

Second Quarter Revenue for 2023

Record quarter for bookings

- All-time high for subscriptions with €2.41 million in new Annual Recurring Revenue: +178%
- Unmatched performance in services with €1.7 million: +133%
=> +158% growth in new Annual Contract Value

Increasing demand from multinational corporations

- Three global contracts won in Q2 2023
- Sidetrade's technological edge in AI recognized by finance departments worldwide

Robust growth in revenue, up 17% overall with SaaS subscriptions up 22%

July 18, 2023 | [Sidetrade](#), the global leader in AI-powered Order-to-Cash applications, today announces record bookings for the second quarter of 2023 and accelerated growth in revenue, up 17% overall, with SaaS subscriptions up 22%.

Olivier Novasque, CEO of Sidetrade commented:

"Q2 2023 was a standout quarter for Sidetrade, with record bookings, both in SaaS subscriptions and services. Outstanding figures aside, the strategic decisions made over recent years are now paying off for Sidetrade. First and foremost, on the back of substantial AI investment over the last five years and the creation of the world's first-ever Data Lake of B2B payment transactions which powers our algorithms, we have an undeniable technological edge that is hard to catch up with, and which is highly appreciated by major customers.

"What's more, our North American expansion, with some fifty new hires in the last two years, has played a successful role in accelerating our growth. In addition to direct bookings for this region, our support for multinationals on both sides of the Atlantic in deploying their Order-to-Cash solutions worldwide makes us a credible provider to large corporations on an unprecedented scale. Our foothold in the United States was key to the success behind the three global contracts we signed over the quarter with Europe-based multinationals. Quarter after quarter, Sidetrade continually demonstrates its ability to become the world leader in the fast-growing and rapidly globalizing Order-to-Cash market."

Record quarter with more than €4 million in new Annual Contract Value

Sidetrade (€m)	Q2 2023	Q2 2022	Change
New SaaS subscriptions (New ARR)	2.4	0.9	+178%
Services bookings	1.7	0.7	+133%
New Annual Contract Value (ACV)	4.1	1.6	+158%

2023 information is from consolidated, unaudited data.

In SaaS bookings, Sidetrade delivered the best quarterly performance in its history with a profit of **€2.41 million** in **New Annual Recurring Revenue** ("new ARR"), up **178%** versus Q2 2022 (€0.87 million).

SaaS bookings are supplemented by **€1.68 million of additional services** (implementation, configuration, training, recurring services, etc.) which are generally invoiced within twelve months of their signing, representing a **+133%** increase compared to Q2 2022 (€0.72 million).

As a result, the **Annual Contract Value ("ACV") of new bookings in Q2 2023 was €4.1 million** versus €1.6 million in Q2 2022; a **+158% increase**.

In Q2 2023, the **initial contract period for new customers** (excluding renewals) rose to **44.9 months**, which attests to new customers' confidence in Sidetrade. This extended contract period also increases the economic model's strong predictability.

Ramp-up in new global contracts

Q2 2023 saw Sidetrade raise its international profile by signing global contracts with Bayer AG, BIC and Dassault Systèmes. Combined with its technological edge in AI, Sidetrade's presence on both sides of the Atlantic was key to winning all three tenders. These multinationals conduct a large part of their business in the US and Europe, with separate finance departments operating simultaneously on both continents.

Sidetrade's ability to align its seasoned, regional salesforces in each region to the customer's local teams, while coordinating discussions with purchasing at group level, played a decisive role in these successes.

In addition, Sidetrade further cemented its position following Gartner's recognition of the Company for the second year in a row as one of the global leaders in the Magic Quadrant for Integrated Invoice-to-Cash applications (see [press release of May 8, 2023](#)).

On top of these three major contracts, the Group signed new contracts in France and abroad with companies including Border States (United States), Bunzl (US extension), Norauto (France), UGI (Eastern Europe, five countries), Underwriters Laboratories (United States) and Veolia North America (United States).

Introducing CashApp, an AI-based solution to revolutionize incoming payments

Part of Sidetrade's resounding success in Q2 is due to the sale of its newly launched product, CashApp. Fully integrated into Sidetrade's Order-to-Cash platform, CashApp automates the reconciliation of customers' banked payments with open invoices. Leveraging the capabilities of Sidetrade's machine learning and deep learning algorithms, all relevant data retrieved from incoming documentation – e.g., copies of checks and remittance which often accompanies completed payments – is used to expedite this correspondence. Sidetrade's cash application automates the allocation of customer payment notices to open invoices in over 90% of cases, avoiding the need for manual processes.

Harnessing the latest AI technologies, this new module has started to garner attention from major players. Bayer, for example, opted to deploy Sidetrade's CashApp solution worldwide, despite already using cash application technology. Conversely, BIC specifically selected CashApp for its Europe and US teams.

Overall, in Q2 2023, bookings by **new customers** ("New Business") accounted for **62% of the total new bookings**. **Cross-selling** represented **17% of total new bookings**, with the remaining **21% of bookings** driven by **Upselling** of additional modules to existing customers.

The global contracts have also notably impacted **the average amount for new contracts** (excluding Upselling). In Q2 2023, the average totaled **€231,000** per year of subscription ("ARR") versus €106,000 per year of subscription in Q2 2022.

Robust growth in revenue, up 17% overall, with SaaS subscriptions up 22%

Sidetrade (€m)	Q2 2023	Q2 2022	Change
'Order-to-Cash' activities	10.9	9.2	+18%
of which SaaS subscriptions	9.3	7.6	+22%
'Sales & Marketing' activities	0.2	0.3	-27%
Revenue	11.1	9.5	+17%

2023 information is from consolidated, unaudited data.

In Q2 2023, **'Order-to-Cash' activities, which are a core pillar of the Company's strategy** (98% of total revenue) were up **18%**, while **SaaS subscriptions** increased by **22%**. As part of the Company's strategy, 'Sales & Marketing' activities continued to decline in subscription terms, accounting for only €0.2 million in Q2 2023, i.e., 2% of total revenue. As a result, their impact on total growth will diminish further in the quarters ahead.

Revenue for Q2 2023 topped the €10 million mark for the first time in a quarter, totaling **€11.1 million, an increase of 17%** compared to the same period in the previous fiscal year. This growth is attributable to two factors:

- **Surge in revenue in the United States, up 37%**

In Q2 2023, Sidetrade's revenue was underpinned by **growth in international markets**, which now represent **58% of total revenue**, including **28% in North America**. Sidetrade's international expansion strategy is yielding impressive results, particularly in the United States where revenues surged by **37%**. As such, the United States is now a robust growth driver for Sidetrade.

- **Impressive growth in subscriptions with multinational corporations, up 35%**

When analyzing customer profiles for 'Order-to-Cash' activities, the share of subscriptions with **multinational corporations on annual subscription contracts in excess of €250,000**, recorded **impressive growth of 35%** in Q2 2023. **This market segment now accounts for 41% of Sidetrade's total subscriptions** and is expected to remain an important growth driver in the months ahead.

On the back of its performance in the first two quarters of 2023, the Group's management is confident in Sidetrade's ability to deliver double-digit growth in the 2023 fiscal year.

Next financial announcement

First Half Year Results for 2023: September 12, 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 \$4.6 trillion worth of B2B payment transactions daily in the Sidetrade Cloud to predict customer payment behavior and the 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 300 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, Criteo, Manpower, Securitas, Randstad, Engie, Veolia, Inmarsat, and Bidfood.

Sidetrade is a participant of the United Nations Global Compact and adheres to its principles-based approach to responsible business.

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.