

Europe's Order-to-Cash leader Sidertrade acquires major Order-to-Cash player in North America, Amalto

- An accretive acquisition for \$16m.
- The acquisition will provide a perfect synergy with Sidertrade's Order-to-Cash offer and gives Sidertrade a decisive growth gas pedal in North America.

London, UK – 6 April, 2021 | Sidertrade (Euronext Growth: ALBFR.PA), - publisher of an AI powered platform, dedicated to the management of the Order-to-Cash (O2C) cycle - has announced today conclusion of a firm acquisition agreement covering 100% of the capital and the voting rights of Amalto, one of the main players in the dematerialization of inter-company financial transactions in North America, for an amount of \$16m. With this deal, Sidertrade enriches its O2C offering, and accelerates its penetration of the North American market.

Sidertrade's offer is at \$16m in cash for 100% of Amalto's equity. In addition, the directors could receive an earn-out at the end of 2024 depending on the growth of Amalto's revenues at that date. Two month after the launch of its Fusion 100 plan aiming for revenue of \$100m by 2025, acquiring Amalto allows Sidertrade to reach an important milestone in the execution of its plan with a cumulative revenue that could approach \$43m in 2021, including \$7m in North America.

Sidertrade plans to finance the operation through bank debt in order to preserve cash for other possible acquisitions. The current cash position is €24m (\$28.6m), including treasury stock.

Amalto has offices in Houston (USA), Calgary (Canada) and Paris (France), and is the North American integration specialist for the exchange and automation of O2C documents in the Oil and Gas industry. The business helps companies in a variety of industries where companies face a very high Day Sales Outstanding (DSO); and Environmental, where vertical markets present different business processes. Amalto does 90 percent of its business sales in North America and employs 21 people, including 15 in North America. Each year, millions of transactions, representing billions of dollars, are made via Amalto cloud technology. Amalto's customers include multinational giants such as Chevron, General Electric, and Schlumberger. The company has been able to build sustainable partnerships with its customers who renew their trust over the long term with an attrition rate below 2.5%. It has been rated by global IT advisory firm Gartner as one of three 'Cool Vendors of Platform and Integration Middleware'.

In 2020 Amalto had revenues of \$4.3m and recorded high growth and profitability with EBITDA above 20%. As of 31st December 2020, Amalto had a net cash position of over \$1.2m.

Olivier Novasque, Founder, Chairman and CEO of Sidertrade, comments:

"The Amalto deal is a powerful gas pedal for Sidertrade's international business growth. Amalto's innovative solutions will enrich our B2B AI platform, and the intention is this will be rapidly available to all Sidertrade customers. Sidertrade's Cloud has recorded more than \$2.4 trillion in business-to-business transactions over the past three years. Combining the technologies and talents of Sidertrade and Amalto will support our mission to be positioned as a true world-class leader in the O2C market."

"We have been incredibly impressed by Amalto's expertise in the dematerialization of financial flows. Their solution has a considerable technological lead, with a unique capacity to automatically integrate invoices in the main accounting systems and purchasing portals. Amalto is a champion of electronic B2B document

exchange, with a unique position, focused on management of the entire O2C cycle. Amalto's experienced teams in Houston and Calgary, and their loyal US and Canadian customer base, made up of large industrial and business service groups, will give Sidertrade great leverage in the North American market."

Amalto's shareholder-directors are fully supportive of this operation and expect to pursue the adventure with Sidertrade until at least 2024. To facilitate synergy and carry out the strategic plan, Sidertrade intends to set up a new organization from day one, resulting in:

- Emmanuel Thiriez, Co-Founder and CEO of the Amalto group, joining the Sidertrade Executive committee as Chief Customer Officer, and being fully involved in the implementation of the Fusion 100 strategic plan
- Bryan Pederson, CEO of Amalto Corp, becoming AVP Customer Success, responsible for customer loyalty in North America and reporting to Emmanuel Thiriez
- The Amalto sales team immediately joining Sidertrade's US salesforce
- Sidertrade establishing their US headquarters at Amalto's Houston office
- Sidertrade expanding their Canadian business, and setting up their third Tech Hub in Calgary (after those in Birmingham, UK and Boulogne-Billancourt, France)
- Sidertrade counting on Amalto's current senior management team to ensure the continuity of product development and customer service.

Amalto shareholder-directors can expect an earn-out by the end of 2024, based on revenue growth of Amalto solutions.

Emmanuel Thiriez, Co-Founder and CEO of Amalto, adds:

"We are very pleased with the prospect of pursuing our adventure with Sidertrade. Being part of the Sidertrade family will allow us to realize our ambition of integrating the best of AI in our solutions and reaching the greatest numbers of businesses. By joining forces, we will strongly accelerate sales development in a buoyant market."

"Sidertrade presents an impressive value proposition, built on innovation, customer value and growth. Our two firms are perfectly complementary in terms of solutions and geographic coverage. Our clients and products will benefit from synergy very easily due to seamless integration. Together, we will develop innovative solutions to meet the needs of businesses across the globe."

Digital transformation is gaining momentum in global businesses. The number of organizations looking to invest in O2C platforms and paperless transactions has been growing exponentially, and yet, only 5% of businesses have already found the solution they need. The market is ripe, and the potential for international sales is enormous.

The acquisition of Amalto permits Sidertrade to expand its footprint in a booming global market and fits perfectly with its Fusion 100 strategic plan in three ways:

1. Innovation

Sidertrade will enrich its augmented cash platform for the entire O2C cycle, with two new, high valued added modules:

- Augmented Order dematerializes all incoming customer orders and automatically integrates them into information systems, regardless of format (e.g. PDF, XML, EDIFACT). This significantly saves time, and increases reliability in revenue management
- Augmented Invoicing dematerializes, manages and strengthens the reliability of all customer invoices, automatically integrating them into accounting and purchasing systems. The solution enhances customer relations and ensures that billing fully conforms with the customer's requirements to avoid payment disputes and reduce DSO.

The market launch of these two new modules in Sidertrade's Augmented Cash platform will give Sidertrade a real competitive edge, with a multitude of new sales opportunities throughout their customer base.

2. Regulatory environment

A growing number of countries are expected to make e-invoicing mandatory, as is now the case in the EU, where member countries must adapt their legislation to Directives 2010/45/EU and 2014/55/EU, which seek

to facilitate cross-border business transactions through common invoicing standards. Several EU countries have already been e-invoicing obligatory in public sector transactions to simplify tax compliance and cut costs.

3. Geographic expansion

Sidetrade already has a toehold in North America, working with big-name firms such as Expedia, Tech Data, Hearst Magazines and Talend. Now it is time for their North American business to really take off! For Sidetrade, conquering the North American market is fundamental to their ambitious development plan, called Fusion 100. The kick-off operations on North American soil, with sales management recruitment starting in February 2021, is the first step in this plan. Onboarding the members of Amalto's Houston and Calgary teams is a tremendous opportunity. The Houston operation is a chance for both to raise Sidetrade's position in the US, and to promote other Sidetrade solutions to Amalto customers. The American market for O2C platforms is estimated at \$5bn, which represents 50 percent of the global market, according to Midcap Partners.

With the operation, Sidetrade could be earning 20 percent of their income in North America, as early as next year.

Final completion of this acquisition will take place before 18th April, 2021.

For further information, visit: <https://www.sidetrade.com/amalto/>.

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Next financial release

2020 Annual Results: 20 April 2021 (after stock market closes)

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About Sidetrade (www.ww.sidetrade.com)

Sidetrade (Euronext Growth: ALBFR.PA) is a fast-growing international SaaS company unlocking customer value. Sidetrade's next-generation AI, nicknamed Aimie, analyzes huge amounts of B2B customer payment behavior data to intelligently automate the order-to-cash process. Based on predictive analytics, Aimie delivers actionable recommendations in real time to enhance retention, upsell/cross-sell, and cash collection. Aimie is a real game-changer in augmented intelligence- a system whereby individuals and machines work together faster and smarter, in complementary ways.

Sidetrade has a global reach, with 250 talented employees based in Paris, London, Birmingham, Dublin, Amsterdam, Houston, and Calgary serving clients in 80 countries. Over 2,700 businesses from large multinationals to mid-size enterprises, in a range of industries, count on Sidetrade technology to outperform the competition.

For further information, visit us at www.sidetrade.com and follow us on Twitter @Sidetrade.

About Amalto (www.ww.amalto.com)

Founded in 2005, Amalto Technologies provides innovative enterprise-level solutions enabling B2B integration and electronic document exchange. Amalto delivers services to various markets including Business Services, Chemicals, Environmental, Manufacturing, Oil & Gas, and Transportation. Present in the U.S. (Houston), Europe (Paris) and Canada (Calgary), the company supports Fortune 100 companies as well as Small-to-Medium Enterprises.

With millions of transactions and billions of dollars managed each year on behalf of its North American and European customers, Amalto delivers secured and flawless transactions between buyers, vendors, logistics providers, banks and many other types of Trading Partners.

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.