

Attachment to the current report ESPI No. 25/2020

The third quarter of 2020, in terms of sales in the SaaS channel, was a period in which both positive and negative features occurred. On the one hand, we managed to stop the decline in the number of customers - the third quarter saw the maintenance of the number of customers at a level slightly higher than in the previous quarter. On the other hand, some clients with the higher pricing churned (including two with the highest ones) and the newly acquired customers based on lower pricing plans. It resulted on drop in the sales value. In recent months, there has been a noticeable downward trend in the ARPC, which also contributed to the decline in sales.

		Q2 2020	Q3 2020	change	Change for amounts in PLN currency*
SaaS clients (average quarterly)	<i>quant.</i>	69	71	+2,4%	+2,4%
SaaS sales (quarter)	<i>EUR</i>	13 768	10 759	-21,9%	-20,8%
SaaS ARPC (average monthly)	<i>EUR</i>	66	51	-23,7%	-22,7%

In the third quarter, the Company focused on supporting sales processes in the direct channel, which featured by a longer conversion time to revenues (and this is crucial in the fourth quarter). The consequence of this was the postponement of some of the development works dedicated to the SaaS channel to the last two months of this year. Nevertheless, work on the new plug-in for the SmartSearch service and preparation to launching of the new platform on the new market were continued. So that in the fourth quarter the Company could offer new solutions, which should contribute to an increase in the scale of revenues later this year.

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