Trustpilot

# Introduction to Trustpilot

March 2025

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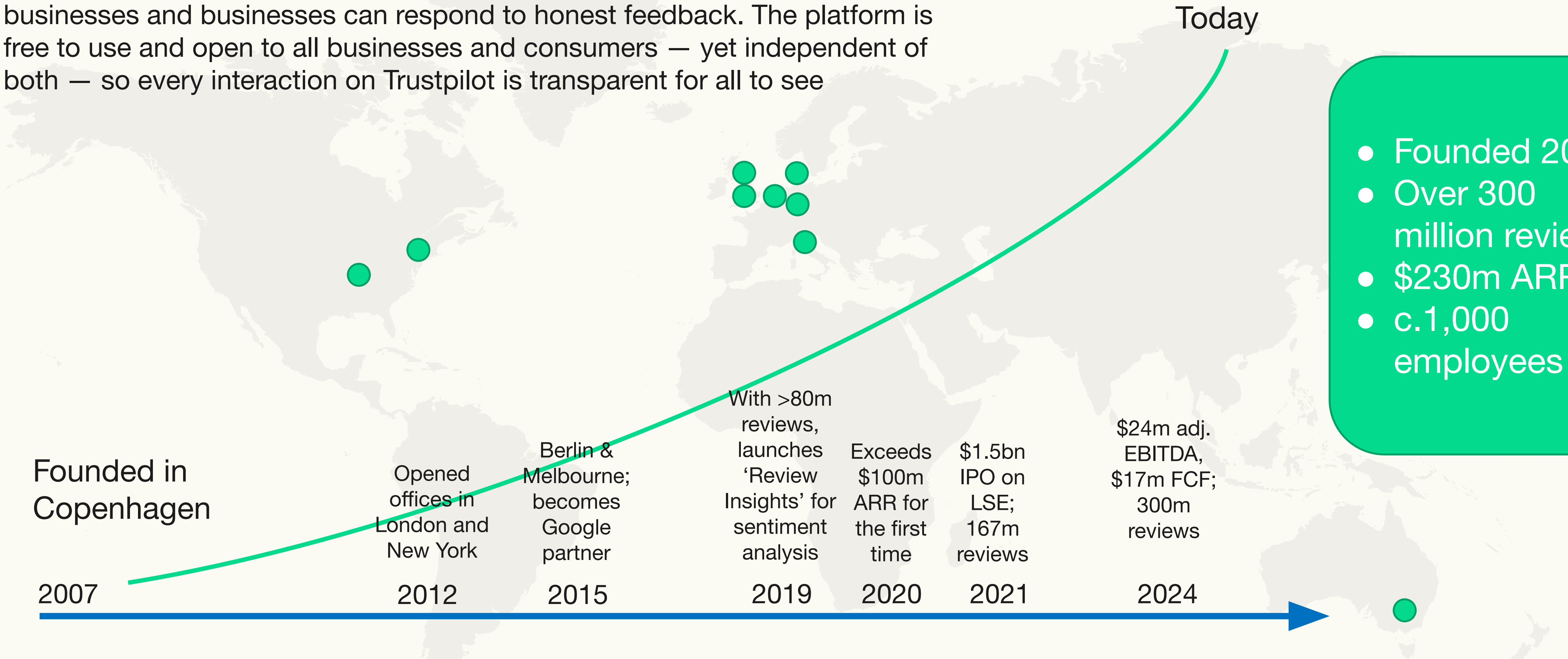
# Our vision is to be the universal symbol of trust

Trustpilot is a public platform where consumers can leave reviews for businesses and businesses can respond to honest feedback. The platform is free to use and open to all businesses and consumers — yet independent of both — so every interaction on Trustpilot is transparent for all to see




- Founded 2007
- Over 300 million reviews
- $230m ARR
- c.1,000 employees

Trustpilot office locations: Amsterdam, Copenhagen, Denver, Edinburgh, Hamburg, London, Melbourne, Milan, New York

# Trustpilot is unique in a number of ways

## Openness

- Consumers can review any business.
- Any business can read and respond to reviews.
- Businesses can't hide genuine reviews, positive or negative.

## Breadth

- Across verticals, both online and offline, from SME to Enterprise.
- Host reviews globally with subscribing businesses in more than 100 countries.

## Reach

- Vast consumer audience with c.140bn annual Trustbox impressions.
- Strong brand awareness which influences purchasing decisions, so businesses value their Trustpilot score.

## Software

- Freemium SaaS business model.
- Tools to invite reviews and reply to feedback, showcase review content and understand and benchmark reviews.

## Trust

- Utilise technology and data to detect fraud supported by specialist teams.
- Take enforcement action against platform misuse.
- We engage with regulators and peers to promote trust in reviews.

# We operate a dual-sided platform underpinned by network effects

## For Businesses:

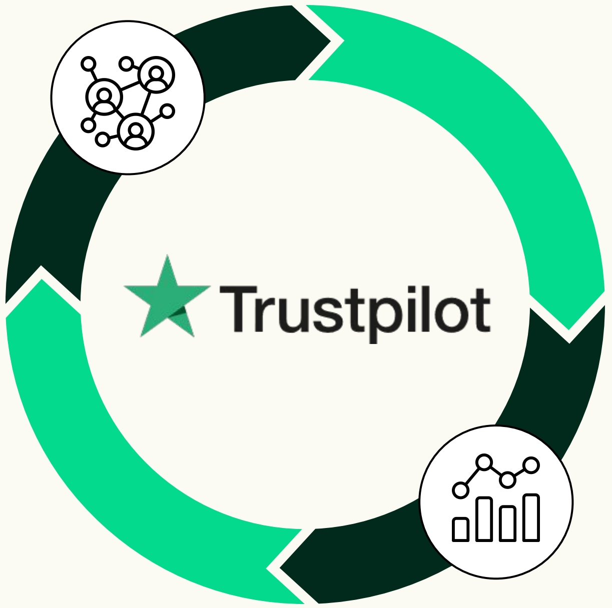
**Build Trust**
Collect and respond to reviews to strengthen reputation.

**Grow**
Use TrustScore and reviews to acquire new customers.

**Improve**
Use insights to better serve customers and fuel growth.

More Reviews

Consumer brand drives business adoption




Business adoption promotes our consumer brand

More Businesses

## For Consumers:

**Discover**
Find your next favorite business with real reviews from real people.

**Choose**
Look for Trustpilot star ratings online and offline to make more confident choices.

**Share**
Help people choose and businesses improve when you share your experience.

# There is a huge market opportunity

**c. $50bn TAM; $19bn SAM**

## North America[1]

**$9.7bn SAM**

*US only*

**$52m**
Bookings

## UK[2]

**$1.7bn SAM**

**$97m**
Bookings

## Europe & RoW

**$7.4bn SAM**

*Europe (excl. UK) only*

**$90m**
Bookings

Note: FY24 bookings figures. Total Addressable Serviceable Market (SAM) refers to the total long-term addressable market opportunity available to Trustpilot within core geographies, industries and products assuming 100% penetration of addressable businesses and 56% conversion to paid customers

1. Includes US and Canada
2. Includes UK, Jersey, Guernsey and Isle of Man

# With supportive structural drivers

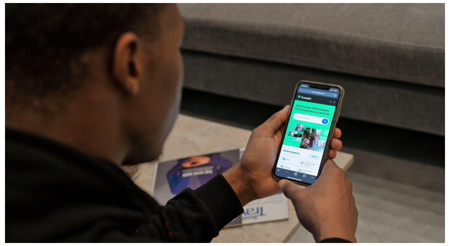
## Growing Trust imperative

Consumers need to be confident about receipt of the purchase, and businesses need to trust that they will be paid.

**71%**

of people say it's more important to trust brands today than historically

## Growth in the influence of reviews



Online research prior to purchase is the new normal in the omni-channel economy.

**89%**

of UK consumers are influenced by star ratings and reviews

## Increasing regulation

Governments are introducing new regulations to ensure consumers can trust reviews.

**27**

the number of times Trustpilot was cited in the new FTC ruling

## Growing importance of data

Companies seeking valuable actionable insights from external data sources.

**300m**

reviews - our unique dataset of human-generated content

# We have a clear strategy to deliver growth

## Five strategic pillars

- Consumer value
- Business value
- Trust
- People & culture
- Efficient growth



Trustpilot

# And are committed to maintaining content integrity

## Guidelines

- Clear guidelines for businesses and consumers.
- State how every business manages their reviews.
- Publish an annual Transparency Report.

## Technology

- Use AI and other technologies to analyse data points to spot and remove reviews before they are published.
- Continuously evolve to ensure any attempt to manipulate a score would be spotted.

## Take action

- If a business violates our guidelines we issue. warnings and may place a warning on their profile.
- Take legal action against repeat offenders.

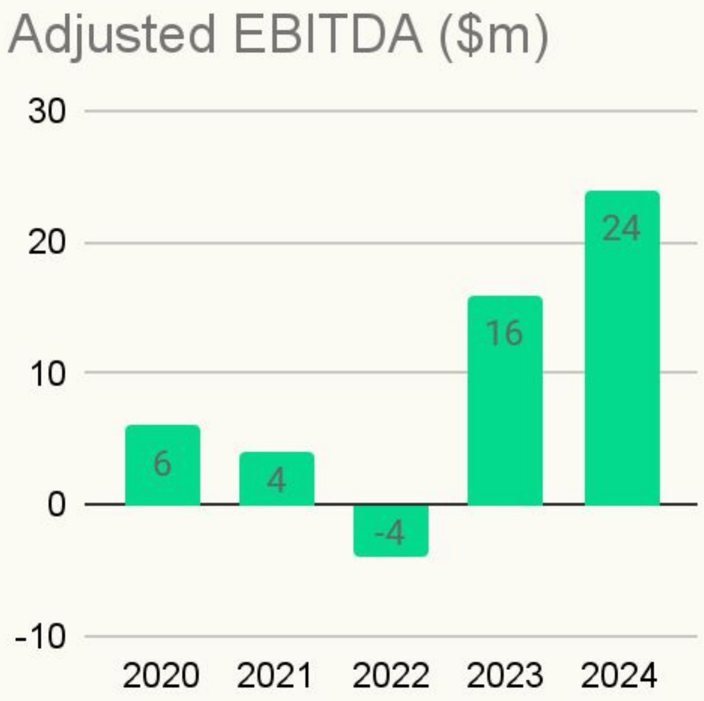
## Regulation

- Engage with policymakers to shape legislation.
- Advocate for measures that enhance trust in business and protect conumers.

# We have a proven track record of growth and improving profitability


**21% CAGR**


**20% CAGR**

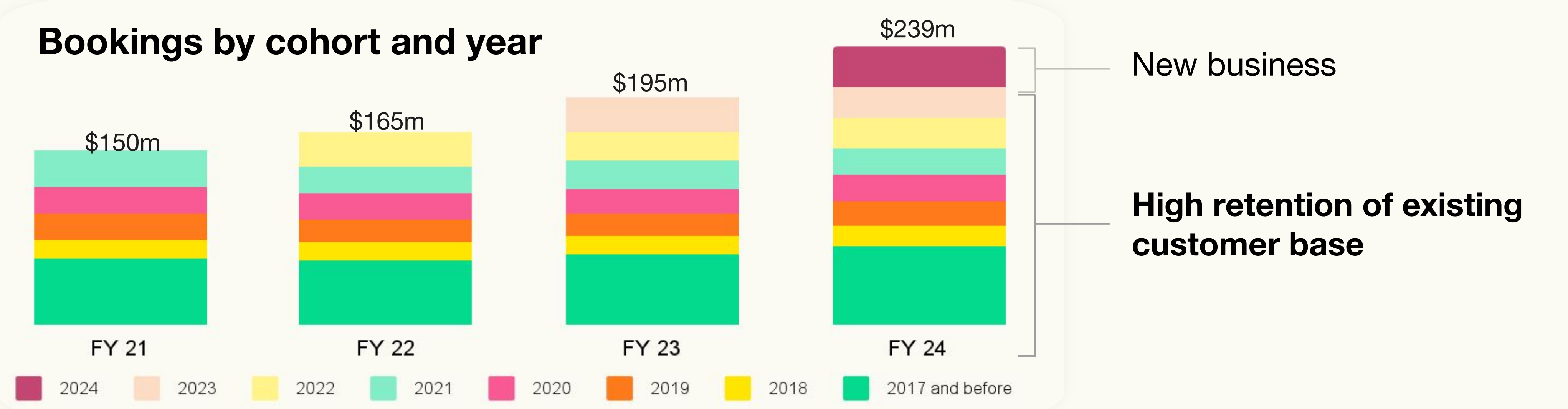



**41% CAGR**

CAGR calculated using reported figures, including any FX impact

# With high retention of the existing customer base

| FY21 | FY22 | FY23 | FY24 | |
|---|---|---|---|---|
| 85% | 86% | 84% | 85% | Gross dollar retention rate[1] |
| 14% | 14% | 15% | 18% | + Net expansion[2] |
| **99%** | **100%** | **99%** | **103%** | = Net dollar retention rate[3] |




[1] Determined by taking retention bookings / contracts up for renewal, refers to US$ amount rather than customer count and excludes up-and cross-selling (expansion) of existing customers
[2] Calculated as net dollar retention rate – gross dollar retention rate
[3] Determined by taking retention bookings / contracts up for renewal, refers to US$ amount rather than customer count and includes up-and cross-selling (expansion) of existing customers

# Our capital allocation framework is clear

| Organic investment | M&A | Shareholder returns |
|---|---|---|
| • Scale efficiently<br>• Consumer and business engagement<br>• Content integrity<br>• Innovation to drive retention and upsell<br>• People and culture | • Accelerate product strategy<br>• Enter new or strengthen specific markets<br>• Rigorous returns criteria | • We are committed to returning excess capital, not required for other priorities, to shareholders<br>• Announced £40m (c.$52m) of buy backs in 2024 |

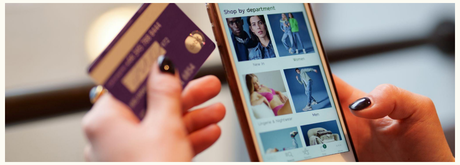
**Trustpilot will maintain a strong balance sheet**

# In summary


## We are well positioned for sustainable growth

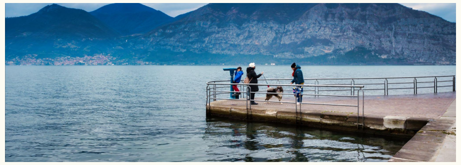
### Unique value proposition

We are a purpose driven business founded on Trust. We take a unique approach to maintaining the content integrity of our platform.



### High margin SaaS platform with network effects

We are a SaaS business, with a dual sided platform and network effects. We have a clear vision and strategy and are investing in our product development capability and our people and culture, building strong foundations.



### Huge market opportunity

Our unique network effects, combined with a strong consumer brand and vast global market offer a significant growth opportunity. Our 300 million reviews are valuable human generated data, making us well positioned for the age of AI.


### Proven track record of execution

Growing track record of delivering annual growth and margin improvement, combined with clear capital discipline. Long term goal for adjusted EBITDA margins >30%.

# Appendix

# Cost Reconciliation (non-IFRS)

**FY 24**

| $m | Reported | D&A | SBC | Transaction costs | Restructuring Costs | Non-IFRS |
|---|---|---|---|---|---|---|
| Sales & Marketing | **(57.2)** | — | — | — | — | **(57.2)** |
| Technology & Content | **(58.0)** | 4.6 | — | — | — | **(53.4)** |
| General & Administrative | **(50.0)** | 6.1 | 9.6 | 0.1 | — | **(34.3)** |
| Impairment losses on trade receivables | **(2.7)** | — | — | — | — | **(2.7)** |
| Other Operating Income | **0.1** | — | — | — | — | **0.1** |

**FY 23**

| $m | Reported | D&A | SBC | Transaction costs | Restructuring Costs | Non-IFRS |
|---|---|---|---|---|---|---|
| Sales & Marketing | **(50.9)** | — | — | — | — | **(50.9)** |
| Technology & Content | **(50.0)** | 3.2 | — | — | — | **(46.8)** |
| General & Administrative | **(43.8)** | 5.8 | 7.2 | — | — | **(30.8)** |
| Impairment losses on trade receivables | **(1.4)** | — | — | — | — | **(1.4)** |
| Other Operating Income | **0.4** | — | — | — | — | **0.4** |

* Non-IFRS figures exclude depreciation & amortisation, non-recurring transaction costs, and share-based compensation.

# Adjusted EBITDA reconciliation

## Full Year Results

| ($m) | FY 23 | FY 24 |
|---|---|---|
| **Operating profit/(loss)** | **(0.6)** | **3.8** |
| Depreciation and amortisation | 9.0 | 10.7 |
| **EBITDA** | **8.4** | **14.5** |
| Transaction costs | — | 0.1 |
| Share-based payments | 7.1 | 9.5 |
| **Adjusted EBITDA** | **15.5** | **24.1** |

## Half Year Results

| ($m) | **H1 23** unaudited | **H2 23** unaudited | **H1 24** unaudited | **H2 24** unaudited |
|---|---|---|---|---|
| **Operating profit/(loss)** | **(2.1)** | **1.5** | **1.8** | **2.0** |
| Depreciation and amortisation | 4.4 | 4.6 | 5.0 | 5.7 |
| **EBITDA** | **2.3** | **6.1** | **6.8** | **7.7** |
| Transaction costs | — | — | 0.1 | — |
| Share-based payments | 3.4 | 3.7 | 3.7 | 5.8 |
| **Adjusted EBITDA** | **5.7** | **9.8** | **10.6** | **13.5** |

# Adjusted free cash flow reconciliation

## Full Year Results

| ($m) | FY 23 | FY 24 |
|---|---|---|
| **Net cash inflow from operating activities** | **20.9** | **29.4** |
| Transaction costs | — | 0.1 |
| Capital expenditure | (3.6) | (9.6) |
| Principal element of lease payments | (3.5) | (4.5) |
| Lease incentives received | — | 1.7 |
| **Adjusted free cash flow** | **13.8** | **17.1** |

## Half Year Results

| ($m) | H1 23 unaudited | H2 23 unaudited | H1 24 unaudited | H2 24 unaudited |
|---|---|---|---|---|
| **Net cash inflow from operating activities** | **9.2** | **11.7** | **11.4** | **18.0** |
| Transaction costs | — | — | 0.1 | — |
| Capital expenditure | (1.5) | (2.1) | (3.5) | (6.1) |
| Principal element of lease payments | (1.5) | (2.0) | (2.1) | (2.4) |
| Lease incentives received | — | — | — | 1.7 |
| **Adjusted free cash flow** | **6.2** | **7.6** | **5.9** | **11.2** |

# Adjusted underlying profit reconciliation for EPS

## Full Year Results

| ($m) | FY 23 | FY 24 |
|---|---|---|
| **Profit after tax** | **7.1** | **6.2** |
| Transaction costs | — | 0.1 |
| Share based compensation | 7.2 | 9.6 |
| FX (gains)/losses | 1.4 | (0.3) |
| Impact on tax charge | (1.9) | (2.1) |
| **Underlying profit** | **13.8** | **13.5** |
| | | |
| Weighted number of shares | **439.7** | **442.2** |
| Diluted earnings per share | **3.1** | **3.1** |



Trustpilot

# IFRS Income Statement

| ($m) | FY 23 | FY 24 |
|---|---|---|
| Revenue | 176.4 | 210.7 |
| Cost of sales | (30.9) | (39.1) |
| **Gross profit** | **145.4** | **171.6** |
| Sales and marketing | (50.9) | (57.2) |
| Technology and content | (50.0) | (58.0) |
| General and administrative | (43.8) | (50.0) |
| Impairment losses on trade receivables | (1.7) | (2.7) |
| Other operating income | 0.4 | 0.1 |
| **Operating profit/(loss)** | **(0.6)** | **3.8** |
| Finance income | 2.5 | 3.5 |
| Finance expenses | (3.8) | (2.1) |
| **Profit/(loss) before tax** | **(1.9)** | **5.2** |
| Income tax credit | 9.1 | 1.1 |
| **Profit for the year** | **7.1** | **6.2** |

# IFRS Balance Sheet

| ($m) | FY 23 | FY 24 |
|---|---|---|
| Tangible and intangible assets | 31.1 | 29.4 |
| Deferred tax assets | 12.4 | 20.1 |
| Deposits and other receivables | 2.3 | 2.5 |
| Total non-current assets | 45.8 | 52.0 |
| Trade receivables | 9.8 | 12.1 |
| Contract acquisition costs | 4.0 | 6.8 |
| Cash and cash equivalents | 91.5 | 68.9 |
| Other current assets | 5.2 | 4.7 |
| Total current assets | 110.5 | 92.5 |
| **Total assets** | **156.4** | **144.5** |
| **Total equity** | **63.1** | **41.4** |
| Total non-current liabilities | 22.3 | 19.7 |
| Income tax payable | 0.9 | 1.0 |
| Contract liabilities | 37.8 | 41.3 |
| Other current liabilities | 32.3 | 41.1 |
| Total current liabilities | 71.0 | 83.4 |
| **Total liabilities** | **93.3** | **103.1** |
| **Total equity and liabilities** | **156.4** | **144.5** |

**Deferred tax assets**

➔ $14.7m recognised in 2024 relating to UK entities

**Net cash balance**

➔ $68.9m after c$43.2m of share buyback

# IFRS Cash Flow

| ($m) | FY 23 | FY 24 |
|---|---|---|
| **Profit for the year** | **7.1** | **6.2** |
| Adjustments to operating cash flows | 7.6 | 15.6 |
| Changes in net working capital | 7.4 | 10.0 |
| Interests received | 2.5 | 3.2 |
| Interests paid | (2.4) | (2.1) |
| Income taxes paid | (1.3) | (3.6) |
| **Net cash inflow from operating activities** | **20.9** | **29.4** |
| | | |
| Purchase of property, plant and equipment | (0.3) | (2.8) |
| Payments for intangible asset development | (3.3) | (6.8) |
| **Net cash outflow from investing activities** | **(3.6)** | **(9.6)** |
| | | |
| Principal elements of lease payments | (3.5) | (4.5) |
| Lease incentives received | — | 1.7 |
| Proceeds from share issue including transaction costs | 0.6 | 5.2 |
| Share buyback programme | — | (43.2) |
| Proceeds from borrowings | 30 | — |
| Repayment of borrowings | (30) | — |
| **Net cash outflow from financing activities** | **(2.9)** | **(40.8)** |
| | | |
| **Net cash flow for the year** | **14.4** | **(21.0)** |
| Cash and cash equivalents at the beginning of the year | 73.5 | 91.5 |
| Effects of exchange rate changes on cash and cash equivalents | 3.6 | (1.5) |
| **Cash and cash equivalents at the end of the year** | **91.5** | **68.9** |

# FX translation

| | | | | % (+/-) over prior period | | |
|---|---|---|---|---|---|---|
| **Average rates (for bookings, revenue, and expense)[1]** | **$/£** | **$/€** | **€/£** | **$/£** | **$/€** | **€/£** |
| FY 24 | 1.28 | 1.08 | 1.18 | 1% | 0% | 1% |
| H1 24 | 1.27 | 1.08 | 1.17 | 2% | 0% | 2% |
| FY 23 | 1.24 | 1.08 | 1.15 | 1% | 0% | 1% |

| **End of period spot rate (for ARR)** | **$/£** | **$/€** | **€/£** | **$/£** | **$/€** | **€/£** |
|---|---|---|---|---|---|---|
| FY 24 | 1.25 | 1.04 | 1.21 | -1% | -3% | 2% |
| H1 24 | 1.26 | 1.07 | 1.18 | -1% | -3% | 3% |
| FY 23 | 1.27 | 1.11 | 1.15 | 0% | 2% | -1% |

Note:
[1] Period average rates shown here represent the average reported rates of all months in the period.

# Glossary

| | |
|---|---|
| **Adj. EBITDA** | EBITDA (earnings before interest, tax, depreciation, amortisation) adjusted to exclude share-based compensation, including associated cash settled social security costs, non-recurring transaction costs such as those related to IPO preparation and restructuring costs, which relate to one-time costs associated with a material organisational change such as severance payments. |
| **ARR** | Annual recurring revenue. ARR represents the annual value of subscription contracts measured on the final day of a reporting period, and is calculated as Monthly Recurring Revenue multiplied by 12. |
| **Bookings** | The annual contract value of contracts signed in a given period. Nearly all are 12 months in duration but in the rare case a contract exceeds 12 months the value reported is only the 12 month equivalent. |
| **CAC** | Customer Acquisition Cost. Includes Sales and Marketing costs in a given period. |
| **Cost of sales** | Includes network operating costs and the costs incurred to onboard, support, retain and upsell customers. |
| **LTM Gross Dollar Retention Rate** | Determined by taking retention bookings divided by contracts up for renewal. Refers to US$ amount rather than customer count and excludes up-and cross-selling (expansion) of existing customers |
| **LTM Net Dollar Retention Rate** | Annual contract value of all subscription renewals in the last twelve months divided by the annual contract value of subscriptions expiring in the last twelve months. LTM Net dollar retention includes the total value of subscriptions with existing Subscribing Customers, and includes any expansion of contract value with existing Subscribing Customers through upsell, cross-sell, price expansion or winback. Twelve months of data is used as nearly all subscriptions are twelve months in duration, ensuring the appropriate alignment of renewal activities. |
| **Net expansion** | Calculated as net dollar retention rate minus gross dollar retention rate. |
| **Revenue** | Recognised revenue, software subscriptions are amortised over the term of the contract. |
| **Review invitations** | Product feature that allows Trustpilot customers to invite their customers to leave a review on their Trustpilot company page |
| **TrustBox impressions** | The number of customer webpage loads with an embedded TrustBox, but the consumer does not necessarily see the TrustBox |
| **Unprompted reviews** | Consumers reviewing a business without being invited or prompted to do so |

# Purpose-driven business

Trustpilot began in 2007 with a simple yet powerful idea that is more relevant today than ever — to be the universal symbol of trust, bringing consumers and businesses together through reviews. Trustpilot is open, independent, and impartial — we help consumers make the right choices and businesses to build trust, grow and improve.

Today, we have more than 300 million reviews and 64 million monthly active users across the globe, with 140 billion annual Trustbox impressions, and the numbers keep growing. We have nearly 1,000 employees and we're headquartered in Copenhagen, with operations in Amsterdam, Denver, Edinburgh, Hamburg, London, Melbourne, Milan and New York.