



2022 Half Year Results

Six months ended 31 March 2022
19 May 2022

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Agenda

1. Results highlights

2. Financial performance and outlook

3. Strategic update

4. Q&A



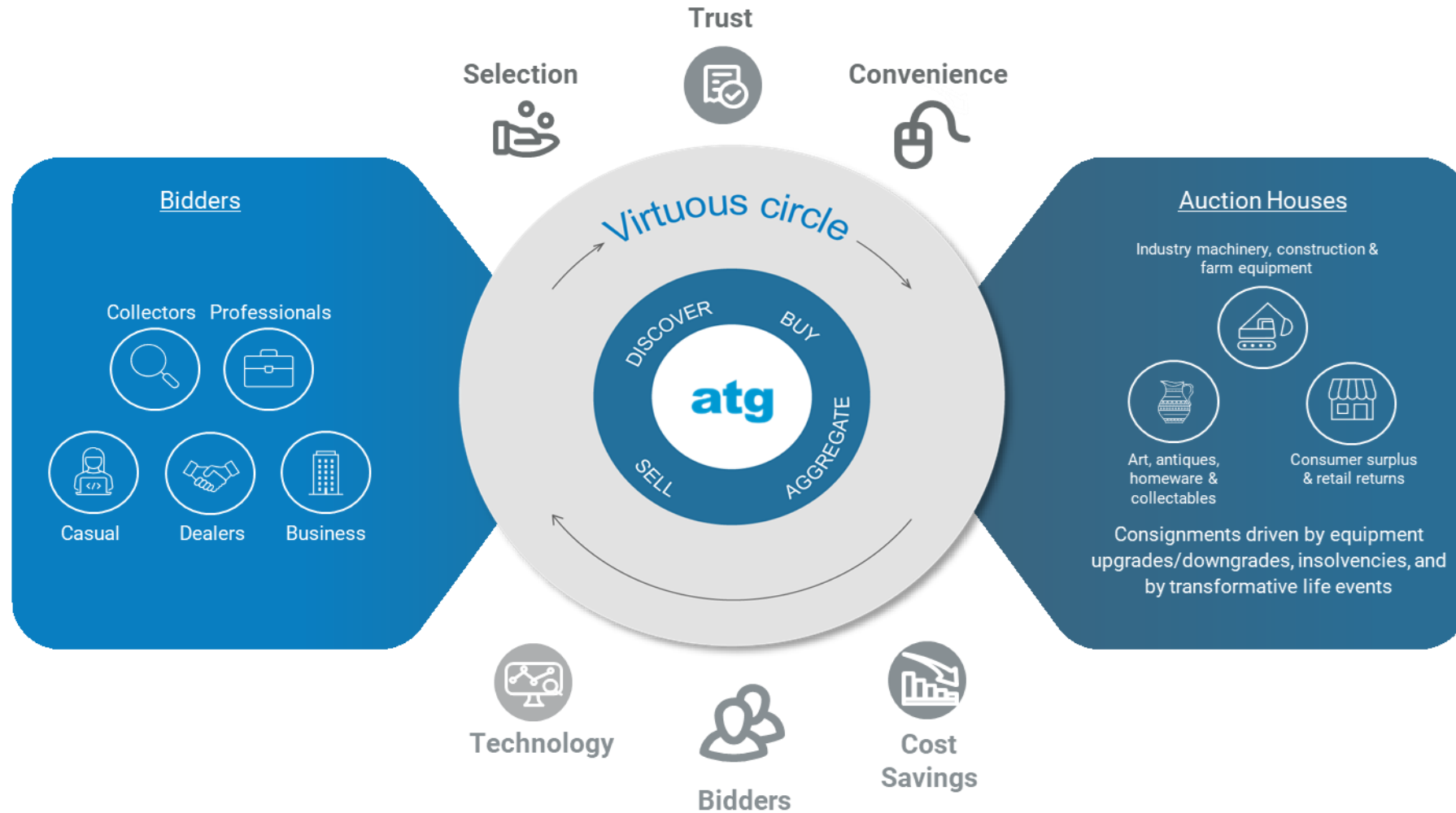
01. Results highlights

John-Paul Savant

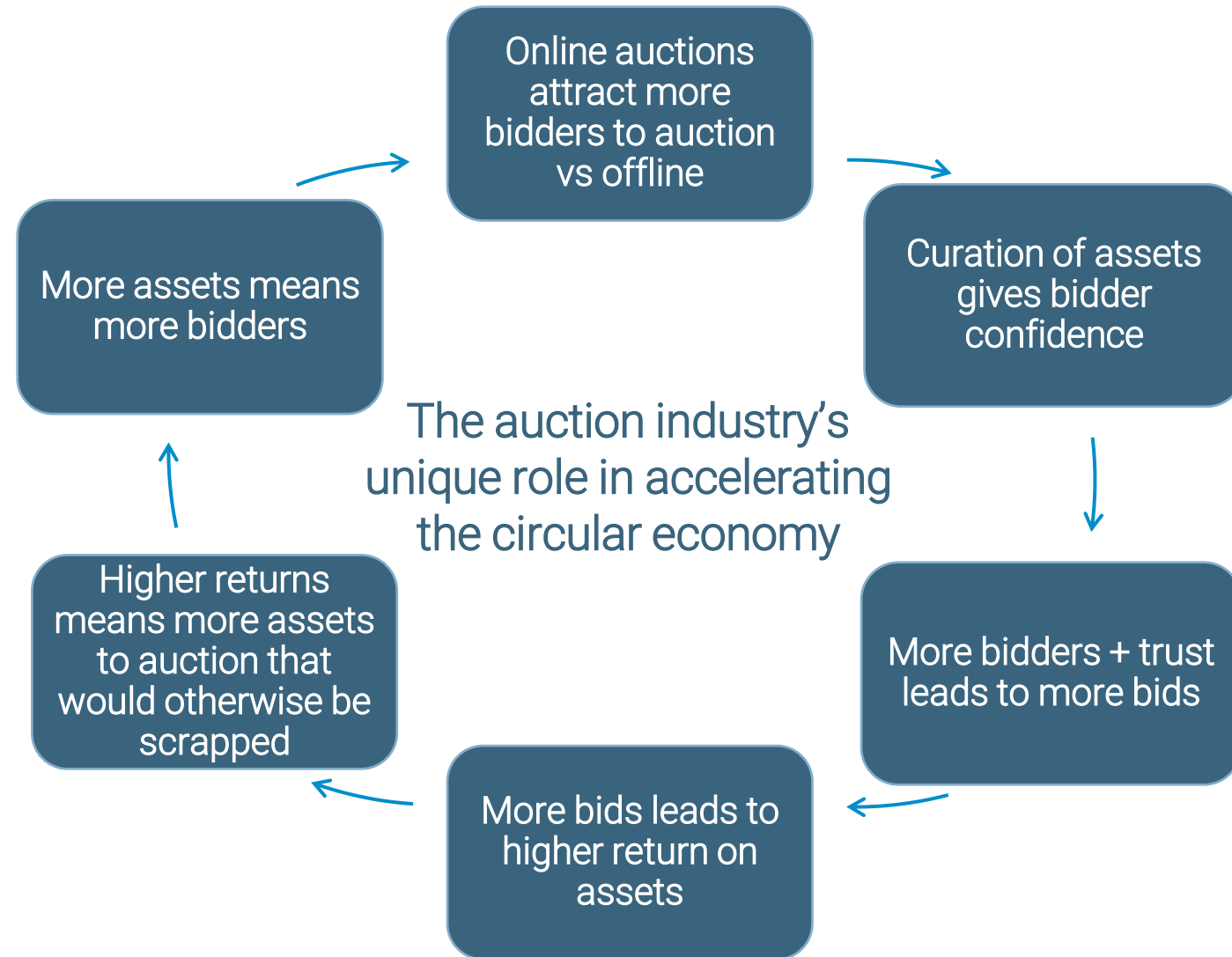


ATG – Unlocking the value of the curated secondary goods market and accelerating the growth of the circular economy

Unlocking the value of the curated secondary goods market



Accelerating the growth of the circular economy



HY 22 Highlights

THV +27%¹; continued shift online, higher prices, more inventory, newer verticals

Online share stable at 33%¹; continued growth of timed online-only auctions

GMV +25%¹; delivering growth on growth post Covid

Diversification of revenue with 63% growth in value-add services

Successful integration of LiveAuctioneers; performing ahead of expectations

Strong competitive position; over 89m bidding sessions and 54m bids placed

Revenue

£57.7m

+16%¹

Adjusted EBITDA

£26.8m

+58%

1. On a proforma basis



02. Financial performance and outlook

Tom Hargreaves

HY 22 Financial Highlights

Revenue

£57.7m

+16%¹

Adjusted EBITDA

£26.8m

+58%

Adjusted EBITDA margin

46%

+1 ppt from FY 21

Adjusted diluted EPS

13.4p

+>100%

Adjusted Free Cash Flow

£24.3m

91% conversion²

Adjusted Net Debt

£120m

Below 2.5x leverage

1. On a proforma basis

2. Adjusted free cash flow as a percentage of Adjusted EBITDA

Solid progress made against our strategic KPIs

GMV (£bn)

YoY growth at actual FX rate	89%	25%
YoY growth at constant FX rate	97%	25%



HY 21

HY 22

Online share (%)



HY 21

HY 22

THV (£bn)

YoY growth at actual FX rate	29%	27%
YoY growth at constant FX rate	34%	27%



HY 21

HY 22

Take rate (%)



HY 21

HY 22

Marketplace revenue (£m)

YoY growth at actual FX rate	44%	17%
YoY growth at constant FX rate	50%	16%



HY 21

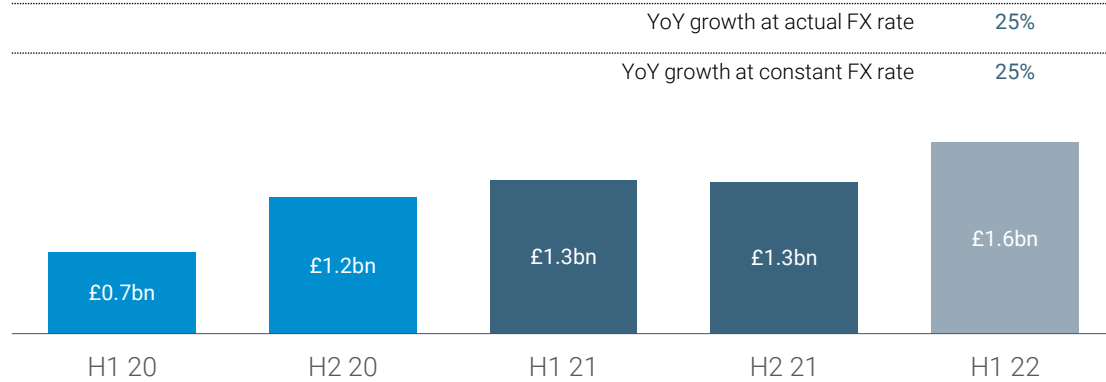
HY 22

- GMV up 25% despite annualising exceptional Covid-19 comparators
- Online share broadly flat year-on-year
- Take rate of 3.2% reflects growth of lower commission THV, including real estate. Excluding this, take rate up 0.2ppt benefiting from growth in payments solutions
- Growth in GMV and other value add services resulted in total marketplace revenue +16%

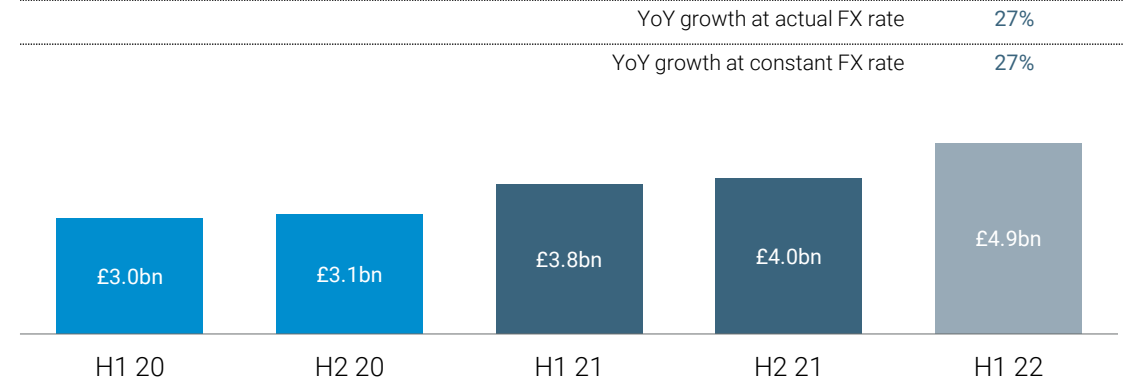
HY 21 and growth rates are shown on a proforma basis

As we lap Covid-19, we have delivered growth on growth

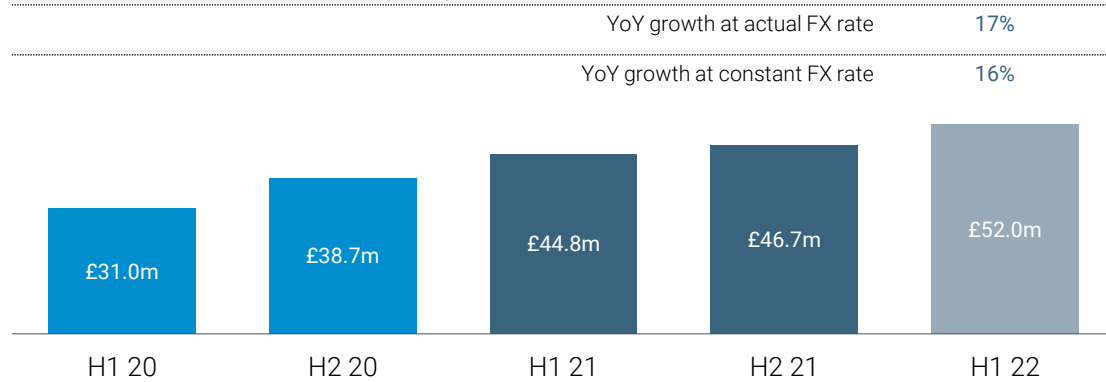
GMV (£bn)



THV (£bn)



Marketplace Revenue (£m)



- HY 22 represents the second results lapping Covid-19 comparators
- Sustained growth in THV, GMV and marketplace revenue demonstrates the benefits of the ATG model and our virtuous cycle

Prior years shown on a proforma basis at actual rates

Segmental performance – strength across both segments

Revenue by segment

£m	HY 22	HY 21	Reported YoY % ¹	Pro-forma YoY % ²
Arts & Antiques	26.9	8.1	232%	16%
Industrial & Commercial	25.1	21.5	17%	16%
Total Marketplace	52.0	29.6	76%	16%
Auction Services	4.1	3.5	17%	11%
Content	1.6	1.4	14%	14%
Revenue	57.7	34.5	67%	16%

- Revenue growth driven by LiveAuctioneers acquisition and growth across each reporting segment
- Auction services driven by continued growth of our white label offering; proforma impact due to timing of Auction Mobility acquisition
- Content revenue shown resilience in HY 22, up 14%, driven by recovery of advertising volumes

1. At actual FX rates
2. At constant FX rates
3. Updated from original presentation to correct for erratum

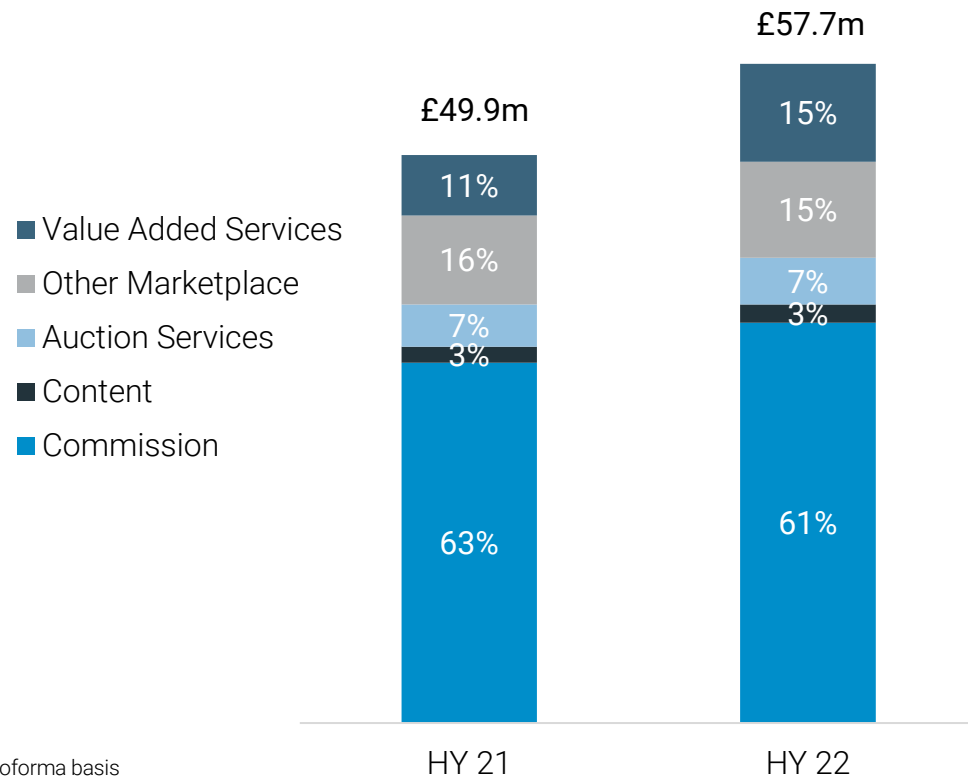
KPIs by segment

£m	A&A	Pro-forma YoY % ²	I&C	Pro-forma YoY % ²
THV	2,146	+28%	2,752	27%
Online Share	17%	Down 4ppt	46%	Up 2ppt
GMV	356	+2%	1,266 ³	33%
Take Rate	7.6%	Up 1ppt	2.0%	Down 0.3ppt
Marketplace Revenue	26.9	16%	25.1	16%

- A&A marketplace revenue growth driven by growth of value-add services including payments and advertising
- A&A online share impacted by growth of international THV and other newer categories which typically have a lower online share
- Strength of Proxibid platform as well as supply chain disruption resulting in strong growth in I&C sector
- Growth into new verticals including real estate continues– take rate improved 0.2 ppt excluding real estate

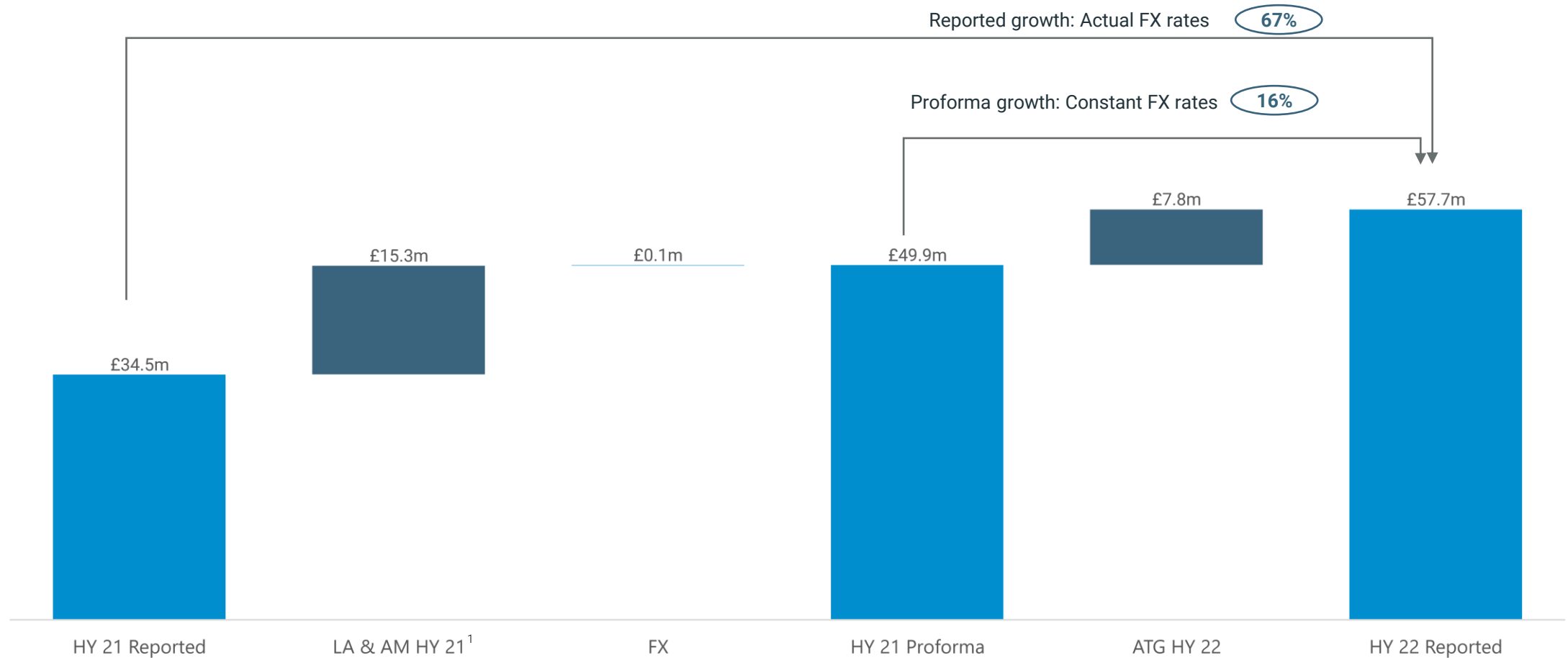
An increasingly diversified and resilient revenue model

Revenue by type



- Revenue model blends transactional fees and recurring SaaS-like subscription revenue
- Enables us to build loyalty with auctioneers and share in the upside as they grow – ensures high retention rates irrespective of economic cycle
- Commission revenue directly linked to asset prices which provides an inflation hedge
- Cyclically diversified revenue mix
- Revenue is also increasingly diversified as we roll out and grow value-add services including payments and marketing
- Value-add services grown 63% year-on-year

Strong reported and proforma revenue growth



1. Includes £0.2m for Auction Mobility
2. Average US dollar rate: HY 22 1.34 and HY 21 1.35

High operational gearing resulted in strong profit growth

- Gross profit increased 70% to £39.1m; gross margin flat at 68%
- No exceptional costs in HY 22
- Adjusted EBITDA up 58% reflecting high flow through of revenue to profit
- EBITDA margin of 46%, up 1ppt from FY 21, and as expected, down from HY 21 due to public company costs, payments and investments to support growth
- Adjusted EPS of 13.4p; 122m ordinary shares and dilutive options

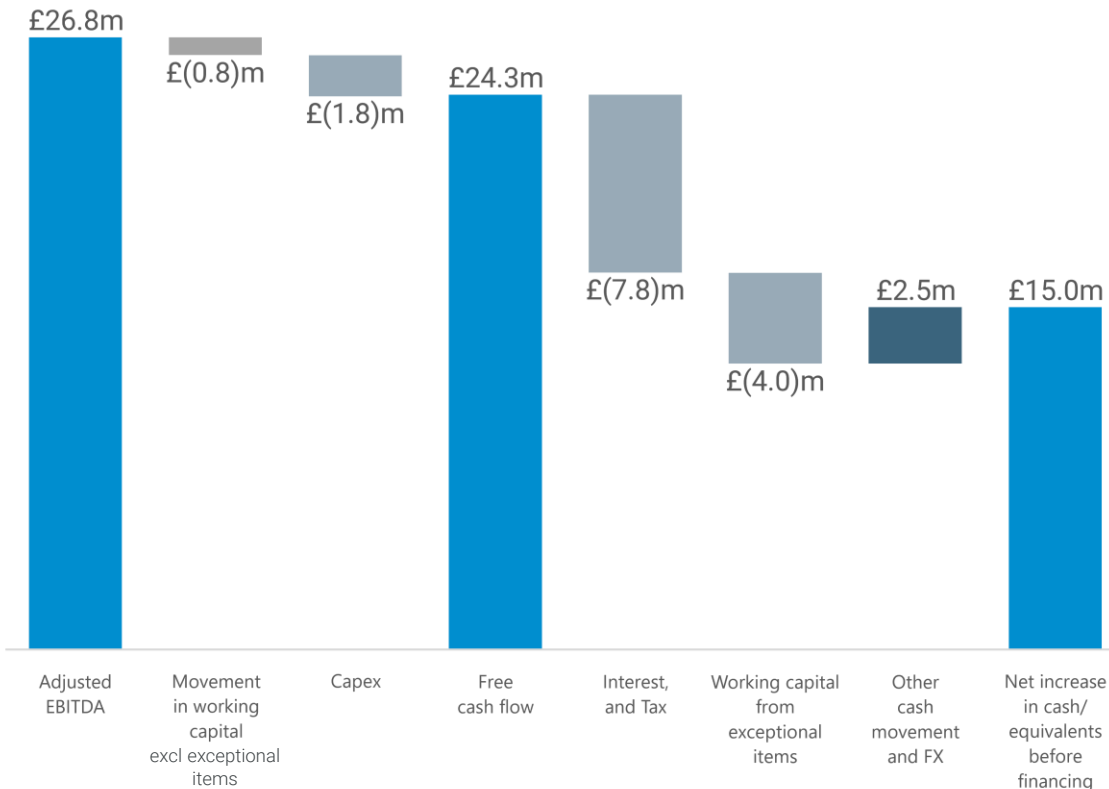
Group financial summary

£m	HY 22	HY 21	Reported YoY ¹	Proforma YoY ²
Revenue	57.7	34.5	67%	16%
Cost of Sales	(18.6)	(11.5)	62%	
Gross Profit	39.1	23.0	70%	
Administrative expenses	(30.0)	(35.2)	(15)%	
Other operating income	0.1	0.1	-	
Operating profit/(loss)	9.2	(12.1)	176%	
Profit/(loss) before tax	3.3	(22.6)	115%	
Net profit	3.8	(24.1)	116%	
Adjusted EBITDA	26.8	17.0	58%	
<i>Adjusted EBITDA margin</i>	46%	49%		
Adjusted diluted EPS	13.4p	0.9p	1,389%	

1. At actual FX rates
2. At constant FX rates

Strong cash generation driven by a capital light model

Movement in cash excluding acquisition of LiveAuctioneers



- Strong cash generation driven by high operational leverage and capital light model
- Adjusted free cash flow conversion of 91%
- Total cash consideration for LiveAuctioneers of £376.8m
- Adjusted net debt increased to £120m after impact of acquisition
- Adjusted Net debt/ adjusted TTM EBITDA ratio below 2.5x

Financial guidance – increased FY 2022 expectations

- Sales performance in the first half of 2022 was better than expected
- Based on HY 22 outperformance and management's unchanged view of second half FY 22, we are increasing our revenue guidance
- For FY 22 we now expect low double digit proforma revenue growth
- FY 22 margin guidance remains unchanged
- Remain confident of achieving our medium-term targets of mid-teens plus proforma revenue growth and mid-high 40s adjusted EBITDA margin %





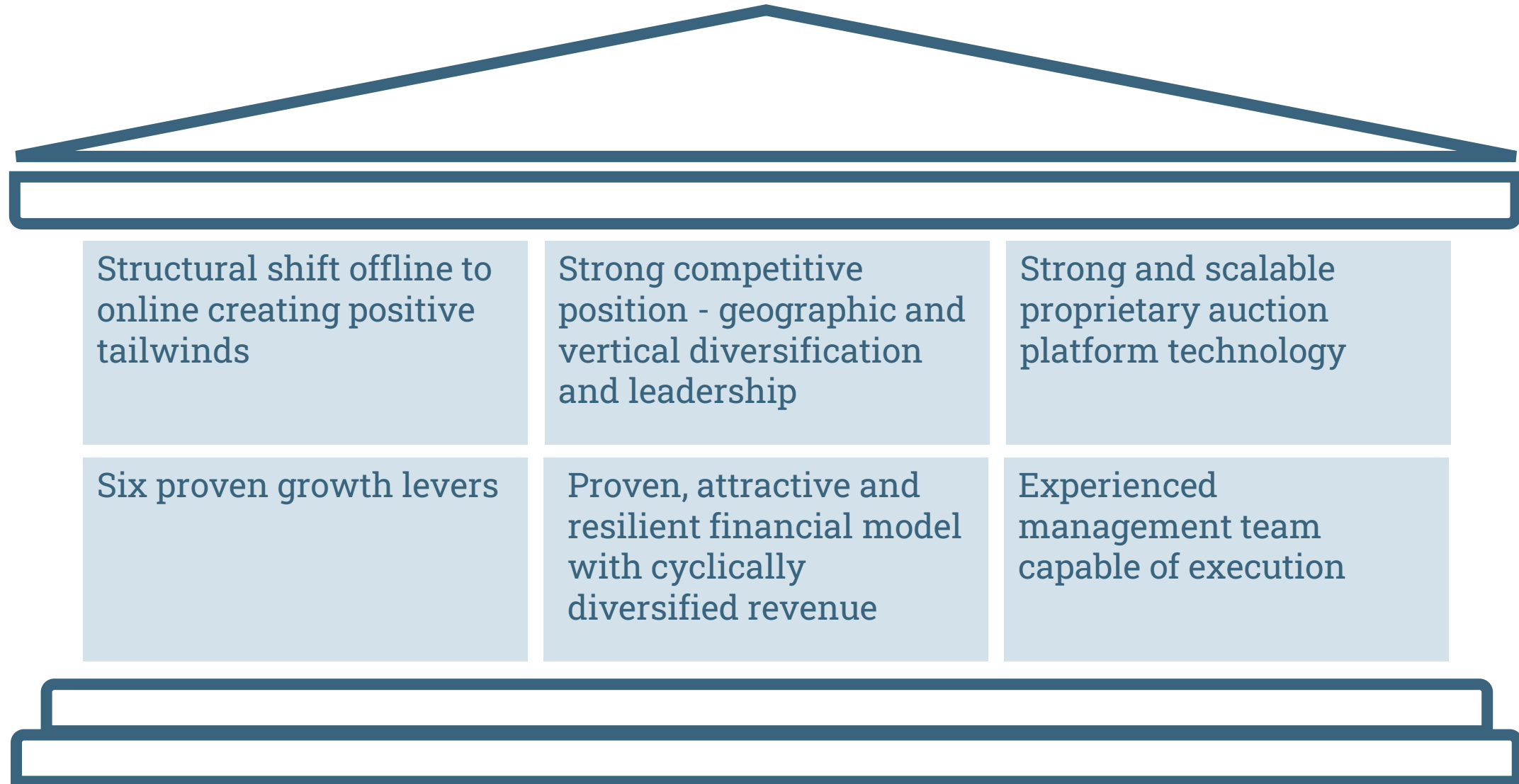
03. Strategic update

John-Paul Savant

A line of red Case IH 165 tractors is parked in a field of golden-brown stubble. The tractors are arranged in a row, receding into the distance. The sky is a clear, pale blue. The text "Our mission is to Unlock the value in the secondary goods market, for good." is overlaid on the right side of the image in a large, white, sans-serif font.

Our mission is to
Unlock the
value in the
secondary
goods market,
for good.

The ATG investment case

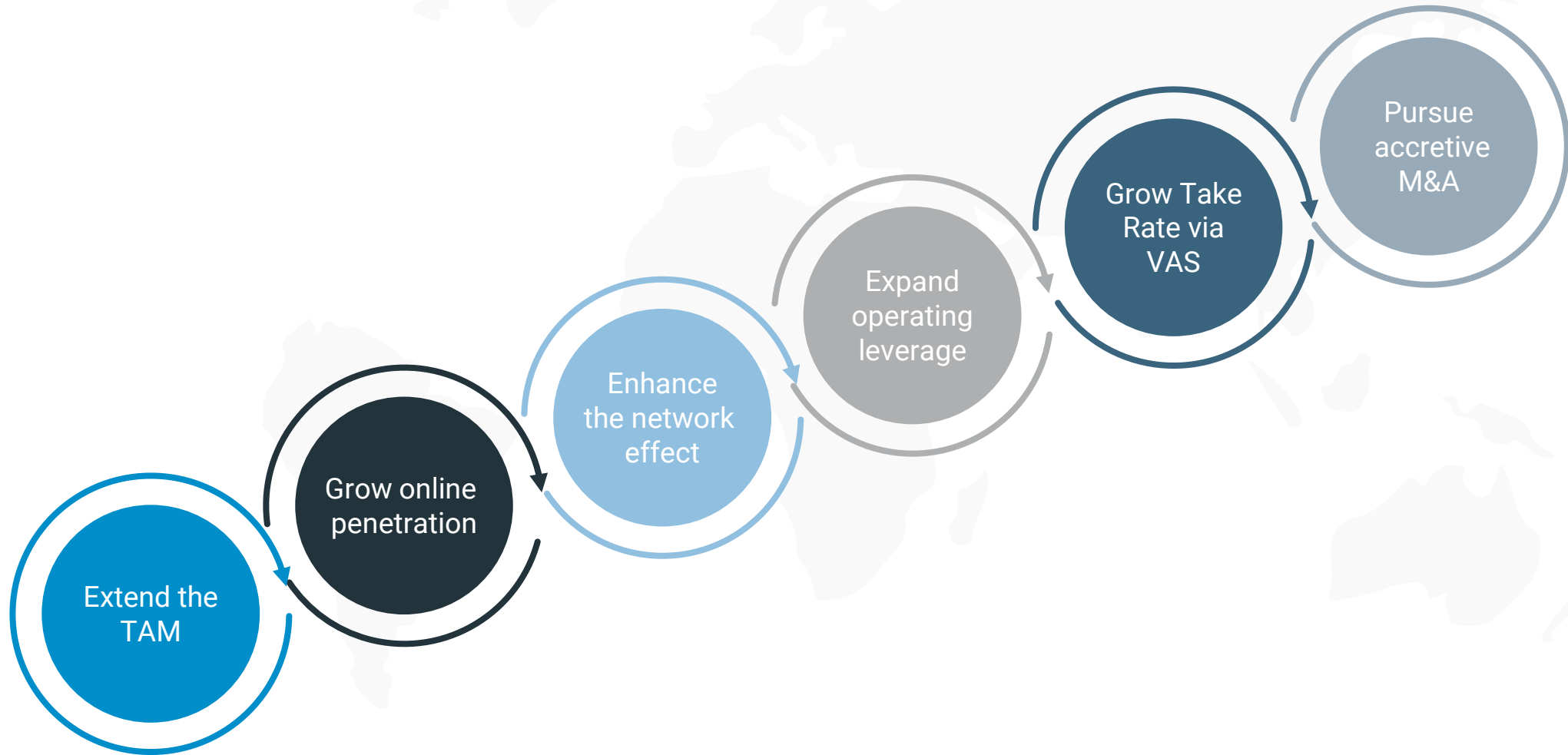


Our growth is evidence of the value that ATG provides for both auctioneers and bidders



All data shown for the six months ended 31 March 2022

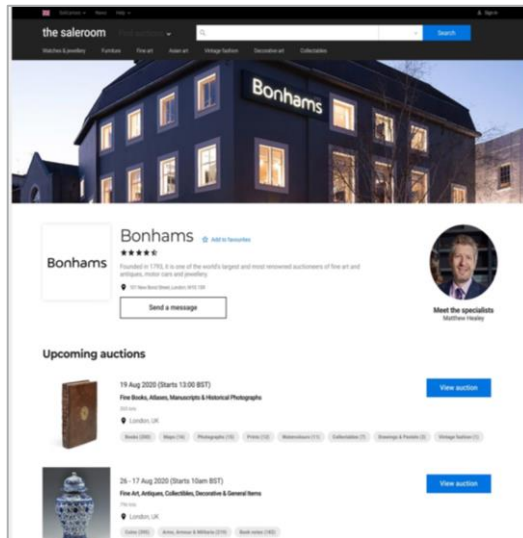
We continue to execute on each of our six growth levers



We have enhanced the value proposition for both auctioneers and bidders

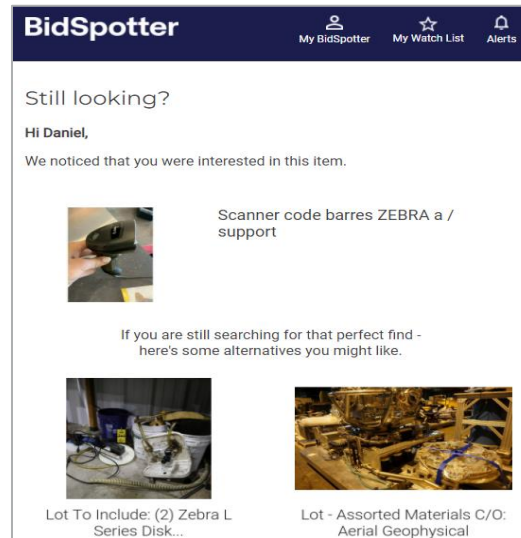
1. Drive bidder acquisition

- Invest in SEO
- Improve site search



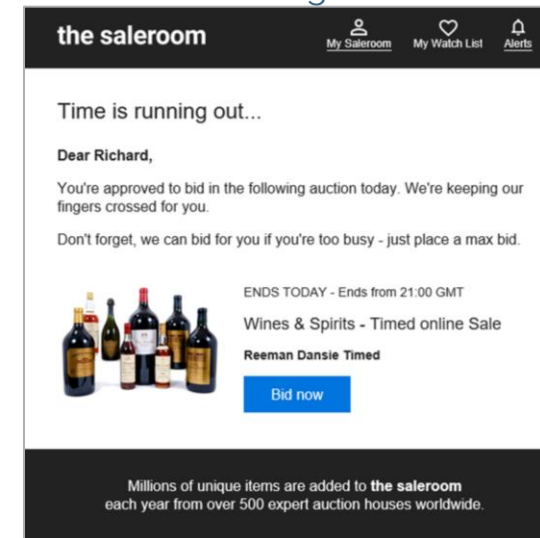
2. Increase auction registrations

- Revamped marketing emails
- More relevant ads for bidders - browsed lot follow up email +50% open rate



3. Improve bidder success

- Help auctioneers approve bidders faster
- New recommendation engine underbidder recommendation +50% click through rate



We have enhanced the value proposition for both auctioneers and bidders

4. Grow timed online only

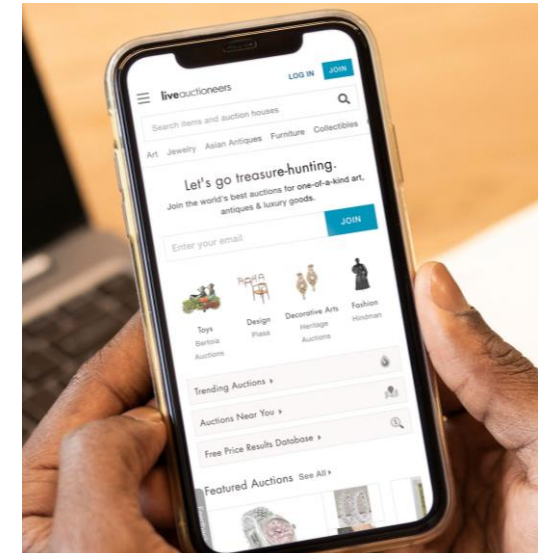
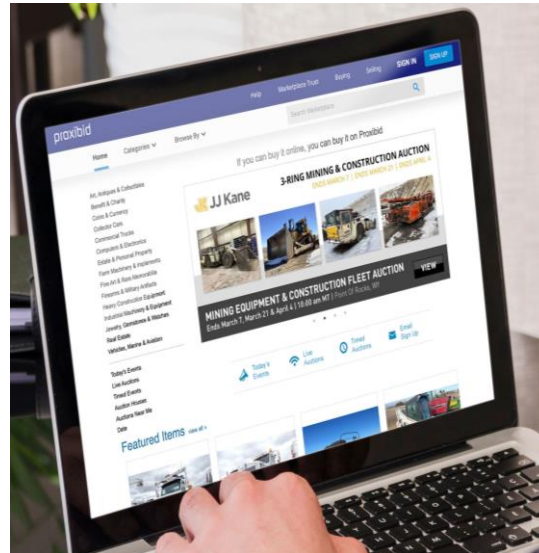
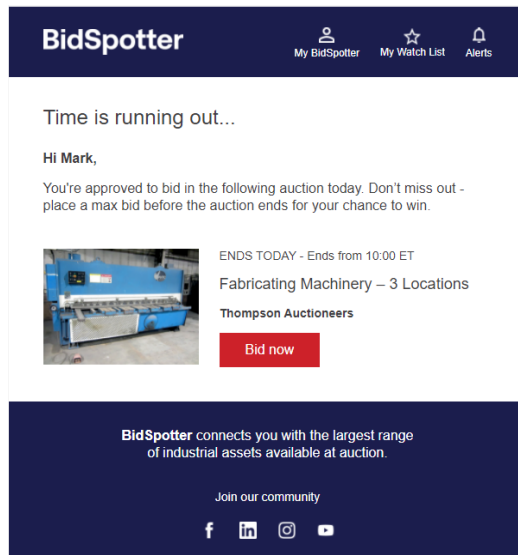
- Further simplified cross-listing
- THV on timed-online only +32%

5. Maintain high auctioneer retention rates

- Strong account management
- Optimise technology platform and update security features

6. Grow value add services

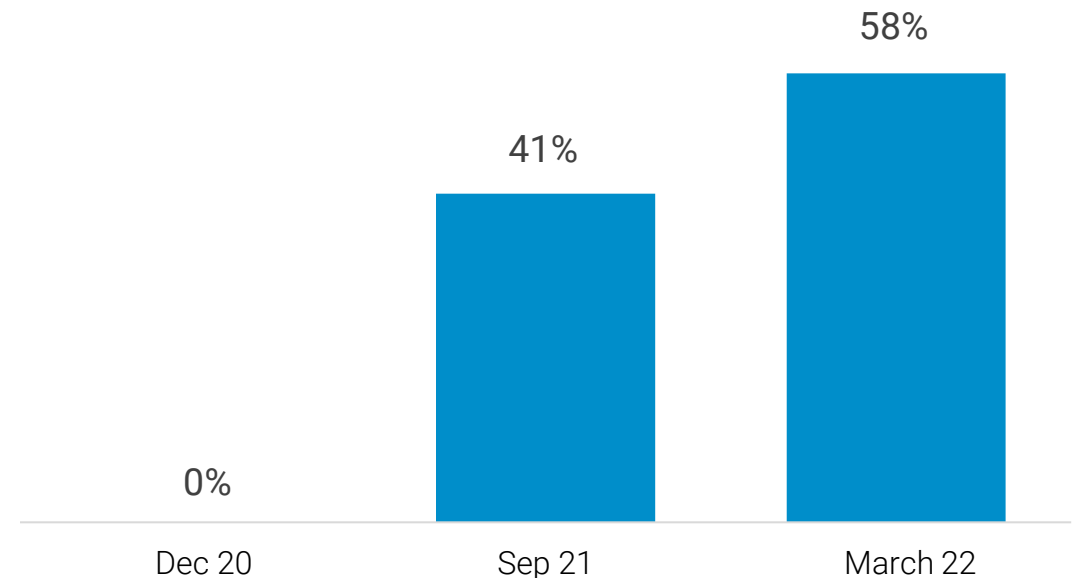
- +63% in HY 22
- Growth in both payment and digital marketing solutions



LiveAuctioneers is performing ahead of our expectations and the adoption of payments is growing rapidly

- Integration into the Group is progressing well
- Strong first half revenue growth, and strong growth in adoption of payments and advertising solutions
 - Adoption rates of both payments and advertising for active auction houses has now reached 50%
 - Gross payment transaction value processed grown 34% from six months ending 30 Sep 21
- Sharing best practice; ATG adapted the payments product, in partnership with the LA team

Rapid increase in the adoption of payments on LiveAuctioneers



1. Shows percentage of global sellers on LiveAuctioneers that have been onboarded for payments

We have added to the breadth and depth of the ATG team

- Significant depth and breadth of industry knowledge
- Highly engaged team – 91% engagement rate in latest survey¹ and 96% employee trust in leadership
- New additions to the leadership team
 - Welcomed Pratyush Rai as Global Chief Technology Officer
 - Promoted Rob Cummings to Chief Product Officer
 - Welcomed Darren Ali as Chief People Officer



Darren Ali
Chief People Officer



Pratyush Rai
Chief Technology Officer

1. Engagement survey did not include LiveAuctioneers or Auction Mobility employees

We have welcomed three new Board members



Suzanne Baxter

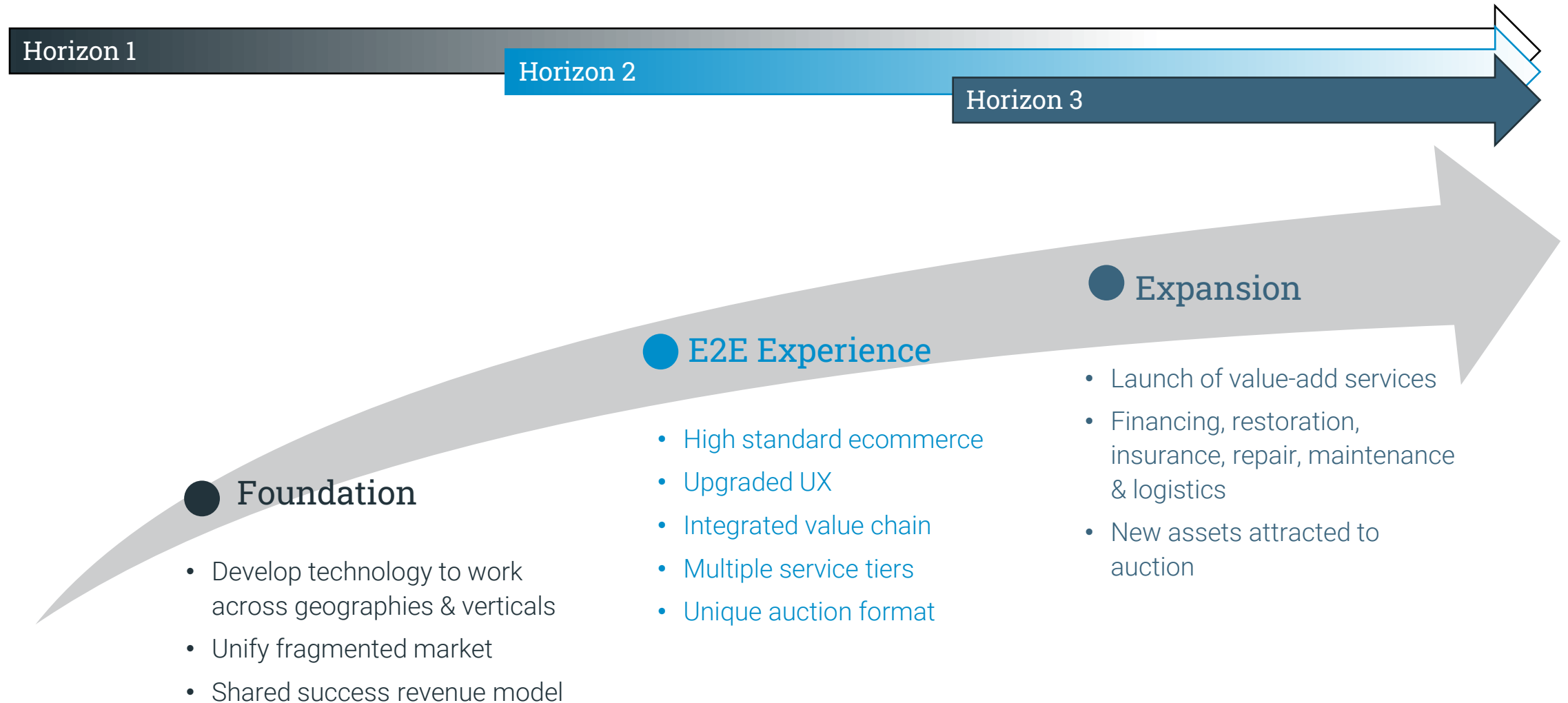


Pauline Reader



Tamsin Todd

We are early in of our journey to transform the auction industry

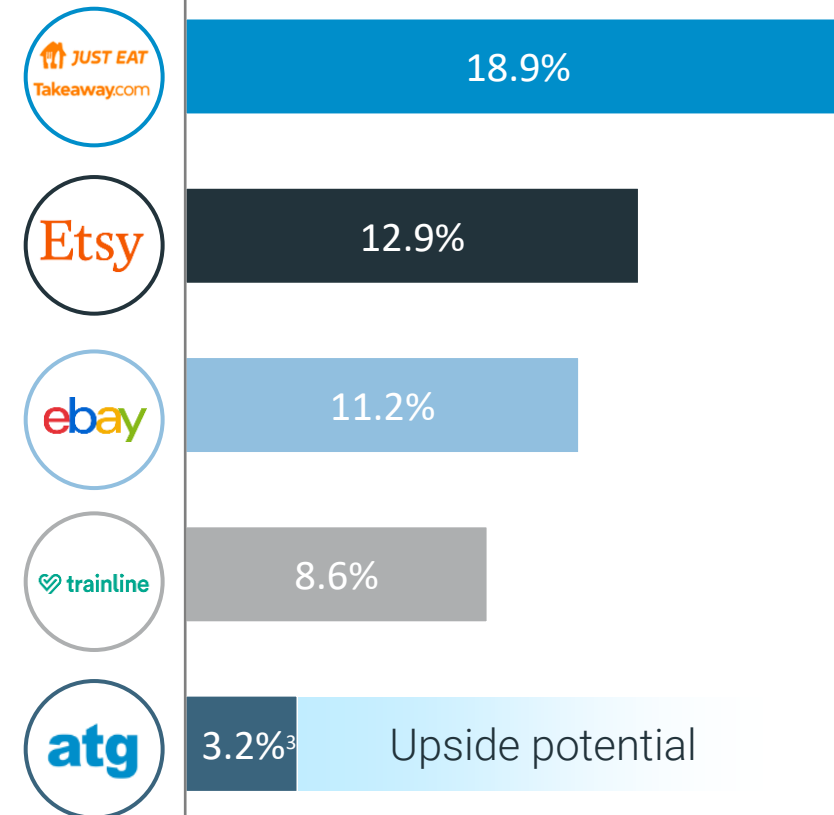


As we extend into the auction ecosystem, we will enhance the bidder value proposition, whilst also lowering auctioneer costs

Key Value Add Services



Take rates of market leaders^{1,2}



1. Management estimates based on publicly available information calculated across different periods and metrics particular to each business

2. Just Eat Takeaway.com take rate for FY 2021 ending Dec 2021, Etsy take rate defined as Revenue/ Gross merchandise sales for FY 2021 ending Dec 2021, eBay take rate for FY 2021 ending Dec 2021; Trainline take rate calculated as Revenue / Net ticket sales for FY 2021 ending Feb 2021;

3. Take rate for ATG for HY 22 on a proforma basis

We are early in our journey of growth and transformation

- Structural shift online
- Diversified and resilient
- Competitive position
- Six growth drivers
- Team to execute





15 top items sold on ATG
Save 1 million tonnes
CO2 emissions
equivalent to
50 million trees
per year

2022 ATG carbon impact report

Top 15 items accounts for c.600k lots out of a total 9.5m lots sold in FY 21

Potential saving in FY 21 compared to a worst case scenario in which all these items were discarded



Our ambition is to
**Save CO2
emissions**
equivalent to
**1 Billion trees
per year**



04. Q&A

A red combine harvester is shown from a low angle, moving through a golden wheat field. The sky is clear and blue. The harvester's front section, including the headlights and the 'CASE IH' logo, is visible. The wheat is ripe and ready for harvest.

05. Appendix

Glossary of key definitions

Term	Definition
A&A	Arts and Antiques
GMV	gross merchandise value, representing the total final sale value of all lots sold via winning bids placed on the marketplaces or the platform, on a proforma basis, excluding additional fees (such as online fee and auctioneers' commissions) and sales of retail jewellery (being new, or nearly new, jewellery)
I&C	Industrial and Commercial
Online Share	represents GMV as a percentage of THV
Proforma basis	certain measures have been used as the acquisition of LiveAuctioneers on 1 October 2021 and Auction Mobility on 16 October 2020 have affected the comparability of the Group's results of operations for HY22. The measures are presented for the Group to provide comparisons of the Group's results between HY21 and HY22 as if the acquisitions had occurred on 1 October 2020. In addition, proforma revenue is stated at constant exchange rates with the prior year comparatives being restated using current year exchange rates. This measure is presented as a means of eliminating the effects of exchange rate fluctuations on the period-on-period reported results.
Take rate	represents the Group's marketplace revenue as a percentage of GMV. Marketplace revenue is the Group's reported revenue excluding Auction Services and Content revenue
THV	total hammer value, representing the total final sale value of all lots listed on the marketplaces or the platform, on a proforma basis, excluding additional fees (such as online fees and auctioneers' commissions) and sales of retail jewellery (being new, or nearly new, jewellery)

Reconciliation of FY 21 THV

	FY 21 Gross THV (FY21 published results)	Less Duplications	FY21 Gross THV (updated)
ATG excluding LiveAuctioneers	£6.3bn	(£0.6bn)	£5.7bn
LiveAuctioneers	£2.4bn	(£0.3bn)	£2.1bn
Proforma ATG	£8.7bn	(£0.9bn)	£7.8bn

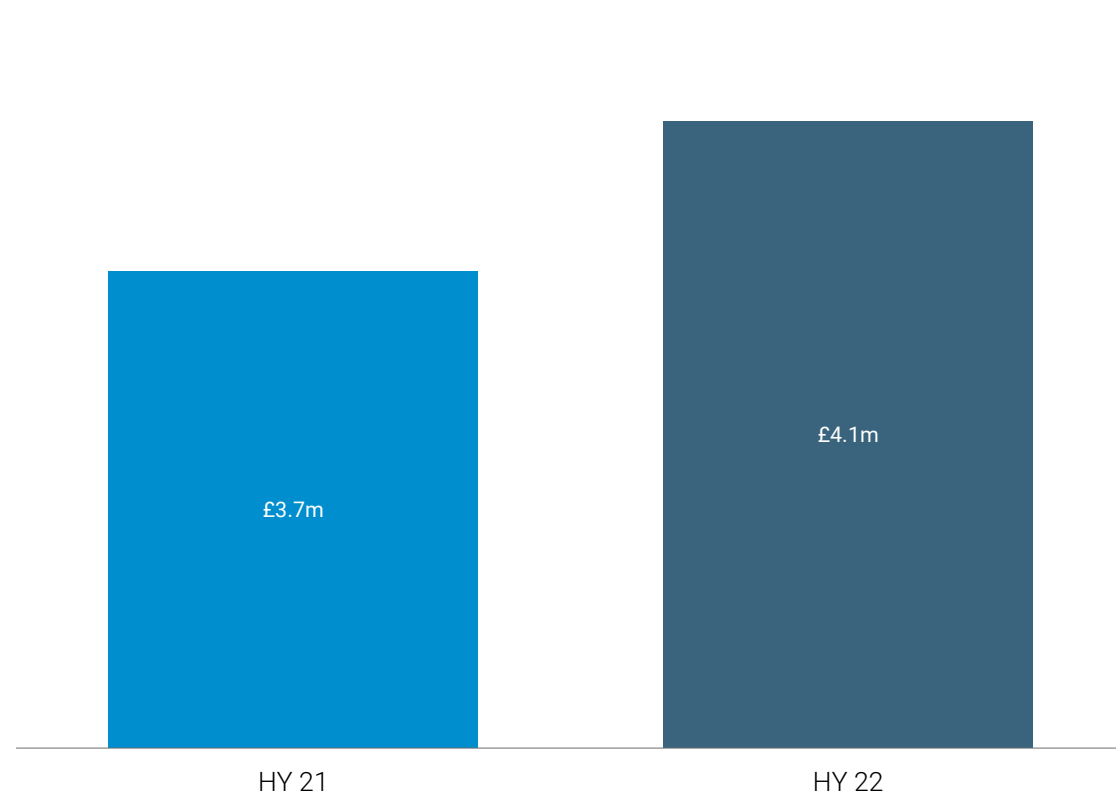
On a proforma basis at actual rates

Reconciliation of APMs

Reconciliation of profit before tax to adjusted EBITDA			Reconciliation of profit after tax to adjusted earnings			Cash generated from operations and adjusted free cash flow		
	HY 22	HY 21		HY 22	HY 21		HY 22	HY 21
	£m	£m		£m	£m		£m	£m
Profit/(loss) before tax	3.3	(22.6)	Profit/(loss) attributable to equity shareholders of the Company	3.8	(24.1)	Adjusted EBITDA	26.8	17.0
Adjustments for:			Adjustments for:			Cash generated from operations	22.1	8.7
Net finance costs	5.9	10.5	Amortisation of acquired intangible assets	12.9	6.8	Adjustments for:		
Amortisation of acquired intangible assets	12.9	6.8	Exceptional finance items	2.5	(0.6)	Exceptional items	–	9.1
Amortisation of internally generated software	1.7	2.3	Share-based payment expense	2.5	10.4	Working capital from exceptional and other items	4.0	(1.8)
Depreciation of property, plant and equipment	0.1	0.1	Exceptional operating items	–	9.1	Additions to internally generated software	(1.6)	(1.4)
Depreciation of right of use assets	0.5	0.4	Tax on adjusted items	(5.3)	(0.6)	Additions to property, plant and equipment	(0.1)	(0.0)
Share-based payment expense	2.5	10.4	Adjusted earnings	16.3	0.9	Adjusted free cash flow	24.3	14.5
Exceptional operating items	–	9.1				Adjusted free cash flow conversion (%)	91%	86%
Adjusted EBITDA	26.8	17.0						

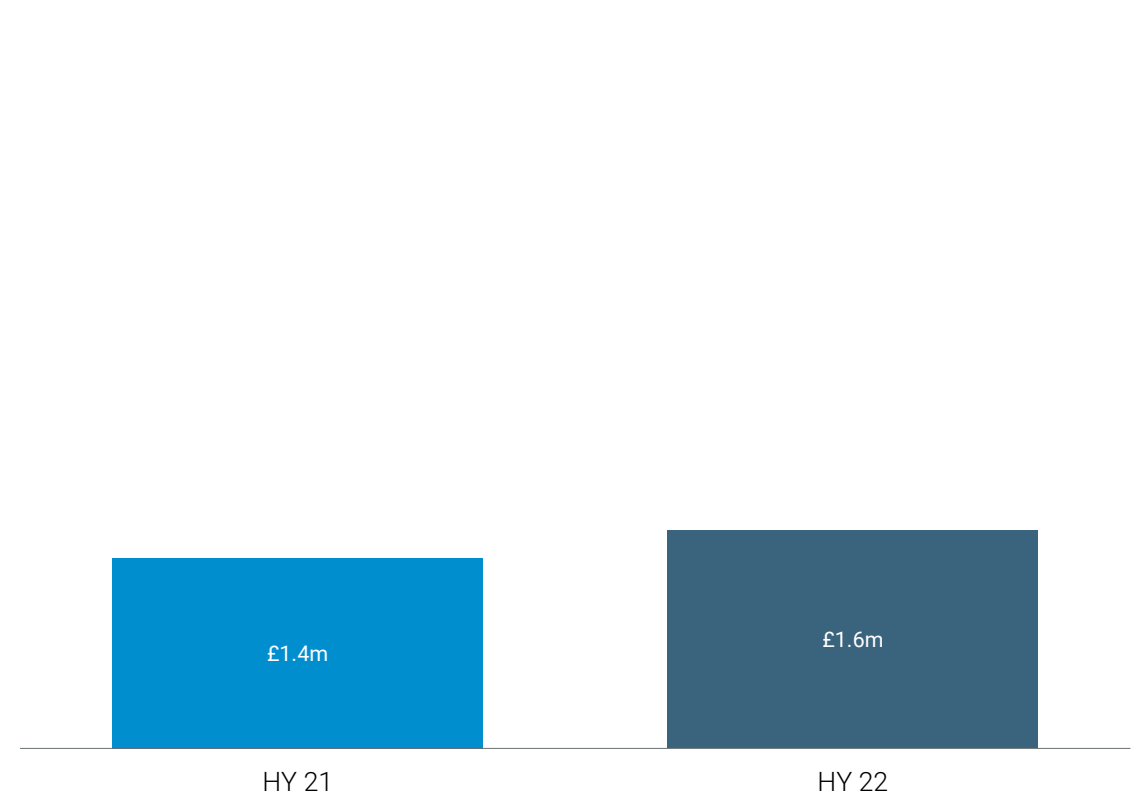
Auction Services & Content

Auction Service Revenue



HY 21 Revenue shown on a proforma basis

Content Revenue



The world's leading marketplaces and auction services for curated online auctions

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