



Registration Document

March 2021

This document comprises a registration document (the “**Registration Document**”) relating to Trustpilot A/S (the “**Company**”) prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the “**FCA**”) made under section 73A of the Financial Services and Markets Act 2000 (as amended), (the “**FSMA**”). The Registration Document has been filed with, and approved by, the FCA and has been made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

This Registration Document has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129, as amended (the “**EU Prospectus Regulation**”), as it forms part of retained EU law by virtue of the European Union (Withdrawal) Act 2018 (the “**Prospectus Regulation**”). The FCA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation; such approval should not be considered as an endorsement of the Company that is the subject of this Registration Document.

The directors of the Company, whose names appear on page 20 of this Registration Document (the “**Directors**”), and the Company accept responsibility for the information contained in this Registration Document. To the best of the knowledge of the Directors and the Company, the information contained in this Registration Document is in accordance with the facts and this Registration Document makes no omission likely to affect its import.

This Registration Document should be read in its entirety. See Part I: “*Risk Factors*” for a discussion of certain risks relating to the Company and its Group.



Trustpilot A/S

(incorporated in Denmark as a public limited liability company (aktieselskab) under the Danish Companies Act and registered in Denmark with the Danish Business Authority with company registration number (CVR) 30 27 65 82)

No representation or warranty, express or implied, is made and no responsibility or liability is accepted by any person other than the Company and its Directors, as to the accuracy, completeness, verification or sufficiency of the information contained herein, and nothing in this Registration Document is, or may be relied upon as, a promise or representation in this respect, as to the past or future. No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Registration Document and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company or the Directors. Without limitation, the contents of the websites of the Group do not form part of this Registration Document and information contained therein should not be relied upon by any person. The delivery of this Registration Document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Group since the date of this Registration Document or that the information contained herein is correct as of any time subsequent to its date.

This Registration Document may be combined with a securities note and summary to form a prospectus in accordance with the Prospectus Regulation Rules. A prospectus is required before an issuer can offer transferable securities to the public or request the admission of transferable securities to trading on a regulated market. However, this Registration Document, where not combined with the securities note and summary to form a prospectus, does not constitute an offer or invitation to sell or issue, or a solicitation of an offer or invitation to purchase or subscribe for, any securities in the Company in any jurisdiction, nor shall this Registration Document alone (or any part of it), or the fact of its distribution, form the basis of, or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever with respect to any offer or otherwise.

Any securities referred to in this Registration Document have not been, and will not be, registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) or with any securities regulatory authority of any state of the United States, and may not be offered or sold in the United States absent registration under the Securities Act except to qualified institutional buyers (“**QIBs**”) as defined in Rule 144A under the Securities Act (“**Rule 144A**”) or pursuant to another exemption from, or transaction not subject to, the registration requirements of the Securities Act. Any securities referred to in this Registration Document have not been and will not be registered under the applicable securities law of Australia, Canada, Japan, South Africa or the United States and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan, South Africa or the United States or to any national, resident or citizen of Australia, Canada, Japan, South Africa or the United States.

This Registration Document speaks only as of the date hereof. The definitions commencing on page 128 of this Registration Document apply throughout this entire document, including the cover page, except where the context indicates otherwise.

Important notice

The distribution of this Registration Document in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been taken or will be taken to permit the possession or distribution of this Registration Document in any jurisdiction where action for that purpose may be required or where doing so is restricted by law. In the United States, you may not distribute this Registration Document or make copies of it without the Company’s prior written consent other than to people you have retained to advise you in connection with this Registration Document, or persons reasonably believed by the Company to be QIBs. Accordingly, neither this Registration Document nor any advertisement nor any offering material may be distributed or published in any jurisdiction, other than in the United Kingdom, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Registration Document comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

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PART I

RISK FACTORS

The risk factors described below are not an exhaustive list or explanation of all risks relating to the Group. Additional risks and uncertainties relating to the Group that are not currently known to the Directors, or that the Directors currently deem to be immaterial, could also, individually or cumulatively, have a material adverse effect on the business, reputation and brand, sales, results of operations, financial condition and/or prospects of the Group.

1.1. *Trustpilot's future revenues and operating results will be impaired if it is unable to retain existing Subscribing Customers, acquire new Subscribing Customers or increase sales of new products and services to existing Subscribing Customers.*

Trustpilot's ability to increase revenue depends on its ability to retain existing business customers that subscribe for Trustpilot's paid products and services ("**Subscribing Customers**"), acquire new Subscribing Customers and sell additional products and services to existing and new Subscribing Customers. If Trustpilot does not promote and sustain its brand and platform through marketing activities and other tools, it may fail to retain existing Subscribing Customers or acquire the new Subscribing Customers required to maintain or increase Trustpilot's revenue. Trustpilot in September 2020 changed the process by which its customers (including customers who have claimed their domain on Trustpilot's platform and use Trustpilot's free services, as well as Subscribing Customers, "**Customers**") may invite consumers to provide reviews, by automating the process and linking invitations to provide reviews to sales orders. The changes to the invitation process were effected in order to reduce the ability of Customers to preselect which consumers provide reviews and thus eliminate bias in the review process and reduce the number of fake or biased reviews, and certain Customers may not agree with the changes to the process and, as a result, may leave the Trustpilot platform. Any failure by Trustpilot to retain existing Subscribing Customers and acquire new Subscribing Customers may have a material adverse effect on its business, results of operations and financial condition.

Trustpilot's Subscribing Customers have no obligation to renew their contracts after the expiration of their initial term, which generally is one year. In order for Trustpilot to maintain or improve its results of operations, it is important that Subscribing Customers renew their contracts on the same terms or terms that are more favourable to Trustpilot. Trustpilot's ability to increase revenue from contracts with existing Subscribing Customers depends on several factors, including the Subscribing Customers' experience with Trustpilot's products and services, the number of reviews generated on Trustpilot's platform and the ability of Subscribing Customers to turn consumer feedback into tangible business results, to build trust in their brand through the Trustpilot platform and their TrustScore and to leverage the Trustpilot brand through their own marketing activities. If Trustpilot is unable to develop new products and services or provide enhancements and new features to its existing products and services, its business, results of operations and financial condition could be adversely affected.

1.2. *If Trustpilot fails to maintain or increase its brand reputation for trust, or consumers post fewer or less informative reviews on Trustpilot's platform, Trustpilot's ability to expand its Customer and consumer base will be impaired and its business, results of operations and financial condition may suffer.*

Trustpilot's platform is open to businesses and consumers, and any failure to maintain a consistently high level of confidence in Trustpilot's commitment to trust and transparency, or a market perception that content on Trustpilot's platform is fake or misleading, could adversely affect Trustpilot's brand reputation and perception with businesses and consumers. Trustpilot may lose consumer confidence and consumers may provide fewer or less informative reviews on Trustpilot's platform, which would make Trustpilot's platform less attractive to businesses

and may result in Trustpilot losing existing Customers and revenue. Consumers value readily available information concerning products and services and often act on such information without further investigation and without regard to its accuracy. Trustpilot's Customers, and consumers who purchase goods and services from Trustpilot's Customers and provide reviews on such goods and services, also may provide feedback and public commentary about Trustpilot's products and services and information concerning Trustpilot's platform. This information, whether accurate or not, may be posted on social media platforms or otherwise at any time and may have an adverse impact on Trustpilot's brand reputation. Any adverse impact on Trustpilot's brand reputation for trust could lead to fewer consumer reviews being posted on Trustpilot's platform or to businesses choosing not to associate their brand with Trustpilot, which could undermine Trustpilot's efforts to retain existing Subscribing Customers or attract new Subscribing Customers. In addition, consumers may decide to post fewer or less informative reviews on Trustpilot's platform, or on public review platforms in general, for any of a number of reasons, including consumer apathy, privacy and related considerations or concerns regarding potential legal claims, including claims for defamation or commercial damage, being brought by businesses that are the subject of critical reviews. Any loss of Subscribing Customers or decrease in the number of consumer reviews posted on Trustpilot's platform could have a material adverse effect on Trustpilot's business, results of operations and financial condition.

1.3. ***Activities of Customers, partners or consumers could damage Trustpilot's reputation and brand, subject Trustpilot to potential liability and adversely affect Trustpilot's business, results of operations and financial condition.***

Trustpilot's terms of service and platform guidelines prohibit Customers and consumers from using Trustpilot's platform to engage in illegal activities or make improper use of Trustpilot's platform. Trustpilot's terms of service and platform guidelines permit Trustpilot to remove reviews or Customers from, and prohibit consumers from using, Trustpilot's platform if Trustpilot becomes aware of illegal or improper use of the platform. Customers and consumers may nonetheless engage in prohibited activities, create or promote the creation of false or misleading reviews and otherwise attempt to use Trustpilot's platform for fraudulent purposes. Furthermore, Trustpilot's reputation and brand may be negatively impacted by the actions of Customers, partners or consumers that are deemed to be hostile, offensive, inappropriate, illegal or immoral. Trustpilot monitors the appropriateness of its Customers' activities, but Trustpilot's systems and internal safeguards may not be sufficient for Trustpilot to avoid harm to its reputation and brand as a result of the actions or activities of its Customers, partners or consumers, and the conduct or activities of its Customers, partners or consumers could adversely affect Trustpilot's business, results of operations and financial condition.

In many jurisdictions, laws relating to the liability of providers of online services for activities of their Customers, consumers or other third parties are being tested by actions based on defamation, invasion of privacy, unfair competition, copyright and trademark infringement and on other bases. Any court ruling or other governmental regulation or action that imposes liability on providers of online services in connection with the activities of such customers could harm Trustpilot's reputation and brand and, as a result, its business. Trustpilot also could be subject to liability under applicable law for actions of its Customers and/or consumers, which may not be fully mitigated by Trustpilot's terms of service and platform guidelines. Any liability attributed to Trustpilot could adversely affect its reputation and brand and its ability to expand its Customer and consumer base, and, as a result, its business, results of operations or financial condition.

1.4. ***Trustpilot operates in a competitive environment and is subject to risks relating to competition that may materially adversely affect its future performance and business prospects.***

The market for consumer reviews is evolving and highly competitive. Trustpilot expects competition to increase in the future from established competitors and new market entrants, including companies that have their own internal ecosystem reviews such as Google and

Amazon. With the introduction of new technologies and new entrants into the market, Trustpilot expects competition to persist and intensify in the future. This could harm Trustpilot's ability to increase revenues, maintain or increase contract renewals and maintain or increase prices.

Consolidation activity in the technology industry could increase the likelihood that Trustpilot competes with other, potentially larger, technology companies. Certain of Trustpilot's competitors have competitive advantages such as greater name recognition, larger sales and marketing budgets and resources, greater customer support resources, lower labour and development costs, and substantially greater financial, technical and other resources.

- 1.5. ***The estimates of market opportunity and projections of market growth included in this Registration Document may not be realised. Even if the markets in which Trustpilot operates achieve projected levels of growth, Trustpilot's business could fail to grow at similar rates, or not grow at all.***

The market for consumer reviews is relatively new and will experience changes over time. Ecommerce market estimates and growth projections are uncertain and based on assumptions and estimates that may be inaccurate. The size of Trustpilot's addressable market depends on a number of factors, including the ability of its Customers to differentiate themselves through ecommerce and improve their consumers' experience, consumers' willingness and ability to pay for goods and services, technological changes, partnership opportunities, changes in the competitive landscape, data security or privacy concerns, business budgetary constraints, changes in business practices, changes in the regulatory environment and changes in general economic conditions. The estimates and projections relating to the size and expected growth of Trustpilot's addressable market may not be realised and such estimates and projections may be impacted by the economic uncertainty associated with external factors, such as the COVID-19 pandemic. Even if the markets in which Trustpilot operates meet the size estimates and growth projections set forth in this Registration Document, Trustpilot's business and revenue could fail to grow at similar rates, or at all.

- 1.6. ***The COVID-19 pandemic, or other epidemics or pandemics, could have a material adverse effect on Trustpilot's business, results of operations and financial condition.***

The COVID-19 pandemic, and the measures taken to attempt to contain and mitigate the effects of the COVID-19 pandemic, including stay-at-home, business closure and other restrictive orders, and the resulting changes in consumer behaviour, have impacted Trustpilot's operations and impacted or disrupted the operations of Trustpilot's Customers and partners and impacted the lives of consumers in general. Trustpilot expects these disruptions and impacts to continue. In response to the COVID-19 pandemic, Trustpilot has taken a number of actions that have impacted and continue to impact its business, including transitioning employees to remote work-from-home arrangements and imposing travel and related restrictions. Whilst Trustpilot believes these actions were reasonable and necessary as a result of the COVID-19 pandemic, they were disruptive to its business and could adversely impact its business and results of operations.

Given the continued spread of COVID-19 and the resulting personal, economic and governmental reactions, Trustpilot may have to take additional actions in the future that could harm its business, financial condition and results of operations. For example, prior to the COVID-19 pandemic, certain of Trustpilot's employees travelled frequently to establish and maintain relationships with its Customers and partners. Suspending travel and doing business with Customers remotely on a long-term basis could negatively impact Trustpilot's marketing and sales efforts, its ability to enter into Customer contracts, its international expansion efforts and its ability to recruit employees across the organisation. In addition, Trustpilot's management team has spent, and will likely continue to spend, significant time, attention and resources monitoring the COVID-19 pandemic and associated global economic uncertainty and managing its effects on Trustpilot's business and workforce.

The Group continues to monitor and assess developments relating to the COVID-19 pandemic and their possible impact on Trustpilot's business and results of operations. These developments include, but are not limited to, the duration, extent, and severity of the COVID-19 pandemic, restrictive measures and other actions taken to contain the COVID-19 pandemic, the impact of the COVID-19 pandemic and related restrictions on economic activity and domestic and international trade and the extent of the impact of these and other factors on Trustpilot's customers and partners and on consumers in general. The COVID-19 pandemic and related restrictions could limit the ability of Trustpilot's Customers to continue to operate, which would in turn limit the ability of such Customers to make timely payments to Trustpilot. The COVID-19 pandemic also could adversely impact Trustpilot's third-party data hosting and transmission services providers and increase vulnerability to security breaches, denial of service attacks or other hacking or phishing attacks or cause other unpredictable effects.

The COVID-19 pandemic also has caused heightened uncertainty in the global economy. If economic conditions further deteriorate, consumers may not have the financial means to make purchases from Trustpilot's Customers, and may delay or reduce discretionary purchases, reducing the number of reviews on Trustpilot's platform and negatively impacting Trustpilot's business. Uncertainty from the pandemic also may cause existing or prospective Customers to defer investment in or terminate existing contracts for products and services such as those provided by Trustpilot. Since the impact of COVID-19 is ongoing, the effect of the COVID-19 pandemic and the related impact on the economies in jurisdictions in which Trustpilot's Customers operate may not be fully reflected in Trustpilot's results of operations until future periods. If economic conditions in the markets in which Trustpilot's Customers operate worsen from present levels, Trustpilot's business, results of operations, and financial condition could be materially and adversely affected.

1.7. ***Trustpilot's business could be materially adversely affected by changes in search engine algorithms and search engine relationships.***

Trustpilot receives traffic to its websites as a result of the purchase of keywords on internet search engines as well as pay-per-click and display advertising on internet media. An increase in the price of securing such keywords and preferred placement on search pages or the price of pay-per-click and display advertising could materially increase Trustpilot's advertising and marketing expenses, which could have a material adverse effect on Trustpilot's business, results of operations and financial condition.

In addition, Trustpilot generates a proportion of activity on its websites from "free traffic" resulting from consumers clicking a non-paid results link in a Google or another search engine. If search engine providers, such as Google, change the search algorithms that determine Trustpilot's position on "free searches" in a manner that is disadvantageous to Trustpilot, Trustpilot's ability to direct traffic to its websites would be adversely affected. In addition, if Trustpilot fails to maintain its current click-through rate and its search rankings fall as a consequence thereof, levels of free traffic to Trustpilot's websites could fall. Declines in the level of traffic to Trustpilot's websites could have a material adverse effect on its business, results of operations and financial condition.

1.8. ***Trustpilot may not be able to keep pace with technological changes or to address the challenges presented by consumer or market trends, including an increasing demand for trust, and its new products and services may not achieve broad acceptance by Customers or consumers.***

The success of Trustpilot's business will depend, in part, on its ability to adapt and respond effectively to changes in technology on a timely basis to respond to consumer or market trends, including what Trustpilot perceives as increasing demand for trust as a key factor to business success. Trustpilot's success has been based on its ability to identify and anticipate the needs of its Customers as well as consumers and design a platform that provides businesses with tools

they need to improve their own businesses and customer service and provides consumers with an open and secure framework to post reviews and read reviews posted by others. Trustpilot relies on its platform for the delivery of its products and services and, as a result, is heavily reliant on the technology that supports its platform. The technologies that support Trustpilot's platform, however, are characterised by rapid change and innovation, and Trustpilot expects these technologies to continue to evolve and change rapidly. Trustpilot also may experience difficulties with software development that could delay or prevent the development, introduction or integration of new products and enhancements to its existing technology platform. If Trustpilot is unable to develop new products and services for its platform that achieve broad acceptance by its Customers and consumers, or fails to keep pace with technological and industry developments, including developments relating to security and authenticity of reviews, Trustpilot's business and results of operations could be adversely affected.

1.9. ***Any significant disruption in service on Trustpilot's platforms could damage Trustpilot's reputation and brand, which would harm its business, results of operations and financial condition.***

Trustpilot's brand, reputation and ability to attract and retain Customers to use its products and services and to attract consumers to post and read reviews depend upon the reliable performance of its systems. Interruptions in these systems, whether due to system failures, human input errors, computer viruses or physical or electronic break-ins, and denial-of-service attacks, could affect the availability of Trustpilot's products and services. If Trustpilot were to experience frequent or persistent interruptions to its systems or platform, whether due to system failures, human errors, computer viruses, electronic break-ins or denial-of-service attacks, such events could significantly curtail its ability to conduct its business, and its brand reputation could be harmed. In addition, the volume of reviews and activity on Trustpilot's platform increases on certain days and at certain times of year, due to events such as new product releases, holiday shopping seasons and flash sales, and any such interruption would be particularly problematic if it were to occur on such high-volume days or at such high-volume periods. Problems with the reliability of Trustpilot's systems could prevent it from earning revenue and could harm its reputation and brand. Damage to Trustpilot's reputation and brand and any resulting loss of Customer or consumer confidence, and the cost of remedying these problems, could adversely affect Trustpilot's business, results of operations and financial condition.

1.10. ***The Group's existing security measures may not prevent a security breach or hack.***

Substantial or ongoing security breaches on Trustpilot's systems and platform, whether instigated internally or externally, could significantly harm Trustpilot's reputation and brand and its business. Like most technology companies, Trustpilot has experienced attempted phishing, malware and denial-of-service attacks in the ordinary course of its operations. Whilst Trustpilot has not to date experienced any material security breaches, Trustpilot has incurred, and expects to continue to incur, substantial expense to protect itself against security breaches and their consequences.

Despite Trustpilot's investments in protective measures against security breaches, it is possible that computer circumvention capabilities, new discoveries or advances in technology or other developments, or Trustpilot's own acts or omissions (or acts or omissions by its technology partners), could result in an internal or external party compromising or circumventing Trustpilot's security systems and accessing Customer or consumer data or causing significant interruptions to Trustpilot's business and operations. Although Trustpilot has taken measures to protect all critical elements of its systems and data, such measures may not be successful. A loss or leak of Customer or consumer data, or a publicised breach of security at Trustpilot, could inhibit consumers' willingness to provide reviews and other information on Trustpilot's platform or inhibit Customer's willingness to provide their customers' personal data to Trustpilot or use some or all of the features of the Trustpilot platform, and therefore reduce demand for Trustpilot's

products and services, which could have a material adverse effect on Trustpilot's business, financial condition and results of operations.

1.11. ***Trustpilot depends on third-party data hosting and transmission services. Increases in costs, interruptions in service, latency or poor service from third-party data centre providers could impair the efficiency or effectiveness of Trustpilot's platform.***

Trustpilot's platform depends on third-party data hosting and transmission services provided by Amazon Web Services and Google Cloud, whose data centres are located within the European Union. Trustpilot's operations depend, in part, on these third-party providers' protection of their facilities from power or telecommunications failures, damage to the facilities from natural disasters, criminal acts or similar events and Trustpilot's operations are vulnerable to service interruptions at these third-party providers' locations and to such providers' ability to store safely and securely Trustpilot's Customer and consumer data. If any third-party services arrangement is terminated, or its service is interrupted or lapses due to unexpected events, Trustpilot would be required to expend time and effort to find alternative service providers and Trustpilot could experience interruptions or delays in access to its platform and products and services. Any damage to, or failure of, the systems of Trustpilot's third-party providers also could result in a loss of Customer and consumer data on Trustpilot's platform and Trustpilot's business could be materially adversely affected if Trustpilot's data recovery infrastructure is not sufficient to protect Trustpilot's Customer and consumer data.

A portion of Trustpilot's operating costs are from third-party data hosting and transmission services. If the costs for such services were to increase due to vendor consolidation, regulation, contract renegotiation or termination by a third-party service provider or otherwise, Trustpilot may not be able to increase the fees for its products and services to cover the increases in costs. In addition, any failure by Trustpilot to achieve or maintain sufficient data transmission capacity could significantly reduce demand for its products and services and Trustpilot also could incur additional expenses in arranging for alternative data hosting or transmission services. As a result, Trustpilot's results of operations may be adversely affected.

Trustpilot often sees increases in the number of consumer reviews on certain days or at certain times of year, due to events such as new product releases, holiday shopping seasons and flash sales. Such events can increase significantly the volume of reviews recorded on Trustpilot's platform and create additional pressure on the third-party data hosting and transmission services used by Trustpilot. Despite measures taken by Trustpilot, significant increases in volume of reviews, or other unanticipated problems, could result in interruptions on or performance degradation of its platform. If Trustpilot is unable to process any additional volume of reviews effectively, Trustpilot's business could be impacted adversely. These factors in turn could further reduce Trustpilot's revenue or cause Customers not to renew their contracts, any of which could materially adversely affect Trustpilot's business and results of operations.

1.12. ***Trustpilot relies on third-party proprietary and open source software for its platform and the inability to obtain or retain third-party licenses for such software, or obtain them on favourable terms, or any errors or failures caused by such software could adversely affect its business, results of operations and financial condition.***

Trustpilot uses open source software in its systems and will use open source software in the future. The licences applicable to Trustpilot's use of open source software may require that source code that is developed using open source software be made available to the public, and that any modifications or derivative works to certain open source software continue to be licensed under open source licences. From time to time, Trustpilot may face claims from third parties claiming infringement of their intellectual property rights, or demanding the release or licensing of the open source software or derivative works that Trustpilot developed using such software or otherwise seeking to enforce the terms of the applicable open source licence. These claims could result in litigation and could require Trustpilot to purchase a costly licence, publicly

release the affected portions of its source code or cease or limit its use of the implicated software unless and until Trustpilot can re-engineer such software to avoid infringement or change the use of, or remove, the implicated open source software. In addition to risks related to licensing requirements, use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties, indemnities or other contractual protections with respect to the software (for example, non-infringement or functionality). Trustpilot's use of open source software may also present additional security risks because the source code for open source software is publicly available, which may make it easier for hackers and other third parties to determine how to breach its systems that rely on open source software. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a material adverse effect on Trustpilot's business, results of operations and financial condition.

1.13. ***Data privacy compliance breaches or failure to protect confidential information could damage Trustpilot's reputation and brand and expose Trustpilot to litigation or other legal or regulatory actions which could substantially harm its business, results of operations and financial condition.***

Trustpilot is subject to a number of laws relating to privacy and data protection, including, in particular, the General Data Protection Regulation ("GDPR"), the Danish Data Protection Act, the United Kingdom's Data Protection Act 2018 and the EU Privacy and Electronic Communications Regulations ("PECR"). Such laws govern Trustpilot's ability to collect, use and transfer personal data, including relating to its Customers and consumers that utilise Trustpilot's products and services. In processing reviews through Trustpilot's technology platforms, Trustpilot receives and stores personal data and information. Trustpilot, therefore, is exposed to the risk that such data could be wrongfully appropriated, lost or disclosed, damaged or processed in breach of privacy or data protection laws.

While Trustpilot strives to comply with all applicable laws and regulations relating to privacy and data protection, such laws are subject to frequent evolution and, following the United Kingdom's exit from the European Union, the data collected and processed by Trustpilot will be subject to regulation by a different regulator in the United Kingdom and in the EU. It is possible that applicable privacy and data protection laws and regulations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other rules or Trustpilot's practices. That concern is particularly relevant for the GDPR, as different European Union Member State regulators may differ as to its interpretation and their approach to enforcement, and for the PECR.

Any perceived or actual failure by Trustpilot to protect confidential data or any material non-compliance with privacy or data protection or other consumer protection laws or regulations may harm its reputation and credibility, adversely affect revenue, reduce its ability to attract and retain Customers and consumers, result in litigation or other actions being brought against Trustpilot and the imposition of significant fines and, as a result, could have a material adverse effect on Trustpilot's business, results of operations, financial condition or prospects.

1.14. ***Trustpilot has experienced strong growth in revenue in recent periods, and Trustpilot's recent growth rates may not be indicative of its future growth.***

Trustpilot has experienced strong growth in revenue in recent years. Trustpilot's revenue was US\$102.0 million, US\$81.9 million and US\$64.3 million for the years ended 31 December 2020, 2019 and 2018, respectively. In future periods, Trustpilot may not be able to sustain revenue growth at levels consistent with historical periods, or at all. Trustpilot believes its revenue growth depends on a number of factors, including:

- Trustpilot's ability to attract new Customers and retain and increase sales to existing Subscribing Customers;

- Trustpilot's ability to develop its existing platform and introduce new functionality to its platform;
- Trustpilot's ability to expand into new market segments and internationally; and
- Trustpilot's ability to maintain and expand its relationships with its partners.

Trustpilot may not accomplish any of these objectives and, as a result, it is difficult to forecast Trustpilot's future revenue or revenue growth. If Trustpilot's assumptions are incorrect or change in reaction to changes in markets or market conditions, or if Trustpilot is unable to maintain consistent revenue or revenue growth, and it may be difficult to achieve and maintain profitability. Investors should not rely on Trustpilot's revenue or revenue growth in prior periods as an indication of future revenue or revenue growth.

1.15. ***Trustpilot has recorded losses in the past, and Trustpilot may experience losses in the future.***

Trustpilot incurred losses for the year of US\$12.3 million, US\$22.7 million and US\$26.0 million for the years ended 31 December 2020, 2019 and 2018, respectively. While Trustpilot has experienced significant revenue growth over recent periods, Trustpilot may not be able to sustain or increase its revenue growth in future periods. Trustpilot intends to continue to invest in sales and marketing efforts, research and development and expansion into new markets and territories. In addition, Trustpilot expects to incur significant additional legal, accounting, and other expenses related to being a listed company as compared to when it was a private company. While Trustpilot's revenue has grown in recent years, if its revenue declines or fails to grow at a rate faster than these increases in its operating expenses, Trustpilot will not be able to achieve and maintain profitability in future periods. Additionally, Trustpilot may encounter unforeseen operating or marketing expenses, and complications, delays, and other unknown factors that may result in losses in future periods. As a result, Trustpilot may continue to generate losses and may not achieve or sustain profitability in future periods.

1.16. ***Trustpilot's operations are international in scope, and Trustpilot plans further geographic expansion which may create a variety of operational challenges, and any such challenges may materially adversely affect its future performance and business prospects.***

A component of Trustpilot's growth strategy involves the further international expansion of its operations and Customer base. For the year ended 31 December 2020, Trustpilot's revenue in the United Kingdom, North America and the Rest of the World was 38.4 per cent., 27.3 per cent. and 34.3 per cent., respectively. Trustpilot currently has offices in Denmark, the United Kingdom, the United States, Australia and Germany, as well as an operational centre in Vilnius, Lithuania. Trustpilot is continuing to develop strategies to address other international markets, but such efforts may not be successful. In addition, the COVID-19 pandemic and related stay-at-home, business closure, and other restrictive orders and travel restrictions, may pose additional challenges for international expansion and may impact Trustpilot's ability to further expand geographically.

Trustpilot expects that its international activities will continue to grow over the foreseeable future as it continues to pursue opportunities in existing and new markets. This growth will require significant management attention and financial resources. Trustpilot may face difficulties in pursuing its international growth strategy, including changes in new jurisdictions political and economic conditions, difficulties in collecting accounts receivable and unexpected changes in law and regulation, and any such difficulties may adversely affect Trustpilot's business, results of operations and prospects.

- 1.17. ***Trustpilot may not be able to protect its intellectual property effectively from copying and use by others, including current or potential competitors, and Trustpilot may face claims by third parties that Trustpilot infringes their intellectual property rights.***

Trustpilot relies on a combination of trademark, copyright, confidential information trade secrets and contractual restrictions to protect its intellectual property, but the protection offered by these has its limitations. Despite Trustpilot's efforts to protect and enforce its intellectual property rights, unauthorised parties have, and may in the future, use Trustpilot's trademarks or similar trademarks, copy aspects of its website images, features, compilation and functionality or obtain and use information that Trustpilot considers as proprietary. In addition, Trustpilot's brand, trademarks or logos may be subject to potential misuse by businesses that, for example, falsely claim to have a relationship with Trustpilot, misrepresent their Trustpilot score or ratings or claim to be or be acting on behalf of Trustpilot in connection with improper or illegal activity.

Trustpilot does not have comprehensive registered protection for all of its intellectual property in all jurisdictions around the world. Trustpilot's competitors have adopted, and other competitors may adopt, service and product names similar to Trustpilot's, thereby impeding its ability to build brand identity in a given market and possibly diluting its brand and leading to brand dilution, reputational damage or consumer confusion. In addition, there could be potential trade name or trademark ownership or infringement claims brought by owners of other rights, including registered trademarks, in Trustpilot's marks or marks similar to Trustpilot's. Any such claims, brand dilution or consumer confusion related to Trustpilot's brand (including its trademarks) could damage its reputation and brand identity, and substantially harm its business, results of operations and financial condition.

- 1.18. ***Any failure to comply with current laws, rules and regulations or changes to such laws, rules and regulations and other legal uncertainties may adversely affect Trustpilot's business, results of operations and financial condition.***

Trustpilot's business, results of operations and financial condition could be adversely affected by changes in or interpretations of existing laws, rules and regulations or the promulgation of new laws, rules and regulations applicable to Trustpilot, including those relating to data protection and privacy, geo-blocking and other geographically based restrictions, general consumer protection, anti-corruption, antitrust and competition, tax, accounting standards, data security and network and information systems security. As a result, regulatory authorities could prevent or hinder Trustpilot from carrying on some or all of its activities. Any such changes or interpretations could decrease demand for Trustpilot's products and services, limit marketing methods and capabilities, increase costs or subject Trustpilot to additional liabilities, any of which could adversely affect Trustpilot's business, results of operations or financial condition.

- 1.19. ***Trustpilot may be subject to regulatory actions, which may result in significant fines or restrictions on its operations, if it is found not to be in compliance with existing or future laws, rules and regulations.***

Nearly all of Trustpilot's revenue is generated through contracts with Subscribing Customers, and consumer reviews are posted on Trustpilot's online technology platform. The growth and development of ecommerce, along with negative publicity and allegations of false or misleading information, particularly in relation to online activities in the United States, the United Kingdom and the European Union, has led to increasing regulatory scrutiny of such activities in those jurisdictions. For example, in May 2020, the UK Competition and Markets Authority (the "CMA") opened an industry investigation, considering several major websites, including Trustpilot, that display online reviews. The CMA stated that it will investigate whether these websites are taking sufficient measures to protect consumers from fake and misleading reviews. In particular, the CMA stated that it will examine how the websites have detected, investigated and responded to fake and misleading reviews during the past three years. The CMA also stated that it will look into issues such as: (i) suspicious reviews, where, for example, a single user has reviewed an

unlikely range of products or services; (ii) whether businesses are manipulating the presentation of reviews about their products and services by, for example, combining positive reviews for one product with the reviews for another; and (iii) how these websites handle reviews about products or services that the reviewer has received a payment or other incentive to review. The timing of the completion and outcome of the CMA investigation are uncertain. Trustpilot believes that the potential impacts of an unfavourable outcome could include enforcement action against Trustpilot or its Directors or a requirement that Trustpilot enter into one or more undertakings in respect of previous or ongoing activities, and could include financial redress measures. Any such undertakings could, for example, require Trustpilot to make additional investments into the detection and investigation of, or measures to help prevent and deter, fake and misleading online reviews. An unfavourable outcome also has the potential to adversely affect the reputation of Trustpilot or the online reviews industry in general.

In addition, regulators have imposed additional burdens on online businesses generally, such as requirements of greater transparency as to terms and conditions. Additional or more restrictive requirements may result in increased compliance costs for Trustpilot and/or reduced revenue. More generally, failure to comply with these and similar laws and regulations may subject Trustpilot to allegations of unfair business practices, fines or otherwise harm Trustpilot's brand and reputation. In addition, although there is a general trend towards increased consumer protection, specific laws and rules may vary between the United States, the United Kingdom, the European Union and other jurisdictions, making compliance more complex and expensive. Any such developments could have a material adverse effect on Trustpilot's business, results of operations and financial condition.

1.20. ***Trustpilot may be subject to general litigation and commercial disputes.***

As a growing company with expanding operations, Trustpilot has in the past faced and may in the future increasingly face the risk of claims, litigation and other proceedings involving intellectual property, privacy, consumer protection, defamation, libel, tax, labour and employment, commercial disputes and other matters. Trustpilot also may be associated with disputes between a Customer and a consumer, even where Trustpilot is not a party to the dispute. Trustpilot cannot predict the outcome of such proceedings, and such proceedings could have an adverse impact on Trustpilot due to legal costs incurred, diversion of management resources, reputational impact and other factors.

In January 2021, a complaint was filed in the United States District Court for the Southern District of New York against Trustpilot, Inc. and the Company. The complaint alleges that Trustpilot designed its email systems so that a reminder email about renewal of Trustpilot subscriptions would be sent from a Trustpilot.net email address and go directly to the recipient's junk email folder and that, as a result, Trustpilot customers paid for Trustpilot subscriptions that they would not have renewed had they received the reminder email. The complaint asserts causes of action for: (i) breach of an implied covenant of good faith and fair dealing; (ii) breach of contract; (iii) violation of New York General Business Law and New York General Obligations Law; (iv) violations of other state unfair business practices statutes; and (v) unjust enrichment. The complaint seeks: compensatory and/or recessionary and other damages in an amount to be determined at trial; interest from the date of loss to the date of the award and payment of final judgment; reasonable attorneys' fees; costs, expert and witness fees; and such other and further relief the Court deems appropriate and just. Each of Trustpilot, Inc. and the Company believes that it has substantive legal arguments to support its position and intends vigorously to defend the matter. At this time, it is premature to reach any conclusion regarding the probability of an unfavourable outcome or incurring material losses in this litigation, but a final adverse judgement or settlement could result in a material adverse effect on Trustpilot's business, results of operations and financial condition.

1.21. ***Evolving global internet laws, regulations and standards, privacy regulations, cross-border data transfer restrictions, and data localisation requirements may limit the use and adoption of Trustpilot's services, expose it to liability, or otherwise adversely affect its business and results of operations.***

Governmental and regulatory authorities or agencies have in the past adopted, and may in the future adopt, laws and regulations affecting the use of the internet as a commercial medium. These laws and regulations could impact taxation, content, copyrights, distribution, electronic contracts and other communications, consumer protection, and the characteristics and quality of services. Legislators and regulators may make legal and regulatory changes, or apply existing laws, in ways that require Trustpilot to incur additional costs, expose Trustpilot to unanticipated civil or criminal liability, or cause Trustpilot to change its business practices. These laws and regulations and resulting increased costs could materially and adversely affect Trustpilot's business, results of operations and financial condition.

Laws and regulations governing data privacy are constantly evolving. Many of these laws and regulations, including the GDPR and PECR, contain detailed requirements regarding collecting and processing personal information, restrict the use and storage of such information, and govern the effectiveness of consumer consent. They could restrict Trustpilot's ability to store and process personal data (in particular, Trustpilot's ability to use certain data for purposes such as marketing or advertising) and to offer certain services in certain jurisdictions. Such laws also could restrict Trustpilot's Customers' ability to run their businesses, for example, by limiting their ability to market to consumers using the internet. This in turn could reduce the demand for Trustpilot's products and services.

Such laws and regulations are often inconsistent and may be subject to amendment or re-interpretation, which may cause Trustpilot to incur significant costs and expend significant effort to ensure compliance. Trustpilot's response to these requirements globally may not meet the expectations of Trustpilot's Customers or consumers, which could reduce the demand for Trustpilot's products and services. Customers may respond to these evolving laws and regulations by asking Trustpilot to make certain privacy or data-related contractual commitments that Trustpilot is unable or unwilling to make, which could lead to the loss of current or prospective Customers.

Certain laws and regulations, like the GDPR, also include restrictions on the transfer of personal information across national borders. Because Trustpilot's products and services are accessible worldwide, certain jurisdictions may claim that Trustpilot is required to comply with laws in jurisdictions where Trustpilot does not have a local entity, office or employees. Some of these laws include strict localisation provisions that require certain data to be stored within a particular region or jurisdiction. Trustpilot relies on a globally distributed infrastructure in order to be able to provide its products and services efficiently, and consequently may not be able to meet the expectations of Customers who are located in or otherwise subject to such localisation requirements, which may reduce the demand for Trustpilot's products and services.

Any failure by Trustpilot to comply with these and additional laws or regulations could expose it to significant fines and penalties imposed by regulators, as well as legal claims by Customers or consumers. Similarly, many of these laws require Trustpilot to maintain an online privacy policy and terms of service that disclose its practices regarding the collection, processing, and disclosure of personal information. If these disclosures contain any information that a court or regulator finds to be inaccurate or inadequate, Trustpilot also could be exposed to legal or regulatory liability. Any such proceedings or violations could result in costs incurred in defence or settlement, the imposition of monetary liability or demanding injunctive relief, divert management's time and attention, increase Trustpilot's costs of doing business and adversely affect Trustpilot's brand and reputation.

- 1.22. ***The United Kingdom's withdrawal from the European Union and the terms of any future arrangements between the European Union and the United Kingdom may have a negative effect on United Kingdom, European Union and global economic conditions, financial markets and Trustpilot's business, results of operations and financial condition.***

The UK and the EU, on 24 December 2020, agreed a Trade and Cooperation Agreement, and this Agreement changes the basis of the relationship between the UK and the EU. There are a number of uncertainties in connection with the future of the UK and its relationship with the EU. Lack of clarity about such relationship or future UK laws and regulations, including financial laws and regulations, tax and free trade agreements, immigration laws and employment laws, could increase costs, depress economic activity and impair the ability of Trustpilot and its Customers to attract and retain qualified personnel. Any of these factors may have a material adverse effect on Trustpilot and Trustpilot's Customers and, as a result, Trustpilot's business, results of operations and financial condition.

- 1.23. ***General economic conditions or unexpected events may adversely affect Trustpilot's business, financial performance and results of operations.***

Trustpilot's business, results of operations and financial condition, as well as that of its Customers, depend significantly on worldwide macroeconomic conditions and their impact on consumer spending. For example, recessionary economic cycles, higher interest rates, volatile fuel and energy costs, inflation, levels of unemployment, availability and access to credit, consumer debt levels, unsettled financial markets and other economic factors that may affect consumer spending or buying habits. A reduction in consumer spending or disposable income may affect Trustpilot's Customers and could materially and adversely affect demand for products and services of Trustpilot's Customers and, as a result, the number of reviews of such products and services provided by consumers. In addition, the various market trends Trustpilot anticipates may not develop at the speed which they expect or may not develop at all. Any significantly adverse macroeconomic conditions may have a material adverse effect on Trustpilot's business, results of operations and financial condition.

- 1.24. ***Natural catastrophic events and man-made problems such as power disruptions, computer viruses, global pandemics, data security breaches and terrorism may disrupt Trustpilot's business as well as that of its Customers.***

Natural disasters and other adverse weather and climate conditions, public health crises, such as the COVID-19 pandemic, political crises, terrorist attacks, war and other political instability or other unexpected events, could disrupt Trustpilot's business and the business and operations of its Customers. Such events may also impact consumer spending. If any of these events occurs, Trustpilot's business, results of operation and financial condition and that of its Customers could be adversely affected.

- 1.25. ***Changes in tax laws or the interpretation of tax laws, rules or regulations, or the enactment of new unfavourable tax laws, rules or regulations, could increase Trustpilot's effective tax rate.***

Many of the underlying laws, rules or regulations imposing taxes and other obligations were established before the growth of the internet and ecommerce. Trustpilot cannot predict the effect of current attempts to impose taxes on commerce over the internet on its business or the businesses of its Customers. If such tax or other laws, rules or regulations were amended, or if new unfavourable laws, rules or regulations were enacted, the results could increase Trustpilot's tax obligations, prospectively or retrospectively, or subject it to interest and penalties. As a result, new or amended laws, rules or regulations may have a material adverse effect on Trustpilot's business, results of operations and financial condition.

1.26. ***Fluctuations in exchange rates may adversely affect Trustpilot's business, results of operations and financial operations.***

Trustpilot's results are presented in U.S. dollars and are thus exposed to exchange rate risk on translation of foreign currency assets and liabilities of its operations and subsidiaries outside of the United States. In addition, Trustpilot operates internationally and is exposed to exchange rate risk as it earns revenues and incurs expenses in a number of different foreign currencies. Trustpilot may be exposed to fluctuations in exchange rates that could harm its business, results of operations and financial condition.

1.27. ***Trustpilot is dependent on the continued services and performance of its senior management, the loss of any of whom could adversely affect Trustpilot's business, results of operations and financial condition.***

Trustpilot's success depends largely upon the continued services of its leadership team, whom Trustpilot relies on for strategy, marketing, sales, research and development and general and administrative functions. Trustpilot's leadership team may change in future periods as a result of the hiring or departure of executives, which could disrupt its business. Trustpilot has employment agreements with its executives or other key personnel, but such contracts do not require the executives to continue to work for Trustpilot for any specified period of time and such executives, therefore, could terminate their employment, subject to applicable notice periods, at any time. The loss of one or more of Trustpilot's executives or key employees (including any limitation on the performance of their duties or short-term or long-term absences as a result of illness) could have a material adverse effect on Trustpilot's business, results of operations and financial condition.

1.28. ***Trustpilot relies on the performance of a highly skilled team, and its ability to attract and retain qualified employees is crucial to Trustpilot's business, results of operations and future growth.***

Trustpilot's business and strategy depends on the continued services and performance of its key employees, subject matter experts and skilled personnel, particularly its technology, product and systems development and digital marketing employees, and Trustpilot's strategic objectives will require it to continue to attract and retain additional skilled personnel in the future. Any of these current or future employees may, upon giving the required notice, choose to terminate their employment with Trustpilot at any time. Trustpilot may not be able to retain the services of its key employees, the loss of whom could have a material adverse effect on Trustpilot's business, or attract additional qualified personnel in a reasonable period of time or at similar compensation levels, or at all.

Competition remains intense for well-qualified employees in certain aspects of Trustpilot's business, including technology, product and systems development and digital marketing, as well as other business and technology professionals. The specialised skills Trustpilot requires are difficult and time-consuming to acquire and, as a result, such skills can be in short supply. A lengthy period of time also may be required to hire and train replacement personnel and to train newly recruited personnel in Trustpilot's systems and business.

The inability to attract and retain a sufficient number of qualified employees, the loss of key personnel or significant increases in employee-related costs could have a material adverse effect on Trustpilot's strategy, business, results of operations and financial condition.

PART II

PRESENTATION OF INFORMATION ON THE GROUP

General

No representation or warranty, express or implied, is made and no responsibility or liability is accepted by any person other than the Company and its Directors, as to the accuracy, completeness, verification or sufficiency of the information contained herein, and nothing in this Registration Document is, or may be relied upon as, a promise or representation in this respect, as to the past or future. No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Registration Document and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company or the Directors. The delivery of this Registration Document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Group since the date of this Registration Document or that the information contained herein is correct as of any time subsequent to its date.

This Registration Document has been approved by the FCA, as competent authority under the Prospectus Regulation. The FCA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation; such approval should not be considered as an endorsement of the company that is the subject of this Registration Document. This Registration Document may be combined with a securities note and summary to form a prospectus in accordance with the Prospectus Regulation Rules. A prospectus is required before an issuer can offer transferable securities to the public or request the admission of transferable securities to trading on a regulated market. However, this Registration Document, where not combined with the securities note and summary to form a prospectus, does not constitute an offer or invitation to sell or issue, or a solicitation of an offer or invitation to purchase or subscribe for, any securities in the Company in any jurisdiction, nor shall this Registration Document alone (or any part of it), or the fact of its distribution, form the basis of, or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever with respect to any offer or otherwise.

The contents of this Registration Document are not to be construed as legal, business, financial or tax advice.

This Registration Document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Directors, any of the Company's advisers and/or any of their respective affiliates regarding the securities of the Company or the Company.

Presentation of Financial and Other Information

Historical financial information

The historical financial information of the Group as at and for the three years ended 31 December 2020, 2019 and 2018 included in Part IX: "*Historical Financial Information*" (the "**Historical Financial Information**"), has been prepared in accordance with the requirements of the Prospectus Regulation and in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("**IASB**") as adopted by the European Union ("**IFRS**"). The Historical Financial Information is presented in U.S. dollars, which is the Group's presentational currency. Except as indicated, financial information presented is to the nearest one thousand U.S. dollars. The Historical Financial Information is prepared on a going concern basis using the historical cost as modified by the revaluation for certain financial assets and liabilities.

Part IX: "*Historical Financial Information*" includes the Historical Financial Information, as well as an Accountants' Report thereon prepared by PricewaterhouseCoopers LLP.

Part IX: “*Historical Financial Information*” is set out in two parts as follows:

- Part A sets out PricewaterhouseCoopers LLP’s Accountants’ Report on the Historical Financial Information; and
- Part B sets out the Historical Financial Information and includes the accounting policies and notes, including the notes to the Historical Financial Information.

The Historical Financial Information is covered by the accountants’ report issued by PricewaterhouseCoopers LLP, located at 1 Embankment Place, London, WC2N 6RH, United Kingdom, which was prepared in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom.

None of the financial information used in this Registration Document has been audited in accordance with auditing standards generally accepted in the United States of America (“**U.S. GAAS**”) or auditing standards of the Public Company Accounting Oversight Board (United States) (“**PCAOB**”). There could be differences between the auditing standards issued by the Auditing Practices Board in the United Kingdom and those required by U.S. GAAS or the auditing standards of the PCAOB. Readers should consult their own professional advisers to gain an understanding of the financial information in Part IX: “*Historical Financial Information*” and the implications of differences between the auditing standards noted herein.

The financial information relating to the Company contained in this document does not constitute statutory accounts within the meaning of section 434(3) of the Companies Act.

Alternative Performance Measures

The Company utilises a range of alternative performance measures (“**APMs**”) to assess its performance and this Registration Document contains certain financial measures that are not defined or recognised under IFRS, including bookings, net dollar retention rate, annual recurring revenue, constant currency revenue growth, Adjusted EBITDA, Adjusted EBITDA Margin and normalised free cash flow. Trustpilot believes that these APMs provide valuable information to readers of the historical financial information and that they enable readers to, amongst other things, understand how Trustpilot’s management assesses the Group’s business, develops budgets and evaluates the performance of the Group against those budgets. See Part VII: “*Selected Financial Information*” and Part VIII: “*Operating and Financial Review*”. The APMs used in this Registration Document should not be considered superior to, or a substitute for, measures calculated in accordance with IFRS. Readers should not consider these APMs in isolation, but in conjunction with measures calculated in accordance with IFRS. APMs reported by the Group are unaudited and may not be comparable to similarly titled measures reported by other companies as those companies may define and calculate such measures differently from the Group.

Adjusted EBITDA

Trustpilot’s management measures the overall performance of the Group by reference to Adjusted EBITDA, which is a non-IFRS measure. Adjusted EBITDA is assessed by Trustpilot’s management in order to understand the earnings trends of the Group and is considered an alternative measure by which to assess the operating performance of the Group.

Trustpilot defines Adjusted EBITDA as EBITDA (earnings before interest, tax, depreciation and amortisation) adjusted to exclude non-recurring transaction costs, restructuring costs and share-based compensation, including associated social security costs. Adjusted EBITDA for the year ended 31 December 2018 has not been adjusted for capitalised software development costs and such costs were expensed as incurred in 2018. The adjustments for capitalised software development costs in 2020 and 2019 amounted to US\$3,261 thousand and US\$2,791 thousand, respectively. The following table provides a reconciliation from profit/(loss) before net financial items to Adjusted EBITDA for the years ended 31 December 2020, 2019 and 2018, and allocates the adjustments for depreciation and amortisation, non-recurring transaction costs, restructuring costs and share-based compensation, including social security

costs, amongst sales and marketing expenses, technology and content expenses and general and administrative expenses, respectively.

For the year ended 31 December 2020				
(US\$ thousands)				
	<u>Sales & Marketing</u>	<u>Tech & Content</u>	<u>General & Admin</u>	
Profit/(loss) before net financial items.....				(9,083)
Depreciation and amortisation.....	-	1,100	4,638	5,738
Non-recurring transaction costs.....	-	-	4,263	4,263
Restructuring costs.....	1,219	132	229	1,580
Share-based compensation, including associated social security costs.....	-	-	3,619	3,619 ⁽¹⁾
Adjusted EBITDA.....				6,117

(1) Share-based compensation, including associated social security costs in 2020 included a non-cash charge of US\$2,696 thousand and social security costs of US\$923 thousand.

For the year ended 31 December 2019				
(US\$ thousands)				
	<u>Sales & Marketing</u>	<u>Tech & Content</u>	<u>General & Admin</u>	
Profit/(loss) before net financial items.....				(22,959)
Depreciation and amortisation.....	-	215	3,107	3,322
Non-recurring transaction costs.....	-	-	1,074	1,074
Restructuring costs.....	-	-	-	-
Share-based compensation including associated social security costs.....	-	-	3,076	3,076
Adjusted EBITDA.....				(15,487)

For the year ended 31 December 2018				
(US\$ thousands)				
	<u>Sales & Marketing</u>	<u>Tech & Content</u>	<u>General & Admin</u>	
Profit/(loss) before net financial items.....				(25,964)
Depreciation and amortisation.....	-	92	2,676	2,768
Non-recurring transaction costs.....	-	-	1	1
Restructuring costs.....	-	-	-	-
Share-based compensation including associated social security costs.....	-	-	1,721	1,721
Adjusted EBITDA.....				(21,474)

Normalised free cash flow

Trustpilot defines normalised free cash flow as Adjusted EBITDA adjusted for changes in working capital, capital expenditure and lease payments and deposits. The following table provides a reconciliation from Adjusted EBITDA to normalised free cash flow for the years ended 31 December 2020, 2019 and 2018.

For the year ended 31 December			
	2020	2019	2018
	(US\$ millions)		
Adjusted EBITDA.....	6	(15)	(21)
Change in working capital.....	1	6	3
Capital expenditure.....	3	(3)	(0)
Lease payments and deposits.....	(4)	(4)	(4)
Normalised free cash flow.....	1	(17)	(22)
One-off cash items.....	5 ⁽¹⁾	-	-
Free cash flow.....	6	(17)	(22)

(1) Includes one-time adjustments for shifting the Group's bonus payout and payroll tax deferral (US\$5.5 million and US\$3.2 million, respectively, included in change in working capital), the London office build out (US\$(1.6) million, included in capital expenditure) and the London office deposit (US\$(1.9) million included in lease payments and deposits).

Rounding

Rounding adjustments have been made in calculating some of the financial and operating information included in this Registration Document. As a result, numerical figures shown as total amounts in some tables may not be exact arithmetic aggregations of the figures that make up such total amounts.

Currency Presentation

Unless otherwise indicated, all references in this Registration Document to “sterling”, “pounds sterling”, “GBP”, “£” or “pence” are to the lawful currency of the United Kingdom. All references to “euro” or “€” are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended. All references to “U.S. dollars”, “USD” or “US\$” are to the lawful currency of the United States. All references to “Danish Krone”, “DKK” are to the lawful currency of Denmark, Greenland and the Faroe Islands.

Constant Currency

The Group presents period-to-period comparisons of certain revenue and expense items in this Registration Document on a constant currency basis. The Group's constant currency calculations are performed by applying the monthly average exchange rates from the last month in the most recent period to all prior periods, which provides a like-for-like comparison excluding the effect of exchange rate fluctuations.

Market, Economic and Industry Data

Unless the source is otherwise stated, the market, economic and industry data in this Registration Document constitute the Directors' estimates, using underlying data from independent third parties. The Company obtained market data and certain industry forecasts used in this Registration Document from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications, including publications and data compiled by OC&C Strategy Consultants LLP (“OC&C”).

The Company confirms that all third-party data contained in this Registration Document has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third-party information has been used in this Registration Document, the source of such information has been identified. While the Company believes the third-party information included herein to be reliable, the Company has not independently verified such third-party information, and neither the Company nor any other person makes any representation or warranty as to the accuracy or completeness of such information as set forth in this Registration Document.

Information Regarding Forward-Looking Statements

Certain statements included herein may constitute forward-looking statements within the meaning of the securities laws of certain jurisdictions. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believes”, “expects”, “may”, “are expected to”, “intends”, “will”, “will continue”, “should”, “would be”, “seeks”, “anticipates” or similar expressions or the negative thereof or other variations thereof or comparable terminology. These forward-looking statements include all matters that are not historical facts. The forward looking statements appear in a number of places throughout this Registration Document and include statements regarding the Group’s intentions, beliefs or current expectations concerning, amongst other things, its results in relation to operations, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are not guarantees of future performance and the Group’s actual results of operations, financial condition and liquidity, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Registration Document. In addition, even if the Group’s results of operations, financial condition and liquidity and the development of the industry in which it operates are consistent with the forward-looking statements contained in this Registration Document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause those differences include, but are not limited to:

- a reduction in demand for the Group’s services;
- increases in operating expenses;
- a reduction in the creditworthiness and financial strength of the Group’s customers;
- the effects of potential competition in the countries in which the Group operates;
- the Group’s inability to successfully execute its growth business strategy, which depends on factors outside its control;
- foreign exchange risks;
- the effects of changes in laws and regulations;
- unforeseen liabilities for which the Group’s insurance may not provide adequate coverage;
- dependence on the Group’s ability to recruit, train, retain and motivate key employees;
- the effect of regulatory investigations, material litigation and other legal proceedings;
- violations of anti-corruption laws, sanctions and regulations;
- unpredictable changes in the relevant tax systems;
- general political and economic conditions in the jurisdictions in which the Group operates; and
- the Group’s success at managing the above factors and the other financial, business and operating risks referred to elsewhere in this Registration Document.

The sections of this Registration Document entitled Part I: “*Risk Factors*”, Part V: “*Information on the Group*” and Part VIII: “*Operating and Financial Review*” contain a more complete discussion of the factors that could affect the Group’s future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Registration Document may not occur.

These forward-looking statements speak only as of the date of this Registration Document. Subject to the requirements of the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation or applicable law, the Group explicitly disclaims any intention or obligation or undertaking publicly to release the result of any revisions to any forward-looking statements in this Registration Document that may occur due to any change in the Group's expectations or to reflect events or circumstances after the date of this Registration Document. All subsequent written and oral forward-looking statements attributable to either the Group or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Registration Document.

Definitions

Certain terms used in this Registration Document, including all capitalised terms and certain technical and other terms, are defined and explained in Part XI: "*Definitions*".

No Incorporation of Website Information

The contents of the Group's websites, any website mentioned in this Registration Document or any website directly or indirectly linked to these websites have not been verified and do not form part of this Registration Document.

PART III

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Timothy Weller (<i>Chairman</i>) Peter Holten Mühlmann (<i>Chief Executive Officer</i>) Hanno Damm (<i>Chief Financial Officer</i>) Angela Seymour-Jackson (<i>Independent Non-Executive Director</i>) Lars Andersen (<i>Non-Executive Director</i>) Mohammed Anjarwala (<i>Non-Executive Director</i>) Simon Cook (<i>Non-Executive Director</i>) Benjamin Holmes (<i>Non-Executive Director</i>) Benjamin Johnson (<i>Non-Executive Director</i>) Jeppe Zink (<i>Non-Executive Director</i>)
Registered office of the Company	Pilestraede 58, 5th Floor 1112 Copenhagen K Denmark
English and U.S. legal advisers to the Company	Gibson Dunn & Crutcher UK LLP Telephone House 2-4 Temple Avenue London EC4Y 0HB United Kingdom
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PART IV

INDUSTRY OVERVIEW

The information in this Part IV: “Industry Overview” has been provided for background purposes. The information has been extracted from a variety of sources released by public and private organisations as described in Part II: “Presentation of Information on the Group”. The information has been accurately reproduced from these sources and, as far as the Company is aware and is able to ascertain from information published by these sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. The Company believes that these industry publications, surveys and forecasts are reliable but the Company has not independently verified them and cannot guarantee their accuracy or completeness.

The projections and forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences. See Part I: “Risk Factors” and “Information regarding forward looking statements” in Part II: “Presentation of Information on the Group”.

1. Introduction

Trust is an important factor for all commerce - whether the activity is conducted offline or over the internet. Transactions require good faith between the buyer, who needs to be confident about receipt of the product or service that has been purchased, and the seller, who needs to trust that they will receive the consideration agreed between the parties.

The wide range of choices of goods and services available to consumers (both online and offline) has led consumers to increasingly require detailed information in order to make informed choices. Many consumers prefer to turn to independent sources to access information rather than go directly to businesses. According to Deloitte’s research (source: *Deloitte, the Deloitte consumer review – 2016*), family and friends and customer reviews are the most trusted sources of information on products and services for the majority of consumers in the UK. 89 per cent. of consumers in France, the UK and the United States check reviews online before making purchases (source: *Canvas8, the critical role of reviews on Internet trust – 2020*), 81 per cent. of consumers find it hard to know who or what to trust due to contradictory information (source: *Ipsos MORI – 2019, survey of 23 jurisdictions*) and 58 per cent. of consumers in the United States look at online reviews at least weekly (source: *Podium, State of Online Reviews – 2017*).

The growth in the volume of online transactions in recent periods has brought many advantages to consumers (wider product selection, greater price transparency and the convenience of online shopping), and ecommerce has taken on even greater importance as a result of the COVID-19 pandemic. Researchers, however, claim that many consumers still perceive ecommerce to be riskier than traditional, offline purchases after examining six types of perceived risk: financial; product performance; psychological; social; physical; and time (source: *“Perceived risk of online shopping – differences between the UK and China”, AIS, 2012*).

As a result, initiating, building and maintaining trust between buyers and sellers is increasingly recognised as a key challenge. Following the vision of its founder to create an independent currency of trust, Trustpilot seeks to provide a ‘trust layer’ for the open commerce ecosystem and aims to become a universal symbol of trust. As Trustpilot’s founder, Peter Holten Mühlmann, highlighted, *“trust across our societies and in a number of institutions is broken. The internet is a platform for progress, unlocking incredible collaboration and positive change yet it has also become a tool for dividing us and destroying trust, too. Rediscovering lost trust in all its guises is a defining issue of our times”*.

2. Industry Overview

Trustpilot is a leading global review platform and provides businesses with an opportunity to build trust. Given the increasing importance of trust for both consumers and businesses, the industry is growing and being reshaped, particularly in light of the recent acceleration of digitalisation and ecommerce.

Establishing trust is a key factor for business success, and Trustpilot seeks to provide a 'trust layer' for the open commerce ecosystem for a diverse range of industries (such as financial, software, telecommunications, education, retail and travel) analogous to other layers of the ecosystem, such as customer relationship management, marketing, payments and commerce infrastructure.

Trustpilot believes that the priorities of consumers when making purchases, which historically were price, selection, convenience and trust, have now shifted to putting trust, rather than price and selection, as a key priority, followed by convenience, selection and price.

3. Market Size

OC&C estimated the future, long-term market opportunity available to Trustpilot in three ways, reflecting the addressability of different segments of the market. Firstly, OC&C estimated a Current Serviceable Addressable Market ("**Current SAM**"), based on the number of addressable businesses in core industries, the current best-in-class market penetration and market conversion rates for Trustpilot and competitors (within more mature and established jurisdictions and industries), along with Trustpilot's average annual contract revenue per paying customer for core products. Secondly, OC&C estimated a Total Serviceable Addressable Market ("**Total SAM**") reflecting a theoretical, longer-term market opportunity for Trustpilot's core products within these core industries, at higher and less certain rates of penetration and conversion. Thirdly, OC&C also estimated a Total Addressable Market ("**TAM**") that includes the opportunity for Trustpilot through expanding into adjacent geographies, adjacent industries and scaling new products. The estimated TAM excludes China, given the distinct structure of the ecommerce market in China.

Approach

In order to estimate the size of the future, long-term market opportunity available to Trustpilot, OC&C (1) estimated the number of businesses, in relevant industries, that have an online presence and thus are potential customers for review platforms such as Trustpilot ("**addressable businesses**"), (2) made assumptions about the potential number of addressable businesses that could become future (free or paying) customers of review platforms such as Trustpilot ("**penetration rate**"), (3) made assumptions about the potential share of customers that could become future paying customers of review platforms such as Trustpilot ("**conversion rate**") and (4) made assumptions about the average annual contract revenue per paying customer ("**ARPC**"). These penetration rate and conversion rate assumptions are based on general market potential, and do not make any assumption about what share of this market Trustpilot could capture.

OC&C performed an analysis of markets in which Trustpilot is more established and has been operating for a longer period, specifically the UK, the United States, Denmark and the Netherlands, in order to determine the potential addressable market represented by an estimated 3.8 million addressable businesses in these four jurisdictions. In order to determine the potential addressable market in jurisdictions other than the UK, the United States, Denmark and the Netherlands, OC&C estimated the potential addressable market based on the relative size of the ecommerce transactions in the respective jurisdiction compared to the four jurisdictions studied in detail. OC&C also conducted a survey of certain of Trustpilot's existing customers, as well as customers of other review management solutions, in order to assess the size and value of the potential future, long-term market opportunity available to Trustpilot, as well as the potential spend by such surveyed customers on review management solutions such as those offered by Trustpilot.

Estimated Market Today

Based on certain assumptions as set out below, OC&C estimates that the current market for review management platforms in the UK, the United States, Denmark and the Netherlands is approximately US\$200 million. This takes into account the revenue of other review management platforms and current penetration and conversion rates. In these markets, OC&C estimated a current penetration rate of 5 per cent. of the estimated 3.8 million addressable businesses, an estimated conversion rate of 24 per cent. and an estimated market ARPC of approximately US\$4,589, based on a weighted average market share of Trustpilot and estimated competitor pricing. These estimated penetration and conversion rates, however, differ significantly by geography, with more mature markets, such as Denmark and the UK, achieving much higher penetration.

3.1 Current SAM

The Current SAM, representing a large and underpenetrated market opportunity for Trustpilot, is estimated by OC&C to be approximately US\$6.3 billion in the UK, the United States and the Rest of Europe (excluding the UK). This takes into account Trustpilot's core products, and businesses in Trustpilot's 12 core industry verticals (Retail, Finance & Insurance, Consumer Services, Automotive, Travel & Accommodation, Wholesale, B2B Services, Health, Education, Utilities & Telecom, Professional Services, IT Services). The UK, the United States, Denmark and the Netherlands are estimated by OC&C to represent approximately US\$4.4 billion of the Current SAM. OC&C has assumed a penetration rate of 48 per cent. of an estimated 3.8 million addressable businesses in these jurisdictions, a conversion rate of 38 per cent. and an ARPC of approximately US\$6,214 (based on Trustpilot data). The penetration rate (48 per cent.) and conversion rate (38 per cent.) assumptions used by OC&C in estimating the Current SAM in these four jurisdictions were based on the estimated maximum currently observable penetration rates and conversion rates achieved by Trustpilot and its competitors, within macro industry groupings, in these four jurisdictions. The assumed ARPC (approximately US\$6,214) used by OC&C was based on Trustpilot's weighted average contract revenue per paying customer, by size of customer, for core products only, in these four jurisdictions. European jurisdictions other than the UK, Denmark and the Netherlands are estimated by OC&C to represent approximately US\$1.9 billion of the Current SAM. OC&C estimated the Current SAM in these jurisdictions based on the relative size of ecommerce transactions compared to the four jurisdictions studied in detail.

The United States is estimated by OC&C to represent approximately US\$3.6 billion of the Current SAM, with an estimated 2.5 million addressable businesses. As at December 31 2020, Trustpilot had a penetration rate of 2 per cent. of these estimated 2.5 million addressable businesses, and for the year ended 31 December 2020 Trustpilot had revenue in North America of US\$27.9 million, equivalent to approximately 0.7 per cent. of the estimated Current SAM of US\$3.6 billion.

The UK is estimated by OC&C to represent approximately US\$500 million of the Current SAM, with an estimated 800,000 addressable businesses. As at 31 December 2020, Trustpilot had a penetration rate of 14 per cent. of such estimated 800,000 addressable businesses, and for the year ended 31 December 2020 Trustpilot had revenue in the UK of US\$39.2 million, equivalent to approximately 7.1 per cent. of the estimated Current SAM of US\$500 million.

The Rest of Europe (excluding the UK) is estimated by OC&C to represent approximately US\$2.2 billion of the Current SAM of approximately US\$6.3 billion, with an estimated 5.7 million addressable businesses.

3.2 Total SAM

The Total SAM, representing a future, theoretical long-term market opportunity for Trustpilot, is estimated by OC&C to be approximately US\$18.8 billion in the UK, the United States and the Rest of Europe (excluding the UK) which are Trustpilot's core target markets today. This takes into account Trustpilot's core products and Trustpilot's core industry verticals. In estimating the Total SAM of approximately US\$18.8 billion, OC&C assumed a penetration rate of 100 per cent. of an

estimated 3.8 million addressable businesses in these jurisdictions and assumed a conversion rate of 56 per cent. The Total SAM for jurisdictions in Europe (other than the UK, Denmark and the Netherlands) has been estimated by OC&C based on the relative size of ecommerce transactions in those jurisdictions compared to the four jurisdictions studied in detail.

The United States is estimated by OC&C to represent approximately US\$9.7 billion of the future, theoretical long-term Total SAM, with an estimated 2.5 million addressable businesses. The UK is estimated by OC&C to represent approximately US\$1.7 billion of the future, theoretical long-term Total SAM, with an estimated 800,000 addressable businesses. The Rest of Europe (excluding the UK) is estimated by OC&C to represent approximately US\$7.4 billion of the future, theoretical long-term Total SAM, with an estimated 5.7 million addressable businesses.

3.3 **TAM**

The future, theoretical long-term market opportunity for Trustpilot, according to OC&C, is represented by a large, underpenetrated TAM. The global TAM (excluding China) is estimated by OC&C to be approximately US\$50 billion. The future, theoretical long-term market opportunity represented by the global TAM (excluding China) of approximately US\$50 billion assumes Trustpilot and its competitors are able to penetrate additional industries which are not within its core focus today, such as construction, arts, entertainment, recreation, transport and storage, manufacturing, food and beverage services (including restaurants and bars), public administration and media. It also assumes Trustpilot and its competitors are able to penetrate additional jurisdictions and grow currently nascent products and modules, such as product and location reviews.

4. **Key market trends**

The future, long-term market opportunity represented by the SAM and the TAM figures above is underpinned by underlying structural trends, some of which are described below:

More businesses and more businesses online

The number of total new businesses registered worldwide in 2020 was estimated to be approximately 4.7 million (source: *Statista – new business registration worldwide 2020, October 2020, excluding the USA*). Likewise, businesses are increasingly moving online, with a growing online product offering, a trend that has been accelerated by the COVID-19 pandemic. The number of online businesses has increased, with 10.8 million new domain name registrations in the twelve-month period ending 30 September 2020, and the total number of domain names registered was over 370 million globally as at 30 September 2020 (source: *Verisign report “The Domain Name Industry in Brief”, Volume 17, Issue 4, November 2020*). As a result, the number of businesses with a website has increased in recent years. According to OC&C, the proportion of UK businesses with a website increased by 5 per cent., from 77.7 per cent. in 2014 to 81.8 per cent. in 2018 for companies with between 10 to 49 full-time equivalent employees (“**FTEs**”), with the percentage increasing to 95 per cent. for companies with over 50 FTEs. The combination of more businesses and a higher percentage of businesses with a website results in growth in the number of addressable businesses.

In addition, total ecommerce spend has also increased recently, accompanied by the growth of ecommerce entities and increasing online penetration globally. The growth in ecommerce is paired with decreasing delivery costs and changes in consumer behavior as larger numbers of consumers are making purchases online. Global retail ecommerce sales increased from US\$0.5 trillion in 2010 to US\$1.5 trillion by 2015, a 26 per cent. annual increase in that period. Global retail ecommerce sales are expected by eMarketer to have reached \$3.9 trillion by the end of 2020, representing a 21 per cent. CAGR since 2015 and estimated growth of 16.5 per cent. in 2020 (source: *Global eCommerce, eMarketer, June 2020*)

Increased importance of review platforms to online businesses

As a result of the increase in online penetration, underpinned by large investments in information technology, lower prices and increased online content, as well as increased digitalisation and use of smartphones, overall time spent online has been rising over recent years. More recently, due in part by measures taken in many jurisdictions in response to the global COVID-19 pandemic that required large numbers of people to work from home, time spent online has further increased. Since the start of the COVID-19 pandemic, daily minutes spent consuming online content has more than doubled, increasing from an average of 3 hours 17 minutes to an average of 6 hours 59 minutes by June 2020 (source: DoubleVerify – *Global consumer insights*, 2020).

A similar trend has happened with social media usage. The popularity of social media platforms such as Facebook, together with the creation of tailored social media platforms, such as Instagram or LinkedIn, has led to an increase in the daily minutes spent on social networks worldwide, which has risen from 90 minutes per day in 2012 to 144 minutes per day in 2019 (source: Statista – *Social media usage worldwide*, 2020).

Advertisers have been attracted to these secular trends and over recent years have gradually favoured digital advertising over more traditional marketing media. Total global spending on digital advertising has increased from US\$100 billion in 2012 to US\$194 billion in 2016, and is expected to have reached more than US\$322 billion by the end of 2020 (source: IDC – *WW New Media Market Model*, Q3 2020).

Reviews play an increasingly important role in consumer purchases, with an increasing amount of online research done by consumers before making purchasing decisions, both for online and offline purchases, with 89 per cent. of consumers in the UK, the United States and France checking online reviews before making purchases (source: *The critical role of reviews in internet trust*, Canvas8, 2020) and 58 per cent. of consumers in the United States looking at online reviews at least weekly (source: *State of Online Reviews*, Podium, 2017). The combination of increased ecommerce spend, increased number of domains and increased importance of reviews are among the drivers of growth in penetration rates.

5. Competitive landscape

Trustpilot is an open and independent platform where any consumer can review any business with a website worldwide, whether or not a Trustpilot customer. Large ecommerce platforms generally operate closed review ecosystems where consumers can post reviews to rate products or sellers only on the platform, with the main purpose of creating product feedback between their users only. While there is the ability to rate products and sellers operating on such platforms, and leave that feedback visible for other platform users, users cannot rate the platform itself nor aggregate those reviews with other reviews from customers who acquired the same product elsewhere.

Trustpilot has a consumer facing proposition whereby any consumer can view reviews or add reviews of any business with a website. This differentiates Trustpilot from review platforms that collect and aggregate reviews on behalf of business clients, but do not offer consumers the opportunity to view other customers' experiences. According to Alexa, Trustpilot is the 22nd most visited website in the UK and amongst the 350 most visited sites globally (source: *Alexa Rank as of 1 February 2021, based on internet traffic and engagement over the past 90 days*).

Trustpilot operates across a wide range of industry verticals, ranging from retail and healthcare to financials and travel, while certain other review platforms focus on a smaller number or range of industry verticals or are very location focused. Trustpilot reviews are not tied to location. Trustpilot has a global presence, with reviews generated by consumers in more than 200 countries and territories and Subscribing Customers in more than 100 countries and territories. Many other review platforms have only a local presence or a presence only in certain markets.

Trustpilot has strong market penetration and brand awareness in several markets around the world that results in increased virality. In Denmark, in January 2021 Trustpilot had a penetration rate of 41 per cent. and an Alexa Rank of 10. In the UK, in January 2021 Trustpilot had a penetration rate of 14 per cent. and

an Alexa Rank of 24. Other countries where Trustpilot has existing market penetration and brand awareness include the Netherlands, where in January 2021 Trustpilot had a penetration rate of 3 per cent. and an Alexa Rank of 37, and the United States, where in January 2021 Trustpilot has a penetration rate of 2 per cent. and an Alexa Rank of 547.

PART V

INFORMATION ON THE GROUP

This Part V: “Information on the Group” should be read in conjunction with the other information contained in this Registration Document including the financial and other information appearing in Part VIII: “Operating and Financial Review and Prospects”. Unless otherwise stated, financial information in this section has been extracted without material adjustment from Part IX: “Historical Financial Information”.

1. Overview

Trustpilot was founded in 2007 by its Chief Executive Officer, Peter Holten Mühlmann, with a vision to create an independent currency of trust. Trustpilot is a leading global review platform in an emerging and growing category. Trustpilot seeks to provide a ‘trust layer’ for the open commerce ecosystem by giving consumers confidence to purchase goods and services from a wide range of online and offline businesses across the world.

Trustpilot believes that trust has never been more important. Businesses around the world are facing increased challenges and scrutiny, and Trustpilot believes that the economies in which we all participate will thrive when there is trust between stakeholders, including businesses and consumers. Consumers are actively seeking ways to get reassurance that the businesses they transact with are trustworthy. This is the trust gap that Trustpilot seeks to fill. According to an Ipsos MORI poll in 2019 of consumers in 23 jurisdictions, 81 per cent. of consumers find it hard to know who or what to trust due to contradictory information. According to a 2017 report by Podium - State of Online Reviews, 58 per cent. of consumers in the United States look at online reviews at least once a week.

Trustpilot provides an open platform, which creates a place where businesses and consumers can gain actionable insights and collaborate. Consumers are able to share feedback, at any time, about any business with a website and review feedback left by other consumers. The platform not only facilitates better purchasing decisions, but also gives consumers the opportunity to recommend businesses, products, services and locations based on their experiences. In contrast to ‘closed’ review platforms, and in order to place trust and transparency at the centre of Trustpilot’s offering, Trustpilot prevents businesses from choosing which reviews are published on, or removed from, Trustpilot’s platform, so that all reviews can be seen by consumers, and any business can use the platform to view and respond to consumer reviews at no cost. In 2019, Trustpilot launched ‘Transparent Flagging’ as part of a larger initiative to bring more transparency to and discourage manipulation of the platform, and a number of other steps have been taken throughout 2020 in pursuit of this initiative, including keeping flagged reviews online while they are investigated. In 2021, Trustpilot published its first Transparency Report.

Businesses can use Trustpilot to actively engage with consumers that are reviewing their products and services. Any business can use Trustpilot’s basic services for free, where they can view and respond to consumer reviews. The open and collaborative nature of the Trustpilot platform differentiates Trustpilot’s offering from ‘closed’ review platforms that predominantly focus on reviews of products and services, only let consumers write reviews when the business or platform invites them to do so and/or only enable businesses to interact with consumers when they pay for that capability.

In addition to this free service, Trustpilot also provides a number of paid subscription modules for businesses, providing increasing levels of functionality and offered on a software-as-a service (“SaaS”) basis. For example, Subscribing Customers are able to showcase reviews from consumers in their own marketing materials, access actionable insights gleaned from Trustpilot’s big-data ecosystem, gain insights from Trustpilot’s proprietary data analytics software and benefit from automated review invitation capabilities. Combined, these services help businesses raise their profile, build their own trust credentials and more effectively target potential customers.

In addition, the feedback from consumer reviews and the direct engagement with consumers on the platform helps businesses improve the experience they offer customers. This self-reinforcing cycle between consumers and businesses acts as a powerful viral network effect, which has become a core

driver of Trustpilot's organic growth in recent years, with an average of 12,500 new domains added to the Trustpilot platform per month during 2020.

As at 31 December 2020, over 529,000 domains (both claimed and unclaimed, and including domains subsequently removed from the Trustpilot consumer website) had been reviewed on Trustpilot's platform, Trustpilot's platform had hosted over 120 million reviews by consumers (including reviews subsequently removed or deleted) and Trustpilot had over 19,500 Subscribing Customers from over 100 countries and territories for its SaaS products and services.

For the year ended 31 December 2020, Trustpilot recorded revenue of US\$102.0 million, an operating loss of US\$9.4 million, Adjusted EBITDA of US\$6.1 million and net cash flow from operating activities of US\$7.2 million. As at 31 December 2020, Trustpilot had net cash of US\$37.4 million.

Trustpilot believes that 'trust' increasingly is a source of differentiation for many businesses, and that this is supported by a growing consumer appetite for openness and transparency, as well as changing consumer habits and favourable market dynamics in global ecommerce. Consequently, these trends are believed to underpin Trustpilot's intention to build upon its existing strong foundations and ultimately deliver against its mission to become a universal symbol of trust.

2. History

Trustpilot was founded in 2007 by its Chief Executive Officer, Peter Holten Mühlmann, in order to create an independent currency of trust. Trustpilot provides consumers with greater insights on businesses when purchasing and provides a platform for businesses to show the quality of the products and services they provide and improve those products and services by learning through the insights they gain from consumers using the platform. In 2007, the Trustpilot platform hosted approximately 3,000 reviews. In 2008, Trustpilot raised US\$3 million in equity financing from Seed Capital and other private investors. In 2010, Trustpilot opened its first office in Aarhus, Denmark.

In 2011 and 2012, Trustpilot continued its development and raised additional equity financing from Seed Capital and other venture capital investors, including Index Ventures and Northzone. In 2012, Trustpilot began its international expansion and, in 2013, Trustpilot opened offices in New York and London.

In 2013, Trustpilot was named Danish start-up of the year by NextWeb, and Peter Holten Mühlmann was named Danish entrepreneur of the year by Ernst & Young.

In 2014, Trustpilot continued its expansion in the United States and raised an additional US\$25 million in equity financing to support that expansion. There were 11 million reviews submitted to Trustpilot's platform by the end of that year.

In 2015, Trustpilot continued its international expansion and opened offices in Berlin and Melbourne. Trustpilot also raised an additional US\$73.5 million in equity financing led by Vitruvian Partners. Also in 2015, Trustpilot became an official partner of Google and Trustpilot launched a product reviews capability giving businesses the ability to gather reviews on specific products, in addition to their service overall.

In 2016, Trustpilot opened its Denver office and Trustpilot's platform had received over 26 million reviews by the end of that year.

In 2017, Trustpilot opened its Technology Development Centre in Vilnius, Lithuania focusing primarily on ecommerce integrations, its account management platform and investment in its compliance and integrity operation. In 2017, Trustpilot achieved approximately US\$57 million in annual recurring revenue.

In 2018, Trustpilot's business continued to expand, and the Trustpilot platform hosted over 57 million reviews. Trustpilot's annual recurring revenue increased to approximately US\$71 million by the end of the year.

In 2019, Trustpilot raised an additional US\$55 million in equity financing, and the financing was led by Sunley House Capital Management, an affiliate of global private equity firm Advent International, with

participation from existing shareholders Vitruvian Partners, Draper Esprit, Index Ventures, Northzone and Seed Capital. In that same year, annual recurring revenue reached approximately US\$94 million, and Trustpilot's platform had more than 82 million reviews. Trustpilot also launched its Review Insights product giving businesses the ability to analyse review sentiment and better understand consumer feedback.

In 2020, Trustpilot achieved annual recurring revenue in excess of US\$100 million for the first time, reaching annual recurring revenue of approximately US\$119 million by the end of the year, and its platform had hosted more than 120 million reviews as at 31 December 2020. Trustpilot also opened a research and development hub in Edinburgh, focused on innovation in the area of data science and consumer trust online, receiving a grant of up to £1.8 million from Scottish Enterprise.

3. Competitive Strengths

3.1. *Large, attractive and growing global market opportunity*

Businesses across a wide range of industry sectors, including those operating online and offline, must not only be able to anticipate changing consumer trends and preferences, but must deliver consistent, high quality experiences to consumers in order to gain and maintain their trust. Establishing consumer trust is a key factor for business success, and Trustpilot believes that consumer reviews are one way businesses can establish trust. According to a Canvas8 report released in 2020, 89 per cent. of consumers in France, the UK and the United States checked reviews online before making purchases. As commerce increasingly moves online, businesses are expected increasingly to seek to establish trust online. The adoption of retail ecommerce is accelerating around the world. According to an *eMarketer.com* report in May 2019, retail ecommerce was approximately 14.1 per cent. of all global retail spending, or US\$3.5 trillion, in 2019 and is forecast to amount to approximately 22.0 per cent. of all global retail spending, or US\$6.5 trillion, by 2023. As at 31 December 2020, over 529,000 domains (claimed and unclaimed, and including domains subsequently removed from the Trustpilot consumer website) across a wide range of industry sectors, including financial services, home and garden, shopping and fashion, business services, electronics and technology, beauty, travel and healthcare, had been reviewed by consumers on Trustpilot's platform, and, in December 2020, Trustpilot had over 62,000 active domains (which are domains that received an invited review or were the subject of a TrustBox impression during the month) on its platform. As at 31 December 2020, Trustpilot had over 19,500 Subscribing Customers from over 100 countries and territories. The future, theoretical long-term opportunity available to Trustpilot is represented by a large, underpenetrated Total Addressable Market ("**TAM**"). The global TAM (excluding China) is estimated by OC&C to be approximately US\$50 billion. The future, theoretical long-term opportunity available to Trustpilot in its 'core' markets of the UK, the United States and the Rest of Europe (excluding the UK), is a large, underpenetrated Total Serviceable Addressable Market ("**Total SAM**") of an estimated 8.9 million businesses which is estimated by OC&C to be approximately US\$18.8 billion. The Total SAM takes into account Trustpilot's core products, and businesses in Trustpilot's 12 core industry verticals (Retail, Finance & Insurance, Consumer Services, Automotive, Travel & Accommodation, Wholesale, B2B Services, Health, Education, Utilities & Telecom, Professional Services, IT Services). Based on the estimated maximum currently observable penetration rates and conversion rates achieved by Trustpilot and its competitors in four key jurisdictions, the Current Serviceable Addressable Market ("**Current SAM**"), representing a large and underpenetrated market opportunity for Trustpilot, is estimated by OC&C to be approximately US\$6.3 billion in the UK, the United States and the Rest of Europe (excluding the UK). See Part IV: "*Industry Overview*".

3.2. *A leading open platform, creating trust and consumer insights on a global scale*

Trustpilot is a leading global open online review platform, and, as at 31 December 2020, over 529,000 domains (claimed and unclaimed, and including domains subsequently removed from the Trustpilot consumer website) had been reviewed by consumers on Trustpilot's platform and Trustpilot's platform had hosted more than 120 million reviews (including reviews subsequently removed or deleted). Trustpilot's platform as at 31 December 2020 had hosted reviews of

businesses located in over 100 countries and territories worldwide, submitted by consumers in over 200 countries and territories worldwide. Trustpilot's platform is open to all, independent and transparent, and Trustpilot seeks to provide a 'trust layer' for the open commerce ecosystem, which includes other 'layers' such as marketing, customer relationship management, payment and ecommerce infrastructure. Trustpilot's platform hosts reviews of a diverse range of online and offline businesses covering a wide range of industry sectors. The number of domains on Trustpilot's platform is higher than similar numbers for closed review platforms. According to Datanyze Universe (February 2021), Yotpo's hosted 22,099 domains, Reviews.io hosted 4,349 domains and Feefo hosted 3,664 domains. As of 1 February 2021, Trustpilot's global Alexa Rank was 301, compared to global Alexa Ranks of 6,227, 7,907 and 66,018, for Yotpo, Bazzrvoice and Feefo, respectively. Trustpilot believes that content integrity is crucial to its mission to be a universal symbol of trust. Reviews on Trustpilot's platform are uncensored, due to its open nature, and any business or consumer can flag a review they believe to violate Trustpilot's guidelines (e.g., fake, harmful or illegal content). Flagged reviews remain on Trustpilot's platform while they are investigated to see whether the reviews are in accordance with Trustpilot's terms of service and platform guidelines, which Trustpilot believes increases trust in its platform.

3.3. ***Strong network effects and high barriers to entry provide opportunity for market leadership***

Trustpilot operates a global platform, and its global Alexa Rank of 301 as of 1 February 2021 placed Trustpilot in the top 0.0001 per cent. of websites most visited worldwide. Trustpilot's consumer brand awareness benefits businesses with reviews on Trustpilot's platform, and the volume of reviews on Trustpilot's platform reinforces consumers' confidence in the reviews and leads more businesses to claim their domain on Trustpilot. An increase in the number of businesses that claim their domain on Trustpilot's platform in turn leads to increased consumer awareness of Trustpilot and its brand. During the year ended 31 December 2020, 63 per cent. of domains that became Trustpilot Customers during the year had reviews on Trustpilot's platform before becoming a Customer.

Trustpilot has experienced strong growth on its platform, and the total number of reviews that have been hosted on Trustpilot's platform (including reviews subsequently removed or deleted) increased from more than 17 million as at 31 December 2015 to more than 120 million as at 31 December 2020, and the total number of domains (claimed and unclaimed, and including domains subsequently removed from the Trustpilot consumer website) that had been reviewed on Trustpilot's platform increased from approximately 74,500 as at 31 December 2013 to over 529,000 as at 31 December 2020. In December 2020, Trustpilot's platform had more than 6.9 billion TrustBox impressions (a visit to a Customer webpage with an embedded TrustBox) and more than 1.1 billion Google search impressions (where a link to a Trustpilot webpage is returned in response to a Google search). In December 2020, Trustpilot had more than 62,000 active domains, which are domains that received an invited review or were the subject of a TrustBox impression during the month. The increased levels of activity on Trustpilot's platform serve to expand the awareness and reach of the Trustpilot brand, and when active domains showcase their Trustpilot rating or the Trustpilot logo on their own websites or in their own marketing materials, whether in print, public space, online or television advertising, they amplify the Trustpilot brand without requiring any marketing expenditure by Trustpilot.

3.4. ***Best-in-class technology and big data ecosystem delivering high impact Customer intelligence and insight***

Trustpilot's technology platform provides consumers and businesses with an online platform where they can collaborate, gain actionable intelligence and insights. Trustpilot's technology platform underpins its business performance and allows Trustpilot to improve the experience of consumers that interact with the platform, provide customer data analytics that provide actionable insights to businesses and help ensure the integrity of content on Trustpilot's platform. Trustpilot's cloud-based data architecture is built on scalable and sustainable foundations that host multiple SaaS-based products for businesses, providing Trustpilot with large volumes of data from multiple

sources. Through Trustpilot's big data ecosystem of 122 terabytes of data, data is made available to Subscribing Customers in the form of actionable insights that help Subscribing Customers assess their own performance and improve and develop their products and services.

The Trustpilot platform is underpinned by best-in-class technology and tools which optimise consumer engagement, data processing and data analytics. Trustpilot's technology platform is highly scalable, and its data processing architecture allowed Trustpilot to process 1,800 terabytes of data per month as of December 2020 from multiple sources and to deliver actionable insights to Subscribing Customers. These insights, in turn, enable Subscribing Customers to respond to consumer reviews and improve the experiences of consumers. Trustpilot's technology platform, through the application of machine learning and artificial intelligence ("AI"), also helps Trustpilot improve its fraud detection and maintain the integrity of the content on the platform. The integrity of the data on Trustpilot's platform, in turn, enhances consumer trust in the platform and leads to greater consumer engagement, providing more data and leading to further actionable insights provided to Trustpilot's Subscribing Customers.

3.5. *High growth and recurring SaaS revenues with attractive unit economics*

Trustpilot has established a leading, trusted and open platform for online reviews. This platform, and the fast expanding big-data ecosystem that underpins it, enables Trustpilot to offer SaaS-based applications and services that provide high-value intelligence and capabilities to its Customers. Through utilising the Trustpilot platform, Customers are able to engage with consumers and gain considerable insight from their reviews. Learning from genuine consumer experiences, both positive and negative, helps Trustpilot's Customers to build a trusted brand over time, and to integrate their Trustpilot score as a part of a trust-based marketing strategy.

Trustpilot's platform is scalable, and Trustpilot has experienced growth in the number of reviews and reviewed domains, total bookings, total revenues and gross margins in recent years. The total number of consumer reviews hosted on Trustpilot's platform increased from approximately 57 million as at 31 December 2018 to approximately 120 million as at 31 December 2020 (including reviews subsequently removed or deleted), and the total number of domains (claimed and unclaimed, and including domains subsequently removed from the Trustpilot consumer website) that had been reviewed on Trustpilot's platform increased from approximately 281,000 as at 31 December 2018 to over 529,000 as at 31 December 2020. Trustpilot has a flexible, modular subscription model where businesses can use Trustpilot's basic services for free and can subscribe to and pay for additional services on Trustpilot's platform. As at 31 December 2020, Trustpilot had over 19,500 Subscribing Customers, with an average contract value of approximately US\$5,600, and had annual recurring revenue of approximately US\$119 million.

Trustpilot believes that bookings in any given period are a leading indicator of revenue in subsequent periods, and Trustpilot had bookings of US\$75.2 million, US\$95.6 million and US\$113.2 million for the years ended 31 December 2018, 2019 and 2020, respectively, while total revenues were US\$64.3 million, US\$81.9 million and US\$102.0 million for the years ended 31 December 2018, 2019 and 2020, respectively. Trustpilot's gross margins (inclusive of the cost to onboard, support, retain and upsell its Subscribing Customers) were 78.0 per cent., 80.9 per cent. and 82.3 per cent. for the years ended 31 December 2018, 2019 and 2020, respectively, and Trustpilot recorded Adjusted EBITDA of US\$6.1 million for the year ended 31 December 2020.

3.6. *Multiple avenues for long-term growth*

With its leadership position across several key markets, Trustpilot believes it has multiple avenues to drive long-term growth in its business including: a product led go-to-market strategy; retaining and growing revenue from existing Customers; entering new markets; developing new products and services; and making selective acquisitions.

3.7. ***Founder-led team and purpose-driven culture empower high-quality execution***

Trustpilot's founder, Peter Holten Mühlmann, is Trustpilot's Chief Executive Officer and has been with Trustpilot since its inception in 2007. Mr. Mühlmann is supported by a highly experienced executive team that includes Hanno Damm, Chief Financial Officer, Tim Hilpert, Chief Operating Officer, Carolyn Jameson, Chief Trust Officer, Stephen Garland, Chief Technology and Product Officer, Steve Marritt, Chief Commercial Officer and Donna Murray Vilhelmsen, Chief People Officer. Trustpilot, as at 31 December 2020, had 669 employees (41 per cent. of whom were female, including 38 per cent. female senior management), representing 47 nationalities and with an average age of 33, and Trustpilot's key purpose is to try to solve the problem of trust in the online economy. Trustpilot believes that its purpose-driven culture is a key driver behind high-quality business execution for the benefit of all its stakeholders, including its owners and employees, as well as consumers.

4. **Growth Strategy**

Trustpilot's mission is to become a universal symbol of trust to businesses and consumers. In order to achieve its mission and to grow its business in future periods, Trustpilot has the following strategic objectives.

4.1. ***Product-led go to market strategy***

Trustpilot intends to further develop the automation of its sales processes in order to increase the number of Subscribing Customers and reduce customer acquisition costs. Trustpilot also intends to invest to improve the consumer engagement experience.

4.2. ***Retain and grow revenue from Subscribing Customers***

In order to increase revenue generated from its Subscribing Customers, Trustpilot intends to leverage its modular pricing model to upsell additional products and services and to cross sell products and services to additional domains owned or controlled by Subscribing Customers or their affiliates.

4.3. ***Enter new markets and new industries***

Trustpilot intends to use data-backed insights to enter into new industry and product sectors, as well as new geographic regions, and to utilise its brand recognition with consumers and businesses to take advantage of opportunities in these new markets and geographies.

4.4. ***New products and services***

Trustpilot intends to continue to develop its capabilities in machine learning and AI in order to generate better data processing and analytics and to improve the experience of consumers and Customers.

4.5. ***Grow by selective acquisitions***

Trustpilot may seek to accelerate its growth by pursuing the selective acquisitions of, or forming joint ventures or other partnerships with, companies in certain defined sectors. Trustpilot evaluates acquisition opportunities from time to time, but currently is not pursuing any particular acquisition or joint venture.

5. **Trustpilot's Platform**

Trustpilot is an open platform which facilitates a collaborative and mutually reinforcing relationship between consumers and businesses. Trustpilot's platform enables consumers to leave feedback and rate businesses and services, using a 1 to 5 rating system, and gain insight from other consumers to make

informed choices, while providing businesses with an opportunity to listen to feedback and improve their product offering and services, building their trust credentials over time.

For each business reviewed on the platform, Trustpilot creates a 'TrustScore', which is an overall measurement of reviewer satisfaction based on all consumer reviews a business receives on Trustpilot. The TrustScore is represented numerically from 1 to 5, and each time a new review is posted and a reviewer rates a business, service or location, the overall TrustScore is recalculated, based on a formula that considers three factors: time span; frequency; and Bayesian average. Trustpilot gives the most recent reviews the most weight in calculating the TrustScore, as Trustpilot believes new reviews provide more insight into current customer satisfaction. As Trustpilot gives the most recent reviews the most weight, the more frequently reviews are collected the more stable is the TrustScore. Trustpilot uses a Bayesian average in calculating a business' TrustScore in order to ensure that businesses with few reviews start with a balanced TrustScore, and Trustpilot automatically includes the value of seven reviews worth 3.5 stars each in all TrustScore calculations. As a business receives more reviews, the value of the seven reviews worth 3.5 stars each becomes a smaller factor in the TrustScore calculation. The TrustScore is visualised into a star rating of 1 to 5 stars, including half stars, with star ratings rounded using mathematical rounding rules to the nearest half star.

5.1. ***Consumer platform***

Trustpilot's platform enables consumers to review and research businesses as part of their purchasing decision. Consumers can search for reviews on any business by category, and any business with a website, whether operating online or offline, can receive a review. When a consumer finds the business they are looking for, they are able to find additional detail on the business' profile page on Trustpilot. Consumers also can rate the business, leave a review, add photos, ask questions and receive answers. If consumers choose to do so, they can also share all this information through social media channels.

In turn, any business can receive feedback from consumers, and improve their product offering or service experience as a direct result of that feedback with the help of actionable insights derived from Trustpilot's data analytics capabilities. Businesses that subscribe to Trustpilot's platform also can subscribe for access to a range of SaaS services, including: inviting consumers to leave reviews and collecting reviews; showcasing ratings through Trustpilot widgets; and including reviews within their own marketing materials. There are three principal benefits to receiving consumer feedback:

- ***Getting to know the consumers:*** Businesses can collect consumer reviews through (1) organic, unprompted reviews left by consumers or (2) invited, automated customised invitations that are sent either directly through the Trustpilot platform or through third-party integration partners. Businesses also can interact with consumers and ask and answer questions through the Trustpilot platform.
- ***Improving the business:*** Trustpilot shares data and insights extracted from consumer reviews in a customised portal that helps businesses manage their Google search rankings and review machine-learning based sentiment analysis providing product and service feedback.
- ***Growing the business:*** Businesses can benefit by associating themselves with Trustpilot's brand, particularly in markets where Trustpilot is more established and where consumer awareness of Trustpilot is higher. Trustpilot believes that its brand provides confidence to consumers and thus assists businesses in their own marketing. Trustpilot also provides business applications that can be used to drive advocacy in social media marketing.

Trustpilot has demonstrated that its products and services can help businesses reduce their customer acquisition costs, increase customer long-term value, improve their product and service offering and help enhance their brand reputation. For example, businesses that subscribe to

Trustpilot's platform have experienced increases in referral traffic to their websites, increased on-site conversion and reduced their costs of customer acquisition.

Trustpilot has a medium-term product development programme that includes a new suite of consumer tools, including a consumer mobile app and additional verification and personalisation. Trustpilot believes that these new consumer tools, when developed and released, will enhance the current SaaS service offering and increase the Trustpilot platform's success. Trustpilot believes that its product development programme and increased consumer engagement efforts will provide Trustpilot with opportunities to attract new consumers to the platform and increase consumer advocacy. The more consumers and businesses that Trustpilot has on its platform, the value of the platform improves, the analysis of increasing amounts of data helps to improve the insights Trustpilot offers to businesses and consumers and the ability of Trustpilot to identify anomalous and illegitimate behaviour that could undermine the integrity of the content on the Trustpilot platform is enhanced.

5.2. ***Trust & transparency platform***

Trustpilot's trust & transparency platform provides services and applications necessary to preserve the integrity of reviews on the Trustpilot platform:

- **Consumer:** Detection and identification of consumers misusing the Trustpilot platform through reporting flows and content integrity team workflows, alongside rules based and machine-learning models, and automation.
- **Business:** Detection and identification of businesses misusing the Trustpilot platform through reporting flows and content integrity and enforcement workflows, alongside rules based and machine-learning models, and automation. In 2020, Trustpilot removed over 2.2 million reviews from its platform that it considered to be fake or fraudulent, approximately 70 per cent. of which were removed automatically using Trustpilot's automated fraud detection capabilities.
- **Platform services:** The platform provides machine-learning capabilities (training, re-training, deployment, monitoring, experimentation), allowing Trustpilot to respond to alerts, with near real time detection and filtering of fake or fraudulent reviews.

5.3. ***Internal business systems***

Trustpilot's internal business systems provide services ranging from the identification of potential sales opportunities through to entering into agreements for paid services, including the onboarding of new Customers to the Trustpilot platform, upselling additional SaaS services to existing Customers and renewing and supporting existing Customers.

5.4. ***Data & analytics***

Trustpilot's data and analytics services utilise modern data technologies and data science to provide data engineering capabilities, such as data replication, modelling and analytics. These capabilities are utilised to deliver internal and external data insights, data asset management, predictive analytics and machine-learning. This is particularly important in the context of preserving content integrity on the Trustpilot platform, where data analysis is used to determine typical behavioural patterns, and anomalous behaviour may trigger investigative work undertaken by Trustpilot's fraud analysts and investigators.

5.5. ***Internal and external Application Programming Interfaces ("APIs")***

Trustpilot's platform is implemented as a set of APIs that both internal and external developers can leverage and combine in order to build solutions. Trustpilot has developed an API layer that can be used to fully integrate with a Customer's workflows and business processes. Trustpilot

provides both a public API as well as a Customer API. The public API provides access to the same content available to the public through the Trustpilot platform. The Customer API provides access to features of Trustpilot's platform that are available only to business users.

6. Trust and Transparency

In order for Trustpilot to achieve its mission to create a universal symbol of trust, it must be able to ensure that the content displayed to consumers and businesses on the Trustpilot platform is reliable. As consumers increasingly utilise reviews as a source of information, the value in using reviews to manipulate consumers increases, and accordingly ensuring the reliability of reviews and other content on Trustpilot's platform is a constantly evolving challenge.

In 2019, Trustpilot launched Trustpilot 'Transparent Flagging', which provides consumers with an opportunity to view how often businesses flag reviews and understand what happens to the reviews while they are being investigated. Trustpilot Transparent Flagging is part of a larger initiative to bring more transparency to and discourage manipulation of the platform, and a number of other steps have been taken throughout 2020 in pursuit of this initiative. In 2020, more than 500,000 reviews were flagged, approximately 85 per cent. of which were flagged by businesses. 1-star reviews accounted for approximately 82 per cent. of the reviews flagged by businesses.

Trustpilot's business transparency pages, which Trustpilot believes are an evolving, industry-first initiative, provide an overview of how a business has used the Trustpilot platform during the preceding 12 months. The business transparency pages provide information about a business on Trustpilot's platform, including how long a business has been a Trustpilot Customer, whether or not the business pays to access additional Trustpilot products and services, the sources of reviews, star distribution by review source and how many reviews a business has flagged, providing increased transparency for consumers. Since July 2020, more than 180,000 business transparency pages on Trustpilot's platform have, on average, been viewed per month.

Trustpilot also updated the labelling of reviews to further explain to consumers how a review has been collected by a business. This included a requirement for businesses to use Trustpilot automated invitation methods to collect reviews, in order to improve consistency in the ways that reviews are collected and enhance Trustpilot's ability to detect any misuse of the platform. Trustpilot also prohibits the collection of reviews on its platform that involve the use of an incentive such as a discount, voucher or financial reward.

Trustpilot also reviewed and improved existing methods used by businesses and consumers to flag suspicious reviews, in order to create efficiency in managing illegal and harmful content. Further, Trustpilot expanded existing automated and manual methods for detecting fake reviews to include pattern and behavioural based cluster analysis to detect fake or fraudulent reviews and identify those who post such fake or fraudulent reviews. The automated technology is combined with a data science designed model for identifying anomalous and unusual review patterns to give actionable insight into misbehaviour on Trustpilot's platform. Trustpilot also had, as of 31 December 2020, a team of approximately 70 people, including agents, investigators, lawyers, technology experts and communications and training specialists, supporting Trustpilot's focus on trust and transparency. Trustpilot in 2020 removed over 2.2 million fake or fraudulent reviews from its platform, approximately 70 per cent. of which were removed automatically using Trustpilot's automated fraud detection capabilities. Over 50 per cent. of the fake or fraudulent reviews that were removed in 2020 were either 5-star or 4-star reviews.

Where continued misbehaviour is detected, Trustpilot applies penalties to the business which include terminating a paid subscription, displaying a prominent consumer warning on an offending business's profile on the Trustpilot platform, and restricting the business's ability to collect reviews through Trustpilot's platform or display the Trustpilot brand on its own domain webpage. In addition, Trustpilot will no longer share reviews of business with search engines if that business is deemed to have violated

Trustpilot's terms of service and platform guidelines, which impacts an offending business's visibility and prominence in search results.

In addition, in recent periods, Trustpilot has taken increasing measures to remove businesses, or not accept businesses as Customers, where it deems those businesses are not suitable for its platform (for example, because they promote hatred or facilitate criminal activities). This includes displaying consumer warnings on profiles, removing profiles that offer illegal or harmful services and preventing Trustpilot's sales teams from communicating with such businesses.

Prior to November 2020, a review on Trustpilot's platform that had been flagged by a business was temporarily hidden while Trustpilot investigated the review, but all flagged reviews now will remain on Trustpilot's platform during any investigation, with the exception of reviews containing potentially harmful or illegal content.

7. Go-to Market

Trustpilot seeks to be a thought leader in trust, helping to define the category and provide the 'trust layer' of the ecommerce ecosystem. Trustpilot intends to utilise that thought leadership in winning and retaining Customers. Trustpilot's Customer base consists of small, medium-sized and large businesses across a diverse range of industry verticals. Trustpilot go-to-market strategy includes a combination of organic engagement with Trustpilot's platform, whether through customer reviews or Trustpilot products, such as TrustBoxes, direct sales and marketing efforts, partner referrals and sales and other forms of engagement. Trustpilot's sales and marketing efforts benefit from a viral network effect of more consumer reviews leading to more businesses becoming aware of, and claiming their domain on, Trustpilot's platform, which in turn leads to more consumer reviews. Trustpilot increasingly is utilising a product-led marketing strategy and using automated sales processes, particularly in respect of small and medium-sized Customers.

7.1. Diversified Customer base

Trustpilot's Customers range from small businesses to large enterprises, and as at 31 December 2020 over 529,000 domains (claimed and unclaimed, and including domains subsequently removed from the Trustpilot consumer website) had been reviewed on Trustpilot's platform and over 407,000 domains had claimed their domain on Trustpilot. As at 31 December 2020, Trustpilot had over 19,500 Subscribing Customers accounting for over 26,000 paying domains, and Trustpilot's Subscribing Customer base was diversified in terms of industry vertical, geographic region and size. As at 31 December 2020, 37 per cent., 20 per cent. and 42 per cent. of Trustpilot's Subscribing Customers were located in the UK, North America and the Rest of the World, respectively, and no single industry vertical accounted for more than 13 per cent. of Subscribing Customers. As at 31 December 2020, approximately 8 per cent. of Subscribing Customers with identifiable revenue (representing 89 per cent. of total Subscribing Customers) were businesses with annual revenue in excess of US\$50 million, while approximately 49 per cent. of Subscribing Customers with identifiable revenue (representing 89 per cent. of total Subscribing Customers) were businesses with annual revenue of less than US\$700,000. Trustpilot's revenue base is equally diversified. For the year ended 31 December 2020, 38.4 per cent., 27.3 per cent. and 34.3 per cent. of Trustpilot's revenue was generated by Subscribing Customers located in the UK, North America and the Rest of the World, respectively, no single industry vertical accounted for more than 17 per cent. of Trustpilot's revenue and approximately 17 per cent. and 40 per cent. of Trustpilot's revenue, respectively, was attributable to Subscribing Customers (with identifiable revenue, representing 89 per cent. of total Subscribing Customers) with annual revenue in excess of US\$50 million and with annual revenue of less than US\$700,000. For the year ended 31 December 2020, Trustpilot's ten largest Subscribing Customers, in terms of annual contract value, accounted for approximately 1 per cent. of Trustpilot's annual contract value.

7.2. Product-led strategy

Trustpilot in 2020 accelerated the shift to product-led Customer acquisition, which included initiatives to increase awareness of its products and services among prospective Customers and

automating the Customer onboarding processes, particularly for smaller businesses. Trustpilot's proprietary intelligence platform, *Trustlytics*, which was launched in March 2020, is an important component of Trustpilot's go-to-market strategy, utilising data available from Trustpilot's big data ecosystem to help create marketing content and prepare Customer segmentation and other analyses. Approximately 50 per cent. of new business contracts and contract renewals signed since March 2020 have involved the use of the *Trustlytics* intelligence platform. The shift to product-led Customer acquisition also has enabled Trustpilot to realise efficiencies in its sales and marketing activities, and Trustpilot has reduced the number of sales and marketing personnel from 360 employees as at 31 December 2019 to 243 employees as at 31 December 2020, with over half of the reduction in sales and marketing personnel taking place in the United States.

7.3. **Product, Services and Pricing**

Trustpilot offers modular pricing plans for its SaaS services to businesses as part of its increasingly product-led go-to-market strategy in order to drive Customer acquisition and offer solutions to meet business needs. Any business can use Trustpilot's basic services for free, under Trustpilot's *Freemium* pricing model. The *Free* services provide the business with access to their business profile page, the ability to invite consumers to provide reviews and to respond to reviews, and the ability to showcase the number of reviews on the Customers' websites using a TrustBox that redirect consumers to the Customer's profile on Trustpilot's platform. As of 31 December 2020, Trustpilot had approximately 36,400 active domains that used the *Free* service.

Trustpilot's *Standard* service, starting at a fee of US\$199 per month, generally based on an annual contract, provides a Subscribing Customer with the ability to engage consumers, respond to reviews, customise its profile page and send 500 review invitations per month using Trustpilot's automated review invitation service. Trustpilot also offers Customers that subscribe for the *Standard* service a range of additional, add on services for additional fees, including the following:

- **Invite:** Customers can get an unlimited amount of automated review invitations and keep their review content on their Trustpilot profile page current. More invites lead to more reviews, which leads to a business's Trustpilot profile page being updated and refreshed automatically. New content is one factor which contributes to improved search engine optimisation on search engines such as Google and Bing (SEO), thereby helping Customers improve the quality and quantity of the traffic directed to their websites by search engines such as Google or Bing.
- **Convert:** Customers can gain access to Trustpilot's complete library of TrustBoxes to showcase content and help turn browsers into buyers.
- **Enhance:** Customers can curate their Trustpilot profile page and help strengthen their online reputation.
- **Product reviews:** Customers can add TrustBoxes for product reviews to their website using Trustpilot's SEO product review TrustBoxes. Search engines find more review content on businesses' product pages, and the TrustBoxes give their product pages stars in Google search results pages.
- **Insights:** Customers can access data analytics to understand consumer sentiment, emerging trends and pinpoint wins and losses across their businesses. These insights will help them create better consumer experiences.
- **Support:** Customers can work directly with a dedicated customer success manager and a team of experts to assist with the use, and maximise the benefits, of the Trustpilot platform.
- **Connect:** Customers can use APIs to create individual applications on their own websites, such as how reviews appear on the website.

- **Location reviews:** Customers can stand out in local searches by managing and displaying content on each of their local websites, as well as understand customer satisfaction at a local level.

Trustpilot also offers its *Enterprise* service, which offers solutions targeted at larger businesses with a need for greater functionality, complex integrations and enhanced data analytics. Enterprise service Customers can, as part of their subscription, subscribe for the same services offered to Standard service Customers, as well as for services tailored to their individual circumstances. Enterprise Customers typically have more complex business requirements and Trustpilot's integration team will work through the onboarding of the Enterprise Customer and provide dedicated service to those customers to ensure they are optimising their use of the platform.

As of 31 December 2020, Trustpilot had over 19,500 Subscribing Customers, with an average annual contract value of approximately US\$5,600.

7.4. **Omni-Channel Marketing**

Prior to 2020, Trustpilot focussed its marketing activities on businesses that had demonstrated an interest in its platform or were already the subject of organic consumer reviews, and used demonstrations of its platform to highlight the value of the platform to those businesses. More recently, Trustpilot has focused its marketing activities on a number of different marketing channels. A summary of Trustpilot's certain of marketing channels is set out below:

- **Customer network**

Trustpilot's Customer network, which included approximately 62,000 active domains across a range of industry verticals in December 2020, helps to amplify awareness of Trustpilot's brand and products and services. Trustpilot's Customers utilise the Trustpilot name or a Trustpilot logo, design or trademark in their own marketing, in a variety of print and electronic media, at little or no additional cost to Trustpilot. During December 2020, Trustpilot had over 6.9 billion monthly TrustBox impressions (where a Customer web page loads with an embedded TrustBox, whether or not the consumer views the TrustBox) and over 1.1 billion Google search impressions (where a link to a Trustpilot webpage is returned in response to Google search, on any page of the search results). Also during 2020, over 370 million review invitations were sent to consumers using invitation methods tracked by Trustpilot's platform.

- **Consumer & brand campaigns**

Trustpilot believes that the value of its brand to consumers and businesses is a key feature of its business proposition. Trustpilot undertook a major brand refresh in 2018, including the definition of its brand mission to become a universal symbol of trust and the creation of its current visual brand, consisting of Trustpilot's logos, designs and trademarks. In 2021, Trustpilot intends to increase the number of active consumers using its platform by developing further its consumer brand with specific investments in email marketing, social media, content marketing and public relations activities.

- **Search engine optimisation**

Trustpilot works to optimise its owned digital platforms for organic search, through core pages, content pieces and campaigns. For consumers, Trustpilot intends to optimise consumer facing profile pages of businesses and creating virality through user generated content.

- ***Paid search & social advertising***

Trustpilot advertises using paid searches, such as Google's Ad Network and Bing, advertisements on Facebook and LinkedIn and through retargeting and account-based marketing via Rollworks (display), as well as through content syndication through several content syndication vendors and third party publishers.

- ***Customer lifecycle engagement***

Trustpilot utilises marketing automation technology to help ensure Customers engage with and see value from the platform throughout their lifecycle, from onboarding, to engagement, to recall, to advocacy, to renewal and to winback. Trustpilot's Customer engagement also seeks to recognise a customer's propensity to upgrade from a free to paid subscription, or to add modules to an existing paid subscription, and automatically targets these Customers with content that prompts upgrade/upsell/cross-sell opportunities.

- ***Email marketing***

Trustpilot uses email marketing to target both potential Customers and free users. With data enrichment and information on behaviour from Trustpilot's Trustlytics platform, Trustpilot expects to be able to target audiences for businesses more accurately, not only by industry/vertical and company size, but also based on behaviour and product usage.

- ***Website***

Trustpilot's platform focuses on consumers and businesses through its consumer facing website, which through user-generated content grows traffic virally, with a global Alexa Rank of 301 and an Alexa Rank of 22 in the UK, each as of 1 February 2021.

Trustpilot's marketing activities also include events, co-marketing projects, Customer advocacy programmes, use of earned media and industry thought leadership.

7.5. *Viral network effects*

Trustpilot believes that viral network effects, where more consumer reviews lead to more businesses being willing to subscribe to Trustpilot's services to learn from shared consumer experiences and grow efficiently, which in turn leads to more consumer reviews as those businesses invite consumers to leave reviews, is an important driver of organic Customer acquisition. The total number of cumulative reviews on Trustpilot's platform (including reviews subsequently removed or deleted) increased from more than 17 million as at 31 December 2015 to over 120 million as at 31 December 2020. In 2020, Trustpilot had, on, average approximately 33 million monthly unique users of its consumer websites. Consumers can leave unprompted reviews of businesses on Trustpilot, including reviews of businesses that have not yet claimed their domain on the Trustpilot platform, and unprompted reviews can lead to businesses claiming their domain and becoming Subscribing Customers. Trustpilot has experienced an increase in the number of businesses that have unprompted reviews prior to Subscribing Customers. In 2020, 63 per cent. of Subscribing Customers had an unprompted review on Trustpilot's platform before becoming a Subscribing Customer, compared to 36 per cent. of Subscribing Customers in 2015. As at 31 December 2020, 32 per cent. of businesses receiving unprompted reviews during 2020 claimed their domain on Trustpilot's platform, 19 per cent. of such businesses were active domains during December 2020 and 2 per cent. of such businesses became Subscribing Customers.

7.6. **Partnerships**

Trustpilot has valuable partnerships and integrations with Google, Facebook, PayPal, BigCommerce, Yext, Magento, PrestaShop, Shopify, WooCommerce, Freshworks, Hootsuite, Sprinklr, Shopware, Slack and Zendesk. Trustpilot has established partnership programmes for solution partners, technology partners and data partners. These partnership programmes have not, to date, generated significant revenues for Trustpilot but these programmes drive multiple benefits for Trustpilot, including the ability to leverage partners' existing customer relationships, potential Customer referrals and integrations with leading ecommerce platforms and applications that enable key product features, such as Google Seller Ratings.

Trustpilot has three core types of commercial partnership programmes:

- ***Solution partners***

With over 1,000 participants, primarily marketing agencies and local referral partners, the solution partners contribute to Trustpilot's sales efforts by referring Trustpilot products to the solution partner customers. In 2021, Trustpilot expects to refine the solution partner programme and create three tiers, Base, Pro and Premium partners, driving enhanced benefits for the best performing partners.

- ***Technology partners***

Strategic partnerships with Google, Facebook and Microsoft Bing enhance Trustpilot's products with key features such as Google Seller ratings, Rich snippets and sharing of reviews through social media. Trustpilot's ecommerce and app integrations programme has created a network of approximately 40 partners, whose integrations simplify onboarding of Trustpilot Customers and the automation of review collection, as well as enabling Enterprise Customers to embed reviews into their e-marketing channels and respond to reviews through their own Customer service channels.

- ***Data partners***

As Trustpilot's platform of business data across multiple business categories and geographies grows, Trustpilot seeks to monetise this data through partnerships with strategic partners. Leading comparison sites, such as Autotrader and Natural Intelligence, are adding Trustpilot reviews to their own websites as an independent source of business reviews to enhance conversion. Financial services companies, such as PayPal, are using Trustpilot data to verify business integrity. Manufacturer brands, such as Bosch, are purchasing Trustpilot's products on behalf of their network of installers to offer consumers an independent measure of quality and performance.

Trustpilot expects to increase its investment in partner marketing in 2021, through a series of initiatives including a partner purchase programme, where partners can resell Trustpilot subscriptions, ecommerce app stores to facilitate subscription payments and syndication of partnerships to enhance Trustpilot brand awareness. Trustpilot expects its partner programmes in 2021 to focus on partners including Shopify, Woocommerce, BigCommerce, Magento, Squarespace and Wixstores.

7.7. **Customer segmentation**

Trustpilot segments its customer base by size, industry vertical and geographic region part of its sales and marketing efforts. Trustpilot has increasingly automated the sales and marketing approach for smaller Customers and those Customers whose requirements can be addressed by standardised products and services, and automated cross-selling and up-selling. Trustpilot intends to increase the automation of its sales and marketing and renewal and cross-selling functions to include a larger percentage of its Customer base in future periods. Larger Customers

and those with more complex requirements, including Trustpilot's *Enterprise* Customers, receive more bespoke sales and marketing efforts as well as ongoing consultation and account management services.

8. Customer Case Studies

Trustpilot's platform has clear and demonstrable benefits to businesses. The customer case studies set out below provide examples of the benefits Trustpilot has provided to Subscribing Customers.

8.1. *Reduced customer acquisition costs*

A Subscribing Customer embedded 5-star Trustpilot review quotes in and added Trustpilot reviews to display and paid social advertisements, and testing against control advertising content confirmed that advertisements with the Trustpilot review quotes outperformed the control content in terms of cost per customer acquisition by 38 per cent.

8.2. *Improved customer experience*

A Subscribing Customer partnered with Trustpilot to collect, manage and leverage Trustpilot reviews in order to learn from and respond to its customers. The Subscribing Customer now embeds Trustpilot reviews and ratings in its online and offline marketing content to strengthen the impact of the reviews and ratings and help build further credibility to the Subscribing Customer's reputation.

8.3. *Improved conversion*

A Subscribing Customer added TrustBoxes to its application page and has experienced a 6 per cent. increase in its overall conversion rate since adding Trustpilot. This Subscribing Customer also features customer feedback in its marketing channels and has experienced a 2-4 per cent. increase in revenue per website visitor since adding TrustBoxes to key website pages.

8.4. *Leveraging reviews and ratings*

Since engaging with Trustpilot and leveraging ratings and reviews across paid media and point of sale materials, a Subscribing Customer experienced double-digit growth in sales, as well as higher conversions, lower cost per acquisition and improved return on advertising spend.

8.5. *Increased click-through rate*

During an 11-month period in 2018, a Subscribing Customer experienced a 20 per cent. increase in the click-through rate in respect of Google advertisements that displayed the Subscribing Customer's Trustpilot star rating.

9. Technology

Trustpilot's platform has been designed with scalability and reliability in mind and is based on modern cloud based infrastructure, which is underpinned by Trustpilot's engineering principles. Trustpilot operates a review platform that scales on demand to support the growth of consumers and businesses utilising the platform. Trustpilot's infrastructure runs in both Amazon Web Services (AWS) and Google Cloud Platform (GCP) enabling the use of services from both cloud providers. As a Google review partner, consumer reviews submitted to Trustpilot's platform are shared with Google and incorporated into Google's review offering, so that consumer reviews relating to a business on Trustpilot are also available on Google and count towards that business' Google seller rating. Such Google rating and reviews are incorporated into Google search results, providing increased visibility to consumers.

Trustpilot's platform is based on the following pillars that provide the operating environment for the delivery of services and product features supported by reusable capabilities.

9.1. ***Scale and computing power***

Trustpilot's technology platform has been built using modern infrastructure and build, deployment and monitoring tooling to enable frequent releases reducing time to market for products and services. Trustpilot's technology platform is scalable and designed to support increases in data processing that result from increases in consumer engagement. Trustpilot processed 1,800 terabytes of data per month as of December 2020 and Trustpilot has 122 terabytes of data available in its Data Warehouse.

9.2. ***Big data, AI and machine learning ("ML")***

Trustpilot has developed capabilities to streamline the management and operation of data technologies and enable the delivery of actionable insights derived from the data available in its Data Warehouse. The Trustpilot platform utilises a number of data technologies including datastores, data pipelines and business intelligence tools. Data generated through this ecosystem are replicated through robust, secure and auditable processes in the Trustpilot Data Warehouse, based on Google Big Query, for modelling and analytics purposes. Trustpilot uses its proprietary intelligence platform, Trustlytics, to assess new product features and identify commercial opportunities. The data in Trustpilot's Data Warehouse also is utilised, using AI and ML tools, for its fraud detection models and its analysis of reviews and ratings to deliver actionable insights to Customers.

9.3. ***API's***

API's are at the heart of the Trustpilot platform and Trustpilot's 'API first' approach is a core element of its expansion strategy. The Trustpilot platform leverages the Apigee managed API gateway to provide external access to the directory of available services.

Private, public and customer API's enable the development of products and services by Trustpilot's engineering teams as well as by Customers, agencies and third-party developers. Trustpilot uses industry experts to expand the reach of its products and services, and Customers, agencies and third-party developers currently are building 28 of 40 integrations in development.

9.4. ***Cloud and security***

Data security and protection are at the core of Trustpilot's business. Trustpilot wants its Customers and consumers to be able to benefit from using its services while recognising that Trustpilot takes measures to protect people's personal information. Trustpilot's cybersecurity processes enable Trustpilot to identify any vulnerabilities in its systems and run automated security scans and third-party penetration tests and provide data encryption and firewall protection. Trustpilot's data is housed within multiple isolated virtual private clouds, and data is subject to an automatic full daily back up, and backups cannot be manipulated or changed. Trustpilot also strives to be as transparent as possible about the processes it has in place to store, process and protect personal data.

10. **Intellectual Property**

Trustpilot owns trademarks and other intellectual property rights that are important to its business, including proprietary technology relating to the Trustpilot platform, as well as trademarks, trade secrets, copyrights and other intellectual property. Trustpilot owns 11 trademarks (including applications) in the EU and other jurisdictions that are important to its business, including the United States and Australia. These registrations include the Trustpilot name as a word mark as well as the Trustpilot brand/logo for activities in classes 9, 35, 38, 42. Trustpilot's owned trademarks are, in most cases, protected through registration in the European Union, the United States, Australia and Denmark. Trustpilot's intellectual property portfolio includes domain names for its websites.

In addition, Trustpilot has copyrights, technology, know-how processes and other intellectual property rights that are not registered. Trustpilot's IT systems, generally, are not protected by patents or registered design rights.

11. Social and Environmental Sustainability

Trustpilot acknowledges its responsibility to contribute to sustainable development and believes that there is a correlation between acting responsibly and Trustpilot's future success. Trustpilot is a 'purpose-driven' organisation, seeking to provide a 'trust-layer' for the open commerce ecosystem, and Trustpilot's employees are passionate about Trustpilot's mission to become a universal symbol of trust.

Trustpilot's Environmental, Social and Governance ("ESG") strategy is a key area of focus for the Group, overseen by a cross-functional steering committee, reporting to the senior management team, comprised of the CEO, CFO and the heads of other key functional areas within the Group. In 2021, Trustpilot intends to work with a third-party ESG consultant to undertake a materiality assessment, in order to identify key stakeholder groups, to rank and prioritise which issues matter most to them and to the success of the business, and to facilitate a better understanding of where Trustpilot can make a positive difference. These topics will then form the basis of Trustpilot's ESG reporting framework and will inform Trustpilot's business strategy.

Trustpilot's senior management team also is responsible for ensuring compliance with key internal and external policies, including the Trustpilot Code of Ethics, Modern Slavery policy, Anti-bribery policy, and the Equality, Diversity and Inclusion policy.

Trustpilot strives to adopt and report on disclosure recommendations aligned with the Financial Stability Board's Task Force for Climate-Related Financial Disclosures (TCFD), with respect to governance, strategy, risk management and metrics and targets. Trustpilot intends to work to further develop and disclose its approach to climate-related risks and opportunities.

2019 was the first year during which Trustpilot was a completely cloud-based company, and Trustpilot continues to be at the forefront of the initiative for businesses to move to serverless operations. Trustpilot has a company-wide focus on recycling and reducing food waste. Trustpilot also is committed to limiting its carbon footprint as much as possible, encouraging virtual meetings and limiting office-to-office travel.

Trustpilot's employees are empowered to speak up and drive Trustpilot's extended purpose, which includes social and environmental activities and employee resource groups. These groups greatly improve Trustpilot's awareness and action on diversity and inclusion throughout the business and with charitable activities. Trustpilot's 'Women in Leadership' initiative brings awareness of and development to gender equality and the empowerment of women within tech.

Trustpilot considers its culture and employees to be vital to its success, and Trustpilot is led by its values in decision making at all levels. Together, Trustpilot believes that its values and culture create an atmosphere that enables it to successfully recruit and retain talented and passionate team members.

Trustpilot's employees represent a diverse workforce from various backgrounds - culturally and professionally - who care deeply for the company, its mission, and for one another. The culture at Trustpilot is defined by the common understanding that in order to go far, Trustpilot's employees all need to go together.

Trustpilot's values are a powerful cultural and behavioural driver. Leaders and employees embrace the company values and are clear about how Trustpilot lives them. Trustpilot's values are:

- **Open to All** - *We're open to all people and companies — yet independent of both.*
 - Our diversity is *our* strength so we celebrate it in our behaviour and our brand expression. Everyone is embraced and included for who they are and what they bring.

- **Always with Integrity** - *We're built on trust, so we act with integrity in every big and small thing we do.*
 - We don't build or store public trust, we earn it by delivering on our promises and behaving in line with our mission. We do *the* right thing, even when nobody's watching.
- **Collaborative** - *We help people collaborate so they can shape and improve their world.*
 - Working together to make things better is our mindset, as well as the unique value of our platform. We acknowledge that we perform best when we embrace each other's strengths and feedback on when we can be doing things a little better.
- **Positively Human** - *We celebrate the humanity of each individual.*
 - Behind every review is a real human experience. While the tech universe is full of complex language and imagery, we go the opposite way. We are genuine people who work together to offer trustworthy experiences to all of our business and consumer audiences.

Trustpilot's employees are empowered to speak up and drive Trustpilot's extended purpose which includes ESG activities and employee resource groups. These groups greatly improving Trustpilot's awareness and action on diversity and inclusion throughout the business and with charitable activities. Trustpilot's 'Women in Leadership' brings awareness and development to gender equality and the empowerment of women within tech.

Trustpilot acknowledges its responsibility to contribute to sustainable development and believes that there is a correlation between acting responsibly and increasing Trustpilot's profit and future growth. 2019 was the first year during which Trustpilot was a completely cloud based company and Trustpilot continues to be at the forefront of the initiative for businesses to move to serverless operations. Trustpilot has a company-wide focus on recycling and reducing food waste. Trustpilot also is committed to limiting its carbon footprint as much as possible, encouraging virtual meetings where possible and limiting office to office travel.

Trustpilot considers its culture and employees to be vital to its success, and Trustpilot is led by its values in decision-making at all levels. Together Trustpilot believes that its values and culture create an atmosphere that enables it to successfully recruit and retain talented and passionate team members.

12. Employees

The table below sets out the number of Trustpilot employees for the previous three financial years.

	For the year ended 31 December		
	2020	2019	2018
Commercial.....	362	455	372
Marketing.....	41	45	35
Finance.....	34	27	31
Technology.....	147	168	156
Trust & Transparency.....	55	54	43
People.....	26	25	29
Executive Support.....	4	7	6
Total.....	669	781	672

As at 31 December 2020, Trustpilot had 669 employees. Of these employees, 310 were in Denmark, 146 were in the United Kingdom, 154 were in the United States and 59 were in Trustpilot's other locations.

As of 31 December 2020, Trustpilot's employees represented 47 nationalities and the global gender distribution of its employees was 41 per cent. female and 59 per cent. male. The gender distribution of the Senior Management team (Director level or above) was 38 per cent. female and 62 per cent. male, with 29 per cent. female employees in the Executive Leadership Team.

Trustpilot's global Code of Ethics states that Trustpilot is not influenced in its decisions, actions or recommendations by issues of gender, race, creed, colour, age or personal disabilities, and Trustpilot's Non-Discrimination & Anti-Harassment Policy reinforces Trustpilot's stance as an equal opportunity employer who offers employment opportunities, assignments and promotions on the basis of merit rather than personal characteristics.

13. Regulatory Environment

Trustpilot is subject to laws and regulations in the jurisdictions in which it operates that affect companies conducting business on the internet, including regulations related to consumer protection, ecommerce, online harms, unfair and deceptive practices, data privacy and protection, intellectual property, digital marketing, competition, protection of minors, advertising and economic and other trade prohibitions. The regulations related to internet-based business are evolving rapidly, and often are unclear or applied inconsistently in different jurisdictions, and the ambiguity can apply to areas such as consumer protection, ecommerce, online harms, data privacy and intellectual property.

The EU's eCommerce Directive 2000/31/EC (the “**ECD**”) is the main legislative framework governing online review services. The ECD simplifies the landscape for digital platforms with a ‘country-of-origin’ principle (services performed in one Member State but received in another are subject to the law of the Member State where the service is performed), and includes liability and safety rules, such as limiting platforms’ liability for user-generated content where they expeditiously remove illegal content once notified about it, and preventing Member States from requiring platforms to monitor the content posted on them. On 15 December 2020, the European Commission published its proposal for a new Digital Services Act (the “**DSA**”). The DSA, as proposed, will update the framework under the ECD and change the rules for handling of illegal content online and the obligations of online providers in respect of third-party content. The DSA proposal will be considered by the European Parliament and the individual Member States as part of the ordinary legislative procedure used for adopting EU legislation. Trustpilot intends to continue to monitor the proposal, engage with the European Commission and other interested parties and review its operations, processes and documentation in anticipation of the legislation.

There has also been recent activity in the area of online harms, and in particular the responsibility of internet platforms to remove illegal and harmful content, with a strong focus on mechanisms to address the most damaging and manifestly illegal content, such as terrorism and child sexual exploitation and abuse. Several jurisdictions in which Trustpilot is active have either introduced or signalled an intention to introduce rules requiring platforms to remove designated illegal content within specific time limits once notified about it, and to increase transparency around such mechanisms via mandatory reporting. One example of such regulation is Germany's NetzDG law (2017), which provides for fines of up to €50 million for systemic or sustained non-compliance. In the UK, an anticipated Online Harms Act (anticipated in 2021) may introduce a statutory duty of care on online services to protect users from “online harms” such as illegal or harmful conduct (e.g., misinformation, violent content, hate crimes, terrorist content, child sexual exploitation and abuse, harassment and cyberstalking). The changing regulatory environment concerning online harms has helped inform updates to Trustpilot's mechanisms for flagging problematic content in 2020, and ongoing work on improving trust, such as educating platform users around content.

In July 2020, fairness and transparency requirements between business users and online intermediation services took effect with the EU's ‘platform-to-business’ or ‘P2B’ Regulation (EU 2019/1150) entering into force. This requires, for example, platforms to make sure their terms are clear and understandable, and to provide information about ranking and algorithms. Similar measures to protect consumers via a ‘New Deal for Consumers’ (EU 2019/2161) will take effect from 2022. Trustpilot undertook work in 2020 to update

and clarify business and reviewer guidelines, and to simplify its business terms, in anticipation of this regulation.

In May 2020, the CMA opened an industry investigation, considering several major websites, including Trustpilot, that display online reviews. The CMA stated that it will investigate whether these websites are taking sufficient measures to protect consumers from fake and misleading reviews. In particular, the CMA stated that it will examine how the websites have detected, investigated and responded to fake and misleading reviews during the past three years. The CMA also stated that it will look into issues such as: (i) suspicious reviews, where, for example, a single user has reviewed an unlikely range of products or services; (ii) whether businesses are manipulating the presentation of reviews about their products and services by, for example, combining positive reviews for one product with the reviews for another; and (iii) how these websites handle reviews about products or services that the reviewer has received a payment or other incentive to review. Trustpilot has stated that it will support the CMA with whatever information and resources it seeks and that Trustpilot welcomes the investigation to ensure the whole reviews industry meets the standards that Trustpilot seeks to achieve and to ensure that all consumers are protected. The scope and breadth of the CMA investigation, and the different types of platforms included in the scope of the investigation, make it difficult to determine what changes to industry practice could result as a result of the investigation, although the outcome of the investigation could lead to: (i) requirements for platforms to improve transparency around how online reviews are collected and displayed; and (ii) requirements for platforms to make further investment in detecting, investigating and taking action against fake and misleading online reviews.

Trustpilot's activities involving the use of consumer data are subject to consumer protection and data protection law and regulations and, in many of the jurisdictions in which it operates, such consumer protection and data protection laws and regulations have increased in recent years. For example, the GDPR significantly changed the data protection landscape in the EU and the UK, strengthening the rights of individuals, imposing stricter controls over the processing of personal data, by both controllers and processors of personal data, and imposing stricter sanctions with substantial administrative fines and potential claims for damages from individuals for breach of their rights. GDPR also offers individuals the option to allow privacy organisations to litigate on their behalf, including collecting potential damages, which may result in a substantial increase in claims being brought. Should a serious data breach occur, the GDPR provides for increased obligations to notify regulators and individuals whose personal data has been compromised, and this may result in the imposition of significant sanctions and penalties, which require heightened escalation and notification processes with associated response plans. In the United States, California adopted the California Consumer Privacy Act (the "**CCPA**"), which became effective in January 2020. The CCPA established a privacy framework for covered businesses, including an expansive definition of personal information and data privacy rights for California residents. Among other requirements, the CCPA mandates new disclosure to consumers and allows consumers to opt out and stop businesses from selling their personal information. The CCPA includes a framework with potentially severe statutory damages and private rights of action.

14. Anti-corruption & Anti-bribery

Trustpilot's global anti-bribery policy applies to all Trustpilot employees as well as all of its business partners, including suppliers, distributors and consultants. In addition, employees working in Trustpilot's Accounting & Tax department continue to be bound by Trustpilot's fraud policy, which outlines what fraud is, as well as how to react if an employee discovers or suspects financial fraud has taken place. Employees in Trustpilot's Accounting & Tax department also attend webinars on topics such as fraud and hacking. In 2019, Trustpilot restructured its investigations and enforcement teams, including introducing processes to improve efficiency and increase headcount and resources in these teams, in order to be able to address potential issues more quickly and effectively. As part of the on-boarding process, new employees are made aware of Trustpilot's Anti-corruption and Anti-bribery policies as well as Trustpilot's Code of Ethics. Employees are updated periodically about the policies using online webinars, training and email communications and compliance with Trustpilot's policies and procedures has been added to all employee contracts.

15. Insurance

The principal risks covered by Trustpilot's insurance policies relate to business interruption, employers, product and public liability, and certain other claims consistent with customary practice in the industry in which Trustpilot operates. Trustpilot has not had any material insurance claims, nor has it suffered any material loss following any uninsured claim, in the last three years.

PART VI

DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE

1. Directors and Senior Management

1.1. Directors

The following table lists the names and positions of the Directors:

Name	Position
Timothy Weller	Chair
Peter Holten Mühlmann	Chief Executive Officer
Hanno Damm	Chief Financial Officer
Angela Seymour-Jackson	Independent Non-Executive Director
Lars Andersen	Non-Executive Director
Mohammed Anjarwala	Non-Executive Director
Simon Cook	Non-Executive Director
Benjamin Holmes	Non-Executive Director
Benjamin Johnson	Non-Executive Director
Jeppe Zink	Non-Executive Director

The business address of each of the Directors is Pilestraede 58, 5th Floor, 1112 Copenhagen K.

The management experience and expertise of each of the Directors is set out below:

Timothy Weller, Chair

Tim joined the Company as Chair in February 2013. He is the founder and chairman of Incisive Media which he founded in 1994 and also chairman of Pixomondo Inc., an Oscar winning visual effects company.

Tim was Chairman of Superawesome Limited, a provider of technology focussing on the digital media ecosystem for children, until its sale to EPIC Games in October 2020, and of Ti Media Limited, until its sale to Future plc in May 2020. Tim was also chairman of AIM traded Tremor International PLC, a leader in video advertising technologies, until September 2020.

Tim was a member of the Shadow Cabinet New Enterprise Council, which advised George Osborne on business and enterprise. Tim was voted the Ernst & Young Entrepreneur of the Year – London in 2001. In 2005, he received the Professional Publishers Association's Marcus Morris award.

Peter Holten Mühlmann, Chief Executive Officer

Peter is Chief Executive Officer and founded Trustpilot in 2007. Over the last thirteen years, he has led Trustpilot from a small Danish start-up to an international company. In 2013, Peter was named Danish Entrepreneur of the Year by Ernst & Young. Peter has a bachelor's degree in Business Administration from Aarhus University School of Business.

Hanno Damm, Chief Financial Officer

Hanno joined the Company in January 2016. Prior to joining the Company, Hanno was a senior vice president at Bankrate Inc., where he oversaw corporate finance and mergers and acquisitions. Prior to that Hanno held positions at Apax Partners, a global private equity firm, and PricewaterhouseCoopers, a professional services firm, working on projects across multiple industries. Hanno holds a Master in Finance (MFin) from Princeton University and a Diploma in Economics (Dipl.-Vw.) from the University of Bonn.

Angela Seymour-Jackson, Independent Non-Executive Director

Angela was appointed as a non-executive director of the Company in March 2019. Angela holds board positions at Rentokil Initial plc, Page Group plc, Janus Henderson Group plc and Pkl Insurances Services Limited and was deputy chair and senior independent director at GoCo Group plc until its recent takeover by Future plc, and is now a director of Future plc. Angela chairs the remuneration committees at Page Group and Rentokil Initial.

Prior to working as a non-executive, Angela had over 25 years' experience in financial services holding senior executive positions at Norwich Union Insurance Limited, Aviva UK Limited and Aegon UK plc. Angela also acted as a senior advisor at Lloyds Bank (insurance) and was CEO of RAC Motoring Services, prior to its sale to a private equity firm.

Lars Andersen, Non-Executive Director

Lars is a general partner in SEED Capital and currently serves on the boards of Templafy, Lunar, Coinify, Cardlay, Grandhood and Grant Compass. Previously, Lars was the co-founder and chief executive officer of Columbus IT Partner, with responsibility for more than 1000 employees in 25 countries, as well as being responsible for the company's IPO on the Copenhagen stock exchange in 1998. Whilst at SEED Capital he was involved in the exit of Audio Asics to Analog Devices, the exit of Fullrate to TDC, the exit of Libratone to a Hong Kong based consortium, the exit of Endomondo to Under Armour and the exit of Firmafon to TDC. Lars has an MSc in Marketing and Management from Aarhus University. Lars has served on the Company's Board of Directors since December 2010.

Mohammed Anjarwala, Non-Executive Director

Mohammed is a managing director at Advent International where he leads Sunley House Capital, Advent's public equities and crossover privates business. He has more than 15 years of public and private equity investing experience and has led numerous private transactions at Advent and previously at Bain Capital. Prior to co-founding Sunley House Capital in 2015, he was a member of Advent's private equity team. Previously he worked at SFW Capital and Bain Capital. He started his career as a consultant at Bain & Company. Mohammed has a BA in Mathematics from Franklin and Marshall College and an MBA from Harvard Business School. Mohammed has served on the Company's Board of Directors since March 2019.

Simon Cook, Non-Executive Director

Simon is the founding partner of Draper Esprit PLC, which carried out an initial public offering and was admitted to trading on the London and Irish stock exchanges in 2016. Simon has been involved with the European venture capital industry since 1995, co-founded Draper Esprit in 2005 and was chief executive officer until 2019. He has been involved with a number of startups including Lovefilm (sold to Amazon), Cambridge Silicon Radio (conducted an IPO), Virata (conducted an IPO), nCipher (conducted an IPO) and KVS (sold to Symantec). Previously Simon was a partner with Cazenove Private Equity, which Draper Esprit acquired in 2006; a partner at Elderstreet Investments, which Draper Esprit acquired in 2016; and an investment director of 3i Technology Europe, which Draper Esprit acquired in 2009. He was a computer games developer early in his career and is a Computer Science graduate of the University of Manchester Institute of Science and Technology (UMIST). Simon has served on the Company's Board of Directors since May 2015.

Benjamin Holmes, Non-Executive Director

Ben is a venture partner with Index Ventures and has served on the Company's Board of Directors since December 2012. Ben represents Index Ventures on the boards of Secret Escapes, Hutch Games, Supersolid and Moo. Other Index Ventures' investments with which he has been involved include iZettle, Just Eat, King, Playfish and Kry. He joined Index Ventures in 2002 and was a general partner until 2017 when he transitioned to a venture partner role and is now an active angel investor. Prior to Index Ventures, Ben worked at OC&C Strategy Consultants LLP and studied Engineering, Economics and Management at Oxford University.

Benjamin Johnson, Non-Executive Director

Ben is a partner and member of the founding team at Vitruvian Partners LLP and leads the data and analytics and consumer technology sector teams. Prior to joining Vitruvian Partners LLP in 2007, Ben was at Cinven and Goldman Sachs International. In addition to the Company, he currently serves on the boards of Sykes Holiday Cottages, OAG and Travel Counsellors. Prior investments include Skyscanner, Group IMD, JacTravel and Tinopolis. Ben read Philosophy, Politics and Economics at Magdalen College, Oxford University. He is a member of the Future Fifty, TechNation Advisory Panel. Ben has served on the Company's Board of Directors since May 2015.

Jeppe Zink, Non-Executive Director

Jeppe is a general partner at Northzone. After starting out at Deutsche Bank and Amadeus Capital Partners, he joined Northzone and established the firm's London office. Exits he has been involved with include SpaceApe Games (sold to Supercell Oy), EpiServer Group (sold to IK Investment Partners) and Tobii Technology (conducted an IPO). Jeppe has served on the Company's Board of Directors since October 2016.

1.2. ***Senior Management***

The Group's Senior Management, in addition to the executive Directors listed above, is as follows:

Name	Position
Stephen Garland	Chief Technology and Product Officer
Tim Hilpert	Chief Operating Officer
Carolyn Jameson	Chief Trust Officer
Steven Marritt	Chief Commercial Officer
Donna Murray Vilhelmsen	Chief People Officer

The management experience and expertise of each of the persons named above is set out below:

Stephen Garland, Chief Technology and Product Officer

Stephen joined the Company in July 2018 as Chief Technology & Information Officer and was appointed Chief Technology and Product Officer in November 2020. Prior to joining the Company, Stephen was the executive vice president and chief technology and information officer at Wood Mackenzie where he led the digital transformation and re-platforming towards cloud based data analytics. He also served on the M&A team for data and cloud based acquisitions of Verisk, Wood Mackenzie's parent company.

Prior to that, Stephen was senior vice president of engineering for LOGICnow (acquired by SolarWinds), global technology director for Sage Group PLC, the vice president of engineering at Craneware PLC and the director of development for Telelogic AB (acquired by IBM). Stephen graduated with a Bachelor of Engineering in Software Engineering from Napier University.

Tim Hilpert, Chief Operating Officer

Tim joined the Company in February 2021 as chief operating officer. Prior to joining the Company, Tim held several senior roles at OLX Group, including chief executive officer for Europe and Central Asia and chief executive officer of OLX Markets. Prior to this, Tim held various roles from senior manager to senior director at eBay.

Tim started his career at the Boston Consulting Group and holds a degree in Engineering from TU Berlin, and an MBA from the University of Vermont.

Carolyn Jameson, Chief Trust Officer

Carolyn joined the Company in August 2019 as Chief Legal and Policy Officer. She was appointed as Chief Trust Officer in January 2021. Prior to joining the Company, Carolyn was the chief legal officer at Skyscanner Limited, where she oversaw corporate development, legal, public affairs and corporate communications. Following the acquisition of Skyscanner by Ctrip.com International Limited, Carolyn assisted with the integration and transformation of Skyscanner to being part of a NASDAQ listed company and was appointed as head of international M&A and corporate development for Ctrip.

Prior to that, Carolyn was head of legal for Wolfson Microelectronics plc and held positions at Ingres Corporation (now Actian Corporation), Business Objects Limited (acquired by SAP), Cognos Limited (acquired by IBM), and Novell UK Limited (acquired by Attachmate). Carolyn holds an LLB from the University of Westminster and an LLM in Intellectual Property Law from the University of Edinburgh. She was called as a barrister in England and Wales in 2002 and qualified as a solicitor in England and Wales in 2004.

Steven Marritt, Chief Commercial Officer

Steve joined the Company in April 2020 as Chief Commercial Officer EMEA and was appointed as global Chief Commercial Officer in January 2021. Prior to joining the Company, Steve held several executive leadership roles in SaaS, ecommerce and marketplace businesses. Most recently, Steve was the managing director at Groupon for the UK and Ireland. Prior to that, Steve was the global commercial head at Divido and chief executive officer at LivingSocial UK and Ireland, where he joined as commercial vice president before becoming chief operating officer and ultimately chief executive officer. In that role he managed an exit to Excalibur Group. Before this, Steve was divisional head at Thompson Local and managing director and co-founder of the CAD Group.

Steve started his career with HM Forces (ARMY) Corps of Royal Engineers as Engineer 2nd Class with tours in the Middle East and was awarded the Gulf War Medal and Liberation of Kuwait Medal. Steve later went on to study Business Management and Leadership at Cranfield University.

Donna Murray Vilhelmsen, Chief People Officer

Donna joined the Company in April 2019 as Chief Human Resources Officer. Prior to joining the Company, Donna was head of human resources at Cowi, the senior human resources manager at Svitzer, the head of human resources at Seago and the people and performance manager at Aecom.

Donna has a bachelor in Human Resources Management from the University of South Australia and attended the Professional Management Programme at Adelaide University.

2. Corporate Governance

As a Danish company, the Company is not subject to the UK Corporate Governance Code. However, the Group is committed to high standards of corporate governance and, as such, has established an Audit Committee and a Remuneration Committee. The members of the Audit Committee are Jeppe Zink (chair), Benjamin Holmes and Benjamin Johnson and the members of the Remuneration Committee are Angela Seymour-Jackson (chair), Lars Andersen, Benjamin Holmes and Timothy Weller. The Company is considering seeking admission of the shares of a new holding company incorporated in England and Wales to listing on the premium segment of the Official List of the FCA and to trading on the main market for listed securities of the London Stock Exchange. Should such a listing proceed, the intention would be to seek to comply over time with the UK Corporate Governance Code.

3. Conflicts of Interest

- 3.1. Save for, in the case of certain Directors and Senior Managers, their capacities as persons legally and beneficially interested in shares as set out in paragraph 8 of Part X: “*Additional Information*”, and/or their having been appointed as a director of the Company pursuant to the terms of the Shareholders’ Agreement (see paragraph 5 of Part X: “*Additional Information*”) and save for as set out in paragraph 3.2 and 3.3 below there are no potential conflicts of interest between any duties owed by the Directors or the Senior Managers to the Company and their private interests or other duties.
- 3.2. Lars Andersen, Mohammed Anjarwala, Simon Cook, Benjamin Holmes, Benjamin Johnson and Jeppe Zink represent SEED Capital, Sunley House Capital, Draper Esprit, Index Ventures, Vitruvian Partners and Northzone, respectively and have been appointed pursuant to director appointment rights in the Shareholders’ Agreement in favour of the specified shareholders.
- 3.3. Tim Weller is a director and approximately 30 per cent. shareholder of Trustedreviews Limited which owns the Trusted Reviews business. Trusted Reviews employs experts to test electronics products and provide consumers with independent advice on what to buy.

PART VII

SELECTED FINANCIAL INFORMATION

The selected financial information relating to the Group set out below has been extracted, without material adjustment, from Part B of Part IX: "Historical Financial Information". Selected Non-IFRS measures and operating information relating to the Group set out below have been calculated on the basis set out in Part II: "Presentation of Information on the Group". The selected financial information presented below should be read in conjunction with Part VIII: "Operating and Financial Review". You should read the whole of this Registration Document and not solely the summarised information in this Part VII: "Selected Financial Information".

Consolidated Statement of Profit or Loss

	For the year ended 31 December		
	2020	2019	2018
	(US\$ thousands)		
Revenue.....	101,985	81,915	64,293
Cost of sales.....	(18,067)	(15,674)	(14,160)
Gross profit.....	83,918	66,241	50,133
Sales and marketing.....	(40,442)	(46,247)	(37,224)
Technology and content.....	(25,161)	(20,728)	(20,106)
General and administrative.....	(27,750)	(22,256)	(18,797)
Operating profit/loss.....	(9,435)	(22,990)	(25,994)
Other operating income.....	352	31	30
Profit/loss before net financials.....	(9,083)	(22,959)	(25,964)
Financial income/(expenses).....	(3,859)	372	(802)
Profit/loss before tax.....	(12,942)	(22,587)	(26,766)
Income tax.....	663	(72)	782
Loss for the year.....	(12,279)	(22,659)	(25,984)

Consolidated Statement of Comprehensive Income

	For the year ended 31 December		
	2020	2019	2018
	(US\$ thousands)		
Profit for the period.....	(12,279)	(22,659)	(25,984)
Other comprehensive income/(expense)			
Items that will be subsequently reclassified to profit or loss			
Exchange rate differences on translation into presentation			
currency and on loans to subsidiaries considered part of net			
investment	1,772	(86)	176
Other comprehensive income/(expense) for the period, net of		(86)	
tax	1,772		176
Total comprehensive expense for the period.....	(10,507)	(22,745)	(25,808)

Consolidated Balance Sheet

	As at 31 December		
	2020	2019	2018
	(US\$ thousands)		
Intangible assets.....	5,478	2,675	0
Property, plant and equipment.....	2,021	657	507
Right-of-use assets.....	14,980	4,195	4,546
Deferred tax assets.....	11	4	4
Deposits.....	2,970	908	788
Total non-current assets.....	25,460	8,439	5,845
Trade receivables.....	5,227	3,791	2,838
Income tax receivables.....	926	0	848
Prepayments.....	2,099	1,704	1,508
Other receivables.....	1,131	1,653	1,654
Cash and cash equivalents.....	50,387	35,016	8,336
Total current assets.....	59,769	42,164	15,184
Total assets.....	85,229	50,603	21,029
Share capital.....	773	709	636
Share premium.....	177,842	162,109	113,666
Foreign currency translation reserve.....	(20,304)	(6,315)	(8,469)
Accumulated losses.....	(151,312)	(141,975)	(122,392)
Total equity.....	6,999	14,528	(16,559)
Borrowings.....	11,323	0	7,430
Lease liabilities.....	12,172	1,944	2,202
Other payables.....	3,171	1,092	0
Total non-current liabilities.....	26,666	3,036	9,632
Borrowings.....	1,618	0	0
Trade payables.....	1,277	1,203	1,119
Lease liabilities.....	4,432	2,638	3,776
Income tax payables.....	90	100	65
Contract liabilities.....	22,849	19,325	14,800
Other payables.....	21,298	9,773	8,196
Total current liabilities.....	51,564	33,039	27,956
Total liabilities.....	78,230	36,075	37,588
Total equity and liabilities.....	85,229	50,603	21,029

Consolidated Cash Flow Statement

	For the year ended 31 December		
	2020	2019	2018
	(US\$ thousands)		
Profit/loss for the year	(12,279)	(22,659)	(25,984)
Adjustments	9,826	7,601	4,291
Changes in net working capital	11,402	6,337	2,665
Interest received	21	43	78
Interest paid	(1,788)	(1,193)	(929)
Income taxes received/(paid).....	0	(72)	783
Net cash flow from operating activities.....	7,182	(9,943)	(19,096)
Purchase of property, plant and equipment.....	(1,793)	(542)	(271)
Proceeds from lease sublet.....	70	799	736
Payment of capitalized development costs.....	(3,261)	(2,791)	0
Net cash flow from investing activities.....	(4,984)	(2,534)	465
Principal elements of lease payments	(3,047)	(3,895)	(3,052)
Proceeds from borrowings	12,144	0	7,451
Repayment of borrowings	0	(7,216)	0
Proceeds from share issue	41	50,755	718
Cash flow from financing activities.....	9,138	39,644	5,117
Net cash flow for the year.....	11,336	27,167	(13,514)
Cash and cash equivalents, beginning of the year.....	35,016	8,337	21,968
Effects of exchange rate changes on cash and cash equivalents...	4,035	(488)	(117)
Cash and cash equivalents at end of the year.....	50,387	35,016	8,337

Alternative Performance Measures

Trustpilot utilises a range of alternative performance measures (“**APMs**”) to assess its performance, and this document contains certain financial measures that are not defined or recognised under IFRS. Some of these are also key performance indicators (“**KPIs**”). See also Part II: “*Presentation of Information on the Group – Alternative Performance Measures*” and Part VIII: “*Operating and Financial Review – Key Performance Indicators*”.

Trustpilot considers bookings, net dollar retention rate, annual recurring revenue, revenue, constant currency revenue growth, Adjusted EBITDA, Adjusted EBITDA Margin, normalised free cash flow, number of domains, number of claimed domains, number of active domains, number of Subscribing Customers and number of reviews to be the KPIs used by Trustpilot to help evaluate growth trends, establish budgets and assess operational performance and efficiencies.

Trustpilot believes that these KPIs provide alternative measures by which to assess the operating performance of the Group and, together with IFRS measures, are useful in evaluating the Group’s operating performance. The following table presents Trustpilot’s KPIs as at and for the years ended 31 December 2020, 2019 and 2018.

	As at and for the year ended 31 December		
	2020	2019	2018
	(US\$ thousands, except per cent., thousands and millions)		
Bookings	113,226	95,555	75,154
UK.....	44,884	36,147	28,424
North America.....	28,740	28,055	22,185
Rest of the World.....	39,603	31,353	24,545
Net Dollar Retention Rate (per cent.).....	91	94	89
Annual Recurring Revenue (period end)	118,699	94,309	71,476
Revenue	101,985	81,915	64,293
UK.....	39,159	30,753	23,619
North America.....	27,872	24,684	19,155
Rest of the World.....	34,954	26,478	21,519
Constant Currency Revenue Growth (per cent.).....	23	32	31
UK (per cent.).....	26	36	36
North America (per cent.).....	13	29	27
Rest of the World (per cent.).....	29	30	28
Adjusted EBITDA ¹	6,117	(15,487)	(21,474)
Adjusted EBITDA Margin ² (per cent.).....	6	(19)	(33)
Normalised free cash flow ³ (US\$ millions).....	1	(17)	(22)
Number of domains ⁴ (thousands).....	529	376	281
Number of claimed domains ⁵ (thousands).....	407	297	233
Number of active domains ⁶ (thousands).....	63	42	29
Number of Subscribing Customers ⁷ (thousands).....	20	17	14
Number of reviews ⁸ (millions).....	121	82	57

¹ Adjusted EBITDA is calculated as EBITDA (earnings before interest, tax, depreciation and amortisation) adjusted to exclude non-recurring transaction costs, which relate to one-time preparation costs associated with corporate financing activities, restructuring costs, which relate to one-time costs associated with redundancies and cost reduction measures undertaken in 2020, and share-based compensation. Adjusted EBITDA for the year ended 31 December 2018 has not been adjusted for capitalised software development costs and such costs were expensed as incurred in 2018. The adjustments for capitalised software development costs in 2020 and 2019 amounted to US\$3.3 million and US\$2.8 million, respectively. For a reconciliation of Adjusted EBITDA to profit/(loss) before net financial items see: Part II: "Presentation of Information on the Group – Presentation of Financial and Other Information – Alternative Performance Measures".

² Adjusted EBITDA as a percentage of revenue.

³ Normalised free cash flow is calculated as Adjusted EBITDA adjusted for the change in working capital, capital expenditure and lease payments and deposits. For a reconciliation of normalised free cash flow to Adjusted EBITDA see: Part II: "Presentation of Information on the Group – Presentation of Financial and Other Information – Alternative Performance Measures".

⁴ Number of domains that have been reviewed on Trustpilot's platform as at 31 December (including domains subsequently removed from the Trustpilot consumer website).

⁵ Number of claimed domains that have been reviewed on Trustpilot's platform as at 31 December (including domains subsequently removed from the Trustpilot consumer website).

⁶ Number of domains in the month of December that received an invited review or were the subject of a TrustBox impression during the month.

⁷ Number of customers with a paid subscription for services on Trustpilot's platform as at 31 December.

⁸ Number of reviews hosted on Trustpilot's platform as at 31 December (including reviews subsequently removed or deleted).

PART VIII

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis is intended to assist in the understanding and assessment of the trends and significant changes in the Group's results of operations and financial condition. Historical results may not indicate future performance. Some of the information in this section, including information in respect of the Group's plans and strategies for the business and expected sources of financing, contains forward-looking statements that involve risk and uncertainties and is based on assumptions about the Group's future business. Actual results could differ materially from those contained in such forward-looking statements as a result of a variety of factors, including the risks discussed in Part I: "Risk Factors" included elsewhere in this Registration Document. You should read Part II: "Presentation of Information on the Group — Information Regarding Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and should also read Part I: "Risk Factors" for a discussion of certain factors that may affect the business, results of operations or financial condition of the Group. The following discussion should be read in conjunction with the Historical Financial Information, including accompanying notes, included in Part IX: "Historical Financial Information".

1. Overview

Trustpilot is a leading global review platform in an emerging and growing category. As at 31 December 2020, over 529,000 domains (both claimed and unclaimed, and including domains subsequently removed from the Trustpilot consumer website) had been reviewed on Trustpilot's platform, Trustpilot's platform had hosted over 120 million reviews by consumers (including reviews subsequently removed or deleted) and Trustpilot had over 19,500 Subscribing Customers from over 100 countries and territories subscribing for its SaaS products and services. Trustpilot provides an open platform, which creates a place where businesses and consumers can gain actionable insights and collaborate. Consumers are able to share feedback, at any time, about any business with a website and review feedback left by other consumers. The platform not only facilitates better purchasing decisions, but also gives consumers the opportunity to recommend businesses, products, services and locations based on their experiences. In contrast to 'closed' review platforms, and in order to place trust and transparency at the centre of Trustpilot's offering, Trustpilot prevents businesses from choosing which reviews are published on, or removed from, Trustpilot's platform so that all reviews can be seen by consumers, and any business can use the platform to view and respond to consumer reviews at no cost. In addition to this free service, Trustpilot provides a number of paid subscription modules for businesses, providing increasing levels of functionality offered on a SaaS basis. For example, Subscribing Customers are able to showcase reviews from consumers in their own marketing materials, access actionable insights gleaned from Trustpilot's big-data ecosystem, gain insights from Trustpilot's proprietary data analytics software and benefit from automated review invitation capabilities. Combined, these services help businesses raise their profile, build their own trust credentials and more effectively target potential customers. In December 2020, Trustpilot had more than 6.9 billion TrustBox impressions (a visit of a customer webpage with an embedded TrustBox) and more than 1.1 billion Google search impressions (where a link to a Trustpilot webpage is returned in response to a Google search). In December 2020, Trustpilot had more than 62,000 active domains, which are domains that received an invited review or were the subject of a TrustBox impression during the month. In January 2021, Trustpilot recorded more than 7.2 billion TrustBox impressions and more than 1.2 billion Google search impressions.

Trustpilot believes that bookings in any given period are an indicator of revenue in the current and subsequent periods, and Trustpilot had total bookings of US\$113.2 million, US\$95.6 million and US\$75.2 million for the years ended 31 December 2020, 2019 and 2018, respectively, while Trustpilot had revenue of US\$102.0 million, US\$81.9 million and US\$64.3 million for the years ended 31 December 2020, 2019 and 2018, respectively. The UK, North America and the Rest of the World accounted for 38.4 per cent., 27.3 per cent. and 34.3 per cent. of revenue, respectively, for the year ended 31 December 2020.

For the year ended 31 December 2020, Trustpilot recorded revenue of US\$102.0 million, an operating loss of US\$9.4 million, Adjusted EBITDA of US\$6.1 million and net cash flow from operating activities of US\$7.2 million. As at 31 December 2020, Trustpilot had net cash of US\$37.4 million.

2. Current Trading and Prospects

Trustpilot has made an encouraging start to the year, with growth in annual recurring revenue for the month of January 2021 in line with expectations.

Trustpilot's business plan sets out certain targets and ambitions in respect of growth in revenue as well as certain key financial items for the Group. These targets and ambitions are forward-looking statements, based on assumptions that Trustpilot believes are reasonable, but which may turn out to be incorrect or different than expected. Trustpilot's ability to achieve these targets and ambitions will depend on a number of factors, many of which are outside the Group's control, including significant business and economic risks and uncertainties, including the risks and uncertainties described in Part I: "*Risk Factors*". As a result, Trustpilot's actual results may vary from the targets and ambitions set out below and those variations may be material.

Trustpilot is targeting constant currency revenue growth in the medium term at a rate similar to the historical constant currency revenue growth rate of approximately 30 per cent. that was achieved from 2017 to 2019. In the near term, Trustpilot is targeting constant currency revenue growth in the high teens in percentage terms, with stronger revenue growth in the UK and Rest of World geographic regions offset by a slower recovery of revenue growth in North America. In light of the differences between closing spot foreign exchange rates in 2020 and the average foreign exchange rates experienced by Trustpilot in 2020, as well as the targeted revenue mix, Trustpilot estimates that foreign currency would, all other things equal, add 3 per cent. to targeted constant currency revenue growth in 2021. Trustpilot's results of operations in 2020 reflected a step change in efficiency in customer acquisition costs as a percentage of revenue due to increased penetration of product-led Customer acquisition and a reshaping of Trustpilot's sales force. Further improvements in customer acquisition costs as a percentage of revenue are anticipated by Trustpilot to be more than offset in 2021 by increased investments into growth through marketing, with a gradual return to operating leverage thereafter. Trustpilot anticipates that technology and content expenses and general and administrative expenses in 2021 will increase to reflect the reintroduction of certain administrative expenses, approximately US\$2 million of additional recurring annual expenses as a result of becoming a listed company and an increase of approximately US\$7 million in investment in technology to drive product development. Trustpilot anticipates that technology and content expenses and general and administrative expenses in 2021, in aggregate, will, as a percentage of revenue, be broadly in line with these expenses in 2019. Capital expenditure is targeted to be approximately 4 per cent. of revenue over the medium term. Trustpilot is targeting net working capital of approximately 4 per cent. of revenue over the medium term, and is anticipating a net cash outflow of approximately US\$2 million in 2021 as a result of shifting the entire 2020 bonus payment to 2021 and a payroll tax deferral from 2020 to 2021.

3. Significant Factors Affecting Trustpilot's Results of Operations

3.1. Gross and net dollar customer retention

Retention and expansion of Subscribing Customers are leading contributors to growth of Trustpilot's revenue. Trustpilot calculates the net dollar retention rate as the annual contract value of all subscription renewals in a given period divided by the annual contract value of subscriptions expiring in that period. 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. Trustpilot calculates the gross dollar retention rate as the annual contract value of all subscription renewals in a given period divided by the annual contract value of subscriptions expiring in that period, excluding any expansion of contract value of subscriptions with existing Subscribing Customers. The retention rate for a given cohort of Subscribing Customers tends to be the lowest at the time of the first renewal event (such as the renewal of the first annual subscription) as some

customers fail to renew their subscriptions. Retention rates for Subscribing Customers that renew their subscriptions at the time of the first renewal are, in general, higher in subsequent years. Markets with a greater degree of adoption also, in general, have higher net customer retention than markets at an earlier stage of adoption. As at 31 December 2020, Trustpilot's average net dollar retention rate for Subscribing Customers after one year was 79 per cent., while the average net dollar retention rate for all subsequent years was 96 per cent. Trustpilot's average overall net dollar retention rate was 91 per cent. for the year ended 31 December 2020 and the net dollar retention rate of 91 per cent. consisted of a gross dollar retention rate of 83 per cent. and net expansion of 8 per cent.

The following table shows Trustpilot's gross and net dollar customer retention rates for the years ended 31 December 2020, 2019 and 2018.

	For the year ended 31 December		
	2020	2019	2018
	(per cent.)		
Gross Retention rate	83	85	83
Net Expansion	8	10	7
Net Dollar Retention rate	91	94	89

3.2. **Bookings**

Trustpilot defines bookings as the annual contract value of contracts signed in a given period. Nearly all of Trustpilot's contracts with customers have a duration of 12 months, and in the event a contract length exceeds 12 months the value is adjusted to the 12-month equivalent for the purpose of calculating bookings. Trustpilot believes that bookings in any given period are a leading indicator of revenue in subsequent periods, and revenue is amortised evenly over the contract term. Trustpilot has experienced growth in bookings in all geographic regions during the three years ended 31 December 2020, with bookings of US\$113.2 million, US\$95.6 million and US\$75.2 million for the years ended 31 December 2020, 2019 and 2018 respectively.

The table below shows Trustpilot's bookings for the years ended 31 December 2020, 2019, 2018 and 2017, respectively, as well as growth in constant currency.

	For the year ended 31 December			
	2020	2019	2018	2017
	(US\$ thousands)			
Bookings	113,226	95,555	75,154	57,267
<i>Growth from prior year (per cent.)</i>	18	27	31	
UK Bookings	44,884	36,147	28,424	20,535
<i>Growth from prior year (per cent.)</i>	24	27	38	
NA Bookings	28,740	28,055	22,185	17,829
<i>Growth from prior year (per cent.)</i>	2	26	24	
RoW Bookings	39,603	31,353	24,545	18,904
<i>Growth from prior year (per cent.)</i>	26	28	30	

3.3. **Customer acquisition costs**

New customers are acquired by Trustpilot through a combination of sales, marketing and product engagement. Potential new customers can engage organically with Trustpilot's platform through consumers leaving unprompted reviews or by claiming their profile on Trustpilot's platform without a paid subscription once a consumer review has been added. This organic engagement with Trustpilot's platform often results in more efficient customer acquisition, as businesses become aware of Trustpilot before engaging with Trustpilot's sales and marketing personnel.

Customer acquisition costs increased from US\$37.2 million to US\$46.2 million for the years ended 31 December 2018 and 2019, respectively, before decreasing to US\$40.4 million for the year ended 31 December 2020 as a result of improved efficiency in customer acquisition and cost cutting measures amidst the uncertainty of the COVID-19 crisis. The efficiency of customer acquisition can be measured in terms of the time period required to pay back the sales and marketing expense incurred, taking also into account the gross margin achieved in delivering the service. The average payback period improved during the year ended 31 December 2020. Similar to net customer retention rates, operating metrics such as payback periods improve with greater market adoption.

3.4. **Gross profit margins**

During the three-year period ended 31 December 2020, Trustpilot has experienced growth in gross profit margins (inclusive of the cost to onboard, support, retain and upsell its Subscribing Customers) which represented 82.3 per cent., 80.9 per cent. and 78.0 per cent. of revenues for the years ended 31 December 2020, 2019 and 2018, respectively. The improvement in Trustpilot's gross profit margins during the three-year period was attributable primarily to the scale achieved in network costs of hosting and delivering the software service to a larger number of customers as well as scale benefits in sales and marketing and customer support.

3.5. **COVID-19**

The COVID-19 pandemic has affected Trustpilot's operations for the year ended 31 December 2020. Economic activity in Trustpilot's principal markets has been impacted significantly due to the widespread closure of physical stores, limitations on travel and behavioural changes associated with social distancing and other measures taken as a result of the COVID-19 pandemic. Social distancing and other measures had an adverse impact on many businesses, including businesses that are Trustpilot's customers. At the same time, Trustpilot has experienced an increase in consumer activity on its websites during 2020 as well as an increase in the number of domains with Trustpilot reviews and the number of consumer reviews posted on Trustpilot's platform. Additionally, digitalisation, time spent online by consumers and ecommerce growth accelerated in 2020.

Many of Trustpilot's Customers have been impacted by measures taken in relation to the COVID-19 pandemic, and Trustpilot's net dollar retention rate was impacted in 2020 as it offered certain Subscribing Customers concessions on subscriptions, in the form of one-time payment waivers or deferrals or a reduction in the number of subscription modules, particularly in relation to certain Subscribing Customers in North America, in order to support Subscribing Customer retention. Trustpilot's customer acquisition costs, on the other hand, improved during 2020 as Trustpilot focused on efficiency and made certain reductions of sales and marketing personnel. Certain costs such as those related to recruiting, premises and travel were lower in 2020 as a result of the pandemic. Trustpilot's Adjusted EBITDA margin for the year ended 31 December 2020, due in part to these cost reductions, was 6 per cent. compared to -19 per cent. in the year ended 31 December 2019 and -33 per cent. in the year end 31 December 2018. Trustpilot's results of operations for the year ended 31 December 2020 thus have been, and Trustpilot anticipates that its results of operations for the year ending 31 December 2021 will be affected by the COVID-19 pandemic's impact on customers and consumer behaviour and on Trustpilot's operations.

4. Key Performance Indicators

Trustpilot monitors several “KPIs” to evaluate growth trends, establish budgets and assess the operational and financial performance of its business. These measures are derived from the Group’s internal systems. Because some of these measures are not determined in accordance with generally accepted accounting principles, including IFRS, and are thus susceptible to varying calculations, they may not be comparable with other similarly titled measures of performance of other companies.

Trustpilot considers bookings, net dollar retention rate, annual recurring revenue, revenue, constant currency revenue growth, Adjusted EBITDA, Adjusted EBITDA Margin, normalised free cash flow, number of domains, number of claimed domains, number of active domains, number of Subscribing Customers and number of reviews to be the KPIs used by Trustpilot to help evaluate growth trends, establish budgets and assess operational performance and efficiencies.

Trustpilot believes that these KPIs provide alternative measures by which to assess the operating performance of the Group and, together with IFRS measures, are useful in evaluating the Group’s operating performance. For more information on the definition and calculation of these metrics, including, in respect of applicable financial metrics, a reconciliation to the Group’s reported historical financial information prepared on an IFRS basis, where applicable, please see Part II: “*Presentation of Information on the Group - Alternative Performance Measures*” and Part VII: “*Selected Financial Information - Alternative Performance Measures*”.

5. Description of Key Line Items in Trustpilot’s Consolidated Statement of Profit or Loss

5.1. Revenue

The Group generates revenue from the sale of subscription plans for 12 months, where the invoicing varies from monthly to yearly billing and payment terms vary from 8 to 30 days. The subscription plans grant Subscribing Customers access to the Trustpilot online platform and may, depending on the subscription plan, include various marketing and analytic tools. The subscription plan is considered as the single performance obligation. Trustpilot’s performance obligations are satisfied over time and revenue is recognised on a straight-line basis over the subscription period.

The Group recognises a contract liability and a corresponding receivable at a point in time where the payment from the Subscribing Customer is due. Revenue is only recognised when it is probable that the Group will collect the consideration to which it will be entitled in exchange for the services that will be transferred to the Subscribing Customer. There is no variable consideration included in the transaction price for company subscription plans.

5.2. Cost of sales

Cost of sales comprises costs incurred to achieve the revenue generated during the period, including platform hosting and maintenance costs and customer support costs. Cost of sales primarily includes wages, salaries, social security contributions and pension contributions related to customer support personnel and are accrued in the year in which the associated services are rendered by employees.

5.3. Sales and marketing expenses

Sales and marketing expenses comprise commercial costs of acquiring new customers, including direct sales support functions such as sales operations and partnerships.

5.4. Technology and content

Technology and content includes research and development costs incurred by the work of the product and engineering teams directly on the platform. Technology & content includes a proportion of depreciation and amortisation.

5.5. General and administrative expenses

General and administrative expenses comprise costs incurred by the back-office functions such as finance, legal and human resources, including wages, costs under share-based programmes and other office costs. General and administrative expenses include a proportion of depreciation and amortisation.

5.6. Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the main activities of the Group, including losses on the sale of intangible assets and property, plant and equipment.

5.7. Other operating income

Other operating income comprise items of a secondary nature relative to the main activities of the Group, including gains or losses on the sale of tangible assets.

5.8. Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Financial income and expenses (net financials) include interest income and expenses calculated in accordance with the effective interest method, as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

5.9. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries in which the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the historical financial information. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

6. Results of Operations

The table below presents Trustpilot's results of operations for the periods indicated and has been extracted without material adjustment from the historical financial information set out in Part IX: "Historical Financial Information".

Consolidated statement of profit or loss

	For the year ended 31 December		
	2020	2019	2018
	(US\$ thousands)		
Revenue.....	101,985	81,915	64,293
Cost of sales.....	(18,067)	(15,674)	(14,160)
Gross profit.....	83,918	66,241	50,133
Sales and marketing.....	(40,442)	(46,247)	(37,224)
Technology and content.....	(25,161)	(20,728)	(20,106)
General and administrative.....	(27,750)	(22,256)	(18,797)
Operating profit/loss.....	(9,435)	(22,990)	(25,994)
Other operating income.....	352	31	30
Profit/loss before net financials.....	(9,083)	(22,959)	(25,964)
Financial income/(expenses).....	(3,859)	372	(802)
Profit/loss before tax.....	(12,942)	(22,587)	(26,766)
Income tax.....	663	(72)	782
Loss for the year.....	(12,279)	(22,659)	(25,984)

6.1. Comparison of result of operations for the year 31 December 2020 and the year ended 31 December 2019

Revenue

Revenue for the year ended 31 December 2020 increased by US\$20.1 million, or 24.5 per cent., to US\$102.0 million, compared to US\$81.9 million for the year ended 31 December 2019. The increase in revenue was due primarily to increases in subscriptions from Subscribing Customers, which increased in each of the Group's geographic regions. The increase in revenue in 2020 also was due to growth in bookings in 2019 and in 2020, as revenue is amortised over the contract term. On a constant currency basis, Trustpilot's revenues increased by 23 per cent. for the year ended 31 December 2020 compared to the same period in 2019.

The table below provides a breakdown of the Group's revenue by geographic region for the years ended 31 December 2020 and 2019:

	2020		2019	
	(US\$ thousands)	(per cent. of total)	(US\$ thousands)	(per cent. of total)
UK.....	39,159	38.4	30,753	37.5
North America.....	27,872	27.3	24,684	30.1
Rest of World.....	34,954	34.3	26,478	32.3
Total Revenue.....	101,985	100.0	81,915	100.0

UK revenue for the year ended 31 December 2020 increased by US\$8.4 million, or 27.3 per cent., to US\$39.2 million, compared to US\$30.8 million for the year ended 31 December 2019. North America revenue for the year ended 31 December 2020 increased by US\$3.2 million, or 12.9 per cent., to US\$27.9 million, compared to US\$24.7 million for the year ended 31 December 2019. Rest of World revenue for the year ended 31 December 2020 increased by US\$8.5 million, or 32.0 per cent., to US\$35.0 million, compared to US\$26.5 million for the year ended 31 December 2019. The increase in revenue in all regions was due to by a combination of acquiring new Subscribing Customers while retaining and expanding revenue from existing Subscribing Customers. Growth in revenue in North America was adversely affected by one-time payment waivers or deferrals offered to certain Subscribing Customers as a result of the COVID-19 pandemic and in order to support Subscribing Customer retention. Trustpilot had a net dollar retention rate of 91 per cent. in 2020.

Cost of sales

Cost of sales for the year ended 31 December 2020 increased by US\$2.4 million, or 15.3 per cent., to US\$18.1 million, compared to US\$15.7 million for the year ended 31 December 2019. Cost of sales as a percentage of revenue was 17.7 per cent. and 19.1 per cent. for the years ended 31 December 2020 and 2019, respectively, and the decrease as a percentage of revenue in 2020 was attributable primarily to scale in network operating costs of hosting and delivering the software service as well as greater efficiency in customer support. On a constant currency basis, Trustpilot's cost of sales increased by 13 per cent. for the year ended 31 December 2020 compared to the same period in 2019.

Gross profit

Gross profit for the year ended 31 December 2020 increased by US\$17.7 million, or 26.7 per cent., to US\$83.9 million, compared to US\$66.2 million for the year ended 31 December 2019. Gross profit margin was 82.3 per cent. and 80.9 per cent. for the years ended 31 December 2020 and 2019, respectively, and the increase in gross profit margin in 2020 was attributable primarily to the percentage growth in revenue exceeding the percentage growth in cost of sales. On a constant currency basis, Trustpilot's gross profit increased by 26 per cent. for the year ended 31 December 2020 compared to the same period in 2019.

Sales and marketing

Sales and marketing expenses for the year ended 31 December 2020 decreased by US\$5.8 million, or 12.6 per cent., to US\$40.4 million, compared to US\$46.2 million for the year ended 31 December 2019. A portion of the 2019 sales and marketing expenses were attributable to an advertising campaign in the United States focused on consumers that was not conducted in 2020. Sales and marketing expenses in 2020 included certain one-time costs, including US\$1.2 million in respect of redundancy costs in respect of departing sales and marketing personnel and other cost reduction measures. Sales and marketing expenses as a percentage of revenue were 39.7 per cent. and 56.5 per cent. for the year ended 31 December 2020 and 2019, respectively, and the decrease as a percentage of revenue in 2020 was attributable primarily to greater efficiency in customer acquisition and cost saving measures. On a constant currency basis, Trustpilot's sales and marketing expenses increased by 13 per cent. for the year ended 31 December 2020 compared to the same period in 2019.

Technology and content

Technology and content expenses for the year ended 31 December 2020 increased by US\$4.4 million, or 21.4 per cent., to US\$25.2 million, compared to US\$20.7 million for the year ended 31 December 2019. Technology and content expenses for the years ended 31 December 2020 and 2019 included US\$1.1 million and US\$215 thousand, respectively, of depreciation and amortisation expenses. Technology and content expenses as a percentage of revenue were 24.7 per cent. and 25.3 per cent. for the years ended 31 December 2020 and 2019, respectively, and the decrease as a percentage of revenue in 2020 was attributable primarily to increased leverage of the Group's technology as well as certain one-time cost savings associated with the COVID-19 pandemic. On a constant currency basis, Trustpilot's technology

and content expenses increased by 19 per cent. for the year ended 31 December 2020 compared to the same period in 2019.

General and administrative

General and administrative expenses for the year ended 31 December 2020 increased by US\$5.5 million, or 24.7 per cent., to US\$27.8 million, compared to US\$22.3 million for the year ended 31 December 2019. General and administrative expenses for the years ended 31 December 2020 and 2019 included US\$4.6 million and US\$3.1 million, respectively, of depreciation and amortisation expenses, the largest portion of which related to the depreciation of right-of-use assets in respect of leases relating to properties used by the Group. General and administrative expenses as a percentage of revenue were 27.2 per cent. and 26.1 per cent. for the years ended 31 December 2020 and 2019, respectively, and the increase as a percentage of revenue in 2020 was attributable primarily to an increase in share-based compensation, offset in part by costs related to back office functions growing at a slower pace than revenue and cost savings associated with a reduction in office and travel expenses. On a constant currency basis, Trustpilot's general and administrative expenses increased by 17 per cent. for the year ended 31 December 2020 compared to the same period in 2019.

Operating loss

The Group's operating loss for the year ended 31 December 2020 was US\$9.4 million compared to an operating loss of US\$23.0 million for the year ended 31 December 2019. The reduction in the operating loss for the year ended 31 December 2020 was due primarily to the improvements in customer acquisition costs as well as cost savings in the second quarter of the year in response to the COVID-19 crisis.

Financial income/(expenses)

Financial income/(expenses) for the year ended 31 December 2020 was an expense of US\$3.9 million, compared to income of US\$0.4 million for the year ended 31 December 2019. The decrease in financial income/(expenses) was due primarily to foreign exchange rate losses of US\$1.8 million for the year ended 31 December 2020 compared to foreign exchange rate gains of US\$1.5 million for the year ended 31 December 2019. Interest expense for the year ended 31 December 2020 was US\$1.8 million, an increase of US\$0.6 million compared to interest expense of US\$1.2 million for the year ended 31 December 2019. The increase in interest expense in 2020 was due primarily to a full year of interest expense on the US\$12.5 million term loan signed in September 2019.

Income tax

Income tax for the year ended 31 December 2020 was an income tax credit of US\$663 thousand compared to an income tax expense of US\$72 thousand for the year ended 31 December 2019. The Group's income tax for the year ended 31 December 2020 reflected tax credits in Denmark.

Loss for the year

As a result of the above factors, the Group's loss for the year was US\$12.3 million for the year ended 31 December 2020, compared to a loss for the year of US\$22.7 million for the year ended 31 December 2019.

6.2. Comparison of result of operations for the year 31 December 2019 and the year ended 31 December 2018

Revenue

Revenue for the year ended 31 December 2019 increased by US\$17.6 million, or 27.4 per cent., to US\$81.9 million, compared to US\$64.3 million for the year ended 31 December 2018. The increase in revenue was due primarily to increases in subscriptions from both new customers and retention of existing customers, which increased in each of the Group's geographic regions. Revenue growth in markets with greater

network adoption such as the UK grew at a higher rate than the Group average, and grew by 36 per cent. on a constant currency basis. On a constant currency basis, Trustpilot's revenues increased by 32 per cent. for the year ended 31 December 2019 compared to the same period in 2018.

The table below provides a breakdown of the Group's revenue by geographic region for the years ended 31 December 2019 and 2018:

	2019		2018	
	(US\$ thousands)	(per cent. of total)	(US\$ thousands)	(per cent. of total)
UK.....	30,753	37.5	23,619	36.7
North America.....	24,684	30.1	19,155	29.8
Rest of World.....	26,478	32.3	21,519	33.5
Total Revenue.....	81,915	100.0	64,293	100.0

UK revenue for the year ended 31 December 2019 increased by US\$7.1 million, or 30.2 per cent., to US\$30.8 million, compared to US\$23.6 million for the year ended 31 December 2018. North America revenue for the year ended 31 December 2019 increased by US\$5.5 million, or 28.9 per cent., to US\$24.7 million, compared to US\$19.2 million for the year ended 31 December 2018. Rest of World revenue for the year ended 31 December 2019 increased by US\$5.0 million, or 23.0 per cent., to US\$26.5 million, compared to US\$21.5 million for the year ended 31 December 2018. Growth in revenue was driven by an increase in new Subscribing Customer bookings and improvement in net dollar retention rate experienced in all geographic regions.

Cost of sales

Cost of sales for the year ended 31 December 2019 increased by US\$1.5 million, or 10.7 per cent., to US\$15.7 million, compared to US\$14.2 million for the year ended 31 December 2018. Cost of sales as a percentage of revenue was 19.1 per cent. and 22.0 per cent. for the years ended 31 December 2019 and 2018, respectively, and the decrease as a percentage of revenue in 2019 was attributable primarily to the scaling of network costs as a result of steps taken to optimise the delivery of Trustpilot service as well as efficiencies in customer support enabled by chat bots and similar means of addressing customer inquiries. On a constant currency basis, Trustpilot's cost of sales increased by 15 per cent. for the year ended 31 December 2019 compared to the same period in 2018.

Gross profit

Gross profit for the year ended 31 December 2019 increased by US\$16.1 million, or 32.1 per cent., to US\$66.2 million, compared to US\$50.1 million for the year ended 31 December 2018. Gross profit margin was 80.9 per cent. and 78.0 per cent. for the years ended 31 December 2019 and 2018, respectively, and the increase in gross profit margin in 2019 was attributable primarily to revenue growth of 27 per cent. while cost of sales increased by 11 per cent. in the same period. On a constant currency basis, Trustpilot's gross profit increased by 37 per cent. for the year ended 31 December 2019 compared to the same period in 2018.

Sales and marketing

Sales and marketing expenses for the year ended 31 December 2019 increased by US\$9.0 million, or 24.2 per cent., to US\$46.2 million, compared to US\$37.2 million for the year ended 31 December 2018. Sales and marketing expenses as a percentage of revenue were 56.5 per cent. and 57.9 per cent. for the years ended 31 December 2019 and 2018, respectively. The increase in sales and marketing expenses in 2019 was attributable primarily to an increase in sales and marketing personnel as well as expenditure on marketing programmes, in particular an advertising campaign in the fourth quarter of 2019 directed at

consumers. On a constant currency basis, Trustpilot's sales and marketing expenses increased by 28 per cent. for the year ended 31 December 2019 compared to the same period in 2018.

Technology and content

Technology and content expenses for the year ended 31 December 2019 increased by US\$0.6 million, or 3.1 per cent., to US\$20.7 million, compared to US\$20.1 million for the year ended 31 December 2018. Technology and content expenses for the years ended 31 December 2019 and 2018 included US\$215 thousand and US\$92 thousand, respectively, of depreciation and amortisation expenses. Technology and content expenses as a percentage of revenue were 25.3 per cent. and 31.3 per cent. for the years ended 31 December 2019 and 2018, respectively, and the decrease as a percentage of revenue in 2019 was attributable in part to Trustpilot capitalising a portion of its software development costs starting in 2019 following its transition of IFRS. On a constant currency basis, Trustpilot's technology and content expenses increased by 8 per cent. for the year ended 31 December 2019 compared to the same period in 2018.

General and administrative

General and administrative expenses for the year ended 31 December 2019 increased by US\$3.5 million, or 18.4 per cent., to US\$22.3 million, compared to US\$18.8 million for the year ended 31 December 2018. General and administrative expenses for the years ended 31 December 2019 and 2018 included US\$3.1 million and US\$2.7 million, respectively, of depreciation and amortisation expenses, the largest portion of which related to the depreciation of right-of-use assets in respect of leases relating to properties used by the Group. General and administrative expenses as a percentage of revenue were 26.1 per cent. and 29.2 per cent. for the years ended 31 December 2019 and 2018, respectively, and the decrease as a percentage of revenue in 2019 was attributable primarily to increases in expenses related to personnel increasing at a lower rate than the corresponding increase in revenue and benefits of scale in administrative expenses. On a constant currency basis, Trustpilot's general and administrative expenses increased by 18 per cent. for the year ended 31 December 2019 compared to the same period in 2018.

Operating loss

The Group's operating loss for the year ended 31 December 2019 was US\$23.0 million compared to an operating loss of US\$26.0 million for the year ended 31 December 2018. The reduction in the operating loss for the year ended 31 December 2019 was due primarily to the increase in revenue and the reduction as a percentage of revenue of technology & content expenses and general and administrative expenses.

Financial income/(expenses)

Financial income/(expenses) for the year ended 31 December 2019 was income of US\$0.4 million, an increase of US\$1.2 million compared to an expense of US\$0.8 million for the year ended 31 December 2018. The increase in financial income/(expenses) was due primarily to an increase in foreign exchange rate gains, which amounted to US\$1.5 million for the year ended 31 December 2019 compared to US\$49 thousand for the year ended 31 December 2018. Interest expense for the year ended 31 December 2019 was US\$1.2 million, an increase of US\$0.3 million compared to interest expense of US\$0.9 million for the year ended 31 December 2018. The increase in interest expense in 2019 was due primarily to the US\$12.5 million term loan signed in September 2019.

Income tax

Income tax for the year ended 31 December 2019 was US\$72 thousand compared to an income tax credit of US\$782 thousand for the year ended 31 December 2018. The Group's income tax for the year ended 31 December 2018 reflected tax credits issued in Denmark.

Loss for the year

As a result of the above factors, the Group's loss for the year was US\$21.8 million for the year ended 31 December 2019, compared to a loss for the year of US\$26.0 million for the year ended 31 December 2018.

7. Liquidity and Capital Resources

The Group's primary sources of liquidity are the cash flows generated from its operations, along with borrowings. The primary use of this liquidity is to fund the Group's operations.

7.1. Cash flows

The table below presents a summary of the Group's cash flows for the periods indicated, which have been extracted without material adjustment from the historical financial information set out in Part IX: "Historical Financial Information".

	For the year ended 31 December		
	2020	2019	2018
	(US\$ thousands)		
Net cash flow from operating activities.....	7,182	(9,943)	(19,096)
Net cash flow from investing activities.....	(4,984)	(2,534)	465
Net cash flow from financing activities.....	9,138	39,644	5,117
Net cash flow for the year.....	11,336	27,167	(13,514)
Cash and cash equivalents, beginning of the year.....	35,016	8,337	21,968
Effects of exchange rate changes on cash and cash equivalents.....	4,035	(488)	(117)
Cash and cash equivalents at end of the year.....	50,387	35,016	8,337

Cash flows from operating activities

Net cash inflow from operating activities for the year ended 31 December 2020 was US\$7.2 million, compared to a net cash outflow of US\$9.9 million for the year ended 31 December 2019. The net cash inflow in 2020 was due primarily to improvement in profitability as well as a change in the Group-wide bonus scheme from a quarterly payout to an annual payout, along with payroll tax deferrals afforded in Denmark.

Net cash outflow from operating activities was US\$9.9 million for the year ended 31 December 2019, compared to a net cash outflow of US\$19.1 million for the year ended 31 December 2018, due primarily to reduction in the loss for the year and an increase in net working capital primarily due to prepayments from customers and growing labour accruals.

Cash flows used in investing activities

Net cash outflow from investing activities was US\$5.0 million for the year ended 31 December 2020, compared to a net cash outflow of US\$2.5 million for the year ended 31 December 2019, and the increase was due primarily to an increase in capitalised software development and costs associated with the fit out of newly acquired leased office space in London.

Net cash outflow from investing activities was US\$2.5 million for the year ended 31 December 2019, compared to a net cash inflow from investing activities of US\$0.5 million for the year ended 31 December 2018. Trustpilot began to capitalise software development costs in 2019 following the transition to IFRS, while software development costs were expensed as incurred in 2018.

Cash flow from financing activities

Net cash flow from financing activities was US\$9.1 million for the year ended 31 December 2020, compared to net cash flow from financing activities of US\$39.6 million for the year ended 31 December 2019. In 2020, the Group drew on the debt facility with Silicon Valley Bank, pursuant to which it borrowed US\$12.5 million. while in 2019 the Group raised net proceeds of US\$50.8 million in its Series E financing.

Net cash flow from financing activities was US\$39.6 million for the year ended 31 December 2019, compared to net cash flow from financing activities of US\$5.1 million for the year ended 31 December 2018. The net cash flow from financing activities in 2019 included the US\$50.5 million proceeds of the Series E financing, offset in part by US\$7.2 million of repayment of borrowings incurred in 2018. The net cash flow from financing activities in 2018 included proceeds of borrowings of US\$7.5 million.

7.2. Borrowings

In September 2019, the Group refinanced a debt facilities arrangement with Silicon Valley Bank in the amount of US\$20 million, including a revolving credit facility of US\$7.5 million and a term loan in the amount of US\$12.5 million. The debt facilities arrangement is secured by eligible accounts receivable and other Group assets. As of 31 December 2020, US\$7.5 million was available under the revolving credit facility. The term loan, if not repaid earlier, amortises for two years starting in September 2021.

7.3. Commitments and Contingent Liabilities

The Group leases the properties used in its business and operations, and the leases typically are for fixed periods between two and five years, but may have extension options. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants on the Group, but leased assets may not be used as security. Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

The Group recorded right-of-use assets relating to properties that were subject to leases amounting to US\$15.0 million, US\$4.2 million and US\$4.5 million as at 31 December 2020, 2019 and 2018, respectively.

The Group recorded the following liabilities in respect of leases as at 31 December 2020, 2019 and 2018.

	As at 31 December		
	2020	2019	2018
	(US\$ thousands)		
Current.....	4,432	2,638	3,776
Non-current.....	12,172	1,944	2,202
Lease liabilities.....	16,604	4,582	5,978

8. Dividend Policy

The Company currently intends to retain any earnings to finance the growth and development of its business and, therefore, does not anticipate paying any dividends in the foreseeable future.

9. Capital Expenditure

The table below presents a breakdown of the Group's capital expenditure for the periods presented.

	As at 31 December		
	2020	2019	2018
	(US\$ thousands)		
Property, plant & equipment.....	1,793	542	271
Software/product development.....	3,261	2,791	-
Capital Expenditure.....	5,054	3,333	271

The most significant element of the Group's capital expenditure during the period under review related to capitalised software development as well as expenditure on office equipment. The capitalization of software development was introduced in 2019. Expenditure on property, plant and equipment related to furniture and other property fit-out costs and leasehold improvements. The Group is targeting a capital expenditure budget over the medium term representing approximately 4 per cent. of revenue, with the majority of the targeted capital expenditure representing investments into new product development.

10. Off-Balance Sheet Commitments

Trustpilot did not have any material off-balance sheet liabilities or other off-balance sheet commitments as at 31 December 2020.

11. Quantitative and Qualitative Disclosures about Market Risks

For a description of the Group's management of currency, credit and liquidity risks, see Note 16 of Section B of Part IX: "*Historical Financial Information*".

12. Critical Accounting Estimates and Judgements

For a description of the Group's critical accounting estimates and judgements and key assumptions used in reaching such estimates and judgments, see Note 2 of Section B of Part IX: "*Historical Financial Information*".

PART IX

HISTORICAL FINANCIAL INFORMATION

Part IX: “*Historical Financial Information*” includes consolidated historical financial information as at and for the three years ended 31 December 2020, as well as an Accountants’ Report thereon prepared by PricewaterhouseCoopers LLP. This Part IX: “*Historical Financial Information*” is set out in two parts as follows:

- Part A sets out PricewaterhouseCoopers LLP’s Accountants’ Report on the Historical Financial Information; and
- Part B sets out the Historical Financial Information and includes the accounting policies and notes including the notes to the Historical Financial Information.

Part A: Accountants' Report on the Historical Financial Information



The Directors
Trustpilot A/S
Pilestraede 58, 5th Floor
1112 Copenhagen K
Denmark

1 March 2021

Dear Ladies and Gentlemen

Trustpilot A/S (the “Company” and, together with its subsidiaries, the “Group”)

We report on the financial information of the Group for the years ended 31 December 2018, 31 December 2019 and 31 December 2020 set out in Part B of Part IX below (the “**Financial Information Table**”).

This report is required by item 18.3.1 of Annex 1 to the Prospectus Regulation and is given for the purpose of complying with that item and for no other purpose.

Opinion on financial information

In our opinion, the Financial Information Table gives, for the purposes of the registration document dated 1 March 2021 (the “**Registration Document**”) of the Company, a true and fair view of the state of affairs of the Group as at the dates stated and of its profits/losses, cash flows and statement of changes in equity for the years ended 31 December 2018, 31 December 2019 and 31 December 2020 in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Conclusions Relating to Going Concern

We are required to report if we have anything material to add or draw attention to in respect of the directors' statement in the Financial Information Table about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the Financial Information Table and the directors' identification of any material uncertainties to the Group's ability to continue as a going concern over a period of at least twelve months from the date of this Registration Document.

We have nothing material to add or to draw attention to. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Responsibilities

The Directors of the Company are responsible for preparing the Financial Information Table in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.



It is our responsibility to form an opinion on the Financial Information Table and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.3.2R(2)(f) of the Prospectus Regulation Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 1 to the Prospectus Regulation, consenting to its inclusion in the Registration Document.

Basis of Preparation

The Financial Information Table has been prepared for inclusion in the Registration Document of the Company on the basis of the accounting policies set out in note 1 to the Financial Information Table.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent in accordance with the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Financial Information Table. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Declaration

For the purposes of item 1.2 of Annex 1 to the PR Regulation we are responsible for this report as part of the Registration Document and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report make no omission likely to affect its import. This declaration is included in the Registration Document in compliance with item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

Part B: Historical Financial Information

Consolidated statement of profit or loss

USD '000	Note	2020	2019	2018
Revenue	3	101,985	81,915	64,293
Cost of sales		(18,067)	(15,674)	(14,160)
Gross profit		83,918	66,241	50,133
Sales and marketing		(40,442)	(46,247)	(37,224)
Technology and content	6	(25,161)	(20,728)	(20,106)
General and administrative	6	(27,750)	(22,256)	(18,797)
Operating loss		(9,435)	(22,990)	(25,994)
Other operating income		352	31	30
Loss before net financial items		(9,083)	(22,959)	(25,964)
Financial income/(expenses)	7	(3,859)	372	(802)
Loss before tax		(12,942)	(22,587)	(26,766)
Income tax	8	663	(72)	782
Loss for the year		(12,279)	(22,659)	(25,984)

Consolidated statement of comprehensive income

USD '000	2020	2019	2018
Loss for the year	(12,279)	(22,659)	(25,984)
Other comprehensive income/(expense) <i>Items that will be subsequently reclassified to profit or loss</i>			
Exchange rate differences on translation into presentation currency and on loans to subsidiaries considered part of net investment	1,772	(86)	176
Other comprehensive income/(expense) for the period, net of tax	1,772	(86)	176
Total comprehensive expense for the period	(10,507)	(22,745)	(25,808)

Consolidated balance sheet

USD '000	Note	As at 31 December		
		2020	2019	2018
Intangible assets	9	5,478	2,675	0
Property, plant and equipment	10	2,021	657	507
Right-of-use assets	12	14,980	4,195	4,546
Deferred tax assets	11	11	4	4
Deposits		2,970	908	788
Total non-current assets		25,460	8,439	5,845
Trade receivables	13	5,227	3,791	2,838
Income tax receivables		926	0	848
Prepayments		2,099	1,704	1,508
Other receivables		1,130	1,653	1,654
Cash and cash equivalents		50,387	35,016	8,336
Total current assets		59,769	42,164	15,184
Total assets		85,229	50,603	21,029

USD '000	Note	As at 31 December		
		2020	2019	2018
Share capital	15	773	709	636
Share premium		177,842	162,109	113,666
Foreign currency translation reserve		(20,304)	(6,315)	(8,469)
Accumulated losses		(151,312)	(141,975)	(122,392)
Total equity		6,999	14,528	(16,559)
Borrowings	16	11,323	0	7,430
Lease liabilities	12	12,172	1,944	2,202
Other payables		3,171	1,092	0
Total non-current liabilities		26,666	3,036	9,632
Borrowings	16	1,618	0	0
Trade payables		1,277	1,203	1,119
Lease liabilities	12	4,432	2,638	3,776
Income tax payables		90	100	65
Contract liabilities	14	22,849	19,325	14,800
Other payables		21,298	9,773	8,196
Total current liabilities		51,564	33,039	27,956
Total liabilities		78,230	36,075	37,588
Total equity and liabilities		85,229	50,603	21,029

Consolidated statement of changes in equity

USD '000	Note	Share capital	Share premium	Foreign currency translation reserve	Accumulated losses	Total
Equity at 1 January 2018		654	115,127	(10,842)	(98,129)	6,810
Loss for the year		0	0	0	(25,984)	(25,984)
Other comprehensive income		0	0	176	0	176
Total comprehensive expenses for the period		0	0	176	(25,984)	(25,808)
Exchange difference on share capital and premium		(29)	(2,168)	2,197	0	0
Transactions with owners in their capacity as owners						
Warrants (exercised)		10	685	0	0	695
Capital increase		1	22	0	0	23
Share-based payments	4	0	0	0	1,721	1,721
Total transactions with owners		11	707	0	1,721	2,439
Equity at 31 December 2018		636	113,666	(8,469)	(122,392)	(16,559)
Loss for the year		0	0	0	(22,659)	(22,659)
Other comprehensive expense		0	0	(86)	0	(86)
Total comprehensive expense for the period		0	0	(86)	(22,659)	(22,745)
Exchange difference on share capital and premium		(13)	(2,227)	2,240	0	0
Transactions with owners in their capacity as owners						
Warrants (exercised)		4	344	0	0	348
Capital increase		82	50,326	0	0	50,408
Share-based payments	4	0	0	0	3,076	3,076
Total transactions with owners		86	50,670	0	3,076	53,832
Equity at 31 December 2019		709	162,109	(6,315)	(141,975)	14,528
Loss for the year		0	0	0	(12,279)	(12,279)
Other comprehensive income		0	0	1,772	0	1,772
Total comprehensive expense for the period		0	0	1,772	(12,279)	(10,507)
Exchange difference on share capital and premium		68	15,693	(15,761)	0	0
Transactions with owners in their capacity as owners						
Warrants issued to lenders		0	0	0	241	241
Warrants (exercised)		1	40	0	0	41
Reduction of share capital	15	(5)	0	0	5	0
Share-based payments	4	0	0	0	2,696	2,696
Total transactions with owners		(4)	40	0	2,942	2,978
Equity at 31 December 2020		773	177,842	(20,304)	(151,312)	6,999

Consolidated cash flow statement

USD '000	Note	2020	2019	2018
Loss for the year		(12,279)	(22,659)	(25,984)
Adjustments	23	9,826	7,601	4,291
Changes in net working capital	23	11,402	6,337	2,665
Interests received		21	43	78
Interests paid		(1,788)	(1,193)	(929)
Income taxes received/(paid)	8	0	(72)	783
Net cash flow from operating activities		7,182	(9,943)	(19,096)
Purchase of property, plant and equipment	10	(1,793)	(542)	(271)
Proceeds from lease sublet		70	799	736
Payment of capitalised development costs	9	(3,261)	(2,791)	0
Net cash flow from investing activities		(4,984)	(2,534)	465
Principal elements of lease payments	20	(3,047)	(3,895)	(3,052)
Proceeds from borrowings	20	12,144	0	7,451
Repayment of borrowings	20	0	(7,216)	0
Proceeds from share issue	4	41	50,755	718
Cash flow from financing activities		9,138	39,644	5,117
Net cash flow for the year		11,336	27,167	(13,514)
Cash and cash equivalents, beginning of the year		35,016	8,337	21,968
Effects of exchange rate changes on cash and cash equivalents		4,035	(488)	(117)
Cash and cash equivalents at end of the year		50,387	35,016	8,337

Notes

1. Accounting policies

The activity of Trustpilot A/S (the Company) and group companies (the Group), consists of developing and hosting an online review platform that helps consumers make purchasing decisions and businesses showcase and improve their service. Revenue is generated from company subscriptions.

Basis of preparation

The consolidated financial statements of the Trustpilot A/S group have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements have been prepared on a historical cost basis.

The historical financial information has been rounded to the nearest thousand.

The consolidated financial statements are presented in US Dollars (USD).

Going Concern

The Group continued to grow its revenue across 2020, however the ongoing Covid-19 pandemic impacted on Group trading causing a deceleration of revenue growth in the period shortly after Covid-19 first impacted across Europe and the US. However proactive measures were taken to reduce the cost base of the Group, including reducing headcount, hiring and marketing spend, ensuring that the Group has continued to perform well in 2020.

The directors have prepared forecasts for a period of at least 12 months from the date of approval of this financial information, which are based on their best assessment of the current trading outlook, including considering the ongoing impact of Covid-19.

A number of downside sensitivities have been considered and the directors are of the view that in the most severe but plausible downside scenario they can continue to meet their obligations as they fall due. As a result, the financial statements have been prepared on a going concern basis.

New accounting standards

The Group has applied the following standards and amendments consistently across 2018 – 2020 within the historical financial information produced:

- Definition of Material – Amendments to IAS 1 and IAS 8;
- Definition of a Business – Amendments to IFRS 3;
- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7;
- Revised Conceptual Framework for Financial Reporting:
- IFRS 16, 'Leases';
- IFRS 15, 'Revenue from contracts with customers';
- IFRS 9, 'Financial Instruments';
- Prepayment Features with Negative Compensation – Amendments to IFRS 9;
- Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28;
- Annual Improvements to IFRS Standards 2015 – 2017 Cycle;
- Plan Amendment, Curtailment or Settlement – Amendments to IAS 19; and
- Interpretation 23 'Uncertainty over Income Tax Treatments'.

Prior to 2019, the Group did not capitalise any research & development costs in line with the requirements of IAS 38 as it had yet to establish the necessary controls and information to demonstrate the criteria for capitalisation had been met.

Basis of consolidation

The historical financial information includes the parent company, Trustpilot A/S, and its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Foreign currency translation

Functional and presentation currency

Items included in the historical financial information of each of the Group's entities are measured using the currency of the primary economic environment in which the individual entity operates ('the functional currency').

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

The results and financial position of the parent company and of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

Foreign currency translation adjustments of a loan or payable to subsidiaries which are neither planned nor likely to be settled in the foreseeable future and which are therefore considered to form part of the net investment in the subsidiary are recognised directly in other comprehensive income.

Translation of share capital and share premium

Share capital and share premium denominated in a currency that differs from the groups presentational currency is translated at each year end using the closing rate. All resulting exchange differences noted on retranslating equity items are recognised directly in equity as part of the foreign currency translation reserve and does not form part of other comprehensive income.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group considers the Executive Board to be the operating decision making body, as the Executive Board examines the Group's performance and makes all significant decisions regarding business development and allocation of resources. For that purpose, a single business segment has been identified as an operating segment which is consistent with the internal reporting to the chief operating decision making body. Further information about the composition of the Executive Board has been provided in note 3.

There is also considered to be only one reporting segment, the results of which are shown in these consolidated statements of comprehensive income.

Revenue

The Group generates revenue from the sale of company subscription plans, generally for a period of 12 months, where the invoicing varies from monthly to yearly. The subscription plans grant customers access to the Trustpilot online platform and may, depending on the subscription plan, include various marketing and analytic tools. The subscription plan is considered to be a single performance obligation. Trustpilot's performance obligations under the company subscription plans are satisfied over time and revenue is recognised on a straight-line basis over the subscription period.

The group recognises a contract liability when a receivable is recognised, or cash received ahead of the period in which the performance obligation is satisfied and is released to revenue over the related subscription period. The significant majority of the contract liability that arises is therefore expected to be recognised as revenue within a year of the balanced sheet date. Revenue is only recognised when it is

probable that the Group will collect the consideration to which it will be entitled in exchange for the services that will be transferred to the customer.

There is no variable consideration included in the transaction price for the company subscription plans.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Income from grants are recognised on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, shall be recognised in income in the period in which it becomes receivable. Government grants are recorded as Other operating in the income statement of profit and loss.

Cost of sales

Cost of sales comprise costs incurred to achieve the year's revenue, including platform hosting and maintenance costs and customer support costs. Cost of sales primarily include wages, salaries, social security contributions, pension contributions etc. and are accrued in the year in which the associated services are rendered by employees.

Sales and marketing costs

Sales and marketing costs comprise commercial costs of acquiring new customers including the direct sales support functions such as sales operations and partnerships.

Technology and content

Technology and content comprises research and development costs incurred by the work of the product and engineering teams directly on the platform. Technology and content further includes a proportion of depreciation and amortisation.

General and administrative costs

General and administrative costs comprise costs incurred by the back-office functions such as Finance, Legal, Office, HR, etc. including wages, costs under share-based payment programs and other office costs. General and administrative further includes a proportion of depreciation and amortisation.

Other operating income

Other operating income comprise items of a secondary nature relative to the Group's core activities, including gains or losses on the sale of tangible assets as well as government grants recognised as income for the year.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the main activities of the Group, including losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the statements of profit or loss at the amounts that concern the financial year. Financial income and expenses (net financial items) include interest income and expenses calculated in accordance with the effective interest method, as well as allowances and surcharges under the advance-payment-of-tax scheme.

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries in which the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the historical financial information. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Intangible assets

Intangible assets include in progress and completed development projects.

They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Costs associated with maintaining IT-platforms are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique projects controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;

- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the projects include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Development projects - In progress	None
Development projects - Completed	3 years

Property, plant and equipment

Property, plant and equipment is measured at historical cost less accumulated depreciation. The cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciations are calculated using the straight-line method, net of their residual values over their estimated useful lives, as follows:

Other fixtures and fittings	3 - 5 years
Tools and equipment	3 - 5 years
Leasehold improvements	Term of lease (3 - 5 years)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss as other operating income/expenses.

Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The leases of the Group consist of property rentals.

The assets and liabilities arising from the property leases are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments included in the property leases:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right of use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- any initial direct costs.

Variable lease payments and payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss under the line item administrative costs. Short-term leases are leases with a lease term of 12 months or less. The Group has no leases of low-value assets.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The Group as a lessor (sublease)

When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sublease separately. It assesses the classification of the sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all risks and rewards incidental to ownership of the right-of-use asset. As part of this assessment, the Group considers certain indicators, such as whether the lease is for the major part of the economic life of the headlease.

A lease is classified as a finance lease if it transfers substantially all the risk and rewards incident to ownership of the right-of-use asset. Assets held under a finance lease is recognised in the balance sheet and is at the commencement date presented as a receivable at an amount equal to the net investment in the lease. Subsequently, the Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

Impairment of non-current assets

Non-current assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Development projects in progress are tested for impairment annually.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

The Group holds the trade receivables with the objective to collect the contractual cash flows and then measures them subsequently at amortised cost.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

See note 13 for a description of the Group's impairment policies for trade receivables.

Prepayments

Prepayments recognised as an asset comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

Equity

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Share premium

Premium on issue of shares are recognised as share premium.

Foreign currency translation reserve

Exchange differences arising on translation of the parent company and of foreign controlled entities into the presentation currency, USD, are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Financial liabilities

Borrowings are initially recognised at fair value, which is generally proceeds received, and net of transaction costs incurred. Subsequently, borrowings are measured at amortised cost.

Borrowings are classified according to the length and terms, which means that settlement of liability below 12 months after the reporting period is classified as non-current.

Other financial liabilities, including trade and other payables, are on initial recognition measured at fair value. The liabilities are subsequently measured at amortised cost.

Contract liabilities

A contract liability is the obligation to transfer good or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Provision

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Where there is uncertainty whether these criteria have been met and the possibility of settlement is not considered remote a disclosure of the facts and circumstances of the claim is included within the notes to the historical financial information.

Share-based payments

Share-based compensation benefits are provided to employees and board members under two separate warrant programs.

The warrant programs are classified as equity arrangements. As such, the fair value of the warrants granted under the programs are recognised as an expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the warrants granted including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the nonmarket vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Further information about the warrant programs are disclosed in note 5.

Cash flow statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as share-based payment expenses, depreciation, amortisation and impairment losses. Working capital comprises current assets less short-term debt, excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments. Cash flows from investing activities also includes payments received on sub-leases that reduces the Group's net investment in the lease.

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt and principal element on lease payments as well as payments to and from shareholders.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group.

It concerns the following standards:

- Amendments to IAS 1 presentation of financial statements on classification of liabilities to be effective for the annual period beginning on or after 1 January 2022
- Amendments to IFRS 3, IAS 16, IAS 17 to be effective for the annual period beginning on or after 1 January 2022
- Annual improvements on IFRS 1, IFRS 9, IAS 41, and IFRS 16 to be effective for the annual period beginning on or after 1 January 2022
- IFRS 17 insurance contracts to be effective for the annual period beginning on or after 1 January 2023

These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2. Critical accounting estimates and judgements

The preparation of historical financial information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

The judgements, estimates as well as the related assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgements and estimates, including the assumptions, for the individual items are described below.

Critical accounting estimates

Critical accounting estimates are expectations of the future based on assumptions, that to the extent possible are supported by historical trends or reasonable expectations. The assumptions may change to adapt to the market conditions and changes in economic factors etc. The Group believe that the estimates are the most likely outcome of future events.

Share-based payments

The fair value of the warrants granted have been measured using the Black-Scholes formula that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the option. The values applied for the Black-Scholes formula is derived from an external valuation report of the Group, which for 2020 is updated bi-annually and for 2019 and 2018 annually. For further information, reference is made to note 5.

Unrecognised deferred tax asset

As of 31 December 2020, the Group has unrecognised tax assets of USD 139,283 thousand (tax value of USD 29,760 thousand), hereof tax loss carry-forward amounts to USD 139,492 thousand (tax value of USD 29,806 thousand) primarily related to Trustpilot A/S and Trustpilot, Inc. The parent company and the US subsidiary have incurred the losses over the previous years as a consequence of expanding the Group and its operations. The losses can be carried forward indefinitely and have no expiration date.

Recognition of deferred tax assets requires that it is probable that future taxable profits are available against which the unused tax losses can be utilised. As the Group has a history of making taxable losses, IAS 12 Income Taxes further requires that convincing evidence is available to support Management's assessment that sufficient taxable profits will be available in the future. Even though the Group's approved budgets shows that Trustpilot will be generating taxable profits in the foreseeable future, Management has concluded that it will not be able to meet the strict criteria in IAS 12 to provide 'convincing evidence', as the budget are sensitive to the timing and level of investments in the Trustpilot-platform and similar factors. Consequently, no deferred tax assets have been recognised for the Group's tax loss carry-forwards.

Critical accounting judgements

Key accounting judgements are made when applying accounting policies. Key accounting judgements are the judgements made by the Group that can have a significant impact on the amounts recognised in the historical financial information.

Determining the lease term

Extension and termination options are included in a number of property leases across the Group.

In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group considers factors including historical lease durations; and the costs and business disruption required to replace the asset. Most extension options have not been included in the lease liability, because the Group could replace the asset (the office) without significant cost or business disruption.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it.

Development costs

The Group capitalises costs for development projects. Initial capitalisation of costs is based on Management's judgement that technological and economic feasibility is confirmed, usually when a development project has reached a defined milestone. In determining the amounts to be capitalised, Management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

Assessment of functional currency

The assessment of the functional currency of the parent company as DKK is a critical judgement, as the Company has USD debt and trades in multiple currencies. A change in this assessment would significantly alter the foreign exchange gains and losses reported in the statement of profit or loss and other comprehensive income.

Exchange adjustment of net investments

The parent company, Trustpilot A/S, has provided financing to its wholly owned subsidiary, Trustpilot, Inc. In accordance with IAS 21 The Effects of changes in Foreign Exchange Rates exchange difference arising on monetary items that forms part of the parent company's net investment in a foreign operation are recognised initially in other comprehensive income. Determining whether the loan receivable is part of Trustpilot A/S's net investment involves judgement.

The loans have no fixed repayment date, thus considering the terms together with Management's expectations about their repayment, it has been concluded that the loan receivables form part of the parent company's net investment, as the settlement is neither planned nor likely to occur in the foreseeable future. Consequently, for 2020 exchange adjustment on these loans of USD 4.6 million has been recognised in other comprehensive income. If the loans were not considered to be part of the parent company's net investment the exchange adjustment would alternatively have been recognised in profit or loss. On a potential future settlement of the balances or in case of a disposal of the net investment, the cumulative exchange adjustments are reclassified from equity to profit or loss.

3. Operating segments

For management purposes and based on internal reporting information, the Group is organised in only one operating segment, as the information reported includes operating results at a consolidated group level only. The costs related to the main nature of the business, being the Group's online review platform which serves the Group customers, are not attributable to any specific revenue stream or customer type and are therefore borne centrally. The results of the single reporting segment, comprising the entire Group, are shown in the consolidated statements of comprehensive income.

The Executive Board is the Chief Operating Decision Maker (CODM), which is made up of the senior leadership across the respective functional areas and is responsible for the strategic decision making and for the monitoring of the operating results of the single operating segment for the purpose of performance assessment. Segment performance is evaluated based on Adjusted EBITDA as included below which is derived from and reconciled to the statement of profit or loss in the consolidated financial statements.

Whilst the Group is located in Denmark, the UK and US are the Group's primary markets where revenue generated consists of approximately 40 and 25 percent (2019: UK: approx. 38% and US: approx. 30%, 2018: UK: approx. 37% and US: approx. 30%), respectively. Other geographical locations besides the UK and US are defined as 'Rest of the world' where no individual country exceeded more than seven percent of the consolidated revenue in 2020 (2019: 7%, 2018: 8%).

Trustpilot has customers in many regions around the world but is organised globally from an operation perspective. For this reason, while operating assets may be recorded in Denmark for example, they will be supporting customers around the world. For this reason, a single operating segment is reported with revenue disclosed by region based on the location of the customer. Non-current operating assets are similarly based on geographic location.

The following table displays external revenue and non-current operating assets by geographic area:

USD '000	2020	2019	2018
Revenue:			
UK	39,159	30,753	23,619
US	27,872	24,684	19,155
Rest of the world	34,954	26,478	21,519
Total revenue	101,985	81,915	64,293
Non-current operating assets:			
UK	14,952	1,533	1,751
US	3,308	2,281	1,858
Rest of the world	7,189	4,620	2,232
Total	25,449	8,434	5,841

Non-current assets consist of intangible assets, property, plant and equipment, right-of-use assets and deposits.

Adjusted underlying EBITDA (non-IFRS)

One of the measures management has chosen to evaluate the performance of the Group is Adjusted EBITDA, which is a non-IFRS measure.

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

Management believes that this adjusted measure of performance should be separately disclosed in order to assist an understanding of the underlying operating performance of the Group.

USD '000	2020	2019	2018
Loss before net financials	(9,083)	(22,959)	(25,964)
Depreciation and amortisation	5,738	3,322	2,768
Non-recurring transaction costs	4,263	1,074	1
Restructuring costs	1,580	0	0
Share-based compensation, including associated social security costs	3,619	3,076	1,721
Adjusted EBITDA (non-IFRS)	6,117	(15,487)	(21,474)

Included in share based payments for 2020 is a non-cash charge of USD 2,696 thousand and associated social security costs of USD 923 thousand.

Prior to 2019, the Group did not capitalise any research & development costs as it had yet to establish the necessary controls and information to demonstrate the criteria for capitalisation under IFRS had been met. Therefore in 2018 all development costs were expensed as incurred. Adjusted EBITDA benefits from the capitalisation of development costs of USD 2,791 thousand in 2019, and USD 3,261 thousand in 2020.

Restructuring costs relate to redundancies and cost reduction measures undertaken in 2020.

Non-recurring transaction costs relate to professional and legal fees associated with corporate financing activities.

4. Staff costs

USD '000	2020	2019	2018
Wages and salaries	72,752	67,226	58,271
Pensions, defined contribution plans	1,359	495	286
Share-based payment	2,696	3,076	1,721
Other social security costs	6,271	4,435	4,050
	83,078	75,232	64,328
Average number of employees	738	748	643

Key Management Compensation

Key Management consists of Executive Board and Board of Directors. The compensation paid or payable to key management for employee services and director duties is shown below:

USD '000	2020	2019	2018
Executive Board:			
Wages and salaries	768	828	688
Pensions	20	3	0
Share-based payment	791	1,258	174
Total	1,579	2,089	862
Board of Directors			
Board fee	158	94	53
Share-based payment	228	141	76
Total	386	235	129
Total compensation of key management personnel	1,965	2,324	991

In 2020, total share-based payment compensation to key management personnel amounts to USD 1,019 thousand (2019: USD 1,399 thousand; 2018: USD 250 thousand).

5. Share-based payment plans

The parent company, Trustpilot A/S, has introduced two share-based payment programs: one for selected employees and board members, and one for employees.

The establishment of the Trustpilot A/S share-based payment programs was approved by the shareholders in 2016. The programs grant the participants warrants in Trustpilot A/S, and are designed to provide long-term incentives for employees throughout the Group and board members to deliver long-term shareholder returns. Trustpilot A/S issues new grants twice a year on every 1 April and 1 October to employees and upon discretion to selected employees and board members on the same dates, except from grant of 23,200 warrants in January 2019. The first grants were issued in October 2016. All warrants are granted under the programs for no consideration.

The terms and conditions of the share-based payments programs for selected employees and board members, and employees are described below:

Warrant program for selected employees and board members

Under the warrant program for selected employees and board members, the participants are granted warrants which entitle the holder to subscribe for new shares in Trustpilot A/S, when the warrants have vested. The exercise prices of the warrants are listed below for the respective years. The warrants vest over time and follow a graded vesting pattern, where the warrants normally vest in equal portions (25%)

once per year following the grant date but exceptions to this vesting pattern has taken place in 2020. Only warrants that are fully vested may be exercised. Participation in the warrant program is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The warrants are exercisable at any time after vesting, and until the expiration date, which may vary from grant to grant.

Warrant program for employees

The warrant program for the Group's employees are similar to the warrant program for selected employees and board members, except for the fact that vested warrants for employees are only exercisable upon an exit event, until the expiration date. If an employee terminates his employment, any vested warrants may be retained.

The shares are issued as common shares and have no special rights attached.

	Selected employees and board members		Employees	
	2020	2020	2020	2020
	Number of warrants	Weighted average fair value per warrant (determined on grant date) USD	Number of warrants	Weighted average fair value per warrant (determined on grant date) USD
As at 1 January	370,739		218,629	
Granted during the year	128,316	31.53	99,800	24.00
Forfeited during the year	(48,984)		(17,800)	
As at 31 December	450,071		300,629	0
	Number of warrants	Weighted average exercise price per warrant	Number of warrants	Weighted average exercise price per warrant
Vested and exercisable at 31 December	276,033	27.98	0	0
	Selected employees and board members		Employees	
	2019	2019	2019	2019
	Number of warrants	Weighted average fair value per warrant (determined on grant date) (USD)	Number of warrants	Weighted average fair value per warrant (determined on grant date) (USD)
As at 1 January	253,639		172,229	
Granted during the year	117,100	26.55	58,525	15.33
Forfeited during the year	0	0	(12,125)	
As at 31 December	370,739	0	218,629	0
	Number of warrants	Weighted average exercise price per warrant	Number of warrants	Weighted average exercise price per warrant
Vested and exercisable at 31 December	207,309	23.52	0	0

	Selected employees and board members		Employees	
	2018	2018	2018	2018
	Number of warrants	Weighted average fair value per warrant (determined on grant date) (USD)	Number of warrants	Weighted average fair value per warrant (determined on grant date) (USD)
As at 1 January	159,599		129,352	
Granted during the year	94,040	18.12	49,650	12.31
Forfeited during the year	0		(6,773)	0
As at 31 December	253,639	0	172,229	0
	Number of warrants	Weighted average exercise price per warrant	Number of warrants	Weighted average exercise price per warrant
Vested and exercisable at 31 December	119,889	25.18	0	0

No warrants were exercised during 2020, 2019 or 2018.

No warrants expired during 2020, 2019 or 2018.

Warrants outstanding at the end of the year have the following expiry date and exercise prices:

Selected employees and board members

Grant date	Expiry date	Exercise price (USD)	Warrants 31 December 2020	Warrants 31 December 2019	Warrants 31 December 2018
1 October 2016	31 December 2026	22.02	143,599	143,599	143,599
1 October 2017	31 July 2024	26.34	16,000	16,000	16,000
1 April 2018	31 July 2025	31.95	4,700	20,540	20,540
1 October 2018	31 July 2025	31.95	73,500	73,500	73,500
1 January 2019	31 December 2028	10.87	23,200	23,200	0
1 April 2019	31 July 2027	43.56	10,445	26,400	0
1 April 2019	31 January 2029	43.56	14,374	30,000	0
1 October 2019	31 July 2026	43.56	35,937	37,500	0
1 March 2020	31 December 2030	44.47	94,316	0	0
1 April 2020	31 March 2030	52.88	20,000	0	0
1 October 2020	31 December 2030	95.27	14,000	0	0
			450,071	370,739	253,639
Hereof warrants for former selected employees and board members			116,683	29,635	15,300
Weighted average remaining contractual life of warrants outstanding at the end of period (years)			6.93	6.70	7.32

Employees

Grant date	Expiry date	Exercise price (USD)	Warrants 31 December 2020	Warrants 31 December 2019	Warrants 31 December 2018
1 October 2016	30 June 2024	22.02	71,680	71,680	72,955
1 April 2017	30 June 2024	26.34	18,394	18,469	19,469
1 October 2017	31 July 2024	26.34	30,349	30,349	30,799
1 April 2018	31 July 2025	31.95	23,831	26,706	27,856
1 October 2018	31 July 2025	31.95	13,875	15,400	21,150
1 April 2019	31 July 2026	43.56	18,625	22,075	0
1 October 2019	31 July 2026	43.56	29,300	33,950	0
1 April 2020	30 June 2027	52.88	40,675	0	0
1 October 2020	31 August 2027	95.27	11,900	0	0
1 October 2020	31 July 2027	95.27	18,300	0	0
1 October 2020	31 July 2028	95.27	13,800	0	0
1 October 2020	31 October 2028	95.27	9,900	0	0
			<u>300,629</u>	<u>218,629</u>	<u>172,229</u>
Hereof warrants for former employees			131,961	111,130	101,540
Weighted average remaining contractual life of warrants outstanding at the end of period (years)			5.05	5.26	5.82

The fair value at grant date is determined using a Black-Scholes Model calculation that takes into account the share price at grant date, the exercise price, the risk free interest rate for the term of the warrants, the expected volatility and the term of the warrant (the expected maturity).

The average model inputs for the warrants granted during the year ended 31 December 2020 included:

- Share price at grant date: USD 61.99 (2019: USD 43.56; 2018: USD 31.95)
- Exercise price: USD 61.99 (2019: USD 36.92; 2018: USD 31.95)
- Expected price volatility of Trustpilot A/S' common shares: 55% (2019: 55%; 2018: 60%)
- Risk-free interest rate: -0.47% (2019: -0.49%; 2018: -0.05%)

The fair value of the share price at grant date is based on an external valuation report of the Group, which takes illiquidity discount into account.

The expected price volatility is estimated by an external expert and is based upon an analysis of the historical volatility of peer-group public companies and factors specific to Trustpilot A/S.

For selected employees and board members, the expected maturity is measured as a weighted average, considering the probability of the occurrence/non-occurrence of certain exit events.

For employees, the expected maturity corresponds to the expected number of years until the occurrence of an exit event. The expected likelihood of the occurrence of an exit event is taking into account in determining the fair values of the grants.

Previous warrant program

The two existing share-based payment programs superseded one previous share-based payment program that differ in terms of vesting and exercise conditions. Under this program grants were issued between 2011 and 2016 and vested over a four-year period on a monthly basis. The total cost of warrants granted under this program was approximately USD 383 thousand. All warrants related to the previous program have, in all material aspects, fully vested by year-end 2019, thus there is no impact related to the

previous program for the year 2020 and all subsequent periods. In 2020, a total of 3,681 warrants related to the previous warrant program have been exercised.

	Number of warrants outstanding 31 December	Weighted average remaining contractual life for warrants outstanding (Years)	Number of warrants exercised during the year	Weighted average exercise price per warrant for warrants exercised (USD)
2020	18,695	2.50	3,681	10.26
2019	22,376	0.56	26,720	10.05
2018	49,096	1.07	40,421	10.62

6. Amortisation, depreciation and impairment losses

USD '000	2020	2019	2018
Depreciation on property, plant and equipment	528	391	490
Depreciation on right-of-use assets	3,924	2,820	2,278
Impairment loss on right-of-use assets	339	0	0
Amortisation of intangible assets	862	111	0
Impairment loss on intangible assets	85	0	0
	5,738	3,322	2,768

Amortisation and impairment of intangible assets are included in the statement of profit or loss under the line item Technology and content.

Impairment of right of use assets of USD 339 thousand has been recorded related to one of the Group's offices as it is currently vacant and available to sublease, though not deemed possible due to Covid-19.

The carrying amount of the right-of-use asset after impairment equals USD 209 thousand. The recoverable amount has been determined based on a value in use calculation using cash flow projections approved by senior management, updated to reflect the vacancy of the office and relevant market conditions.

Amortisation, depreciation and impairment losses are allocated in profit or loss in the following manner:

USD '000	2020	2019	2018
Technology and Content	1,100	215	92
General and administrative	4,638	3,107	2,676
	5,738	3,322	2,768

7. Financial income/(expenses)

USD '000	2020	2019	2018
Foreign exchange rate (losses)/gains	(1,849)	1,522	49
Financing costs	(243)	0	0
Interest income	21	43	78
Interest expenses	(1,788)	(1,193)	(929)
	(3,859)	372	(802)

8. Income tax

USD '000	2020	2019	2018
Tax on loss for the year recognised in the income statement	(663)	72	(782)
Tax on other comprehensive income	0	0	0
	(663)	72	(782)

Tax on loss for the year can be broken down as follows:

USD '000	2020	2019	2018
Current tax for the year	(734)	72	(840)
Adjustment relating to changes in tax rate	0	0	0
Adjustment of deferred tax	(7)	0	(4)
Other adjustments	0	(16)	0
Prior-year adjustment	78	16	62
Income tax (credit)/charge for the year	(663)	72	(782)

USD '000	2020	2019	2018
Calculated 22.0% (2019: 22.0%; 2018: 22.0%) tax on income from ordinary activities	(2,847)	(4,969)	(5,889)
Less tax in foreign Group entities compared with 22.0% rate (2019: 22.0%, 2018: 22.0%)	74	0	0
Tax effect of:			
Losses not recognised	1,063	2,228	4,640
Other timing differences	(679)	(290)	0
Research and development tax credit	(653)	(24)	0
Recapture from international joint taxation*	0	2,070	0
Non-deductible expenses	2,301	1,041	409
Prior-year adjustment	78	16	58
Income tax (credit)/charge for the year	(663)	72	(782)

* Trustpilot A/S chose to terminate its International joint taxation arrangement in 2019 which resulted in an additional tax charge in relation to recaptured balances of USD 2,070 thousand.

Certain losses arising in the year have been sold to the Danish tax authorities thus allowing a realisation of an associated tax credit of USD 842 thousand (2019: USD 0 thousand; 2018: USD 840 thousand) on the Group's losses.

9. Intangible assets

USD '000	Development projects in progress	Completed development projects	Total
Costs:			
At 1 January 2020	1,959	824	2,783
Additions during the year	3,261	0	3,261
Transfer – In progress to placed in service	(4,690)	4,690	0
Exchange difference	190	358	548
At 31 December 2020	720	5,872	6,592
Accumulated amortisation and impairment:			
At 1 January 2020	0	(108)	(108)
Amortisation for the year	0	(862)	(862)
Impairment for the year	0	(85)	(85)
Exchange difference	0	(59)	(59)
At 31 December 2020	0	(1,114)	(1,114)
Carrying amount 31 December 2020	720	4,758	5,478

USD '000	Development projects in progress	Completed development projects	Total
Costs:			
At 1 January 2019	0	0	0
Additions during the year	2,791	0	2,791
Transfer – In progress to placed in service	(826)	826	0
Disposals during the year	0	0	0
Exchange difference	(6)	(2)	(8)
At 31 December 2019	1,959	824	2,783
Accumulated amortisation and impairment:			
At 1 January 2019	0	0	0
Amortisation for the year	0	(111)	(111)
Exchange difference	0	3	3
At 31 December 2019	0	(108)	(108)
Carrying amount 31 December 2019	1,959	716	2,675

Research and development costs that are not eligible for capitalisation have been expensed in the period incurred and are included in the income statement within Technology and Content. In 2020, this amounted to USD 24.1 million (2019: USD 20.7 million; 2018: USD 20.1 million).

Development projects in progress are tested for impairment annually.

Development projects in progress and completed projects are mainly related to salary expenses of employees in Trustpilot.

10. Property, plant and equipment

USD '000	Leasehold improvements	Other fixtures and fittings, tools and equipment	Total
Costs:			
At 1 January 2020	518	1,031	1,549
Additions during the year	1,424	451	1,875
Disposals during the year	(75)	(190)	(265)
Exchange adjustment	16	59	75
At 31 December 2020	1,883	1,351	3,234
Accumulated depreciation and impairment:			
At 1 January 2020	(267)	(625)	(892)
Depreciation for the year	(242)	(286)	(528)
Depreciation disposal during the year	75	181	256
Exchange adjustment	(11)	(38)	(49)
At 31 December 2020	(445)	(768)	(1,213)
Carrying amount 31 December 2020	1,438	583	2,021

USD '000	Leasehold improvements	Other fixtures and fittings, tools and equipment	Total
Costs:			
At 1 January 2019	922	1,413	2,335
Additions during the year	221	321	542
Disposals during the year	(650)	(723)	(1,373)
Exchange adjustment	25	20	45
At 31 December 2019	518	1,031	1,549
Accumulated depreciation and impairment:			
At 1 January 2019	(752)	(1,076)	(1,828)
Depreciation for the year	(141)	(250)	(391)
Depreciation disposal during the year	650	723	1,373
Exchange adjustment	(24)	(22)	(46)
At 31 December 2019	(267)	(625)	(892)
Carrying amount 31 December 2019	251	406	657

USD '000	Leasehold improvements	Other fixtures and fittings, tools and equipment	Total
Costs:			
At 1 January 2018	945	1,223	2,168
Additions during the year	19	252	271
Exchange adjustment	(42)	(62)	(104)
At 31 December 2018	922	1,413	2,335
Accumulated depreciation and impairment:			
At 1 January 2018	(586)	(866)	(1,452)
Depreciation for the year	(198)	(271)	(469)
Exchange adjustment	32	61	93
At 31 December 2018	(752)	(1,076)	(1,828)
Carrying amount 31 December 2018	170	337	507

11. Deferred tax

USD '000	1 January 2020	Movements during the year	Effect of foreign currency exchange difference	31 December 2020
Intangible assets	(530)	(508)	(90)	(1,128)
Plant & equipment	534	403	85	1,022
Other	0	112	5	117
Deferred tax assets/liabilities recognised in balance sheet	4	7	0	11
Deferred tax assets	534	515	90	1,139
Deferred tax liabilities	(530)	(508)	(90)	(1,128)
Deferred tax assets/liabilities	4	7	0	11

USD '000	1 January 2019	Movements during the year	Effect of foreign currency exchange difference	31 December 2019
Intangible assets	(253)	(281)	4	(530)
Plant & equipment	257	281	(4)	534
Other	0	0	0	0
Deferred tax assets/liabilities recognised in balance sheet	4	0	0	4
Deferred tax assets	257	281	(4)	534
Deferred tax liabilities	(253)	(281)	4	(530)
Deferred tax assets/liabilities	4	0	0	4

USD '000	1 January 2018	Movements during the year	Effect of foreign currency exchange difference	31 December 2018
Intangible assets	(520)	243	24	(253)
Plant & equipment	425	(150)	(18)	257
Other	95	(89)	(6)	0
Deferred tax assets/liabilities recognized in balance sheet	0	4	0	4
Deferred tax assets	520	(239)	(24)	257
Deferred tax liabilities	(520)	243	24	(253)
Deferred tax assets/liabilities	0	4	0	4

In line with the requirements of IAS 12, the deferred tax assets and liabilities are offset as they have a legal right to set off and relate to income tax with the same taxation authority.

The Group has unrecognised tax assets of USD 139 million (2019: USD 130 million; 2018: USD 120 million), hereof USD 139 million (2019: USD 127 million; 2018: USD 116 million) that relates to tax losses carried forward, which is the result of previous years' taxable income. Due to uncertainties regarding future utilisation, the Group has decided not to recognise net deferred tax assets and tax asset on the tax losses carried forward. There is no expiration date on tax loss carried forward and the use of tax losses is limited due to changes in ownership. A change in ownership of the Group may result in restrictions on the Group's ability to use tax losses in certain jurisdictions.

12. Leases

The Group solely leases properties, which are mostly made for fixed periods between 2-5 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Extension and termination options are included in a number of property leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations.

The Group has recognised the following amounts relating to leases:

USD '000	2020	2019	2018
Right-of-use assets			
Properties	14,980	4,195	4,546
Lease liabilities			
Current	4,432	2,638	3,776
Non-current	12,172	1,944	2,202
	16,604	4,582	5,978
Additions to the right-of-use assets were	13,385	859	1,893

The statement of profit or loss shows the following amounts relating to leases:

USD '000	2020	2019	2018
Depreciation charge of right-of-use assets			
Properties (included in general and administrative costs)	3,924	2,820	2,278
Interest expense (included in finance expenses)	609	316	415
Expense relating to short-term leases (included in general and administrative costs)	246	95	75
Income from subleasing right-of-use assets	0	29	72
The total cash outflow for leases	3,867	4,306	3,541

Subleases

In 2017, the Group entered into a sublease agreement regarding one of the Group's property leases. In accordance with IFRS 16, the sublease has been classified by reference to the right-of-use asset arising from the head lease and has thus been classified as a finance lease because the sublease is for the whole of the remaining term of the head lease. The sublease agreement has terminated in 2020, therefore there is no impact related to the current financial year.

USD '000	2020	2019	2018
Net investment in the lease	0	70	869
Finance income on the net investment in the lease	0	29	72
<i>Lease payment receivable</i>			
Within 1 year	0	70	828
Between 1 and 2 years	0	0	70
Between 2 and 3 years	0	0	0
Total undiscounted lease payments receivable	0	70	898
Unearned financing income	0	0	29
Net investment	0	70	869

The change in the balance of the net investment in the lease is due to lease payments received.

13. Trade receivables

USD '000	2020	2019	2018
Trade receivables at 31 December	7,207	5,110	3,689
Less provision for impairment of trade receivables	(1,980)	(1,319)	(851)
Trade receivables net	5,227	3,791	2,838

Trade receivables are amounts due from customers for subscriptions sold in the ordinary course of business. They are generally due for settlement within 30 - 90 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

Due to the short-term nature of the current receivables, their carrying amount is considered to approximate their fair value.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 month before 31 December respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables.

USD '000	0-60 days past due	More than 60 days past due	More than 90 days past due	Total
2020				
Expected loss rate	8%	63%	75%	
Gross carrying amount, trade receivables	5,030	299	1,878	7,207
Loss allowance	383	189	1,408	1,980

USD '000	0-60 days past due	More than 60 days past due	More than 90 days past due	Total
2019				
Expected loss rate	19%	28%	40%	
Gross carrying amount, trade receivables	3,101	684	1,325	5,110
Loss allowance	600	192	527	1,319

USD '000	0-60 days past due	More than 60 days past due	More than 90 days past due	Total
2018				
Expected loss rate	22%	30%	42%	
Gross carrying amount, trade receivables	3,401	115	173	3,689
Loss allowance	744	34	73	851

USD '000	2020	2019	2018
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Movement on the Group's provision for impairment of trade receivables are as follows:

Opening balances	1,319	851	695
Net increase in loss allowance recognised in profit or loss during the year	2,183	1,379	1,036
Receivables written off during the year as uncollectible	(1,522)	(911)	(880)
Provision for impairment of trade receivables	1,980	1,319	851

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, failed external collection, confirmed bankruptcy or liquidation.

The Group has during the year offered customer concessions on subscriptions in the form of more flexible payment plans. Nevertheless, despite a slight contraction in the net retention rate, the Group was not severely impacted by the COVID-19 pandemic.

14. Contract balances

The Group has recognised the following assets and liabilities related to contracts with customers:

USD '000	2020	2019	2018
Trade receivables	5,227	3,791	2,838
Contract liabilities	(22,849)	(19,325)	(14,800)

The movement in contract liabilities and trade receivables are in line with the increase in the Group's activities and the related sales.

All revenue from subscriptions are recognised over time on a straight-line basis. For contracts with a term exceeding 12 months, the aggregated amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied as of 31 December 2020 is USD 795 thousand (2019: USD 594 thousand; 2018: USD 411 thousand).

Management expects that 65% of the transaction price allocated to the unsatisfied contracts as of 31 December 2020 amounting to USD 521 thousand (2019: USD 188 thousand; 2018: USD 290 thousand) will be recognised as revenue during the next reporting period. Of the remaining 35%, USD 267 thousand (2019: USD 259 thousand; 2018: USD 121 thousand) will be recognised in the second financial year and USD 7 thousand (2019: USD 147 thousand; 2018: USD 0 thousand) in the third financial year.

15. Share capital

	2020		2019		2018	
<i>The share capital comprise</i>	Number of shares	Nominal value (USD '000)	Number of shares	Nominal value (USD '000)	Number of shares	Nominal value (USD '000)
Common-shares	802,605	132	817,279	124	787,381	121
A shares	1,109,129	183	1,121,546	169	1,121,546	172
B shares	670,752	111	670,752	101	670,752	103
C shares	514,561	85	514,561	77	514,561	79
D shares	1,052,307	174	1,052,307	158	1,052,307	161
E shares	535,020	88	535,020	80	0	0
Share capital (authorised and fully paid)	4,684,374	773	4,711,465	709	4,146,547	636

All shares have nominal value of DKK 1.

The share capital consists of common shares and preference shares (class A shares - class E shares). There are special rights attached to the preference shares. The holders of preference shares have at any time the right to convert their preference shares into common shares on a one-for-one basis. In case of the completion of an underwritten public offering of the shares on a major exchange, the preference shares will automatically be converted into common shares on a one-for-one basis. However, the conversion rate for class E shares is subject to adjustment, if the offering price is less than the subscription price. In all other cases, holders of preference shares have preference to payments of dividends or liquidation proceeds until the aggregate subscription price of the preference shares have been repaid. Any remaining proceeds are then to be distributed to holders of common shares. The preference shares are further subject to anti-dilution protection provisions.

The changes in Common shares and A shares are due to cancellation of treasury shares. For common share the change in number of shares are 14,674 for 2020 (2019: 34,580; 2018: 67,642). For A shares the change in numbers of shares are 12,417 in 2020 (2019: 0; 2018: 0).

USD '000	2020	2019	2018
<i>Changes in share capital</i>			
Opening balance	709	636	654
Capital increase	1	86	11
Capital decrease	(5)	0	0
Exchange rate impact	68	(13)	(29)
	773	709	636

The capital decrease of USD 5 thousand relates to a reduction in common and A shares of 18,355 and 12,417 due to cancellation of treasury shares held by the group.

In 2020 3,681 warrants have been exercised into 3,681 common shares with a nominal value of USD 607 and during 2019 535,020 E shares were issued to new and existing shareholders of the Group for consideration of USD 51 million. As a result, share capital and share premium increased by USD 86 thousand and USD 51 million. Similarly, in 2018, 67,642 common shares were issued to new and existing shareholders for consideration of USD 23 thousand resulting in additional share capital and share premium of USD 11 thousand and USD 12 thousand.

16. Financial risk management

Financial risk factors

Due to the international activities of the Group, risks are an embedded part of doing business. This includes risks from financial instruments to which the Group is exposed, and which can have an impact on the Group's historical financial information.

The Group's financial liabilities comprise primarily borrowings, lease liabilities and trade payables. The main purpose of these financial liabilities is to finance the Group's operations.

The Group's financial assets include trade receivables and cash.

The main financial risks that the Group is exposed to include currency, credit and liquidity risk.

Financial risks include generating cash flows from operations or raising external financing sufficient to fund obligations. The Group has borrowed USD 4 million and GBP 6.6 million equivalent to USD 12.9 million in 2020. Regarding financial assets, the Group is primarily exposed to credit risk and changes in foreign exchange rates impacting financial instruments held in currencies other the functional currency of the respective entities.

These risks are monitored through a financial forecast that gives management the forward visibility into cash flow expectations relative to obligations, and by holding currencies locally where the Group expects to incur expenses in the future. The Group's exposure from changes in foreign exchange rates are primarily related to sales, cash positions and borrowings, which are not denominated the functional currencies of the respective entities, cf. the description below. The Group has not entered into any derivative financial instruments to hedge its exposure from changes in foreign exchange rates.

There has been no change in the Group's financial risk management policies compared to last year.

Market risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Long-term borrowings with variable interest rates could therefore expose the Group to cash flow interest rate risk. In 2020, the Group obtained borrowings of USD 12.9 million (2019: USD 0 million; 2018: USD 7.4 million, which were fully repaid in 2019).

The Group is currently exposed to interest rate risk. The interest rate for the term debt in USD is Wall Street Prime +3.5% and minimum Prime of 5.5%, while the term debt in GBP is Sterling Base Rate +8.25% with a minimum Base Rate of 0.75%. The interest for the term debt in USD and GBP during the period from 1 January 2018 to 31 December 2020 was 9%. The revolving credit facility has an interest rate between 5.5% and 6.5% depending on financial ratios.

Furthermore, 37,525 warrants in Trustpilot A/S which are fully vested have been granted to the lenders for the credit and term debt facility, and the value of which is considered to be part of the effective interest rate for that facility.

Sensitivity from Interest

Based on the financial instruments recognised at the balance sheet date, the Group's sensitivity to changes in interest rates is insignificant as current variable interest rate is below floor in the facility management.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a balance sheet exposure will fluctuate because of changes in foreign exchange rates.

In general purchases are made in the functional currencies of the individual group entity. The currency risk therefore primarily arises from sale in foreign currencies compared to the functional currency of each of the Group entities. Sales made in foreign currencies are primarily made by the parent company denominated in EUR and GBP. Due to the fixed exchange rate policy in Denmark against the EUR, the foreign exchange rate risk against the EUR is not considered material.

In addition, the borrowings obtained by the parent company (with DKK functional currency) in 2020 was denominated in USD and GBP and was in 2018 denominated in USD. As the borrowings were denominated in foreign currencies, this also exposed the Group to currency risk by the end of 2020 and 2018, respectively.

The sensitivity analysis shows the gain/loss on net loss for the year and equity of a 10% increase/decrease in the specified currencies towards DKK (presented in USD). The gain/loss is associated with the changing value of financial instruments on the balance sheet due to the underlying currency fluctuations for those instruments held in something other than the functional currency.

USD '000	Impact on post tax loss and equity		
	2020	2019	2018
USD/DKK exchange rate - increase 10%	61	894	(168)
USD/DKK exchange rate - decrease 10%	(61)	(894)	168
GBP/DKK exchange rate - increase 10%	(60)	1,167	(24)
GBP/DKK exchange rate - decrease 10%	60	(1,167)	24

The sensitivity analysis is based on the assumption that all other variables and exposures remains constant and on the financial instruments recognised on 31 December.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

USD '000	2020	2019	2018
Trade receivables			
USD	44	39	37
GBP	2,172	1,541	1,120
EUR	1,066	719	398
Other	306	189	142
Cash and cash equivalents			
USD	4,988	9,243	2,336
GBP	5,439	9,700	2,846
EUR	30,938	12,192	383
Other	173	851	101
Trade payables			
USD	383	299	1,011
GBP	(122)	738	393
EUR	280	489	104
Other	(9)	2	(269)
Borrowings			
USD	4,000	0	3,000
GBP	8,940	0	4,430
EUR	0	0	0
Other	0	0	0

The impact on post tax loss for the year includes financial instruments that are currency adjusted through the statement of profit and loss and is based on those financial instruments that were recognised at the respective balance sheet dates.

Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

The Group's primary credit exposure is related to trade receivables and cash positions. The Group has no major exposure relating to one single customer or business partner. The Group has no significant credit risk concentrations as the Group has many small customers. For further information about the Group's credit loss allowance, refer to note 13.

The most significant counterparty risk is related to deposit with banks, as the Group's balance at 31 December 2020 amounts to USD 50,387 thousand (2019: USD 35,016 thousand; 2018: USD 8,336 thousand). To mitigate this risk, it is the Group's policy only to use banks of high quality and with low credit risk in the countries the Group operates in, whose credit ratings are long-term A3 or higher by Moody's Investors Services and BBB+ or higher by Standard & Poor's.

Liquidity risk

Prudent liquidity risk Management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the group's liquidity reserve, comprising the USD 11.5 million and GBP 6.6 million borrowing facilities of which USD 4 million and GBP 6.6 million have been drawn in 2020, and its cash position on the basis of expected cash flows.

As described above, the Group has access to liquidity up to USD 11.5 million and GBP 6.6 million through credit facilities with Silicon Valley Bank. The facilities consist of USD 7.5 million revolving credit as well as USD 4 million and GBP 6.6 million term debt.

The facilities were renegotiated in September 2019. The revolving credit is available for 3 years from that closing date while the term debt has up to two years drawing period and matures 4 years from closing.

Maturity analysis

The amounts disclosed in the table are the contractual undiscounted cash flows (including interest payments). Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

USD '000	Less than 1 year	Between 1 and 3 year	More than 3 years	Total
Non-derivatives				
As at 31 December 2020				
Trade payables	(1,277)	0	0	(1,277)
Borrowings	(2,775)	(12,262)	0	(15,037)
Lease liabilities	(4,799)	(5,244)	(9,944)	(19,987)
Other payables	(4,519)	0	0	(4,519)
	(13,370)	(17,506)	(9,944)	(40,820)
As at 31 December 2019				
Trade payables	(1,203)	0	0	(1,203)
Lease liabilities	(2,694)	(1,603)	(630)	(4,927)
Other payables	(2,367)	0	0	(2,367)
	(6,264)	(1,603)	(630)	(8,497)
As at 31 December 2018				
Trade payables	(1,119)	0	0	(1,119)
Borrowings	0	(9,013)	0	(9,013)
Lease liabilities	(3,772)	(2,788)	(106)	(6,666)
Other payables	(1,229)	0	0	(1,229)
	(6,120)	(11,801)	(106)	(18,027)

USD '000	2020	2019	2018
Financial assets and liabilities per measurement category			
Financial assets			
Financial assets at amortised cost:			
Trade receivables, current	5,227	3,791	2,838
Deposits, non-current	2,970	908	788
Cash and cash equivalents, current	50,387	35,016	8,336
	58,584	39,715	11,962
Financial liabilities			
Financial liabilities at amortised cost:			
Trade payables, current	(1,277)	(1,203)	(1,119)
Borrowings, non-current	(11,323)	0	(7,430)
Borrowings, current	(1,618)	0	0

USD '000	2020	2019	2018
Lease liabilities, non-current	(12,172)	(1,944)	(2,202)
Lease liabilities, current	(4,432)	(2,638)	(3,776)
	(30,822)	(5,785)	(14,527)

The term debt is not subject to financial covenants, however there are a number of events of default that if they were to occur would cause the debt to fall immediately due. These are actively monitored as part of the capital management policies.

Due to the short-term nature of the Group's financial instruments, the fair value approximates the carrying amount.

17. Capital management

The Group's objective when managing capital are to:

Safeguard the ability to continue as a going concern, so that the Group can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The Group's strategy is to finance the operations of the business with the cash on the balance sheet and only access the credit facility if additional opportunities present themselves. There has been no change in the policies for managing capital compared to last year.

The Group has access to a USD 11.5 million and GBP 6.6 million credit facility on a term debt facility and a revolving credit facility, if the Group should need additional capital. Notwithstanding the general policy, in view of the potential challenges following the Covid-19 outbreak in 2020 USD 4 million and GBP 6.6 million have been drawn from the term debt facility. As of 31 December 2019, no credit was drawn on the credit facility. As of 31 December 2018, USD 3 million revolving credit and USD 4.4 million term debt were drawn, which were fully repaid in 2019. Cash settled debt issues costs of USD 561 thousand are included in other receivables and recognised as part of the effective interest rate.

The interest rate has been 9% for the term debt and 5.5% for the revolving credit during the period from 1 January 2018 to 31 December 2020.

18. Commitments and contingent liabilities

Pledges and security

As security for USD 11.5 million and GBP 6.6 million credit facility the Group has pledged a floating charge amounting to USD 22 million secured in intangible assets and trade receivables.

	31 December 2020	31 December 2019	31 December 2018
USD '000			
<i>The carrying amounts of the secured assets are as follows:</i>			
Intangible assets	5,478	2,675	0
Trade receivables	5,227	3,791	2,838
	10,705	6,466	2,838

No security has been provided for the Group's leaseholds in 2020. Security of USD 804 thousand was provided in 2019. The amount is recognised as a deposit presented within other receivables.

Contingent liabilities

Trustpilot A/S and its subsidiaries are parties to various lawsuits. Besides from the case below, the outcome of cases pending are not expected to constitute risk for economic outflow of material importance to the Group's financial position.

US litigation regarding renewal of subscriptions

In January 2021, a complaint was filed in the United States District Court for the Southern District of New York against Trustpilot, Inc. and Trustpilot A/S.

The complaint alleges that Trustpilot designed its email systems so that a reminder email about renewal of Trustpilot subscriptions would be sent from a Trustpilot.net email address and go directly to the recipient's junk email folder and that, as a result, Trustpilot customers paid for Trustpilot subscriptions that they would not have renewed had they received the reminder email.

The complaint asserts causes of action for: (i) breach of an implied covenant of good faith and fair dealing; (ii) breach of contract; (iii) violation of New York General Business Law and New York General Obligations Law; (iv) violations of other state unfair business practices statutes; and (v) unjust enrichment.

The complaint seeks: compensatory and/or recessionary and other damages in an amount to be determined at trial; interest from the date of loss to the date of the award and payment of final judgment; reasonable attorneys' fees; costs, expert and witness fees; and such other and further relief the Court deems appropriate and just.

Trustpilot, Inc. and Trustpilot A/S intend vigorously to defend the matter.

Based on the facts and circumstances known at this time Group management have no reason to consider that it is probable there will be a material settlement in respect of the litigation. However, it is too premature to fully conclude on this matter and despite Group management's initial assessment that the Group has a strong position to robustly defend this case, it is appropriate to consider this a contingent risk. Should developments cause a change in Trustpilot's determination as to an unfavourable outcome, or result in a final adverse judgement or settlement, there could be a material adverse effect on Trustpilot's results of operations and cash flows.

19. Fee to auditors appointed at the general meeting

USD '000	2020	2019	2018
PricewaterhouseCoopers			
Audit fee	119	68	39
Tax advisory services	218	171	1
Other assurance services	1,026	5	5
Non-audit services	249	122	6
	1,612	366	51

Other assurance services relate to transaction related activities. The audit fee relates to the audit of both the parent and the group.

20. Changes in liabilities arising from financing activities

This section sets out an analysis of liabilities arising from financing activities and the movements in each of the periods presented.

USD '000	1 January 2020	Cash flows	Foreign exchange movement	New leases*	31 December 2020
Loans and borrowings	0	12,144	796	0	12,940
Lease liabilities	4,582	(3,047)	764	14,305	16,604
Total liabilities from financing activities	4,582	9,097	1,560	14,305	29,544
USD '000	1 January 2019	Cash flows	Foreign exchange movement	New leases*	31 December 2019
Loans and borrowings	7,430	(7,216)	(214)	0	0
Lease liabilities	5,977	(3,895)	(9)	2,509	4,582
Total liabilities from financing activities	13,407	(11,111)	(223)	2,509	4,582
USD '000	1 January 2018	Cash flows	Foreign exchange movement	New leases*	31 December 2018
Loans and borrowings	0	7,451	(21)	0	7,430
Lease liabilities	7,202	(3,052)	(66)	1,893	5,977
Total liabilities from financing activities	7,202	4,399	(87)	1,893	13,407

*Including remeasurements.

21. Related parties

The Group does not have any shareholders with significant influence over Trustpilot A/S.

The Group's structure is set out in note 24.

Transactions with related parties:

There has been no transaction with related parties in 2020.

The Group had the following transactions with related parties during 2019:

Trustpilot raised USD 55 million in a Series E round led by Sunley House Capital Management and existing shareholders, where The Sunley House Capital Management became shareholders along with the existing shareholders. As explained in note 15, 535,020 of additional shares were issued to new and existing shareholders of the Group for consideration of USD 51 million creating share capital and share premium of USD 86 thousand and USD 51 million.

There were no transactions with related parties in 2018.

Information about the board and management's remuneration has been disclosed in note 4 and 5.

There are no outstanding balances at the end of the reporting period in relation to transactions with related parties.

22. Events after the balance sheet date

No significant events have occurred subsequently to the financial year, except for the US litigation regarding renewal of subscriptions as described in note 18, affecting the assessment of the Annual Report after the balance sheet date.

Outlook

The Group's expectations for the future is impacted by the Covid-19 outbreak and the measures taken by governments in most of the world to mitigate the effects of the Covid-19 outbreak.

While the Group was not significantly impacted in 2020 by the Covid-19 outbreak, which resulted in a consumer activity uptick, but only temporarily disrupting annual recurring revenue (ARR) trends, the expectations for the future are still uncertain due to Covid-19 impact cross the world. This, in turn, might have an impact on results in subsequent periods. Therefore, the management does not see itself able to disclose expectations for the future.

With the increased focus on online shopping, the Group will continue to invest in building the services and features necessary to support consumers in making more informed decisions when shopping online. Moreover, the Group will continue to advocate for ecommerce businesses to actively engage in conversations with their customers and to use customer feedback to strengthen their services for mutual benefit.

The Board of Directors' expectation is to have sufficient equity and liquidity to cover the expansion.

23. Cash flow specifications

USD '000	2020	2019	2018
Changes to net working capital			
Increase in trade receivables	(989)	(1,031)	(846)
(Increase)/decrease in other assets	(1,227)	706	(192)
Decrease/(increase) in prepayments	158	(236)	(488)
(Decrease)/increase in trade payables	(295)	109	399
Increase in other liabilities	11,931	1,989	528
Increase in contract liabilities	1,824	4,800	3,264
	11,402	6,337	2,665
USD '000	2020	2019	2018
Adjustments			
Income tax	(663)	72	(782)
Amortisation and impairment of intangible assets	947	111	0
Depreciation and impairment of tangible assets and right-of-use assets	4,791	3,211	2,768
Finance income	(21)	(43)	(78)
Finance expenses	2,076	1,174	662
Share Based Compensation	2,696	3,076	1,721
	9,826	7,601	4,291

24. List of group companies

The Group's principal subsidiaries at 31 December 2020 are set out below:

	<u>Type</u>	<u>Place of incorporation</u>	<u>Ownership interest</u>
Trustpilot, Inc.	Subsidiary	US	100%
Trustpilot Ltd.	Subsidiary	UK	100%
Trustpilot GmbH	Subsidiary	Germany	100%
Trpilot PTY Ltd	Subsidiary	Australia	100%
Trustpilot UAB	Subsidiary	Lithuania	100%

The Group's principal subsidiaries have not changed in the period of 1 January 2018 to 31 December 2020.

PART X

ADDITIONAL INFORMATION

1. Responsibility

The Company and the Directors, whose names are set out in Part VI: “*Directors, Senior Management and Corporate Governance*”, accept responsibility for the information contained in this Registration Document. To the best of the knowledge of the Company and the Directors, the information contained in this Registration Document is in accordance with the facts and this Registration Document makes no omission likely to affect its import.

2. Incorporation

- 2.1. The Company was incorporated and registered in Denmark on 12 February 2007 as a private limited company (*anpartsselskab*) under the laws of Denmark with the name Trustpilot ApS and is registered in Denmark with the Danish Business Authority with company registration number (CVR) 30 27 65 82. The Company converted into a Danish public limited liability company (*aktieselskab*) under the laws of Denmark on 20 September 2011 with the name Trustpilot A/S.
- 2.2. The Company’s registered office is at Pilestraede 58, 5th Floor, 1112 Copenhagen K. The Company’s telephone number is +45 89 87 15 73.
- 2.3. The Group’s website is www.trustpilot.com. Information contained on the Group’s website or the contents of any website accessible from hyperlinks on the Group’s website are not incorporated into and do not form part of this Registration Document.
- 2.4. The principal laws and legislation under which the Company operates and the Shares have been issued is the Danish Consolidated Act no. 763 of 23 July 2019 on limited liability companies, as amended.
- 2.5. The business of the Company, and its principal activity, is to carry on the business of the Group as described in Part V: “*Information on the Group*”, in particular in the European Union and the rest of world outside the Americas, and to act as parent company for the Group.

3. Share Capital

- 3.1. The issued share capital of the Company as at the date of this Registration Document is as follows:

Share class	Nominal value per share (DKK)	Number of shares issued	Aggregate nominal value (DKK)
Common shares	1	802,605	802,605
Preference A shares	1	1,109,129	1,109,129
Preference B shares	1	670,752	670,752
Preference C shares	1	514,561	514,561
Preference D shares	1	1,052,307	1,052,307
Preference E shares	1	535,020	535,020

- 3.2. A history of the share capital of the Company for the period covered by the Historical Financial Information to the date of this Registration Document is set out below:

- 3.2.1 As of 1 January 2018, being the first date in the period covered by the Historical Financial Information, the share capital of the Company was DKK 4,074,223 divided into:
- (a) 715,057 common shares with a nominal value of DKK 1 per share;
 - (b) 1,121,546 Preference A shares with a nominal value of DKK 1 per share;
 - (c) 670,752 Preference B shares with a nominal value of DKK 1 per share;
 - (d) 514,561 Preference C shares with a nominal value of DKK 1 per share; and
 - (e) 1,052,307 Preference D shares with a nominal value of DKK 1 per share.
- 3.2.2 During the year ended 31 December 2018, the Company issued an additional 67,642 common shares with a nominal value of DKK 1 each pursuant to an exercise of Warrants at an exercise price of DKK 67 each.
- 3.2.3 During the year ended 31 December 2019, the Company issued an additional 34,080 common shares with a nominal value of DKK 1 each pursuant to the exercise of Warrants at an exercise price of DKK 67 each, and issued 535,020 Preference E shares with a nominal value of DKK 1 each for a subscription price of US\$ 102.80 each.
- 3.2.4 During the year ended 31 December 2020, the Company issued 4,181 common shares of DKK 1 each pursuant to the exercise of Warrants at an exercise price of DKK 67 each.
- 3.2.5 As at 31 December 2020, the Company had in issue 820,960 common shares, 1,121,546 Preference A shares, 670,752 Preference B shares, 514,561 Preference C shares, 1,052,307 Preference D shares and 535,020 Preference E shares, all fully paid. As at 31 December 2020, the Company had in issue 806,920 Warrants to subscribe for 806,920 common shares in the Company.
- 3.2.6 On 6 January 2021, the Company completed a capital reduction pursuant to which 18,355 common shares and 12,417 Preference A shares, which were being held in treasury by the Company, were cancelled.
- 3.2.7 On 21 February 2021, the Company issued an additional 47,600 Warrants in aggregate to certain employees of the Group (including the new Chief Operating Officer, Tim Hilpert). On 22 February 2021, the Company issued a further 37,050 Warrants in aggregate to certain Directors and employees of the Group (including Timothy Weller, Peter Holten Mühlmann, Hanno Damm, Angela Seymour-Jackson, Carolyn Jameson, Stephen Garland, Steven Marritt and Donna Murray Vilhelmsen).
- 3.2.8 The employment of certain employees ended between 31 December 2020 and the date of this Registration Document and as a result certain of the Warrants held by those employees lapsed on termination of their employment (as further described in paragraph 10.4 of this Part X: “*Additional Information*”).
- 3.2.9 As at the date of this Registration Document, the Company has in issue 884,307 Warrants to subscribe for 884,307 common shares in the Company of which 485,973 have vested in accordance with their terms. Further details of the terms of the Warrants are set out in paragraph 10 of this Part X: “*Additional Information*”.

4. Articles of Association

- 4.1. The articles of association of the Company (the “**Articles of Association**”) are suitable for a Danish incorporated public limited liability company and as such are not comparable to the articles for an English incorporated private or public limited company. Trustpilot A/S is considering seeking

admission of the shares of a new holding company incorporated in England and Wales to listing on the premium segment of the Official List of the FCA and to trading on the main market for listed securities of the London Stock Exchange. Should such a listing proceed, the holding company of the Group and its articles of association would be suitable for a public limited company in the United Kingdom. Further details regarding the Articles of Association of the Company are set out below.

- 4.2. The Company's purpose, as set out in article 2 of the Articles of Association, is to develop and trade in ecommerce quality assessments and other related activities. As set out in paragraph 3.1 of this Part X: "*Additional Information*", there are six classes of outstanding issued shares in the capital of the Company: one class of common shares and five classes of preference shares. Each share carries the right to one vote at a general meeting of the Company. The preference shares carry certain preferential rights to dividend payments and capital on a winding up of the Company in priority to the common shares. Each preference share may be converted into a common share at any time on a one-for-one basis by the holder of such preference share. In addition, the preference shares will automatically convert into common shares on the admission of the Company to listing on a major stock exchange. Subject to certain exemptions, each class of shares carries rights of pre-emption in the event of a capital increase of, or issue of securities by, the Company. The preference shares also carry certain additional anti-dilution protection rights based on the subscription price paid in connection with a capital increase of, or issue of securities by, the Company subsequent to the issue of such preference shares to the holders thereof. Pursuant to the Articles of Association, the shares are subject to certain restrictions on transfer (including, tag-along and drag-along rights and a right of first refusal).

5. Shareholders' Agreement

- 5.1. The Company, together with certain of its Shareholders, is party to a shareholders' agreement originally dated 20 May 2015 which in turn was amended and restated on 4 March 2019 (as amended and/or restated from time to time, and including any and all joinders thereto, the "**Shareholders' Agreement**"). The Shareholders' Agreement regulates the relationship between such Shareholders as shareholders in the Company.
- 5.2. The Shareholders' Agreement contains provisions that, together with the Articles of Association, govern matters such as: reserved matters which require the approval of Shareholders (or the holders of particular classes of shares, as the case may be) and/or Directors; Board composition and appointment rights; capital contribution requirements; certain non-solicit and non-compete provisions; Shareholder information rights and confidentiality restrictions; restrictions on transfers of shares (including rights of first offer and first refusal and tag-along and drag-along rights, and restrictions on transfers of shares to certain persons); and exit events (including sale processes and initial public offerings), as well as corporate governance matters.
- 5.3. The Shareholders' Agreement grants certain Shareholders the right to appoint a Director to the Board. For more information on the Directors who have been appointed to the Board by Shareholders, see paragraph 3.2 of Part VI: "*Directors, Senior Management and Corporate Governance*".

6. Directors' Service Agreements and Letters of Appointment

6.1. Executive Directors

Peter Holten Mühlmann – Chief Executive Officer

Mr. Mühlmann is employed as Chief Executive Officer of the Group pursuant to a contract of employment dated 17 October 2011, as amended. Under his employment contract, Mr. Mühlmann is entitled to an annual salary of DKK 2,955,087. He is entitled to other benefits,

including a pension contribution of 3 per cent. of his annual salary. Mr. Mühlmann is eligible for an annual bonus of up to 100 per cent. of his base salary.

Mr. Mühlmann's employment may be terminated by Mr. Mühlmann providing not less than three months' written notice to the Company, and by the Company providing not less than six months' written notice to Mr. Mühlmann. The Company is entitled to terminate Mr. Mühlmann's employment by giving one months' notice in the event that Mr. Mühlmann is not able to actively occupy his position as Chief Executive Officer for a total of 90 days within a period of 12 months, due to illness or other incapacity. Either party may terminate the employment contract without notice in the event of the other party's serious or persistent breach of the agreement or obligations stated therein.

Mr. Mühlmann is subject to a confidentiality undertaking without limitation in time and to a non-competition covenant which applies for a period of twelve months from the date of termination of his employment. The service agreement is governed by Danish law.

Hanno Damm – Chief Financial Officer

Mr. Damm is employed as Chief Finance Officer of the Group pursuant to the terms of a service agreement with Trustpilot, Inc. dated 29 October 2015, as amended. Under the terms of the agreement, Mr. Damm is paid an annual salary of US\$400,000. Mr. Damm is eligible for an annual bonus of up to 100 per cent. of his base salary. Mr. Damm's remuneration includes a pension contribution of 3 per cent. of his annual salary. Mr. Damm's employment is "at will" meaning either party may terminate the employment at any time for any reason. Notwithstanding the foregoing, Trustpilot, Inc. must provide Mr. Damm with two weeks' written notice. Mr. Damm must provide Trustpilot, Inc. with not less than three months' written notice and Trustpilot, Inc. may make a payment in lieu of notice or change Mr. Damm's responsibilities to be performed during his notice period. If not terminated for cause, death or disability, or when resigning for "good reason" (which would include material breach of the employment agreement by Trustpilot, Inc. and relocation of the principal place of employment), Trustpilot, Inc. shall pay six months' base salary and benefits as severance contingent on Mr. Damm signing Trustpilot Inc's standard separation agreement and general release.

Mr. Damm is subject to a confidentiality undertaking without limitation in time and to a non-competition covenant which applies for a period of twelve months from the date of termination of his employment. The service agreement is governed by New York law.

6.2. *Non-Executive Directors*

Timothy Weller

Mr. Weller was appointed as Chair pursuant to the terms of a letter of appointment with the Company dated 14 January 2013 as amended, with effect from 1 February 2013. He receives an annual fee of £90,000. In September 2013, Mr. Weller was granted 32,750 Warrants in the Company at an exercise price of DKK 67.00 per Warrant. Mr. Weller exercised all such Warrants in March 2017 and paid an aggregate exercise price of DKK 2,194,250 and currently holds 32,750 common shares in the Company. In addition, Mr. Weller was granted a further 16,000 Warrants with an exercise price of DKK 67.00 per Warrant in December 2016, 8,500 Warrants with an exercise price of DKK 201.57 per Warrant in October 2018, 11,500 Warrants with an exercise price of DKK 290.49 per Warrant in March 2020 and 3,000 Warrants with an exercise price of DKK 905.66 per Warrant in February 2021. Mr. Weller purchased 13,100 common shares in the Company at DKK 67 per share (being the price of the then prior investment round of preferred shares in the Company less a discount of 38.74 per cent.) in July 2013 and sold these shares in August 2019 at US\$87 per share.

Mr. Weller's appointment is terminable by either party on three months' written notice and will terminate automatically if Mr. Weller vacates his office in accordance with the Articles or by a resolution passed at a general meeting.

Angela Seymour-Jackson

Ms. Seymour-Jackson was appointed as a Non-Executive Director of the Company pursuant to the terms of a letter of appointment with the Company dated 25 April 2019, with effect from 1 March 2019. She receives an annual fee of £40,000. On appointment Ms. Seymour-Jackson was granted 5,000 Warrants in the Company at an exercise price of DKK 201.57 per Warrant. In addition, Ms. Seymour-Jackson was granted a further 2,000 Warrants with an exercise price of DKK 905.66 per Warrant in February 2021. This appointment is for a duration of four years and is terminable by either party on three months' written notice and will terminate automatically if Ms. Seymour-Jackson vacates her office in accordance with the Articles or by a resolution passed at a general meeting.

- 6.3. Each of Lars Andersen, Mohammed Anjarwala, Simon Cook, Benjamin Holmes, Benjamin Johnson and Jeppe Zink are appointed pursuant to the terms of the Shareholders' Agreement and no further terms of appointment apply.
- 6.4. Save as set out in this paragraph 6, no benefits are payable by any member of the Group to any Director upon termination of employment.

7. Directors and Senior Management

- 7.1. The Directors and members of Senior Management, their functions within the Group and brief biographies are set out in Part VI: "*Directors, Senior Management and Corporate Governance*".
- 7.2. The companies and partnerships of which the Directors and members of Senior Management are, or have been, within the past five years, members of the administrative, management or supervisory bodies or partners (excluding, where applicable, Trustpilot Group plc, the Company and its subsidiaries and also excluding the subsidiaries of the companies listed below) are as follows:

<u>Name of Director</u>	<u>Current directorships / partnerships</u>	<u>Former directorships / partnerships</u>
Timothy Weller	Incisive Media Group Holdings Limited Incisive Business Media (IP) Limited Incisive Business Media Limited TrustedReviews Limited Issets Property Limited Weller Management Limited Pixomondo Inc. Sivota Plc Moy Sheep Farms LLP The Heather Club Limited	Incisive Media Group Limited Open Door Media Publishing Limited The Financial Services Forum Limited SuperAwesome Limited Tremor International Limited Ti Media Limited Global Professional Media Limited Global Technology Forum Limited Incisive Insurance Information (IP) Limited Incisive Insurance Information Limited Incisive Media (Bidco) Limited Incisive Media (Holdco) Limited Incisive Media (Investco) Limited Incisive Media Limited Incisive Media Services Limited Incisive Private Equity Information (IP) Limited Incisive Private Equity Information Limited Incisive Risk Information (IP) Limited Incisive Risk Information Limited Incisive RWG Limited

<u>Name of Director</u>	<u>Current directorships / partnerships</u>	<u>Former directorships / partnerships</u>
		Initiative Europe Holdings Limited Matching Hat Limited MSM International Limited Dial Square 86 Limited InternetQ plc Stylus Media Group Limited WEJO Limited
Peter Holten Mühlmann	Peter Mühlmann Holding ApS	-
Hanno Damm	-	-
Angela Seymour-Jackson	Future Plc Pikl Insurance Services Limited PageGroup Plc Janus Henderson Group Plc Rentokil Initial Plc	Esure Group Plc Aegon UK Plc GOCO Group Plc
Lars Andersen	SEED Capital Management I/S SEED Capital Management III I/S SEED Capital Management IV I/S SEED Capital Denmark II K/S SEED Capital Denmark II 2019 K/S Growth Manager ApS GM Invest ApS Det bliver en god dag ApS Value4money ApS Trustpilot A/S Templafy ApS Coinify ApS Lunar Group ApS Lunar Way A/S Lunar Card A/S Cardlay Payments Solutions A/S Cardlay A/S Cardlay Payments Solutions A/S Grant Compass A/S C Worldwide Holding A/S C Worldwide Group Holdings A/S C Worldwide Asset Management Fondsmaeglerselskab A/S	SEED Capital Denmark K/S Blueprinter ApS Selskabet AF 05.03.2011 ApS under konkurs Selskabet af 22. Juni 2016 ApS Firmafon ApS Dixa ApS Grandhood ApS Lunar Bank A/S Grandhood Fondsmaeglerselskab A/S
Mohammed Anjarwala	Cheetay Logistics (Pvt.) Ltd	-
Simon Cook	Ledger SA	Draper Esprit Plc Pod Point Holdings Ltd
Benjamin Holmes	Armada Interactive, Oy Ben.vc Limited Electric Playbox Ltd MooPrint Limited Secret Escapes Limited Storsand Limited Supersolid Limited WMGL Limited	Astley Clarke Limited Autobutler ApS Happylatte Inc. Hutch Games Limited Index Ventures (UK) LLP iZettle AB Just Eat Group Holdings Limited KRY Internatioal AB Notonthehighsteet Enterprises Limited Rebtel Owners AB Shapeways Inc Super Evil Mega Corp Magmatic Games Ltd

<u>Name of Director</u>	<u>Current directorships / partnerships</u>	<u>Former directorships / partnerships</u>
Benjamin Johnson	Vitruvian Partners LLP Blackbuck Topco Limited Cannes Topco Limited	Blackbuck Midco Limited Blackbuck Acquisitions Limited Axio Aviation Holdings Ltd Cannes Midco Limited Cannes Midco II Limited Cannes Bidco Limited Priestholm Topco Ltd Priestholm Midco Ltd Priestholm Midco II Ltd Priestholm Bidco Ltd JAC Travel Group (Holdings) Limited Lausanne Topco Limited Lausanne Financing Limited DMWSL 660 Limited Instinctif Partners Holdings Limited
Jeppe Zink	Zopa Group Limited MarketFinance Limited Nextday Property Ltd Anyfin AB Truelayer Ltd Wagestream Holdings Ltd Information Grid Limited Northzone V K/S Northzone VI L.P. Northzone VII L.P. Northzone VIII L.P. Northzone IX L.P. Northzone Conviction I L.P.	Job Digital Networks S.L.

<u>Name of Senior Manager</u>	<u>Current directorships / partnerships</u>	<u>Former directorships / partnerships</u>
Stephen Garland	-	-
Tim Hilpert	-	Avito AB Avito Holding AB OLX Online Services SRL India Used Car Group B.V. Frontier Car Group, Inc OLX Group GmbH Naspers Classifieds Bulgaria EOOD FixeAds B.V.
Carolyn Jameson	Forrit Holdings Limited Cunning Blade Ltd Scottish National Investment Bank plc Wallet Services (Scotland) Limited	Visit Scotland Skyscanner Holdings Limited Skyscanner Limited
Steven Marritt	-	-
Donna Murray Vilhelmsen	-	-

- 7.3. Set out in the table below is the total remuneration paid (including any contingent or deferred compensation) and benefits in kind granted to the Directors in relation to the year ended 31 December 2020:

Name of Director	Remuneration⁽¹⁾	Other benefits
Timothy Weller	£85,500	N/A
Peter Holten Mühlmann	DKK1,947,370	DKK 1,295,876 bonus paid in January 2021; 3 per cent. pension
Hanno Damm	US\$297,622	US\$188,974 bonus paid in January 2021; 3 per cent. pension
Angela Seymour-Jackson	£38,000	-
Lars Andersen	-	-
Mohammed Anjarwala	-	-
Simon Cook	-	-
Benjamin Holmes	-	-
Benjamin Johnson	-	-
Jeppe Zink	-	-

Notes

- (1) Each of Timothy Weller, Peter Holten Mühlmann, Hanno Damm and Angela Seymour-Jackson agreed to a 20 per cent. reduction in remuneration in May to July of 2020 in connection with the Company's response to the COVID-19 pandemic.

- 7.4. The total remuneration paid (including any contingent or deferred compensation) and benefits in kind granted to the Directors and Senior Managers in relation to the year ended 31 December 2020 was £867,347.97 and £1,160,380.04 respectively (based on a convenience exchange rate of US\$1 = GBP 1.387 and DKK 1 = GBP 0.117). Certain Directors (namely Timothy Weller, Peter Holten Mühlmann, Hanno Damm and Angela Seymour-Jackson) and certain Senior Managers (namely Stephen Garland, Carolyn Jameson and Donna Murray Vilhelmsen) agreed to a 20 per cent. reduction in remuneration in May to July of 2020 in connection with the Company's response to the COVID-19 pandemic.
- 7.5. Save as set out above, none of the Directors, any member of the Senior Management or the Company Secretary has any business interests, or performs any activities, outside the Group which are significant with respect to the Group.
- 7.6. There are no family relationships between any Directors, between any members of Senior Management or between any Directors and members of Senior Management.
- 7.7. Within the period of five years preceding the date of this Registration Document, none of the Directors or any member of Senior Management has:
- 7.7.1 had any convictions in relation to fraudulent offences;
- 7.7.2 been a member of the administrative, management or supervisory bodies or a senior manager (who is relevant to establishing that a company has the appropriate expertise and experience for the management of that company) of any company at the time of any bankruptcy, receivership, liquidation or putting into administration of such company, save that:

- (a) Timothy Weller was previously director of various entities which were liquidated by member voluntary liquidation, namely: Incisive Services Limited, Incisive TBP Group Limited, Initiative Europe Consulting Limited, Initiative Europe Limited, Learned Information (Europe) Limited, Timothy Benn Publishing Limited, Top Furbco Limited, VNU Business Publications Limited, Web Recruitment Services Limited, Recoverex Limited, Incisive Media Investments Limited, Incisive Photographic Limited, Incisive Financial Publishing Limited, AVCJ Group Limited, Breakthrough Publishing Limited, Buckley Press Limited, Buckley Publishing Company Limited, Buckpill Limited, Central Banking Publications Limited, CIFT Limited, City Financial Communications Limited, Conjecture Limited, DWT Conferences Limited, IMARK Communications Limited and Incisive Alliance Limited;
- (b) Lars Andersen was previously a board member of Blueprinter ApS, Selskabet AF 05.03.2011 ApS under konkurs, Selskabet af 22. Juni 2016 ApS each of which has entered into bankruptcy. He was also a board member for Seed Capital Denmark K/S which was voluntarily liquidated, and FIRMAFON ApS which was wound up following a merger; and
- (c) Benjamin Holmes is a director of Armada Interactive Oy, a Finnish startup which was declared bankrupt in September 2020. He is a director by virtue of being a venture capital investor in Armada Interactive Oy. Attorney-at-law Max Tuominen has been appointed bankruptcy estate administrator; or

- 7.7.3 been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of any company.
- 7.8. No amounts were set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits for the Directors and Senior Managers for the year ended 31 December 2020.
- 7.9. There is no arrangement under which any Director has waived or agreed to waive future emoluments nor has there been any waiver of emoluments during the financial year immediately preceding the date of this Registration Document.
- 7.10. Save for any restrictions in the Articles of Association or Shareholders' Agreement or in the terms applying to Warrants, there are no restrictions agreed by any Director or Senior Manager on the disposal within a certain time of their holdings in the Company's securities.

8. Interests of the Directors and Senior Management

- 8.1. The table below sets out the interests of the Directors and Senior Management in the share capital of the Company (all of which, unless otherwise stated, are beneficial and include the interest of persons connected with them) as at the date of this Registration Document.

<u>Name of Director</u>	<u>Number of common shares</u>	<u>Percentage of issued share capital</u>
Timothy Weller	32,750	0.70
Peter Holten Mühlmann ⁽¹⁾	205,475	4.39
Hanno Damm	-	-
Angela Seymour-Jackson	-	-

Name of Director	Number of common shares	Percentage of issued share capital
Lars Andersen	-	-
Mohammed Anjarwala	-	-
Simon Cook	-	-
Benjamin Holmes	-	-
Benjamin Johnson	-	-
Jeppe Zink	-	-

Notes

(1) Comprises 54,434 common shares held directly and 151,041 common shares held by Peter Mühlmann Holding ApS.

Name of Senior Manager	Number of common shares	Percentage of issued share capital
Stephen Garland	-	-
Tim Hilpert	-	-
Carolyn Jameson	-	-
Steven Marritt	-	-
Donna Murray Vilhelmsen	-	-

- 8.2. In addition to the interests in Shares of the Directors and Senior Management described above, the following Directors and Senior Managers have as at the date of this Registration Document interests in Warrants, as set out below:

Name of Director	Warrants	Warrants currently exercisable⁽¹⁾	Exercise Price (DKK)⁽²⁾	Percentage of fully diluted share capital⁽³⁾
Timothy Weller	39,000	20,780	67 (16,000), 201.57 (8,500), 290.49 (11,500), 905.66 (3,000)	0.70
Peter Holten Mühlmann	120,911	40,075	67 (23,200), 201.57 (30,000), 290.49 (55,211), 905.66 (12,500)	2.17
Hanno Damm	103,015	61,470	163.92 (44,160), 173.53 (8,000), 201.57 (17,000), 290.49 (27,605), 905.66 (6,250)	1.85
Angela Seymour-Jackson	7,000	2,500	201.57 (5,000), 905.66 (2,000)	0.13
Lars Andersen	-	-	-	-
Mohammed Anjarwala	-	-	-	-

Name of Director	Warrants	Warrants currently exercisable⁽¹⁾	Exercise Price (DKK)⁽²⁾	Percentage of fully diluted share capital⁽³⁾
Simon Cook	-	-	-	-
Benjamin Holmes	-	-	-	-
Benjamin Johnson	-	-	-	-
Jeppe Zink	-	-	-	-

Name of Senior Manager	Warrants	Warrants currently exercisable⁽¹⁾	Exercise Price (DKK)⁽²⁾	Percentage of fully diluted share capital⁽³⁾
Stephen Garland	26,200	11,250	201.57 (20,000), 345.43 (2,000), 905.66 (4,200)	0.47
Tim Hilpert	30,000	-	905.66 (30,000)	0.54
Carolyn Jameson	30,200	9,000	290.49 (24,000), 345.43 (2,000), 905.66 (4,200)	0.54
Steven Marritt	21,500	-	345.43 (6,000), 622.31 (14,000), 905.66 (1,500)	0.39
Donna Murray Vilhelmsen	25,400	4,748	290.49 (14,000), 345.43 (8,000), 905.66 (3,400)	0.46

Notes:

- (1) The balance of the Warrants become exercisable in accordance with their respective terms.
- (2) The number in brackets represents the number of Warrants granted at each stated exercise price.
- (3) As at the date of this Registration Document.

- 8.3. As at the date of this Registration Document, there were no outstanding loans granted by any member of the Group to any Director or member of Senior Management, nor by any Director or member of Senior Management to any member of the Group, nor was any guarantee which had been provided by any member of the Group for the benefit of any Director or member of Senior Management, or by any Director or member of Senior Management for the benefit of any member of the Group, outstanding.
- 8.4. Save as set out in this paragraph 8, none of the Directors has any interests in the share or loan capital of the Company or any of its subsidiaries.
- 8.5. Save as set out in this paragraph 8, no Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or is or was significant to the business of the Group and was effected by the Company in the current or immediately preceding financial year or was effected during an earlier financial year and remains in any respect outstanding or unperformed.

9. Interests of Significant Shareholders

9.1. Insofar as it is known to the Company as of the date of this Registration Document, the following persons are interested in 3 per cent. or more of the Company's issued share capital.

Shareholder	Number of Shares	Percentage of issued share capital ⁽¹⁾	Common shares	Preference A shares	Preference B shares	Preference C shares	Preference D shares	Preference E shares
<i>Draper Esprit⁽²⁾</i>								
Esprit Capital III L.P.	186,007	3.97				151,516	34,491	
Esprit Capital III Founder LP	6,975	0.15				5,682	1,293	
DFJ Europe X, LP	192,982	4.12				157,198	35,784	
Esprit Capital IV LP	406,683	8.68	358,045					48,638
	<u>792,647</u>	<u>16.92</u>	<u>358,045</u>			<u>314,396</u>	<u>71,568</u>	<u>48,638</u>
<i>Index Ventures⁽³⁾</i>								
Index Ventures Growth II (Jersey), L.P.	153,492	3.28					139,293	14,199
Index Ventures Growth II Parallel Entrepreneur Fund (Jersey), L.P.	2,267	0.05					2,057	210
Index Ventures VI (Jersey), L.P.	594,246	12.69			451,517	73,455	69,274	
Index Ventures VI Parallel Entrepreneur Fund (Jersey), L.P.	11,995	0.26			9,114	1,483	1,398	
Yucca (Jersey) SLP	9,646	0.21			5,831	949	2,684	182
	<u>771,646</u>	<u>16.47</u>			<u>466,462</u>	<u>75,887</u>	<u>214,706</u>	<u>14,591</u>
<i>Northzone</i>								
Northzone VI L.P.	776,818	16.58		515,105	102,145	58,816	71,569	29,183
<i>Seed Capital⁽⁴⁾</i>								
SEED Capital Denmark II 2019 K/S	38,911	0.83						38,911
SEED Capital Denmark II K/S	760,389	16.23		515,105	102,145	64,414	78,725	
	<u>799,300</u>	<u>17.06</u>		<u>515,105</u>	<u>102,145</u>	<u>64,414</u>	<u>78,725</u>	<u>38,911</u>
<i>Sunley House Capital Management</i>								
Sunley House Capital Master Limited Partnership	344,229	7.35	52,400					291,829
<i>Vitruvian Partners</i>								
Trafalgar Acquisition S.à r.l.	798,016	17.04	102,920				612,411	82,685
<i>Peter Holten Mühlmann</i>								
Peter Mühlmann Holding ApS	151,041	3.22	151,041					
Peter Holten Mühlmann	54,434	1.16	54,434					
	<u>205,475</u>	<u>4.39</u>	<u>205,475</u>					

Notes:

(1) Percentages are rounded to two decimal places.

- (2) Draper Esprit is a venture capital firm that holds its interests in the Shares through: Esprit Capital III L.P., Esprit Capital III Founder LP, DFJ Europe X, L.P. and Esprit Capital IV LP.
- (3) Index Ventures is a venture capital advisory group that holds its interests in the Shares through: Index Ventures Growth II (Jersey), L.P., Index Ventures Growth II Parallel Entrepreneur Fund (Jersey), L.P., Index Ventures VI (Jersey), L.P., Index Ventures VI Parallel Entrepreneur Fund (Jersey), L.P., and Yucca (Jersey) SLP (as administrator of the Index Co-Investment Scheme).
- (4) Seed Capital is a venture capital firm that holds its interests in the Shares through: SEED Capital Denmark II 2019 K/S and SEED Capital Denmark II K/S.

9.2. Save as set out above, the Company is not aware of any holdings of voting rights (within the meaning of Chapter 5 of the Disclosure Guidance and Transparency Rules) which represent 3 per cent. or more of the total voting rights in respect of the issued share capital of the Company as at the date of this Registration Document.

9.3. None of the Shareholders referred to in this paragraph 9 has different voting rights from any other Shareholder in respect of any Shares of the same class held by them.

10. Incentive Arrangements

10.1. The Company has operated incentive schemes for employees of the Group and Directors since July 2011 and currently operates two warrant programmes: a warrant programme for selected employees of the Group and Directors and a warrant programme for all Group employees. The two existing warrant programmes superseded one previous warrant programme that differed in terms of vesting and exercise conditions. Under the previous warrant programme, grants were issued between 2011 and 2016 and vested over a four-year period on a monthly basis. All warrants granted under this programme have either been exercised or have lapsed in accordance with their terms such that no warrants remain outstanding under this programme.

10.2. Under the warrant programme for selected employees of the Group and Directors, the participants are granted Warrants which entitle the holder to subscribe for common shares in the Company, when the Warrants have vested. The exercise price of a Warrant under this warrant programme varies between DKK 67 and 905.66 per Warrant (subject to adjustment) and each Warrant entitles the holder to subscribe for one common share in the capital of the Company (subject to adjustment) with no special rights attached. The Warrants vest over time and follow a graded vesting pattern and, unless otherwise agreed between the Company and the individual participant, the Warrants vest in equal portions (25 per cent.) once per year following the grant date. Only Warrants that are fully vested may be exercised. The Warrants are exercisable at any time after vesting, and until the expiration date, which may vary from grant to grant.

10.3. The warrant programme for all Group employees is similar to the warrant programme for selected employees of the Group and Directors, except that vested Warrants under the general employee programme are only exercisable upon an exit event, and if a relevant exit event has not occurred prior to an expiration date, which may vary from grant to grant, the Warrants will lapse in accordance with their terms.

10.4. Following termination of employment with the Group, the vested Warrants held by an employee may lapse and the non-vested Warrants held by an employee under a warrant programme may either lapse or continue to vest, in each case depending on the reason for such termination.

10.5. As at the date of this Registration Document, the Company had in issue 846,782 Warrants to subscribe for 846,782 common shares in the Company under the two warrant programmes for employees of the Group and Directors.

11. Pensions

Other than contributions for those employees who have enrolled in an auto-enrolment pension scheme, no amounts have been set aside by the Group to provide pension, retirement or similar benefits.

The Group does not operate a defined benefit scheme.

12. Subsidiaries, Joint Ventures and Associates

The Company is the holding company of the Group. The principal subsidiaries of the Company are as follows:

Name	Country of incorporation and registered office	Percentage of ownership interest
Trpilot Pty. Limited	Suite 3 128 Commercial Road Prahran, 3181 VIC Australia	100
Trustpilot Limited	5th Floor The Minster Building 21 Mincing Lane London EC3R 7AG England	100
Trustpilot GmbH	Am Oker 7 D-24955 Harrislee Germany	100
Trustpilot UAB	ALFA / Technopolis Ozas V. Gerulaičio, g. 1, 3 aukštas 08314 Vilnius Lithuania	100
Trustpilot, Inc.	6th Floor 5 Penn Plaza New York, NY 10001 United States	100

13. Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of the Group within the two years immediately preceding the date of this Registration Document, and are or may be material, and/or contain any provision under which the Company or any member of the Group has any obligation or entitlement which is material to the Group as at the date of this Registration Document:

13.1. Shareholders' Agreement

See paragraph 5 of this Part X: “Additional Information” for further details of the Shareholders’ Agreement.

13.2. Facilities Agreement

On 20 September 2019, the Company, Trustpilot, Inc. and Trustpilot Ltd each entered into an amended and restated facilities agreement as both borrowers and guarantors, with Silicon Valley Bank as lender (the “**Facilities Agreement**”) consisting of (i) a term loan facility, composed of a tranche of £6.55 million and a tranche of US\$4 million and (ii) a revolving credit facility in an amount of US\$7.5 million which is available in pounds sterling, Euro, or U.S. dollars. The term loan and revolving credit facility are made available to finance the Group’s general corporate and working capital needs. Interest accrues on outstanding amounts under each facility in accordance with the Facilities Agreement. As at 31 December 2020, the term loan facility was fully drawn. No amounts were drawn under the revolving credit facility at such date. The term loan facility matures on 20 September 2023 and the revolving credit facility matures on 20 September 2022. The obligations under the Facilities Agreement are secured against eligible accounts receivable and other Group assets.

The Facilities Agreement limits the ability of the Company, Trustpilot, Inc. and Trustpilot Ltd to declare or pay dividends, make certain restricted payments and investments, enter into certain transactions with affiliates, transfer or sell assets, create certain liens and guarantee certain additional debt. It also contains certain customary acceleration provisions following the occurrence of an event of default, including with respect to payment and/or covenant default, insolvency, material adverse change and repudiation. Subject to certain limited exceptions, the Facilities Agreement does not permit the Company, Trustpilot, Inc. and Trustpilot Ltd to incur additional indebtedness without the prior written consent of Silicon Valley Bank.

The Company is considering seeking admission of the shares of a new holding company incorporated in England and Wales to listing on the premium segment of the Official List of the FCA and to trading on the main market for listed securities of the London Stock Exchange. Should such a listing proceed, the Group intends to refinance all amounts outstanding under the Facilities Agreement.

13.3. **Warrant Instruments**

In connection with the Facilities Agreement (as further described in paragraph 13.2 of this Part X: “*Additional Information*”) the Company entered into certain warrant instruments on 11 September 2017 pursuant to which the Company granted 26,525 Warrants to subscribe for 26,525 common shares in the capital of the Company to Silicon Valley Bank and WestRiver Mezzanine Loans – Loan Pool V, LLC (14,700 Warrants and 11,825 Warrants respectively). In addition, the Company entered into certain warrant instruments on 20 September 2019 pursuant to which the Company granted 11,000 Warrants to subscribe for common shares in the capital of the Company to Silicon Valley Bank and SVB Innovation Credit Fund VIII, L.P. (formerly known as, WestRiver Innovation Lending Fund VIII, L.P.) (5,500 Warrants each). Following each grant of Warrants, Silicon Valley Bank transferred its Warrants to its parent company, SVB Financial Group.

Each Warrant entitles the holder to subscribe in cash for one common share in the capital of the Company at an exercise price of DKK 1 per share. The Warrants are exercisable in whole or in part at any time from their issuance until their expiry. The expiry dates of the Warrants vary between 1 September 2027, 22 August 2028, 20 September 2029 and 16 April 2030 (depending on their date of issue). The Warrants are issued subject to certain conditions, including transfer restrictions, adjustment provisions and exit provisions. In the event of a change in the Company’s share capital which affects the value of the Warrants, the subscription price or number of common shares to which the warrant holder is entitled may be adjusted.

The Warrants cannot be assigned or transferred unless approved by the Directors, with the exception that the Warrants may be transferred in whole or in part by the warrant holder without approval of the Directors to a member of the warrant holder’s group. The Company is subject to certain restrictions while any warrant instrument is in effect, including ensuring that the Directors have all necessary authorisations and dis-applications of pre-emption rights to allot such number of common shares as may be required under the warrant agreement and to refrain from amending the Articles of Association in a way which would adversely affect the warrant holders disproportionately.

14. **Related Party Transactions and Other Arrangements**

- 14.1. Details of related party transactions entered into by members of the Group during the period covered by the Historical Financial Information contained in this Registration Document are set out in Note 21 to the Historical Financial Information included in Part B of Part IX: “*Historical Financial Information*”.
- 14.2. Save as set out above, there are no related party transactions that were entered into during the period covered by the Historical Financial Information and up to the date of this Registration Document.

15. Legal and Arbitration Proceedings

- 15.1. Save as set out in paragraph 15.2 below, there are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the last 12 months prior to the date of this Registration Document which may have, or have had in the recent past, a significant effect on the Company's and/or the Group's financial position or profitability.
- 15.2. On 18 January 2021, Trustpilot Damages LLC filed a class action complaint in the United States District Court for the Southern District of New York, naming as defendants Trustpilot, Inc. and the Company. Plaintiff alleges that it is an Iowa limited liability company with offices in New York and claims to be an assignee of at least one Trustpilot customer. The Trustpilot customer assignor is not named in the complaint.

Plaintiff alleges that Trustpilot designed its email systems so that a reminder email about renewal of Trustpilot subscriptions would be sent from a Trustpilot.net email address and go directly to the recipient's junk email folder. Plaintiff claims that, as a result, Trustpilot customers paid for Trustpilot subscriptions that they would not have renewed had they received the reminder email. Plaintiff seeks certification on behalf of a class of all persons or entities living in the United States to whom Trustpilot sent a renewal email from a "Trustpilot.net" email address (the "**Class**") within the six-year period before the date of the complaint. Plaintiff alleges the Class suffered monetary damages in an unspecified amount as a result of subscriptions that were automatically renewed and which Class members allegedly would not have renewed had they received the reminder email.

The complaint asserts causes of action for: (1) breach of implied covenant of good faith and fair dealing; (2) breach of contract; (3) violation of New York General Business Law § 349 and New York General Obligations Law § 5-903 (on behalf of a sub-class of individuals and business resident in New York State); (4) violations of other state unfair business practices statutes (on behalf of sub-classes of individuals and business resident in the states of Arizona, California, Connecticut, Florida, Hawaii, Illinois, Minnesota, New Jersey, New Mexico, North Carolina, North Dakota, Oregon, Utah, Vermont, Washington, Wisconsin, and the District of Columbia); and (5) for unjust enrichment.

The complaint seeks: compensatory and/or recessionary and other damages in an amount to be determined at trial; interest from the date of loss to the date of the award and payment of final judgment; reasonable attorneys' fees; costs, expert and witness fees; and such other and further relief the Court deems appropriate and just.

Trustpilot, Inc. was served with the complaint on 28 January 2021 via its service agent in the United States. The complaint has not yet been served on the Company.

Trustpilot, Inc. and the Company intend vigorously to defend the matter. At this time, it is premature to reach any conclusion regarding the probability of incurring material losses in this litigation. Should developments cause a change in Trustpilot's determination as to an unfavourable outcome, or result in a final adverse judgement or settlement, there could be a material adverse effect on Trustpilot's business, results of operations and financial condition.

16. No Significant Change

There has been no significant change in the financial position or financial performance of the Group since 31 December 2020, being the date to which the consolidated financial information as set out in Part B of Part IX: "*Historical Financial Information*" was prepared.

17. Statutory Auditors

The statutory auditors of the Company for the period covered by the Historical Financial Information are PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab of Strandvejen 44, 2900 Hellerup, Denmark. PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab is registered to carry out audit work by the Danish Business Authority, an agency within the Ministry of Business and Growth, being the public audit oversight authority in accordance with the Danish Act on Approved Auditors and Audit Firms (the Audit Act) No. 468 of 17 June 2008.

18. Consents

- 18.1. PricewaterhouseCoopers LLP has given and has not withdrawn its written consent to the inclusion of the reports included in Part A of Part IX: *“Historical Financial Information”*, in the form and context in which they appear, and has authorised the contents of its reports for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules.
- 18.2. OC&C Strategy Consultants LLP, of 6 New St Square, Holborn, London EC4A 3AT, an international consulting firm, has given and not withdrawn its written consent to the inclusion of the information provided by or attributed to it in Part IV: *“Industry Overview”* and Part V: *“Information On The Group”*, in the form and context in which it appears, and has authorised the contents of this document solely in relation to such information for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. For the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules, OC&C Strategy Consultants LLP, is responsible for such information and declares that, to the best of its knowledge, such information is in accordance with the facts and makes no omission likely to affect its import.

19. Documents Available for Inspection

Copies of the following documents will be available for inspection for a period of 12 months following the date of this Registration Document on the Company’s website at <https://ipo.trustpilot.com>:

- 19.1. the Articles of Association;
- 19.2. the consent letters referred to in “Consents” in paragraph 18 of this Part X: *“Additional Information”*;
- 19.3. the report of PricewaterhouseCoopers LLP, which is set out in Part A of Part IX: *“Historical Financial Information”*;
- 19.4. the report of OC&C Strategy Consultants LLP, information from which is set out in this Registration Document; and
- 19.5. this Registration Document.

Dated: 1 March 2021

PART XI
DEFINITIONS

Definitions

The following definitions apply throughout this Registration Document unless the context requires otherwise:

Articles of Association	the articles of association of the Company
Audit Committee	the audit committee of the Board
Board or Board of Directors	the board of Directors of the Company
Companies Act	the Companies Act 2006, as such act may be amended, modified or re-enacted from time to time
Company	Trustpilot A/S
Directors	the directors of the Company
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules produced by the FCA and forming part of the handbook of the FCA as, from time to time, amended
EU	the European Union
EU Prospectus Regulation	Regulation (EU) 2017/1129, as amended
EUWA	European Union (Withdrawal) Act 2018, as amended, and together with any statutory instruments made in exercise of the powers conferred by such Act
Executive Directors	the executive Directors
FCA	the UK Financial Conduct Authority
FSMA	the Financial Services and Markets Act 2000, as amended
Group	the Company, its consolidated subsidiaries and subsidiary undertakings
Historical Financial Information	the Group's audited consolidated financial information as at and for the three years ended 31 December 2020
IASB	the International Accounting Standards Board
IFRS	the International Financial Reporting Standards issued by the IASB, as adopted by the European Union
London Stock Exchange	London Stock Exchange plc
Market Abuse Regulation	Regulation (EU) No 596/2014 as amended, as it forms part of retained EU law by virtue of the EUWA
Member States	member states of the EU

Non-Executive Directors	the non-executive Directors
PR Regulation	the Commission Delegated Regulation (EU) 2019/980 (supplementing Regulation (EU) 2017/1129), as amended, as it forms part of retained EU law by virtue of the EUWA
Prospectus Regulation	Regulation (EU) 2017/1129, as amended, as it forms part of retained EU law by virtue of the EUWA
Prospectus Regulation Rules	the prospectus regulation rules of the FCA made under Section 73A of the FSMA
Qualified Institutional Buyers or QIBs	qualified institutional buyers as defined in Rule 144A under the Securities Act
Remuneration Committee	the remuneration committee of the Board
Rule 144A	Rule 144A under the Securities Act
Securities Act	the United States Securities Act of 1933
Senior Management or Senior Manager	members of the Group's senior management team, details of whom are set out in Part VI: " <i>Directors, Senior Management and Corporate Governance</i> "
Shareholders	the shareholders of the Company
Shareholders' Agreement	the shareholders' agreement in respect of the Company originally dated 20 May 2015 which in turn was amended and restated on 4 March 2019 (as amended and/or restated from time to time, and including any and all joinders thereto)
Shares	the shares in the capital of the Company, having the rights set out in the Articles of Association
Subsidiary	has the meaning given to it in section 1159 of the Companies Act unless stated otherwise in this Registration Document
UK	the United Kingdom of Great Britain and Northern Ireland
United States or U.S.	the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia
Warrants	the warrants to subscribe for common shares in the capital of the Company, having the rights set out in the Articles of Association

