The 2st quarter 2020 SaaS segment results were as the following:

The second quarter of this year featured the peak of the COVID19 pandemic, which hit the retail sector throughout Europe. It has also touched the Company's sales results, including the SaaS channel. The turmoil in the retail market resulted in higher than usual levels of churn ratio (especially for customers who were most affected by the closure of borders and the decline in revenues). On the other hand, acquiring new customers, also from new platforms, made it possible to largely cover this loss. Nevertheless, the overall segment posted a slight decline in the second quarter (-0.6% qoq), with a + 7.6% increase in the ARPC value.

		Q1 2020	Q2 2020	change	*Change for amounts in PLN currency**
SaaS clients (average quarterly)	*quant.*	75	69	*-7,6%*	-
SaaS sales (quarter)	*EUR*	13 846	13 768	***-0,6%***	***-2,4%***
SaaS ARPC (average monthly)	*EUR*	62	66	*7,6%*	*5,5%*

ARPC [Average revenue per paying customer] - average revenue from an active [paying] customer calculated according to the formula – revenues from the SaaS segment [monthly] / number of paying customers in a month

* All currency values expressed in PLN were converted into EUR using the Polish Central Bank exchange rates for the end of a given quarter. Due to exchange rate differences, the dynamics of changes quarter to quarter differ from those calculated for the Polish currency.

Despite the good mid- and long-term expectations for the e-commerce sector, the pandemic period itself was an opportunity for some e-stores to increase sales (in particular in the field of medical, hygiene and food products), but for others it was featured by significant drops in turnover (e.g. travel services, travel goods, holiday clothing, etc.). An example of a report presenting this buyer' behaviors for the US market was presented by Stackline.com (report "Top 100 gaining & top 100 declining -e-commerce categories in March 2020"), but it can be assumed that similar trends (or results) was also in other markets. QuarticOn has in its portfolio e-shops of various industries, therefore, a decrease in sales in the SaaS channel by less than 1% can be considered as a not-bad result.

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