à r.l. will be liquidated,

each of the foregoing steps comprising and being the “**Post IPO Reorganisation**”.

The liquidation of each of ANTLER Management S.A., ANTLER TopCo S.à r.l., ANTLER PIKCo S.à r.l., ANTLER MidCo S.à r.l. and ANTLER Holdco S.à r.l. is expected to have a neutral or de minimis impact on the Group’s financial position.

The diagram below sets out the Group structure following completion of the Post IPO Reorganisation and anticipated removal of ANTLER Management S.A., ANTLER TopCo S.à r.l., ANTLER PIKCo S.à r.l., ANTLER MidCo S.à r.l. and ANTLER HoldCo S.à r.l.:



3.3 Proposed Reduction of Capital

The Company has not traded since incorporation and lacks distributable reserves. This could restrict the Company’s ability to pay future dividends. Therefore, the Company intends to undertake a court approved capital reduction following Admission in accordance with the Companies Act and the Companies (Reduction of Share Capital) Order 2008 in order to provide it with the distributable

reserves required to support the dividend policy described in Section 6 (*Dividend Policy*) of this Part XVII (*Additional Information*) of this Prospectus. The proposed capital reduction will reduce the nominal value of each Share and will cancel all amounts standing to the credit of the Company's share premium account following Admission. The capital reduction has been approved (conditional on Admission) by a special resolution passed at the general meeting of the Company on 29 June 2021 and will require court confirmation after Admission.

4. SHARE CAPITAL OF THE COMPANY

4.1 Issued Share Capital of the Company

The issued and fully paid share capital of the Company as at the date of this Prospectus is, and immediately following Admission will be, as follows:

Class of shares	Outstanding as at the date hereof		Outstanding immediately following Admission	
	Number	Amount	Number	Amount
ordinary shares of £1.00 each	1	£ 1	—	—
Redeemable Preference Share ⁽¹⁾	1	£49,999	1	£ 49,999
Shares	—	—	500,000,000	£500,000,000

Notes:

(1) The Redeemable Preference Share will be redeemed by the Company out of the proceeds of the Offer shortly after Admission.

The Company has no convertible securities, exchangeable securities or securities with warrants in issue.

4.2 History of the Share Capital and Authorisations relating to the Share Capital of the Company

4.2.1 The share capital history of the Company is as follows:

- (a) on incorporation, one ordinary share of £1.00 was allotted and issued, fully paid, as a subscriber share to Maples Fiduciary Services (UK) Limited and subsequently transferred to the Major Shareholder;
- (b) on 27 April 2021, one redeemable preference share of £49,999 was allotted and issued to the Major Shareholder (the "**Redeemable Preference Share**");
- (c) by a resolution passed at a general meeting of the sole member of the Company on 2 June 2021, it was resolved to approve the acquisition by the Company of shares in ANTLER TopCo S.à r.l. and ANTLER Management S.A. from certain Directors and persons connected with them in exchange for the issue of Shares to such persons as envisaged by the terms of the Reorganisation Agreement; and
- (d) by resolutions passed at a general meeting of the sole member of the Company on 29 June 2021, it was resolved that:
 - (i) the directors be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act to allot Shares or grant rights to subscribe for or to convert any security into Shares:
 - (A) up to an aggregate nominal amount of £500,000,000;
 - (B) following Admission, up to an aggregate nominal amount of £166,666,666, equal to one-third of the Company's share capital on Admission; and
 - (C) following Admission, up to an aggregate nominal amount of £333,333,333, equal to two-thirds of the Company's share capital on Admission (such amount to be reduced by the extent the authority granted by paragraph 4.2.1(d)(i)(B) is utilised) in connection with an offer by way of a rights issue to ordinary shareholders in proportion to their existing shareholdings (and holders of any equity securities entitled to participate or as the directors otherwise consider necessary),

such authorities to expire in the case of the authority in paragraph 4.2.1(d)(i)(A) on Admission and in the case of the authorities described in paragraphs 4.2.1(d)(i)(B) and

(C) on the earlier of the conclusion of the first annual general meeting of the Company and the close of business on 31 October 2022 (save that the Company may, before the expiry of such periods, make offers or agreements which would or might require shares to be allotted or rights to be granted after expiry of these authorities, and the directors may allot shares or grant rights in pursuance of any such offer or agreement notwithstanding the authorities conferred have expired);

(ii) the directors be generally empowered to allot equity securities (within the meaning of section 560 of the Companies Act) as if section 561 of the Companies Act did not apply to any such allotment:

(A) pursuant to the authorities granted as described in paragraph 4.2.1(d)(i)(A);

(B) pursuant to the authorities granted as described in paragraphs 4.2.1(d)(i)(B) and (C), in connection with a pre-emptive offer;

(C) up to an aggregate nominal amount of £25,000,000, equal to 5% of the Company's share capital on Admission; and

(D) in addition to any authority granted pursuant to the resolution described in paragraph 4.2.1(d)(ii)(C), up to an aggregate nominal amount of £25,000,000, equal to 5% of the Company's share capital on Admission, provided that such authority is used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of the notice in respect of such resolution,

such powers to expire in the case of the powers in paragraph 4.2.1(d)(ii)(A) on Admission and in the case of the powers in 4.2.1(d)(ii)(B), (C) and (D) on the earlier of the conclusion of the first annual general meeting of the Company and the close of business on 31 October 2022 (save that the Company may, before the expiry of such periods, make offers or agreements which would or might require equity securities to be allotted or rights to be granted after expiry of these powers and the directors may allot equity securities or grant rights in pursuance of any such offer or agreement to subscribe for or convert any security into a share notwithstanding the powers conferred have expired).

For the purposes of this paragraph 4.2.1(d)(ii), a "pre-emptive offer" means an offer of equity securities to ordinary shareholders in proportion to their existing holdings, but subject to such exclusions or other arrangements as the directors may deem necessary or appropriate in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory;

(iii) conditional upon Admission, the Company be authorised to make market purchases of Shares pursuant to section 701 of the Companies Act, subject to the following conditions:

(A) the maximum number of Shares authorised to be purchased is 50,000,000, equal to 10% of the Company's Shares in issue on Admission;

(B) the minimum price which may be paid for a Share is the nominal value of a Share at the time of such purchase;

(C) the maximum price which may be paid for a Share shall be the higher of: (i) an amount equal to 105% of the average of the middle market quotations of a share as derived from the London Stock Exchange Daily Official List for the five Business Days immediately preceding the day on which a Share is contracted to be purchased; and (ii) an amount equal to the higher of the price of the last independent trade and the highest current independent bid for a Share on the trading venues where the trade is carried out, in each case exclusive of expenses;

(D) the authority shall expire (unless previously revoked, varied or removed) on the earlier of the conclusion of the first annual general meeting of the Company and the close of business on 31 October 2022;

- (E) a contract to purchase Shares under this authority may be made prior to the expiry of this authority, and concluded in whole or in part after expiry of this authority; and
 - (F) any Shares purchased pursuant to this authority may either be held as treasury shares or cancelled by the Company, depending on which course of action is considered by the directors to be in the best interests of shareholders at the time;
- (iv) a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice;
 - (v) conditional upon Admission, the Articles be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association; and
 - (vi) conditional upon Admission and subject to confirmation by the High Court of Justice of England and Wales (the "**Court**"), the nominal value of each ordinary share be reduced from £1.00 to £0.01 and the entire amount standing to the credit of the share premium account of the Company as at 5.00 p.m. (London time) on the day immediately preceding the day on which the Court makes an order confirming the reduction of capital described in Section 3.3 (*Proposed Reduction of Capital*) of this Part XVII (*Additional Information*) be cancelled.

4.3 Confirmations

Save as disclosed above, or as set out in Part XIII (*Historical Financial Information*) of this Prospectus, or in Section 3 (*Reorganisation*), Section 12 (*Performance Share Plan*), Section 13 (*Pensions*) and Section 16.3 (*Underwriting Agreement and Deeds of Election*) of this Part XVII (*Additional Information*):

- (a) no share or loan capital of the Company has, since its incorporation, been issued or agreed to be issued, or is now proposed to be issued (other than pursuant to the Offer), fully or partly paid, either for cash or for a consideration other than cash, to any person;
- (b) there has been no change in the amount of the issued share or loan capital of the Company since its incorporation;
- (c) no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company, since its incorporation; and
- (d) no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

The Company will be subject to the continuing obligations of the FCA with regard to the issue of Shares for cash. The provisions of section 561(1) of the Companies Act (which confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash other than by way of allotment to employees under an employees' share scheme as defined in section 1166 of the Companies Act) apply to the unissued share capital of the Company (in respect of which the directors have authority to make allotments pursuant to section 551 of the Companies Act as referred to in paragraph 4.2.1(d)(i) above), except to the extent such provisions have been disapplied as referred to in paragraph 4.2.1(d)(ii) above.

The Board considers the authorities and powers set out above to be appropriate in order to allow the Group flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions. The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles not to allot shares for cash on a non-pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of an amount equal to 5% of the total issued ordinary share capital of the Company for the duration of this authority and 7.5% of the total issued ordinary share capital of the Company within a rolling three-year period (in each case other than in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six month period and is disclosed in the announcement of the allotment) without prior consultation with shareholders. Following court confirmation of the reduction in capital referred to in Section 3.3 (*Proposed Reduction of Capital*) of this Part XVII (*Additional Information*), the Board will only exercise the authorities and power described in

paragraphs 4.2.1(d)(i)(B), 4.2.1(d)(i)(C), 4.2.1(d)(ii)(C) and 4.2.1(d)(ii)(D) above up to an aggregate amount equal to one-third, two-thirds, 5% and 5%, respectively, of the Company's share capital following such reduction of capital.

The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise. As at the date of this Prospectus, the Company does not hold any shares in treasury. There are no present plans to undertake a rights issue or to allot new Shares other than in connection with employee share and incentive plans.

5. ARTICLES OF ASSOCIATION

The Company's objects are not restricted by its Articles. Accordingly, pursuant to section 31 of the Companies Act, the Company's objects are unrestricted. The liability of the members is limited to the amount, if any, unpaid on the shares in the Company respectively held by them. The Articles (which have been adopted by the Company conditional upon and with effect from Admission) include provisions to the following effect:

5.1 Shares

Respective rights of different classes of shares

Without prejudice to any rights attached to any existing shares, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, the directors. The Company may also issue shares which are, or are liable to be, redeemed at the option of the Company or the holder.

Variation of rights

- (a) Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the written consent of the holders of three-quarters in nominal value of the issued shares of the class (excluding shares held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class and may be so varied or abrogated either while the Company is a going concern or during or in contemplation of a winding-up.
- (b) The rights attached to a class of shares are not, unless otherwise expressly provided for in the rights attaching to those shares, deemed to be varied by the creation, allotment or issue of further shares ranking in priority to, *pari passu* with or subsequent to them or by the purchase or redemption by the Company of its own shares.

Transfer of shares

- (c) Transfers of certificated shares may be effected in writing in any usual or common form or in any other form acceptable to the directors. The instrument of transfer shall be signed by or on behalf of the transferor and, if any of the shares are not fully paid shares, by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect of those shares. Transfers of uncertificated shares shall be effected by means of a relevant system (i.e. CREST) unless The Uncertificated Securities Regulations 2001 provide otherwise.
- (d) The directors may decline to register any transfer of a certificated share unless (i) the instrument of transfer is in respect of only one class of share; (ii) the instrument of transfer is lodged at the place where the register of members is situated, and accompanied by the relevant share certificate(s) or other evidence reasonably required by the directors to show the transferor's right to make the transfer or, if the instrument of transfer is executed by some other person on the transferor's behalf, the authority of that person to do so; (iii) the certificated share is fully paid; (iv) it is for a share upon which the Company has no lien; and (v) it is duly stamped or duly certificated or otherwise shown to the satisfaction of the directors to be exempt from stamp duty (if so required).
- (e) The directors may also refuse to register an allotment or transfer of shares in favour of more than four persons jointly.

- (f) When a transfer of shares has been lodged with the Company, the Company must either register the transfer, or give the transferee notice of refusal to register the transfer, together with its reasons for the refusal (as soon as practicable and in any event within two months after the date on which the transfer is lodged with it).

Restrictions where notice not complied with

- (g) If any member, or any person appearing to be interested in shares (within the meaning of Part 22 of the Companies Act) held by such member, has been duly served with a notice under section 793 of the Companies Act (which confers upon public companies the power to require information as to interests in its voting shares) and is in default for a period of 14 days in supplying to the Company the information required by that notice then (unless the directors otherwise determine):
- (i) the holder of those shares shall not (for so long as the default continues) be entitled to attend or vote (in person or by proxy) at any general meeting; and
 - (ii) the directors may in their absolute discretion, where those shares represent 0.25% or more of the issued shares of the class in question, by notice to the holder, direct that:
 - (A) any dividend or part of a dividend (including shares issued in lieu of a dividend) or other money which would otherwise be payable on the shares will be retained by the Company without any liability for interest; and/or
 - (B) (subject to various exceptions set out in the Articles) transfers of the shares will not be registered.

Forfeiture and lien

- (h) If a member fails to pay in full any sum which is due in respect of a share on or before the due date for payment, then, following notice by the directors requiring payment of the unpaid amount with any accrued interest and any expenses incurred, such share may be forfeited by a resolution of the directors to that effect (including all dividends declared in respect of the forfeited share and not actually paid before the forfeiture).
- (i) A share forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of to any person (including the person who was, before such forfeiture or surrender, the holder of that share or entitled to it) on such terms and in such manner as the directors think fit.
- (j) A member whose shares have been forfeited will cease to be a member in respect of those shares, but will remain liable to pay the Company all monies which at the date of forfeiture or surrender were payable, together with interest at a rate of 15% per annum (or such lower rate as the directors may decide). The directors may in their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal, or waive payment in whole or part.
- (k) The Company shall have a lien on every share that is not fully paid for all moneys in respect of the share's nominal value, or any premium at which it was issued, that have not been paid to the Company and are payable immediately or at a fixed time in the future, whether or not a call has been made. The Company's lien over a share takes priority over the rights of any third party and extends to any dividends or other sums payable by the Company in respect of that share. The directors may waive any lien which has arisen and may resolve that any share shall be exempt from such a lien, either wholly or partially, for such period as the directors decide.
- (l) The Company may deliver an enforcement notice in respect of any share if a sum in respect of which a lien exists is due and has not been paid. The Company may sell any share in respect of which an enforcement notice, delivered in accordance with the Articles, has been given if such notice has not been complied with. The net proceeds of sale (after payment of the costs of the sale and of enforcing the lien) shall first be applied towards payment of the amount in respect of which the lien exists to the extent that amount was due on the date of the enforcement notice and then, on surrender of the share certificate for cancellation or compliance with such conditions as to evidence and indemnity as the Directors think fit, to the person entitled to the shares immediately prior to the sale.

5.2 General meetings

Annual general meeting and convening of general meetings

Annual general meetings will be held in accordance with the Companies Act. The Directors may, whenever they think fit, convene a general meeting once the Company has received requests from its members to do so in accordance with the Companies Act. The Articles permit the Directors to take advantage of section 360A of the Companies Act to hold general meetings by electronic means.

Notice of general meetings, etc.

- (a) An annual general meeting shall be called by not less than 21 clear days' notice. All other general meetings shall be called by not less than 14 clear days' notice in writing. As the Company is a traded company (as defined in the Companies Act), the provisions of section 307A of the Companies Act must be complied with if the meeting is to be called by less than 21 clear days' notice, unless the meeting is of holders of a class of shares.
- (b) Notices of general meetings shall include all information required to be included by the Companies Act and shall be given to all members and every director, subject to the Companies Act, the provisions of the Articles and any restrictions imposed on any shares. The Company may determine that only those persons entered on the register of members at the close of business on a day decided by the Company, such day being no more than 21 days before the day that notice of the meeting is sent, shall be entitled to receive such a notice.
- (c) For the purposes of determining which persons are entitled to attend or vote at a meeting, and how many votes such persons may cast, the Company must specify in the notice of the meeting a time, not more than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the meeting, by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting.

Quorum and voting

- (d) No business other than the appointment of a Chairman shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present (including by means of electronic facility) in person or by proxy shall be a quorum.
- (e) At any general meeting any resolution put to the vote shall be decided on a show of hands unless the meeting is held by electronic means, in which case it shall be decided on a poll, or otherwise the directors have decided in advance that it will be decided as a poll or a poll is (before the resolution is put to the vote on a show of hands, or on the declaration of the result of the show of hands) demanded by:
 - (i) the Chairman of the meeting;
 - (ii) not less than five members present in person or by proxy and entitled to vote;
 - (iii) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting (excluding the rights attaching to any shares held as treasury shares); or
 - (iv) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any such shares held as treasury shares).
- (f) At a general meeting, subject to any special rights or restrictions attached to any shares or class of shares:
 - (i) on a show of hands, every member present in person and every duly appointed proxy present shall have one vote;
 - (ii) on a show of hands, a proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution and the proxy has been instructed:
 - (A) by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or

- (B) by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his/her discretion as to how to vote; and
- (iii) on a poll, every member present in person or by proxy has one vote for every share of which such member is the holder.
- (g) A proxy shall not be entitled to vote on a show of hands or on a poll where the member appointing the proxy would not have been entitled to vote on the resolution had such member been present in person.
- (h) Unless the directors resolve otherwise, no member shall be entitled in respect of any share held by such member to vote either personally or by proxy or to exercise any other right in relation to general meetings if any call or other sum due from such member to the Company in respect of that share remains unpaid.

Conditions of admission

- (i) The directors may put in place such arrangements or restrictions as they think fit to ensure the safety and security of attendees at a general meeting and the orderly conduct of the meeting, including requiring attendees to submit to searches. Any member, proxy or other person who fails to comply with such arrangements or restrictions may be refused entry into, or removed from, the general meeting.
- (j) The directors may decide that a general meeting shall be held at two or more locations to facilitate the organisation and administration of such meeting. A member present in person or by proxy at the designated “satellite” meeting place may be counted in the quorum and may exercise all rights that they would have been able to exercise if they had been present at the principal meeting place. The directors may make and change from time to time such arrangements as they shall in their absolute discretion consider appropriate to:
 - (i) ensure that all members and proxies for members wishing to attend the meeting can do so;
 - (ii) ensure that all persons attending the meeting are able to participate in the business of the meeting and to see and hear anyone else addressing the meeting;
 - (iii) ensure the safety of persons attending the meeting and the orderly conduct of the meeting; and
 - (iv) restrict the numbers of members and proxies at any one location to such number as can safely and conveniently be accommodated there.

5.3 Directors

General powers

The directors shall manage the business and affairs of the Company and may exercise all powers of the Company other than those that are required by the Companies Act or by the Articles to be exercised by the Company in a general meeting.

Number of directors

The directors shall not be less than two and not more than 20 in number, save that the Company may, by ordinary resolution, from time to time vary the minimum number and/or maximum number of directors.

Share qualification

A director shall not be required to hold any shares of the Company by way of qualification. A director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.

Directors’ fees

- (a) Non-executive directors’ fees are determined by the directors from time to time, except that they may not exceed £1.5 million per annum in aggregate or such higher amount as may from time to time be determined by ordinary resolution of the shareholders.

- (b) Any director who holds any executive office (including, for this purpose, the office of Chair, deputy Chair or senior independent director, whether or not such office is held in an executive capacity), or who serves on any committee of the directors, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the directors may determine.

Executive directors

The directors may from time to time appoint one or more of their number to be the holder of any executive office and may confer upon any director holding an executive office any of the powers exercisable by them as directors upon such terms and conditions, and with such restrictions, as they think fit. The directors may from time to time revoke, withdraw, alter or vary the terms of any such appointment or all or any of such delegated powers.

Directors' retirement

- (c) At each annual general meeting, each director then in office shall retire from office with effect from the conclusion of the meeting.
- (d) When a director retires at an annual general meeting in accordance with the Articles or otherwise, the Company may, by ordinary resolution at the meeting, fill the office being vacated by re-electing the retiring director. In the absence of such a resolution, the retiring director shall nevertheless be deemed to have been re-elected, except in certain cases identified by the Articles.

Removal of a director by resolution of Company

The Company may, by ordinary resolution of which special notice has been given, remove any director from office in accordance with the Companies Act, and elect another person in place of a director so removed from office. Such removal may take place notwithstanding any provision of the Articles or of any agreement between the Company and such director, but is without prejudice to any claim the director may have for damages for breach of any such agreement.

Proceedings of the Board

- (e) Subject to the provisions of the Articles, the directors may meet for the dispatch of business and adjourn and otherwise regulate their proceedings as they think fit.
- (f) The quorum necessary for the transaction of business of the directors may be fixed from time to time by the directors and unless so fixed at any other number shall be two directors present in person. A Board meeting may be adjourned for a lack of quorum to a specified time and place not less than one day after the original date. The quorum necessary for such adjourned Board meeting may be fixed from time to time by the directors and unless so fixed at any other number shall be two.
- (g) The directors may elect from their number a chair, a deputy chair (or two or more deputy chair) and a senior independent director and decide the period for which each is to hold office.
- (h) Questions arising at any meeting of the directors shall be determined by a majority of votes. The chair of the meeting shall not have a casting vote.

Directors' interests

- (i) For the purposes of section 175 of the Companies Act, the directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- (j) Any such authorisation will be effective only if:
 - (i) the matter in question was proposed for consideration at a meeting of the directors, in accordance with the directors' normal procedures or in such other manner as the directors may resolve;

- (ii) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
 - (iii) the matter was agreed to without such interested directors voting or would have been agreed to if their votes had not been counted.
- (k) The directors may extend any such authorisation to any actual or potential conflict of interest which may arise out of the matter so authorised and may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to such conditions or limitations as they may resolve. The directors may also terminate any such authorisation at any time.

Restrictions on voting

- (l) Except as provided below, a director may not vote in respect of any contract, transactions, arrangement or any other proposal in which the director, or a person connected with the director, is interested. Any vote of a director in respect of a matter where the director is not entitled to vote shall be disregarded.
- (m) Subject to the provisions of the Companies Act, a director is entitled to vote and be counted in the quorum in respect of any resolution concerning any contract, transaction or arrangement, or any other proposal (among other things):
- (i) in which the director has an interest, of which the director is not aware or which cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - (ii) in which the director has an interest only by virtue of interests in the Company's shares, debentures or other securities or otherwise in or through the Company;
 - (iii) which involves the giving of any security, guarantee or indemnity to the director or any other person in respect of obligations incurred by the director or by any other person at the request of (or for the benefit of) the Company or any of its subsidiary undertakings;
 - (iv) concerning an offer of securities by the Company or any of its subsidiary undertakings in which the director is or may be entitled to participate as a holder of securities or as an underwriter or sub- underwriter;
 - (v) concerning any other body corporate, provided that the director together with the director's connected persons do not own or have a beneficial interest in 1% or more of any class of equity share capital of such body corporate, or of the voting rights available to the members of such body corporate;
 - (vi) relating to an arrangement for the benefit of employees or former employees of the Company or any of its subsidiary undertakings which does not award the director any privilege or benefit not generally awarded to the employees or former employees to whom such arrangement relates;
 - (vii) concerning the purchase or maintenance of insurance for any liability for the benefit of directors;
 - (viii) concerning the giving of indemnities in favour of the directors;
 - (ix) concerning the funding of expenditure by any director or directors:
 - (A) on defending criminal, civil or regulatory proceedings or actions against the director or directors;
 - (B) in connection with an application to the court for relief; or
 - (C) on defending the director or directors in any regulatory investigations; or concerning doing anything to enable any director or directors to avoid incurring such expenditure; or
 - (x) in respect of which the director's interest has been authorised by ordinary resolution.

Confidential information

If a director, otherwise than by virtue of the director's position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, the director shall not be required to disclose such information to the Company or its directors, officers or

employees or otherwise use or apply such confidential information for the purpose of or in connection with the performance of the director's duties as a director, provided that such duty of confidentiality arises out of an actual or potential conflict of interest which is or has been permitted or authorised under the Articles. This is without prejudice to any equitable principle or rule of law which may excuse or release the director from disclosing the information, in circumstances where disclosure may otherwise be required under the Articles.

Delegation of powers of the directors

- (n) The directors may delegate any of their powers or discretions (including those involving the payment of remuneration or the conferring of any other benefit to the directors) to such person or committee and in such manner as they think fit. Any such person or committee shall, unless the directors otherwise resolve, have the power to sub-delegate any of the powers or discretions delegated to them. The directors may make regulations in relation to the proceedings of committees or sub-committees.
- (o) The directors may establish any local boards or appoint managers or agents to manage any of the affairs of the Company, either in the UK or elsewhere, and may:
 - (i) appoint persons to be members or agents or managers of such local board and fix their remuneration;
 - (ii) delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the directors, with the power to sub- delegate;
 - (iii) remove any person so appointed, and may annul or vary any such delegation; and
 - (iv) authorise the members of any local boards, or any of them, to fill any vacancies on such boards, and to act notwithstanding such vacancies.
- (p) The directors may appoint any person or fluctuating body of persons to be the attorney of the Company with such purposes and with such powers, authorities and discretions and for such periods and subject to such conditions as they may think fit.

Directors' liabilities

- (q) So far as may be permitted by the Companies Act and subject to various exceptions set out in the Articles, every director and secretary (a "**Relevant Officer**") of the Company or of an Associated Company of the Company may be indemnified by the Company out of its own funds against any liability incurred by the Relevant Officer in connection with any negligence, default, breach of duty or breach of trust or otherwise by the Relevant Officer or any other liability incurred by the Relevant Officer in connection with the Relevant Officer's duties, powers or office. The Company may also purchase and maintain insurance for or for the benefit of:
 - (i) any person who is or was a director or secretary of a Relevant Company (as defined in the Articles); or
 - (ii) any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including insurance against any liability (including all related costs, charges, losses and expenses) incurred by or attaching to such persons in relation to such person's duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.
- (r) So far as may be permitted by the Companies Act, the Company may provide a Relevant Officer with defence costs in relation to any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by the Relevant Officer in relation to the Company or an Associated Company of the Company, or in relation to an application for relief under section 205(5) of the Companies Act. The Company may do anything to enable such Relevant Officer to avoid incurring such expenditure.

5.4 Dividends

- (a) The Company may, by ordinary resolution, declare final dividends to be paid to its shareholders. However, no dividend shall be declared unless it has been recommended by the directors and does not exceed the amount recommended by the directors.

- (b) If the directors believe that the profits of the Company justify such payment, they may pay the fixed dividends on any class of share where the dividend is payable on fixed dates. They may also pay interim dividends on shares of any class in amounts and on such dates and in respect of such periods as they think fit. Provided the directors act in good faith, they shall not incur any liability to the holders of any shares for any loss they may suffer by the payment of dividends on any other class of shares having rights ranking after or equal with those shares.
- (c) Unless the share rights otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, and apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.
- (d) Any unclaimed dividends may be invested or otherwise applied for the benefit of the Company until they are claimed. Any dividend unclaimed for 12 years from the date on which it was declared or became due for payment shall be forfeited and may be kept by the Company.
- (e) The directors may, if authorised by ordinary resolution, offer to ordinary shareholders the right to elect to receive, in lieu of the whole or part of a dividend, an allotment of new ordinary shares credited as fully paid.

5.5 Failure to supply an address

A shareholder who has no registered address within the UK and has not supplied to the Company an address within the UK or an electronic address for the service of notices will not be entitled to receive notices from the Company.

5.6 Electronic communications

Subject to complying with the requirements of the Company Communications Provisions, as defined in section 1143 of the Companies Act, the Company may send documents, notices and information to shareholders by electronic means.

6. DIVIDEND POLICY

The Directors intend to return one third of Adjusted Net Income (as defined below) each year via an interim and final dividend, split one third and two thirds, respectively. It is expected that the first dividend declared will be a final dividend with respect to the financial year ending 30 April 2022, with such dividend expected to be paid in November 2022. Following Admission, the Directors expect to use excess cash to fund potential acquisition opportunities and for the continued reduction in leverage. Once leverage is less than two times the Group's Adjusted EBITDA over the prior twelve months, the Directors will consider the use of share buybacks as an additional mechanism to return cash to shareholders. "**Adjusted Net Income**" is defined as the profit / (loss) for the period adjusted for the post-tax impact of the disclosed items affecting Adjusted EBITDA and the post-tax impact of the amortisation of intangibles arising from acquisitions (which comprised amortisation of trademarks and domains and amortisation of relationship with clients, with a total pre-tax impact of €16.2 million, in the financial year ended 30 April 2021).

7. MANDATORY BIDS AND COMPULSORY ACQUISITION RULES RELATING TO THE SHARES

The City Code on Takeovers and Mergers (the "**City Code**") is issued and administered by The Panel on Takeovers and Mergers (the "**Takeover Panel**"). The Company is subject to the City Code and therefore its shareholders are entitled to the protections afforded by the City Code.

7.1 Mandatory bids

Rule 9 of the City Code provides that, except with the consent of the Takeover Panel, when: (a) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company which is subject to the City Code; or (b) any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company which is subject to the City Code but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in

concert with him, acquires an interest in any other shares of that company which increases the percentage of shares carrying voting rights in which he is (or they are) interested, then, in either case, that person (and possibly each of the principal members of a group of persons acting in concert with him) is normally required to extend offers in cash, or accompanied by a cash alternative, at the highest price paid by him (or any persons acting in concert with him) for any interest in shares of that company within the preceding 12 months prior to the announcement of the offer, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights.

If any person, together with persons acting in concert with him, holds shares which in the aggregate carry more than 50% of the voting rights of a company, such person, or any person acting in concert with him, may acquire further interests in shares of that company without incurring any obligation under Rule 9 of the City Code to extend any offers although individual members of a concert party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold without Panel consent.

Under paragraph (9) of the definition of “acting in concert” in the City Code, it is presumed (unless the contrary can be established) that a concert party arises in relation to shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the City Code applies, or who, following the re-registration of that company as a public company in connection with an initial public offering or otherwise, become shareholders in a company to which the City Code applies.

In consultation with the Takeover Panel it has been agreed that those persons set out in section 7.2 (*Concert Party*) of this Part XVII (*Additional Information*) of this Prospectus are presumed to be acting in concert in relation to the Company.

On Admission, the Major Shareholder will be the only member of the Concert Party holding Shares. The interests of the Major Shareholder in voting rights of the Company immediately prior to Admission and immediately following Admission are set out in the table at section 9.1 (*Principal Shareholders*) of Part XVII (*Additional Information*) of this Prospectus.

As the Major Shareholder, together with its Concert Party, will following Admission (assuming no exercise of the Over-allotment Option) be interested in Shares which in the aggregate carry not less than 30% of the voting rights of the Company but will not hold Shares carrying more than 50% of such voting rights of the Company it, and (for so long as they continue to be treated as acting in concert) the Concert Party (and any person acting in concert with them), will not be able to acquire further interests in Shares, which increases the percentage of Shares carrying voting rights in which they are interested without incurring an obligation to make a mandatory offer pursuant to Rule 9 of the City Code as described above.

7.2 Concert Party

The City Code defines persons “acting in concert” as comprising persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. “Control” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control. A person and each of its affiliated persons will be deemed to be acting in concert with each other. The City Code contains a non-exhaustive list of persons who will be presumed to be acting in concert with other persons in the same category unless the contrary is established.

The list includes:

- a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status);
- a fund manager (including an exempt fund manager) with any investment company, unit trust or other person whose investments such fund manager manages on a discretionary basis, in respect of the relevant investment accounts;

- a person, the person's close relatives, and the related trusts of any of them, all with each other;
- a connected adviser with its client and, if its client is acting in concert with an offeror or the offeree company, with that offeror or offeree company respectively, in each case in respect of the interests in shares of that adviser and persons controlling, controlled by or under the same control as that adviser (except in the capacity of an exempt fund manager or an exempt principal trader); and
- shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the City Code applies, or who, following the re-registration of that company as a public limited company in connection with an initial public offering or otherwise, become shareholders in a company to which the City Code applies.

For the purposes of the City Code, and following discussions with the Takeover Panel, it has been agreed that the following persons are presumed to be acting in concert in relation to the Major Shareholder (the “**Concert Party**”):

- the Major Shareholder and the directors of the Major Shareholder (together with their close relatives and related trusts);
- Apax and its current personnel (together with their close relatives and related trusts), any fund advised by Apax or a subsidiary or sub-adviser of Apax (the “**Apax Funds**” and each an “**Apax Fund**”) and any such subsidiaries or sub-advisers and their current personnel (together with their close relatives and related trusts);
- the general partners of the Apax Funds, their subsidiary undertakings and parent undertakings and their current personnel (together with their close relatives and related trusts);
- the members of the investment committees of the Apax Funds (together with their close relatives and related trusts);
- the director of the Company appointed by or on behalf of the Major Shareholder from time to time (which upon Admission will be Tom Hall); and
- portfolio companies of the Apax Funds and their associated companies (as defined in the City Code) where investments of the Apax Funds (as applicable) comprise 20% or more of the equity share capital of the relevant portfolio company and directors of those portfolio companies who are not employees of the portfolio company and are appointed by or on behalf of the Apax Funds.

Immediately prior to Admission and immediately following Admission, the Major Shareholder will be the only member of the Concert Party holding Shares. The interests of the Major Shareholder in voting rights of the Company immediately prior to Admission and immediately following Admission are set out in the table at section 9.1 (*Principal Shareholders*) of this Part XVII (*Additional Information*) of this Prospectus.

7.3 Squeeze-out

Under the Companies Act 2006, if a “takeover offer” (as defined in Section 974 of the Companies Act 2006) is made for the Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90% in value of the shares to which the takeover offer relates (the “**Takeover Offer Shares**”) and not less than 90% of the voting rights attached to the Takeover Offer Shares within three months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10%. It would do so by sending a notice to outstanding shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the outstanding Takeover Offer Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose Takeover Offer Shares are acquired compulsorily under the Companies Act 2006 must, in general, be the same as the consideration that was available under the takeover offer.

7.4 Sell-out

The Companies Act 2006 also gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90% of the Shares to which the offer relates, any holder of Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those Shares. The offeror is required to give any shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on shareholders notifying them of their sell-out rights. If a shareholder exercises his or her rights, the offeror is bound to acquire those Shares on the terms of the offer or on such other terms as may be agreed.

7.5 Stabilisation arrangements in connection with the Offer

Under the stabilisation arrangements described in Part XVI (*The Offer*) of this Prospectus, Merrill Lynch International, as Stabilising Manager, has been granted the Over-allotment Option by the Major Shareholder, under the Underwriting Agreement, pursuant to which it may purchase, or procure purchasers for, additional Shares up to a maximum of 30,000,000 Shares (representing up to 15% of the total number of Shares included in the Offer) at the Offer Price. The Over-allotment Option may be exercised in whole or in part upon notice by the Stabilising Manager at any time on or before the 30th calendar day after the commencement of conditional dealings in the Shares on the London Stock Exchange.

As a result of the combined effect of lending Shares pursuant to the Stock Loan Agreement and granting the Over-allotment Option, the Major Shareholder's shareholding in the Company can only remain the same or decrease from what its shareholding would be if it were not party to any stabilisation arrangements. In particular, the Major Shareholder's shareholding in the Company will return to its original level when the loan is repaid and then decrease if the Stabilising Manager acquires Shares from it pursuant to utilisation of the Over-allotment Option. Following Admission, the minimum and maximum percentages of the Major Shareholder's shareholding in the Company following the operation of the stock lending and over-allotment arrangements are 42.82% and 48.82%, respectively.

The Takeover Panel has confirmed to the Company that no mandatory offer for the Company need be made as a result of the arrangements and transactions described above. In particular, the Takeover Panel has confirmed that, pursuant to Note 4 to the definition of "interests in securities" in, and Note 17 to Rule 9.1 of, the City Code, the Major Shareholder will not be treated as having disposed of an interest in any Shares when it lends Shares to the Stabilising Manager under the Stock Loan Agreement and will not therefore be treated as having increased its interest in Shares upon the repayment of such loan.

An announcement will be made by the Company or by the Stabilising Manager on its behalf following any utilisation of the Over-allotment Option, not later than one week after the end of the stabilisation period, and a further announcement will be made in accordance with the Disclosure Guidance and Transparency Rules to record the movements that have taken place in the Major Shareholder's shareholding in the Company consequent upon the arrangements referred to above.

8. ORGANISATIONAL STRUCTURE

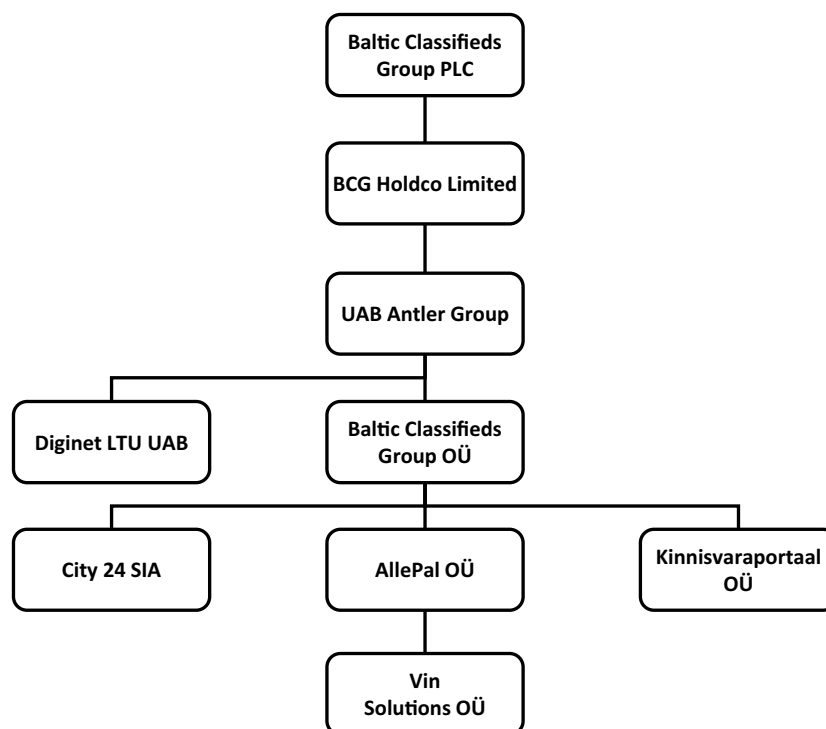
Immediately following Admission, the Company will be the holding company of the Group. The significant subsidiaries of the Company will be as follows. Each company is or will be directly or indirectly wholly-owned by the Company.

<u>Company name</u>	<u>Place of incorporation</u>	<u>Principal activity</u>
BCG Holdco Limited	United Kingdom	Holding company
ANTLER Management S.A. ^{(1) (2)}	Luxembourg	Holding company
ANTLER TopCo S.à r.l. ⁽²⁾	Luxembourg	Holding company
ANTLER PIKCo S.à r.l. ⁽²⁾	Luxembourg	Holding company
ANTLER MidCo S.à r.l. ⁽²⁾	Luxembourg	Holding company
ANTLER HoldCo S.à r.l. ⁽²⁾	Luxembourg	Holding company
UAB Antler Group	Lithuania	Operating company
Dignet LTU UAB	Lithuania	Online classifieds
Baltic Classifieds Group OÜ	Estonia	Online classifieds
City 24 SIA	Latvia	Real estate classifieds
Kinnisvaraportaal OÜ	Estonia	Real estate classifieds
AllePal OÜ	Estonia	Online classifieds
Vin Solutions OÜ	Estonia	Data service

(1) ANTLER Management S.A. is currently a shareholder in ANTLER TopCo S.à r.l. and under the Reorganisation Agreement is committed to exchange its shares in ANTLER TopCo S.à r.l. for Shares in the Company, unless all shareholders in ANTLER Management S.A. agree to exchange their shares in ANTLER Management S.A. for shares in the Company and ANTLER Management S.A. elects not to transfer its shares in ANTLER TopCo S.à r.l., in which case ANTLER Management S.A. will become a subsidiary of the Company and, as part of the Reorganisation, it will become a shareholder in BCG Holdco Limited. The above table assumes that these steps will occur.

(2) ANTLER Management S.A., ANTLER TopCo S.à r.l., ANTLER PIKCo S.à r.l., ANTLER MidCo S.à r.l. and ANTLER HoldCo S.à r.l. will be liquidated shortly following Admission.

A structure chart showing the Company and its subsidiaries following completion of the Post IPO Reorganisation is shown below:



9. INTEREST OF PRINCIPAL SHAREHOLDERS AND SELLING SHAREHOLDERS

9.1 Principal Shareholders

As at the date of this Prospectus, insofar as it is known to the Company, the following persons are, or will be, immediately following Admission, directly or indirectly, interested in 3% or more of the voting rights of the Company (being the threshold for notification of voting rights that will apply to the Company's shareholders as at Admission pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules):

	Immediately prior to Admission ⁽¹⁾		Immediately following Admission ⁽²⁾	
	Number of Shares	Percentage of issued ordinary share capital	Number of Shares	Percentage of issued ordinary share capital
ANTLER EquityCo S.à r.l	370,713,434	85.17%	244,085,889	48.82%
Justinas Šimkus	27,614,571	6.34%	22,737,463	4.55%

(1) The interests in Shares have been stated on the basis that the Reorganisation steps described in section 3 (*Reorganisation*) of this Part XVII (*Additional Information*) have been completed in full.

(2) Assuming no exercise of the Over-allotment Option. If the Over-allotment Option is exercised in full, it is expected that the Major Shareholder will beneficially hold 214,085,889 Shares, representing 42.82% of the Company's issued ordinary share capital.

Save as disclosed above, in so far as is known to the Directors, there is no other person who (i) is, or will be immediately following Admission, directly or indirectly, interested in 3% or more of the issued share capital of the Company, or (ii) can, will or could, directly or indirectly, jointly or severally, exercise control over the Company. The Directors have no knowledge of any arrangements the operation of which may at a subsequent date result in a change of control of the Company. The Major Shareholder does not have, and will not have, different voting rights attached to the Shares it holds in the Company.

Certain investors are expected to acquire interests of more than 5% of the Shares available in the Offer (assuming the Over-allotment Option is exercised in full).

9.2 Selling Shareholders

In addition to the New Shares that will be issued by the Company pursuant to the Offer, Existing Shares will be sold by the Selling Shareholders pursuant to the Offer. The Selling Shareholders comprise the Major Shareholder and the Management Selling Shareholders. The interests in Shares of the Selling Shareholders immediately prior to Admission and immediately following Admission are set out below.

	Immediately prior to Admission ⁽¹⁾		Number of Shares to be sold in the Offer ⁽²⁾		Immediately following Admission	
	Number of Shares	Percentage of issued ordinary share capital	Number of Shares	Percentage of issued ordinary share capital	Number of Shares	Percentage of issued ordinary share capital
ANTLER EquityCo S.à r.l	370,713,434	85.17%	126,627,545	25.33%	244,085,889	48.82%
Management Selling Shareholders ⁽³⁾	56,968,770	13.09%	12,067,835	2.41%	44,900,935	8.98%
Total	427,682,204	98.26%	138,695,380	27.74%	288,986,824	57.80%

(1) The interests in Shares have been stated on the basis that the Reorganisation steps described in section 3 (*Reorganisation*) of this Part XVII (*Additional Information*) have been completed in full.

(2) Assuming no exercise of the Over-allotment Option. If the Over-allotment Option is exercised in full, the Major Shareholder will sell in aggregate a further 30,000,000 Shares, representing approximately 15% of the total number of Shares included in the Offer.

(3) There are 25 Management Selling Shareholders. For the purposes of the Offer, the business address of each of the Management Selling Shareholders is Highdown House, Yeoman Way, Worthing, West Sussex BN99 3HH, United Kingdom.

10. DIRECTORS AND SENIOR MANAGERS

10.1 Directorships and partnerships outside the Group

Set out below are the details of those companies and partnerships outside the Group of which the Directors and Senior Managers are currently directors, partners or members of any administrative, management or supervisory body, or have been directors, partners or members of any administrative, management or supervisory body at any time during the five years prior to the publication of this Prospectus:

<u>Name</u>	<u>Current directorships and partnerships</u>	<u>Previous directorships and partnerships</u>
Trevor Mather	Mather Property Limited Mather Consultancy Services Limited Mather Charitable Foundation MF MidCo Limited	Auto Trader Group plc Auto Trader Holding Limited Auto Trader Limited Burns Sheehan Ltd
Justinas Šimkus	UAB EIKA Real Estate Fund UAB EIKA Development Fund UAB EIKA RESIDENTIAL FUND	N/A
Lina Mačienė	N/A	N/A
Simonas Orkinas	N/A	N/A
Ed Williams	Auto Trader Group plc	Idealista International S.A.
Tom Hall	Apax Partners LLP Idealista Global, S.A. NEXT plc MF MidCo Limited MF Topco Limited Stichting Administratiekantoor Co-Investment STAK Stichting Administratiekantoor Sweet Equity STAK A & B Takko Fashion GmbH Wehkamp Holding BV Wehkamp Management Pooling Company BV	Idealista International S.A. Ivory Spain MidCo, S.L.U. Apax Europe VII Nominees Ltd Apax Europe VI No.2 Nominees Ltd Apax US VII Nominees Ltd Apax WW No.2 Nominees Ltd Apax WW Nominees Ltd Ascential plc Auto Trader Group plc Auto Trader Holding Limited Eden Acquisition 1 Limited Eden Acquisition 2 Limited Eden Acquisition 3 Limited Eden Acquisition 4 Limited Ascential Holdings Limited Eden Bidco Ltd. Eden Loanco Limited Eden MidCo Ltd Eden Newco Ltd. Hazel Acquisition 1 Limited
Kristel Volver	Postimees Grupp AS Magnum AS Apollo Group OÜ iDeal Group AS 15min UAB AS Kroonpress TVNET Latvia MM Grupp OÜ Semetron AS Benita Kodu AS Leta SIA Balti Meediamonitooringu Grupp OÜ Linnamäe Lihatoostus AS	N/A

10.2 Conflicts of interest

Save as set out below, there are no actual or potential conflicts of interest between the duties owed by the Directors, the Senior Managers, or members of any administrative, management or supervisory body of the Company to the Group, and the private interests and/or other duties that they may also have.

Tom Hall is a partner of Apax and a director of other entities in which the funds advised by Apax have an interest, details of which are set out in Section 10.1 (*Directorships and partnerships outside the Group*) of this Part XVII (*Additional Information*). The Major Shareholder is controlled by funds advised by Apax. Kristel Volver was a supervisory board member of Kinnisvaraportaal OÜ and City 24 SIA from September 2017 to July 2019 and of Diginet LTU UAB and AllePal OÜ from August 2017 to July 2019 as set out in Section 1 (*Directors*) of Part IX (*Directors, Senior Managers, Employees and Corporate Governance*). Kristel is also currently a board member of MM Grupp OÜ as set out in Section 10.1 (*Directorships and partnerships outside the Group*) of this Part XVII (*Additional Information*). MM Grupp OÜ is the indirect parent company of Media Investments & Holdings OÜ, being the company which sold Baltic Classifieds Group OÜ to an indirect subsidiary of the Major Shareholder in May 2019, details of which are set out in Section 16 (*Material Contracts*) of this Part XVII (*Additional Information*). Although the positions set out in this paragraph are considered by the Board to represent potential conflicts of interest, as at the date of this Prospectus they are not considered by the Board to represent actual conflicts of interest. The Board has approved those conflicts of interest in accordance with the Companies Act.

The Company and the Major Shareholder have entered into the Relationship Agreement to regulate their ongoing relationship following Admission. The Relationship Agreement restricts the Director appointed by the Major Shareholder from voting at any Board meeting on any matter giving rise to a conflict of interest. Further details of the Relationship Agreement are set out at section 16.4 (*Relationship Agreement*) of this Part XVII (*Additional Information*) of this Prospectus.

There are no arrangements or understandings with the Major Shareholder, customers, suppliers or others, pursuant to which any Director or Senior Manager was selected other than the terms of the Relationship Agreement (see section 16.4 (*Relationship Agreement*) of this Part XVII (*Additional Information*) of this Prospectus) in relation to the appointment of Tom Hall.

10.3 Directors' and Senior Managers' confirmations

- (a) As at the date of this Prospectus, no Director or Senior Manager has during the last five years:
- (i) been convicted in relation to fraudulent offences;
 - (ii) been associated with any bankruptcy, receivership or liquidation, or any company being put into administration, while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company;
 - (iii) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies); or
 - (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory body of a company or from acting in the management or conduct of the affairs of any company.
- (b) There are no family relationships between any of the Directors and/or the Senior Managers.
- (c) There are no outstanding loans or guarantees granted or provided by any member of the Group for the benefit of any of the Directors, Senior Managers or members of any administrative, management or supervisory body of the Company.

10.4 Interests of Directors and Senior Managers in the Share Capital of the Company

The interests in the share capital of the Company of the Directors and Senior Managers (all of which, unless otherwise stated, are beneficial and include interests of persons connected with a Director or a Senior Manager) immediately prior to Admission will be, and immediately following Admission are expected to be, as set out in the table below. Save as disclosed in this section 10.4, none of the Directors or Senior Managers have any interest in the share capital of the Company.

Director/Senior Manager ⁽²⁾	Immediately prior to Admission ⁽¹⁾		Immediately following Admission	
	Number of Shares	Percentage of issued ordinary share capital	Number of Shares	Percentage of issued ordinary share capital
Trevor Mather	3,651,208	0.84	4,257,268	0.85
Justinas Šimkus	27,614,571	6.34	22,737,463	4.55
Lina Mačienė	3,036,319	0.70	2,269,713	0.45
Simonas Orkinas	4,719,359	1.08	3,444,696	0.69
Ed Williams	3,931,667	0.90	4,537,727	0.91
Tom Hall	0	0	0	0
Kristel Volver	0	0	515,151	0.10

(1) The interests in Shares have been stated on the basis that the Reorganisation steps described in section 3 (*Reorganisation*) of this Part XVII (*Additional Information*) have been completed in full.

(2) On Admission, 606,060 Shares will be issued by the Company to Trevor Mather for a total price of £1,000,000, 606,060 Shares will be issued by the Company to Ed Williams (to be held jointly with his spouse) for a total price of £1,000,000 and 515,151 Shares will be issued by the Company to Kristel Volver for a total price of £850,000. These Shares will be issued at the Offer Price but will not form part of the Offer.

Save as set out in section 9 (*Lock-up Arrangements*) of Part XVI (*The Offer*) of this Prospectus and section 11 (*Remuneration Policy, Directors' Service Contracts and Letters of Appointment*) of Part XVII (*Additional Information*) of this Prospectus, there are no restrictions agreed by any Director or Senior Manager on the disposal within a certain time of their holdings in the Company's securities.

11. REMUNERATION POLICY, DIRECTORS' EMPLOYMENT AGREEMENTS AND LETTERS OF APPOINTMENT

11.1 Overview of remuneration strategy and policy

With its remuneration policy, the Company aims to attract, retain and motivate the right talent for the business, to allow for flexibility to remain competitive, and to help ensure continued growth and success as a listed company.

The remuneration policy aims to align the interests of the Executive Directors and senior management team to the long-term interests of shareholders. The structure aims to support a collaborative, collegiate culture. The approach is intended to be simple, transparent and low cost to administer. It is intended to reward superior performance without creating incentives that encourage excessive risk taking or unsustainable performance.

Remuneration levels have been set with a view both to the reward environment in the countries in which the Company operates, principally Lithuania, and the wider UK listed company environment (there being very few publicly listed companies in the countries in which the Company operates).

11.2 Company-wide remuneration

Employees are paid a competitive salary in respect of the local market. Employees do not participate in any bonus scheme, other than sales-related incentives for the sales force. The Company does not operate a pension or offer benefits, other than health insurance.

It is intended that the Company will gift, on an unrestricted basis, all employees in good standing a number of free Shares, conditional on and following Admission, with the number per employee based on length of service with the business and ranging between €3,000 and €15,000 in value, save that Executive Directors and the senior management team will not receive free shares under this arrangement.

Other than the free Share scheme referred to in this section 11.2 (*Company-wide remuneration*) of Part XVII (*Additional Information*) of this Prospectus, the Company has not and does not at this time propose, following Admission, to operate any all-employee share scheme nor an annual bonus.

11.3 Employment terms for Executive Directors

On 3 June 2021, Justinas Šimkus and Lina Mačienė entered into new employment agreements with UAB Antler Group and Simonas Orkinas entered into a new employment agreement with Diginet LTU UAB and each of Justinas, Lina and Simonas entered into appointment letters with the Company in respect of their appointments as Directors of the Company. Each of their employment with the Group is terminable by the relevant Executive Director or the relevant Group company in accordance with local statutory notice periods. In addition, Justinas' appointment as a Director of the Company is terminable by him or the Company on 12 months' written notice and each of Lina's and Simonas' appointments as a Director of the Company is terminable by each of them or the Company on six months' written notice. The Company has the ability to terminate the appointment of each of Justinas', Lina's and Simonas' appointment as a Director of the Company with immediate effect by making a payment in lieu of notice which shall consist of the fee payable to them in respect of their role as a Director of the Company for the unexpired period of notice. The Company's policy is not to enter into employment agreements or letters of appointment with a notice period greater than 12 months.

The treatment of any share-based entitlements under the PSP will be determined in accordance with the rules of the PSP (see Section 12 (*Performance Share Plan*) below).

The Executive Directors are subject to post-termination of employment restrictions on certain competitive activities.

Executive Directors will require Board approval should they wish to serve as non-executive directors of another, unrelated company.

11.4 Executive Directors' and Senior Managers' remuneration

Executive Directors' and Senior Managers' remuneration for the financial year ended 30 April 2021

The aggregate remuneration paid (including any contingent or deferred compensation), and all benefits in kind granted to the Directors and Senior Managers for services in all capacities for the year ended 30 April 2021 (who served the Group during such time) was €337,188.

Set out in the table below is the remuneration paid and benefits in kind granted to the Executive Directors in the year ended 30 April 2021:

<u>Name</u>	<u>Position</u>	<u>Annual salary (€)</u>	<u>Other benefits (€)</u>	<u>Date of joining the Group</u>
Justinas Šimkus	CEO	106,126	7,800	2005
Lina Mačienė	CFO	107,779	287	2017
Simonas Orkinas	COO	114,896	300	2007

Remuneration of the Executive Directors and Senior Managers following Admission

Following Admission, the remuneration of Executive Directors will consist of the following:

- A base salary
- Long-term incentives

The Executive Directors will not receive an annual bonus, pension or other benefits other than health insurance. Should the Company subsequently put in place a pension scheme or other benefits available to all employees, then it would be expected that Executive Directors could participate on the same basis as other employees.

Base remuneration

Base remuneration will be set at an appropriate level by reference to a peer group of UK public companies, with downward adjustment to reflect the comparative simplicity of the Company and further downward adjustment to reflect Lithuanian purchasing power parity to the UK.

Base remuneration will be reviewed annually with any increase effective annually from 1st May. The level of increases for Executive Directors will normally take due account of the increases awarded to the workforce as a whole, as well as a consideration of the performance of the Company and the individual, skill set and experience and external indicators such as inflation. Normally they will not exceed salary increases awarded to the wider workforce.

It is intended that initially base remuneration will be set at a lower level to help manage costs as the business transitions to being a UK listed company. Salary increases in initial years are likely to be above the increases to wider workforce salaries as the Executive Directors transition to salary levels determined by the Remuneration Committee to be appropriate for the long-term.

Base remuneration from Admission will be €250,000 for Justinas Simkus, €150,000 for Lina Maciene and €200,000 for Simonas Orkinas, which in each case shall be apportioned between their role as an employee of the relevant Group company by which they are employed and their role as a Director of the Company. The effective date of the next salary review will be 1st May 2022. As noted above, it is envisaged that these levels of base remuneration will increase over time following Admission.

Long-term incentives

The PSP will form the long-term incentive arrangement for Executive Directors and selected members of the senior management team.

The main features of the PSP are described in Section 12 (*Performance Share Plan*) of this Part XVII (*Additional Information*).

The PSP will permit the grant of awards which are subject to performance conditions and also awards which are not subject to performance conditions. Where applied, performance conditions will relate to one or more metrics aligned to the strategy of the business. The Remuneration Committee currently envisages that performance conditions will be based on earnings per Share. The Committee may determine that alternative performance measures may be used in the future. The performance conditions for each award to Executive Directors will be disclosed in the relevant Directors' remuneration report

to the extent that the performance conditions are not considered commercially sensitive in the opinion of the Directors.

The first awards under the PSP (the “**Initial PSP Awards**”) are planned for grant to the Executive Directors and other selected members of the senior management team within the first six weeks following Admission. It is currently anticipated that such Initial PSP Awards will be over Shares having an aggregate market value of no more than €4 million by reference to the Offer Price.

Unless stated otherwise in this section, the provisions of Section 12 (*Performance Share Plan*) of this Part XVII (*Additional Information*) will apply to the Initial PSP Awards.

11.5 Share ownership guideline

Executive Directors will be required to hold a number of Shares equal to or exceeding a minimum value as described below for the term of their appointment and for a period of two years following termination. It is envisaged that all Executive Directors will hold Shares significantly above the minimum value at Admission. Therefore, in relation to existing Executive Directors, the minimum value of shareholding will act as a restriction on selling Shares to the extent that doing so would cause the shareholding to fall below the minimum shareholding guideline.

In the event of the appointment of a new Executive Director with no Shares or fewer Shares than the minimum shareholding guideline applied to him/her, that Executive Director would be required to retain at least half of any award of Shares made to him/her by the Company, until such time as meeting the minimum shareholding guideline.

The minimum shareholding guideline will be €1,000,000 for the CEO and €500,000 for any other Executive Director.

11.6 Recruitment policy

Consistent with best practice, the Company will aim to offer packages in line with the remuneration policy in force at the time. However, the Remuneration Committee believes that the Executive Director compensation levels are low compared to those received by public company directors of UK listed companies and by general European standards. Therefore, it may not be possible to successfully recruit from outside the countries in which the Group operates based on the policy in force at the time.

It may be necessary in some circumstances to provide compensatory awards for amounts forfeited from a previous employer. The Remuneration Committee’s intention will be to limit such awards should they be required to the value and timing of receipt of incentives they are replacing.

11.7 Non-Executive Directors’ letters of appointment and remuneration

The Company has four Non-Executive Directors. The details of the principal terms of appointment of the Non-Executive Directors are set out below.

The Non-Executive Directors have been appointed for a period of three years, subject to annual re-election, notice provisions and termination provisions in the event that Admission does not occur. Each of the Non-Executive Directors will stand for election at the first annual general meeting of the Company.

<u>Name</u>	<u>Board Positions</u>	<u>Method of appointment</u>	<u>Fee per annum (from Admission) (€)</u>
Trevor Mather	Chair Chair of Nomination Committee	Letter of appointment dated 3 June 2021	€120,000
Ed Williams	Senior Independent Non-Executive Director Chair of Remuneration Committee	Letter of appointment dated 3 June 2021	€37,500
Kristel Volver	Independent Non- Executive Director	Letter of appointment dated 3 June 2021	€37,500

<u>Name</u>	<u>Board Positions</u>	<u>Method of appointment</u>	<u>Fee per annum (from Admission) (€)</u>
	Chair of Audit Committee		
Tom Hall	Non-Executive Director	Letter of appointment dated 3 June 2021	Nil

The Non-Executive Directors shall not participate in any of the Company's incentive arrangements or receive any pension provision.

The Chair will, conditional on Admission, receive an annual fee of €120,000. This fee is inclusive of all committee roles.

Each Non-Executive Director, with the exception of Tom Hall, will, conditional on Admission, receive a basic fee of €30,000, with additional fees of €7,500 for chairing the Audit Committee, €5,000 for chairing the Remuneration Committee and €2,500 for the Senior Independent Director. Non-Executive Directors will not receive any additional fee for the membership of committees of the Board. Tom Hall will not receive any fees in connection with his role as a Non-Executive Director or in relation to any committee roles, to the extent relevant.

In addition, each Non-Executive Director is entitled to be reimbursed for all reasonable and properly documented expenses incurred in the performance of their duties.

Each Director is eligible to benefit from a director's indemnity provided for in accordance with the Company's Articles, and for cover under any directors' and officers' liability insurance policy that the Company maintains from time to time. The Directors may obtain, at the Company's expense, external professional advice necessary to enable the Director to carry out their duties.

Each Non-Executive Director's appointment is terminable on six months' notice. Continuation of appointment is contingent on satisfactory performance and each Non-Executive Director is required to devote sufficient time to meet the expectation and requirements connected with their appointments. The appointment of a Non-Executive Director shall terminate summarily, including any entitlement to receive outstanding director's fees, without payment in lieu of notice, or other compensation, should they, among other things, materially or repeatedly breach their obligations under the terms of their appointment or to the Company; be convicted of an arrestable criminal offence (other than a road traffic offence); have a bankruptcy order made against them or enter into any arrangements with their creditors or be disqualified from acting as a director.

Save as set out above, there are no existing or proposed service agreements or letters of appointment between any Director and any member of the Group providing for benefits upon termination of employment.

As at the date of this Prospectus, no Non-Executive Director has received remuneration from the Company.

11.8 Shareholder approval

The Remuneration Committee will provide further details of the remuneration policy in its first annual report following Admission, at which point the remuneration policy will be put to shareholders for formal approval in accordance with the Companies Act 2006. This will include a more detailed description of the Company's remuneration philosophy and principles.

The Company's remuneration policy has been designed with regard to the six factors listed in the Corporate Governance Code: clarity; simplicity; risk; predictability; proportionality; alignment to culture. The first annual report will include an explanation of how the Board believes these factors have been reflected in its remuneration proposals.

12. PERFORMANCE SHARE PLAN

To cater for discretionary share-based incentive awards to selected employees, the Board adopted the Baltic Classifieds Group PLC Performance Share Plan (the "PSP") on 29 June 2021, conditional on Admission.

The following paragraphs describe the main features of the PSP.

12.1 Overall limits

In any ten calendar-year period, the Company may not issue (or grant rights to issue) more than 10% of the issued ordinary share capital of the Company under the PSP or any other employee share plan adopted by the Company. In addition, in any ten calendar-year period, the Company may not issue (or grant rights to issue) more than 5% of the issued ordinary share capital of the Company under the PSP or any other executive share plan (i.e. discretionary share plans and not including all-employee plans) to Executive Directors and selected members of the senior management team.

Awards made under the PSP may be satisfied using newly issued Shares, treasury Shares or Shares purchased in the market. Insofar as it is necessary to ensure compliance with the guidelines issued from time to time by institutional investors, these limits will apply to awards satisfied by the transfer of Shares held in treasury.

An award may not be granted more than 10 years after the date on which the PSP was adopted.

Shares issued or to be issued under awards or options granted in the six weeks following Admission (i.e. the Initial PSP Awards) will not count towards these limits.

12.2 Operation and eligibility

The Remuneration Committee will supervise the operation of the PSP. Any employee (including Executive Directors) of the Company and its subsidiaries will be eligible to participate in the PSP at the discretion of the Remuneration Committee. In practice the Remuneration Committee envisages membership of the scheme to be principally or entirely focused on Executive Directors and a relatively small number of members of the senior management team.

12.3 Grant of awards under the PSP

The Remuneration Committee may grant awards to acquire Shares as conditional Share awards or as nil (or nominal) cost options. The Remuneration Committee may also decide to grant cash-based awards of an equivalent value to Share-based awards or to satisfy Share-based awards in cash, although it does not currently intend to do so.

Awards are not transferable, except on death. Awards will not be pensionable should the Company introduce a pension scheme.

12.4 Timing of grants

The Remuneration Committee may grant awards within six weeks of Admission. Thereafter, the Remuneration Committee may grant awards within six weeks following the Company's announcement of its results for any period or within six weeks following the approval by the Company's shareholders of a Directors' Remuneration Policy. The Remuneration Committee may also grant awards at any other time when it considers there to be exceptional circumstances which justify the granting of awards (subject to restrictions on dealing in Shares).

No award may be granted more than 10 years after Admission.

12.5 Individual limit

The Remuneration Committee may determine for an employee (including an Executive Director) a salary for PSP purposes which is greater than the rate of salary they are paid and/or which they are contractually entitled to receive. The maximum value of Shares permitted to be awarded to any single employee in respect of any financial year of the Company is 300% of their salary determined for PSP purposes in exceptional circumstances, though the normal limit is 250% of that salary. Any award granted to an eligible employee in connection with their recruitment (a "**Recruitment Award**") will not be subject to this limit.

It is currently intended that the maximum value of Shares over which awards may be granted in respect of a year to Justinas Simkus (CEO) is €1,000,000, to Lina Maciene (CFO) is €500,000 and to Simonas Orkinas (COO) is €750,000. It is also currently intended that the maximum value of Shares permitted to be awarded in respect of a year to any other individual employee is €500,000, but it is currently envisaged that in practice the actual amount will be significantly lower.

Ordinarily, for the purposes of these limits the “market value” of a Share shall be equal to the average middle-market quotation of a Share on each previous Friday for the period since the previous grant of awards (subject to a maximum period of eight months). However:

- (a) the Remuneration Committee has discretion to determine “market value” on an alternative basis; and
- (b) in the case of the Initial PSP Awards, the Offer Price will be taken as the market value.

The Remuneration Committee believes that ordinarily basing the market value on an average price for the preceding period from the last grant of awards will help to ensure that the average market value of Shares awarded under the PSP tracks the average price of the Shares over time. In so doing, the Remuneration Committee believes the issue of having to determine at its discretion whether the grant price might be considered artificially low should be avoided.

12.6 Performance conditions

Awards may be granted on the basis that their vesting is subject to the satisfaction of performance conditions (“**Performance Share Awards**”) or not subject to the satisfaction of performance conditions (“**Restricted Share Awards**”).

The extent to which Performance Share Awards and Restricted Share Awards vest may be adjusted by the Remuneration Committee if it considers that the vesting level does not reflect the underlying performance of the participant or Group, is not appropriate in the context of circumstances that were unexpected or unforeseen at the grant date, or there is any other reason why an adjustment is appropriate.

Any performance conditions applying to Performance Share Awards will be set by the Remuneration Committee.

The Remuneration Committee envisages the primary performance condition for Performance Share Awards being a measure of growth in earnings per Share (“**EPS**”). The Remuneration Committee may vary the choice of performance conditions, including the use of non-financial performance conditions for part or all of the performance conditions. Details of the performance conditions set for the awards granted to the Executive Directors will be disclosed in the Directors’ Remuneration Report.

The Remuneration Committee may vary any performance condition applying to a Performance Share Award if an event has occurred which causes the Remuneration Committee to consider that it would be appropriate to amend the performance conditions, provided the Remuneration Committee considers the varied conditions to be fair and reasonable and not materially less challenging than the original conditions would have been but for the event in question.

12.7 Vesting of awards

Performance Share Awards will normally vest on the third anniversary of grant, or, if later, when the Remuneration Committee determines the extent to which any performance conditions have been satisfied.

Restricted Share Awards will normally vest on the third anniversary of grant or on such other date as the Remuneration Committee determines.

Where awards are granted in the form of options, these will then be exercisable up until the tenth anniversary of grant (or such shorter period specified by the Remuneration Committee at the time of grant) unless they lapse earlier. Shorter exercise periods shall apply in the case of “good leavers” and/or vesting of awards in connection with corporate events.

12.8 Leaving employment

As a general rule, an award will lapse upon a participant ceasing to hold employment or ceasing to be a Director (where relevant).

However, if the participant ceases to be an employee or a Director within the Group because of their death or their employing company or the business for which they work being sold out of the Group (being “good leaver” reasons) then their award will vest at cessation. The extent to which an award will vest in these situations will depend upon:

- (i) in the case of a Performance Share Award, the extent to which the performance conditions are satisfied (as determined by the Remuneration Committee if vesting is before the end of the performance period);
- (ii) any adjustment determined by the Remuneration Committee in the circumstances referred to in Section 12.6 (*Performance conditions*) of this Part XVII (*Additional Information*); and
- (iii) the pro-rating of the award by reference to the proportion of the performance period that has elapsed at the date of cessation (in the case of a Performance Share Award) or the proportion of the period from grant to the normal vesting date that has elapsed at the date of cessation (in the case of a Restricted Share Award), although the Remuneration Committee can decide to reduce or eliminate the pro-rating of an award if it regards it as appropriate to do so in the particular circumstances or can apply time pro-rating by reference to a different period.

Alternatively, if a participant ceases to be an employee or director in the Group for one of the “good leaver” reasons specified above, the Remuneration Committee can decide that their award will vest at the normal time on the basis described above (with the performance conditions applying to any Performance Share Award assessed accordingly). It is expected that this treatment would be applied in the case of death.

The Remuneration Committee will also have the discretion to treat as a “good leaver” a participant who ceases employment in any other circumstances. This would normally be expected to apply to employees who leave employment through injury or disability or retirement among other reasons, but there is no automatic right under the PSP rules for such a person to be treated as a “good leaver”.

12.9 Corporate events

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation), all awards will vest early, subject to:

- (i) in the case of a Performance Share Award, the extent that the performance conditions have been satisfied at the time;
- (ii) any adjustment determined by the Remuneration Committee in the circumstances referred to in Section 12.6 (*Performance conditions*) of this Part XVII (*Additional Information*); and
- (iii) the pro-rating of the awards by reference to the proportion of the performance period that has elapsed (in the case of a Performance Share Award) or the proportion of the proportion of the period from grant to the normal vesting date that has elapsed (in the case of a Restricted Share Award), although the Remuneration Committee can decide to reduce or eliminate the pro-rating of an award if it regards it as appropriate to do so in the particular circumstances or can apply time pro-rating by reference to a different period.

In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over Shares in a new holding company unless the Remuneration Committee decides that awards should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Remuneration Committee, would affect the market price of Shares to a material extent, then the Remuneration Committee may decide that awards will vest on the basis which would apply in the case of a takeover as described above.

12.10 Holding periods

The terms of the PSP require that Executive Directors and other participants as determined by the Remuneration Committee hold any Shares which vest for a post-vesting holding period, although this will not apply to any shares disposed of to satisfy tax liabilities. Ordinarily, the holding period will run until the second anniversary of vesting. However, the Remuneration Committee has discretion to vary the length of the holding period and would intend to do so such that the combined performance/vesting period and holding period is at least five years. The Remuneration Committee’s current intention is that this requirement will apply to all participants in the PSP.

A holding period will not be required to be applied to any Recruitment Award.

The Remuneration Committee may, at its discretion, allow participants in the PSP to sell, transfer, assign or dispose of some or all of such Shares before the end of the holding period, subject to

additional terms and conditions that the Remuneration Committee may specify. Such discretion would only be exercised in exceptional circumstances.

12.11 Dividend equivalents

The Remuneration Committee may decide that participants will receive a payment (in cash and/or Shares) on or shortly following the vesting of their awards (or exercise in the case of an option) of an amount equivalent to the dividends that would have been paid on those Shares between the time when the awards were granted and the time when they vest. This amount may assume the reinvestment of dividends. Alternatively, participants may have their awards increased as if dividends were paid on the Shares subject to their award and then reinvested in further Shares.

12.12 Recovery and Withholding

The Remuneration Committee will have discretion to reduce or cancel any portion of an unvested award and/or to apply “clawback” in certain circumstances to reclaim, or require the repayment of, an award that has already vested.

The circumstances in which these provisions may apply are: (i) material financial misstatement; (ii) significant reputational damage; (iii) negligence or gross misconduct by a participant; (iv) fraud effected by or with the knowledge of a participant; (v) material failure of risk management; (vi) material corporate failure; (vii) error in calculating the number of Shares subject to an award; (viii) where awards were granted or vested on erroneous or misleading data; or (ix) other circumstances of a similar nature at the discretion of the Remuneration Committee.

The Remuneration Committee may exercise its discretion to clawback awards for up to three years following vesting of an award. In the event of material litigation or an investigation, the three year period may be extended until 12 months after the conclusion of such litigation or investigation.

The recovery and withholding may be satisfied by way of a reduction in the amount of any future compensation or Share awards and/or a requirement to make a cash payment.

12.13 Participant’s rights and rights attaching to Shares

Awards will not confer any shareholder rights until the awards have vested or the options have been exercised as relevant and the participants have received their Shares.

Any Shares allotted will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

12.14 Variation of capital

In the event of any variation of the Company’s share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Remuneration Committee or Board as relevant may make such adjustment as it considers appropriate to the number of Shares subject to an award and/or the exercise price payable (if any).

12.15 Other territories

The Board may establish further plans for other territories, based on the PSP, but modified to take account of local tax, exchange control or securities laws, provided that any Shares made available under such further plans are treated as counting against the limits on individual and overall participation in the PSP.

12.16 Alterations

The Remuneration Committee may, at any time, amend the PSP in any respect, provided that prior approval of Shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant’s entitlement to, and the terms of, the Shares or cash to be acquired and the adjustment of awards.

The requirement to obtain prior approval of Shareholders will not, however, apply to any minor alterations made to benefit the administration of the PSP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for

any company in the Group. Shareholder approval will also not be required for any amendments to any performance conditions applying to an award.

12.17 Employee benefit trust

The Company has approved the establishment of an employee benefit trust (“EBT”) which will be able to acquire, hold and distribute Shares for the purposes of awards under the PSP and any other share plan adopted by the Company from time to time, including the free Share scheme referred to in section 11.2 (*Company-wide remuneration*) of Part XVII (*Additional Information*) of this Prospectus. The EBT could acquire Shares on the market or subscribe for them, and would be funded by way of loans or other contributions by the Company or other members of the Group. The EBT would not, without prior shareholder approval, acquire Shares which would cause its holding to exceed 5% of the issued share capital of the Company.

13. PENSIONS

The Group does not operate any pension schemes for the employees and consequently there are no amounts set aside or accrued by the Group to provide for pension, retirement or similar benefits.

14. LITIGATION

Diginet LTU UAB, a Group company, was subject to an investigation by the LCC from the end of 2018 to the end of 2020 following a complaint by UAB Ober Haus (the “**Claimant**”), a real estate broker who used the Group’s Lithuanian real estate portal, alleging that the Group had abused its dominant position in the real estate online classifieds markets by applying unfair high prices on its online classifieds real estate portal in Lithuania. In December 2020, the LCC concluded after an in-depth analysis that the prices to B2C listers and C2C listers were not unfair or restrictive on competition and closed the investigation. In January 2021, the Claimant appealed the LCC’s decision with the court of first instance, asking the court to annul the LCC’s decision and to return the case back to the LCC for further investigation arguing that the LCC erred in applying the necessary legal standards for evaluation of unfair prices. On 17 June 2021, the court of first instance declined to annul the LCC’s decision and dismissed the Claimant’s appeal. The Claimant has 30 days in which to appeal the decision. In the event that the case is subsequently appealed to the Lithuanian Supreme Administrative Court, the Group expects to receive a final decision up to one year following the decision by the court of first instance. If the courts were to decide that a further investigation by the LCC is required, the Group could be liable for the Claimant’s legal fees and, if following a further investigation, the LCC, contrary to its conclusion in the original investigation, concludes that the Group abused its dominant position by applying unfair prices on its Lithuanian real estate portal, the Group could be liable for a fine of up to 10% of the annual worldwide Group turnover and an obligation to cease the infringement could be imposed.

On 21 January 2019 various Estonian real-estate portals filed a complaint with the ECA against AllePal OÜ and Kinnisvaraportaál OÜ, alleging that those Group companies are abusing their dominant position by applying excessively high prices and are unfairly limiting the conditions for XML data exchange. The ECA initiated supervisory proceedings on 4 March 2019 against AllePal OÜ and Kinnisvaraportaál OÜ. The Group is co-operating with the ECA and expects that the supervisory proceedings will be terminated during the second or third quarter of 2021 without any material effect to the financial position or operations of the Group. If the ECA concludes that AllePal OÜ and Kinnisvaraportaál OÜ abused their alleged dominant position, the ECA could issue a precept ordering these Group companies to end any ongoing infringements. The Directors believe that this is unlikely to materially affect the operations and financial results of the Group and that the possibility of the ECA taking any action regarding the pricing is relatively low. The ongoing supervisory proceedings will not lead to any imposition of fines to any Group company as under Estonian law, fines can only be imposed in misdemeanour (or criminal) proceedings. The ECA or any other Estonian authorities have not initiated any such misdemeanour (or criminal) proceedings against any Group company based on the above.

Save as disclosed above, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Prospectus, which may have, or have had in the recent past, significant effects on the Company’s and/or the Group’s financial position or profitability.

15. RELATED PARTY TRANSACTIONS

Details of related party transactions entered into by members of the Group between 1 January 2018 and the date of this Prospectus include: (i) those disclosed in Notes 19 and 24 to the Historical Financial Information, set out in Part B of Part XIII (*Historical Financial Information*) of this Prospectus; (ii) the Underwriting Agreement described in Section 16.3 of this Part XVII (*Additional Information*) of this Prospectus; (iii) the Relationship Agreement described in Section 16.4 of this Part XVII (*Additional Information*) of this Prospectus; and (iv) the Reorganisation Agreement described in Section 3 of this Part XVII (*Additional Information*) of this Prospectus.

Save as disclosed above, no member of the Group entered into any related party transactions between 1 January 2018 and the date of this Prospectus.

16. MATERIAL CONTRACTS

Save as disclosed below, there are no contracts (other than contracts entered into in the ordinary course of business) to which the Company or another member of the Group is a party: (i) for the two years immediately preceding publication of this Prospectus, which are, or may be, material to the Company or any member of the Group; or (ii) at any time, which contain any provision under which the Company or any member of the Group has any obligation or entitlement which is, or may be, material to the Group as of the date of this Prospectus.

16.1 BCG Share Purchase Agreement

On 8 May 2019, ANTLER HoldCo S.à r.l., an indirect subsidiary of the Major Shareholder entered into a share purchase agreement (the “**BCG Share Purchase Agreement**”) to purchase the entire issued share capital of Baltic Classifieds Group OÜ from Media Investments & Holdings OÜ (the “**Seller**”). On 21 June 2019, ANTLER HoldCo S.à r.l. assigned all its rights and novated all its obligations under the BCG Share Purchase Agreement to UAB Antler Group (the “**Buyer**”). The BCG Share Purchase Agreement contains non-solicit and non-compete undertakings regarding certain customers and suppliers given by the Seller (on behalf of itself and its affiliated group) in favour of the Buyer for a period of three years from Completion and a covenant restricting the solicitation by the Seller or its affiliated group members from soliciting employees, for a period of two years from Completion. Under the BCG Share Purchase Agreement certain warranties as to title, authority, capacity and tax were given by the Seller to the Buyer, pursuant to which the Buyer may bring a claim for a period of seven years from 24 July 2019 (“**Completion**”). In addition, certain business warranties were given by the Seller to the Buyer, although no claims may be brought in respect of these warranties from 24 July 2021. The Seller has also agreed to indemnify the Buyer (i) should certain tax liabilities arise (for a period of seven years from 24 July 2019) including from or in connection with the de-merger of AllePal OÜ which took place in August 2016; and (ii) in the event that any fines are imposed by a competition authority, data protection authority or Estonian financial supervision authority on a member of the Group or in the event that any follow-on actions for damages are submitted by third parties against any member of the Group arising from an antitrust investigation and any costs or expenses incurred in connection therewith. The aggregate liability of the Seller in respect of the tax indemnity, tax warranties and business warranties is limited to €1 and the aggregate liability of the Seller in respect of all other claims is limited to the total amount of the consideration paid under the BCG Share Purchase Agreement.

16.2 Auto24 Share Purchase Agreement

On 16 August 2019, AllePal OÜ, an indirect subsidiary of the Company, entered into a share purchase agreement (the “**Auto24 Share Purchase Agreement**”) to purchase the entire share capital of BC2 Holdco OÜ and X24 OÜ and the balance of the share capital of Vin Solutions OÜ not held by BC2 Holdco OÜ from BaltCap Private Equity Fund II SCSp, OÜ MTC Trading, OÜ Brika, Mees Metsast OÜ and Mangrove OÜ (together the “**Sellers**”). The Auto24 Share Purchase Agreement contains non-compete undertakings given by the Sellers (on behalf of themselves and their respective affiliates) and certain senior managers of the target group (the “**Managers**”) in favour of AllePal OÜ for a period of 3 years from 27 January 2020 (the “**Closing Date**”). The Auto24 Share Purchase Agreement contains undertakings not to solicit senior managers of the target group given by each of the Sellers (on behalf of themselves and their respective affiliates) and the Managers in favour of AllePal OÜ for a period of 2 years from the Closing Date. BaltCap Private Equity Fund II SCSp agreed to indemnify AllePal OÜ for a period of 3 years from the Closing Date in respect of certain tax liabilities of up to €6.7 million in

aggregate plus costs. The Sellers provided certain warranties as to title and authority to AllePal OÜ. In addition, certain business and tax warranties were given by the Managers to AllePal OÜ, although claims in respect of these warranties will be time barred from 27 July 2021.

16.3 Underwriting Agreement and Deeds of Election

On 30 June 2021, the Company (for itself and as agent for and on behalf of each of the Management Selling Shareholders pursuant to the Deeds of Election), the Directors, the Major Shareholder, the Sponsor and the Underwriters entered into the Underwriting Agreement pursuant to which the Underwriters have agreed, subject to certain terms and conditions, severally (and not jointly or jointly and severally) to: (i) use reasonable endeavours to procure subscribers and purchasers, as the case may be, or, failing which, to (ii) subscribe for or purchase, as the case may be, for themselves, at the Offer Price, the Shares (in such proportions as are set out in the Underwriting Agreement) to be issued or sold pursuant to the Offer.

The Underwriting Agreement contains, among others, the following further provisions:

- (a) the Company has appointed Merrill Lynch International as Sponsor and Global Coordinator, and each of Merrill Lynch International and BNP Paribas as Joint Bookrunner in connection with the Offer;
- (b) the Major Shareholder has granted to Merrill Lynch International (as Stabilising Manager), an Over-allotment Option pursuant to which the Stabilising Manager may require the Major Shareholder to sell Shares in an amount of up to 15% of the total number of Shares to be made available in the Offer at the Offer Price to cover over-allotments, if any, made in connection with the Offer and/or, among other things, to cover any short positions resulting from stabilisation transactions. The Over-allotment Option may be exercised at any time up to and including the Stabilisation End Date. Save as required by law or by regulation, neither the Stabilising Manager nor its agents intend to disclose the extent of any over-allotments made and/or any stabilisation transactions;
- (c) the several obligations of the Underwriters to: (i) use reasonable endeavours to procure subscribers and purchasers, as the case may be, or, failing which, to (ii) subscribe for or purchase, as the case may be, for themselves at the Offer Price, the Shares to be issued or sold pursuant to the Offer pursuant to the Underwriting Agreement, are subject to certain conditions that are typical for an agreement of this nature including, among others, (A) Admission having occurred by not later than 8.00 a.m. (London time) on 5 July 2021 (or such later time and/or date as the Company and the Global Coordinator (for itself and on behalf of the other Underwriter) may agree being not later than 12 July 2021) and (B) there having occurred no material adverse change in relation to the Group between the date of the Underwriting Agreement and Admission. The Global Coordinator (for itself and on behalf of the other Underwriter) may terminate the Underwriting Agreement prior to Admission in certain customary circumstances, including, among others, the occurrence of a material adverse change in relation to the Group and certain changes in market and economic conditions. The Underwriting Agreement will become unconditional upon Admission;
- (d) subject to, among other things, the conditions set out in the Underwriting Agreement having been satisfied or waived and the Underwriting Agreement not having been terminated prior to Admission, the Company (for itself and as agent for and on behalf of each of the Management Selling Shareholders pursuant to the Deeds of Election) and the Major Shareholder have agreed that Merrill Lynch International (as settlement manager) may deduct (on behalf of itself and the other Underwriter) from the aggregate gross proceeds of the Offer payable to (i) the Company (for itself) a commission of 1.5% of the product of the Offer Price and the number of New Shares sold in the Offer by the Company; (ii) the Major Shareholder, a commission of 2% of the product of the Offer Price and the number of Existing Shares sold by it in the Offer; and (iii) the Company (as agent for and on behalf of each of the Management Selling Shareholders pursuant to the Deeds of Election), a commission of 0.15% of the product of the Offer Price and the number of Existing Shares sold by the Company (as agent for and on behalf of each of the Management Selling Shareholders pursuant to the Deeds of Election) in the Offer (in each case, together with an amount equal to any applicable VAT payable thereon). In addition it is agreed that the Stabilising Manager may deduct (on behalf of itself and the other Underwriter) from the aggregate gross proceeds payable to the Major Shareholder a commission of 2% of

the product of the Offer Price and the number of Over-allotment Shares transferred by it in accordance with the Underwriting Agreement (together with an amount equal to any applicable VAT payable thereon).

In addition, in consultation with, and having regard to the views of, the Company, the Major Shareholder may, in its sole and absolute discretion, as to the amount (if any) payable and as to the allocation between Underwriters, agree that a further commission of up to 1% of the product of the Offer Price and the aggregate number of Shares sold in the Offer by the Company (for itself) and the Major Shareholder (including following any exercise of the Over-allotment Option) shall be payable (the “**Discretionary Commission**”). To the extent that the Discretionary Commission is payable it will be paid by (i) the Company (for itself) in respect of the aggregate proceeds of the Offer (excluding the sale of any Existing Shares and Over-allotment Shares); and (ii) the Major Shareholder in respect of the aggregate proceeds of the sale of any Existing Shares by it (including the sale of any Over-allotment Shares) (if any) (together with, in each case, an amount equal to any applicable VAT payable thereon);

- (e) the Company has agreed to pay or cause to be paid (together with, in each case, an amount equal to any applicable VAT payable thereon) certain costs, charges, fees and expenses of, or in connection with, or incidental to, among other things, the Offer and/or Admission;
- (f) each Selling Shareholder has agreed on a several basis to pay any stamp duty and/or stamp duty reserve tax arising on the sale to purchasers procured by the Underwriters or, where relevant to the Underwriters as principals, of their Existing Shares either pursuant to the terms of the Underwriting Agreement, in the case of the Major Shareholder, or the Deeds of Election, in the case of the Management Selling Shareholders;
- (g) the Company, the Major Shareholder and the Directors have, pursuant to the terms of the Underwriting Agreement, given certain representations, warranties and undertakings to the Underwriters and the Sponsor and, in addition, the Company has given an indemnity to the Underwriters and the Sponsor in a form that is typical for an agreement of this nature. The Company’s liabilities are unlimited as to time and amount and the liabilities of the Directors and the Major Shareholder under the Underwriting Agreement are limited as to time and amount;
- (h) the Management Selling Shareholders have, pursuant to the terms of the Deeds of Election, given certain representations, warranties and undertakings to the Company, the Directors, the Underwriters and the Sponsor in a form that is typical for a deed of this nature. The liabilities of the Management Selling Shareholders under the Deeds of Election are limited as to time and amount; and
- (i) the Company, the Directors, the Major Shareholder and the Management Selling Shareholders have agreed to lock-up arrangements pursuant to the Underwriting Agreement. For details of these arrangements and other lock-up arrangements, see section 9 (*Lock-up Arrangements*) of Part XVI (*The Offer*) of this Prospectus.

16.4 Relationship Agreement

On 30 June 2021, the Company and the Major Shareholder entered into the Relationship Agreement which will, conditional upon Admission, regulate the ongoing relationship between the Company and the Major Shareholder. The Apex GP, in its capacity as investment manager of the Apex IX Funds, has entered into the Relationship Agreement solely for the purpose of undertaking to the Company to exercise the rights available to it under applicable laws as the controller of a majority of the shares in the Major Shareholder in a manner not to prevent the Major Shareholder from fully complying with its obligations under the Relationship Agreement. Apex IX EUR GP L.P. Inc. is the general partner of each of Apex IX EUR L.P. and Apex IX EUR Co-Investment L.P. Apex IX USD GP L.P. Inc. is the general partner of each of Apex IX USD L.P. and Apex IX USD Co-Investment L.P. The Apex GP is the general partner of each of Apex IX EUR GP L.P. Inc. and Apex IX USD GP L.P. Inc.

The principal purpose of the Relationship Agreement is to ensure that the Company is able to carry on an independent business as its main activity. The Relationship Agreement contains, among others, undertakings from the Major Shareholder that it will, and will ensure that each of its Associates will: (i) conduct all transactions and arrangements with the Company or any other member of the Group on an arm’s length basis and on normal commercial terms; (ii) not take any action that would

have the effect of preventing the Company from complying with its obligations under the Listing Rules; and (iii) not propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

Pursuant to the Relationship Agreement, the Major Shareholder will be able to appoint one non-executive director to the Board for so long as it (together with any of its Associates) holds voting rights over 10% or more of the Company's issued share capital. The Major Shareholder will consult in advance with the Nomination Committee regarding the identity of any director proposed to be nominated by it. In addition, for so long as the Major Shareholder (together with any of its Associates) holds voting rights over 10% or more of the Company's issued share capital, the Major Shareholder's representative director shall be a member of the Nomination Committee and shall be entitled to attend as an observer all meetings of each of the Audit Committee and the Remuneration Committee. The Major Shareholder's first appointed representative director is Tom Hall.

The Major Shareholder will have certain information rights for the purposes of its tax or other legal or regulatory requirements. The Major Shareholder has undertaken to hold information it receives on the Group in confidence and in accordance with applicable law. The Relationship Agreement confirms that the Major Shareholder and its Associates are not restricted from competing with the Group. Neither the Major Shareholder nor its Associates will be permitted to solicit for employment any of the Executive Directors or Senior Managers for a period of two years following Admission, subject to certain exceptions.

The Relationship Agreement also provides for the Company to provide, subject to certain limitations and exceptions, reasonable cooperation and assistance to the Major Shareholder in the event of an offering of the Shares held by the Major Shareholder at any time following the Offer, and the Major Shareholder will pay and reimburse the Company for all properly incurred out-of-pocket costs and expenses incurred by the Company in connection with such cooperation and assistance. The Relationship Agreement provides for the Major Shareholder to ensure that any secondary sales of its Shares are conducted in an orderly manner.

If any person acquires voting rights over more than 50% of the Company's issued share capital or the Company ceases to be admitted to the Official List or the Company is subject to certain insolvency proceedings, the Major Shareholder may terminate the Relationship Agreement.

Unless terminated earlier in accordance with the above paragraph, the Relationship Agreement shall terminate, save for certain provisions, if:

- (a) the Major Shareholder and/or any of its respective Associates and/or its concert parties, when taken together, cease to hold voting rights over 10% or more of the Company's issued share capital as a result of a voluntary transfer or disposal by one of the foregoing; or
- (b) the Major Shareholder and/or its respective Associates and/or its concert parties, acting together, cease to hold voting rights over 10% or more of the Company's issued share capital otherwise than as a result of a voluntary transfer or disposal by one of the foregoing, with effect from the expiry of three months from the date of such occurrence if, at the expiry of such three month period, the Major Shareholder and/or its respective Associates and/or its concert parties, when taken together, still cease to hold voting rights over 10% or more of the Company's issued share capital,

in each case upon the Major Shareholder's representative director ceasing to be a Director, which shall occur at the earlier of the close of the Company's next following annual general meeting or the announcement of the next following half-yearly results of the Company.

The Directors believe that the terms of the Relationship Agreement will enable the Group to carry on its business independently of the Major Shareholder.

16.5 Reorganisation Agreement

On 3 June 2021, the Company, BCG Holdco Limited, ANTLER TopCo S.à r.l., ANTLER HoldCo S.à r.l. the Major Shareholder, ANTLER Management S.A. and the Individual Shareholders entered into a Reorganisation Agreement in connection with the proposed initial public offering of the Company (the "**Reorganisation Agreement**"). Details of the reorganisation steps governed by the Reorganisation Agreement are set out in section 3 (*Reorganisation*) of this Part XVII (*Additional Information*). The Reorganisation Agreement requires the parties to take certain actions and to execute

certain documents to give effect to the Reorganisation. The Reorganisation Agreement also contains provisions governing the determination of the number of shares to be transferred, issued, repurchased or repaid as part of the various Reorganisation steps and certain warranties and undertakings by the parties. As part of the Reorganisation the Company and ANTLER TopCo S.à r.l. agreed that certain steps qualified as a reorganisation for United States tax purposes and agreed to adopt the Reorganisation Agreement as a plan of reorganisation for United States tax purposes.

16.6 Financing Arrangements

Existing Financing Arrangements

ANTLER MidCo S.à r.l., an indirect subsidiary of the Major Shareholder entered into a senior facilities agreement dated 13 June 2019 (as amended and/or restated from time to time) with, among others, Ares Management Limited as facility agent and security agent (the “**Senior Facilities Agreement**”). Pursuant to the Senior Facilities Agreement, the following facilities were made available to the Group:

- (a) a term loan facility A1 of €35 million;
- (b) a term loan facility A2 of €17.5 million;
- (c) a term loan facility B1 of €115 million;
- (d) a term loan facility B2 of €57.5 million; and
- (e) a revolving credit facility of €10 million.

As of 29 June 2021, an aggregate principal amount of €214.3 million was outstanding under the term loan facilities and there were no cash drawings under the revolving credit facility. The interest rate applicable to the loans is EURIBOR/LIBOR plus a margin of (in the case of facility A) 2.75% per annum, (in the case of facility B) 7.32% per annum and (in the case of the revolving credit facility agreement) 2.75% per annum (in each case, subject to a leverage based ratchet). Interest is payable at the end of each interest period which may be of one, two, three or six months in respect of facility A and two weeks or one, two, three or six months in respect of the revolving credit facility agreement. Facility A and facility B mature on 22 July 2026 and the revolving credit facility matures on 22 January 2026.

New Financing Arrangements

New Facilities Agreement

The Company as parent and BCG Holdco Limited (the “**Parent**”) entered into a new term loan and revolving credit facilities agreement on 11 June 2021 with, among others, Bank Polska Kasa Opieki S.A., BNP Paribas SA and PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 2 (the “**New Arrangers**”) and Bank Polska Kasa Opieki S.A., BNP Paribas SA, Bankfilial Sverige and PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 2 (the “**New Lenders**”), Lucid Agency Services Limited as facility agent (the “**Facility Agent**”) and Lucid Trustee Services Limited as security agent (the “**Security Agent**”) (the “**New Facilities Agreement**”). Under the New Facilities Agreement, a term loan facility of up to €105 million (the “**Term Loan Facility**”) and a multicurrency revolving credit facility of €10 million (the “**Revolving Credit Facility**”) was made available to the Borrower and certain of its subsidiaries.

Term Loan Facility

The Term Loan Facility may be utilised by way of loans for the purpose of (directly or indirectly) financing or refinancing the repayment, purchase or other discharge of indebtedness of the Group, payment of transaction costs, fees and expenses and the general corporate purposes of the Group.

The interest period of a loan made under the Term Loan Facility can be one, two, three or six months or any such period as agreed by the Facility Agent (or if greater than six months, all lenders participating in the relevant loan). The scheduled final maturity date of the Term Loan Facility and the date on which all loans made thereunder are repayable is the date which falls 60 months after the first utilisation of the Term Loan Facility (the “**First Utilisation Date**”).

Revolving Credit Facility

The Revolving Credit Facility may be utilised by way of loans for the purpose of (directly or indirectly) financing or refinancing the general corporate purposes and/or working capital requirements of the Group. The Revolving Credit Facility may also be utilised by way of ancillary facilities and bank guarantees provided by the lenders of the Revolving Credit Facility.

Each loan made under the Revolving Credit Facility will be repayable on the last day of its interest period. The interest period of a loan made under the Revolving Credit Facility can be two weeks or one, two, three or six months or any such period as agreed by the Facility Agent (or if greater than six months, all lenders participating in the relevant loan). The scheduled final maturity date of the Revolving Credit Facility is the date which falls 60 months after the First Utilisation Date.

Interest will be payable on amounts drawn by way of loans under the New Facilities Agreement at a margin ranging between 1.75% and 3.50% per annum over LIBOR, EURIBOR or, for loans in pound sterling, SONIA (as applicable) (depending on the ratio of total senior secured net debt to consolidated EBITDA) (consolidated EBITDA as defined in the New Facilities Agreement). Until the date falling six months after the First Utilisation Date, the opening margin for both the Term Loan Facility and the Revolving Credit Facility is fixed at 2.00% per annum. Additionally, a customary arrangement fee is payable on the total aggregate amount of the commitments under the New Facilities Agreement as at the First Utilisation Date and a commitment fee is payable on unutilised amounts under the Revolving Credit Facility at a rate of 30% of the applicable margin. Customary fees are also payable to the Facility Agent and Security Agent.

The New Facilities Agreement will be guaranteed by the guarantors thereto (being only the Company, the Borrower and UAB Antler Group as at the First Utilisation Date). The rights of the lenders under the New Facilities Agreement, will, subject to agreed security principles, be secured by security over the shares held by a guarantor or a borrower in another guarantor or borrower. Such security must be released by the Security Agent if requested by a member of the Group provided certain conditions are met.

The New Facilities Agreement also contains customary prepayment, cancellation and default provisions and customary representations and warranties (subject to certain exceptions and qualifications) and one financial covenant, including:

- if required by a lender, mandatory prepayment of all utilisations provided by that lender upon the sale of all or substantially all of the business and assets of the Group or a change of control;
- a financial covenant (tested twice annually) which requires that the ratio of total senior secured net debt to consolidated EBITDA, when tested, does not exceed 5.50:1;
- covenants that impose restrictions on the Group's ability to incur financial indebtedness, enter mergers, make disposals, grant security or make a substantial change to the general nature of the business of the Group (in each case subject to certain exceptions);
- voluntary prepayment of loans or letters of credit (subject to minimum amounts and prior notice);
- events of default including non-payment, failure to comply with financial covenant (subject to equity cure provisions), breaches of representation and other obligations, insolvency and cross default (in relation to certain other financial indebtedness of the Group, subject to a €10 million de minimis threshold) and unlawfulness, invalidity and repudiation of the finance documents (in each case, subject to customary grace periods and thresholds); and
- certain ongoing financial information provisions.

Certain of the covenants under the New Facilities Agreement will be suspended upon either (i) the total senior secured net debt to consolidated EBITDA ratio being equal or less than 2.00:1 or (ii) the long-term corporate credit rating of the Parent (or any affiliate of the Parent) being equal to or better than Baa3 or BBB-, according to Moody's Investor Services, Inc. and Standard & Poor's Investors Ratings Services, respectively.

17. WORKING CAPITAL STATEMENT

The Company is of the opinion that, taking into account the net proceeds receivable by the Company from the subscription for New Shares in the Offer and the banking and other facilities available to the Group, the working capital available to the Group is sufficient for its present requirements, that is for at least the next 12 months following the date of this Prospectus.

18. SIGNIFICANT CHANGE

There has been no significant change in the financial position or financial performance of the Group since 30 April 2021, being the date to which the Historical Financial Information set out in Part B of Part XIII (*Historical Financial Information*) of this Prospectus was prepared.

19. AUDITOR

The statutory auditor of (i) Diginet LTU for the period from 1 January 2018 to 30 April 2019 was PricewaterhouseCoopers UAB, whose registered office is at 16B, LT-03163 Vilnius, Lithuania and which is a member of the Lithuanian Chambers of Auditors and the statutory auditor of (ii) AllePal OU for the period from 1 January 2018 to 30 April 2019 was PricewaterhouseCoopers AS whose registered office is at Pärnu mnt 15, Tallinn EE10141, Estonia and which is a member of the Estonian Auditors' Association.

The auditor of Baltic Classifieds Group OÜ and its subsidiaries for the period from 1 May 2019 to 23 July 2019 was (i) KPMG Baltics UAB, whose registered office is at Lvovo g., 101 Vilnius, 08104, Lithuania and is a member of the Lithuanian Chambers of Auditors (ii) KPMG Baltics AS whose registered office is at Vesetas iela 7, Riga, Latvia and is a member of the Latvian Association of Certified Auditors (iii) KPMG Baltics OÜ, whose registered office is at Narva mnt. 5, Tallinn, 10117, Estonia and is a member of the Estonian Auditors' Association and (iv) KPMG Luxembourg Société coopérative, chartered accountants, whose registered office is 39, Avenue John F. Kennedy, L-1855 Luxembourg.

The auditor of ANTLER Midco S.à r.l. for the period from 7 June 2019 to 30 April 2020 and the financial year ended 30 April 2021 was KPMG Luxembourg Société Coopérative, whose registered office is 39, Avenue John F. Kennedy, L-1855 Luxembourg.

20. CONSENTS

KPMG LLP has given and has not withdrawn its written consent to the inclusion in this Prospectus of the reports set out in Part A of Part XIII (*Historical Financial Information*) of this Prospectus and Part A of Part XIV (*Unaudited Pro Forma Financial Information*) of this Prospectus and has authorised the contents of those parts of the Prospectus which comprise its reports for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. As the Shares have not been and will not be registered under the US Securities Act, KPMG LLP has not filed and will not file a consent under the US Securities Act.

21. NON-STATUTORY ACCOUNTS

The financial information contained in this Prospectus which relates to the Group does not constitute statutory accounts as referred to in Section 434(3) of the Companies Act 2006.

22. NO INCORPORATION OF WEBSITE INFORMATION

The contents of www.balticclassifieds.com or any website directly or indirectly linked to www.balticclassifieds.com, including aruodas.lt, auto24.ee, auto24.lv, autoplus.lt, balticclassifieds.com, city24.ee, city24.lv, cvbankas.lt, diginet.lt, kainos.lt, kuldnebers.ee, kv.ee, mototehnika.ee, ntzemelapis.lt, osta.ee, paslaugos.lt, rasketehnika.ee, skelbiu.lt, veetehnika.ee and vininfo.ee, have not been verified and do not form part of this Prospectus, and prospective investors should not rely on such information.

23. GENERAL

The costs and expenses of, and incidental to, Admission and the Offer payable by the Company are estimated to amount to £11.7 million (including VAT), and include, among others, underwriting commissions (including the maximum amount of any discretionary commission), the FCA's fees,

professional fees and the costs of printing and distribution of documents. The Selling Shareholders have agreed to pay their expenses in connection with the sale of the Existing Shares including underwriting commissions (including the maximum amount of any discretionary commission payable by the Major Shareholder) and amounts in respect of stamp duty or SDRT payable by the Selling Shareholders in connection with the Offer which are expected to be approximately £7.7 million (including VAT) (assuming there is no exercise of the Over-allotment Option).

24. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be published in electronic form and will be available on the Group's website at www.balticclassifieds.com for a period of 12 months from the date of publication of this Prospectus:

- (a) the Articles;
- (b) the Reporting Accountant's report on the Historical Financial Information, as set forth in Part A of Part XIII of (*Historical Financial Information*) of this Prospectus;
- (c) the Reporting Accountant's report on the unaudited pro forma financial information, as set forth in Part A of Part XIV (*Unaudited Pro Forma Financial Information*) of this Prospectus;
- (d) the consent letter referred to in section 20 of this Part XVII (*Additional Information*); and
- (e) a copy of this Prospectus.

Dated: 30 June 2021

PART XVIII

DEFINITIONS

The following definitions apply throughout this Prospectus unless the context otherwise requires:

Acquisition	means the acquisition of the entire issued share capital of Baltic Classifieds Group OÜ by an indirect subsidiary of the Major Shareholder on 24 July 2019;
Admission	means the admission of the Shares to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange becoming effective;
ANTLER EquityCo S.à r.l.	means ANTLER EquityCo S.à r.l., a private limited liability company (<i>société à responsabilité limitée</i>) incorporated and existing under the laws of the Grand Duchy of Luxembourg having its registered office at 1–3 boulevard de la Foire, L-1528 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies' Register Registre du Commerce et des Sociétés, Luxembourg under number B235381;
ANTLER Management S.A.	means ANTLER Management S.A. a public company limited by shares (<i>société anonyme</i>), governed by the laws of the Grand Duchy of Luxembourg, 1–3 boulevard de la Foire, L-1528 Luxembourg, R.C.S Luxembourg: B235771;
Apax	means Apax Partners LLP;
Apax Fund	has the meaning set out in section 7.2 (<i>Concert Party</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus;
Apax GP	means Apax IX GP Co. Limited;
Apax IX Funds	means Apax IX EUR L.P., Apax IX EUR Co-Investment L.P., Apax IX USD L.P. and Apax IX USD Co-Investment L.P.;
APMs	means alternative performance measures, being a financial measure not defined or recognised under UK-IFRS;
Articles	means the articles of association of the Company adopted with effect from Admission;
Associate	means the term “associate”, when used in the context of a controlling shareholder which is a body corporate, in the Listing Rules from time to time, provided that, for the purposes of the Relationship Agreement, any Group company shall be excluded;
Audit Committee	means the audit committee of the Board;
Board	means the board of directors of the Company from time to time;
Business Day	means days (not being a Saturday or a Sunday) on which banks are generally open for business in London, United Kingdom;
CEO	means chief executive officer;
CFO	means chief financial officer;
Chair	means the Chair of the Company as at the date of this Prospectus, whose details are set out in section 1 (<i>Directors</i>) of Part IX (<i>Directors, Senior Managers, Employees and Corporate Governance</i>) of this Prospectus;
City Code	means the City Code on Takeovers and Mergers as in effect from time to time;
COO	means chief operating officer;
Company	means Baltic Classifieds Group PLC;

Companies Act 2006	means the Companies Act 2006 of England and Wales, as amended from time to time;
Concert parties	means “persons acting in concert” with that person as defined in the City Code;
Corporate Governance Code	means the UK Corporate Governance Code published in July 2018 by the Financial Reporting Council, as amended from time to time;
CREST	means the electronic transfer and settlement system for the paperless settlement of trades in listed securities operated by Euroclear UK & Ireland Limited;
Deeds of Election	means the share sale election deeds entered into by the Management Shareholders pursuant to which, among other things, the Management Selling Shareholders have irrevocably instructed the Company to agree the sale of Existing Shares as agent for and on behalf of the Management Selling Shareholders, including, for Lithuanian residents, any notarised power of attorney, and “Deed of Election” means any one of them;
Delegated Regulation	means the Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 as it forms part of retained EU law as defined by EUWA;
Directors	means the directors of the Company as at the date of this Prospectus, whose details are set out in Part IX (<i>Directors, Senior Managers, Employees and Corporate Governance</i>) of this Prospectus, and “Director” means any one of them;
Disclosure Guidance and Transparency Rules	means the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook), as, from time to time, amended;
EEA	means the European Economic Area;
EUWA	means the European Union (Withdrawal) Act 2018;
Executive Directors	means the executive Directors as of the date of this Prospectus, and “Executive Director” means any one of them whose details are set out in Part IX (<i>Directors, Senior Managers, Employees and Corporate Governance</i>) of this Prospectus;
Existing Shareholder	means a person who receives Shares conditional upon and with effect from Admission in exchange for securities held in ANTLER TopCo S.à r.l. or in ANTLER Management S.A. prior to Admission pursuant to the terms of the Reorganisation Agreement;
Existing Shares	means the issued share capital of the Company to be issued to, or otherwise held by, Existing Shareholders conditional upon and with effect from Admission pursuant to the terms of the Reorganisation Agreement, excluding, for the avoidance of doubt, the New Shares;
FCA	means the Financial Conduct Authority;
Forward-looking Statements	has the meaning given in Part V (<i>Important Information—Forward-looking Statements</i>);
FSMA	means the Financial Services and Markets Act 2000 of England and Wales, as amended from time to time;
Global Coordinator	means Merrill Lynch International;
Group	means Baltic Classifieds Group OÜ and each of its direct and indirect subsidiaries for the period prior to and including 23 July 2019, ANTLER

MidCo S.à r.l. and each of its direct and indirect subsidiaries from 24 July 2019 to Admission, and the Company and each of its direct and indirect subsidiaries from Admission (and “**subsidiary**” shall have the meaning ascribed to it in the Companies Act 2006);

Historical Financial Information	means the information set out in Part XIII (<i>Historical Financial Information</i>);
HMRC	means Her Majesty’s Revenue and Customs of the UK;
Independent Non-Executive Directors	means the independent Non-Executive Directors of the Company as at the date of this Prospectus, whose details are set out in section 1 (<i>Directors</i>) of Part IX (<i>Directors, Senior Managers, Employees and Corporate Governance</i>) of this Prospectus, and “Independent Non-Executive Director” means any one of them;
Individual Shareholders	Ed Williams and his spouse (jointly), Trevor Mather, Justinas Simkus and his spouse (jointly) and Mees Metsast OÜ;
Initial PSP Awards	has the meaning given to it in section 11.4 (<i>Long-term incentives</i>) in Part XVII (<i>Additional Information</i>) of this Prospectus;
KPMG	means KPMG LLP;
LEI	means a Legal Entity Identifier;
Listing Rules	means the listing rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook);
London Stock Exchange	means the London Stock Exchange plc;
Major Shareholder	means ANTLER EquityCo S.à r.l.;
Management Selling Shareholder	means those Management Shareholders who have elected to make available Shares for sale in the Offer and “Management Selling Shareholder” means any one of them;
Management Shareholders	means the members of the Company’s management who hold interests in shares of ANTLER TopCo S.à r.l. (directly or through a holding in ANTLER Management S.A.) on the date of publication of this Prospectus;
Member States	means the member states of the European Union as of the date of this Prospectus;
New Facilities Agreement	has the meaning given to it in section 16.6 (<i>Financing Arrangements</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus;
New Shares	means those Shares to be allotted and issued by the Company pursuant to the Offer as described in Part XVI (<i>The Offer</i>) of this Prospectus;
Nomination Committee	means the nomination committee of the Board;
Non-Executive Directors	means the non-executive Directors of the Company as at the date of this Prospectus, whose details are set out in section 1 (<i>Directors</i>) of Part IX (<i>Directors, Senior Managers, Employees and Corporate Governance</i>) of this Prospectus, and “Non-Executive Director” means any one of them;
Offer	means the offer of 200,000,000 Shares (comprising 61,304,620 New Shares and 138,695,380 Existing Shares) (i) to certain institutional and professional investors in the UK and elsewhere outside the United States in reliance on Regulation S; and (ii) in the United States only to persons reasonably believed to be QIBs in reliance on Rule 144A of the US Securities Act, as described in Part XVI (<i>The Offer</i>) of this Prospectus, being made by way of this Prospectus;
Offer Price	means 165 pence per Share;

Official List	means the Official List of the FCA;
Over-allotment Option	means the option granted to the Stabilising Manager by the Major Shareholder to purchase, or procure the purchasers for, up to 30,000,000 additional Shares at the Offer Price as set out in the Underwriting Agreement;
Over-allotment Shares	means those Existing Shares that are the subject of the Over-allotment Option;
Post IPO Reorganisation	has the meaning given in section 3 (<i>Reorganisation</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus;
PRA	means the Prudential Regulation Authority;
Pre IPO Reorganisation	has the meaning given in section 3 (<i>Reorganisation</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus;
Prospectus Regulation	means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;
Prospectus Regulation Rules	means the prospectus regulation rules made by the FCA under section 73A of FSMA (as set out in the FCA Handbook);
PSP	has the meaning given in Section 12 (<i>Performance Share Plan</i>) of this Part XVII (<i>Additional Information</i>)
QIBs	means Qualified Institutional Buyers within the meaning given by Rule 144A;
Redeemable Preference Share	has the meaning given to it in section 4 (<i>Share Capital of the Company</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus
Registrar	means Equiniti Limited;
Regulation S	means Regulation S under the US Securities Act;
Relationship Agreement	means the relationship agreement entered into between the Company, the Major Shareholder and the Apax GP dated 30 June 2021, further details of which are set out in section 16.4 (<i>Relationship Agreement</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus;
Remuneration Committee	means the remuneration committee of the Board;
Reorganisation	means the Pre IPO Reorganisation and the Post IPO Reorganisation, further details of which are set out in section 3 of Part XVII (<i>Additional Information</i>) of this Prospectus;
Reorganisation Agreement	means the reorganisation agreement entered into between the Company, BCG Holdco Limited, ANTLER TopCo S.à r.l., ANTLER HoldCo S.à r.l., the Major Shareholder, ANTLER Management S.A. and the Individual Shareholders dated 3 June 2021, further details of which are set out in section 16.5 (<i>Reorganisation Agreement</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus;
Reporting Accountant	means KPMG LLP;
Rule 144A	means Rule 144A under the US Securities Act;
SEDOL	means Stock Exchange Daily Official List;
Selling Shareholders	means the Major Shareholder and the Management Selling Shareholders;
Senior Facilities	means the senior facilities provided to the Group under the Senior Facilities Agreement;
Senior Facilities Agreement	has the meaning given to it in section 16.6 (<i>Financing Arrangements</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus;

Senior Independent Non-Executive Director	means the senior independent Non-Executive Director of the Company as of the date of this Prospectus, whose details are set out in section 1 (<i>Directors</i>) of Part IX (<i>Directors, Senior Managers, Employees and Corporate Governance</i>) of this Prospectus;
Senior Managers	means the senior managers as at the date of this Prospectus, whose details are set out in Part IX (<i>Directors, Senior Managers, Employees and Corporate Governance</i>);
Shares	means the ordinary shares of £1.00 each in the capital of the Company;
Sponsor	means Merrill Lynch International;
Stabilisation End Date	means 30 July 2021;
Stabilising Manager	means Merrill Lynch International;
Stock Loan Agreement	means the stock loan agreement entered into between the Stabilising Manager and the Major Shareholder dated 30 June 2021, further details of which are set out in section 6 (<i>Stock Loan Agreement</i>) of Part XVI (<i>The Offer</i>) of this Prospectus;
UK-IFRS	means the UK-adopted international accounting standards;
UK Market Abuse Regulation	means Regulation (EU) 596/2014 as it forms part of retained EU law as defined in the EUWA;
UK Prospectus Regulation	means Regulation (EU) 2017/1129, as it forms part of retained EU law as defined in the EUWA;
Underwriters	means Merrill Lynch International and BNP Paribas;
Underwriting Agreement	means the underwriting and sponsor's agreement entered into between the Company (for itself and as agent for and on behalf of each of the Management Selling Shareholders pursuant to the Deeds of Election), the Directors, the Major Shareholder, the Sponsor and the Underwriters dated 30 June 2021, further details of which are set out in section 16.3 (<i>Underwriting Agreement and Deeds of Election</i>) of Part XVII (<i>Additional Information</i>) of this Prospectus;
United Kingdom or UK	means the United Kingdom of Great Britain and Northern Ireland;
US Securities Act	means the United States Securities Act of 1933, as amended; and
VAT	means value added tax.

PART XIX
GLOSSARY

activation fees	means fees charged by Paslaugos.lt to service providers to activate their profile on the portal;
active listing	means a listing available on a portal at a certain day and time;
ancillary services	means non-core classifieds services offered on the portals, such as financial intermediation services, data services, delivery services and other non-classifieds services;
bundled packages	means service packages that include multiple products and services across one or more portals;
B2C listers	means listers that have a subscription-based contract with the Group for online classifieds services and products;
consumers	means the visitors of the portals;
cross-listing	means listing the same listing on more than one portal;
C2C listers	means listers that transact with the Group through one-off transactions for online classifieds services and products and do not have a subscription-based contract with the Group for online classifieds services and products;
data services	means data related services such as vehicle history and fraud checks;
financial intermediation services	means acting as an agent in the offering of private-label loans and leasing products on the Group's portals providing consumers with an automated online financing solution through which consumers can apply and receive financing online from selected banks prior to buying a vehicle or a property;
generalist portals	means portals with no specialisation, listing a wide range of products and services to consumers;
insurance distribution services	means acting as an agent in the offering of insurance products on the Group's portals providing listers with an automated online insurance solution through which listers can purchase insurance online from a selected insurance company to insure the risk of technical failures of vehicles after the sale of the vehicle;
listers	means C2C and B2C listers;
listing	means an ad posted on a portal;
marketplace	means a place where products and/or services are bought and sold;
paid listing	means a listing that the Group is remunerated for by B2C or C2C listers;
portals	means online classifieds websites;
slot	means an allocated space on the Group's portals where B2C listers can post an unlimited number of listings, one at a time, over a set period of time;
value added services	means non-core classifieds services offered on the portals increasing the visibility of a listing; and
verticals	means specialised portals, listing products and services of a specific market, such as automotive, real estate and jobs and services.

PART XX
SCHEDULE OF CHANGES

The registration document published by Baltic Classifieds Group PLC on 4 June 2021 (the “**Registration Document**”) contained the information required to be included in a registration document for equity securities by Annex 1 of the Delegated Regulation. The Prospectus, which otherwise contains information extracted without material amendment from the Registration Document (except as set out below), also includes information required to be included in a securities note for equity securities as prescribed by Annex 11 of the Delegated Regulation and in a summary as prescribed by Article 7 of the UK Prospectus Regulation. The Prospectus updates and replaces in whole the Registration Document. Any investor participating in the Offer should invest solely on the basis of the Prospectus, together with any supplement thereto.

This schedule of changes to the Registration Document (the “**Schedule of Changes**”) sets out, refers to or highlights material updates to the Registration Document.

Capitalised terms contained in this Schedule of Changes shall have the meanings given to such terms in the Prospectus unless otherwise defined herein.

1. PURPOSE

The purpose of this Schedule of Changes is to:

- Highlight material changes made in the Prospectus, as compared to the Registration Document;
- Highlight the new disclosure made in the Prospectus to reflect information required to be included in a securities note;
- Highlight the new disclosure made in the Prospectus to reflect information required to be included in a summary.

2. PRINCIPAL REGISTRATION DOCUMENT CHANGES

The following principal changes have been made to the contents of the Registration Document. The Prospectus otherwise contains information extracted without material amendment from the Registration Document.

- The information under the heading “The Group may not be able to successfully carry out its monetisation strategy” on page 9 of the Registration Document has been amended in the Prospectus to include that the Group may not be able to successfully achieve its goals and guidance and that its actual results of operations may vary significantly from the financial objectives and outlook included in this Prospectus as those objectives and outlook are based on a number of assumptions which are subject to significant business, operational, economic and other risks, many of which are outside the Group’s control. Please see page 15 of the Prospectus.
- Changes have been made to the following pages of the Prospectus to reflect the refinancing arrangements of the Group: (i) the paragraph entitled “General” on page 33 of the Prospectus; (ii) the paragraph entitled “Recent Developments and Outlook” on page 102 of the Prospectus; (iii) the paragraph entitled “Liquidity and Capital Resources” on page 127 of the Prospectus; (iv) the paragraph entitled “Summary of the offer and use of proceeds” on page 198 of the Prospectus; and (v) the paragraph entitled “New Financing Arrangements” on page 246 of the Prospectus.
- A change has been made under the headings “Directors, Company Secretary, Registered Office and Advisers”, “Directors, Senior Managers, Employees and Corporate Governance” and “Incorporation and Activity of the Company” on pages 26, 73, 74, 114 and 169 of the Registration Document to reflect that the registered address of the Company and the business address of the Directors and the Senior Managers has changed to Highdown House, Yeoman Way, Worthing, West Sussex BN99 3HH, United Kingdom. Please see pages 86, 88, 89, 133 and 212 of the Prospectus.
- A change has been made under the paragraphs entitled “Market Dynamics between Generalist and Vertical Portals” and “Go to portals for the vast majority of listers in a fragmented market” on pages 47 and 54 of the Registration Document to reflect that Skelbiu.lt, the Group’s generalist portal in Lithuania, is able to reach approximately 52% of the adult population in Lithuania (Source: SimilarWeb (www.similarweb.com), based on the maximum Skelbiu.lt deduplicated audience in a month in 2020 as % of population over age 16 (Euromonitor)). Please see pages 60 and 67 of the Prospectus.

- A change has been made under the paragraphs entitled “Estonian Competitive Landscape and Positioning” and “Osta.ee (marketplace portal – Estonia)” on pages 48 and 68 of the Registration Document to reflect that Osta.ee had an average in 2020 of approximately 440,000 monthly unique visitors, reaching approximately 33% of the adult population in Estonia in 2020 (Source: SimilarWeb (www.similarweb.com), based on the maximum Osta.ee deduplicated audience in a month in 2020 as % of population over age 16 (Euromonitor)). Please see pages 61 and 81 of the Prospectus.
- Changes have been made under the heading “Directors, Senior Managers, Employees and Corporate Governance” to the description of the corporate governance and board committees’ structure on pages 74 and 75 of the Registration Document to reflect the Company’s expected corporate governance structure following Admission, which reflects (i) the implementation of changes to the Group’s corporate governance arrangements appropriate for a listed company; (ii) descriptions of the Board’s committees; (iii) a description of the Company’s share dealing code; and (iv) a description of the Company’s relationship with the Major Shareholder which will be deemed to be a “controlling shareholder” following Admission. Please see pages 89 to 92 of the Prospectus.
- The terms ‘Decrease / (Increase) in trade and other payables’ and ‘Decrease / (Increase) in contract liabilities’ as presented in the CONSOLIDATED STATEMENT OF CASH FLOWS DATA on page 82 of the Registration Document and within the CONSOLIDATED STATEMENT OF CASH FLOWS DATA FOR THE 16-MONTHS ENDED 30 APRIL 2019, THE AGGREGATED PERIOD ENDED 30 APRIL 2020 AND THE FINANCIAL YEAR ENDED 30 APRIL 2021 on page 83 of the Registration Document have been amended to ‘(Decrease) / Increase in trade and other payables’ and ‘(Decrease) / Increase in contract liabilities’ on pages 98 and 99 of the Prospectus.
- A new paragraph entitled “Reorganisation” has been added into the Prospectus to describe the steps that the Company has undertaken and expects to undertake prior to and following Admission. Please see pages 212 to 215 of the Prospectus.
- The profit (loss) for the year ended 30 April 2021 as presented within the Consolidated Statements of Cash Flows on page 121 of the Registration Document has been amended from a profit of €46 thousand to a loss of €46 thousand on page 140 of the Prospectus.
- The paragraph entitled “Share Capital of the Company” on page 169 of the Registration Document has been amended in the Prospectus to reflect the share capital history and structure of the Company immediately prior to and immediately following Admission and authorisations relating to the share capital of the Company. Please see pages 215 to 218 of the Prospectus.
- The paragraph entitled “Objects and Purpose of the Company” on page 169 of the Registration Document has been replaced in its entirety in the Prospectus by the paragraph entitled “Articles of Association” to reflect the articles of association of the Company that will take effect from Admission. Please see pages 218 to 225 of the Prospectus.
- A new paragraph entitled “Mandatory bids and compulsory acquisition rules relating to the shares” has been added to the Prospectus, to describe the relevant provisions of the City Code applicable to the Company. Please see pages 225 to 228 of the Prospectus.
- The paragraph entitled “Interest of Major Shareholder” on page 171 of the Registration Document has been replaced in its entirety in the Prospectus by the paragraph entitled “Interest of Principal Shareholders and Selling Shareholders” to reflect the expected interests in the share capital of the Company immediately prior to and immediately following Admission. Please see pages 229 and 230 of the Prospectus.
- The paragraph entitled “Conflicts of interest” on page 172 of the Registration Document has been updated to reflect the Relationship Agreement entered into between the Company, the Major Shareholder and the Apax GP and any matters giving rise to a conflict of interest. Please see page 231 and page 232 of the Prospectus.
- The paragraph entitled “Interests of Directors and Senior Managers in the share capital of the Company” on page 173 of the Registration Document has been updated in the Prospectus to reflect the expected interests in the share capital of the Company of the Directors and the Senior Managers immediately prior to and immediately following Admission. Please see page 232 of the Prospectus.
- The paragraph entitled “Directors’ Employment Agreements and Letters of Appointment” on page 173 of the Registration Document has been amended and replaced in its entirety by the paragraph entitled “Remuneration Policy, Directors’ Employment Agreements and Letters of

Appointment” in the Prospectus to reflect the Directors’ new terms of employment (where applicable) and letters of appointment, the Directors’ and Senior Managers’ remuneration, to describe the Company’s remuneration policy and incentives. Please see pages 233 to 236 of the Prospectus.

- The paragraph entitled “Share-based Incentive Arrangements” on page 175 of the Registration Document has been amended and replaced in its entirety in the Prospectus by the paragraph entitled “Performance Share Plan” to reflect the share-based incentive arrangements that the Company intends to adopt on Admission. Please see pages 236 to 241 of the Prospectus.
- The paragraphs entitled “The Group is subject to certain competition and antitrust laws which could limit the Group’s ability to grow in certain markets and increase the Group’s prices”, “The Group may be subject to litigation and government investigations and proceedings, including investigations by tax authorities, competition authorities and financial services authorities, which could have an adverse effect on the Group’s business” and “Litigation” on pages 4, 5, 16 and 175 of the Registration Document has been updated in the Prospectus to reflect that on 17 June 2021, the court of first instance declined to annul the LCC’s decision and dismissed the Claimant’s appeal. Please see pages 11, 22 and 241 of the Prospectus.
- The paragraph entitled “Related Party Transactions” on page 176 of the Registration Document has been updated in the Prospectus to reflect the related party transactions entered into by members of the Group between 1 January 2018 and the date of this Prospectus. Please see page 242 of the Prospectus.
- Changes have been made to the paragraph entitled “Material Contracts” on page 176 of the Registration Document, including the addition of the summary of the following new material contracts: (i) Underwriting Agreement and Deeds of Election, (ii) Relationship Agreement; and (iii) Reorganisation Agreement, and also including a summary of the Group’s new financing arrangements. Please see pages 242 to 247 of the Prospectus.
- A new paragraph entitled “Working Capital Statement” has been added into the Prospectus, confirming the adequacy of the Group’s working capital. Please see page 248 of the Prospectus.

3. UNAUDITED PRO FORMA FINANCIAL INFORMATION

- A new section entitled “Unaudited Pro Forma Financial Information” has been added into the Prospectus to illustrate the effect of the Offer on the consolidated net assets of the Group as if the Offer had occurred on 30 April 2021. Please see pages 189 to 192 of the Prospectus.

4. SECURITIES NOTE INFORMATION

- A new section entitled “Risks Relating to the Offer and the Shares” has been added into the Prospectus to describe the risks relating to the Offer and the Shares, including risks relating to the liquidity or trading price of the Shares, dilution risks, and risks relating to Shareholders in the United States. Please see pages 27 to 30 of the Prospectus.
- New sections entitled “Expected Timetable of Principal Events” and “Offer and Admission Statistics” have been added into the Prospectus, describing the means through which the Shares will be offered to the public pursuant to the Offer. Please see page 31 and page 32 of the Prospectus.
- A new section entitled “Capitalisation and Indebtedness” has been added into the Prospectus, describing the shareholders’ equity as of 30 April 2021 and the Group’s indebtedness as of 30 April 2021. Please see page 131 of the Prospectus.
- A new section entitled “Taxation” has been added into the Prospectus to provide a general guide to certain UK and U.S. federal tax considerations relevant to the acquisition, ownership and disposition of Shares. Please see pages 193 to 197 of the Prospectus.
- A new section entitled “The Offer” has been added into the Prospectus, describing the mechanism and terms of the Offer and also including new paragraphs entitled “Underwriting Arrangements” and “Lock-Up Arrangements” which describe the arrangements entered into between the Company and the Underwriters, among other parties, pursuant to which the Underwriters agreed to underwrite the Offer and the terms of the lock-up arrangements that have been entered into or will be entered into ahead of Admission. Please see pages 198 to 211 of the Prospectus.

5. SUMMARY INFORMATION

- A new section entitled “Summary” has been added into the Prospectus, to reflect the addition of a summary as required by Article 7 of the UK Prospectus Regulation. Please see pages 1 to 7 of the Prospectus.

