BALTIC CLASSIFIEDS GROUP PLC

FULL YEAR RESULTS FOR THE YEAR ENDED 30 APRIL 2023

Baltic Classifieds Group PLC ("BCG" and the "Group"), the leading online classifieds group in the Baltics, announces full year results for the year ended 30 April 2023

Financial highlights

- Summary financial 2023 results

	2023	2022	Change
Group revenue (€ million)	60.8	51.0	+19%
EBITDA[1] in 2023, Adjusted EBITDA[2] in 2022 (€ million)	46.0	39.3	+17%
EBITDA margin[1] in 2023, Adjusted EBITDA margin[2] in 2022	76%	77%	(1% pts)
Operating profit (€ million)	29.1	13.6	+113%
Adjusted Operating profit[1] (€ million)	45.3	38.5	+17%
Profit for the period (€ million)	23.2	1.1[3]	n.m.
Adjusted Profit for the period[1] (€ million)	38.0	31.2	+22%
EPS (€ cents)	4.7	0.2[3]	n.m.
Adjusted EPS[1] (€ cents)	7.7	6.4	+20%

- Organic growth of 19% delivered record annual revenues of €60.8 million. Our core classifieds revenue streams of B2C and C2C - which together comprise 88% of total revenues - grew 21% and 25% respectively. By business line, growth was also consistently strong, with Auto, Real Estate, Jobs & Services and Generalists up 22%, 21%, 20% and 13% respectively.
- EBITDA grew 17% to €46.0 million (2022 adjusted EBITDA: €39.3 million). Our EBITDA margin was 76% (adjusted EBITDA margin 2022: 77%) despite a high inflation environment in the Baltics. There were no add-backs to EBITDA in 2023.
- Our IFRS Operating profit was €29.1 million (2022: €13.6 million). This number includes the impact of €14.8 million of non-cash expenses related to the amortization of intangible assets - principally those recognized on the acquisition of businesses in 2020. Adding back this non-cash expense results in an Adjusted Operating profit of €45.3 million - close to EBITDA of €46.0 million and up 17% from Adjusted Operating profit in 2022 of €38.5 million. Last year's adjustment to IFRS Operating profit comprised adding back in-year IPO expenses as well as, like this year, adding back the amortization expense of acquired intangibles.
- Adjusted Profit for the period grew 22% to €38.0 million (from €31.2 million in 2022) excluding the above-mentioned amortisation from acquired intangibles impact. IFRS Profit for the period grew to €23.2 million (2022: €1.1 million[3]).
- Accordingly, adjusted basic EPS grew 20% to 7.7 € cents (2022: 6.4 € cents). Basic EPS for the period grew to 4.7 € cents (2022: 0.2 € cents[3]).
- Cash conversion[1] maintained at 99% (2022: 99%).
- Cash generated from operating activities, when adjusted for IPO fees in 2022, grew 18% - from €40.5 million in 2022 to €48.0 million in 2023.

- Net debt[1] fell by €21.1 million to €45.3 million (2022: €66.4 million) and we ended the year with leverage[1] at 1.0x (2022: 1.7x). €14 million of gross debt was repaid in 2023 and €3.4 million of shares repurchased since the share buyback programme began in October.
- The Board has proposed a final dividend of 1.7 € cents per share (1.4 € cents per share in 2022).

Operational highlights

- We implemented our annual B2C price actions in Auto and Real Estate between September 2022 and January 2023, supported by improvements in products and packaging. In Jobs & Services, price increases began in September 2022 and are being rolled out over the subsequent 12 months.
- Traffic to our sites averaged 61.9 million visits per month meaning the Baltic population visited our sites 11 times every month.
- We maintained a significant leadership position[4] over the nearest competitor for all our largest sites compared to 2022[5]: Autoplius at 5.6x (4.4x in 2022), Auto24 at 29.2x (34.8x in 2022), Aruodas at 20.7x (20.7x in 2022), Skelbiu at 19.3x (14.8x in 2022), KV plus City24 in Estonia at 16.4x (13.1x in 2022) and CVBankas at 8.6x (8.9x in 2022).
- In terms of customer numbers, automotive dealers grew 3%, Real Estate brokers were flat, and Job customers fell slightly on last year (-4%) albeit have grown very strongly over two years (42%). We have more active ads in all of these business lines: Auto up 24%, Real Estate up 14% and Services up 24%. Listings on our Generalist platforms grew 4%.
- During 2023 we have improved our products and services, including:
    - **Auto:** We have signed a contract with a new strategic partner for our private label car financing offering in Autoplius.lt. The new cooperation provides us with better commercial conditions and a higher growth opportunity.
    - **Real estate:** in both Aruodas.lt and KV.ee we introduced a new product for real estate developers. A new monetisation model has been applied for the product on a per-development basis.
    - **Jobs and Services:** in CVbankas.lt we developed a role-based access management to facilitate the usage of the job board by large customers. In our newly acquired services marketplace Getapro.lv we implemented subscription-based monetisation model.
    - **Generalist:** in Skelbiu.lt we introduced 2 factor authentication for high-risk logins and upgraded the moderation tool for better fraud prevention and content quality. In Osta.ee we introduced packages for business customers to further improve monetisation and to help control the amount of B2C content on the platform.
- The changes to our packages and prices combined with increased market prices of the goods and services being advertised on our sites, led to increased yields[6] in all business lines:
    - Auto (B2C +30%, C2C +7%),
    - Real Estate (B2C +22%, C2C +14%),
    - Jobs & Services (B2C +17%, C2C +51%),
    - Generalist[7] (C2C +14%).
- The Group has been operating in a higher inflation environment for many years. This has not negatively affected our profitability, as the increase in our costs is balanced by the benefit that rising real estate and car prices and increasing average salaries have on our revenue growth.
- The number of BCG employees grew to 134 FTEs including 5 GetaPro employees who joined BCG on the acquisition (end of 2022: 127 FTEs). At the end of the period the split of women to men was 51:49.
- We are moving towards our goal to become net zero: we set clear targets that will help us minimise our impact on the environment, reduced the total CO_2 emissions by 45% and increased the portion of electricity used from renewable sources from 63% to 73%.

Justinas Šimkus, Chief Executive Officer of Baltic Classifieds Group, said:

"This has been yet another very successful year for BCG and a record year in terms of financial performance.

I was delighted to see that growth was driven by our core classifieds revenue streams and that the growth was relatively consistent across all of our verticals. C2C performance is of particular note as it grew the most supported by both volume and ARPA growth.

The excellent results achieved this year combined with successful pricing and package changes across all of our business units, in C2C and B2C, have provided ongoing momentum moving us into the next financial year.

The results of a recent employee engagement survey supported our view that the team's motivation is at an all-time high. Over 95% of employees stated that they are proud to be part of BCG and would recommend BCG as a good place to work. With an engaged and highly experienced team, we focus on continuing to deliver outstanding products and services to our customers."

Outlook

- The year has started strongly. At the start of the new financial year, we implemented C2C pricing and packaging changes across all our business units and early signs are encouraging. We will start to implement B2C pricing and packaging changes starting in September.
- The Board is guiding to 15% revenue growth in 2024, with Auto, Real Estate and Jobs & Services expected to grow marginally ahead of this number and Generalists below the overall Group average.
- The Board expects the Company to maintain adjusted EBITDA margin for 2024.
- During 2024 the Board would like to accelerate the allocation of excess cash towards the share buyback programme whilst continuing to reduce the gross debt.

[1] Alternative performance measure, see note 4 for further details
[2] Adjusted EBITDA in 2022 is calculated by reference to EBITDA for the period and adjusting this for the costs related to IPO and one-off costs that do not reflect the underlying operations of the business (but including ongoing operating costs of being a public company). Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA for the period by revenue for such period. We compare this year's EBITDA to last year's adjusted EBITDA because both reflect core operating profit before D&A (95% of D&A is amortisation of acquired intangible assets) and in the last year's case also one-time IPO-related expenses.
[3] The Company has restated a 2022 deferred tax amount as set out in note 3. The amount was a non-cash item and related to the IPO refinancing, therefore in 2022 we were adjusting our performance measures for this item to present the adjusted operating business profitability. Accordingly, the adjustment has no impact on the prior year consolidated net cash flow, normalised business profitability or consolidated statement of financial position. However, there is a €1.3 million reduction on 2022 accounting profit.
[4] Leadership position based on time on site except for Auto24. Auto24 has no significant vertical competitor; next relevant player is Generalist portal; therefore, relative market share is calculated based on time on site proportion relating to the number of active automotive listings as at the end of the reported period.
[5] Historical data was updated after Similarweb released an improved Mobile Web algorithm and rerun historical data last August.
[6] Yield refers to the change in average monthly revenue per active (Auto, Real Estate or Services) or listed (Generalist) C2C listing or ARPU in B2C. ARPU is monthly average revenue per user (in Auto – per dealer, in Real Estate – per broker, in Jobs -– per client).
[7] Skelbiu.lt only.

Results presentation details

An in-person presentation for analysts will be held in London at 9:30 am, Thursday 29 June 2023. Attendance is by invitation only.

A simultaneous live webcast will be available at: https://www.investis-live.com/balticclassifieds/6478621b00e6861200109be4/wowo

Participants joining via telephone:

United Kingdom (Toll-free)	+44 800 358 1035
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Global Dial-In Numbers	

Access code: 488232
*Press *1 to ask a question, *2 to withdraw your question, or *0 for operator assistance.*

Accessing the telephone replay
A recording will be available until **Thursday, 6 July 2023 11:59 pm BST**
United Kingdom (Toll-free): +44 808 304 5227
United Kingdom: +44 20 3936 3001
United States: +1 845 709 8569
United States (Toll-free): +1 855 762 8306
All other locations: +44 20 3936 3001
Access Code: **340947**

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About Baltic Classifieds Group PLC

Baltic Classifieds Group PLC ("BCG") is the leading online classifieds group in the Baltics, which owns and operates fourteen leading vertical and generalist online classifieds portals in Lithuania, Estonia and Latvia. BCG's online classifieds portfolio comprises four business lines – Automotive, Real Estate, Jobs & Services and Generalist. In the year ended 30 April 2023, the Group's portals were visited on average 61.9 million times a month (Source: Google Analytics), making the Group one of the largest online companies in the region (Source: Google Analytics).

The Group listed on the London Stock Exchange in July 2021 and is a member of the FTSE 250 Index.

For more information, please visit https://balticclassifieds.com/

Chair’s Statement

Overview

After our listing in the Premium Segment of the London Stock Exchange in July 2021, the most important thing we can do for the first few years of operating as a public company, is to develop a track record of delivering on our promises we made at IPO and the expectations we set at our results presentations. I am delighted that our second year as a public company has built on the previous year and continues to prove that Baltic Classifieds Group is a highly profitable, high growth business that continually achieves and frequently exceeds the goals we set ourselves. Even more so that the Company has done so in the face of almost unprecedented uncertain macroeconomic conditions.

The year can be characterised as relentlessly focusing on our core business. Ensuring that our lead over competing portals is maintained, or in many cases extended, by driving more listings and more traffic across each of the Group’s portals. And by driving monetisation of our core services through a variety of pricing, packaging and product improvements.

This has enabled the Group to deliver its strongest ever financial results with the outlook that we set out in both our full and half year results being exceeded.

Employees

The Group is led by a deeply knowledgeable management team, both at the Group level and the individual Portal level, who are passionate, dedicated and committed to building a long-lasting culture of rapid decision making, lean operations, trust and fun. We completed our first employee engagement survey this year and we believe this culture has led directly to over 95% of our employees saying they are proud to work at BCG. And that it directly leads to such a high average tenure of 8 years, which is remarkable in such a technology driven company.

We are proud of our employees and know the strength they bring to our organisation. On behalf of the Board, I want to thank all of our employees for their remarkable contribution and dedication this year, and for serving both our consumers and customers so well.

Board

On 17 May 2022, Jurgita Kirvaitienė joined the Board as an Independent Non-Executive Director and all of the Board Committees. Her 18 years of experience at PwC where she served on the Management Board in Lithuania and on other boards will bolster the finance and operational experience on the Board. With this appointment we have brought all our Committees into full compliance with the UK Corporate Governance Code 2018.

During the year, the Board participated in its first external Board Effectiveness Review, a process which, whilst identifying a number of improvements we will take action on, reinforced our belief that a small Board consisting of very diverse backgrounds but with a set of consistent values is the most effective for BCG. Accordingly, whilst we anticipate that we will add to the Board over the next year or two, we will do so in a very considered fashion with culture fit, diversity and succession timing at the top of the list of priorities.

Environment, Social and Governance

There are some important differences that come with a business listed in the UK with operations purely in the Baltics region, so we do sometimes have to look at matters such as diversity or remuneration through a different lens. However, we are committed to being a responsible business. Our priority is to protect and support our people, customers, Stakeholders and the environment around us. During the year we approved a 6th strategic aim for the company which is to “Promote circular economy and minimise our own impact on the environment”. This strategic aim is very much at the heart of the work of the ESG working group.

During the year we submitted our near term targets to the Science Based Targets initiative (SBTi) Business Ambition for 1.5°C and reduced our total emissions from direct operations by 45%, exceeding the target required by the SBTi to reduce our emissions across Scope 1 and 2 by at least 42% by 2030.

Our other near term targets involve making our company fleet ultra-low emission by 2028 and increasing the percentage of electricity derived from renewable sources to 80% by 2025 and 100% by 2030. We are also committed to achieving net zero by 2050.

Our charitable programme continues to evolve and we're pleased to have been able to donate €0.3 million since the beginning of invasion to go in some small part to support the struggle of the Ukraine and we have continued to develop a number of mechanisms through our portals to ease the pain for a Ukrainian refugee arriving in the Baltic regions.

Non-Executive Director Jurgita and myself sponsor the ESG working group that is the driver of ESG initiatives and a main tool for the Board to oversee progress in this area. The Board recognises that there is always more to do but we are unified in our approach to do so.

Returns to Shareholders and Dividends

The Board is confident in our ability to continue our capital policy that we initiated at the start of this year, returning all of our surplus cash to shareholders, through a combination of paying dividends, reducing the gross debt and share buybacks.

I am delighted to report that the leverage of the Group has now dipped below 1x net leverage (2.75x leverage at IPO) demonstrating very high cash generation capability of the Company. This has been done despite making our first small acquisition after the IPO. As announced in the 2022 Annual Report, we initiated a share buy-back program during the year with the purpose of returning cash to Shareholders. We are recommending a final dividend of 1.7 € cents per share for 2023. The final dividend will be paid, subject to Shareholder approval, on 13 October 2023. More details on our capital policy can be found in the Financial review on page 13.

Looking Ahead

I continue to be enormously impressed by the progress of BCG this year. We are still at a very early stage of our monetisation journey and have a long and wide runway for growth ahead. Whilst we are continually looking for appropriate acquisitions to add to the Group, we believe that by continuing to concentrate on the improvement and monetisation of our core services we will continue to grow both quickly and profitably.

Trevor Mather
Chair
29 June 2023

CEO's Statement

I was delighted to see that the strongest growth came from the core classifieds revenue streams of B2C and C2C which represent close to 90% of BCG revenue share. C2C performance is of particular note as it grew the most at +25% year on year supported by both volume and ARPA growth. We saw a recovery in C2C volumes due to normalised selling period as well as an extraordinary growth in Services. B2C growth was also very significant at +21% year on year, driven by Auto at +33% and Real Estate at +23% year on year.

During the year, we implemented successful pricing and packaging changes across all of our business units, in C2C and B2C. The excellent results achieved this year have provided ongoing momentum moving us into the next financial year.

- On average, a resident in the Baltics visits one of our sites 11 times every month.
- Our site leadership positions[1] are as strong as ever for all of our largest sites: Autoplius at 5.6x (4.4x in 2022), Auto24 at 29.2x (34.8x in 2022), Aruodas at 20.7x (20.7x in 2022), Skelbiu at 19.3x (14.8x in 2022), KV plus City24 in Estonia at 16.4x (13.1x in 2022) and CVBankas at 8.6x (8.9x in 2022).
- We have more automotive dealers (+3%) utilising our sites to advertise than ever before.
- The number of real estate brokers is stable and there are slightly fewer customers in Jobs, noting that last year was a record year (-4% but +42% compared with 2 years ago).
- In all business lines we saw more active C2C ads: in Auto +24%, Real Estate +14%, Services +24%. Listings on our Generalist platforms grew 4%.
- The combination of increased prices of goods and services being advertised on our sites, normalised speed of sale and changes to our packages has led to increased yields across all business units and in both the B2C and C2C segments.

Market context

Similarly to other countries around the world, the Baltics economies face high inflation. This results in higher real estate and automotive prices, increasing the commission pool of our customers which in turn, is supportive to our Company's growth, whilst being part of the Eurozone secures our Shareholders' investment.

- Supply chain issues are easing. The number of used car market transactions in the last 12 months was stable at 2% below last year level and 2% above the level two years ago. The average price per used car increased by 19% year on year while the speed of sales has normalised. This has resulted in a 13% increase in the number of days a vehicle is advertised, having tailwind for stock of vehicles on our sites.
- Real estate transactions number has declined year on year, mainly due to higher construction costs and low supply in the primary market. Most of our customers work with the secondary market and so the commission pool remained healthy.
- After an unprecedented growth last year, the employment market has been very active this year. Companies continue to face a substantial labour shortage. The number of employers using Cvbankas.lt decreased by 4% from the peak when it grew 47% in 2022. Average salaries have grown by 13%, leading to companies increasing their investment in employee search and selection.
- More and more people are looking for services online which results in rapid Services verticals growth in our portfolio. We have 24% more service provider ads on our platforms and the yield grew by half.
- Continuous growth of eCommerce activities results in more and more transactions moving online. This has helped the growth of our Generalist platforms and ancillary products such as deliveries.

In terms of the team motivation, the results of a recent employee engagement survey supported our view that the team's motivation is higher than ever. Over 95% of employees stated that they are proud to be part of BCG and would recommend BCG as a good place to work.

We are excited for what the next year will bring. We are looking forward to our monetisation concept changes for RE new development. Additionally, if the macro environment is right, we anticipate that our successes this year will repeat, including healthy growth of B2C and C2C both in terms of volumes and ARPU and continued strong growth in Services. With an engaged and highly experienced team, focusing on continuing to deliver outstanding products and services to our customers.

Justinas Šimkus
Chief Executive Officer
29 June 2023

[1] Leadership position based on time on site except for Auto24. Auto24 has no significant vertical competitor; the next relevant player is Generalist portal; therefore, relative market share is calculated based on time on site proportion relating to the number of active automotive listings as at the end of the reported period. Historical data was updated after Similarweb released an improved Mobile Web algorithm and rerun historical data last August.

Financial Review

Revenue

Group's revenue grew 19% to €60.8 million (2022: €51.0 million).

It was a very healthy growth in all four business lines, underpinned by strength in the core business.

- Auto business line grew 22%
- Real Estate business line grew 21%
- Jobs & Services business line grew 20%
- Generalist business line grew 13%

The growth came from the core classifieds revenue streams - B2C and C2C - which represent 88% of BCG revenue. B2C and C2C revenue grew 21% and 25% respectively.

Most of the percentage increase represents underlying organic growth in revenue. A small part of the growth reflects some disruption in the H2 2022, when due to the Russian invasion of Ukraine the internet population was focused on reading the news rather than shopping online / searching for a property or a car, as we estimate that we lost around 1% of growth last year. This was an immediate and short-term impact on revenue which bounced back in a few weeks to pre-war levels and our normal run-rate.

The main drivers of revenue growth were an increase in the number of advertisements/active C2C listings across all our business sectors, an increasing number of advertisers across our business sectors except Jobs and an increase in the average spend per customer/advertisement across all our businesses.

In April 2022, shortly before the period currently reported on, we introduced C2C price changes for most of our portals, reflected in the reported revenue numbers. In September and October 2022, we introduced B2C price and package changes for the Real Estate, Auto and Jobs portals, reflecting improvements to our proposition. These contributed to the second half of the year in both Real Estate and Auto business lines and in Jobs, since the majority of our contracts are year-long, it is rolling out throughout 12 months.

EUR m	**2023**	**2022**	**Change, %**
Auto	22.2	18.3	+22%
Real estate	15.0	12.5	+21%
Generalist	11.7	10.4	+13%
Jobs & Services	11.8	9.8	+20%
Total Revenue	**60.8**	**51.0**	**+19%**

	2023	**2022**	**Change, %**
Auto B2C – No. of Dealers	3,586	3,489	+3%
Real Estate B2C – No. of Brokers	4,877	4,855	+0%
Jobs[1] B2C – No. of Customers	2,162	2,243	(4%)
Auto C2C – No. of Active Ads[2]	26,824	21,579	+24%
Real Estate C2C – No. of Active Ads	16,628	14,548	+14%
Services[3] C2C - No. of Active Ads	6,461	5,214	+24%
Generalist[4] No. of Listings	94,388	91,045	+4%
Auto B2C - ARPU[5] (€)	230	178	+30%
Real Estate B2C - ARPU (€)	148	121	+22%
Jobs[1] B2C Monthly - ARPU (€)	384	328	+17%
Auto C2C - Monthly Rev. per Ad (€)[2]	20	19	+7%
Real Estate C2C - Monthly Rev. per Ad (€)	23	20	+14%
Services[3] C2C - Monthly Rev. per Ad (€)	22	14	+51%
Generalist[4] Revenue per Listing (€)	6	6	+14%

We continue seeing strengthening network effects across all business units as a growing number of customers drive content, which in turn encourages greater engagement for our audience.

The number of B2C customers was stable:

- Automotive dealers grew by 3% (from 3,489 in 2022 to 3,586 in 2023) mainly due to small dealers switching to B2C subscriptions rather than placing advertisements as if they were C2C customers.
- Real Estate brokers grew marginally from 4,855 in 2022 to 4,877 in 2023.
- Jobs number of customers was 4% lower compared to a year ago, but by 42% higher than 2 years ago (1,521 in 2021, 2,243 in 2022 and 2,162 in 2023).

In C2C, the number of active ads and listings grew across all business lines. In Real Estate, Auto and Generalist the growth was primarily driven by the underlying market conditions, i.e. longer selling time (which means each advert is active for more time). The growth in Services active ads number was driven by the growing client base using our platform and the recent acquisition of GetaPro.

In terms of ARPU in our B2C segment:

- Auto ARPU was up 30% due to price and packaging changes implemented mid-2022 (in September and October 2021) and most recent price and packaging changes done in mid-2023 (in September and October 2022). We expect further upside from the price changes in the longer-term when inventory levels recover in full, and dealers increase their packages.
- Real Estate ARPU was up 22% due to subscription fee and packaging changes which took place mid-2022 and mid-2023. The changes implemented from September 2021 to January 2022 were aimed at both growth in ARPU and incentivising customers to choose individual and more premium accounts for brokers. This year's annual pricing event was implemented during September and October 2022 and was rolled out during the period to January 2023.
- Jobs ARPU was up 17% due to increased prices. Revenue-wise, our jobs portal CVbankas is 13% bigger than it was a year ago and 130% bigger than it was 2 years ago. CVbankas, being the market leader, is well-positioned to take advantage of a vibrant employment market with low unemployment rates, ensuring continued revenue growth. Increased prices were implemented on new and renewing customers in September 2021 and were rolling out to the customers through the 12-month cycle until Autumn this year. This year the new prices were introduced in September 2022 and like last year are rolling out to the customers through the 12-month cycle.

In terms of ARPU in our C2C segment:

- Auto average monthly revenue per active advertisement was up 7% due to price changes and rising average transaction values (the average car price on our portals grew 19%).
- Real Estate average monthly revenue per active advertisement was up 14% due to price changes and rising average transaction values (apartment prices per square metre in Baltic capitals have increased by 17%[6]).
- Services average monthly revenue per active advertisement was up 51% mainly due to price changes and an increased usage of our value-added services.
- Generalist average revenue per listing was up 14% due to price changes, rising average transaction values and the introduction of a value-based pricing in the automotive and real estate categories.

Operating costs

The Group has operated in a higher inflation environment for several years and average yearly inflation in calendar 2022 in the Baltics was 19%[7]. However, our costs represent a relatively small proportion of our revenue and, due to continued cost management, this did not significantly affect our profitability.

The majority of our operating costs are people costs. Our team grew from 127 FTEs in April 2022 to 134 FTEs in April 2023, including 5 GetaPro employees who joined BCG in July 2022 with the GetaPro acquisition. Excluding one-off costs from the comparative period, investment into our people increased by 28% to €9.6 million (2022: €7.5 million). We appreciate and invest in talent, therefore the majority of the increase in people costs was driven by annual salary reviews and the cost of a performance share plan (“PSP”) in the amount of €1.6 million (2022: €0.6 million).

Other Group costs comprise marketing, IT and general administrative expenses. We have supported several non-governmental organisations (NGOs) assisting Ukraine and Ukrainians fleeing the war in their country by donating €0.1 million (€0.2 million in 2022). This has not been treated as an adjusting item.

Net finance expense

Our finance costs comprise mainly of interest costs (2% margin plus Euribor until the 2022 annual results release on the 7th of July 2022, reducing the margin to 1.75% since then) in the amount of €2.6 million and the commitment fees relating to the €10.0 million unsecured and undrawn Revolving Credit Facility ("RCF"). Due to the IPO related one off debt refinancing costs in the comparative period, there is a significant decrease in reported net finance costs (from €11.2 million in 2022 to €2.7 million in 2023).

Net debt and leverage

During 2023, €14.0 million of the existing debt has been voluntarily repaid. Compared to the end of 2022, net debt[8] was reduced by €21.1 million to €45.3 million (as at 30 April 2022: €66.4 million) with leverage[8] at 1.0x (as at 30 April 2022: 1.7x).

€m	30-Apr-23	30-Apr-22
Bank Loan principal amount	70.0	84.0
Customer credit balances[9]	2.4	2.3
Total Debt	72.4	86.3
Cash	27.1	19.9
Net Debt	**45.3**	**66.4**
Adjusted EBITDA (see note 4)	46.0	39.3
Leverage	**1.0x**	**1.7x**

Tax

The Group tax charge of €3.2 million (2022: €1.4 million[10]) represented an effective tax rate of 12% (55% in 2022). The Group tax charge is a net of:

- current tax expense of €4.9 million (2022: €3.1 million); and
- change in deferred tax which is positive €1.8 million and includes €1.4 million deferred tax from acquired intangibles (2022: €1.7 million included €1.4 million deferred tax from acquired intangibles).

Profitability and Alternative Performance Measures

The Group has identified certain Alternative Performance Measures ("APMs") that it believes provide additional useful information on the performance of the Group. These APMs are not defined within IFRS and are not considered to be a substitute for, or superior to, IFRS measures. These APMs may not be necessarily comparable to similarly titled measures used by other companies.

Directors use these APMs alongside IFRS measures when budgeting and planning, and when reviewing business performance.

For alternative performance measure descriptions and reconciliation to IFRS measures, see note 4.

	IFRS Measures 2023	Adjusted Measures 2023	IFRS Measures 2022	Adjusted Measures 2022	IFRS Measures change	Adjusted Measures change
Revenue	**60.8**	**60.8**	**51.0**	**51.0**	19%	19%
Operating cost excluding D&A	(14.8)	(14.8)	(20.4)	(20.4)		

Add back: IPO related costs (see note 4)				8.8		
EBITDA (non-IFRS)	**46.0**	**46.0**	**30.5**	**39.3**	51%	17%
EBITDA margin % (non-IFRS)	**76%**	**76%**	**60%**	**77%**	16% pts	(1% pts)
D&A	(17.0)	(17.0)	(16.9)	(16.9)		
Add back: Amortisation of acquired intangibles		16.2		16.1		
Operating Profit	**29.1**	**45.3**	**13.6**	**38.5**	113%	17%
Net finance costs	(2.7)	(2.7)	(11.2)	(11.2)		
Add back: IPO related financing costs (see note 4)				6.7		
Profit before tax	**26.4**	**42.6**	**2.4**	**34.1**	n.m.	25%
Income tax expense	(3.2)	(3.2)	(1.4)*	(1.4)		
Add back: Deferred tax impact of amortisation of acquired intangibles		(1.4)		(1.5)		
Net income (Profit for the period)	**23.2**	**38.0**	**1.1***	**31.2**	n.m.	22%
WANS, million	496.1	496.1	488.5	488.5		
EPS, € cents	**4.7**	**7.7**	**0.2***	**6.4**	n.m.	20%

* Restated, see note 3 for further details

For clarity, since the IPO, where share-based payment charges arise because of the operation of the Group's post-IPO Remuneration Policy, such as the PSP plan, these are not treated as adjusting items.

BCG intends to return one third of adjusted net income each year via an interim and final dividend. For this purpose, we show amortisation of acquired intangibles and the tax effect on it together with the adjusting items in the table above. Adjusted net income grew 22% and reached €38.0 million (€31.2 million in 2022). Profit for the period grew to €23.2 million (€1.1 million in 2022[10]) due to the fact the comparative period was affected by IPO related costs.

Operating profit and adjusted operating profit is used to review business performance. Adjusted operating profit grew 17% to €45.3 million (€38.5 million in 2022) and reported operating profit more than doubled to €29.1 million in the year 2023 (€13.6 million in 2022).

This year there were no add-backs to our EBITDA. We compare this year's EBITDA to last year's adjusted EBITDA because both reflect core operating profit before D&A (95% of D&A is amortisation of acquired intangible assets) and in the last year's case also one-time IPO-related costs. Our EBITDA grew 17% to €46.0 million (adjusted EBITDA in 2022 was €39.3 million).

The EBITDA margin was 76% despite growing public listed company related costs, operating in a higher inflation environment and our support to NGOs. Adjusted EBITDA margin in 2022 was 77%.

Earnings per Share ("EPS")

Basic EPS was 4.7 € cents based on the weighted average number of shares during 2023 of 496,082,891. (0.2 € cents for 2022[10] based on weighted average number of shares of 488,467,552).

Adjusted basic EPS for 2023 grew 20% and was 7.7 € cents (6.4 € cents for 2022).

The dilution effect on EPS from the employee share arrangements this year was minor.

Cash flow and cash conversion

Cash generated from operating activities grew 18% if we adjust the comparatives with IPO fees paid (from €40.5 million in 2022 to €48.0 million in 2023). Reported cash generated from operating activities grew 41% from €34.1 million in 2022.

Generated cash was used to reduce the loan liability by partially paying down the debt. We also bought Company shares to Employee Benefit Trust ("EBT") for future employee awards (the number of options granted in our second year was 1.5 million shares).

Cash conversion[8] maintained at 99%. 2022 cash conversion was also 99%.

Capital allocation

In addition to operating purposes, the generated cash was used to the below:

- In July 2022 we acquired a Services vertical GetaPro for €1.6 million.
- The first final dividend for the year ended 30 April 2022 of 1.4 € cents per share was paid on 14 October 2022, totalling €7.0 million.
- For 2023, the Board has declared an interim dividend of 0.8 € cents per share, which was paid on 25 January 2023, totalling €4.0 million.
- We reduced the loan liability by partially paying down the debt in the amount of €14.0 million (2022: €14.0 million).
- We bought 1.5 million of Company shares (paying €2.8 million) to Employee Benefit Trust ("EBT") for future employee awards.
- Post-AGM we have started buying back Company shares and by the end of the reporting period we had bought 3.4 million of Company shares for cancellation (paying €5.8 million for it).

We intend to use all the cash we generate in a year, within that same year or shortly thereafter for the below:

- BCG intends to return one third of adjusted net income each year via an interim and final dividend, split approximately one third and two thirds, respectively. If approved at the AGM, the final dividend for the year 2023 will be paid on 13 October 2023 to members on the register on 8 September 2023.
- We will continue considering value-creating M&A opportunities. All options for financing attractive acquisition opportunities remain open, including using cash, increasing our debt and even seeking additional equity capital. However, using cash is the most likely and this would most likely not affect dividends but might reduce capacity for share buy-backs.
- We intend using a combination of share buy-backs and debt repayment from the balance of cash.

We also intend to keep our capital policy under review and may revise it from time to time.

Going concern

The Group generated significant cash from operations during the period. As at 30 April 2023 the Group had drawn none of the €10.0 million unsecured Revolving Credit Facility ("RCF") and had cash balances of €27.1 million. The €10.0 million RCF is committed until July 2026.

Lina Mačienė
Chief Financial Officer
29 June 2023

[1] CVbankas.lt only.
[2] the Group presents 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.
[3] Services include Paslaugos.lt and GetaPro.lv.
[4] Skelbiu.lt only.
[5] ARPU is the monthly average revenue per user (in Auto – per dealer, in Real Estate – per broker, in Jobs – per client).
[6] Average apartment price change per square metre in Baltic capitals is calculated based on Swedbank Research & Macrobond data
[7] Swedbank Economic Outlook, April 2023: CPI (average annual %) in 2022: Lithuania 19.6, Estonia 17.3, Latvia 19.4
[8] Alternative performance measure, see note 4 for further detail.
[9] Customer credit balances relate to amounts held by customers in e-wallets and are included within trade and other payables as well as cash and cash equivalents.

[10] The Company has restated a 2022 deferred tax amount as set out in note 3. The amount was a non-cash item and related to the IPO refinancing, therefore in 2022 we were adjusting our performance measures for this item to present the adjusted operating business profitability. Accordingly, the adjustment has no impact on the prior year consolidated net cash flow, normalised business profitability or consolidated statement of financial position. However, there is a €1.3 million reduction on 2022 accounting profit.

Principal risks and uncertainties

A description of the principal risks and uncertainties faced by the Group in the year ended 30 April 2023, together with the potential impact and monitoring and mitigating activities is set out in the table below.

Geopolitical risk			
Description & impact	**Mitigation**	**Developments in 2023**	**Risk trend**
Further escalation of the war in Ukraine could result in the unrest and instability in the Baltic countries. Such situations could impact consumer behaviour (e.g. reducing spending / investing), seller activity (e.g. disruption in retailing), or impact investor perception of the business.	• Monitoring the situation in the region and changes in consumer behaviour • Maintaining a flexible cost base that can respond to changing conditions	The temporary drop in the traffic of the Group's portals at the start of the war in 2022 has not repeated again and the Group's results in 2023 exceeded pre-invasion levels. This shows that our Company as well as Baltic economies in general are resilient to the increased geopolitical tension in the region.	Stable
Political and macroeconomic situation			
Description & impact	**Mitigation**	**Developments in 2023**	**Risk trend**
Economic conditions (whether due to economic cycle or supply chain disruption) could lead to a retraction in the underlying markets, a reduction in stock, consumer wallets and a reduction in listers budgets / appetite to spend, which all have the potential to reduce revenue. Economic conditions can also impact the cost pressures (such as wage growth, price inflation, interest rates, etc.).	• Monitoring economic situation and economic forecasts for the region • Maintaining a flexible cost base that can respond to changing conditions	Inflation remained high through the year and the speed of sales have normalised, both of which had a positive impact on the Group's performance due to higher commission pool and an increase of active ads or our portals.	Increasing
Disruption to our customer and / or supplier operations			
Description & impact	**Mitigation**	**Developments in 2023**	**Risk trend**
Disruption to the Group's customers' and / or suppliers' operations conducting day-to-day business may impact on the Group's ability to deliver desired results.	• Remaining market leaders in respective verticals while offering value-adding products and packages	The Group continued to strengthen its offering as well as entered the Services classifieds market in Estonia and Latvia through the	Stable

<table>
<tr><td></td><td>Continual improvements to our platforms
Developing our product proposition to continue meeting our customers’ needs and evolving business models
Maintaining a healthy liquidity headroom with the yet unused revolving credit facility of €10 million as at 30 April 2023, together with a significant forecast headroom versus its covenant
Diversifying revenue streams through acquisition of classifieds portals</td><td>acquisition of GetaPro portals which further diversifies our customer base.</td><td></td></tr>
<tr><td colspan="4">Competition</td></tr>
<tr><td>Description & impact</td><td>Mitigation</td><td>Developments in 2023</td><td>Risk trend</td></tr>
<tr><td>The Group might be affected by new competitors in existing markets or new spheres of activities. Also, changes in technology or consumer behaviour affect the way that people search for cars, real estate, jobs or generalist products, which may lead to a loss of consumer audience. There is a risk of a new entrant to the market with a new business model (for example, providing services free of charge), affecting the Group’s audience, content and revenue. Furthermore, as the Group diversifies into new and adjacent markets, the competitor set widens.</td><td>Constant monitoring of major competitors in adjacent business areas
Continuous investment into customer experience
Continuous development of cross-linkages between Group's horizontals and verticals
Continuous development of our offering to provide value-for-money and differentiated service to listers</td><td>During 2023, Group’s leading portal's overall position continued to strengthen against the closest competitors. The number of listers was increasing year on year except for Jobs, where the number of business clients have slightly decreased after very significant growth last year.</td><td>Stable</td></tr>
<tr><td colspan="4">Laws & regulations</td></tr>
<tr><td>Description & impact</td><td>Mitigation</td><td>Developments in 2023</td><td>Risk trend</td></tr>
<tr><td>The Group is subject to certain competition and antitrust laws. Antitrust laws may limit the market power and pricing or</td><td>Having a dedicated internal expertise within the business, responsible for identifying, assessing and responding to</td><td>In addition to the two ongoing supervisory proceedings, the Estonian Competition Authority initiated supervisory</td><td>Stable</td></tr>
</table>

other actions of any particular firm. Companies can be 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 companies' reputation. Such laws and regulations could limit or prohibit the 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.	upcoming changes in laws and regulations, and the use of external specialists where necessary	proceedings in relation to the pricing of the Group’s automotive portal in Estonia. The proceedings cannot lead to imposition of fines to any Group company, however, a precept ordering the Group companies to end any ongoing infringements could be imposed or the Estonian Competition Authority could potentially initiate misdemeanour proceedings that would entitle the imposition of a fine of up to €400 thousand per case. See note 21 for further detail. At the end of May, 2023, Estonian Ministry of Justice registered the new draft law of the Law on Competition implementing the ECN+ Directive ((EU) 2019/1). The draft law is subject to further discussions in the Parliament, but it is strongly likely that the current law will be amended, and it might be relevant for the proceedings against the Group companies. Under §12 of the draft, if passed, it would enter into force on 1 July 2024. Per § 871(4) of the draft the supervisory proceedings ongoing on 1 June 2024 concerning a potential competition infringement will continue as competition supervision proceedings (new administrative fine proceedings). This means that if the relevant proceedings against Allepal are still ongoing on 1 June 2024, the Competition Authority could (together with the precept) have the power to impose a fine of 10% of the whole Group's turnover. At the same time, not all of the	

		evidence collected during the proceedings up to that moment would continue to be admissible and given the delays in the procedure, it is questionable if the Estonian Competition Authority would attempt to impose a fine under the new procedural rules.	
Technology			
Description & impact	**Mitigation**	**Developments in 2023**	**Risk trend**
Cyber-attacks. The Group is at greater risk from cyber threats due to its large scale and prominence. As the business is entirely dependent on information technology to provide its services, successful attacks have the potential to directly affect revenue. *Major data breach.* Cyber-attack or the Group's own failures, resulting in disabling of platforms or systems, or resulting in a major data breach, could have an adverse impact on the Group's reputation, loss of trust and loss of revenue and / or profits. Data breaches, a common form of cyber-attack, can have a massive negative business impact and often arise from insufficiently protected data. *Disruption to availability of services.* The availability and reliability of services to the Group's customers is of paramount importance. Any downtime or disruption to consumer or advertiser services can have an adverse impact on the business (complaints and credits for customers, consumer usage, and potential reputational impact). Therefore, the availability of third-party services, which are necessary when using the services provided by the Group, such as internet provision,	● Ongoing investment in security systems to ensure our systems remain robust ● Ongoing monitoring of external threats ● Regular testing of the security of the IT systems and platforms including penetration testing ● Disaster recovery and business continuity plan in place and reviewed and tested regularly ● Internal audit review of cyber security	Two years ago, the Group performed a review of its technology systems, data protection environment and disaster recovery plans. Following this review, the Group significantly improved its cybersecurity by implementing DDOS protection and bot management systems, migrated all services to a revised infrastructure and set up a new infrastructure to accommodate a disaster recovery site. During the 2023 cyber security assessment was performed by the Group's outsourced internal auditors. The Group continues to work on the recommendations of the auditors to further improve its systems and processes.	Stable

mobile communication, are also crucial.			
Acquisition risk			
Description & impact	**Mitigation**	**Developments in 2023**	**Risk trend**
The Group might make an unsuccessful acquisition or integration of an acquisition which in turn could lead to reduced profits, impairment charge.	● Acquisitions are focused on those businesses which operate in known sectors where the Group has or can develop competitive advantage and have good growth opportunities ● Detailed pre-acquisition due diligence by in house personnel as well as external advisers ● Retention and motivation of key personnel	The automotive portal acquired in 2020 as well as the Services business acquired this year are performing in line with expectations.	Stable
Climate change			
Description & impact	**Mitigation**	**Developments in 2023**	**Risk trend**
From a long-term perspective, the Group is subject to physical climate risks directly related to climate change and transitional climate risks, which may arise due to transitioning to a lower-carbon economy. Increased severity of extreme weather events due to accelerating global warming may result in disruption to provision of services from our service providers, affect the availability of websites and change commercial customers' behaviour. New regulations relating to the reduction of carbon emissions	● The Group is committed to contributing to the climate change cause by being environmentally responsible, reducing carbon emissions, shifting to renewable energy and offsetting carbon emissions ● We are already taking actions to adapt to the increasing customer climate change awareness and are ready to adjust if new environmental	In 2023, we set clear targets in our net zero journey, submitted our near-term targets for Science Based Targets initiative (SBTi) Business Ambition for 1.5°C, increased the percentage of electricity from renewable sources to 73%, carbon-free electricity to 87% and reduced our total emissions by 45%.	Stable

and increasing customer climate change awareness may affect the Group’s operations and the volume of listings and encourage us to adapt our business to the new regulations and changing market tendencies.	regulations arise: adopt the platforms for eco-friendly products, introduce necessary filters, educate visitors, enrich ad data with environmental impact related information		

Forward-looking statement

Certain Statements made in this results announcement are Forward-looking Statements. Such Statements are based on current expectations, forecasts and assumptions and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results expressed or implied in these Forward-looking Statements. They appear in a number of places throughout this results announcement and include Statements regarding the intentions, beliefs or current expectations of the Directors concerning, amongst other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, objectives, strategies and the business. Nothing in this results announcement should be construed as a profit forecast. All Forward-looking Statements in this results announcement are made by the Directors in good faith based on the information and knowledge available to them as at the time of their approval of this results announcement. Persons receiving this report should not place undue reliance on Forward-looking Statements. Unless otherwise required by applicable law, regulation or accounting standard, the Group does not undertake any obligation to update or revise publicly any Forward-looking Statements, whether as a result of new information, future events, future developments or otherwise.

All Intellectual Property Rights in the content and materials in this results announcement vests in and are owned absolutely by Baltic Classifieds Group PLC unless otherwise indicated, including in respect of or in connection with but not limited to all trademarks and the results announcement’s design, text, graphics, its selection and arrangement.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 April 2023

	Note	**2023** (€ thousands)	**2022** Restated* (€ thousands)
Revenue	6	60,814	50,959
Other income		9	6
Expenses	7	(31,767)	(37,349)
Operating profit		**29,056**	**13,616**
Finance income	8	7	138
Finance expenses	8	(2,698)	(11,309)
Net finance costs		**(2,691)**	**(11,171)**
Profit before tax		**26,365**	**2,445**
Income tax expense	9	(3,150)	(1,353)
Profit for the year		**23,215**	**1,092**
Other comprehensive income/(loss)		-	-
Total comprehensive income for the year		**23,215**	**1,092**
Attributable to:			
Owners of the Company		**23,215**	**1,092**
Earnings per share (€ cents)			
Basic and diluted	10	**4.68**	**0.22**

* see note 3 for further details

Consolidated Statement of Financial Position

At 30 April 2023

	Note	**2023** (€ thousands)	**2022** (€ thousands)	**2021** Restated* (€ thousands)
Assets				
Property, plant and equipment		502	474	211
Intangible assets and goodwill	11	385,633	400,489	416,909
Right-of-use assets		884	457	761
Deferred tax assets		153	-	-
Non-current assets		**387,172**	**401,420**	**417,881**
Trade and other receivables	12	3,347	2,970	2,571
Prepayments		175	189	46
Cash and cash equivalents		27,070	19,914	17,115
Current assets		**30,592**	**23,073**	**19,732**
Total Assets		**417,764**	**424,493**	**437,613**
Equity				
Share capital	13	5,783	5,822	506,509
Own shares held	14	(6,252)	(3,418)	-
Capital reorganisation reserve	13	(286,904)	(286,904)	(287,033)
Other reserves		39	-	27
Retained earnings		619,986	611,877	(9,922)
Total equity		**332,652**	**327,377**	**209,581**
Loans and borrowings	16	69,231	82,478	210,413
Deferred tax liabilities		4,223	5,844	7,594
Non-current liabilities		**73,454**	**88,322**	**218,007**
Current tax liabilities		1,784	4	1,293
Loans and borrowings	16	462	323	2,713
Payroll related liabilities		1,021	866	770
Trade and other payables	17	4,509	4,458	3,601
Contract liabilities	6	3,882	3,143	1,648
Current liabilities		**11,658**	**8,794**	**10,025**
Total liabilities		**85,112**	**97,116**	**228,032**
Total equity and liabilities		**417,764**	**424,493**	**437,613**

* see note 3 for further details

Consolidated Statement of Changes in Equity

For the year ended 30 April 2023

	Note	**Share Capital** (€ thousands)	**Share premium** (€ thousands)	**Own shares held** (€ thousands)	**Capital reorganisation reserve** (€ thousands)	**Other reserves** (€ thousands)	**Retained earnings** (€ thousands)	**Total Equity** (€ thousands)
Balance at 30 April 2021 (As reported)		**506,509**	**-**	**-**	**(287,033)**	**27**	**(11,229)**	**208,274**
Prior year restatement	3	-	-	-	-	-	1,307	1,307
Balance at 30 April 2021 (As restated)	3	**506,509**	**-**	**-**	**(287,033)**	**27**	**(9,922)**	**209,581**
Profit for the year (restated)		**-**	**-**	**-**	**-**	**-**	1,092	**1,092**
Other comprehensive income		**-**	**-**	-	-	**-**	-	-
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**1,092**	**1,092**
Transactions with owners:								
Group restructure and IPO	13	75,265	43,143	-	129	(27)	-	**118,510**
Transfer arising from capital reduction	13	(575,956)	(43,143)	-	-	-	619,099	**-**
Share issue post IPO	13	4	-	-	-	-	(4)	**-**
Share-based payments	20	-	-	-	-	-	1,612	**1,612**
Purchase of shares for performance share plan	14	-	-	(3,418)	-	-	-	**(3,418)**
Balance at 30 April 2022		**5,822**	**-**	**(3,418)**	**(286,904)**	**-**	**611,877**	**327,377**
Profit for the year		-	-	**-**	-	**-**	23,215	23,215
Other comprehensive income		-	**-**	-	**-**	**-**	-	-
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**23,215**	**23,215**
Transactions with owners:								
Share-based payments	20	**-**	**-**	**-**	**-**	**-**	1,567	1,567
Tax impact of employee share schemes		**-**	**-**	**-**	**-**	**-**	20	20
Purchase of shares for performance share plan		**-**	**-**	(2,834)	**-**	**-**	**-**	(2,834)
Purchase of shares for cancellation	13	(39)	**-**	**-**	**-**	39	(5,775)	(5,775)
Dividends	15	**-**	**-**	**-**	**-**	**-**	(10,918)	(10,918)
Balance at 30 April 2023		**5,783**	**-**	**(6,252)**	**(286,904)**	**39**	**619,986**	**332,652**

Consolidated Statement of Cash Flows

For the year ended 30 April 2023

	Note	2023 (€ thousands)	2022 Restated* (€ thousands)
Cash flows from operating activities			
Profit for the year		23,215	1,092
Adjustments for:			
Depreciation and amortisation	7	16,989	16,894
Amortisation of up-front fee and borrowing costs		-	5,580
Impairment loss on trade receivables		-	59
(Profit) / Loss on property, plant and equipment disposals		(4)	-
Taxation	9	3,150	1,353
Net finance costs	8	2,691	5,606
Share-based payments	20	1,567	1,612
Other non-cash items		1	93
Working capital adjustments:			
(Increase) in trade and other receivables		(464)	(521)
(Increase) / Decrease in prepayments		16	(128)
Increase in trade and other payables		91	966
Increase in contract liabilities		739	1,495
Cash generated from operating activities		**47,991**	**34,101**
Corporate income tax paid		(3,122)	(4,403)
Interest and commitment fees paid		(2,208)	(8,870)
Net cash inflow from operating activities		**42,661**	**20,828**
Cash flows from investing activities			
Acquisition of intangible assets and property, plant and equipment		(251)	(433)
Proceeds from sale of property, plant and equipment		4	-
Acquisition of business	22	(1,600)	-
Net cash used in investing activities		**(1,847)**	**(433)**
Cash flows from financing activities			
Proceeds from issuance of share capital	13	-	121,339
Proceeds from loans and borrowings	16	-	96,650
Repayment of loans and borrowings	16	(14,000)	(228,295)
Capitalised borrowing costs		-	(677)
Payment of lease liabilities		(247)	(305)
Share issue related expenses	13	-	(2,874)
Purchase of own shares for cancellation		(5,663)	-
Purchase of own shares for performance share plan		(2,834)	(3,418)
Dividends paid		(10,918)	-
Net cash from financing activities		**(33,662)**	**(17,580)**
Net cash inflow from operating, investing and financing activities		**7,152**	**2,815**
Differences on exchange		4	(16)
Net Increase / (Decrease) in cash and cash equivalents		**7,156**	**2,799**
Cash and cash equivalents at the beginning of the year		19,914	17,115
Cash and cash equivalents at the end of the year		**27,070**	**19,914**

* see note 3 for further details

1. General information

The financial information set out above does not constitute the Company's statutory accounts for the years ended 30 April 2023 or 30 April 2022 but is derived from those accounts. Statutory accounts for 2022 have been delivered to the Registrar of Companies and those for 2023 will be delivered following the Company's Annual General Meeting.

The auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Baltic Classifieds Group PLC (the "Company") is a Company incorporated in the United Kingdom and its registered office is Highdown House, Yeoman Way, Worthing, West Sussex, United Kingdom, BN99 3HH (Company no. 13357598). The consolidated financial statements as at and for the year ended 30 April 2023 comprise the Company and its subsidiaries (together referred to as the "Group"). The principal business of the Group is operating leading online classifieds portals for automotive, real estate, jobs and services, and general merchandise in the Baltics.

2. Principles of preparation

These consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards ("UK-adopted IFRS") and the applicable legal requirements of the Companies Act 2006.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

The Group financial statements have been prepared and approved by the directors in accordance with UK-adopted IFRS.

Baltic Classifieds Group PLC was incorporated on 26 April 2021 and on 5 July 2021 was admitted to trading on the London Stock Exchange. At the same time as the admission, the Company acquired 88.42 per cent of the share capital of ANTLER TopCo S.à r.l and 100% of ANTLER Management S.A. that owned the residual 11.58% of the share capital of ANTLER TopCo S.à r.l in a share for share exchange, thereby inserting Baltic Classifieds Group PLC as the Parent Company of the Group that includes ANTLER MidCo S.à r.l.

By applying the principles of common control accounting, this group reorganisation has been accounted for as a business combination outside of the scope of a business combination as defined under IFRS 3 in 2022. Book value accounting has been adopted, meaning that the carrying values of assets and liabilities of the parties to the combination were not adjusted to fair value on consolidation, and the results and cashflows of ANTLER TopCo S.à r.l. and Baltic Classifieds Group PLC were brought into the consolidated financial statements of Baltic Classifieds Group PLC as if Baltic Classifieds Group PLC had always owned ANTLER TopCo S.à r.l.

Baltic Classifieds Group PLC has adopted the financial reporting framework of the group below it, which has previously presented financial statements under EU adopted International Financial Reporting Standards and given there are no differences between the UK and EU adopted International Financial Reporting Standards, the Group did not consider itself to be a first time adopter of UK-adopted IFRS when preparing the first set of consolidated financial statements in 2022.

Use of estimates and judgements

The preparation of the consolidated financial statements, in accordance with UK-adopted IFRS, requires management to make judgements, 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.

Estimates

As at 30 April 2023, there were no significant estimates that would have a significant risk of material adjustment to the carrying amounts of assets within the next financial year.

Other estimates:

- Carrying values of goodwill. An impairment review is performed of goodwill balances by the Group on a 'value in use' basis. This requires making assumptions and estimates in calculating the future cash flows, the time period over which they occur, and in arriving at an appropriate discount rate to apply to the cashflows as well as an appropriate long term growth rate. Each of these assumptions and estimates 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.

- 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 estimate has an impact on the amortisation expense for any given period.

Judgements

As at 30 April 2023, there were no significant judgements that would have a significant risk of material adjustment to the carrying amounts of assets within the next financial year.

Other judgements:

- Deferred tax asset. An unrecognised deferred tax asset of €3,934 thousand (30 April 2022: €3,934 thousand) has not been recognised in relation to tax losses incurred by the Company's indirect subsidiary UAB Antler Group. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Recognition, therefore, involves judgement regarding the probability of future taxable profit of the indirect subsidiary being available.

Going concern

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 this report and has a reasonable expectation that the Group has adequate resources to continue in operational existence over this period.

The Group meets its day-to-day working capital requirements from cash balances, if needed the Group also has access to a revolving credit facility that amounts to €10,000 thousand and is available until July 2026. As at 30 April 2023 no amounts of the revolving credit facility were drawn down. The bank loan matures in July 2026 and its availability is subject to continued compliance with certain covenants, it becomes repayable on demand in the case of a change in control. The Group voluntarily repaid €14,000 thousand of the loan during the 2023, the outstanding balance at the year ends amounts to €70,000 thousand. The Group had cash balances of €27,070 thousand at the year end. After 30 April 2023, the Group has made a further voluntary repayment of debt of €7,000 thousand.

During the financial year ended 30 April 2023 the Group has generated a profit of €23,215 thousand. The Directors also prepared detailed cash flow forecasts for the period ending 12 months from the date of this report. The future growth assumptions used in the cash flow forecasts are based on the Group's historical performance and the Directors' experience of the industry and take into account both internal and external factors.

Stress case scenarios have been modelled to make the assessment of going concern to take into account severe but plausible potential impacts of a major data breach, adverse changes to the competitive environment and a continuing geopolitical tensions in the neighbouring countries. The stress testing indicates that the Group would be able to withstand the impact, remain cash generative and be able to continue to comply with debt covenants for 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 report and therefore have prepared these consolidated financial statements on a going concern basis.

3. Prior year restatement

During the year the Financial Reporting Council ('FRC') reviewed the Group's 2022 Annual Report as part of its routine monitoring of corporate reporting. The Company received a letter from the FRC asking for a response to tax disclosure-related questions. The letter also included suggestions concerning areas where the FRC believes users of the accounts would benefit from minor improvements to the Company's existing disclosures. After an enquiry by the FRC 's Corporate Reporting Review team, the Directors reviewed historic accounting of deferred tax amounts and found that the deferred tax liability of €1,307 thousand which was recognised in 2020 and released in 2022 should have been released in 2021.

The FRC's enquiries regarding the above are now complete. It must be noted that the FRC review is limited to the 2022 Annual Report and it does not benefit from detailed knowledge of our business or an understanding of the underlying transactions entered into. Accordingly, the review and comments received from the FRC provide no assurance that the Annual Report is correct in all material respects.

The opening retained earnings and income tax expense were restated resulting in a change to profit for the comparative period and EPS. The impact of the restatement is shown below:

Impact on consolidated Statement of Profit and Loss and Other Comprehensive Income for the year ended 30 April 2022

	2022 As reported (€ thousands)	**Restatement**	**2022 As restated** (€ thousands)
Income tax expense	(46)	(1,307)	(1,353)
Profit / (loss) for the period	**2,399**	**(1,307)**	**1,092**
Other comprehensive income/(loss)	-	-	-
Total comprehensive income/(loss) for the year	**2,399**	**(1,307)**	**1,092**
Attributable to:			
Owners of the Company	**2,399**	**(1,307)**	**1,092**
Earnings / (loss) per share (€ cents)			
Basic and diluted	0.49	(0.27)	0.22

Impact on consolidated Statement of Financial Position

There is no impact on the Statement of Financial Position as at 30 April 2022.

The impact on Statement of Financial Position as at 1 May 2021 is presented below:

	2021 As reported (€ thousands)	**Restatement**	**2021 As restated** (€ thousands)
Retained earnings	(11,229)	1,307	(9,922)
Total equity	**208,274**	**1,307**	**209,581**
Deferred tax liabilities	8,901	(1,307)	7,594
Non-current liabilities	**219,314**	**(1,307)**	**218,007**
Total liabilities	**229,339**	**(1,307)**	**228,032**
Total equity and liabilities	**437,613**	**-**	**437,613**

Impact on consolidated Statement of Cash Flows for the year ended 30 April 2022

	2022 As reported (€ thousands)	**Restatement**	**2022 As restated** (€ thousands)
Cash flows from operating activities			
Profit / (loss) for the period	2,399	(1,307)	1,092
Adjustments for:			
Taxation	46	1,307	1,353
Cash generated from operating activities	**34,101**	-	**34,101**

4. Alternative performance measures (APMs)

In the analysis of the Group's financial performance, certain information disclosed in the financial statements may be prepared on a non-GAAP basis or has been derived from amounts calculated in accordance with IFRS but are not themselves an expressly permitted GAAP measure. These measures are reported in line with the way in which financial information is analysed by management and designed to increase comparability of the Group's year-on-year financial position, based on its operational activity. These measures are not designed to be a substitute for any of the IFRS measures of performance and may not be directly comparable with other companies' alternative performance measures. The key alternative performance measures presented by the Group are:

- Adjusted operating profit which is Operating profit after adding back acquired intangibles amortisation and one-off IPO related costs. This measure helps to provide an indication of the Group's ongoing business performance.
- EBITDA which is Operating profit after adding back depreciation and amortisation. This measure is used internally to assess business performance and in budgeting and forecasting.
- EBITDA margin which is EBITDA as a percentage of revenue. Progression in EBITDA margin is an important indicator of the Group's operating efficiency.
- Adjusted EBITDA which is EBITDA after one-off IPO related costs. This is one of the key metrics used by management to assess operating performance of the business and is used in assessing covenant compliance for the Group's loan facility.
- Adjusted EBITDA margin which is Adjusted EBITDA as a percentage of revenue. Progression in EBITDA margin is an important indicator of the Group's operating efficiency.
- Adjusted net income which is Profit for the period after adding back post-tax impact of acquired intangibles amortisation and one-off costs related to IPO, including IPO refinancing arrangement. It is used to arrive at Adjusted basic EPS and in applying the Group's capital allocation policy.
- Adjusted basic EPS which is Adjusted net income divided by the weighted average number of ordinary shares in issue. This measure helps to provide an indication of the Group's ongoing business performance.
- Net Debt which is calculated as total debt (bank loans principal and Osta.ee customer credit balances) less cash and cash equivalents. Net debt is used to arrive at the leverage ratio.
- Leverage which is calculated as Net Debt as a percentage of Adjusted EBITDA over last twelve months (LTM). This measure is used in assessing covenant compliance for the Group's loan facility which includes a Total Leverage Ratio covenant (see note 16).
- Cash conversion which is EBITDA (or adjusted EBITDA in comparative periods) after deducting acquisition of intangible assets and property, plant and equipment as a percentage of EBITDA (or adjusted EBITDA in comparative periods). This measure is used to monitor the Group's operational efficiency.

Reconciliation of alternative performance measures

Adjusted operating profit

	2023 (€ thousands)	**2022** (€ thousands)
Operating Profit	**29,056**	**13,616**
Acquired intangibles amortisation	16,198	16,147
IPO related fees	-	7,393
IPO related free share awards to employees (note 13)	-	1,378
Adjusted Operating Profit	**45,254**	**38,534**

EBITDA

	2023 (€ thousands)	**2022** (€ thousands)
Operating Profit	**29,056**	**13,616**
Depreciation and amortisation[1]	16,989	16,894
EBITDA	**46,045**	**30,510**

[1] Including acquired intangibles amortisation of €16,198 thousand (€16,147 thousand in 2022).

Adjusted EBITDA and Adjusted EBITDA margin

	2023 (€ thousands)	**2022** (€ thousands)
EBITDA	**46,045**	**30,510**
IPO related fees	-	7,393
IPO related free share awards to employees (note 13)	-	1,378
Adjusted EBITDA	**46,045**	**39,281**
Adjusted EBITDA margin	**76%**	**77%**

Adjusted net income

	2023 (€ thousands)	**2022** Restated* (€ thousands)
Profit for the year	**23,215**	**1,092**
Acquired intangibles amortisation	16,198	16,147
Deferred tax effect of acquired intangibles amortisation	(1,434)	(1,434)
IPO related fees	-	7,393
Tax effect of IPO related fees	-	(70)
IPO related free share awards to employees (note 13)	-	1,378
Senior Facility Agreement related early repayment penalty (note 16)	-	1,618
Senior Facility Agreement related upfront fee write off (note 16)	-	5,075
Adjusted net income	**37,979**	**31,198**

*see note 3 for further details

Adjusted basic EPS

	2023	2022
Adjusted net income (€ thousands)	37,979	31,198
Weighted average number of ordinary shares (note 10)	496,082,891	488,467,552
Adjusted basic EPS (€ cents)	**7.66**	**6.39**

Net debt

	30/04/2023 (€ thousands)	30/04/2022 (€ thousands)
Bank loan principal amount (note 16)	70,000	84,000
Customer credit balances	2,363	2,289
Total Debt	**72,363**	**86,289**
Cash and cash equivalents	27,070	19,914
Net Debt	**45,293**	**66,375**

Leverage

	30/04/2023 (€ thousands)	30/04/2022 (€ thousands)
Net debt	45,293	66,375
Adjusted EBITDA	46,045	39,281
Total Debt	**0.98**	**1.69**

Cash conversion

	2023 (€ thousands)	2022 (€ thousands)
Adjusted EBITDA	46,045	39,281
Acquisition of intangible assets and property, plant and equipment	(251)	(433)
	45,794	38,848
Cash conversion	**99%**	**99%**

5. 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 decisionmaker ("CODM") in order to allocate resources to the segments and to assess their performance. The CODM has been identified as the Board of Baltic Classifieds Group PLC.

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 Board 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. And therefore the Board views detailed revenue information but only views costs and profit information at a Group level. As such, management concluded that BCG has 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 6.

Of the total intangible assets and goodwill, 69% (70% in 2022) is located in Lithuania, 30% (29% in 2022) in Estonia and 1% (1% in 2022) in Latvia.

6. Revenue

In the following tables, revenue from contracts with customers is disaggregated by primary geographical markets, key revenue streams and revenue by business lines.

Primary geographic markets

	2023 (€ thousands)	2022 (€ thousands)
Lithuania	42,407	35,236
Estonia	17,203	14,620
Latvia	1,204	1,103
Total	**60,814**	**50,959**

Key revenue streams

	2023 (€ thousands)	2022 (€ thousands)
Advertising revenue	3,728	3,731
Listings revenue	53,750	43,725
- Listings revenue: B2C	*29,765*	*24,590*
- Listings revenue: C2C	*23,985*	*19,135*
Ancillary revenue[1]	3,336	3,503
Total	**60,814**	**50,959**

Revenue by business lines

	2023 (€ thousands)	2022 (€ thousands)
Automotive	**22,236**	**18,293**
- Advertising revenue	1,101	1,122
- Listings revenue: B2C	9,908	7,432
- Listings revenue: C2C	8,167	6,507
- Ancillary revenue	3,060	3,232
Real Estate	**15,044**	**12,451**
- Advertising revenue	1,836	1,903
- Listings revenue: B2C	8,653	7,052
- Listings revenue: C2C	4,494	3,439
- Ancillary revenue	61	57
Generalist	**11,744**	**10,397**
- Advertising revenue	764	701
- Listings revenue: B2C	1,229	1,282
- Listings revenue: C2C	9,536	8,200
- Ancillary revenue	215	214
Jobs & Services	**11,790**	**9,818**
- Advertising revenue	27	7
- Listings revenue: B2C	9,975	8,822
- Listings revenue: C2C	1,788	988
- Ancillary revenue	-	1
Total	**60,814**	**50,959**

[1] Ancillary revenue includes revenue from financial intermediation, subscription services, and other. Financial intermediation revenue accounts for 91% of the total ancillary revenue for the year ending 30 April 2023 and 94% of the total ancillary revenue for the year ending 30 April 2022.

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[1] include consideration received in advance of the satisfaction of performance obligations. The movement in contract liabilities is provided below:

	2023 (€ thousands)	**2022** (€ thousands)
Opening balance	**2,982**	**1,464**
Recognised in revenue in the period	(5,620)	(4,333)
Advance consideration received	6,352	5,851
Closing balance	**3,714**	**2,982**

[1] Contract liabilities amount in the statement of financial position also include prepayments received from customers.

7. Operating profit

	2023 (€ thousands)	**2022** (€ thousands)
Operating profit is after charging the following:		
Labour costs[1]	(9,605)	(8,886)
Depreciation and amortisation	(16,989)	(16,894)
Advertising and marketing services	(971)	(841)
IT expenses	(725)	(692)
Impairment (loss) / reversal on trade receivables and contract assets	(79)	(59)
Other[2]	(3,398)	(9,977)
	(31,767)	**(37,349)**

[1] For the year ended 30 April 2022 labour costs include €1,378 thousand IPO related free share awards expenses (note 13).
[2] Other expenses for the year ended 30 April 2022 include €7,393 thousand fees and costs incurred in relation to the Initial Public Offering (IPO).

Services provided by the Company's auditors

	2023 (€ thousands)	2022 (€ thousands)
Fees payable for audit services:		
Audit of the Company and consolidated financial statements[1]	(563)	(244)
Audit of the Company's subsidiaries pursuant to legislation	(197)	(103)
Total audit remuneration	**(760)**	**(347)**
Fees payable for other services:		
- Audit related assurance services	-	(110)
- Transaction related services[2]		(532)
- Other assurance services[2]		(267)
- Tax advisory services		-
Total non-audit remuneration	**-**	**(909)**
Total	**(760)**	**(1,256)**

[1] In 2023, fees payable for audit of the Company and consolidated financial statements consist of audit fees for current financial year €461 thousand and previous financial year €102 thousand.
[2] Transaction related and other assurance services provided by the Company's auditors during the year ended 30 April 2022 relate to the IPO.

8. Net finance costs

	2023 (€ thousands)	2022 (€ thousands)
Other financial income	7	138
Total finance income	**7**	**138**
Interest expenses[1]	(2,602)	(9,426)
Commitment and agency fees	(80)	(132)
Other financial expenses[2]	(1)	(1,734)
Interest unwind on lease liabilities	(15)	(17)
Total finance expenses	**(2,698)**	**(11,309)**
Net finance costs recognised in profit or loss	**(2,691)**	**(11,171)**

[1] Interest expense for the year ended 30 April 2022 contains €5,075 thousand of upfront fee that was written off upon the repayment of Senior Facility Agreement in July 2021.

[2] Other financial expenses for the year ended 30 April 2022 contain €1,618 thousand of Senior Facility Agreement related early repayment fee.

9. Income taxes

	2023 (€ thousands)	2022 Restated* (€ thousands)
Current tax expense		
Current year	(4,904)	(3,102)
Deferred tax expense		
Change in deferred tax	1,754	1,749
Tax expense	**(3,150)**	**(1,353)**

* see note 3 for further details

10. Earnings per share

	2023	2022 Restated*
Weighted average number of shares outstanding	496,082,891	488,467,552
Dilution effect on the weighted average number of shares	279,681	-
Diluted weighted average number of shares outstanding	496,362,572	488,467,552
Profit / (loss) attributable to owners of the Company (€ thousands)	23,215	1,092
Basic earnings per share (€ cents)	**4.68**	**0.22**
Diluted earnings per share (€ cents)	**4.68**	**0.22**

*See note 3 for further details

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. The weighted average number of shares for the comparative period has been stated as if the Group share for share exchange (see note 13) has occurred at the beginning of the comparative period.

In calculating diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive shares. The Group's potentially dilutive instruments are in respect of share-based incentives granted to employees. Options under the Performance Share Plan (note 20) are contingently issuable shares and are therefore only included within the calculation of diluted EPS if the performance conditions are satisfied.

The average market value of the Group's shares for the purposes of calculating the dilutive effect of share-based incentives was based on quoted market prices during the period which the share-based incentives were outstanding.

The reconciliation of the weighted average number of shares is provided below:

	Year ended 30 April 2023	Year ended 30 April 2022
	Number of shares	Number of shares
Issued ordinary shares at 1 May less ordinary shares held by EBT	498,292,405	435,265,078
Weighted effect of issued ordinary shares	-	53,415,350
Weighted effect of ordinary shares purchased by EBT	(1,114,685)	(212,877)
Weighted effect of own shares purchased for cancellation	(1,094,829)	-
Weighted average number of ordinary shares at 30 April	**496,082,891**	**488,467,552**

11. Intangible assets and goodwill

	Goodwill (€ thousands)	Trademarks and domains (€ thousands)	Relationship with clients (€ thousands)	Other intangible assets (€ thousands)	Total (€ thousands)
Cost					
Balance at 1 May 2021	**328,732**	**63,220**	**50,710**	**1,347**	**444,009**
Disposals	-	-	-	(23)	**(23)**
Balance at 30 April 2022	**328,732**	**63,220**	**50,710**	**1,324**	**443,986**
Balance at 1 May 2022	**328,732**	**63,220**	**50,710**	**1,324**	**443,986**
Acquisitions	1,229	120	250	-	**1,599**
Disposals	-	-	-	(33)	**(33)**
Balance at 30 April 2023	**329,961**	**63,340**	**50,960**	**1,291**	**445,552**
Accumulated amortisation and impairment losses					
Balance at 1 May 2021	**-**	**10,693**	**16,132**	**275**	**27,100**
Amortisation	-	6,323	9,824	273	**16,420**
Disposals	-	-	-	(23)	**(23)**
Balance at 30 April 2022	**-**	**17,016**	**25,956**	**525**	**43,497**
Balance at 30 April 2022	**-**	**17,016**	**25,956**	**525**	**43,497**
Amortisation	-	6,332	9,866	257	**16,455**
Disposals	-	-	-	(33)	**(33)**
Balance at 30 April 2023	**-**	**23,348**	**35,822**	**749**	**59,919**
Carrying amounts					
Balance at 30 April 2021	**328,732**	**52,527**	**34,578**	**1,072**	**416,909**
Balance at 30 April 2022	**328,732**	**46,204**	**24,754**	**799**	**400,489**
Balance at 30 April 2023	**329,961**	**39,992**	**15,138**	**542**	**385,633**

12. Trade and other receivables

	2023 (€ thousands)	2022 (€ thousands)
Trade receivables	3,322	3,002
Expected credit loss on trade receivables	(45)	(71)
Other short-term receivables	70	39
Total	**3,347**	**2,970**

Trade and other receivables are non-interest bearing. The Group has recognized impairment losses in the amount of €45 thousand as at 30 April 2023 (€71 thousand as at 30 April 2022). Change in impairment losses for trade receivables, netted with recoveries, for financial year amounted to €79 thousand as at 30 April 2023 and €59 thousand as at 30 April 2022. As at 30 April 2023 and 30 April 2022, there are no pledges on trade receivables.

13. Equity

	Number of shares	Share capital amount (€ thousands)	Share premium amount (€ thousands)
Balance as at 1 May 2021	**435,265,079**	**506,509**	**-**
Group restructure:			
- Redeemable preference share redeemed	-	(57)	-
- Share issue for IPO	64,734,921	75,322	48,959
- Share issue related transaction costs	-	-	(5,816)
Nominal value of ordinary shares reduced and share premium cancelled to create distributable reserves	-	(575,956)	(43,143)
Shares issued to satisfy IPO related free share awards (note 20)	392,405	4	-
Balance as at 30 April 2022	**500,392,405**	**5,822**	**-**
Purchase and cancellation of own shares	(3,429,240)	(39)	-
Balance as at 30 April 2023	**496 963 165**	**5,783**	**0**

On 5 July 2021 BCG was inserted into the Group's holding structure via a share for share exchange with the shareholders of a previous top holding entity, ANTLER TopCo S.a.r.l:

1) BCG issued 38,740,076 ordinary shares at £1 (€1.16) each in the share for share exchange to acquire ANTLER Management S.A. that was a minority shareholder of ANTLER TopCo S.a.r.l.

2) BCG issued 396,525,002 ordinary shares at £1 (€1.16) each in the share for share exchange to acquire the rest of ANTLER TopCo S.a.r.l.

3) 1 redeemable preference share with a value of £49,999 (€57,487) per share was redeemed.

On 5 July 2021 BCG issued 64,734,921 ordinary shares with a value of £1 (€1.16) each that were listed at £1.65 (€1.92) on the London Stock Exchange.

Share issue related expenses amounting to €5,816 thousand were set against the share premium that arose during the listing, out of which €2,942 thousand relate to the underwriting fee that reduced the cash received from the IPO proceeds.

On 23 September 2021 BCG undertook a Court approved capital reduction to create distributable reserves. The entire amount standing to the credit of BCG share premium account was cancelled and the nominal value of each ordinary share in issue in the capital of BCG was reduced from £1 (€1.15) to £0.01 (€0.01). This created a total of €619,100 thousand in distributable reserves.

On 19 October 2021 BCG issued 392 405 shares with a value of £0.01 (€0.01) each to be gifted, on an unrestricted basis, to all employees other than the Executive Directors and the rest of the Senior Management team.

Share capital and share premium in the comparative periods have been stated as if the Group share for share exchange has occurred at the beginning of the comparative periods. For this reason, a capital reorganisation reserve has been created which comprises a difference between the recalculated share capital amount and the total of share capital and share premium of ANTLER TopCo S.a.r.l.

Included within shares in issue at 30 April 2023 are 3,600,000 (2,100,000 in at 30 April 2022) shares held by the Employee Benefit Trust ("EBT") (note 14).

14. Own shares held

	Shares held by EBT	
	Amount (€ thousands)	Number
Balance as at 1 May 2021	-	-
Purchase of shares for performance share plan[1]	3,418	2,100,000
Balance as at 30 April 2022	**3,418**	**2,100,000**
Purchase of shares for performance share plan[1]	**2,834**	**1,500,000**
Balance as at 30 April 2023	**6,252**	**3,600,000**

[1] Shares were purchased on 29 July 2022 at a price of £1.54 (€1.84) per share and on 2 August 2022 at a price of £1.62 (€1.93) per share. Stamp duty reserve tax and commissions amounting to €12 thousand were capitalised in the year (€16 thousand in 2022).

15. Dividends

	2023		2022	
	€ cents per share	€ thousands	€ cents per share	€ thousands
2022 final dividend paid	1.4	6,955	-	-
2023 interim dividend paid	0.8	3,963	-	-
Total	**2.2**	**10,918**	**-**	**-**

The proposed final dividend for the year ended 30 April 2023 of 1.7 € cents per share is subject to approval by Company shareholders at the Annual General Meeting ('AGM') and hence has not been included as a liability in the financial statements. The 2023 final dividend will be paid on 13 October 2023 to shareholders on the register at the close of business on 8 September 2023 and the payment will comprise approximately €8,400 thousand of cash.

The Directors intend to return one third of Adjusted net income (as defined and reconciled in note 4) each year via an interim and final dividend, split one third and two thirds, respectively. Adjusted net income (as reconciled in note 4) for 2023 was €37,979 thousand (€31,198 in 2022).

16. Loans and borrowings

Non-current liabilities	**2023** (€ thousands)	**2022** (€ thousands)
Bank loan	68,716	82,311
Lease liabilities	515	167
	69,231	**82,478**

Current liabilities	**2023** (€ thousands)	**2022** (€ thousands)
Bank loan	180	121
Lease liabilities	282	202
	462	**323**

Bank loan:

	Period end	Maturity	Loan currency	Effective interest rate	**Amount** (€ thousands)
Bank Loan	30 April 2023	2026 July	€	2.91%	68,896
Bank Loan	30 April 2022	2026 July	€	4.04%[1]	82,432

[1]Effective interest rate for the year ended 30 April 2022 includes 2 months' worth of interest on a pre-IPO higher margin loan that was repaid in July 2021. Since IPO the interest rate margin has reduced to 2.0% due to lower leverage and even further reduced to 1.75% after publishing the first set of annual financial statements, however the positive impact of the reduction was partly offset by the increase in EURIBOR.

In July 2021 the Group drew down a new loan consisting of Facility B (€98,000 thousand) and agreed on a new revolving credit facility of €10,000 thousand. The previous loan was fully repaid in July 2021. Due to early repayment the Group paid an early repayment fee that amounted to €1,618 thousand (included within other financial expenses for the year ended 30 April 2022). The Group also wrote-off a capitalised upfront fee that amounted to €5,075 thousand (included within interest expenses for the year ended 30 April 2022).

As at 30 April 2023 the loan comprised of Facility B (outstanding balance: €70,000 thousand as €14,000 thousand was repaid during the financial year), the undrawn revolving credit facility amounted to €10,000 thousand. As at 30 April 2022 the loan comprised of Facility B (outstanding balance: €84,000 thousand), the undrawn revolving credit facility amounted to €10,000 thousand.

Capitalised debt issue costs amounted to €1,284 thousand and €1,689 thousand for the year ended 30 April 2023 and 30 April 2022 respectively. Interest payable amounted to €180 thousand and €121 thousand for the year ended 30 April 2023 and 30 April 2022 respectively.

The loan agreement prescribes a Total Leverage Ratio covenant. Total Leverage Ratio is calculated as Net Debt over last twelve months (LTM) of Adjusted EBITDA and shall not exceed 5.50:1. As at 30 April 2023 and 30 April 2022, 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 a semi-annual basis:

Total Leverage Ratio	Facility B Margin (% p.a.)	Revolving Facility Margin (% p.a.)
Greater than 4.50:1	3.50	3.50
Equal to or less than 4.50:1 but greater than 4.00:1	3.00	3.00
Equal to or less than 4.00:1 but greater than 3.50:1	2.75	2.75
Equal to or less than 3.50:1 but greater than 3.00:1	2.50	2.50
Equal to or less than 3.00:1 but greater than 2.75:1	2.25	2.25
Equal to or less than 2.75:1 but greater than 2.50:1	2.00	2.00
Equal to or less than 2.50:1	1.75	1.75

Reconciliation of movements of liabilities to cashflows arising from financing activities

	Borrowings (€ thousands)	Lease liabilities (€ thousands)	Total (€ thousands)
Balance as at 1 May 2021	**212,463**	**663**	**213,126**
Changes from financing cash flows			
- Proceeds from loans and borrowings	96,650	-	**96,650**
- Repayment of borrowings	(228,295)	-	**(228,295)**
- Payment of lease liabilities	-	(305)	**(305)**
Total changes from financing cash flows	**(131,645)**	**(305)**	**(131,950)**
Other liability related changes			
- New leases	-	67	**67**
- Lease disposal	-	(56)	**(56)**
- Capitalised borrowing costs	(676)	-	**(676)**
- Capitalised borrowing costs write off	5,075	-	**5,075**
- Interest expenses	4,351	17	**4,368**
- Interest paid	(7,136)	(17)	**(7,153)**
Total other liability related changes	1,614	11	**1,625**
Balance as at 30 April 2022	**82,432**	**369**	**82,801**

	Borrowings (€ thousands)	Lease liabilities (€ thousands)	Total (€ thousands)
Balance as at 1 May 2022	**82,432**	**369**	**82,801**
Changes from financing cash flows			
- Repayment of borrowings	(14,000)	-	(14,000)
- Payment of lease liabilities	-	(247)	(247)
Total changes from financing cash flows	**(14,000)**	**(247)**	**(14,247)**
Other liability related changes			
- New leases and lease re-assessments	-	721	721
- Lease disposal	-	(46)	(46)
- Interest expenses	2,602	15	2,617
- Interest paid	(2,138)	(15)	(2,153)
Total other liability related changes	464	675	1,139
Balance as at 30 April 2023	**68,896**	**797**	**69,693**

17. Trade and other payables

	2023 (€ thousands)	2022 (€ thousands)
Trade payables	299	235
Accrued expenses	391	344
Other tax	1,326	1,578
Customer credit balances	2,363	2,289
Other payables	130	12
	4,509	**4,458**

18. Related party transactions

During the period ended 30 April 2023 the transactions with related parties outside the consolidated Group consisted of remuneration of key management personnel (note 19), including share option awards under the PSP scheme (note 20);

During the period ended 30 April 2022 the transactions with related parties outside the consolidated Group included:

- remuneration of key management personnel (note 19), including share option awards under the PSP scheme (note 20);
- before the IPO a part of ANTLER Management S.A. shares were acquired by the three Executive Directors together with other key employees as part of management incentive program that existed since BCG acquisition by funds advised by Apax Partners ("Apax") in FY 2020; shares were purchased at a value equal to the price paid by Apax in FY 2020;
- at the IPO three Non-Executive Directors purchased shares of ANTLER TopCo Sàrl outside the Offer at the IPO price;
- share for share exchange transaction during the reorganisation for the IPO (note 13) where three Executive Directors, three Non-Executive Directors and Directors of Group Companies exchanged the shares they held in ANTLER Management S.A. and ANTLER TopCo Sàrl for the like-for-like amount of shares in Baltic Classifieds Group PLC.

19. Remuneration of key management personnel and other payments

Key management personnel comprises 3 Executive directors (CEO, CFO, COO), 5 Non-Executive Directors and Directors of Group companies. Remuneration of key management personnel in the reporting year, including social security and related accruals, amounted to €1,257 thousand for the period ended 30 April 2023 and €969 thousand for the period ended 30 April 2022. Share-based payments amounted to €1,031 thousand for the period ended 30 April 2023 and €509 thousand for the period ended 30 April 2022.

During the period ended 30 April 2023 the Executive directors of the Group were granted a set number of share options under the PSP scheme. See note 20 for further detail.

During the year ended 30 April 2023 and 30 April 2022, key management personnel of the Group did not receive any loans, guarantees, no other payments or property transfers occurred and no pension or retirement benefits were paid.

20. Share-based payments

Performance Share Plan

The Group currently operates a Performance Share Plan (PSP) that is subject to a service and a non-market performance condition. The estimate of the fair value of the PSP is measured using Black-Scholes pricing model.

The total charge in the period relating to the PSP scheme was €1,567 thousand (€644 thousand in the period ended 30 April 2022).

The PSP plan consists of share options for Executive Directors and certain key employees with a vesting period of 3 years.

If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Furthermore, options are forfeited if the employee leaves the Group before the options vest, unless under exceptional circumstances.

On 12 July 2022, the Group awarded 1,221,592 share options under the PSP scheme. For these awards, the Group's performance is measured by reference to the Group's Earnings per Share in FY2025. These awards have a service condition and vest in 3 years. On 12 July 2022 the Group also granted a retention award in a form of 244,318 share options to two new joiners as part of GetaPro acquisition. These awards have a service condition only and vest in 1 year.

The fair value of the 2022 award was determined to be €1.40 (€1.46 for GetaPro employees) per option using a Black-Scholes pricing model. The resulting share-based payments charge is being spread evenly over the period between the grant date and the vesting date.

The number of options outstanding and exercisable as at 30 April 2023 was as follows:

	2023 (number)	**2022** (number)
Outstanding at beginning of period	1,041,475	-
Options granted in the period	1,465,911	1,041,475
Options exercised in the period	-	-
Options forfeited in the period	(23,439)	-
Outstanding at period ending	**2,483,947**	**1,041,475**

IPO Related Free Share Awards

In 2022, as part of IPO and in addition to the PSP scheme, 392,405 of free shares were awarded to all employees of the Group with the number per employee based on length of service with the business and ranging between €3,000 and €15,000 in value. The total value of the shares awarded amounted to €968 thousand. Fringe benefit tax was paid by the Group, it amounted to €410 thousand.

Executive Directors and the rest of Senior Management team did not receive free shares under this arrangement.

21. Enquiries by Competition Authorities

As at 30 April 2023, the Group had three open enquiries from Competition Authorities, however the Directors' view is that the likelihood of any material outflow of resources in respect of these enquiries is remote, and therefore no provision or contingent liability has been recognised in the financial statements in respect of these matters (no provision or liability in 2022).

On March 2019 the Estonian Competition Authority ("ECA") initiated supervisory proceedings against the AllePal OÜ and Kinnisvaraportaal OÜ, the operators of two real estate online classified portals, based on the complaint filed by various real estate companies and portals ("Claimants"). The Claimants alleged that the Group had abused its position by unfairly limiting the conditions for XML data exchange and applying excessively high prices. On 12 November 2021 the ECA terminated the supervisory proceedings with regard to the part that concerned the conditions of XML data exchange. The Group is co-operating with the ECA and although the Group expects that the supervisory proceedings will be terminated 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 Kinnisvaraportaal OÜ abused their position, the ECA could issue a precept ordering these Group companies to end any ongoing infringements.

On 4 February 2022 the ECA initiated supervisory proceedings against AllePal OÜ, the operator of real estate online classified portal, based on the complaint filed by Reales OÜ. Reales OÜ had entered into service agreement with AllePal OÜ for the insertion of real estate ads on both of real estate online classified portals, and according to the complaint, AllePal OÜ unfairly refused to provide the service to Reales OÜ by terminating the agreement. According to AllePal OÜ, service agreement was terminated because the claimant used the services to provide real estate ads brokerage or aggregation services and did not engage in real estate brokerage, for which the real estate online classifieds portals are intended. AllePal OÜ actively co-operates with the ECA and provides all necessary information and holds negotiations with Reales OÜ in order to develop a suitable contract and the pricing for the service needed by the claimant. On 15 March 2022, Reales OÜ submitted an additional complaint to initiate additional supervisory proceedings against the AllePal OÜ, which alleges that the pricing difference between the prices offered to the business and private customers indicates the abuse of a dominant position. On 1 April 2022 the ECA decided not to initiate additional proceedings and investigate the raised question within the ongoing supervisory proceedings. 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 Kinnisvaraportaal OÜ abused their position, the ECA could issue a precept ordering these Group companies to end any ongoing infringements.

On 7 November 2022, the ECA initiated supervisory proceedings against the AllePal OÜ, the operator of online classifieds portal for automotive Auto24.ee ("Auto24"), based on the signals from the market that Auto24 increased the prices to both business and private customers to levels which may be excessive from the competition law perspective. The Group is co-operating with the ECA and although the Group expects that the supervisory proceedings will be terminated 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 the Auto24, the ongoing supervisory proceedings cannot lead to imposition of fines to AllePal OÜ, however, if the ECA concludes that AllePal OÜ abused their position, the ECA could issue a precept ordering these Group companies to end any ongoing infringements.

22. Business combinations

On 1 July 2022, the Group's subsidiary City24 SIA acquired a 100% control of GetaPro business. The business combination included an acquisition of SIA GetaPro assets consisting of getapro.lv and getapro.ee portals, business processes and employees. No liabilities were acquired. The acquired assets meet the definition of a business as per IFRS 3 therefore an acquisition accounting exercise was performed.

Getapro.lv and getapro.ee are services portals operating in Latvia and Estonia. The acquisition provided the Group with increased share of Latvian and Estonian classifieds markets.

For the ten months ended 30 April 2023, Getapro portals contributed revenue of €132 thousand and loss of €545 thousand to Group's result. If the acquisition had occurred on 1 May 2022, management estimates that consolidated revenue would have been higher by €26 thousand, and consolidated profit for the financial year would have been lower by approximately €42 thousand.

Consideration	€ thousands
Cash	1,600
Total consideration transferred	1,600

Acquisition related costs	€ thousands
Acquisition-related costs (legal fees, due diligence costs and other) are included in other expenses for the twelve months ended 30 April 2023	43

Recognised amounts of identifiable assets acquired:

	€ thousands
Property, plant and equipment	1
Intangible assets	370
Total identifiable net assets	**371**

Recognised amounts of identifiable intangible assets acquired and their useful economic lives:

	UEL	€ thousands
Internet domains	10 years	120
Contracts and relationships	5 years	250
Total identifiable intangible assets		**370**

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 €120 thousand. 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 €250 thousand.

Goodwill arising from the acquisition has been recognised as follows:

	€ thousands
Consideration transferred	1,600
Fair value of identifiable net assets	(371)
Goodwill	**1,229**

The goodwill recognised on acquisition relates to the fair value of the going concern element of the acquired entity existing business, including plans to generate cash flows from the new clients and new business opportunities, probability of prolonging customer contracts even further than considered in the valuation, assembled workforce and other items, which are not possible to recognise as separate intangible assets.

Net cash flow on acquisition:

	€ thousands
Consideration in cash	1,600
Less cash and cash equivalents of the acquiree	-
Net cash flow on acquisition	**1,600**

23. Subsequent events

A voluntary repayment of debt of €7,000 thousand was made on 2 June 2023 reducing the outstanding principal amount of bank borrowings to €63,000 thousand.