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Text S.A.

Investor presentation

April 2024

VISION AND MISSION FOR TEXT.COM

Text intelligence for better customer service

We help brands provide better customer service at scale by analyzing, enriching, and automating text communication.

10 YEARS AS PUBLICLY LISTED COMPANY



10 YEARS AS PUBLICLY LISTED COMPANY

**Almost 6 times more
customers**

7.643

clients of LiveChat product



42.548

subscriptions of Text paid products



12.5 times higher ARR

USD 6.2m ARR

Annual Recurring Revenues
in April 2014

USD 79.9m ARR

Annual Recurring Revenues
in April 2024

37.5% CAGR of EPS

PLN 0.38 EPS

Earnings per Share
in fiscal year 2013/2014

PLN 6.69 EPS

Earnings per Share
in fiscal year 2022/2023

**Consistent dividends
outgrowing the IPO price**

PLN 18.60

IPO share price

PLN 25.44 DPS

dividends paid per share in the
last 10 years

2014

vs

2024

KEY FACTS



Global SaaS business

Ca 35% of MRR generated in the US, less than 2% in Poland

**B2B
subscription
revenue
model**



Unique customer acquisition model

Allowing high, sustainable margins.



Co-founders

Consortium led by co-founders is our leading shareholder



Dividend company

With a track record of sharing profit with shareholders.

Products

 LiveChat

 ChatBot

 HelpDesk

 KnowledgeBase

 OpenWidget

with **premium customer service** and its own marketplace.

PRODUCTS

LiveChat

Customer service platform allowing for a contact with a human agent across all channels asynchronously

ChatBot

Platform to build and launch conversational chatbots without coding

HelpDesk

Ticketing system for teams

KnowledgeBase

A tool for gathering knowledge and sharing all the answers with customers and within team

KEY FEATURES OF OUR SERVICES

- Premium service and support
- Focus on customer experience
- Premium 24/7 customer support
- Over 200 LiveChat integrations with other products
- Enterprise security standards (GDPR, HIPAA etc.)
- Guaranteed uptime SLA (standard level agreement)
- Advanced reporting
- Open API


OpenWidget

A free tool that allows you to easily create and install a functional widget supporting e-commerce.

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Company overview

CLIENTS



~37 700
LiveChat clients



2800+
ChatBot clients

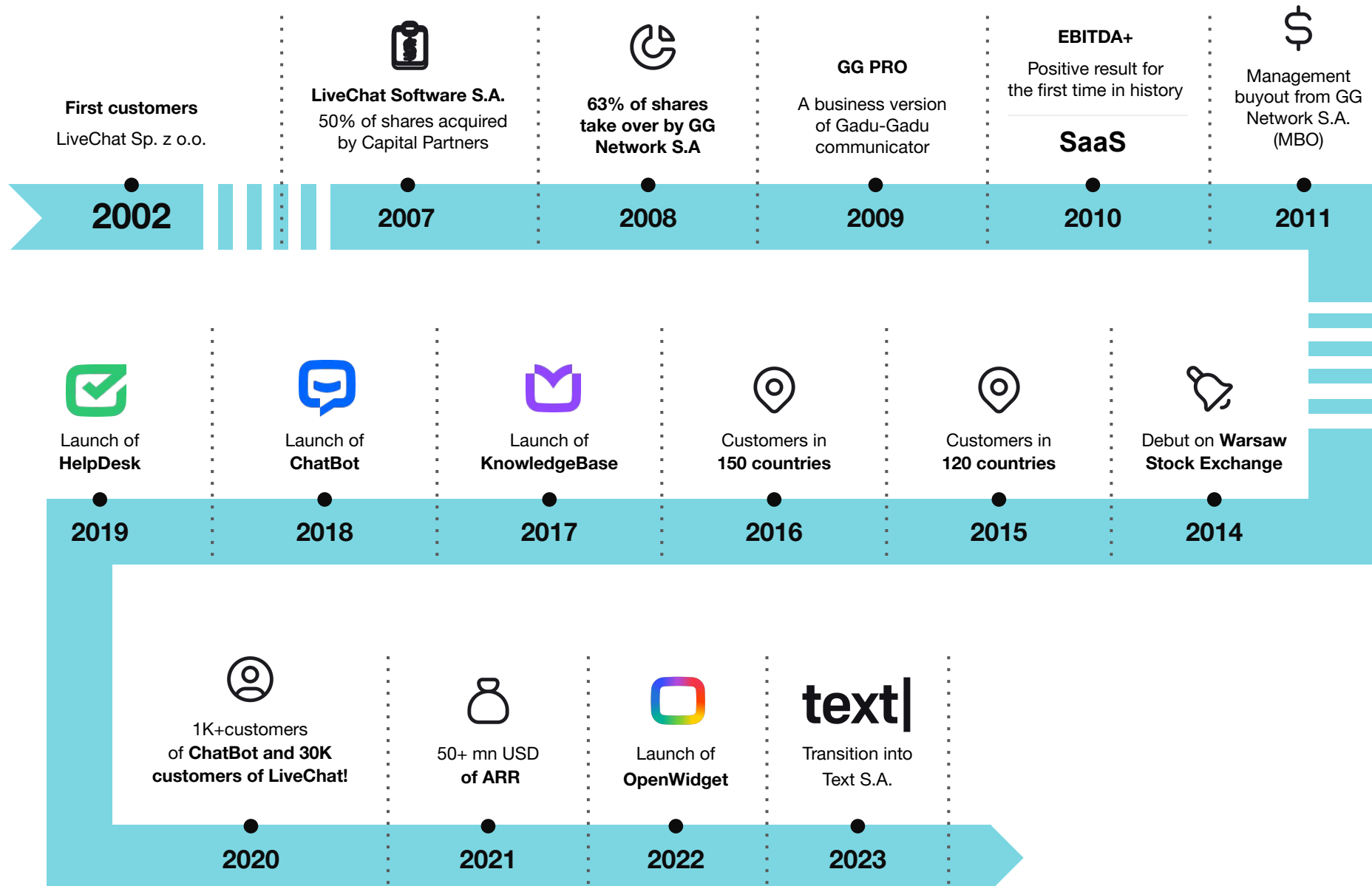


150+
Countries

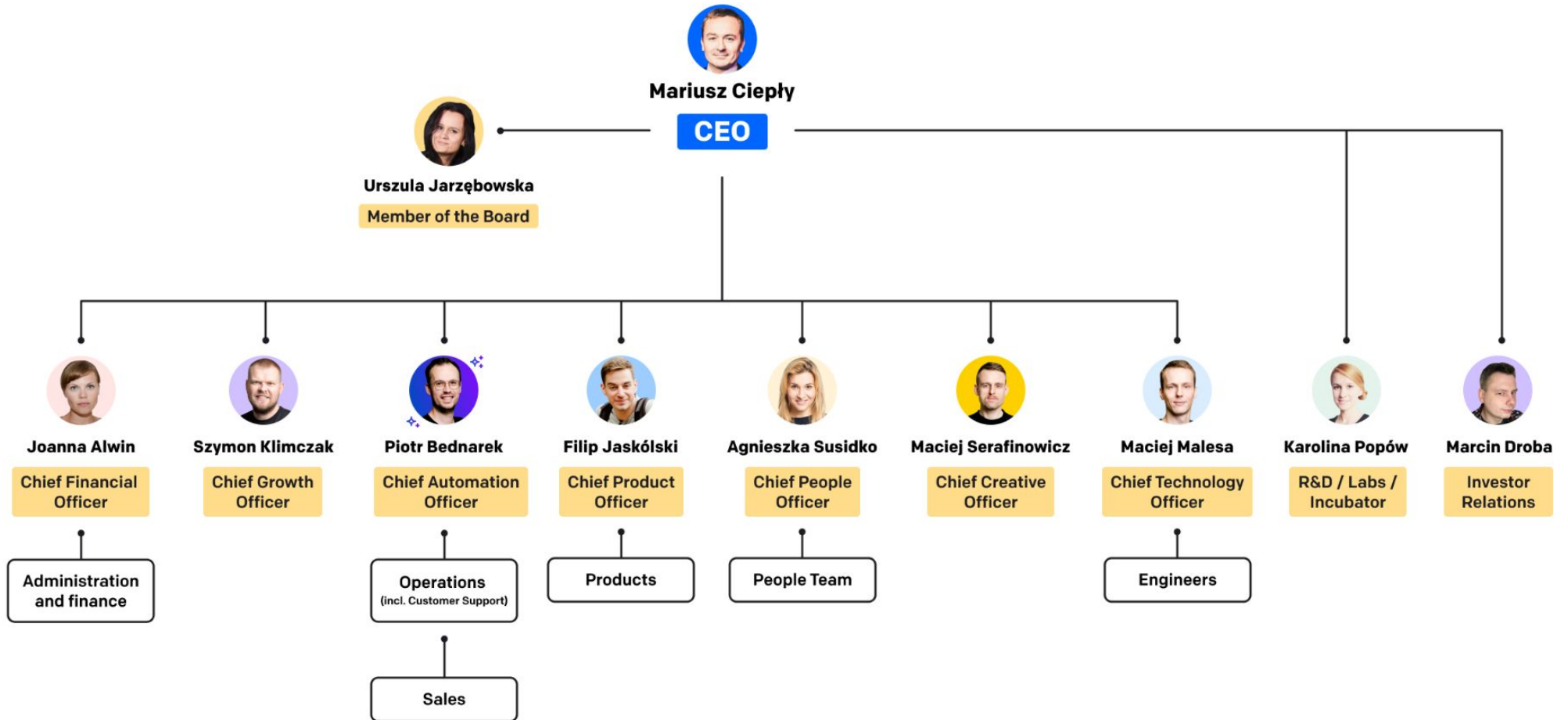
FORTUNE
500

25+
Companies from
Fortune 500' list

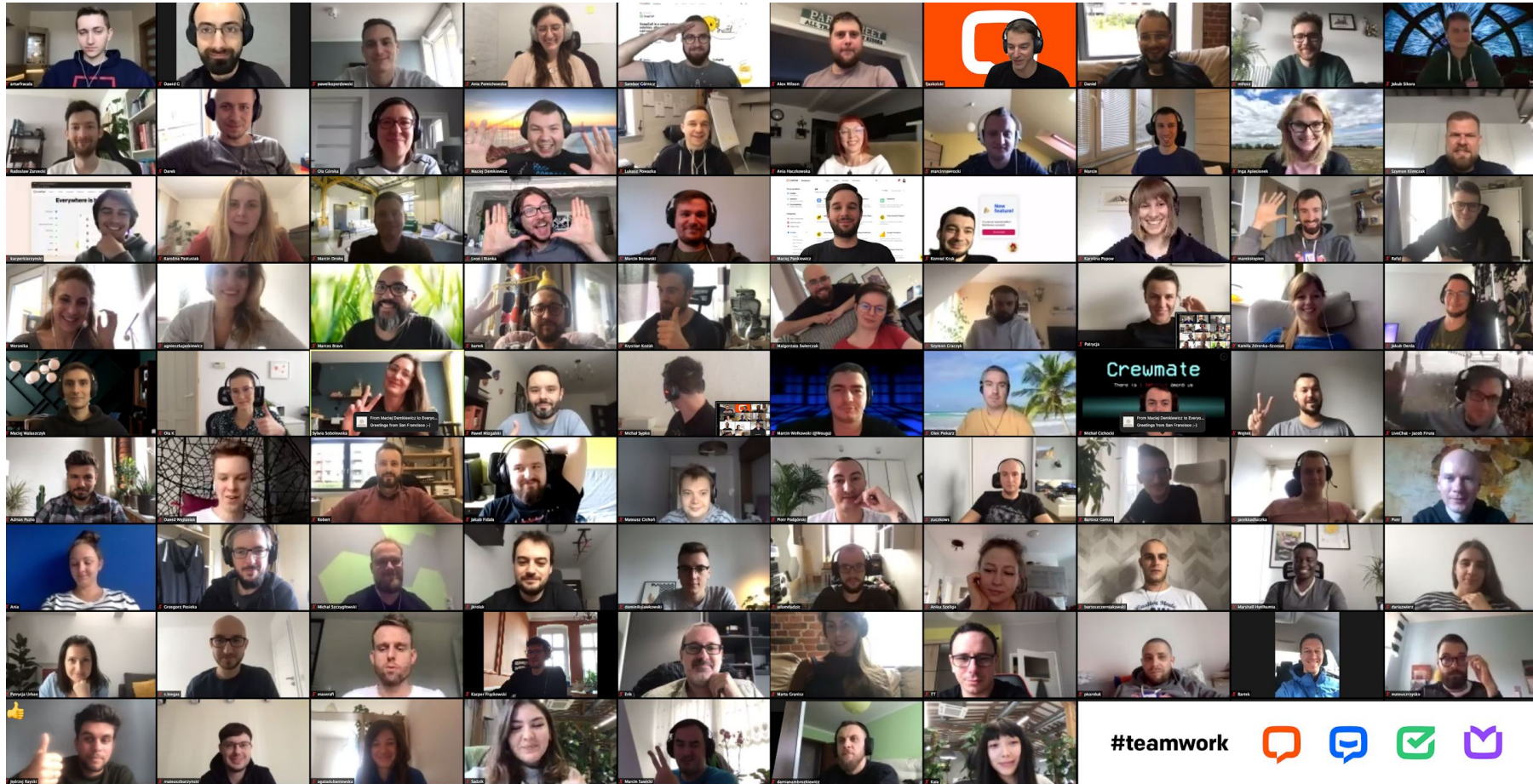
TEXT HISTORY



COMPANY'S STRUCTURE



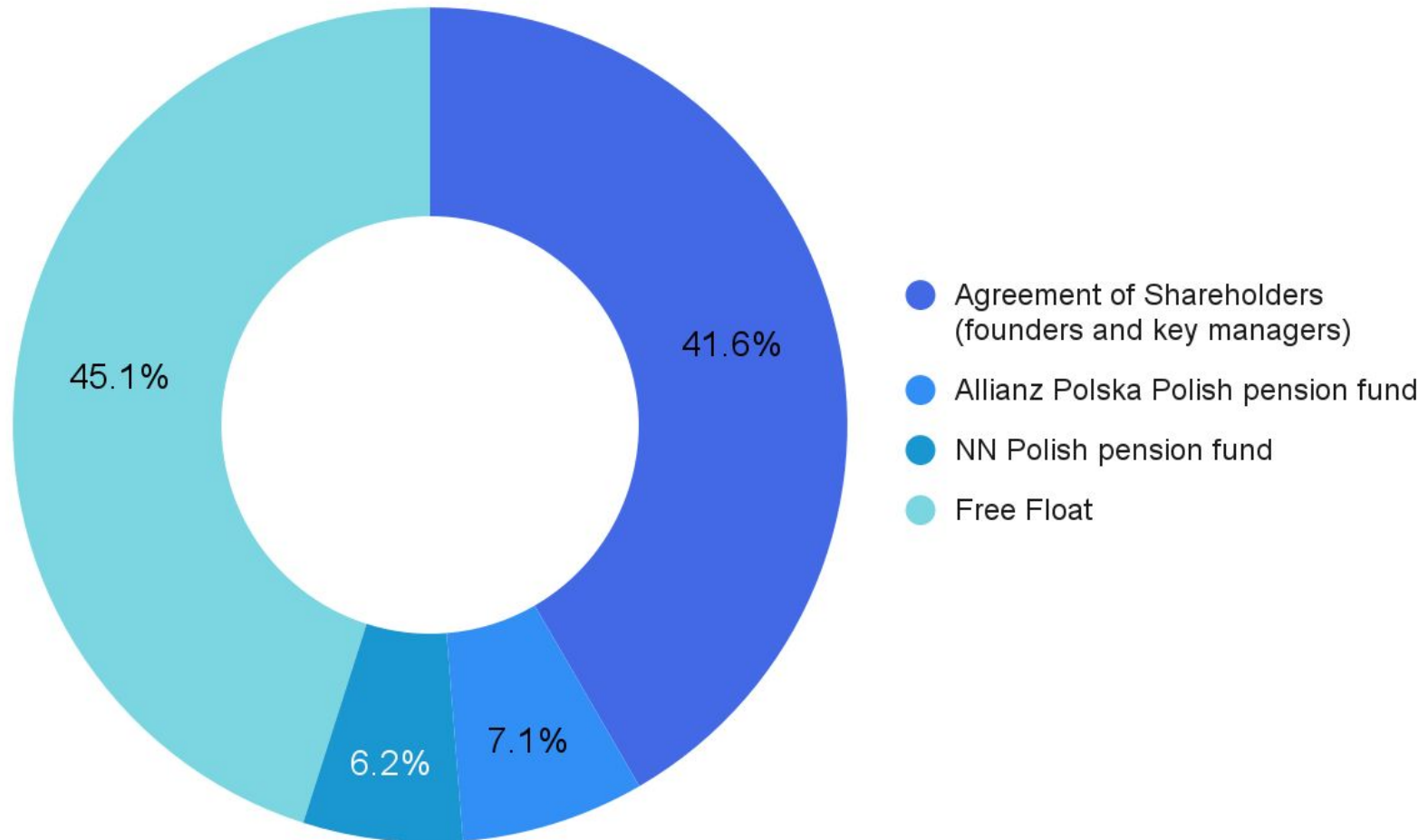
TEAM OF 260+



#teamwork    

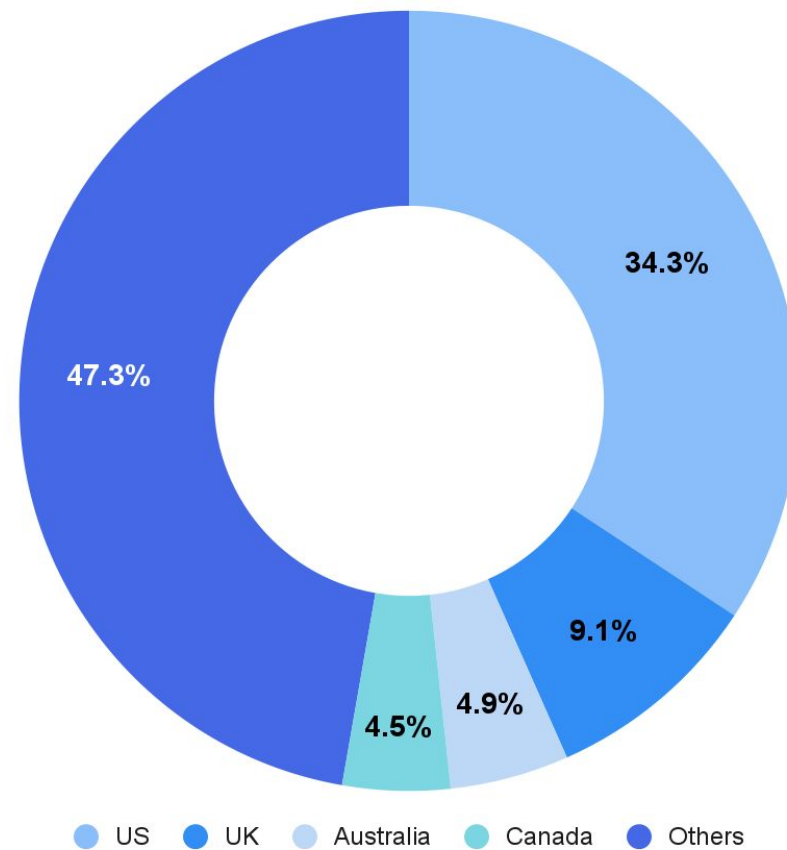
Meet us at www.livechat.com/team

SHAREHOLDERS*



* According to the shareholders' notifications received by the Company and other public data from the Polish pension funds' reports as of 31 December 2021

GEOGRAPHY (MRR SPLIT)



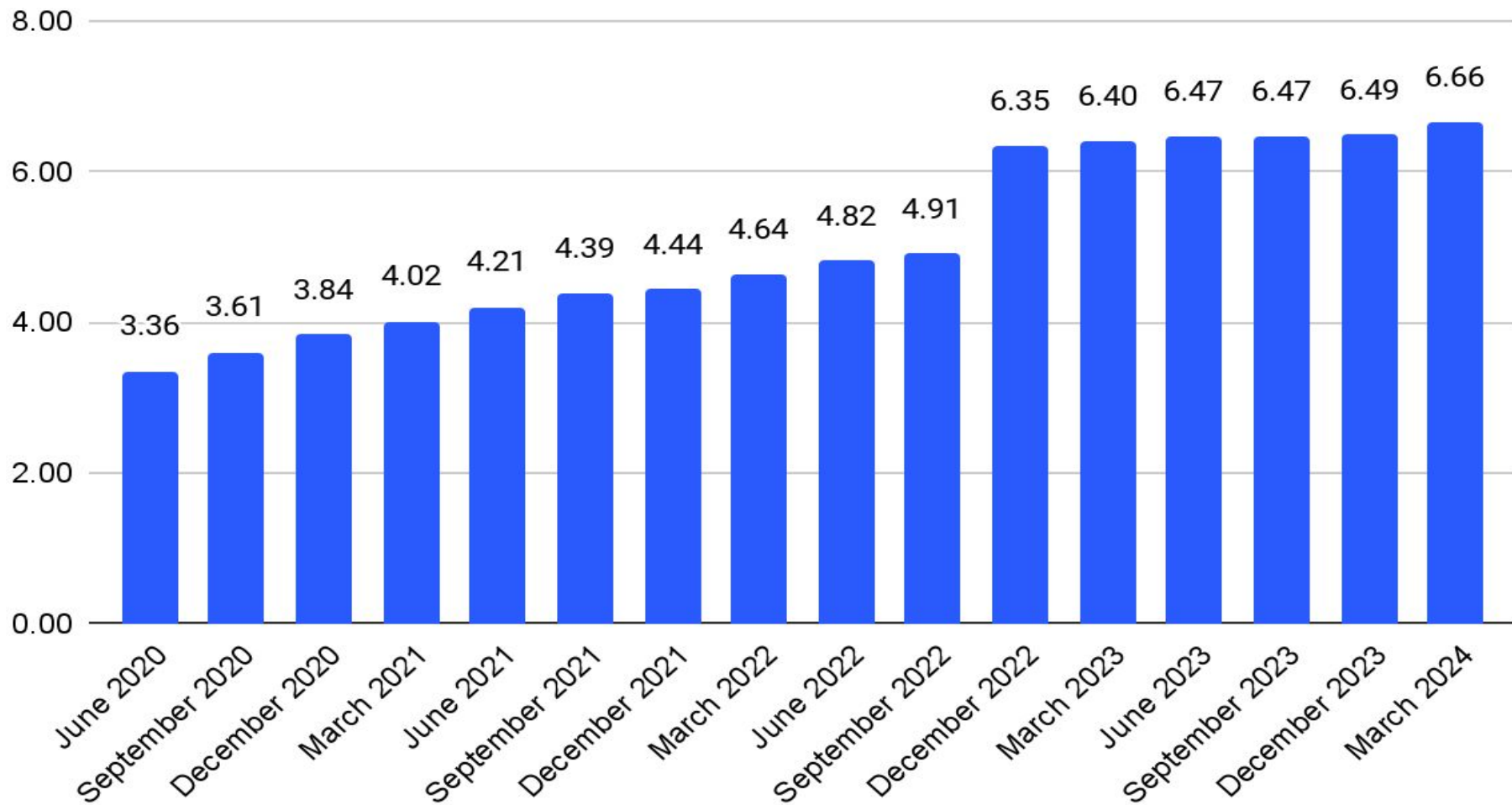
MRR as at the end of May 2023 without taking into account revenues that are not allocated to specific countries. In this perspective, Poland accounts for approx. 1.5% of MRR

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2023/24 Q4

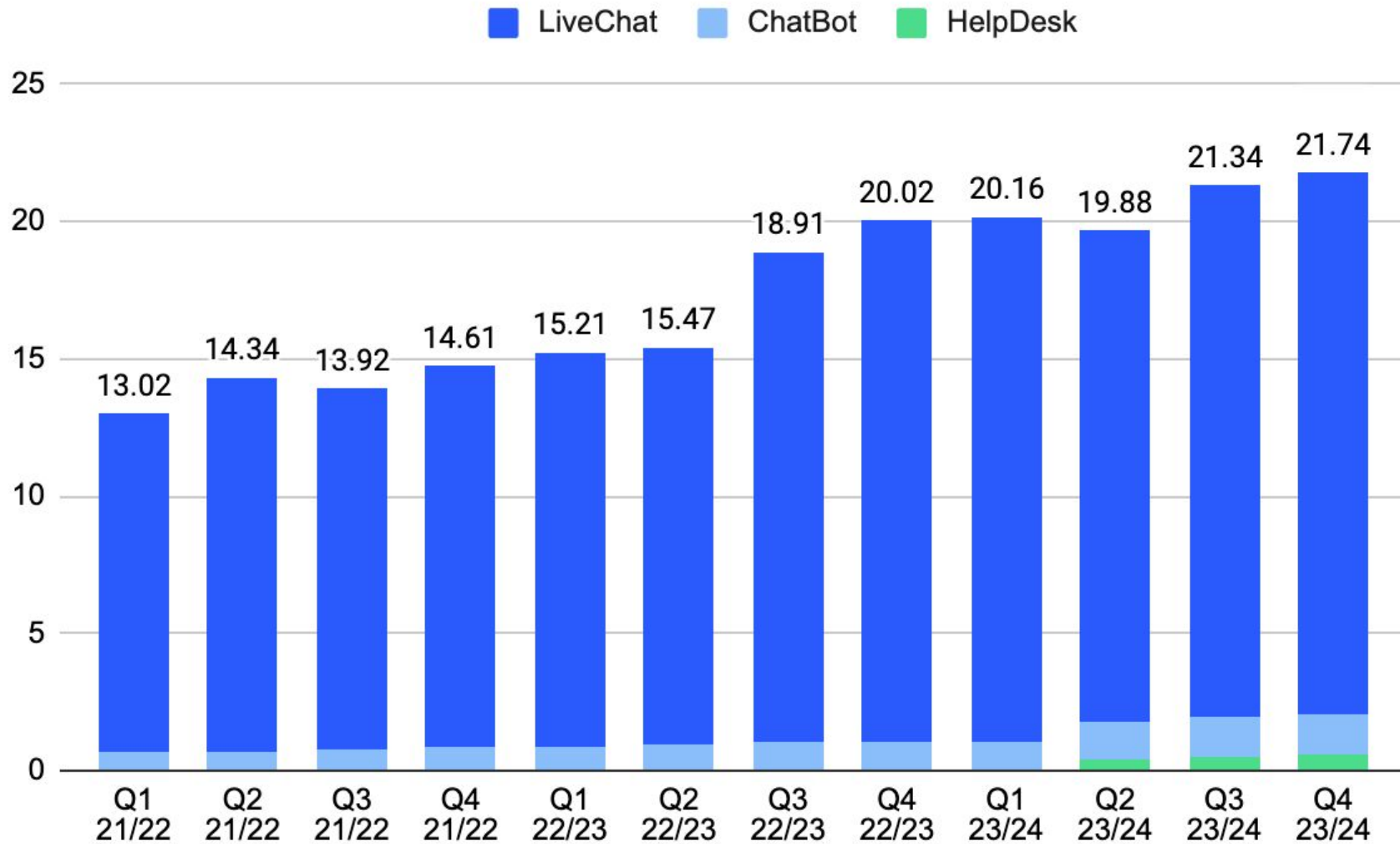
KPIs

MRR OF ALL PRODUCTS (M USD)



Monthly Recurring Revenues at the end of a given month

PAYMENTS RECEIVED (M USD)



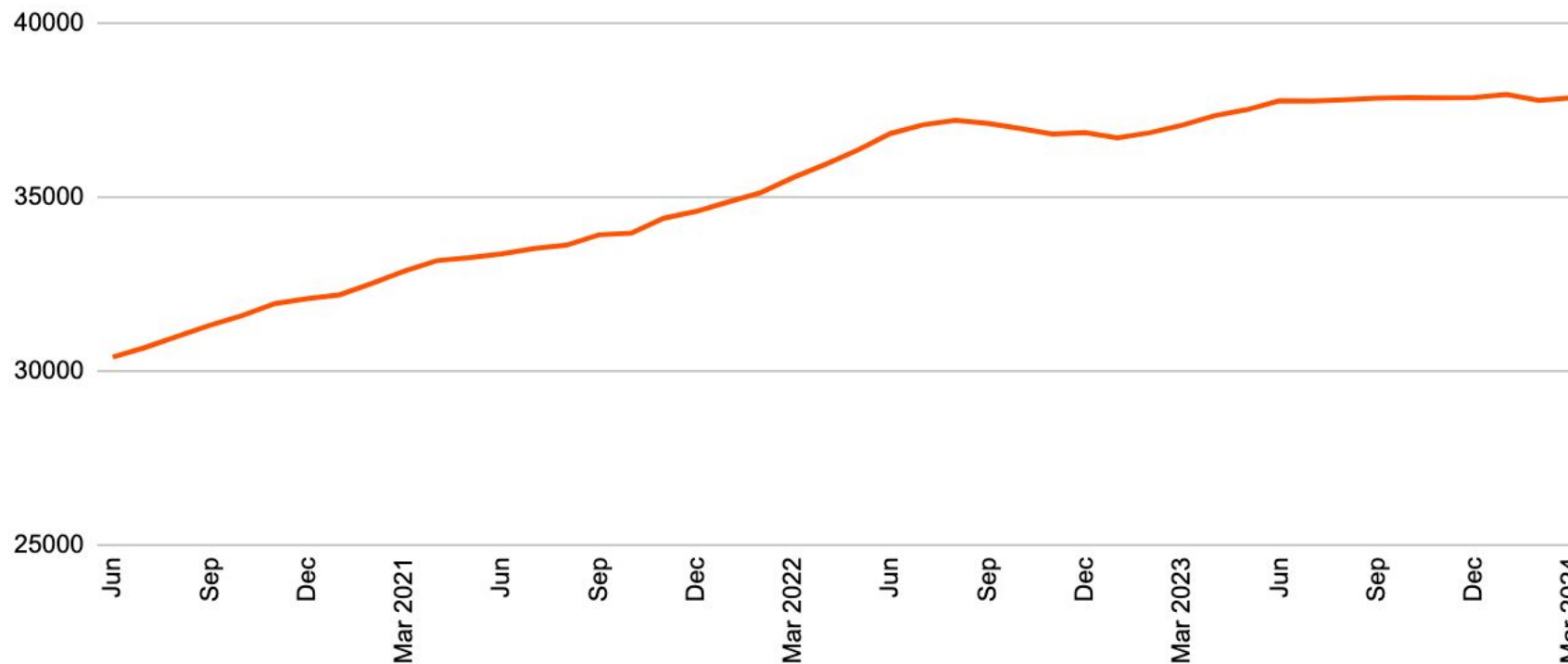
As reported in reports on preliminary results

The presented data are the estimates and preliminary as published in the respective reports. Therefore, they may ultimately differ from those shown in the periodic financial reports. Because the Company generates the vast majority of revenues in the US dollar (USD), the USD / PLN exchange rate has a significant impact on the results presented in the periodic reports in Polish zloty.

KPI's



LiveChat (number of customers)

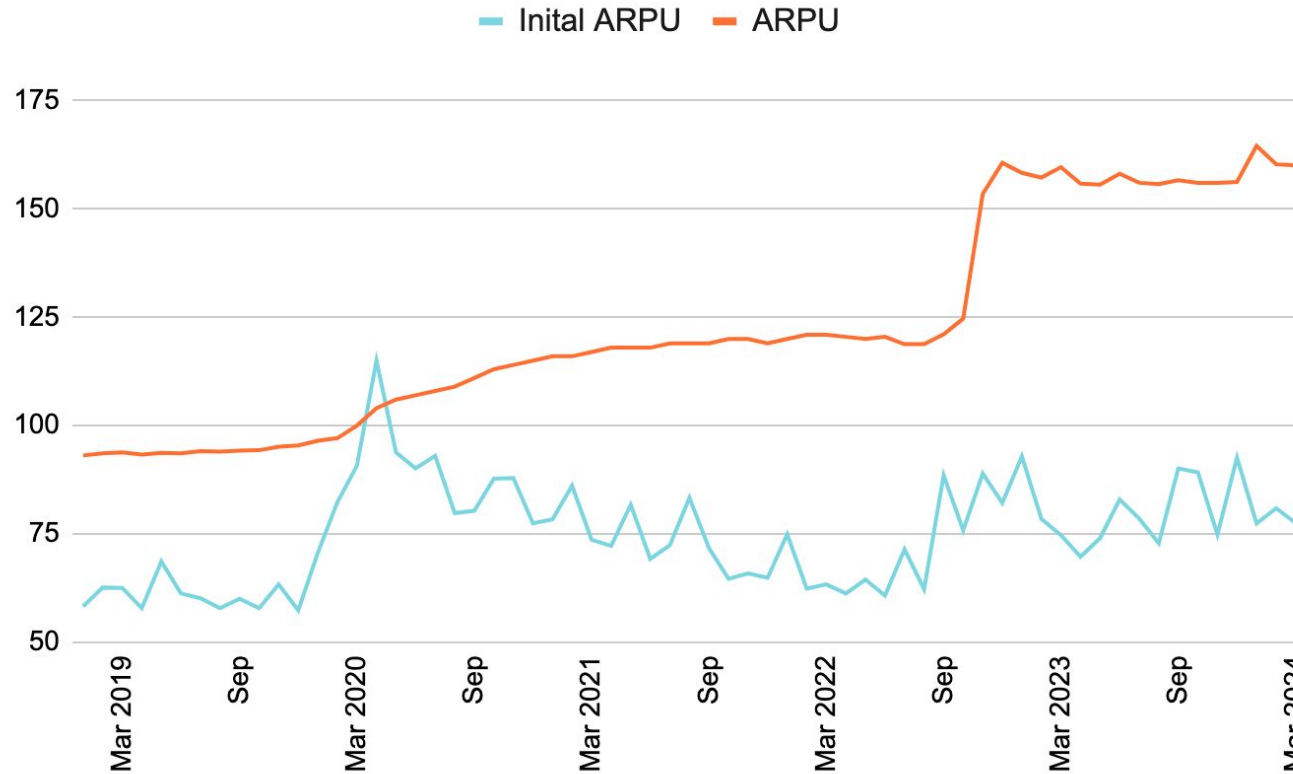


In the fourth quarter, we continued to operate in an environment of increased churn. Actions aimed at optimizing price lists and the way customers use our products additionally increased this indicator in January and February, which translated into a slight decline in the number of LiveChat customers throughout the quarter (-9 net), but already in March alone the number of customers increased (+72 net)

KPI's



ARPU and initial ARPU of LiveChat (in USD)



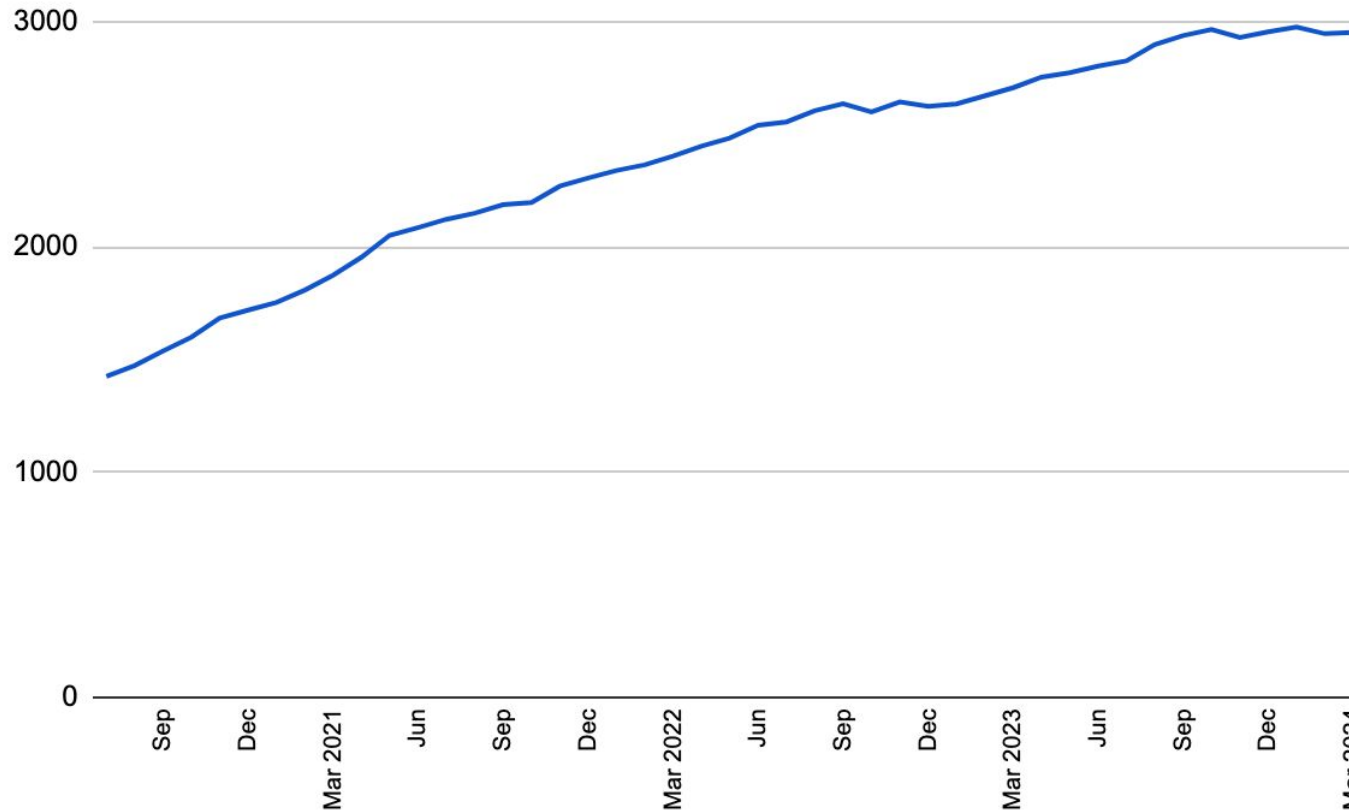
Optimization activities translated into a sharp increase in ARPU in January. In February, value of this indicator dropped, but in March we noted its stabilization at an increased level. The company will continue optimization activities in the coming quarters and expects that they will translate into a further increase in ARPU.

Initial Sale ARPU (or Average Sale Price) is the average MRR of new customers at the moment they convert to a paid account).

KPI's



ChatBot (number of paying customers)

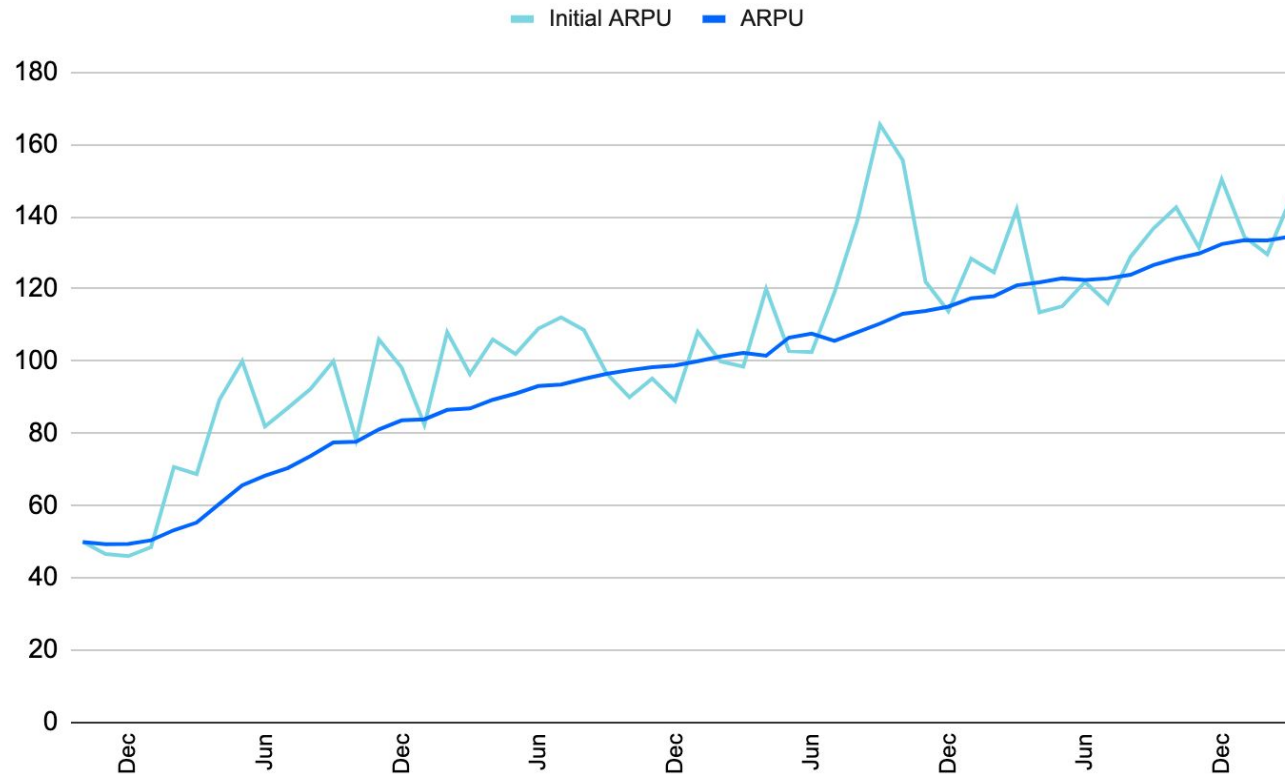


The number of ChatBot customers remained stable during the quarter (-2 net customers). The company expects improvement with better economic conditions in the key market and intensified efforts to offer the LiveChat + ChatBot bundle.

KPI's



ARPU of ChatBot (in USD)

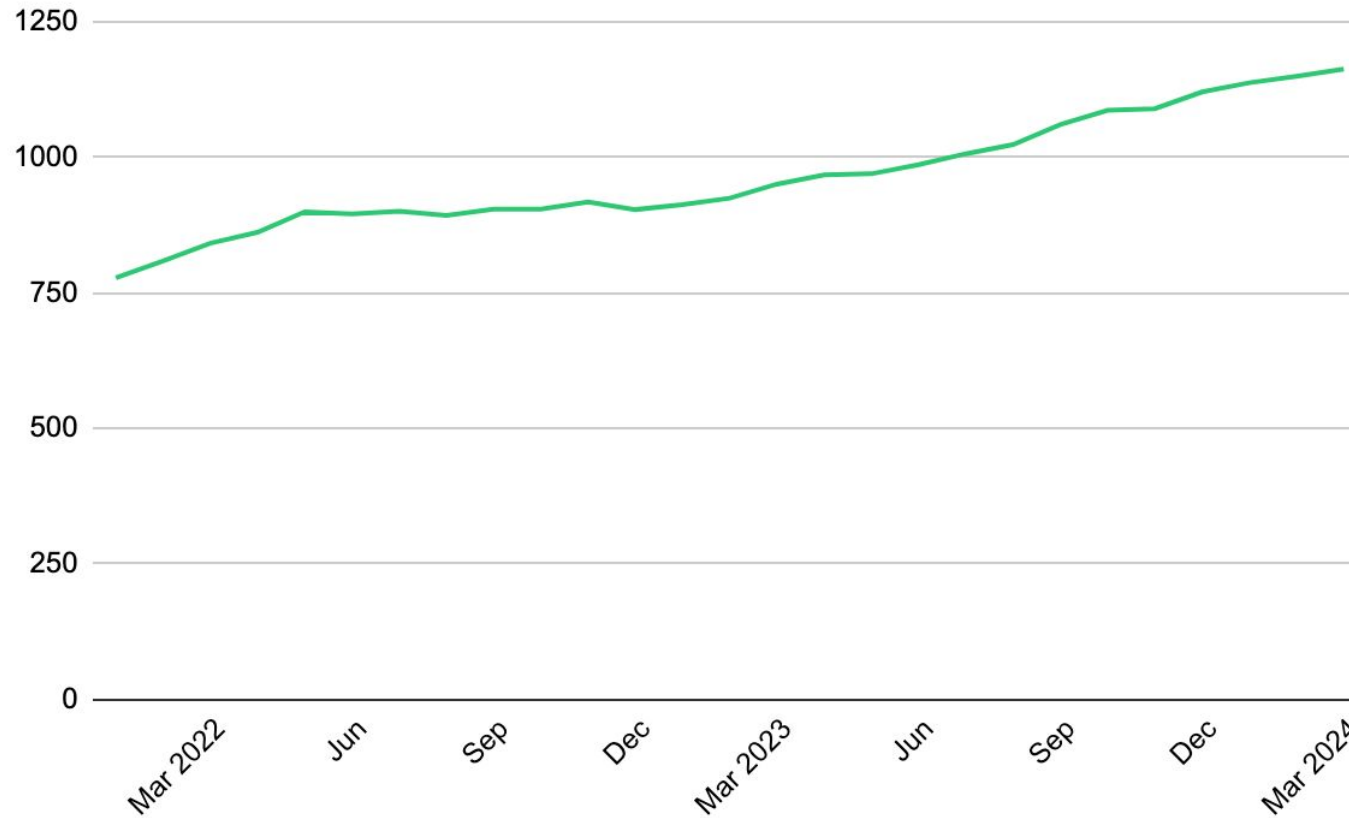


ChatBot's ARPU increased by over 2 USD during the quarter. The average payment for additional interactions (above the limit included in the subscription) increased by 24% in March compared to December 2023 and by over 90% year-on-year. This value is not included in MRR and ARPU.

KPI's



HelpDesk (number of paying customers)

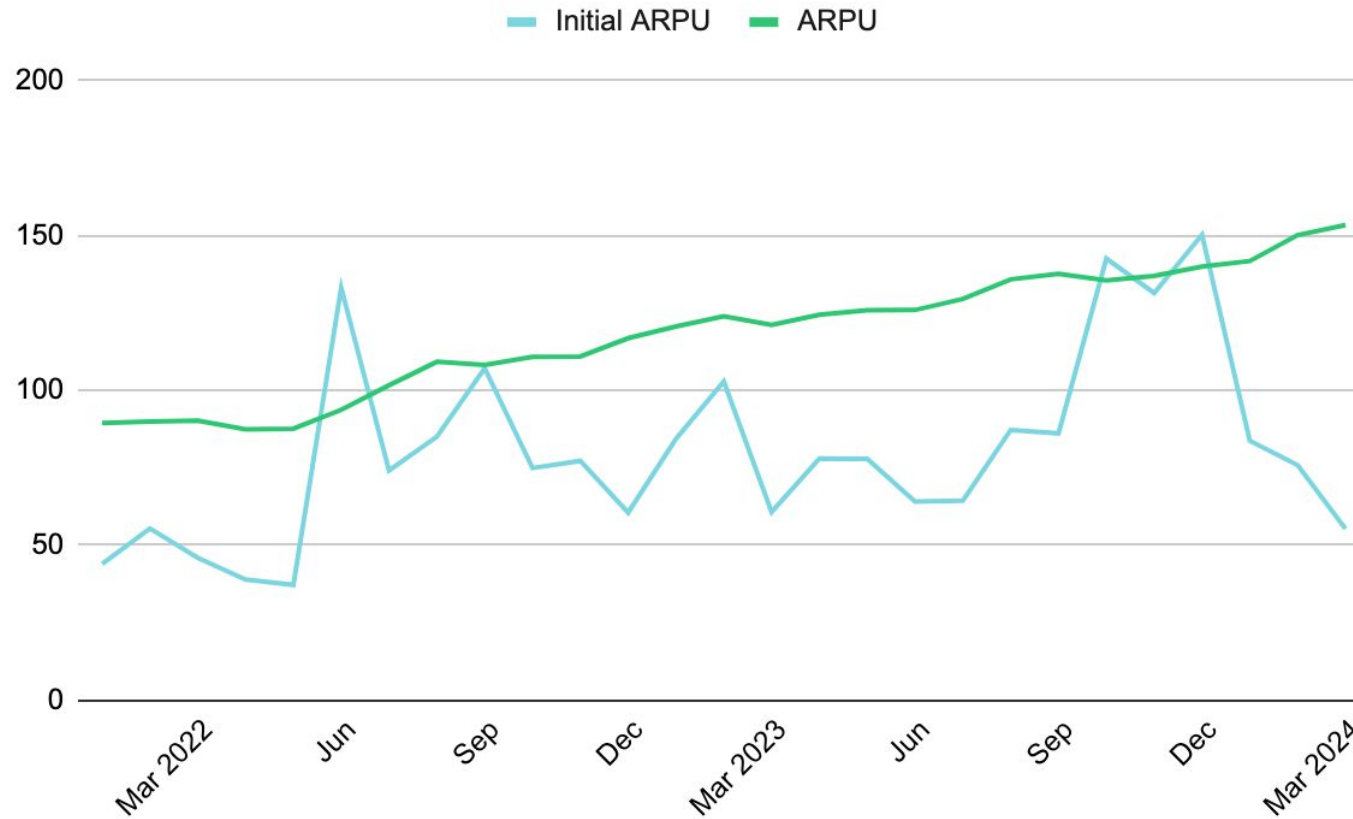


Despite the challenging environment, HelpDesk added 42 net customers during the quarter. In the following quarters, we can increase its business potential thanks to the merger with KnowledgeBase and better use of the partner channel.

KPI's



ARPU of HelpDesk (in USD)



Sustainable ARPU growth reflects product development and MRR expansion capacity (negative MRR churn in all Q4's months). As a result, HelpDesk's ARPU increased by USD 3.2 in March alone, even despite very low initial payments.

ONE - BRAND NEW AI ASSISTANT DESIGNED FOR ALL AGENTS USING LIVECHAT



Hi 🙌 I'm One – your AI assistant!

Train me with knowledge sources about your business, and I'll hint reply suggestions to your agents during chats. I can learn by heart anything from help centers, technical documentation, FAQ pages, and a lot more.

In essence, One is agent's companion in navigating LiveChat products, services, and any knowledge. It's an interactive database, agent can communicate with through text commands.

[MORE](#)

One BETA



Hi, Marcin! 🙌

I'm One, your AI assistant, here to assist with LiveChat, Text products, and your own services. Ready for a quick automation tour to streamline your work in LiveChat?

Ready for a quick automation tour to streamline your work in LiveChat?

[Give me a tour](#)

[I'm good for now](#)

CHATBOT

results achieved on livechat.com after 4 months since launch of AI based chatbot



- The AI Bot had **400 thousand** conversations on its own (without any human touch), which translate into **80%** of all customer service chats.
- The AI Bot currently does the equivalent work of **100 full-time agent** (based on historic data agent were able to handle about 1k chats a month).
- Annual savings resulting from the use of an AI bot on livechat.com amount to approximately **USD 3.6 million** (compared to the scenario in which all communication is conducted by human agents).
- It is on par with human agents regarding customer satisfaction scores (but humans are handling more difficult cases, where their assistance, experience or empathy is required). Company maintains the **95%+** customer satisfaction from chats labeled as “support cases”.
- There’s a clear path to improve the achieved numbers further.

HIGHLIGHTS

KPIs

Product

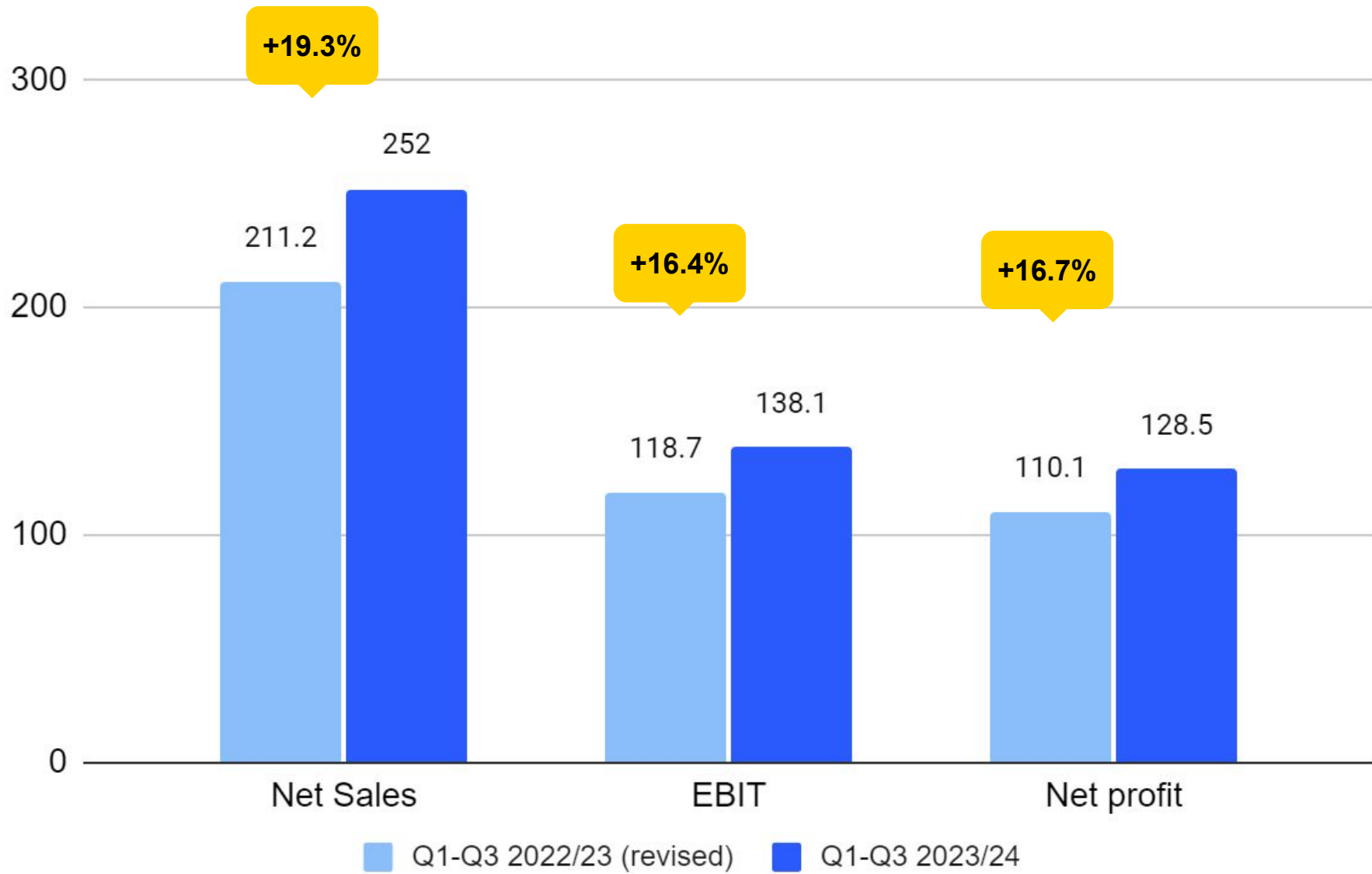
- MRR growth of 2.6% compared to the previous quarter and 4.1% year-on-year. Payments received amounted to USD 21.74 million (8.6% more than last year).
- 59 customers paying for 4 products (+10 during Q4)
- LiveChat: actions to optimize price lists and product use by customers translate into growth of ARPU and higher customer churn during a quarter.
- Roadmap for continuing optimization activities in the following quarters.
- The AI Assistant ONE is in the process of being made available to all LiveChat users.
- ChatBot: increased price for additional chats (new customers).
- KnowledgeBase to be merged with HelpDesk to better use the potential of both products.
- Continued work on new products and revenue streams.

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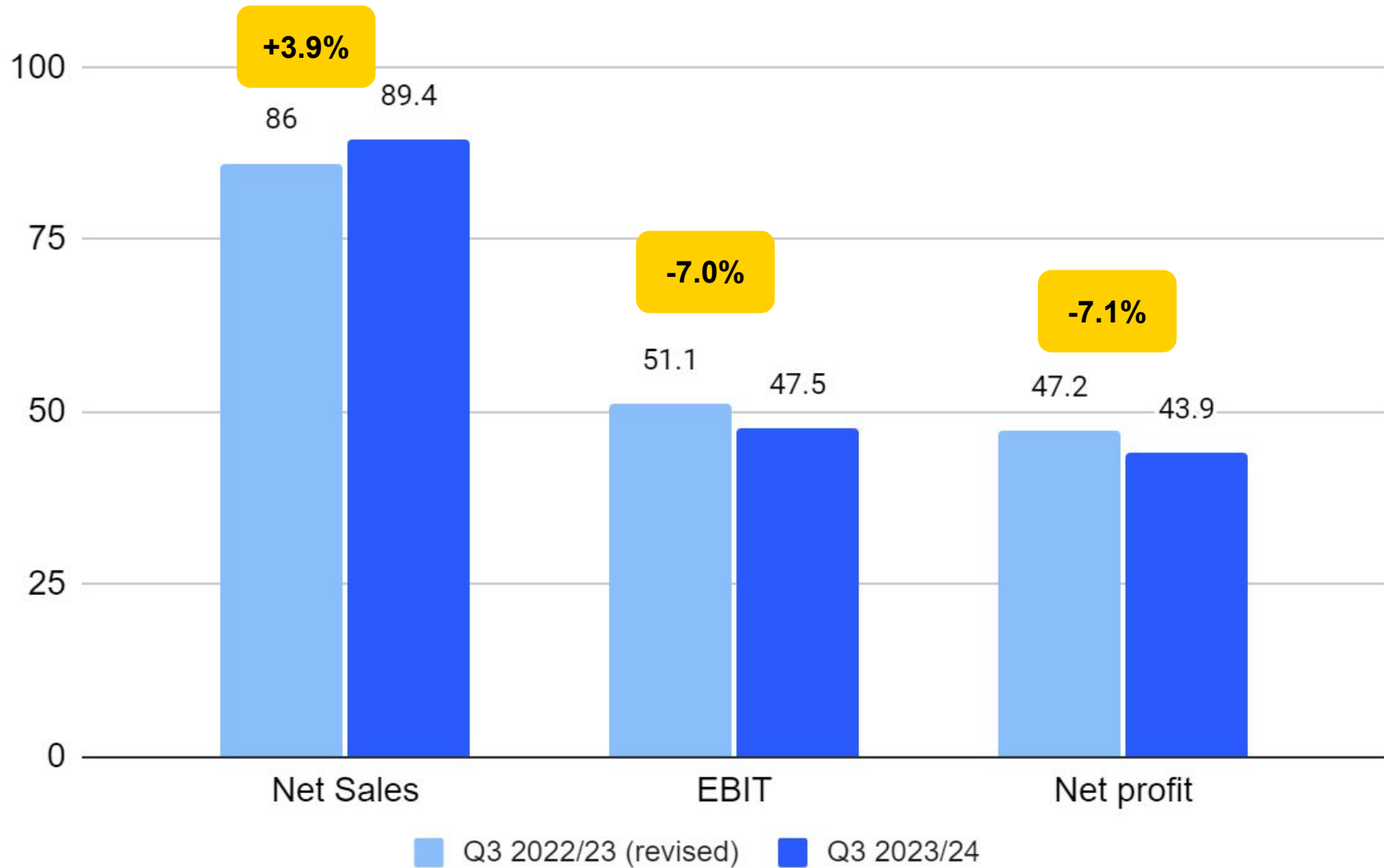
2023/24 Q3

financial results

FINANCIAL RESULTS (PLN MN)

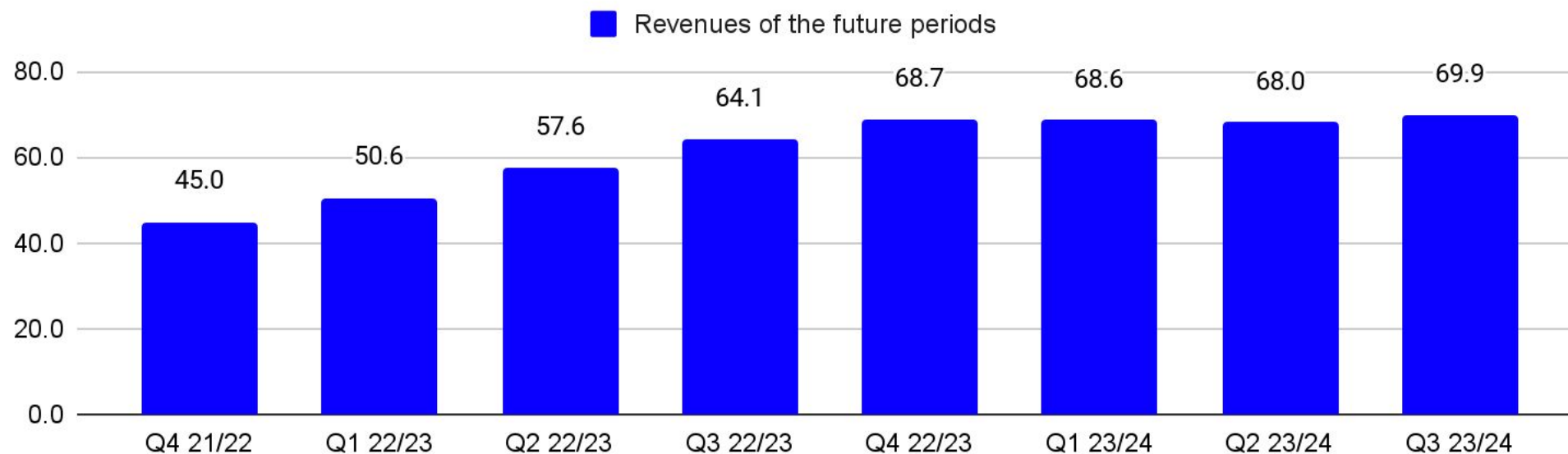


FINANCIAL RESULTS (PLN MN) IN Q3 2023/24



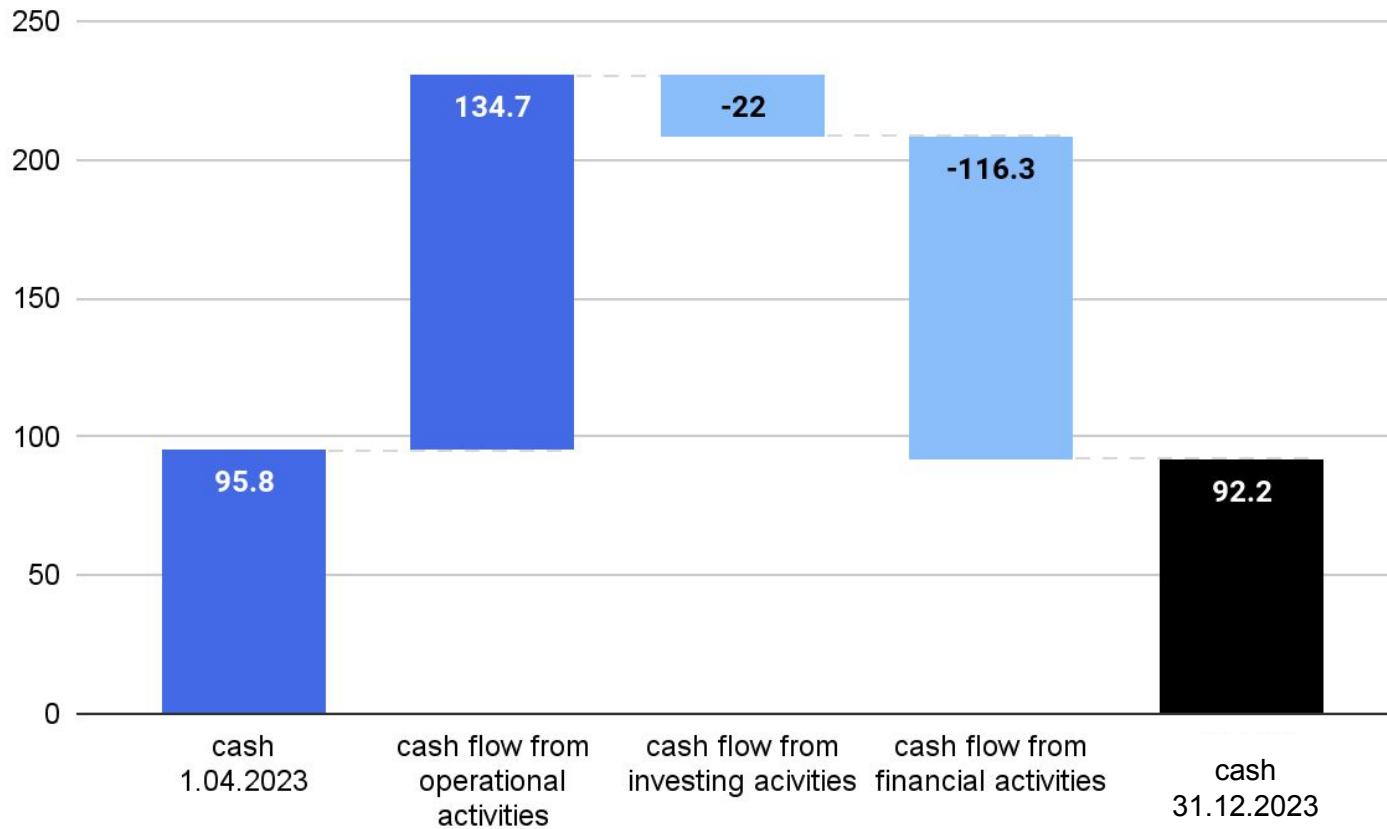
Q3 results were heavily affected by the USD/PLN effect. Net sales expressed in dollars increased by 17.2%.

FUTURE REVENUES (IN PLN M)






As a result of the new revenue recognition policy the annual subscriptions and longer contracts are spread evenly over the time the service is provided, creating the revenues of the future revenues. Presented as liabilities from customer contracts at the end of Q2 2023/24 they amounted to PLN 68.0m

CASH POSITION (PLN MN)



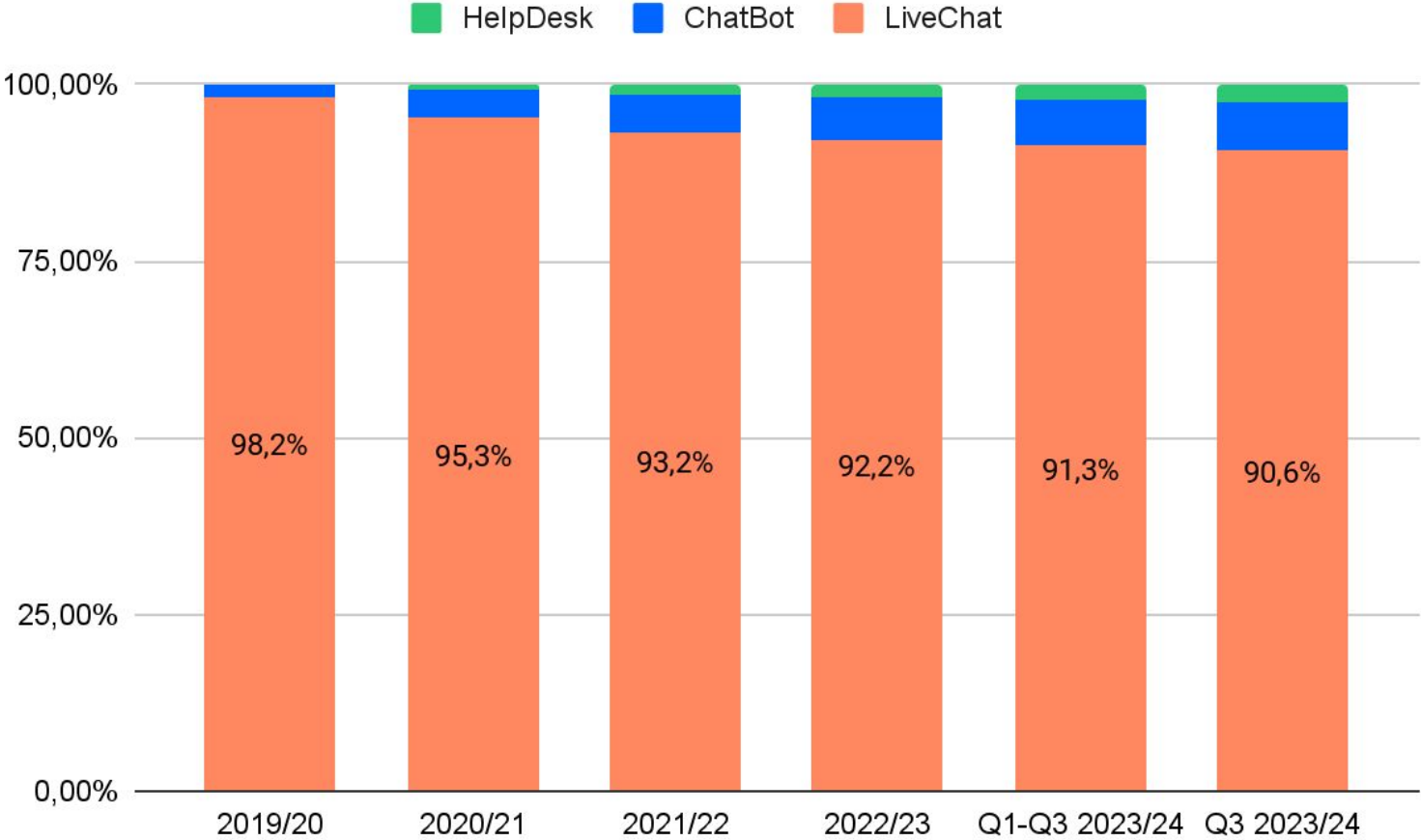
Cash flow from financial activities = dividends paid (115.6 mn PLN) + leasing (686 k PLN)

REVENUE PER PRODUCT




Revenues per product (USD mn)	Q1-Q3 2022/23	Q1-Q3 2023/24	Change	Q3 2022/23	Q3 2023/24	Change
 LiveChat *	42.83	54.50	+27.2%	15.97	18.48	+15.7%
 ChatBot	2.87	3.84	+33.8%	1.04	1.40	+34.6%
 HelpDesk **	0.81	1.36	+67.9%	0.30	0.51	+70.0%

*Including: Marketplace
 **Including KnowledgeBase

REVENUE SPLIT BY PRODUCTS



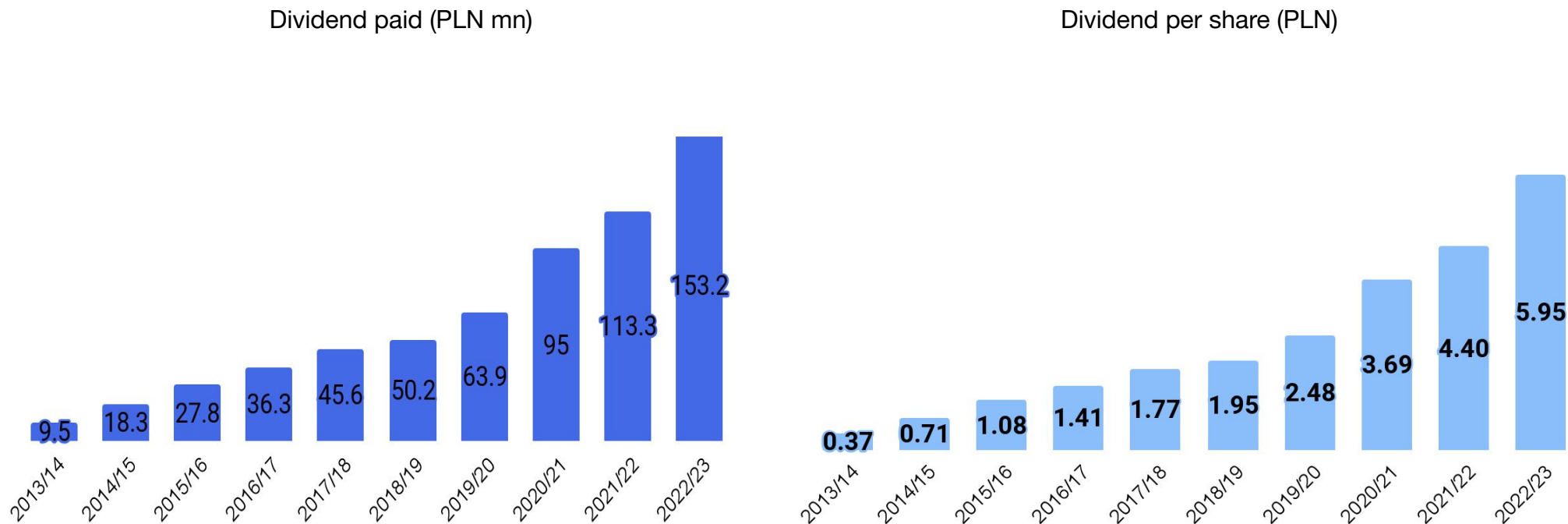
Q3 2023/24 revenue split

-  2.5%
-  6.9%
-  90.6%

The price change effect helped LiveChat regain some of its revenue share in Q3. In the coming quarters, we expect a faster growth rate of new products.

LiveChat revenues include Marketplace and KnowledgeBase

DIVIDEND POLICY



*Management's proposition (final decision to be made by AGM).

In January 2024, the Company paid out the first advance toward expected dividend for the current financial year. The value of the installment per share amounted to **1.63 PLN** compared to **1.46 PLN** for a similar payment last year.

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INVESTOR RELATIONS

ir@text.com



FIND OUT MORE:

investor.text.com



OR CHAT WITH US

when we are not at the meetings

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