

Third Quarter Revenue for 2022

Robust +46% increase in new bookings in Q3 2022

- Record third-quarter performance
- 68% of total bookings were international, and 41% from North America

Acceleration in Order-to-Cash SaaS revenue: +23%

Revenue driven by international orders (+53%): up +12%

Tuesday October 18, 2022 | Sidetrade, the global AI-powered Order-to-Cash SaaS platform, announces a record-high third-quarter performance with a +46% increase in new bookings and a +12% increase in its total revenue, driven by international orders.

Olivier Novasque, CEO of Sidetrade commented:

“The third quarter, which is traditionally the weakest period of the year, posted record bookings of close to €1.4 million in new ARR during Q3 2022. With a +46% increase in new bookings, this quarter is in line with our first half year 2022 performance of +42%. These business results are mainly driven by international markets, notably our successes in North America which already represents 41% of total bookings for the period. In addition to this, and for the first time in its history, Sidetrade has achieved more than half of its revenue, 53%, internationally with 23% generated in North America. The ramp-up in our North American salesforce, supported by our new business hub in Calgary (Canada), will further accelerate this momentum in the quarters ahead. Sidetrade is definitively taking an important step in its development.”

Record new bookings in Q3 2022 with a +46% increase

After reporting a +42% increase for SaaS orders in the first half of 2022, Sidetrade delivered a record-high third-quarter performance, generating **€1.38 million in Annual Recurring Revenue** (“ARR”) in Q3 2022, compared with €0.95 million in Q3 2021; **a +46% increase**. The total value of these new subscription contracts over their initial contract periods (excluding renewals and services) represents **€3.87 million** of Total Contract Value (“TCV”) in Q3 2022 versus €2.42 million in Q3 2021; **a +60% increase**.

68% of total bookings were international, and 41% from North America

In Q3 2022, **international orders represented more than 68% of all bookings** with significant business successes in Europe, Latin America and North America.

Just over one year after the Company launched operations in North America, this market has become a major growth driver, accounting for **41% of total bookings** in Q3 2022 (58% in the first half of 2022). Note that this performance surpassed the Company’s initial target of achieving more than one-third of its bookings in North America by the second half of 2022.

To these SaaS bookings should be added **€0.89 million of services on an annual basis** (implementation, configuration, training, recurring services, etc.), compared with €0.63 million in Q3 2021, a **+41% increase**. In total and considering that almost all of these services will be invoiced

over the next twelve months, Q3 2022 enables Sidetrade to add the equivalent of **€2.27 million in Annual Contract Value** (“ACV”) compared to €1.58 million in Q3 2021, a **+44% increase**.

Overall, in Q3 2022, bookings by **new customers** (“New Business”) and **Cross-selling** represented 81% of the total versus 75% on average in recent quarters, with the remaining **19% of bookings** accounting for **Upselling of additional modules to existing customers**.

Lastly, it should be noted that as with all existing contracts, the new contracts include **an annual automatic price re-indexation clause** based on changes in price indices for the relevant country.

In an inflationary market environment, now more than ever, businesses must deploy efficient solutions to manage their Order-to-Cash process as they face a twofold challenge: to consolidate cash reserves with multiple hikes in interest rates while generating productivity gains to address salary increases and recruitment difficulties. This trend is expected to continue over the next 12 to 24 months with an additional increased future risk of future recession in certain countries. In this disrupted context, the management of operating working capital, and particularly accounts receivable, is a major challenge for all finance departments.

Acceleration in Order-to-Cash SaaS subscription revenue by 23% and revenue by 12%, driven by international orders

Sidetrade (€m)	Q3 2022	Q3 2021	Change
‘Order-to-Cash’ Activities	9.1	7.7	+19%
<i>of which SaaS Subscriptions</i>	7.7	6.2	+23%
‘Sales & Marketing’ Activities	0.2	0.6	-72%
Revenue	9.2	8.2	+12%

2022 information is from consolidated, unaudited data.

‘Order-to-Cash’ Activities grew very sharply **by +19% in Q3 2022**, driven by **+23% growth in SaaS subscriptions**. The growth in this recurring revenue is the result of record bookings in the 2021 fiscal year, which will continue to impact revenue growth throughout the 2022 fiscal year.

‘Order-to-Cash’ Activities, a core business within the Company’s strategy since 2019, now represent **98% of total revenue as of Q3 2022**.

The **‘Sales & Marketing’** Activities, which have become secondary to Sidetrade’s activities, now account for only **2% of total revenue in this quarter**, and will continue to decline, with estimated revenue of **€0.9 million at end-2022**.

Total revenue **grew by +12%** in Q3 2022, to €9.2 million. This performance is supported by solid growth drivers in **international markets which, for the first time in the Company’s history, represent 53% of total revenue, including 23% for North America**.

Sidetrade’s economic model provides its business with significant resilience, as 90% of its revenue is recurring, representing a significant advantage in the current and future environment.

All of these multi-year contracts are indexed to inflation (the Syntec for Southern Europe, the UK CPI for Northern Europe and the US CPI for the United States), which alters the total price of SaaS subscriptions each year by reference to changes in these price indices.

Sidetrade therefore has robust pricing power that protects the Company's future revenue against uncertainties and inflationary pressures. At present, Sidetrade perfectly combines its sound fundamentals with a highly favorable growth outlook.

Next financial announcement

Annual Revenue for 2022: January 24, 2023, after the stock market closes

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About Sidetrade (www.sidetrade.com)

Sidetrade (Euronext Growth: ALBFR.PA) provides a SaaS platform dedicated to securing and accelerating cash flow. Sidetrade's next-generation AI, nicknamed Aimie, analyzes \$4,600 million worth of B2B payment transactions daily in the Sidetrade Cloud to predict customer payment behavior and attrition risk of more than 21 million companies worldwide. Aimie recommends the best cash collection strategies, intelligently automates actions on the Order-to-Cash process, and dematerializes customer transactions to enhance productivity, performance and working capital management.

Sidetrade has a global reach, with 250 talented employees based in Paris, London, Birmingham, Dublin, Houston, and Calgary, serving global businesses in more than 85 countries. Amongst them: Tech Data, KPMG, Nespresso, Hearst, Expedia, Manpower, Securitas, Randstad, Engie, Veolia, Biffa, Saint-Gobain, Air Liquide, Inmarsat, Insight Enterprises and Bidfood.

For further information, visit us at www.sidetrade.com and follow us on Twitter [@Sidetrade](https://twitter.com/Sidetrade).

In the event of any discrepancy between the French and English versions of this press release, only the French version is to be taken into account.