



Change in reporting currency

Re-presentation of reporting in US dollars
(unaudited)
September 2023

Change in reporting currency

- As previously announced, for financial periods beginning on or after 1 October 2023, the Group will change the presentational currency from pound sterling to US dollars given a significant majority of the Group's revenue, costs and cash flows are generated in US dollars
- Tables in this presentation show the re-presentation of key financials for each reporting period from FY21 onwards and for HY23. The information presented is unaudited
- Financial information has been re-presented in US dollars for comparative purposes in accordance with IAS 21; which includes the retranslation of assets and liabilities at exchange rates at the relevant balance sheet dates, and the retranslation of income statements and cash flows at the average exchange rates for the relevant period
- Primary consolidated financial statements, together with selected notes, for the relevant reporting periods will be available in the coming weeks
- Group results for FY23 will be in sterling with separate memorandum information in US dollars
- IR is available to support parallel models ahead of FY23 reporting, after which reporting will be in US dollars

Group financial summary

\$m	FY21	FY22	HY23
Revenue	96.0	151.8	80.8
Cost of sales	(33.6)	(50.5)	(25.6)
Gross profit	62.4	101.3	55.2
Administrative expenses	(91.6)	(80.3)	(44.0)
Other operating income	0.5	0.9	0.6
Operating (loss)/profit	(28.7)	21.9	11.8
Net finance costs	(6.2)	(9.3)	(11.2)
(Loss)/profit before tax	(34.9)	12.6	0.6
Tax expense	(3.3)	(18.1)	13.4
Net (loss)/ profit	(38.2)	(5.5)	14.0
Adjusted EBITDA	43.4	68.7	37.8
Adjusted diluted EPS	12.5c	37.8c	19.2c

Revenue by segment

\$m	FY21	FY22	HY23
Arts & Antiques	22.2	70.1	38.2
Industrial & Commercial	59.9	66.7	35.8
Total Marketplace	82.1	136.8	74.0
Auction Services	9.7	11.0	5.0
Content	4.2	4.0	1.8
Revenue	96.0	151.8	80.8

Operational KPIs by segment

\$m	FY21 ¹			FY22			HY23		
	I&C	A&A	Group	I&C	A&A	Group	I&C	A&A	Group
THV	5,749	4,986	10,735	7,337	5,561	12,898	4,274	2,919	7,192
Conversion rate	45%	19%	33%	45%	16%	33%	43%	15%	32%
GMV	2,578	961	3,538	3,309	890	4,199	1,835	442	2,277
Take rate	2.3%	6.8%	3.5%	2.0%	8.0%	3.3%	1.9%	8.3% ²	3.2% ²
Marketplace Revenue	59.9	22.2	82.1	66.7	70.1	136.8	35.8	38.2	74.0

1. On a proforma basis; KPI measures are presented for the Group as if the acquisitions of LiveAuctioneers and Auction Mobility had occurred on 1 October 2020. Marketplace revenue is shown as reported.

2. Excludes ESN acquisition

(Loss)/profit before tax to adjusted EBITDA and (loss)/profit after tax to adjusted earnings

\$m	FY21	FY22	HY23
(Loss)/profit before tax	(34.9)	12.6	0.6
Adjustments for:			
Net finance costs	6.2	9.3	11.2
Amortisation of acquired intangible assets	18.1	33.6	16.5
Amortisation of internally generated software	6.2	5.0	1.9
Depreciation of property, plant and equipment	0.3	0.4	0.2
Depreciation of right of use assets	1.0	1.1	0.6
Share-based payment expense	16.6	6.7	4.7
Exceptional operating items	29.9	-	2.1
Adjusted EBITDA	43.4	68.7	37.8

\$m	FY21	FY22	HY23
(Loss)/profit attributable to equity shareholders of the Company	(38.2)	(5.5)	14.0
Adjustments for:			
Amortisation of acquired intangible assets	18.1	33.6	16.5
Exceptional finance items	(10.6)	(0.3)	4.8
Share-based payment expense	16.6	6.7	4.7
Exceptional operating items	29.9	-	2.1
Deferred tax on unrealised foreign exchange differences	-	18.5	(9.1)
Tax on adjusted items	(3.3)	(6.7)	(9.5)
Adjusted earnings	12.5	46.3	23.5

Adjusted free cash flow and adjusted free cash flow conversion

\$m	FY21	FY22	HY23
Adjusted EBITDA	43.4	68.7	37.8
Cash generated from operations	21.5	62.9	29.6
Adjustments for:			
Exceptional items	29.9	-	2.1
Working capital from exceptional and other items	(7.0)	6.3	(0.5)
Additions to internally generated software	(2.7)	(5.4)	(4.7)
Additions to property, plant and equipment	(0.2)	(0.3)	(0.3)
Adjusted free cash flow	41.5	63.5	26.2
Adjusted free cash flow conversion (%)	96%	92%	69%

Adjusted net cash/(debt)

\$m	FY21	FY22	HY23
Cash and cash equivalents excluding restricted cash	231.6	55.2	6.5
Current loans and borrowings	(0.5)	(34.6)	-
Non-current loans and borrowings	(201.0)	(167.4)	(170.2)
Total loans and borrowings	(201.5)	(202.0)	(170.2)
Adjusted net cash/(debt)	30.1	(146.8)	(163.7)

A photograph of a classic interior room. The walls are painted a light blue color. In the center, there is a large, ornate mirror with a gold frame. To the left, a framed painting hangs on the wall. Below the mirror, there are two arched alcoves, each containing a blue and white ceramic vase. In the foreground, a colorful, patterned ottoman sits on a wooden floor. On top of the ottoman, there is a woven tray with a blue pitcher and two glasses, and a blue and white plate. To the right, a red and white striped cushion is visible on a white bench. The overall atmosphere is elegant and traditional.

Supplementary information

Exchange rates used in retranslation

Income Statement (average)	FY21	FY22	HY23
USD:EUR Euro	1.1952	1.0801	1.0558
USD:GBP Pound Sterling	1.3703	1.2742	1.2009

Balance Sheet (period end)	FY21	FY22	HY23
USD:EUR Euro	1.1664	0.9835	1.0885
USD:GBP Pound Sterling	1.3522	1.1169	1.2369

Definitions

Adjusted EBITDA	Adjusted EBITDA represents profit/(loss) before taxation, finance costs, depreciation and amortisation, share-based payment expense and exceptional items
Adjusted free cash flow and adjusted free cash flow conversion	Free cash flow represents cash flow from operations less capitalised development costs, which include development costs in relation to software that are capitalised when the related projects meet the recognition criteria under IFRS for an internally generated intangible asset. Movement in working capital is adjusted for balances relating to exceptional items.
Adjusted net cash/(debt)	Adjusted net cash/(debt) comprises external borrowings net of arrangement fees, cash and cash equivalents and allows management to monitor the indebtedness of the Group. Adjusted cash/(debt) excludes lease liabilities and restricted cash.
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 FY22. The measures are presented for the Group to provide comparisons of the Group's results between FY21 and FY22 as if the acquisitions had occurred on 1 October 2020.
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 excluding ESN, 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
Conversion rate	represents GMV as a percentage of THV; previously called "online share"
Take rate	represents the Group's marketplace revenue, excluding ESN 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, excluding ESN, additional fees (such as online fees and auctioneers' commissions) and sales of retail jewellery (being new, or nearly new, jewellery)