

Half - Year 2022 Results

Trustpilot - a universal symbol of trust



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Peter Mühlmann
Founder and CEO



Hanno Damm
CFO

Strategic review

Peter Mühlmann
Founder and CEO

Independent, verified Trustpilot reviews have significant value for consumers and businesses

We are a highly-differentiated, dual-sided platform within the significant, growing global market for trusted online reviews

Powerful network effects are supporting our organic growth

Our scale, depth and breadth of content are unmatched

We have demonstrated profitability and our significant LT margin potential

We have a flexible operating model

We have a strong balance sheet and a commitment to efficient growth and Adjusted EBITDA & cash flow breakeven in FY24

Overview – H1 2022

Revenue
+25%

\$73m
(H1-21: \$62m)

ARR
+23%

\$149m
(H1-21: \$134m)

Bookings
+22%

\$87m
(H1-21: \$75m)

Net Loss

\$(9)m
(H1-21: \$(17)m)

Adj. EBITDA

\$(5)m
(H1-21: \$4m)

Net Cash

\$73m
(H1-21: \$91m)

* All percentage growth rates shown here are at constant currency and represent a H1-22 over H1-21 comparison.

H1 operational highlights

Strong growth in strategic KPIs across all regions

New, highly-focused US go-to-market strategy

Further progress in our efforts to ensure platform integrity

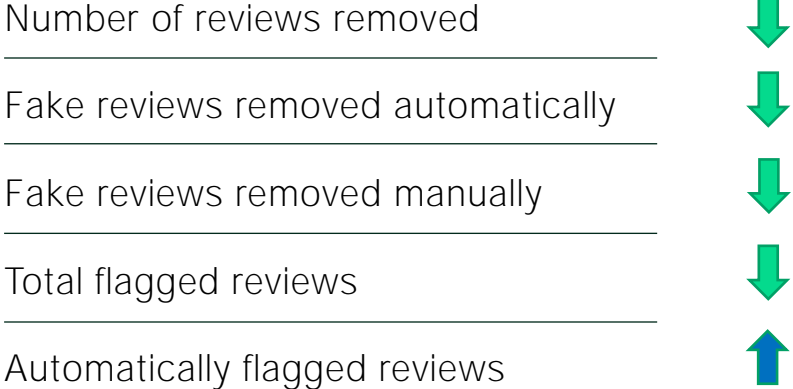
Strengthened our leadership team



Our investment in trust and content integrity is working



H1-22 versus H1-21



“...dont buy trust pilot reviews from anyone, they are not perminent, trust pilot will delet every single review in few days, week or months, my money is wasted (sic)...”

Source: Recent comment on Blackhatworld.com

Usage continued to grow at scale – H1 2022

Total cumulative reviews

+32%

190m
30 June 2021: 144m

Reviewed domains

+29%

811k
30 June 2021: 626k

Active domains

+29%

94k per month
30 June 2021: 73k per month

Review Invitations

+21%

53m per month
(H1-21: 44m per month)

TrustBox Impressions

+10%

8b per month
(H1-21: 7b per month)

Free active domains

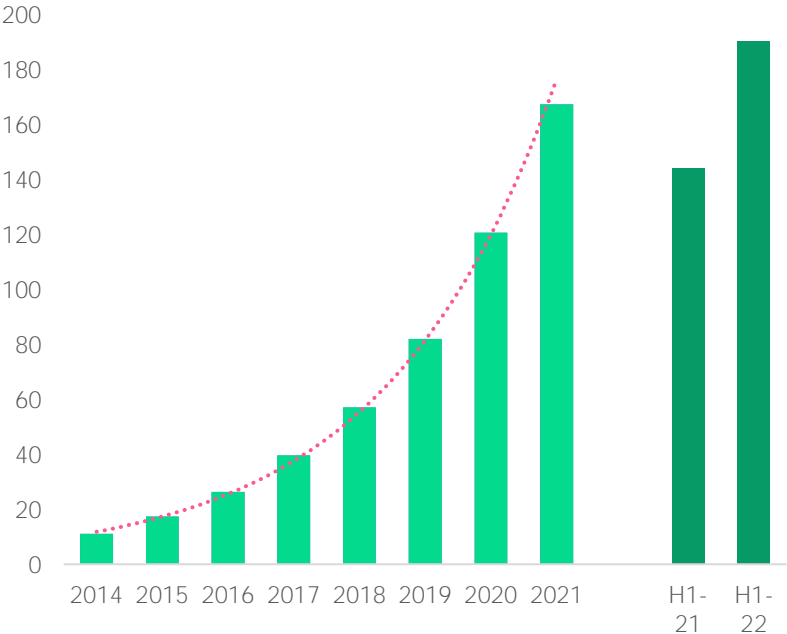
+35%

70k per month
(H1-21: 52k per month)

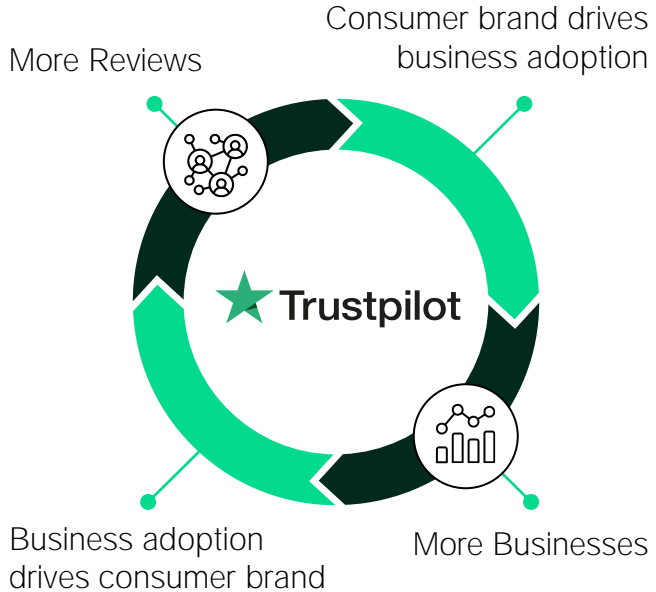
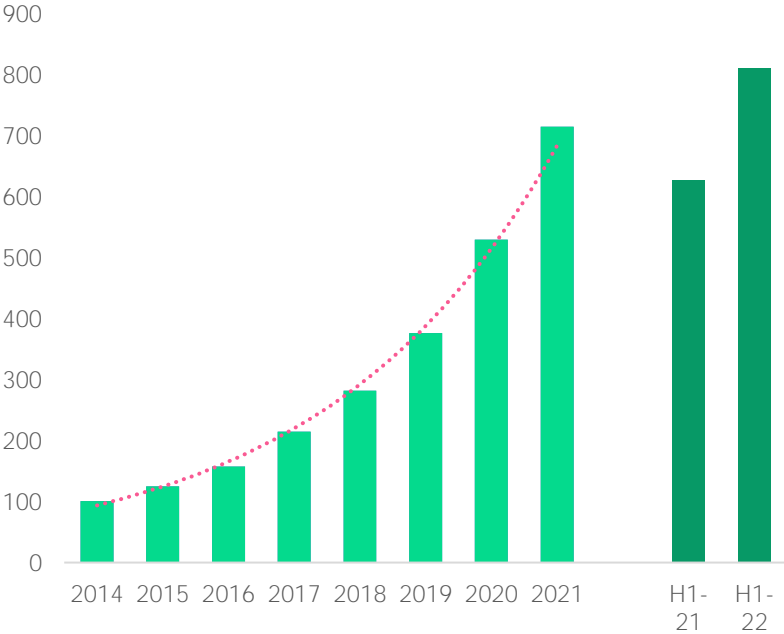
* All percentage growth rates shown here are at constant currency and represent a H1-22 over H1-21 comparison.

Organic growth supported by network effects

Trustpilot Cumulative Reviews (1)
(m)



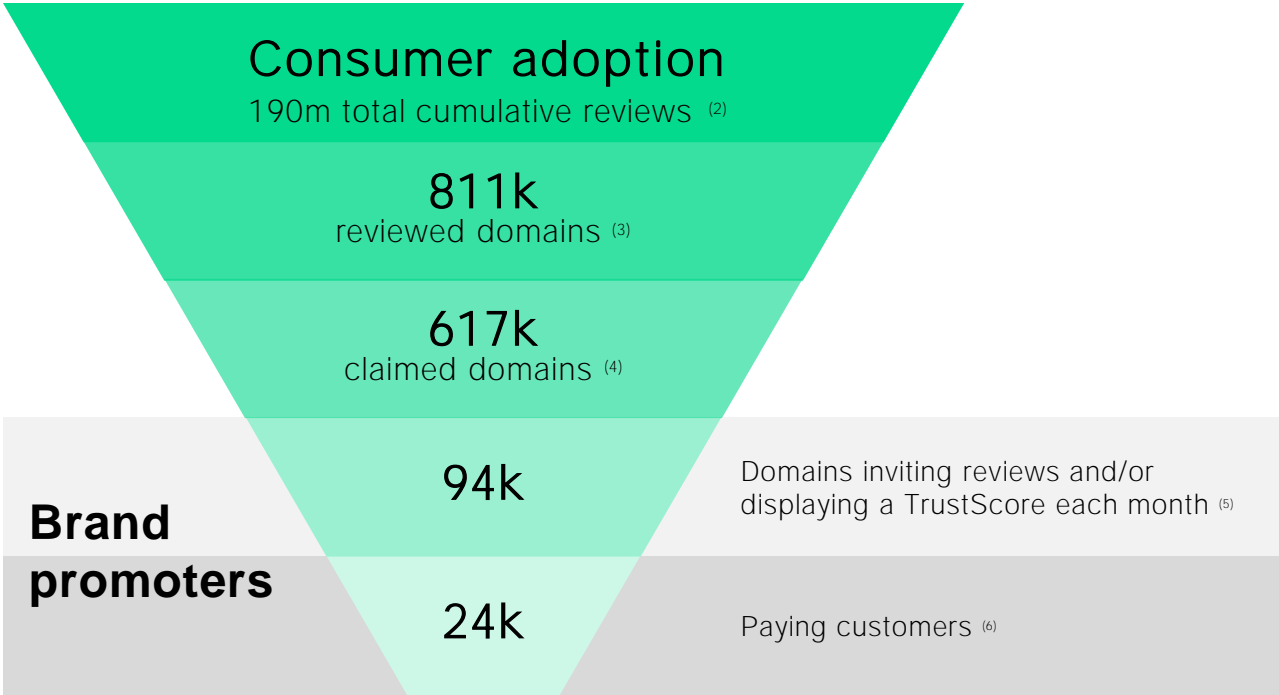
Total Domains with Trustpilot Reviews (2)
(000s)



16K new domains added to Trustpilot each month in H1-22

Source: Company data
 Notes:
 (1) All submitted reviews (inclusive of reviews subsequently removed or deleted)
 (2) All reviewed domains (inclusive of domains subsequently removed from Trustpilot consumer site)

Global universe of c.13 million potential business customers ⁽¹⁾

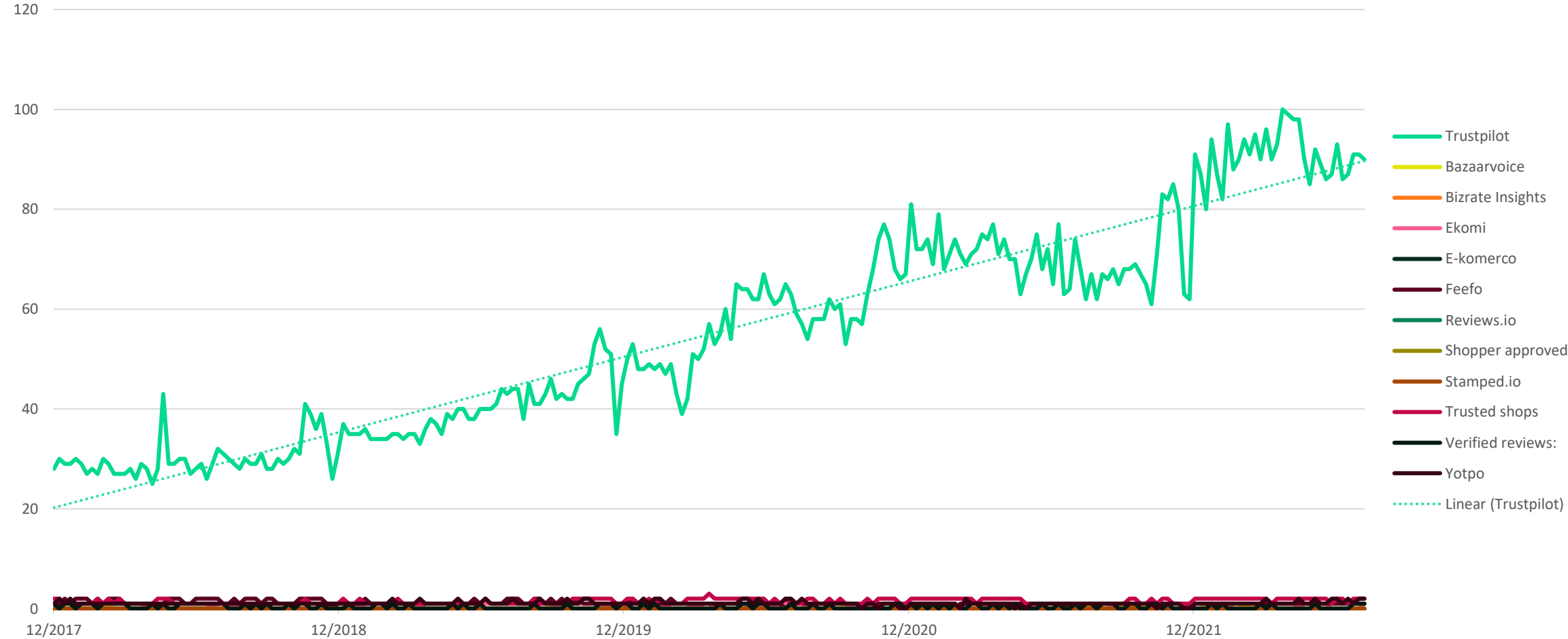


- _____ Raising brand awareness, strategic partnerships
- _____ Increasing consumer engagement
- _____ Consumer brand driving business adoption
- _____ Streamlining self-service upgrades and integrations
- _____ Strengthening our value proposition and value-based pricing

Notes:
⁽¹⁾ Q1 2021 study commissioned by Trustpilot: addressable businesses includes companies within core industries only, excluding holding companies and those without a website, and excluding China
⁽²⁾ All submitted reviews including reviews subsequently removed or deleted
 The below are all as at 30 June 2022:
⁽³⁾ All reviewed domains (inclusive of domains subsequently removed from Trustpilot consumer site)
⁽⁴⁾ Number of domains who have claimed their profile on Trustpilot and can access features like inviting customers to write reviews, replying to reviews, and being notified whenever someone writes a review
⁽⁵⁾ Monthly Active Domains. i.e. the number of domains that have claimed their profile on Trustpilot and have received an invited review or were the subject of a TrustBox impression during the month
⁽⁶⁾ Number of customers with a paid subscription for services on Trustpilot's platform

Our consumer brand continues to strengthen

Google trend interest – worldwide



Source: Google Trend. Numbers represent search interest relative to the highest point on the chart for the given region (Worldwide) and time (past 5 years). A value of 100 is the peak popularity for the term

Our customers amplify our brand across all channels

Online | Offline | TV



8.1b
monthly TrustBox
impressions ⁽¹⁾
(10% YoY growth
globally)

318m
Review invitations
in H1-22 ⁽²⁾
(21% YoY growth
globally)

Notes:
 (1) Monthly TrustBox impressions in H1-22. Trustbox Impressions is the number of customer webpage loads with an embedded TrustBox, but the consumer does not necessarily see the TrustBox
 (2) Product feature that allows Trustpilot customers to invite their customers to leave a review on their Trustpilot company page

Case Study: Trustpilot helping Scrum to verify the credibility of its training programs



The challenge

Scrum wanted a way to show off the value of their Scrum training programs while also closely monitoring how those programs were actually performing



How we help

Scrum has been able to display their incredible company-wide rating, as well as help potential applicants navigate their options, with per-program and per-teacher reviews

Customer since 2018

Scrum went straight to a paid Trustpilot subscription and set up automated review invitations. They began seeing results almost immediately

In their first year partnering with Trustpilot, they saw a +39% increase in website sessions as a result of being able to market and share success of students with potential customers via their reviews

... as well as a +27% increase in conversions for that year

Scrum has been able to embed helpful reviews on their site for each of their training programs and teachers



Harnessing independent ratings and reviews with Trustpilot gives us a credibility you just can't get otherwise."

Eric Naiburg
COO of Scrum

Finance review

Hanno Damm
CFO



2538 0214 5589 4578

HANNO DAMM

10/14

10/20

A successful financial performance in H1-22 driven by more and more consumers and businesses using our platform

\$87m
Bookings
+22%

\$149m
ARR
+23%

100%
NDR ⁽¹⁾
+300bps

\$73m
Revenue
+25%

\$73.5m
Net Cash

190m
Cumulative
Reviews
+32%

811k
Reviewed
Domains
+29%

94k
Active
Domains
+29%

53m
Review
invitations
+21%

8b
Monthly Trustbox
Impressions
+10%

Continued bookings growth in established markets

Significant FX headwinds on translation

Improvement in LTM net dollar retention rate compared to 97% in H1-21

Strong balance sheet

* All percentage growth rates shown here are at constant currency and represent a H1-22 over H1-21 comparison.
⁽¹⁾ LTM net dollar retention rate

H1-22 performance by region

North America

BOOKINGS

\$19m
+8%

ARR

\$34m
+10%

REVENUE

\$17m
+13%

UK

BOOKINGS

\$35m
+27%

ARR

\$60m
+25%

REVENUE

\$30m
+27%

Europe & RoW

BOOKINGS

\$32m
+27%

ARR

\$55m
+30%

REVENUE

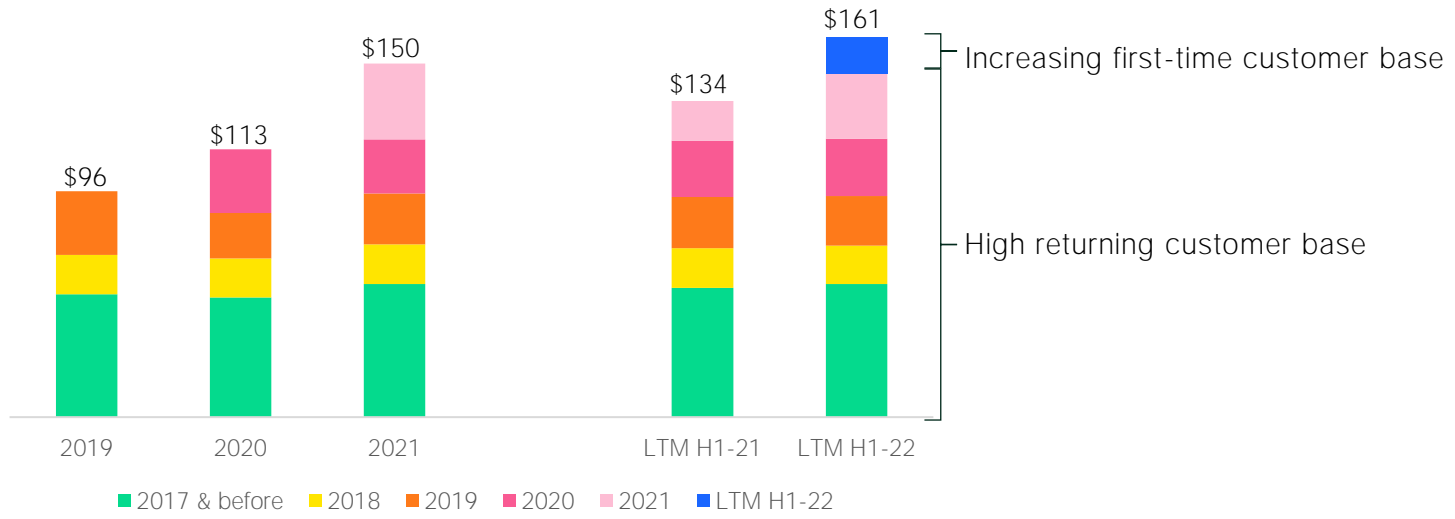
\$27m
+31%

* All percentage growth rates shown here represent a YoY comparison and are shown at constant currency

Improving retention supports strong unit economics

Bookings by cohort and year (\$m)

84%	83%	85%	84%	86%	LTM Gross Dollar Retention Rate ⁽¹⁾
10%	8%	14%	13%	14%	Net expansion ⁽²⁾
94%	91%	99%	97%	100%	LTM Net Dollar Retention Rate ⁽³⁾



3.2x
LTM H1-22 Group LTV / CAC ^(4,5)

Notes:
⁽¹⁾ Determined by taking retention bookings / contracts up for renewal, refers to US\$ amount rather than customer count and excludes up-and cross-selling (expansion) of existing customers
⁽²⁾ Calculated as net dollar retention rate – gross dollar retention rate
⁽³⁾ Determined by taking retention bookings / contracts up for renewal, refers to US\$ amount rather than customer count and includes up-and cross-selling (expansion) of existing customers
⁽⁴⁾ Lifetime Value defined as ((Average New Customer ACV * Gross Margin) / Gross Value Churn). Excludes upsell and cross-sell.
⁽⁵⁾ Customer Acquisition Costs per customer defined Sales and Marketing Costs divided by number of new customers

Summary income statement (management view)

Half Year Results

(\$m)	H1-22	H1-21	YoY%	YoY% (cc)
Revenue	73.4	62.4	18%	25%
Cost of Sales	13.4	11.7	15%	23%
Gross Profit	60.0	50.8	18%	25%
<i>Gross Margin %</i>	<i>82%</i>	<i>81%</i>	<i>Oppt</i>	<i>Oppt</i>
Sales & Marketing	29.1	21.3	37%	45%
<i>% of Revenue</i>	<i>40%</i>	<i>34%</i>		
Tech & Content	18.7	13.6	38%	50%
<i>% of Revenue</i>	<i>26%</i>	<i>22%</i>		
G&A	17.5	12.1	44%	53%
<i>% of Revenue</i>	<i>24%</i>	<i>19%</i>		
Adj. EBITDA	(5.4)	3.8	-244%	-240%
Adj. EBITDA Margin	(7 %)	6 %		

Material FX headwind on translation, as US\$ strengthened versus sterling and the Euro

Sales & Marketing also reflects upfront investment into H2 brand marketing

Prior-period G&A benefited from office closures related to the global pandemic

Increase in OpEx YoY reflected planned headcount growth, and the effects of cost inflation

* Statutory view in the appendix

Cash flow analysis - key items

(\$m)	H1-22	H1-21
Adj. EBITDA	(5.4)	3.8
Deferred Revenue	4.0	3.3
Adj. Cash EBITDA	(1.4)	7.1
Other change in working capital	(7.3)	(5.0)
Lease payments	(2.4)	(2.9)
Capex	(3.2)	(1.8)
Underlying operating cash flow	(14.3)	(2.7)

Seasonality impacts other change in working capital due to the annual company bonus outflow in March

Capex increased YoY due to office buildouts (CPH, UK); normalises in H2

FX translation

Average rates (for bookings, revenue, and expense) ⁽¹⁾				% (+/-) over prior period		
	\$/£	\$/€	€/£	\$/£	\$/€	€/£
H1-22	1.30	1.09	1.19	(7%)	(9%)	3%
H1-21	1.39	1.21	1.15	10%	9%	1%
FY-21	1.38	1.18	1.16	7%	4%	3%
End of period spot rate (for ARR)	\$/£	\$/€	€/£	\$/£	\$/€	€/£
H1-22	1.21	1.04	1.17	(13%)	(13%)	(0%)
H1-21	1.39	1.19	1.17	13%	6%	7%
FY-21	1.35	1.13	1.19	(1%)	(8%)	7%

Note:

⁽¹⁾ Period average rates shown here represent the average reported rates of all months in the period.

Outlook

We reiterate our revenue outlook for FY22, which is underpinned by prior-period bookings growth

- While we have not seen any significant changes in overall customer demand in our end markets, we are monitoring the situation closely
- We think it is prudent and sensible to take a more cautious approach to our assumptions for new business growth and retention near-term
- Due to our flexible operating model, we expect to see more operating leverage in H2 than previously anticipated

Summary

Independent, verified Trustpilot reviews have significant value for consumers and businesses

Trustpilot is a highly-differentiated platform, seeing rapid consumer and business adoption

Powerful network effects support our organic growth

Our global market opportunity is significant and growing

We have demonstrated profitability and our significant LT margin potential

We have a strong balance sheet and a pathway to cash flow breakeven in FY24



Analyst Q&A



Appendix

Adjusted EBITDA reconciliation

Half Year Results

(\$m)	H1-22	H1-21
Operating Loss	(10.4)	(15.4)
Depreciation and amortisation	3.8	3.9
EBITDA	(6.6)	(11.6)
Non-recurring transaction costs	0.0	9.8
Share-based payments	1.2	5.5
Adjusted EBITDA	(5.4)	3.8

Cost Reconciliation

H1-21

\$m	Reported	D&A	SBC	Other Operating Income	Transaction costs	Restructuring Costs	Management View
Sales & Marketing	(21.3)	—	—	—	—	—	(21.3)
Tech & Content	(15.2)	1.2	—	0.4	—	—	(13.6)
General & Administrative	(30.1)	2.6	5.5	—	9.8	—	(12.2)
Other Operating Income	0.4	—	—	(0.4)	—	—	—

H1-22

\$m	Reported	D&A	SBC	Other Operating Income	Transaction costs	Restructuring Costs	Management View
Sales & Marketing	(29.1)	—	—	0.0	—	—	(29.1)
Tech & Content	(20.4)	1.3	—	0.4	—	—	(18.7)
General & Administrative	(21.2)	2.5	1.2	0.1	—	—	(17.5)
Other Operating Income	0.5	—	—	(0.5)	—	—	—

Normalized Cash Flow reconciliation

(\$m)	H1-22	H1-21
Operating Cash Flow	(7.7)	(12.0)
IPO	—	12.4
Restructuring	—	—
Interest tax & other	(1.1)	1.5
Principal elements of lease payments	(2.0)	(2.5)
Capex	(3.5)	(2.3)
Underlying unlevered free cash flow	(14.3)	(2.7)

IFRS Income Statement

(\$m)	H1-22	H1-21	(+/-) % actual	(+/-) % constant currency
Revenue	73.4	62.4	18 %	25 %
Cost of sales	(13.4)	(11.7)	15 %	23 %
Gross profit	60.0	50.8	18 %	25 %
Sales and marketing	(29.1)	(21.3)	37 %	45 %
Technology and content	(20.4)	(15.2)	34 %	46 %
General and administrative	(21.2)	(30.1)	(30) %	(24) %
Other operating income	0.5	0.4	18 %	27 %
Operating loss	(10.4)	(15.4)	(33) %	(25) %
Financial income/(expense)	1.2	(1.8)	NM	NM
Loss before tax	(9.2)	(17.3)	(47) %	(39) %
Income tax	(0.1)	0.1	NM	NM
Loss for the period	(9.2)	(17.2)	(46) %	(39) %

IFRS Balance Sheet

(\$m)	As at	
	June 30 2022	December 31 2021
Non current assets	24.5	22.8
Trade receivables	6.5	6.2
Cash and cash equivalents	73.5	93.2
Other current assets	7.8	6.9
Total assets	112.3	129.0
Trade and other payables	19.4	27.7
Contract liabilities	29.5	27.6
Other liabilities	15.0	14.2
Total equity	48.4	59.5
Total equity and liabilities	112.3	129.0

IFRS Cash Flow

(\$m)	H1-22	H1-21
Loss for the period	(9.2)	(17.2)
Adjustments to operating cash flows	5.5	9.3
Changes in net working capital	(3.2)	(2.9)
Interests received	0.0	0.0
Interests paid	(0.7)	(1.2)
Income taxes paid	(0.0)	—
Net cash flow from operating activities	(7.7)	(12.0)
Purchase of property, plant and equipment	(1.3)	(0.2)
Payments for intangible asset development	(2.1)	(2.0)
Net cash flow from investing activities	(3.5)	(2.3)
Principal elements of lease payments	(2.0)	(2.5)
Repayment of borrowings	—	(13.0)
Proceeds from share issue	1.1	71.7
Net cash flow from financing activities	(0.9)	56.2
Net cash flow for the period	(12.1)	42.0
Cash and cash equivalents, beginning of the period	93.2	50.4
Effects of exchange rate changes on cash and cash equivalents	(7.6)	(1.0)
Cash and cash equivalents at end of the period	73.5	91.4

Financial glossary

ACV Annual Contract Value

Adj. EBITDA EBITDA (earnings before interest, tax, depreciation, amortisation) adjusted to exclude share-based compensation, including associated cash settled social security costs, non-recurring transaction costs such as those related to IPO preparation and restructuring costs, which relate to one-time costs associated with a material organisational change such as severance payments.

ARR Annual recurring revenue. ARR represents the annual value of subscription contracts measured on the final day of a reporting period, and is calculated as Monthly Recurring Revenue multiplied by 12

Bookings The annual contract value of contracts signed in a given period. Nearly all are 12 months in duration but in the rare case a contract exceeds 12 months the value reported is only the 12 month equivalent

CAC Customer Acquisition Cost. Includes Sales and Marketing costs in a given period

CAC per customer Sales and Marketing Costs divided by number of new customers

Cost of sales Includes network operating costs and the costs incurred to onboard, support, retain and upsell customers

Lifetime Value $((\text{Average New Customer ACV} * \text{Gross Margin}) / \text{Gross Value Churn})$. Excludes upsell and cross-sell.

LTM Gross Dollar Retention Rate Determined by taking retention bookings divided by contracts up for renewal. Refers to US\$ amount rather than customer count and excludes up-and cross-selling (expansion) of existing customers

LTM Net Dollar Retention Rate Annual contract value of all subscription renewals in the last twelve months divided by the annual contract value of subscriptions expiring in the last twelve months. LTM Net dollar retention includes the total value of subscriptions with existing Subscribing Customers, and includes any expansion of contract value with existing Subscribing Customers through upsell, cross-sell, price expansion or winback. Twelve months of data is used as nearly all subscriptions are twelve months in duration, ensuring the appropriate alignment of renewal activities.

LTV/CAC Lifetime Value $((\text{Average New Customer ACV} * \text{Gross Margin}) / \text{Gross Value Churn}) / \text{Customer Acquisition Costs (Sales and Marketing Costs} / \# \text{ new customers)}$. Excludes upsell and cross-sell.

Net expansion Calculated as net dollar retention rate minus gross dollar retention rate

Revenue Recognised revenue, software subscriptions are amortised over the term of the contract

Operational glossary

Active domains Number of domains that have claimed their profile on Trustpilot and have received an invited review or were the subject of a TrustBox impression during the month

Claimed domains Number of domains who have claimed their profile on Trustpilot and can access features like inviting customers to write reviews, replying to reviews, and being notified whenever someone writes a review

Domains with reviews All reviewed domains (inclusive of domains subsequently removed from Trustpilot consumer site)

Google search results / impressions Number of times that a link to a Trustpilot page has been returned in response to a Google search, on any page of the search results

Reviewed domains All reviewed domains (inclusive of domains subsequently removed from Trustpilot consumer site)

Review invitations Product feature that allows Trustpilot customers to invite their customers to leave a review on their Trustpilot company page

TrustBox impressions The number of customer webpage loads with an embedded TrustBox, but the consumer does not necessarily see the TrustBox

Unprompted reviews Consumers reviewing a business without being invited or prompted to do so