

Scaling Vertical Leadership through Agentic Innovation: Investor Afternoon with OLX Leadership

Kaeleen Brown:

Welcome everyone to Lisbon. Thank you so much for joining us and for people joining in on the webcast. I have to tell you the back story of that corporate photo, was actually taken by my brother-in-law yesterday, and he said to me, "Think of you murdering your husband," and that evoked the genuine smile you actually saw up there. So the reason why this was done at such last notice is unfortunately Owen couldn't join us today, and that's because he's under a couple of feet of snow. So he will be joining us tomorrow, so we look forward to welcoming him then.

But who is here today is the OLX management team. So one of the reasons we chose to do this event in the manner and in the location that you find yourself is because of a very exciting event they're hosting tomorrow. So we've already got the management team here captive, and we thought we'd expose them to the financial community. We know all of the hot topics that you all are facing and puzzling over, and we hope to share their thoughts, their insights, and their wisdom with you. So we've got a very exciting line-up and as you know, it's very unusual to have access to chief data officers, product and technology officers, and then the CEO and CFO. So without further ado, I'm handing you over to Christian.

Christian Gisy:

Thank you very much, and it took me a while to get smiling as you've seen, but I think that was probably on purpose. Welcome to Lisbon. Welcome here in the manor. Thank you very much, Kaeleen, for the introductory words.

Why are we here? I have identified three reasons. I came in on Sunday evening. I just enjoyed the sun and the mild weather. It's probably one of those things that basically you are really looking for and I guess you also enjoyed it. The second thing is for those who are not so familiar with Portugal, Portugal has developed into a real strong tech hub - Lisbon, Porto. We ourselves have about 500 people here, mainly acting in the space of product, marketing and tech. So again, this is certainly an important reason, but the third reason is the more important. It's our CLAIM AI conference. It's a big happening. It's the first industry-wide happening in that space. There's a reason why OLX does it, because we are certainly at the forefront of the development in terms of AI. We are not a listed company, so you cannot know, and that's reason why we want to show today what we have already been doing in the past, what we have been cooking on. Tim and Andreas obviously are the stars of today and will give you a deeper insight in what this really means.

So now, let me get into it. And the clicker works? Yeah, the clicker works perfectly well. So we call it Leading Through Agentic Innovation. AI, agentic AI is obviously the talk of the town. It's not the reason why we are here. We don't want to be talk of the town. We want to have basically... We are playing in that role, in that space for many, many years already, and I think what we want to show you is what you can do in that space and what is the speed and the pace in which you need to work if you want to be in that space. And it's moving very much away from marketplaces and platforms towards very much verticalized transactions because that's where the depth and also the benefit lies.

Just to give you a short heads-up on OLX, OLX is a leading business. We have been consistently overperforming and for those who have been with us on a capital market, say last year, remember very well when I was starting to talk about our verticalization effort into motors, real estate and jobs, which was the clear strategy and which also define our ambition level to grow at 20+ revenue growth rates and also to reach a EBIT margin of 50%, which Suresh as our CFO will continue to talk about because we believe that those are margin that you can further achieve. We have continuously built our financial momentum. We have been able to deliver 43% of EBITDA margins or adjusted EBIT margins after the

first half year of our financial year '26. We have leading assets across many markets. The latest that we obviously acquired was La Centrale, and La Centrale is also something where we are now starting to roll out our product and Andreas will certainly talk about this.

If you think about OLX, OLX is a player that is existing for very long now, and we have been constantly innovating and evolving. We've done some mistakes around OLX Autos, but we have continuously tried. We have been testing. We have been moving on the technology, and I think this is something that is super important because the market view translating to what OLX reality is, I think is the most important thing. Namely, we are shaping our own proactive future. In the past, classifieds were seem to be resilient. They still are, but we believe that the vertical leaders are the data foundations of the agents. That's basically what the future today already looks like.

AI is a feature. It's not a feature. It's not a feature. I think a lot of people are talking about feature because it's sort of new, but for us, agentic AI is the product. Yeah, it's the product. It's not a feature. It's something that you need to be immersed into and you need to understand. Discovery Channel was the past. Now, it's about partner for any transaction. So it's trying to get the customers and the consumers closer to each other. It's enabling them to basically faster and better transact, which then leads in the last one where in the past, monetization was very much seed and ad-based. Now we're getting far closer towards the transaction, which is what we call a value-based, outcome-based revenue, namely closer to the transaction, closer to the lead, and then also showing the customers the value that you're delivering. And this is also something that will help you not only to facilitate monetization, but probably also increase your take rate because if you make the customer more efficient, there's a reason why you would also benefit from it.

OLX, as I said already a couple of times, has had a decade of dominance, especially in the AI space. We started early on in 2018 - data, data gathering, data structuring, super important because without data structure you can't go anywhere. The data structure back in the days already helped us in 2021 of starting your personalized search. And this is something that is basically the inception, if you want, of AI.

In 2024, we started with our first program basically called OLX Magic. OLX Magic was a great product but probably ahead of its time, ahead of its time, and we learned from that that certain variables that were in that product was then used going forward and we released our first AutoIQ Motors program, which is probably the only one in Europe that helps the dealer in every bit of his business. Is it pricing? Is it sourcing? Is it inventory management? Is it financing? This is the most complete set of product that you can find in the market, and we're adding new functionalities every day.

On job site in January, we released the Matchmaking. The Matchmaking is something that is very similar to the dealer side, but on a very different vertical. And tomorrow, we will show the world basically what our ChatGPT compass is going to look like, namely the real estate app that we are going to use and we're going to launch into the user hemisphere, which again helps us also on the auto side because into April 26th, we will launch sort of the same product on the auto side. Don't forget, the good thing is that the underlying tech allows us to play around synergistically between motors, real estate and jobs, jobs, real estate and motors. So all those things are interdependent and therefore things are working very, very well into each other and which helps us also to gain speed and to be much faster in the iteration of what we're trying to achieve.

Now, I've talked enough. I think Tim, who now takes over, will give you a very deep insight into how we structure this whole AI journey.

Tim Davis:

Thanks.

Okay, I don't know who that guy is. Hey, welcome everyone. Tim Davis. I lead up our product technology and marketing efforts here. First of all, welcome to Lisbon. I think we arranged to a special early spring day for those folks from Northern Europe and hopefully everyone has a chance to get outside and catch a bit of sunshine.

I am super excited to talk about what we're doing today. This is just such a dynamic time in the industry, especially in classifieds. So I think we have a tremendous amount of good stuff to share and take feedback on, and we're really excited for this whole week of this AI-centric classifieds moment.

So I'll talk about scaling AI-powered customer experiences and I'll kind of lead with AI is not a feature of the product. The core of our product is AI, but really, the core is the marketplace and how do we help customer sell things or solve human problems? I think we'll go into some details about how we think about those things and then my colleagues, Andreas and Suresh will talk about some of the numbers that actually show the results. Okay, first of all, eyeballs, visibility or exposure or listings, beautiful business. We have made a ton of money in helping customers just find visibility or discover products. Love it. It's been super great, but that is not the future. We believe the future is taking those eyeballs and turning them into solutions or say getting to the finish line. So I think if we think about this concept of marketplace, actually, how do we make the marketplace more valuable, more differentiated, more immersive, and actually how do we package that in different ways? And I'll tell you what that means to us.

So first of all, it's like we have a flywheel, but I'm going to draw it a bit differently today about a top funnel, which is about consumers, the middle of the marketplace, mediation, then of course, the supply funnel. And we attack all of those things independently because they're all super important to us. One is a core principle for us, is people have human need. I think it's not new that for thousands of years, customers or clients or consumers have needed a place to stay, transportation, work or other services that they've needed to find. Sort of our premises is we find customers or we meet customers wherever they're at. There's multiple places customers will have intention. It could be mobile apps, it could be upstream search providers, it could be partner ecosystems. Our goal is to bring those all into the marketplace and our verticals and have the best place to do business.

Same thing, our goal is to help our listers or sellers sell their product. Exposure, very classic, one of the important things that we do and continue to do. But in the end of the day, leads lead to a sale. Okay. So we're actually all about helping customers make the sale. So we're actually transitioning to very much focused around these marketplace services are the place where the business is done or what we might call the transactional marketplace versus the exposure marketplace. And, well, this is AI-driven. It's not even AI-driven. It's AI-founded. It's all these services that operate autonomously in the marketplace are built and delivered through AI, then it can be packaged in multiple experiences, which I'll talk about here.

Okay. As I mentioned, well, we've been winning. Our results have been fantastic for the last couple of years around traditional classifieds business models. Suresh will show some of those numbers that we've been driving revenue and margin very aggressively for the last three, four years. But then also, we actually have agentic AI in the market today. This is not a future thing; this is a today thing. So we're actually generating real money, real ROI on the investments and helping consumers find better experiences today with the technology we're creating, as well as sellers that package and produce their products in different innovative ways.

And one of the things we're really super excited about is like, well, what differentiates classifieds and especially OLX in this world? Well, one is we see a ton of data, and I think it's what Christian mentioned is the scale. The scale is on at least two dimensions. One, we operate across many geos, so we see a wide diversity of consumer behaviors and we can take that data and aggregate it into interesting

insights across many different geo markets. Second, we operate across a bunch of different verticals. I think that's one of the differentiating factors of OLX is we see consumer behavior in cars, jobs, real estate, even goods and services.

So we actually have this huge pile of data unique to OLX that we can synthesize, package and apply algorithmic AI to actually generate insights as everything from vehicle histories across border, something actually, it's kind of hard to do. That's one thing I'd actually have a lot of personal connection to is the jobs market. We actually can see what employers actually hire for the success rate of those applicants and actually fine-tune the matchmaking services over time based on who's applied for these jobs, how they performed, what employers come back and look for. Those are real proprietary data things that are very vertical centric and I think can't easily be replicated outside of the OLX ecosystem. Second is like trust. Well, in any high value marketplace experience - buying a car, looking for a job - there's the need for quality data. Okay. So do you trust these transactions? Are you giving your personal information out to some place that will honor it with integrity and actually connect the appropriate services to a trust foundation and mediate those in a marketplace environment? And I think about all of the untrustworthy data that exists in the world. I think this is the key place of why actually people will come to OLX in verticals and say, "Well, you can't just buy fraudulent reviews from OLX. You actually have to earn those reviews." Again, back to the proprietary data, back to the connection of agents and people. So again, if we can do a search and find five different providers of loan services in any given market, we actually can show a history, the attach rate, the success rate, then connect all those services to the transactional flow.

And then scale and depth. As I mentioned, we operate at high scale. I think we're all super clear that building this type of technology is super expensive, but what we're really excited about is we actually take this cost and reuse it and rebuild it and redeploy it across multiple geos in multiple markets. I think this is a case when scale tremendously helps us pay for this technology that a smaller, more specialized vendors will have a hard time with. And I think also, Suresh, I'm going to refer to a few times, will talk about the economics of this, but this is built into our business model. This isn't a new investment for us. We've been doing this for the better part of seven years as Christian mentioned. So our entire revenue margin profitability model is founded upon driving these technologies. We were doing AI before it was called AI. We used to call it ML, but this is the basis of how we deliver value to our customers.

And I think I just kind of sum up this. What does this really mean? Well, it's like, well, trying to help customers get to the finish line of sell their product, whatever that may be. And we really are excited by these services being flexible. Okay. We're about sellers and actually helping them sell, but we don't have a one-size-fits-all sales model. We're not a logistics marketplace. We're expecting people to put their products into our warehouse. We're saying bring your best offer, package it, price it, choose the liquidity level that's most appropriate for your business model. You can have different offsetting ways to offer value to the customers and making that data and those offers accessible to consumers, whether they're coming from a traditional discovery experience or in the future, dispatching their own AI agents into our marketplace to find the right solution for them.

Yeah, and then we look ahead and we think things will in fact change. Again, in a classic exposure or visibility-based marketplace, whether it's classifieds or ads, lots of techniques will become not relevant in the future, like boosted listings, probably one of the mainstays of most advertising businesses is like buying ranked listings or boosted up ad spots. When you have a consumer AI agent who's processing tens, hundreds, thousands of listings in close to real time, those things go away. Consumers will bring their own preferences, their own ranking algorithms and their own scoring to the marketplace. Our job is to make sure the agents match up in our marketplace with high integrity data and high integrity place to actually do those transactions. So I think we look ahead and say, "Well, what will change?" That's one of the things.

Second is all these services, like purchase reviews, fraud bots, those are things that are intrinsically will not be valuable as the marketplaces get more mature, generate algorithmic IP or algorithmic AI to filter, sort and remove those from the marketplace aggressively with scale and deep IP. So now, it's a zero-sum game. There's always a cat and mouse type of thing with fraud. We think trusted marketplaces will win over time, whether they're human eyeballs or agentic transactions.

And the third is proprietary data. Our customers are largely small and medium-sized enterprises. We have a bunch of data for distribution of our listings. These are things that no single job lister, no single real estate agency, no single auto dealer can really replicate. We can bring these insights and data sets to them, add the algorithm IP, which then are used to augment their listings, their value and their decision process. So we're basically, again, helping people sell their products in a larger context, but still allow them to personalize what's relevant for them. So I think about personalization in that context. We personalize for the consumer, but we also personalize for the seller.

And I think about what winning looks like. Well, first of all, actually, sorry, these matter. These are in market today. So we're actually seeing real tangible results, not just future agentic transformation, but things that are being packaged. Customers are picking up these services and they're showing it in our financials quarter over quarter. And we are relentless about getting these things in front of customer, finding product market fit, and scaling up and boosting the things that work.

I'll just talk about one of these data points as one of my favorites is the jobs market or the matchmaking marketplace. I love this because we solve some really essential human needs here. One, job seekers, they may be in a bad time, they may have lost their job or looking for a better life for their family. We are helping them find better fits, more likely to pass an interview process and making that time to find that job happen, that first touchpoint within five minutes. At the same time, we're solving an economic opportunity for our sellers to find more candidates better suit to them, preserve precious human time for interviewing ill-qualified candidates and shorten the time to find labor or capital to help them make money. So it's a beautiful market and something that I think is a really great touchstone piece for AI. And again, they show up in tangible numbers for our customers and how they purchase and consume these products.

Another theme here I wanted to talk about is as anyone who follows the news, the world is on fire for AI. And one of our principles is speed is the only sustainable advantage. And it used to be we've talked about being 20% faster, but now we all need to operate at computer speed or silicon speed. And there's this great statistic I read a few days ago is the world market for compute will go, I think, \$3 trillion of investment the next four years doubling the world's capacity for GPU or general compute. That just staggers me as a technologist. There's so much more capacity to do these things than ever before, and that means anyone who's operating with people-first versus AI-first will fall behind. We need to be operating 10, 50, 100x faster, getting value to customers, not squeezing a few percentage points out of our existing team. So again, it's a very AI-first infrastructure that we're all focused on.

So again, what are we doing? We're doing more than 1,200 product updates per week. We test these, we experiment, we fine-tune them, we see what customers want, and when we see something, we double-down on it and scale it up, put it into a package or an offer and get it to market at scale. We love that.

Same thing. The delivery rate. We are not immune to this. So again, they're not 20%, but 2x faster. We expect to go even 2x faster in coming years. We have roughly 2,600 employees at OLX. We also have roughly 2,600 autonomous agents working for us. And soon, that'll be 5,000, 10,000, 20,000. Our scale-out will be agentic workforce as well as agentic value delivery, not with people.

Well, we like to win, and we want to keep winning. So first of all, as I mentioned, we've had a fantastic several years. I think we've actually built a culture, a drive to win. And the whole company today is

about AI and technology, but we're also about customers. And the key interface to customers is how we build technology and take it to market, as well as learn, is often coming from our account management and our sales teams. And of course, our marketing groups are about a bidirectional conversation. We think that's a deep moat of how do we actually help our customers co-win with us. It's not just a one-way communication. This is a dialogue which we think is essentially a value to how OLX does business.

And then kind of these categories or these rough boxes, as I laid them out, is first of all, we're AI-first. All of our services are built with AI at the core. They might be packaged into traditional discovery UX or into a ChatGPT experience, but they're AI core into the marketplace building on the proprietary data and algorithm IP that we live on.

Marketplaces, we are making excellent tools for our suppliers to augment their data, sell in the way they care about. And also, we think a super interesting differentiator for us is we are verticalized. We think that the data has shown, the economic ROI has shown huge value to being a specialized marketplace and domain-focused. We have people who are deeply understand the real estate business, what drives agent behavior, what drives sellers, what drives apartment rentals. Same thing for motors, same things for jobs and our other businesses. So we were able to concentrate that value, create the right products, create the right sales engagement model for our customers, which I think is very different than a broad generic approach that you see from maybe other providers. Yeah. And those are things that it's not just technology, it's the whole company aligned to this winning metaphor.

So on that note, I'm going to let my colleague Andreas talk about the details of how we assemble these things and take those up. Andreas.

Andreas Merentitis:

Thanks a lot, Tim, for showing us the future, how we think that the future will evolve and the trends that lead to that. And from here, I would like to also emphasize concrete AI use cases and data products that we have already in production, what comes next, and also the culture of innovation that will take us there.

So some of those numbers, of course, you have already seen. I would like to emphasize here that we have more than 75 customer-facing ML and AI use cases, 25 generative AI use cases, and more than 10 agentic customer-facing use cases that have been developed in the last few months. Of course, everybody in this room knows that the generative AI performance is improving very fast, fueled by science. On the left graph, you can see how much time it took traditionally for ML to reach human level performance. It was typically years or more. And in the last few years how this has compacted, with generative AI and more recently with agentic AI, to just months or even weeks. On the right side of this graph, you can see some of the many projections of how the agentic market size will evolve in the next decade. Of course, the numbers are staggering.

Of course, putting those together, it means that we are in a transition phase. The typical static experiences that users who are experiencing in a marketplace - searching, comparing items, purchasing through static interfaces - is largely going to change in the next few years where agents are acting as consultants and advisors for users, helping them search, negotiate, and potentially purchase items. And this means that the user experience in the next one to five years will be very different, more different than the previous 15 years combined, have all the differences that have been brought in the previous years combined.

OLX's innovative approach to address this consists of three different streams working in parallel. So our first stream is called optimize, and this is improving the existing user experience and, of course, maximizing profits. It's basically improving our bread and butter. The next stream is called scale, and this is all about moving fast and finding product market fit for upcoming solutions and innovations. So

allowing the teams to really experiment quickly, take risk in a controlled way and find what works best for the user. And finally, we have disrupt, which is our bold bet, and really inventing the future.

In a world where speed largely defines the winner, our execution is going from good to great. Some of those numbers I will not repeat because Tim has already mentioned that, but what I would like to emphasize is that we are running already more than 600 A/B tests per year. The majority being AI and ML-related. And those numbers are actually accelerating. So you can see that on the right part of the screen how our speed of execution is improving here over here in this space. And of course, 600 is already

Andreas Merentitis:

Quite a lot for classified companies, but we are not happy with that. Our aim is to actually double this year again, and this is on top of quadrupling already in the previous four years. So putting this together, if we rank across some of the core dimensions of having a cloud-scaled AI platform and AI-enabled tech teams, OLX is fully on cloud since many years. It has a unified tech stack across all the markets. It has a quite advanced generative AI platform that allows our teams to experiment quickly with all the major LLM providers from OpenAI, from Anthropic, from Google, from ElevenLabs and many others as they're coming. And it has also a very large and capable AI-enabled team and total engineering capacity.

What I would also like to highlight here is that OLX has agentic AI investments and use cases across the entire customer journey and user funnel. So if we think about the top of the funnel, that is all about inspiration, exploration, and intent. Then middle funnel, that is about comparison, trust, and personalization. And finally lower funnel, which is about selection and support. Of course, in every different part of the user journey, we have different intents. So at the beginning of the customer journey, it is all about multiple touch points for the users, for the potential buyers, and of course, seller value and convenience.

On the middle funnel, it is all about choice and trust. And at the bottom of the funnel, it's about peace of mind. And with this, I will present just the tip of the iceberg, five selected agentic AI use cases that are already live, and say are also the results that those are producing.

But as I said, there are many, many more. So first of all, with respect to seller convenience, we have already live in all of our verticals, AI-powered ad posting where you can already today take a photo of an item and the majority of the ad is automatically generated from that. This, for example, in real estate, reduced the time to post by 50%, already some months ago, and at the same time it significantly improved conversion as well. But this is only the beginning. So our next release is going to be video to ad, where in motors you can, as a dealer, go around your car, take a video, and the whole ad will be automatically created from this sort of video, making it easier than ever to post.

Another use case is actually our experimental partnership with ChatGPT, where this plays to the strategy of being everywhere where our customers can't be. The idea here is that we have conversational AI agents integrated the ChatGPT flow, where users can explore the market, use personalized information about their preferences, of course, and find properties that are interesting for them and then, of course, convert to buyers.

So you can see here how the comparison looks between the, let's say, raw OpenAI experience without our integrated app and how it looks with the OLX GPT app integrated there. And you can of course see that it is much more intuitive. You see the images of the listings, you get a lot of interesting insights about the properties, locations of interest, appreciation value, and many other things that it is just not possible for a generic LLM to show that same type of depth and quality of information.

And at the same time, I would like to emphasize that the core user experience is still remaining with us. So everything that it placed in the carousel of the items, the order of what we are presenting there, the type of insights that are provided is very much still generated by OLX.

Another use case that I would like to talk about a bit more, I think Tim mentioned it also already, but going into a little bit more detail is jobs matchmaking. And this is all about choice and trust. So here our agentic AI, deep mines candidates' profiles in a complex job descriptions going beyond just matchmaking of keywords, and this is already live, it is the number one paid employer feature.

59% of all the engagement actions are generating by that, today it has three times faster positive actions and 63% engagement rate for the employer in the first five minutes. And as I said, this is just the beginning. Going to the dealers, the car dealers' case, we have auto IQ in place. This is the dealership operating system. So this is something that allows the dealers to really manage their entire dealership automatically with AI. And that includes everything. It includes sourcing, it includes pricing, it includes managing inventory, promoting guards, and many other optimizations. And this is already rolled out in Poland with 21% week-over-week retention at 100% of the Polish dealers, and those numbers are also increasing quite rapidly. We think that it will be above 30% quite soon.

Then going, finally, to the bottom of the funnel, this is all about maximizing impact and, of course, providing peace of mind to the buyers. You can see how a traditional UX of classifieds looks like. It's actually one of the, I would say, relatively good ones in Otomoto, but we are really transforming it with the ad to video capability to something that is the next generation of experience with very much signal reads and information reads ad formats that help the buyers make the correct decisions, find what they're looking for and engage deeply, of course, with the advertisement.

And at the same time, from the perspective of the professional sellers, this has more than 70% acceptance ratio from motors dealers and real estate agents, and with quite high willingness to pay as well. So I would like to close saying that at OLX, we are really believing that the best way to predict the future is to create it. And with that I will pass to Suresh to tell us a little bit more about the financial impact of AI.

Suresh Krishnan:

Good afternoon. Welcome Lisbon. And you heard the great strategy discussions on AI that Tim laid out starting with Christian laying out the strategy for the company, and then hopefully Andreas [inaudible 00:34:14] you going through the various AI use cases. And I hope to then ground you into what does it mean on us, on financials, on value creation, and address some of the topical questions that's probably first and foremost in your minds. All right, but before I get going, as I walk you through how we are positioned for growth, first I want to take a little bit of time showing you who we are and I don't think everybody understands us because I don't think we come out that publicly, we've not shown our numbers or our financials, so a little bit of a glimpse of who we are probably sets the stage before we get into some of the other topics.

First of all, we are the hidden giant. We are by far the number one classifieds company of Europe, probably one of the topmost in any part of the world. This year we should be crossing 900 million of revenue at about 43% EBIT, and when you translate that into EBITDA, we don't capitalize, we talking about 50 percent EBITDA. We operate across seven markets. We have 70 million odd ads. Those are the markets we operate in, and when you think about it, we're largely market leaders in almost most of the platforms, most of the countries. Not all of them, barring a very small few, we are the market leaders in almost all of them.

That's a pretty big company, number one. Number two, we operate in markets that are growing faster than most of the western economy. Even overlooking Ukraine, Poland, Romania are almost 2X GDP per

capita growth rate CAGR compared to their western peers. So we operate in markets that are growing in economy where people are buying more cars, they're buying more houses, they're renting more stuff, they're creating jobs and they're growing faster.

Third, when you look at our headroom on take rates, our leading verticals of say Otomoto or Otodome, our motors and real estate verticals in Poland are either half of the leading peers or even less than half of the peers, the leaders in the market. So we have a long way to go. For the amount of value we deliver, the value extraction that we do is far lesser than that of what we have in [inaudible 00:36:26]. And it's important because I'll try to tie it at the end to give you a sense on this, why it's important that we still have a lot of pricing headroom here. And then we continue to be the leader of our brands. Yes, you'll have a ton of questions saying how is that going to stay back in the world of agentic AI? I'm going to address that, but hold the thought for now.

We are the leaders both in terms of demand and in supply. We dwarf the number two players in the markets that we operate in, barring one or two. Now I'm not oblivious to what's going on in the market. I know there's a lot of questions going on. Public markets are giving a beating to our fellow peers and classifieds, so let me try to address the bear case first. What do I think about it? Give my perspective on it and let's probably have it in the Q&A, have a discussion on that.

I'll take some time to walk you through this. First of all, this is a glimpse of our supply of Otomoto and Otodome. Otomoto's our leading Polish motors vertical and the real estate verticals. Number one, these are expensive assets. These are price-sensitive, expensive assets for any user. Number two, each and every supply that you see is a heterogeneous product. No two used cars are the same, no two properties are similar. So that kind of tells you that that is heterogeneity in the product. It's a high-value product. Now let's talk about supply.

I've given you a frequency distribution where I show the ads per seller and number of sellers, so that tells you that, say at 50 ads per seller, we have about, say, eighty-odd people who have fifty-odd ads per seller. Why is that important? Because we have 87% of sellers in Otomoto who post three ads or less, and they only account for 30% of the ads. That's the kind of SMB spectrum we're talking about, and this is where, coming back to what Tim was saying, they need a lot of AI solutions. The number one reason that a customer goes and engages, our sales guys go and engage with the customers, first telling them, why don't you answer your leads?

Why don't you take the calls? These are the kind of stuff that these people go through, so we provide a lot of AI solutions there and the salespeople, so AI solutions for the SMBs and salespeople are augmented with AI solutions as well. And this is something that we certainly think this kind of fragmented supply supplemented by our sales efforts is definitely a proprietary data mode against any kind of LLM or agentic AI [inaudible 00:39:07] talking about. Second, 91% of our daily active users are from direct or organic traffic sources, and I'll address what could be the risk on the next page. That gives you a sense of how strong our brands are. It also tells you that the organic stuff, the organic searches, et cetera, is about a quarter of our numbers or less than a quarter of our kind of daily active users.

Now comes the million-dollar questions that everyone's talking about saying, you know what, agentic AI is going to disintermediate your top of the funnel. What could be that impact on that? I've tried to lay out a scenario, I may not be perfect, but let me walk you through it. I certainly think there is resilience. Okay? Let me walk you through this. This is kind of our pie chart of our traffic. The earlier page was daily active users. This is our pie chart on traffic, okay? Now the direct traffic is about 76 odd percent and organic search is about 13%. You could say direct traffic, oh my god, agentic AI is going to be the direct traffic. I would say yes, but why would anyone use agentic AI outside our product? Tim and Andreas walked you through it. For us, agentic AI is the product, it's embedded in it.

You saw that kind of supply that's going to be with us and that we'll continue to augment it with all the kind of AI solutions and solutions that make them win. Why would any user go, in a direct world, go and try to do it elsewhere when they already have that app that is very superior to going through that Pepsi challenge. Then comes the question, what's at risk? So let's take an example. What I've tried to do here is today AI search is, say, 0.03% of our total traffic, and then I think all of you track the stats, it's less than 2, 3% at most for many of the other peers.

Now let's take a situation that that jumps to a big number. It hasn't happened. Say it happens. Number two, one of the agentic or the LLMs ends up being the numero uno, takes over the world. I don't know if it's open, AI, it's Gemini, whoever else, and number three, they choose to monetize at scale. Now, if all of that were to happen, I'm taking a situation saying, let's take half of our organic search becomes paid due to an LLM coming in, charging us for that. And I'm assuming a 50% increase in price because [inaudible 00:41:28] to buy a lot more traffic. Even if that were the case, we are talking about a three to four points EBIT margin compression for us, and that's manageable, and I'll walk you through why.

First of all, this is indicative. I don't want people to say, oh, that number is right or wrong. We looked at publicly available information, we looked and said, okay, how much of their revenue is from non-classifieds, and we are certainly in the low end of the spectrum. So we don't have that much of eyeballed revenue. Most of our revenue is classifieds revenue that the agents or the dealers are happy to pay because they're getting solutions. On top of that, if you look at... and this is where, if you remember when I talked about less than 5% margin compression is a worst-case risk. Why do I feel comfortable? Our margin expansion in the last three years is pretty impressive, 21% to 43%. People would tend to think, oh my god, you've slashed investments, you've taken it out of the pocket, you're just squeezing the lemon and that's what it is. That's not what drove it.

Those were the times where we were still focusing a lot on [inaudible 00:42:36], a lot of transactional businesses, doing a lot of subsidies, chasing the inner goods category. We've changed our focus. Number two, so our core revenue, as you can see, motors, real estate and jobs has gone from 65 to 70%, and grown too. That's causing a lot of the expansion, plus a lot of the tech investments that we did on replatforming, et cetera, got over them. That sets the stage for Andreas and Tim to light it on fire with AI, that we've been doing, so this expansion has come without kind of, yes, we've been prudent on costs, but it's not like squeezing the lemon. That's the expansion that has happened in us, and when you look at our peer set, again, these numbers are from public information. They're not for the same time zone.

Some are fourth quarter, some are half year, et cetera, but gives you a sense on what kind of relative zone of EBITDA they are. And that's where we stand compared to pure play verticals. We still have a long way to go, and our journey has been without squeezing the lemon and oh, by the way, we have been never letting down on our AI investments. If anything, we increased it. We have 150 plus people, we have more than 80 odd teams that work on AI, probably the highest, and Andreas talked about it. We've been investing between OPEX and CAPEX close to 30 million this year.

It's only been growing. That margin has come on top of this. That gives me comfort to say yes, as long as our product is superior, the direct traffic stays with us, which I don't believe why they would move, and even if there is disruption in the paid traffic or in the organic traffic, we can manage it. With that, hopefully... I don't think I can ever assuage the bear case, but at least I'm addressing some of the questions you may have. Let me go to an exciting bull case that probably we all tend to overlook. AI is already a monetization or a pricing driver.

We have already embedded it into our product. Tim talked about it. That is a screenshot from our current package in Otomoto. We already have ad to video there, and by the way it generates eight to 10% of incremental leads, so customers are saying, oh, I love that. Give me that because I get more

leads and that's causing a lot of our price increase. Now it's very tough to say, okay, this came from AI, this came from this because then they're enmeshed. We're not going to have an AI product package and an non-AI product package. It's part of the package. And on top of that, we are also deploying it now in [inaudible 00:45:04], where all of these tools are coming in and that's one of the power of the synergies we're going to have with [inaudible 00:45:11], and it's also driving productivity at scale and we are just scratching the service. Right now, the margin enhancement we are getting is about two-ish percent, but that is only the start.

We already see customer service efforts are going down, efforts are going down, productivity is going up in a massive scale. We already are doing a lot of projects so that by '28 we get that. 98% of our content moderation happens without human touch. We're getting a lot of savings in campaign management, et cetera. And these are [inaudible 00:45:41], you can get it off any of the third-party solutions, but we are leveraging all of that, and as AI becomes more and more embedded into the enterprise, we are going to see a lot more of productivity that even I can't fathom what I'll get.

Finally. Look, there's always a question on our industry, where is the terminal value? What's going to happen to the [inaudible 00:46:02] years? I feel there's a lot of opportunity on OLX. We've got exciting markets in geographies. I talked to you about that. We have a lot of take-rate headroom with all the AI solutions, that helps us because it's already a pricing booster, and AI cost productivity is just getting started and the risks are quite manageable. So with that, hopefully I have laid my case and we can discuss it more in the Q&A. With that, I'll hand it to Christian.

Christian Gisy:

Thank you [inaudible 00:46:33] Suresh. Thank you very much. Yeah, why are we excited? Obviously, again, tomorrow and the day after, you will see senior product people, you will see a lot of very innovative AI people around us that will give us an insight into what innovation looks like. On the second day we will try to operationalize the whole thing, so it's going to be people talking about what does it mean to talent? Suresh already made cases around the financial piece, but we are going to deep dive this in more, so that's the reason why we're excited. The second thing is we're absolutely excited and I'm absolutely proud of being able to run this business because if you've seen, not only are we leading, which is good on financials, but we are also leading in terms of product. We're also leading in terms of the products and in terms of the ideas and if I have to wrap up, it's to say, and this is I think very important, the proactive future, the OLX reality, we are not reacting to AI.

We are leading it. And it means that basically we are working on very deep vertical integration, which we started and real estate motors and jobs is a testimony to it. We have a proprietary data loop, which is super important because it's not only the underlying data, as Tim was saying, but it's also the structure of the data and the usability of the data that makes it so important. It's an AI-first infrastructure, and you've seen on one of the first slide, we have invested across those years about 200 million already, so we are not just starting.

We have been there, and we have spent it and we continue to spend as the CFO was selling, which is always a good sign and we have a desire to win culture. We have 2,600 people in our company. We have 2,600 agents joining us. We have many more agents that's going to join us. Obviously those agents will have even more desire to win, and I think this is super important because this will enhance us, it will create more efficiency and will help us to deliver on our long-term ambition, which is very nicely summarized for you and 20% revenue growth, and 50% adjusted EBIT margin that, even if we look into the bear case, is something that we can, I [inaudible 00:48:45] call it easily, but we can well achieve.

With this being said, I'm very much excited to welcome you tomorrow to our Claim AI conference, which I think is a outstanding conference and we are representing here classifieds because classifieds in

industry has not been good at that so far, and again, as a leader in that space, we are taking the helm and we're very much welcome you there tomorrow.

Kaeleen Brown:

Sorry Tim.

Tim Davis:

No worries. Assign seating today.

Kaeleen Brown:

Thanks everybody. For the people on the webcast, if you can type in your questions. I see we have a couple already. They are quite lengthy, but we are going to focus first on the people in the room. Well, [inaudible 00:50:21].

Christian Gisy:

As always.

Kaeleen Brown:

Always. The other mic. Sorry. Apologies. Just hang on for the webcast.

Christian Gisy:

I know you're impatient.

Speaker 1:

That's fine. Thank you.

Christian Gisy:

Will, go ahead.

Will Packer:

Hi, it's Will Packer from BNP Paribas. Three questions please. Firstly.

Kaeleen Brown:

Will, can I ask you just in the interest, can you ask one question, let them answer, then ask your second?

Will Packer:

Sure. Very happy to. Okay. First question, could you expand a little bit on what you classify as proprietary data in the recent sell-off of classifieds and other [inaudible 00:51:15] internet names, there's been quite a bit of debate around what is genuinely proprietary and what's not. In today's presentation you gave a very fair example, which was unique inventory from the long tale of small dealers and private sellers, but could you expand a little bit beyond that as to what you would count as proprietary data to help us think through data as a moat?

Christian Gisy:

I think Tim probably was the one who basically was talking very much about it. It's not only about the supply as such and basically the very small pieces, it's also the geo, so we have a lot of element that plays into it, but Tim, I think.

Tim Davis:

Yeah, that's a great question, so part of it's just supply. The supply is intrinsically proprietary, you know that we don't always own it. But it's all of the interactions and the connections of those data sets. I think one of the examples I love to talk about is actually how are the candidates performing at a certain employer, so that's the history, that's the retention rate, the interview pass rate, even coming back and advertising for additional job requirements. We actually are building closed loops, as I call them, for employers to give us more data. We capture, what's actually working for them, what are the candidates who are successful? Eventually we'd even like to capture their performance and their impact in the business and build a better candidate database for passive and active recruiting. Similarly, for things like real estate, it's not just like the number of bedrooms or bathrooms in that property.

It's like what do consumers value? What is the comparative data, what's the dwell time? What is the actual interest in a particular distance to a park? Those are all interactions that are captured uniquely on our platform and we of course database them and build insights out of those. Those are things that any one given seller can't capture and they don't really show up the top of the funnel either. They show up inside the marketplace.

What's the attach rate of a particular financing offer? What was interesting to a consumer and what actually performs better? And remember, we're in a marketplace business, small differences of conversion rate are huge economic drivers. Same thing on other verticals like cars. We actually see a lot of the same cars year over year. People come back, resell, repurchase, re-look at those same cars. We actually can track those both in market as well as across market. So we can track a car history as it goes from France to Poland, for example. What's the history, what's the accident record, all the things that don't show up in public databases, nor will they show up in that, call it a naive, broad-based top [inaudible 00:53:43] funnel search.

Will Packer:

Thank you. Secondly, on the basis of today's presentation, you could definitely envisage a bit of a change in the classified industry in that potentially consolidation will make more sense.

Will Packer:

Historically there's been relatively few revenue or cost synergies. But in the context of some of the developments you've talked to today, they could be applied across the portfolio. You've recently completed the La Centrale deal. One obvious challenge to me would be the data architecture of the businesses you would acquire. I imagine that's been a work in progress. Interested to hear how the work has been on La Centrale from a data architecture perspective and how the synergies have played out so far.

Tim Davis:

Yeah, I think this is a great question for Andreas, if you may have the microphone, of what AI is doing to transform that whole problem.

Andreas Merentitis:

Exactly. In the case of La Centrale, there is already an advantage that both businesses are fully on AWS cloud, so it is relatively easy to connect the data platforms. This is something that is already ongoing. Already in terms of financial and key user metrics, the integration basically has happened since last month. We are still putting some final details here and there, but already at the level of financials and user metrics, this is already happening. What comes next is synergies on AI.

The first use case is that we are going to actually share with La Centrale are add to video and video to add. Those are both coming in April, and this is just the beginning. Already building on top of businesses that are fully on cloud, the first level of integration was literally done in two months. And the next level with first senior digital AI in the next two months.

Christian Gisy:

And if I may add also, Will, the way we look into companies that we buy, it's not about the size, and it's less about cost synergies. It's what can drive that revenue growth. What is it that we basically can contribute to the top line? And this is what basically also is a fundament of due diligence process is the understanding of us of all opportunity to move the things forward. And that's exactly what Andreas was referring. It's something we identified early on. We know where La Centrale needs support, namely on the small and medium- sized dealers, hence the video to add and the add to video, which is something that will help us to basically acquire them. We are very thoughtful about what we are doing once we move into an acquisition.

Tim Davis:

And if I can add one more thing, I think it's thematic for our entire strategy of AI. First is lots of integrations or things like data merges are total disasters. They have been historically. Tons of people, tons of costs, unrealized value. What is different about AI, and especially how we're putting AI first, is we're actually making that a machine problem. We're not hiring hundreds of consultants that take five years and actually have a low friction.

Remember, our principle here is time to marketers are velocity. By actually building self-described datasets, applying agentic transformations integration, whether it's datasets across our properties or whether it's third-party ecosystem providers, we're removing slowness, which is often people, and making these AI to AI or agent to agent interactions for data integration, API, things like credit scoring, things like real estate transactional support for digitization of property records. Effectively, AI is letting us bring these things faster, better to market, and getting rid of the entire, A, high cost of humans. And B, slow realization of values. I think that's an important part of how we're approaching these problems.

Will Packer:

And then last one I'm allowed. Thanks for all the color on the Bull and Bear case, it was very interesting. I suppose one challenge for your peers is that they are listed and have financials they report every quarter. And the market's very sensitive to them. In contrast, you are within a larger process, there's obviously the 10 cent stake which drives the primary driver of earnings. From your perspective, what happens to numbers during that transition where you're changing the revenue model to more outcome outcome-based? When you're grappling with the changes in how customer acquisition works, how product development works, is there naturally a period where numbers come to some pressure before accelerating or is it relatively benign?

Suresh Krishnan:

Look, we've been in this AI/ML investment journey for almost a decade. We've seen these things start panning out. When you see an active video in an automotive page, it's been there for some time, or something of that derivative has been there for some time. We've seen the impact of this in the financials for some time. And the good thing, I guess, is being part of a process eco family is we don't have to report quarterly at the same kind of... And have to deal with volatility of external pressures beyond our control. We deal with that with laying out a short-term financial plan and working through that. It's that way that we do.

And in terms of revenue and costs that you talked about, you could see that. We do have a lot of headroom. We don't see that going away anytime soon. And the costs around traffic disintermediation, we haven't started seeing it, and not as any other classifies. But in spite of that, we are facing short-term volatility.

Kaeleen Brown:

Andrew.

Andrew Ross:

Facts's, Andrew from Barclays. The first one is...

Can you hear me okay? There we go.

Suresh Krishnan:

Yeah, good.

Andrew Ross:

First one is back to this flow in an agentic AI world. In this view of the future where I tell my personal AI assistant to go find me a car or a house, just curious as to why you're so confident that it will definitely be the number one classified that is then providing that agentic flow. And is it your view that technology, I.E., your set is set up for agentic and user experiences enough? And then, what are the trade-offs in how much of your secret sauce you open up into that flow versus bringing people back into your own ecosystem, and also how the commercial relationship works with OpenAI or Google or Apple or whoever it's going to be to make sure it's definitely you? And I guess that conversation may be different if we're thinking about, I don't know, Poland where you're super strong, versus in France where La Centrale is competing with Leboncoin and it's a two-player market and maybe a bit more of a race to the bottom debate. How do we think about that?

Christian Gisy:

Obviously, Andreas, and as well as Tim, have spoken to it. And I think it's good for them to answer. I think just one comment on the La Centrale. I'm not sure whether the competition with Leboncoin is exactly the place to go, because that's not exactly what we're looking at. The question is always, when you go deep into the verticals, the horizontal has a problem. And that's exactly what we're doing. With the product that Andreas was referring to, the way we approach it is something very different. And that's the reason why I would probably take this into the equation but take it out of the equation of competition. It's not the way we look at it. And by the way, we looked at it when we bought it, so it's something very different. But Tim and Andreas, please.

Andreas Merentitis:

I can perhaps start with perhaps two points, and of course Tim feel free to add to that. The first point is, as I said in the strategy, and I think Tim refer to that as well, we will be everywhere that our customers are. At the very beginning of that funnel, we want that people have choice. And if they start their journey with OpenAI or with Google, or with any other place, or they come natively to us as Suresh was saying with the data points, we'll be present in all of those.

I think that with the experience that we saw the side-by-side comparison with the OpenAI role and the OpenAI with our app integrated, we can already see that we can provide much more insights and a better experience for the user objectively. They can really find what they're looking for, see images, understand exactly how it works. And of course, still see deep links that send them back to our sites to continue the middle funnel and bottom funnel experience there.

But the other thing is also perhaps other players have similar strategies. But as also Tim and me refer to that as well, we are entering an era that more than ever the sustainable advances is execution speed. And this is something that we are really believing and doubling down on. We already are in a quite good place, but we are going to be in an even better place in the next 6, 12, 18 months because we are really doubling down on our existing investments and making certain that we are making the most out of what we already have, getting more and more speed as we are moving forward.

Tim Davis:

Yeah. I think I wouldn't have anything add on the technical side, but I think about the essence of question is these agentic transactions, or agentic AI transactions, and again, I think about AI to human, human to AI, we don't really care. It's going to be AI at the core, and how it's presented may vary based on what users need. But it is effectively the place these transactions are going to happen. There's going to be more data to operate with, there's going to be more trust. In the same way today you've seen things like ad broker networks actually mediate real-time ad purchasing and personalization at high scale. We look at this as high scale for our verticals.

Now, that's where these things are trusted. There's transaction orchestration, there's attach rates, this be the most efficient place to bring your agentic AI and operate within a real estate or a motors or a jobs, or even a general goods marketplace. I think that has to happen somewhere, and we think that is the best place in a very vertically centric transactional and environment with all the attributes we talk about agentic AI, agentic data, trust, verification history. Those are the things I think will differentiate why classifieds, especially OLX, has a right to win there.

Christian Gisy:

And potentially, I'm also trying to simplify, Andreas. I would say we don't give you personal assistant any opportunity to go somewhere else than to us. And whether it's Poland or France or somewhere else. It's not also so much whether you're number one or not, it's the way you basically are represented. I think that's what Tim and Andreas were displaying.

Kaeleen Brown:

If I can just supplement a question to that, just one of the ones from the chat. Sylvia sent through a question and said, "Talking about your AI integrated product, what do the economics of an offering like that look like? How much does that lead cost you or the economics less attractive to you versus someone coming to you directly?"

Suresh Krishnan:

Look, the cost of AI investments, I laid it out. We're investing about 30-odd million dollars on AI this year with OpEx and CapEx. We are not trying to branch out every single investment and look at it and say this is the return that it gives. We do investments based on priorities that we lay out and we go against it. And then when you look at the returns that we get, it's embedded into our pricing, it's embedded into our customer journeys, it's embedded into the pricing that we get and the revenue growth that we see. And that's how we measure it.

Right now there is... I don't look at it at least to say I put X amount on this, and here's the return I need to see. All I'm saying is I need to invest because this is the customer journey, this is the customer product that we need to build, and we need to be best in class to ensure that we get every possible traffic source coming to us. And what does that investment do, and can I balance that within the margin expectations that I have?

Christian Gisy:

And I think to the point of Suresh, I think that detail is not relevant to us because we're focusing on the revenue growth. We're looking into getting 20% plus. If we're getting there, the costs that are associated with it will be born like they have been in the past. That's the first. The second thing, as I was saying, there's a lot of synergies on what we're developing between verticals. Real estate, motor, jobs, the other way around. I think trying to be very nitty-gritty on this is not helping us because it would rather defocus from what is really relevant.

Suresh Krishnan:

And most importantly, the investments that go is against the right priorities, and the speed of deployment is all we measure. And then it plays itself out. Otherwise, you will get into false positions trying to do all kind of allocation engine on costs, which honestly nobody can then understand.

Kaeleen Brown:

Perfect. Thank you. Sorry, Andrew.

Andrew Ross:

Sorry, it's a long first one. I promise a shorter second one. It's about data. And as there starts to be engagement in an LLM environment, so take the app in ChatGPT as an example. Whose data is that? Presumably, you get to keep all of the insights about how people are searching for a house or a car in ChatGPT, but how's OpenAI able to use that data that's going to get created?

Andreas Merentitis:

Exactly. I tried to show that the bit on the example. But the way that it works today, at least, is the core experience is still with us. Everything that is shown on the carousel with the photos in what order you see the houses, and so on, similarly next month that we will Lance Motors, all of that is with us. And that, I think, is where part of the secret sauce is. Some of the secret sauce is even deeper. It is, as Tim said, the user journeys or the, let's say, history of the cars, how many accidents they had. The appreciation potential in different neighborhoods in real estate, how that has evolved historically, but also how you are predicting that it will evolve in the future. These are quite detailed and domain-specific problems, but at least in the midterm it is very difficult for a generic LLM to address.

Now, of course in technology it's very difficult to predict what will happen in 7, 8, 10 years, but at least the current situation and the reality of where technology is, and combined with the advantage in terms of structured data that we have built over a long time, makes us quite optimistic that we will have a very strong position in that.

Luke Holbrook:

It's Luke Holbrook here from Morgan Stanley. One of the benefits that you think OLX has is being first call multi-geography. And we've seen in European classifieds in recent years actually single vertical single countries have basically been the norm. Can you just articulate, from a data point of view, what is the exact advantage that you get? Because if I'm searching for a job versus searching for a house, what is it the back end that you think actually leads to a meaningful advantage?

Tim Davis:

Yeah, let me make my first point out, and I think Christian might have something to say about the overall investment case too. He has a lot of passion around that. First of all, a principle that I have used for 20 some odd years, I'm an older person I suppose, is that people are much the same everywhere. We actually can reuse learnings, user behaviors, preferences at higher and higher scale across geographies. That's unique. This gives us more data. And we believe many, if not most, of the consumer preferences or seller scenarios that are applicable in Poland are also relevant to France. As part of it's just the basic premise. I think that's been pretty well-worn out by many other e-commerce consumer centering companies. That's a fundamental of why we believe this transcends any particular geo, as well as any particular vertical.

Again, we actually see more variety of touch points for these significant life events, searching for a job, searching for a car, selling your car. I think we actually can compose back to, I'll call that two dimensions of both geo and vertical into a single set of algorithmic AI plus proprietary datasets that let us apply it to new problems. That's our fundamental hypothesis. Now, as far as why one European-wide company, Christian, maybe you can talk to that.

Christian Gisy:

Just to the example, if you've seen the Pepsi example, we're starting in Portugal, we're not selling Poland. That gives you a clear understanding on how we're playing around with the synergies. Poland is certainly the largest country, obviously, but we're looking for a lot of synergies from the other. And as I always say, 80 to 85% it's everywhere the same business. Because buying a house and selling a house, unfortunately, whether you do it in Germany, in France, Portugal, it's not too much different. People are looking everywhere for the same. What is the valuation? Is it fitting? Is this [inaudible 01:10:44]? What about the supermarkets? And so on and so forth. And the cars is not very different. The only difference potentially between cars and real estate, the one moves borders, the other does not. If that then has an impact on business, that's a different story. But that's probably the largest difference, and that's the reason why I think the synergistic element below makes a lot of sense.

Something that we have not touched and we have not basically worked at all in terms of the AI space is you can also read from an intent. If somebody is buying an SUV, maybe he has just got a second kid. Again, we're not there yet. And I know this has been talked about in my former days when I was at Scout24, but there's a lot of elements that we have not identified yet that can help us to continue to drive those businesses. We will learn.

Tim Davis:

And if I could just put one more thing on top of this, and maybe it's a bit controversial, but execution matters. Okay, we're talking about some fundamentals. I actually think we have a track record of executing with single product converge data, converge operational tools across our markets. I think a lot of people had some good ideas, but not everyone was able to pull it off. I think we have some track record that Suresh mentioned. We got ahead of this. We certainly had our own learnings along the way. I can't say everything was perfect. I think we've actually crossed, to use an old metaphor, crossed the chasm around this next. Now we're seeing accelerating returns. We actually operating single product multiple markets and sharing these experiences across verticals.

Luke Holbrook:

My second question is just actually a bit on what you described as a transition of the monetization model away from boosted listings, paid visibility, I think gaming rankings. And I'm just trying to work out how you think about that gap in the way that the transition happens, and what you are doing internally to help manage what you think could be quite disruptive to the existing model.

Tim Davis:

Yeah. I'm going address and maybe let Suresh talk about this. First of all, it's additive for us. We're making a ton of money on things like value added services, listings, rankings, letting people compete in a competitive marketplace for placement. We love that, it's money. And we actually... People value it, so we're happy to provide it. These newer services that we have, some fantastic things coming, for example, that are more marketing tools for the real estate business will be launching the next year or so. Which actually is now new revenue streams above and beyond just listing. We're actually looking at these as additive. And then over time the ratios may change as customers choose what they prefer. But we're not trying to diminish anything, we're trying to saying what net new revenue products, monetization models can we add to the mix, and then look at that as a blended growth future. Suresh, maybe you can explain it better.

Suresh Krishnan:

Yeah. I think exactly what Tim said, we are in a state of transition where we are not deprecating what we have right now, but instead peppering it with a lot more of AI tools and other stuff that becomes part of the package, and also gives us a lot more of... The customers get a lot more of leads and better returns from that without having to get boosted ads, et cetera. And trying to see how we can push the price and find the right balance of that. And then over time these things, the earlier visibility products that people were paying for, will deprecate automatically as these things take over.

And that's the transition phase we are going through. We are learning as we are going. And end of the day, we would want everybody to put all their inventory possible and get the best returns as possible. And not have to worry about, am I getting this or am I getting that? And that transition, AI helps us a lot. And some of the tools you saw, these things are really, really easy to do for the SMB population that we talked about. And on top of that, it gives phenomenal returns.

Kaeleen Brown:

Any more questions from the...

Speaker 2:

Hi. Question. I just wanted to follow up on one of the answers you gave to a previous question. You said to win the flow you will not give the AI a choice but to pick you. And I just wanted to understand what that means and what advantage OLX enjoys so that no one else can replicate it.

Christian Gisy:

I will start, and I will hand over to Andreas, because he answered the question already. I think the way I look at it, it's about the execution and it's about basically making sure that the consumer, because he was talking about the consumer, has always access to us. We should be present everywhere. And whether it's, as Tim was saying, AI to AI, AI to human, human to human, whatever, we need to be present everywhere. And then it boils very much down to the execution. And that's basically, that was my analogy or my metaphor when I was saying I'm not going to leave him the choice.

Today, I also don't leave the choice, otherwise I would have not been able to build a brand like Automoto, Autodom, Storia out of it, et cetera. If you want, the mindset should stay the same. Obviously, we need now to make sure that the technology that is underlying is changing and that our execution goes against it. But that's the idea behind.

Andreas Merentitis:

Exactly. Just building on what Christian just said, it's a couple of different things. One is offering the best possible customer experience in every different channel. If you are in OpenAI or if you are in Google, or in any other, you basically have to have the best possible experience for the customers in each of those. That's one thing.

The other part is being actually a fast mover in each of those different channels gives also a fast mover advantage. So that the young generation that gets to interact with you, interacts with already strong brands, gets the trust, and then you are basically very difficult to displace.

In addition to that, we are moving very fast, we are integrating with all of those different channels, with all of our verticals. We announced in real estate, motors will come practically next month, and then we are moving to jobs. Everything will be there very, very soon. And we believe between that and between having very good user experience and strong brands, we will create the habit for the users that they come naturally to our links to continue the user journey.

Christian Gisy:

And probably also something, Tim, maybe you want to comment, but we have also tons of content. Which, depending on how you basically package that content, again, this will help us in different channels to steer people towards our brands.

Tim Davis:

Yeah, I think that's a good point. And something we really didn't talk about today, but with loss and trial we actually have a very large amount of consumer content which is adjacent to the core listings business. And we look at extending that, packaging it. And that type of content is essential to things like the interface to upstream chat or LLM-based systems. We're actually looking at across our broad things of just listings, but the augmented data, how do we offer that up or present it to different consumer experiences, make a broader funnel. Actually, I don't even want to say broader funnel. I think there's going to be dozens and dozens of files. That's actually a core reset for us.

That's a bet. It's a strategic bet for us. But we don't believe it's going to be one single ChatGPT funnel on the future. We think that the market will be healthy, vibrant, and competitive. And being able to package different experiences, different customer intents, engage people at wherever they're at in that buying journey. It could be long lead automotive enthusiast, it could be job training and development for folks with exposure to local market trends. We think that's an essential part of our overall consumer experience strategy.

Speaker 2:

Yeah.

Kaeleen Brown:

Sorry, can I just ask there? I think the point is, I can understand from a human user experience why somebody would choose you, but why would Andrew's avatar or agent choose you? Because the brand wouldn't matter.

Christian Gisy:

Okay, can I start?

Kaeleen Brown:

Yes.

Christian Gisy:

The difference between Andrew is with a human that has emotions.

Kaeleen Brown:

Yes.

Christian Gisy:

And the machine is the emotion. The moment you take the emotion away, it will be even easier, because the machine will always choose the best solution. The human will always potentially define a best solution as something he likes. That's the reason why I'm less concerned about the machine picking the choice that you want. Sorry for that one.

Tim Davis:

No, no.

Kaeleen Brown:

Yeah, thank you. I think that's very helpful.

Tim Davis:

Yeah, I think that's a really good point. And I think if I just were to think, that's absolutely true. And that's what I would call the agents will be purely rational, but they will also need to operate off of data, so we actually can package and augment and give a wider set of package data and services to the agents coming to our marketplace. Even if it's headless or zero-click, or zero UX, those agents need to operate

against something interesting to differentiate and choose from. I think the solutions of more selection, more services added, deeper data stores actually will actually be the reasons agents come to our marketplace and make those choices. Even if it's purely logic, not emotion.

Andreas Merentitis:

Exactly. Just building on top of that, at the end of the say... Sorry. At the of the day, the fundamental aspects are still choice, trust, and in some sense pricing. And we intend to have the best possible combination for those. Exactly as both Christian and Tim mentioned. If you have the best choice on those, it's actually even easier for the agents to be attracted to your marketplace. And I think we are quite clear that we intend for OLX to be the place where all of that is happening. I think it was one of the opening slides from Tim's presentation today.

Suresh Krishnan:

Another question [inaudible 01:20:30].

Giles Thorne:

It's Charles Thorn from Jefferies. Is the importance in brand investment going to go down?

Tim Davis:

That's a great question. No. Okay, now the packaging and the connection to the value chain may change. The relative spend that we make we actually vary even today market by market. But when you talk about consumers, and actually discovery and trust, brand is an important part of that. And

Tim Davis:

Brand's just not like a marketing brand's like the entire promise of the product and the realization of said product. I think those are the brand attributes that generate, I'll call it a virtuous growing brand. So we think those are important. We think trust is a brand attribute and those things I don't consider-

Giles Thorne:

Does an AI agent care about trust?

Tim Davis:

Yeah, absolutely. Your agent does not want to spend 50,000 euros on a fraudulent car. So essentially how do you actually have a agentic marketplace with believing the data and actually having orchestration and rollback and protections built into that marketplace? So those are, I think, essential, whether it's a human being choosing or an agent choosing, you have to believe the transaction has validity. The products are authentically-

Giles Thorne:

You can do that through data.

Tim Davis:

Our data?

Giles Thorne:

Yeah,

Tim Davis:

Yeah, no, I think I agree. That is the data-

Giles Thorne:

You've got 10 million euros to spend. You spend it on three data scientists and whatever, whatever or do you spend it on brand?

Tim Davis:

I'm not aware if most consumers can hire a three data scientist. Anyway, anyway, go ahead.

Christian Gisy:

I think the brand investment that you're alluding to is potentially something that, and Tim was phrasing it exactly the right way. It's not about the investment above the line, the TV and so on. I think I was never a big believer in the classified, especially in the verticalized space of the spend. You're shooting at a little bird with a big cannon, which doesn't make any sense. I think what we need to build that's to the point of Tim, is we need to build something that's very comprehensive that is paying into the brand. That's what it's, so I think the old brand investment, I give you 10 million. I do it on radio and da, da, da. I think that's not what is needed, especially not in our cases where we have so strong brands. I think you need to cap keep those brands at a level, but it's what you put into the brand, what the product is looking like, the convenience, the trust. That's what is important.

Giles Thorne:

Okay, great. We got that. And then I wanted to come back to the margin impact from an ever larger channel. In the hypothetical you put forward, it was like, I think you said Open AI is going to win. It'll just be when it takes all in generative search. How can you credibly sit here and say that they won't just set any price that they want because you put some numbers up and I don't have my glasses on me, so I couldn't read the footnote, but can you really sit here and say hand on heart that Open AI is going to be a fair price setter in this five year forward hypothetical?

Suresh Krishnan:

Let me quickly recap what I put there. So I taken a solution or taken a situation where organic search was X percent and I said half of that gets paid now and comes from an LLM, whoever that is. An agent, LLM or whatever, it comes from that and it comes at a price, and the price I assumed was 50% more than today's price, assuming I'm buying a bigger traffic and I have to pay that. Could, hypothetically, an LLM be the market choice or leader by far and could they insist on pricing, monetizing it widespread at any price? So far it's all hypothetical. Yeah, maybe. But the question is then the customer value proposition that they're going to do is going to start dying down and there's enough capital in their competitive set who could come in and you could see the ad in the Super Bowl where people were clearly saying, I don't push for price and give you whatever junk you want.

That's the way it is. So I'm saying is I don't know, hypothetically, can Open AI be the number one LLM by choice and they're going to push everybody who say pay to participate. Sure, could happen. And would the Chinese leave it or will the European LLM or something else come out, Mistral or something come

up? Who knows? It's very hypothetical space, but we didn't see that happen with Google. Google didn't put up beyond say three search in the old world, they didn't say you only pay to search because they had to keep the vibrancy of the platform going. I don't see how open AI could do anything different. If they insist that you only pay and only participate, then they'll become a completely machine monetization LED funnel and then people will stop believing what this is going to say.

Will Packer:

Hi, it's Will Packer from BNP Paribas. A couple of quick follow-ups. Just going back to that bear case scenario, could you talk me through why you see the bear cases only 7% of traffic going to LLMs? That was kind of the implicit one, right? Because it was 15% of traffic via organic search and half of it being replaced.

Suresh Krishnan:

Yeah.

Will Packer:

Just sort of what's your thinking? I suppose when I speak to bearish investors in the classifieds, if you were to paint a scenario where only 7% of traffic was at a LLM base, they'd think that's a pretty benign outcome.

Suresh Krishnan:

Again, this is my hypothetical case, right? Today our traffic is 0.03%, it's less than even 0 percent. Could that become 7%? Maybe could it come at a price 50% more than what I pay? Maybe could it be not 7, could be 14. Then the question is, will somebody coming through an agent TKI source organically not find us given all the markers we're talking about, the proprietary data, the speed of innovation, all of that, I'm pretty sure, and a lot of agents, if there are agents crawling around, somebody's put a white-coded agent out there saying, go look up a property. I'm pretty sure that's probably come to Autodom first and look it up. And that's the question is if they're going to do that, then we are going to be the brand of choice.

Now that means that organic search moving away from say the Facebook or the social or Google is going to move to something called agentic. I'm assuming a worst-case saying even 50% of that becomes paid at a price 50% more than what I paid today. You can argue it's a number X or Y. My point is for us it's a 5% at worst case, kind of a margin dilution scenario, but it's not even a margin dilution. We are already finding ways we can supplement that we have enough investments going and 5% in the long run for a business like classifieds, people have found answers to that repeatedly.

Andreas Merentitis:

Just perhaps super quickly to add to what Suresh said on the will agents come to you are actually measuring it from the perspective of GEO today, and typically in most of our markets we are both number one and number two. So typically our vertical is the number one in terms of GEO references and our horizontal is the number two and the competitors are starting from position three and below. That is something that we are measuring today, at least from the perspective of generating engine optimization.

Suresh Krishnan:

And the way I think about it is end of the day, two things matter from all this. You need to have a lot of good control on data and how you're going to package it to ensure it's AI friendly and the speed development. These two continue, then you're going to still be the agentic AI's choice of brand or choice of platform.

Will Packer:

Very clear. And I suppose just to finish off this, I suppose ultimately what you're arguing today is that this is not a segment where new entrants can use price to deflate the industry. And so for classifiers, you've always had the competitive threat of cheap alternatives that never had the network effects. So effectively the network effects hold in the agentic world where agentic technology won't change the difficulties associated with acquiring inventory and you'll retain the direct traffic. That's a fair summary.

Suresh Krishnan:

Let me jump in and maybe you guys can jump in as well. Here's how I think about it. What do we have in hand? If you think about somebody in a garage white coated and said, "I'm going to build the next classifier, I'm going to deflate." Price number one, what is the price we're talking about? We are talking about a classified take rate, which is less than a percent of a value of the car or the property. Okay, what did that seller get in return? Superior AI tools, sales efforts, proprietary knowledge, trust and safety and all of that. Now this seller or this web coder need to go replicate that and, A, go after all of those distributed and fragmented supply. A lot of people who don't even go log into the computer every other day, you have to go tell them we have something that's going to do that.

And on top of that, the current cost of entry of paying the classifieds price and what they're going to get is cutting edge. So that's what makes us comfortable in arguing this case here. I'm never saying no, never, but all I'm saying is if I were somebody in the outskirts of Poland selling 10 cars, I'd be really hard-pressed to believe, why would I go into something else, first, getting access to know if that is something like that out there. And number two, instead of paying me, I don't know, 20, 30 bucks for participating on a particular car, why would I go into something I don't even trust and I'm getting all these sales efforts.

Tim Davis:

If I can add, I think you raised a really good concept of the network of what's that value of the network. One is today and I think historically classified, it was a very efficient network. It was very well cast or amortized, it had a concentration supply and the demand was very efficiently acquired and injected into that network. I don't think that will change, but the bar for providing a great network with what, and that's what I call the data, the proprietary data and the algorithm API. So we kind of had a really great run and not just classified as in the ad business of network effects with a relatively low value add.

Now we're in technology business, we must add new value year over year. So adding that value is what we're talking about is the gigantic services in our network go from just exposure or just eyeballs to actually the transactional infrastructure of the network. So I think that still is the core rephrasing what I was saying earlier, I love the network metaphor is the network has to be more valuable than the alternative. And we believe those verticalized networks and the augmentation that we are working toward in those vertical networks will be highly differentiated versus broad horizontal undifferentiated networks.

Christian Gisy:

That's the reason why Tim and Suresh are here. I would've given you the answer to say yes. Well, you are right.

Tim Davis:

Might be time for us to close.

Speaker 4:

Hi, why haven't we heard about Prosus's large commerce model today?

Andreas Merentitis:

This is something that we are actually working very closely with the Process AI team and we are already using it. So when I'm referring to deep personalization, this is very much in collaboration with Process AI and it is building on top of LCM, but generally LCM is a very generic, very powerful personalization engine. And then on top of that, you build the specific customer-facing experience that utilizes LCM as the personalization layer. So the customer-facing experience might be still, I don't know, as we said, compassed CPT or it might be add to video, but the deep insights in terms of personalization in many of those use cases will be coming from LCM.

Tim Davis:

And can I make a little bit of humor here? It's also because Kayleen told me we only had five slides, so we would love to talk about LCM, and those of you who are staying for the next couple of days, we'll probably see some of our marketing teams. So actually we're both training process LCM, our own data sets and then feed net into things like CRM. We are generating tremendous success in our marketing CRM.

Speaker 4:

How many people at OLX are working on that?

Tim Davis:

Oh my gosh, my CRM team is [inaudible 01:32:52] there's probably four technologists and seven or eight marketing people driving this. So it's highly automated. I call it 24 by 7 data mining. It's all age agentic off of the LCM infrastructure, feeding that and doing all kind of real-time closed loop triggers and marketing committees and optimization all based on the LCM itself.

Speaker 4:

So you're big fans of the LCM.

Tim Davis:

We love that. It's just one of many things that we love. But yes-

Christian Gisy:

Well, I think it goes further than just the LCM mean, let's face it because the question comes from that annual process is a good shareholder to us because they are investing huge tons of money of which

we're benefiting. And I think this is something that probably goes beyond the LCM and that's the reason why I think we are happy to be participants of it. We are contributing, but we are also getting a lot of it. And I think that's the most important message that I'm looking into if I look at it from a COO's perspective, is how is the work, how is basically not the synergies going? And that's exactly what happens.

Kaeleen Brown:

Just to add to that, we are having, I'm going to do a little pant now, a tech day on the 12th of March. And so it's kind of, well it's one of the topics that will be showcased at that particular event. So 12th of March, Amsterdam, do we have a time?

Speaker 5:

[inaudible 01:34:08].

Kaeleen Brown:

2:00. There we go.

Christian Gisy:

And Tim will be around again.

Kaeleen Brown:

And Tim will be around again. He'll have a slide, he'll be able to have a slide.

Speaker 4:

Love it.

Kaeleen Brown:

Andrew.

Andrew Ross:

I've got one more. So there's I guess three core verticals, jobs, real estate, autos. Do you have any theory as to what kind of pace each vertical might move into a kind LLM and agentic environment? Because they are, in some ways, quite different. Like houses is much more expensive than a car. Cars and houses both have images, job don't, cars are physical assets for dealers owned for puts and takes to this, which is going to happen quickest.

Andreas Merentitis:

So I'll say most likely cases that jobs will be one that is moving the faster and not only for the reasons that you mentioned, but because both the supply and the demand can be completely digitalized and accessed by agents. So if I would really have to bet, I would say probably it is jobs. Between motors and real estate it's arguable, but it's probably a bit more likely that motors moves faster and real estate after that. But as I said, from our perspective, we are preparing very much that all three will have the capabilities both from the demand side and from the supply side, support agentic journeys very, very soon.

Christian Gisy:

And potentially it's a bit of an internal element is probably jobs is the last vertical that came to the party, therefore it doesn't have a lot of legacy in terms of old product, et cetera. So we have the opportunity to think it immediately from an AI perspective and that's exactly what we're doing and I think that's the reason why maybe it's going to be faster and also the approach because the approach from the very beginning is very different.

Kaeleen Brown:

I am just going to go to the webcast. So Cesar from Bank of America asked, "Thank you for the presentation. I have three questions. One, in your bear case," I'll do them one by one. "In your bear case example you mentioned that listings are very fragmented. Does this apply only to Poland as some car markets or B2B, and it's also very different to real estate?"

Suresh Krishnan:

No, I think most of the supply is fragmented across all the verticals. It may be slightly different when you are pure place a motors vertical that focuses on a particular sub-segment of dealer space, say that's probably in La Central. But other than that, usually supply is quite decentralized and fragmented across most of our countries.

Kaeleen Brown:

And then a second question which was asked also by Marcus from J.P. Morgan, "You are talking about increasing the take rate, but aren't LLMs going to allow users to find causal property on any website or app. Could that actually not put pressure on prices as listers don't need to be present on the classifieds app or space that has the highest traffic?"

Suresh Krishnan:

Again, this goes back to the fragmented supply. A large part of our supply that pays us is SMBs who have like 10 cars, 6 cars, 5 cars, 3 cars, 87% or three or less, and they're scattered and they're all across the place now. They are getting cutting edge tool, they're getting cost of participation that is not prohibitive or inhibitive to their future. I don't see why they would not participate through us and get discovered and their supply gets discovered. So definitely I don't see that as a big risk. No.

Christian Gisy:

And I would also add for Marcus working capital that the dealer has every day that he doesn't sell the car is about 35 to 50 euros that he's basically losing. So trying to go a route and finding something that may be a bit cheaper will cost him far more money than basically staying with us where everybody knows this is the place to go because of the network effects even in an AI agentic world.

Suresh Krishnan:

And also just to remind people, right, we are just not providing visibility. We are not getting them just having somebody see their ads. We are giving them real-time chat solutions. We are giving them valuation advice. We are giving them AI platforms, dealer management tools. We have so many different things. And to Christian's point, every day of delay of working capital pays off their cost of entry in that classified. That's our take rate. So they're more worried about speed, they want to get it out-

Christian Gisy:

Sorry.

Suresh Krishnan:

... at the right price.

Christian Gisy:

If you look into the IQ thing, I mean we have them sourcing. Sourcing is not just getting the car, it's getting the car the right price because the system also knows what that car basically should be sold at. So there are a lot of intelligent elements within that that others potentially are not able to replicate because we also not have the proprietary data. We are able to advise and say if you want to sell that car, you need to go down by 500 euros, not thousand, not 250 by 500. And this is something that I think it's underestimated that when you think in the global scheme of take rate,

Tim Davis:

Kind of riffing on that point, I think Suresh made it well is that approach where I'll call it federated inventory, just being searchable through an LLM, that's the exposure model. We think the exposure model is the past. We're still making money from it, fantastic. But we look at it as sellers, the value add bottles to tooling, that's the full package of augmentation because these are super high value transactions. They're cars, their houses, their employees. These things are substantially expensive. So every tool that we can give these folks with better data, better integration, bringing more third party ecosystem services to this, I'll call it value network further pushes the center of transactional orchestration into a verticalized marketplace. Not just an exposure marketplace pushed up to an LLM. It's a strategy. I mean other people may tell you differently, but we feel convicted. That's what our customers are asking for and where we think the value lies in our business.

Kaeleen Brown:

And then the third question, "Do you think apps can disappear midterm and be replaced by a super agent or app?"

Tim Davis:

Do I think apps will disappear and be replaced by a super agent? No, I think you will see all varieties. We say modalities or delivery vehicles will continue to exist. That's what I would call agent to human, human to agent, agent to agent. We think all those permutations are super important. Again, my personal example would be I think humans for quite some time will still want human connection with looking at a real estate property where they will live with their family. I think we'll still see apps that are dedicated and there'll be some human connection to actually do appointment setting and view properties. Personally, I think there are also cases when agent to agent will be the dominant factor. And then I know we've seen this pendulum has swung in different eras of technology life and e-commerce and advertising of one single app rule all their apps versus fragmentation. I actually think what I've observed in both classifieds and other businesses is fragmentation tends to win over time and the cost of fragmentation, which is the product development cost and marketing costs are actually going down. I think AI is making it easier to build purpose-built apps, purpose-built experiences. They're all sitting on top of the same agentic core for sure. So I do not forecast a world where there's one agent which does everything for all people. I don't think that's a realistic competitive bet. Andreas, do you want to-

Andreas Merentitis:

No, I think that I actually completely agree. Generally, we see a world that there are multiple starting points of the user experience, multiple LLM providers, at least for sure Google and Open AI, perhaps Perplexity and others will end up playing there and to intend to be integrated on all of those. So that's one part. And then the other part is we are really believing that verticalized experiences win over time and, to a large extent, this is for sure true today. You saw that with the Pepsi challenge example. But we believe that this will be continuing even in the future to be the case because it really takes quite a bit of effort and expertise and domain knowledge to create those experiences and be excellent and of course data and be excellent for each of those types of different cases. So perhaps there are scenarios that are different, let's say, starting points of the experience that are mostly dominated by major players, but still the verticalized aspect will dominate. We believe at least the middle and bottom funnel, even in the worst case scenarios.

Kaeleen Brown:

Okay. Yes.

Speaker 3:

I know you've spoken a lot about how quickly you are moving. What are the two or three constraints that if you could remove them would allow you to move even faster? What are the two or three things that if you could dream about you would choose to do?

Tim Davis:

Is it okay to say regulatory? I don't know. That's a great question. What could we do to go faster? I'm going to say you kind of caught me about a direct answer. Suresh has done a great job of optimizing our capital investment flows. So we think we have tons of capital to apply to these problems.

I would say some of it is probably not in our control is consumer behavior. We like to lead that slightly, but people have to kind of look forward to an agentic world. So I think that's part of it. I think part of it is there's a large gap between an idea and making it realized. So I'll call it product market fit or making things really work well for consumers. I think that's part of the product development process and experimentation. So can we make that go faster? I'm sure there are things we could do, but we think we're running at top speed right now, so I don't think anything immediate comes to mind.

Then I would say the third piece is how do we reach more of these SMB customers through sales marketing and expanding our core base. So we've done some of that through geographic expansion. We've brought loss in trial into family and we are constantly looking how to bring more rooftops, more inventory from existing customers, which gives us more to work with. So those are, I think, the model drivers to me of what would help us go faster. But that's just my ad hoc answer. Maybe there's something else I would think of later.

Suresh Krishnan:

I'm pretty sure Tim would also say the two generic ones, availability of great talent. It's not very easy to get this kind of talent and there's always a war for talent and I think we always try to be ahead of the curve on that. And the second thing is a lot of data and proprietary data, the more you can expand it, I mean it's very tough to replicate that through synthetic data in our space. It's so embedded that if you have both of these then you'll continue to grow.

Kaeleen Brown:

And then maybe Christian, if you want to take the last question about the dreaming a little bit, what are the one or two things if you can wave a magic wand?

Christian Gisy:

[inaudible 01:46:00]. I mean ultimately I think we have laid out a picture that we believe is the right strategy. We have a lot of conviction in it and I think if we come back here, let's say in three, four years time, probably all the prediction that Suresh has around the bullet case is true. That's sort of the dream case. I think that our execution speed has not only quadrupled but have tenfolded. And Tim is basically still happy because there are apps and the fragmentation in the market is still existing now.

But jokes aside, I think that's probably the picture that I want to paint. It's not about dreaming, it's about we are driving reality. And I think with the reality that we're driving the vision, we have the strategy, we have the clear focus on our businesses, this is something that should basically deliver outcomes of which we probably don't believe today they are possible, but they are possible.

Kaeleen Brown:

Okay, I think that's a good note to end on. Thank you all for your time. The wonderful Faye has organized transport through to the restaurant that we will be going through to later. And then you'll have time to spend more time with our executives and they can explain to you how you should be managing your investment portfolio in this space. Okay. Cool. Thank you.

Tim Davis:

Thank you very much everyone.

Christian Gisy:

Give it here.