

Annual Revenue 2022

All-time record bookings in 2022

- **More than €10 million in Annual Contract Value, with €6.44 million in ARR (+36%)**

United States: a robust growth driver

- **51% of total bookings in 2022**

Strong increase in Order-to-Cash SaaS revenue: +22%

Revenue driven by international orders, up +13%

PARIS, France – January 24, 2023 | [Sidetrade](#), the global AI-powered Order-to-Cash SaaS platform, announces a record year in bookings, up 36% in 2022, with a strong increase in Order-to-Cash SaaS revenue up by +22%, and solid growth in Group revenue up by 13% for the 2022 fiscal year thanks to international orders.

Olivier Novasque, CEO of Sidetrade commented:

“To date, fiscal 2022 represents the best performance in Sidetrade’s history, bolstered by unprecedented commercial momentum. Factoring in our 2022 bookings for new ARR and related services, in just one year, we have successfully become the equivalent of a SaaS player that is already expected to generate revenue of €10 million+ in 2023. This success is mainly the result of an inflationary environment fostering the deployment of Order-to-Cash solutions worldwide, and our technological edge in Artificial Intelligence, combined with the fast and impressive ramp-up in our North American activities. We can now confirm that our offensive US expansion strategy, kick-started 18 months ago, is producing results. North America has already proven that it is a robust growth driver for Sidetrade, and this is just the beginning. Our commercial successes with global businesses in preference over our direct North American competitors confirms the positioning of Sidetrade, which in a matter of months, has grown into a leader of the Order-to-Cash market in the United States. Together, we are proud of what we have achieved. As such, I wish to commend our teams across the board for their commitment, talent and resilience. Against a highly volatile and uncertain background of increased redundancy and cost reduction plans within SaaS companies, Sidetrade’s original model to continue an offensive investment policy and support its growth while maintaining profitability will provide a key competitive advantage in the months ahead.”

All-time record bookings in 2022 with more than €10 million in Annual Contract Value, and €6.44 million in ARR, up 36%

Excellent Q4, in line with performance for 2022

After setting a record for SaaS bookings in Q1 2022, Sidetrade delivered the best Q4 performance in its history with a profit of **€2.03 million in New Annual Recurring Revenue** (“new ARR”), compared with €1.67 million in Q4 2021; a **+22% increase**. The total value of these new subscription contracts over their initial contract periods (excluding renewals and services) represents **€6.88 million** of Total Contract Value (“TCV”) in Q4 2022 versus €4.15 million in Q4 2021; a **+66% increase**.

In Q4 2022, **international orders represented 54% of all bookings**, largely driven by **North America (46% of total bookings)**.

To these SaaS bookings should be added **€1.18 million of additional related services** in Q4 2022 (implementation, configuration and training excluding recurring services) – compared with €0.81 million in Q4 2021, a **+45% increase**. As a reminder, almost all of these services will be invoiced within twelve months of their signing.

In total, the Annual Contract Value (“ACV”) of these bookings in Q4 2022 was **€3.21 million** compared with €2.48 million in Q4 2021 (excluding recurring services); a **+29% increase**.

Record bookings in 2022, with more than €10 million in Annual Contract Value

In 2022, Sidetrade generated **€6.44 million in Annual Recurring Revenue (“ARR”)** compared to €4.75 million in 2021; a **+36% increase**.

Bookings linked to **services** (implementation, configuration and training, excluding recurring services) also achieved robust growth, up from €2.81 million in 2021 to **€3.84 million in 2022**; a **+37% increase**. In total, and considering that almost all of these services will be invoiced over the next twelve months (excluding recurring services which can be invoiced over several years), the 2022 fiscal year enables Sidetrade to add the equivalent of **€10.28 million in Annual Contract Value (“ACV”)** compared to **€7.56 million for fiscal 2021**; a **+36% increase**.

In addition to both record quarterly performances in 2022 (Q1 2022 is the all-time high for a quarter while Q4 2022 is the best Q4 in Sidetrade’s history), the increase in bookings is based on a continuous solid upward trend on a half-yearly basis, as illustrated by the double-digit half-year sequential growth **(+12.4%)** on average.

Sidetrade	H1 2021 (€m)	H2 2021 (€m)	H1 2022 (€m)	H2 2022 (€m)	Average half-year sequential change
New SaaS Subscriptions (ARR)	2.14	2.62	3.04	3.41	12.4%

2022 information is from consolidated, unaudited data.

North America has already exceeded expectations, becoming a robust growth driver with 51% of total bookings in 2022

In 2022, **international orders** represented **66% of all bookings**, driven largely by the multiple commercial successes in the United States.

The first eighteen months of US business have seen Sidetrade’s North American bookings continue on a strong growth trajectory, **already representing more than half the Group total (51%) on a full-year basis in 2022**, which is significantly above the target set by Management of 33% by Q4 2022. Sidetrade’s commercial wins in preference over local competitors with major North American players such as DXC Technologies in Q1 2022 (see the press release issued on 02/21/2022), Insights Enterprise in Q2 2022 (see the press release issued on 09/06/2022) and HPE, signed in Q4 2022, have already positioned the Group as one of the US’s go-to Order-to-Cash partners.

On the one hand, this excellent commercial momentum demonstrates Sidetrade’s technological edge in Artificial Intelligence with recognition by Gartner® as one of three Leaders for Integrated Invoice-to-Cash Applications in its 2022 Magic Quadrant publication (see the press release issued on 04/11/2022). On the other, it recognizes Sidetrade’s boldness to invest substantially and methodically in an experienced Order-to-Cash salesforce which will continue its ramp-up in the quarters ahead.

Sidetrade now has a workforce of close to 300 employees, with over 60% of its teams based outside of France, including 53 North American colleagues. Only eighteen months after its US operations were

officially launched, Sidetrade has a salesforce that includes three experienced VP Sales Executives and 11 Enterprise Account Sales Managers all over the country, supported by three presales and a Chief Marketing Officer now located in the US. To ensure this salesforce is fully equipped to quickly penetrate the North American market in 2023, Sidetrade made additions by hiring a team of 11 sales lead generation experts on October 1, 2022, who work from the Group's North American Business Hub opened in Calgary, Canada (see the press release issued on 10/04/2022).

Sidetrade (ARR)	2021 (€m)	2022 (€m)	Average
New SaaS Subscriptions	4.75	6.44	36%
<i>of which North America</i>	1.04	3.27	214%

2022 information is from consolidated, unaudited data.

The total value of these new subscription contracts over their initial contract periods (excluding renewals and services) reached a peak of **€20.7 million** of Total Contract Value ("TCV") for the first time **in 2022** versus €12.9 million in 2021, a **dramatic increase of +60%**. In particular, this surge is attributed to an extension of the initial contract period for new customers (excluding renewals), up from **36.2 to 44.9 months**, thereby increasing the economic model's high predictability.

Overall, in FY 2022, bookings by **new customers** ("New Business") and **Cross-selling** represented **80% of the total** versus 72% in FY 2021, with the remaining **20% of bookings** accounting for **Upselling of additional modules to existing customers** compared to 28% in FY 2021.

Lastly, attrition remains under control for enterprise accounts with a **churn rate of 3.83%** as of December 31, 2022, which represents an excellent result for the SaaS industry, whose average was 14% according to the "[2022 Private SaaS Company Survey Results](#)" by KeyBank Capital Markets.

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 18 months with an additional increased 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.

Strong increase in Order-to-Cash SaaS revenue: +22%

Revenue driven by international orders, up +13%

Sidetrade	Q4 2022 (€m)	Q4 2021 (€m)	Change	2022 (€m)	2021 (€m)	Change
'Order-to-Cash' Activities	9.5	7.9	+21%	35.9	30.3	+18%
<i>of which SaaS Subscriptions</i>	8.1	6.4	+25%	30.1	24.7	+22%
'Sales & Marketing' Activities	0.2	0.4	-44%	0.9	2.3	-61%
Revenue	9.7	8.3	+17%	36.8	32.6	+13%

2022 information is from consolidated, unaudited data.

Sidetrade capped off 2022 with outstanding growth and a record fourth-quarter performance, reflecting a year full of successes as well as an important step taken in its development.

Q4 2022 'Order-to-Cash' Activities totaled **€9.5 million**, up **21%** on the same period in 2021 and driven by sharp growth in **SaaS subscriptions (+25%)** compared with Q4 2021.

On a full-year basis, 'Order-to-Cash' Activities for 2022 increased by **18%**, thanks to strong **growth in SaaS subscriptions (+22%)**. The increase in this recurring revenue is the result of record bookings in the 2021 fiscal year and early fiscal 2022, which continued to impact revenue growth throughout the 2022 fiscal year.

'Order-to-Cash' Activities, a core business within the Company's strategy since 2019, represented **98% of total revenue in 2022**.

The **'Sales & Marketing' Activities**, which are no longer part of the Company's strategy, now account for only **2% of total revenue in 2022**, and will continue to decline, with estimated revenue of **€0.5 million at end-2023**. While the decline in revenue for these Activities impacted growth by 4% in 2022, it will automatically have considerably less impact in 2023.

Total revenue grew further by +13% in FY 2022, to **€36.8 million**. This performance is underpinned by vigorous growth in **international markets which, for the first time in the Group's history, represent 54% of total revenue, including 24% 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 international environment.

All **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.

In respect of fiscal 2022, the impact of exchange rates on the Company was not material.

Next financial announcement

2022 Annual Results: April 4, 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, 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.