

2023 Annual Report



Editorial by Olivier Novasque

CEO @Sidetrade

I am extremely proud of Sidetrade's historic achievements in 2023. We set a series of records with our bookings, reaching an aggregate annual value of €11.2 million for new contracts signed as of December 31, 2023. Our sales grew by an impressive 20% at constant exchange rates to €43.7 million, driven by a 23% increase in SaaS subscriptions. Our expansion into the United States has been deemed a success, as we significantly exceeded our goals. It has driven a spectacular 28% increase in our business. Our financial performance was outstanding: we posted a net income of €5.6 million, **with a profit ratio of 13% of sales**. Over the next year, **we fully intend to continue along this double-digit growth trajectory while maintaining robust profitability**.

Our ongoing commitment to innovation was again recognized by US-based Gartner®, which positioned us as a **Leader in the Magic Quadrant** for Integrated Invoice-to-Cash Applications for the second year running. This distinction reaffirms our goal to become the uncontested leader in the North American market.

While many people see the changes underway in our companies as risks or threats, we prefer to view them as opportunities or solutions. Today there are two transformations that have us poised on the brink of an industrial revolution. The first is the evolution of a digital economy where the speed of innovation is more crucial than ever to a company's survival. Our core mission is supporting those businesses – now and in the future – with the solutions they need to sustain growth while optimizing the value generated from their customer relations. Secondly, there are myriad challenges that each company must overcome to ensure a sustainable transition, in both human and environmental terms.

In the Order-to-Cash field, this means that we must recognize a key principle: **we can no longer get by solely on our experience and mere automation**. On the strength of our **innovation-driven culture** and our **315 employees** working across **five countries**, we are fully engaged with our clients on a daily basis to help them achieve greater operational and financial efficiency.

Artificial intelligence (AI) – and more specifically its most advanced form, generative AI – is an unprecedented accelerator in this staggering revolution. It is changing how businesses operate day to day, how they interact with their partners and employees, and is a tremendous opportunity for competitiveness. But sometimes people forget that AI is nothing without a significant volume of relevant data.

This is why we developed **Aimie, our very own artificial intelligence. She relies on a gigantic set of pooled data, the one-of-a-kind Sidetrade Data Lake, which is enriched each day by the collective experience of all our clients**. The Sidetrade Data Lake transforms millions of transactional data points aggregated in real time, into millions of indicators that enable Aimie to identify performance patterns, and then deliver to the Sidetrade client community the world's first collective intelligence dedicated to Order-to-Cash.

Controlling information has always been a key driver of competitiveness in the business world. But with AI, it is more than that: it enables finance departments **to anticipate risks, uncover value creation opportunities and fine tune their financial strategy**. It makes things better and safer. It introduces a whole new dimension to the know-how and human intelligence that are the foundation of our companies.

Our solution is already harnessing collective intelligence to radically revolutionize the way businesses engage client financial management. But soon (and the future is always measured in months in this field), **we will promise them unprecedented performance. With generative AI**, we are going to redefine the standards in our industry, raising the bar to a level never seen

before. It should be clear that we are not content to simply lead the competition. Our goal is indeed to entirely reshape the Order-to-Cash universe.

I would like to convey my sincere gratitude to every Sidetrader, partner and shareholder for their contributions to this entrepreneurial adventure, which is both a human and technological endeavor.

Together we are building the foundation for a future

where the success of the Sidetrade Group goes hand in hand with social well-being and the safeguarding of our precious planet.

Contents

Welcome to our world at Sidetrade! 6

The Order-to-Cash market and Sidetrade's positioning 10

- 11 About Order-to-Cash
- 12 A favorable environment for AI
- 13 A booming market segment
- 14 The Sidetrade ecosystem

Sidetrade = innovation + expertise 16

- 17 Augmented Cash: a comprehensive solution to optimize O2C
- 18 No AI performs without data
- 19 Mastery of data security
- 20 Sidetrade's competitive edge: Aimie
- 22 Excellence and innovation: the pillars of our Services
- 26 Client testimonials

The Fusion 100 strategic vision 28

- 29 Overview of our ambitious road map for 2025
- 29 Balancing growth with profitability
- 29 Innovating is in our DNA

Strategic and responsible governance 30

- 31 Governance that ensures profitable growth
- 34 A responsible leader in sustainable innovation
- 36 Ratings from Ethifinance and EcoVadis

A word from Finance 37

- 38 Management report
- 48 Consolidated financial statements of the Sidetrade group
- 61 Annual financial statements of Sidetrade SA
- 71 Statutory Auditors' Reports

Welcome to our world at Sidetrade!



At Sidetrade, a fast-growing international fintech, we are redefining the standards in the financial management of client relations, and Order-to-Cash (O2C) management in particular. Our expertise lies in **securing and accelerating cash flow for businesses**.

Thanks to Aimie, our artificial intelligence, we are revolutionizing the O2C cycle, from the order all the way through to payment of the customer invoice. Companies use our solutions to optimize their working capital. They enjoy increased profitability with immediate productivity gains and accelerated cash flow generation.

We are recognized as a **"Leader" in the Gartner Magic Quadrant** for Invoice-to-Cash applications, a distinction that attests to our uninterrupted push to innovate and our role as a pioneer in our industry.

Background

Innovation has been our guiding principle since our inception in 2000 as a cloud platform specializing in cash collection for businesses. Right from the start, we have been on the cutting-edge with the early adoption of the SaaS model. Thanks to that strategy, in 2015 we were able to start building **a database of recorded payment interactions between customers and suppliers**. That strategic foresight has become an undeniable technological advantage for us in today's market.

Mission

We arm finance, sales and customer service departments with **an optimized framework** in which the most advanced technologies serve as **powerful drivers of performance and efficiency**.

Our approach aims to inject agility. We combine human intelligence with artificial intelligence at every stage along the path to automating and digitizing O2C processes, including client interactions. Our mission is to support companies in their efforts to achieve growth by maximizing the value created by their customer relationships to unleash their full potential.

Vision

Today we are seeing the transformative impact of Aimie when she is fully leveraged: beyond a simple performance boost, Aimie works predictively in real time to detect sources of value that were previously overlooked or inaccessible.

In our five-year vision, we imagine a future in which companies harness our AI to directly refine their O2C processes across the entire operational value chain. By drawing on our Data Lake and mobilizing the collective intelligence of our clients, Aimie will deliver a deeper understanding and unparalleled adaptability to propel O2C practices into a new era of effectiveness and innovation.



Aimie, fueled by substantial volumes of commercial and financial data, will be **a reflection of successful experiences and actions** across the entire O2C cycle. She will transcend traditional information systems for every Sidetrade client, regardless of their line of business.

By intervening and adapting continuously to the challenges of any given moment, Aimie reduces risk and uncertainty, which in turn improves profitability.

Aimie is poised to become the ultimate O2C intelligence for large companies.

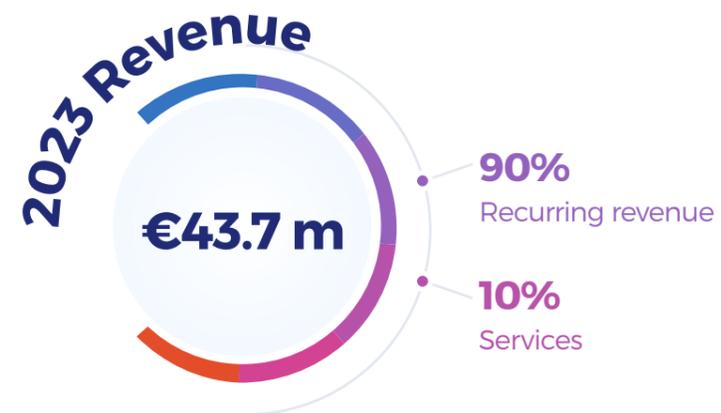
Values

The beating heart of Sidetrade is **#OneTeam**, the rallying cry for our organization. It sustains a culture built on knowledge sharing and exploring all the possibilities, allowing creativity to become the driving force of our growth.

The #OneTeam spirit permeates every aspect of our work: **it guides our teams toward customer excellence, simplifies their daily tasks and recognizes the value of their efforts**. This dynamic motivates us to foster a

sustainable working environment, generating synergies between the Company's success, social well-being, and the preservation of our environment.

Sidetrade

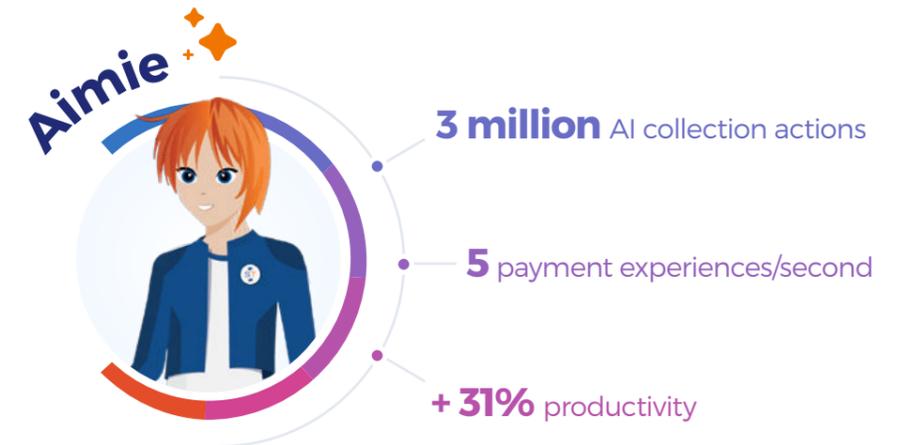


95%
Customer retention

45.5 months
Subscription
(initial period)

€5.6 million
Net profit

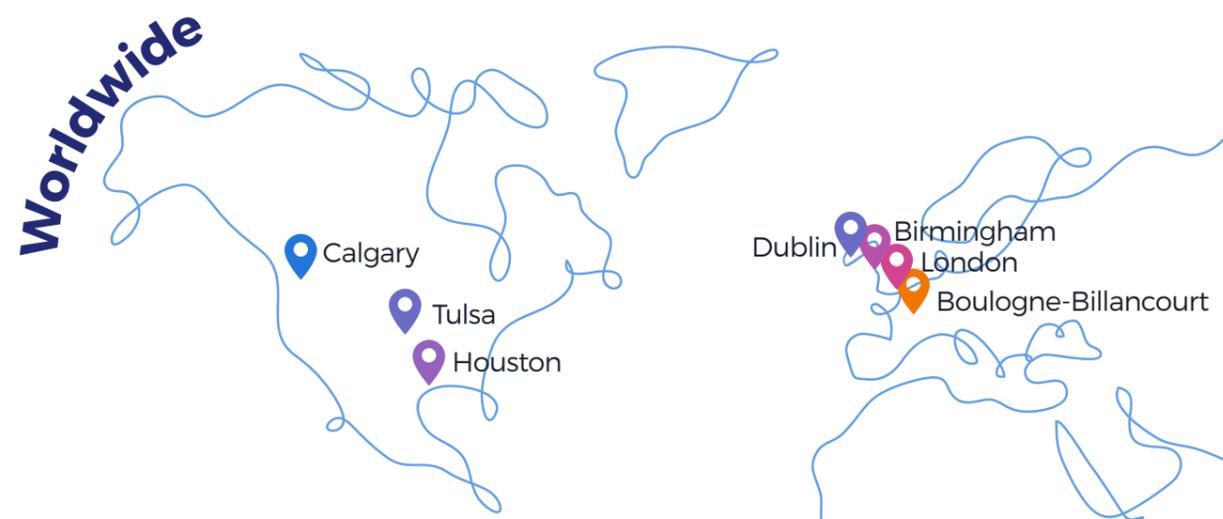
Innovation



1.1 billion
Invoices

\$6.1 trillion
Payment experiences

38.2 million
Businesses analyzed



Talent



The Order-to-Cash market and Sidetrade's positioning

About Order-to-Cash

The O2C process belies a massive challenge: harmonizing the work of multiple departments, including sales, customer relations, legal and finance. Large companies in particular encounter major stumbling blocks along the way, such as **data entry errors, delivery problems, payment processing and non-compliant invoices** – all of which undermine the efficiency of O2C.

These pitfalls are more than administrative hassles; they have a significant financial impact, leading to losses in productivity, reduced profit margins and diminished cash flow. This spurs finance departments into action: they respond with specialized teams (sales administration, billing managers, cash collectors, dispute managers, credit analysts, credit managers, accounts receivable managers, etc.) which generate additional management costs. And still, **late payments and unpaid bills continue to weigh on cash flow**, limiting operational capacity. Even worse, these problems can jeopardize a company's solvency: **nearly 25% of bankruptcies are caused by late payments.**

This is why businesses should make it a priority to implement efficient management of the O2C cycle **to preserve financial stability, optimize working capital and bolster their competitiveness.** Adopting leading-edge technology and pursuing proactive strategies transforms O2C processes. This shift entails digital automation of routine transactions, risk

O2C orchestrates end-to-end interactions between a company and its customers, from order, to billing, to payment.

anticipation and connected collaboration. It ensures full transparency and heightened responsiveness in decision-making. These enhancements shorten payment times, improve liquidity, and build a stronger business that can withstand the ups and downs of the market.

Nevertheless, a large number of companies continue to rely on traditional methods, many of which are manual and obsolete. Under such conditions, O2C management is a headache, **especially when it comes to supervising several thousand clients and hundreds of thousands of invoices**, underscoring the urgent need to innovate and modernize the practices in place.

A favorable environment for AI

In an environment in which market dynamics and opportunities shift at a startling pace, it has become crucial **to continuously rethink O2C processes** to guarantee quick and secure cash flow generation.

However, a large number of businesses are not yet leveraging the capabilities of dedicated software that could make them more financially resilient and compensate for the lack of skilled personnel. It is surprising but true that **only 10% to 15% of companies worldwide are using such solutions.** The rate of adoption is on

AI is revolutionizing cash flow forecasting and ushering in an era of more proactive, predictive risk management.

the rise: finance departments are gradually awakening to the digital revolution: they are turning to business software, prioritizing cloud solutions in order to modernize their back-office functions and significantly improve their performance.

AI is emerging as a driver of agility to power this transformation. **Such intelligence is more than an innovation to adapt rapidly to economic changes: it is a real competitive strength that puts businesses at the forefront of their industries.**

A booming market segment

Current market dynamics further emphasize the importance of proactive approaches and forcefully illustrate the ways in which Sidetrade stands out.

Digitalization

The digitization and automation of O2C processes eliminate redundant tasks, improve traceability, and simplify access to performance indicators. This digital transformation does not simply optimize operations, it also reinforces companies' social commitment. Sidetrade's AI strengthens collaboration between buyers and sellers to deliver a maximized and personalized customer experience.

Globalization

Faced with the diversity of business practices, regulations, currencies and cultures, Sidetrade impresses with its ease of integration into the various existing information systems and ecosystems, responding to the challenges of global markets while adhering to local standards.

Regulatory

Companies are responsible for respecting a complex web of legal, fiscal, accounting and environmental standards. Sidetrade ensures regulatory compliance, by guaranteeing document reliability, ensuring the traceability of transactions and preventing errors and disputes.

Competitiveness

Innovating, winning market share and building customer loyalty are key business strategies. Sidetrade enables its customers to stand out from the pack by introducing innovations to the sales cycle, cash flow generation and profitability.

Resilience

Sometimes companies must act urgently to adapt their processes. Amidst the chaos of the COVID-19 pandemic, Sidetrade was instrumental in maintaining business continuity, managing contingencies, providing financial security, preserving customer relations and preparing for a successful return to normal.



The Sidetrade ecosystem

The O2C market is global – but extremely fragmented – **with an estimated addressable market of \$10 billion**. Up against ERP giants like SAP and Oracle, whose solutions are often basic and inflexible, a host of smaller players are vying for a share of the market, leaving the field wide open. Currently, Gartner identifies about ten players offering Invoice-to-Cash applications.

In this context, Sidetrade stands out **thanks to our business line experience, technological advances in AI, a bold business strategy and a healthy balance between growth and profitability.**

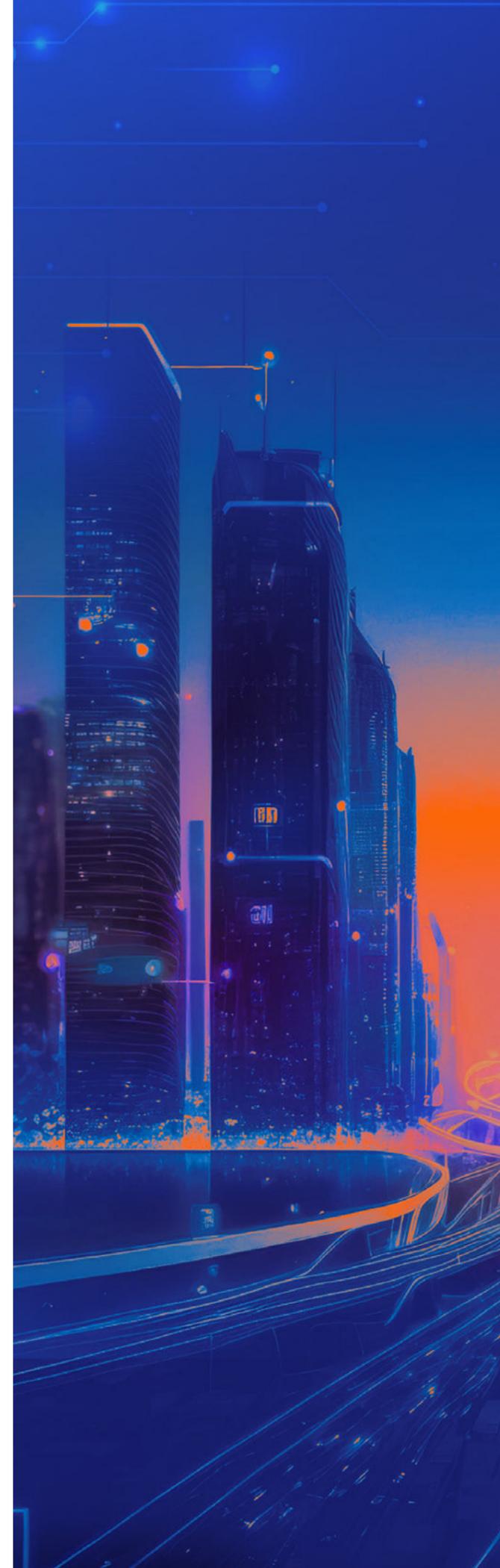
Our latest go-to-market strategy focuses on B2B companies with total sales above \$1 billion, and our influence now extends across North America and Europe.

Because it is estimated that just 20% of target companies are using a dedicated O2C solution, our potential for growth is significant.

This tactic positions us as an essential player in the O2C global landscape.

In 2023, Gartner positioned Sidetrade as a “Leader” in its Magic Quadrant for Invoice-to-Cash applications.

This recognition from a renowned American authority in technological assessments confirms **our ability to deliver on our vision and plan for the future with confidence.** Gartner highlights our role as an innovation pioneer and our commitment to research and development, while offering an array of services designed to address the needs of businesses, reflecting our excellence and market leadership.



How do late payments disrupt a company's financial equilibrium?

Consider the example of a company whose monthly sales amount to \$100 million. Under its terms and conditions, which set the payment deadline at 60 days (i.e. two months), the company would, in theory, find itself with \$200 million in outstanding receivables. But the reality on the ground is often different from the theory... In practice, payments are often made at 90 days, which raises the amount of outstanding trade receivables to \$300 million.

Imagine that the **finance department manages to reduce late payments by 50%, or by 15 days, thanks to Sidetrade.** That would amount to a net gain of \$50 million in additional cash, as well as lowering the provisions for the oldest outstanding debts.

In an economic context where interest rates are raising the cost of money, the ability to generate such cash reserves can be a real game changer. With **the extra \$50 million**, the company has the opportunity to invest, grow more quickly than its competitors, and even envision acquisitions. This advantage is all the more crucial for companies running on tight margins in an inflationary economic environment.

At the same time, businesses face dual challenges: a shortage of talent and inflationary pressure on wages. Thus, Sidetrade is poised as a solution that enables adaptation to market dynamics with **productivity gains estimated to be between 25% and 35%.**

Now let's imagine that this business employs 10 workers (cash collectors, risk managers, etc.) who each earn \$40,000, resulting in a total payroll of \$400,000. With a 30% increase in productivity, that company could lower its annual salary cost by \$120,000.



**Sidetrade =
innovation + expertise**

Augmented Cash: a comprehensive solution to optimize O2C

Our Augmented Cash software solution is designed to streamline B2B exchanges across the full span of the O2C cycle. It is critical for **accelerating payments, right-first-time invoicing and minimizing credit risk.**

Augmented Cash includes modules like customer risk analytics, e-invoicing, dispute management and cash application. The solution also offers smart processing of cash receipts and auto creation and categorization of digital cases, as well as advanced dashboard functions for identifying trends, performance monitoring and control.

With Aimie, companies see their productivity surge by 31%, enabling them to eliminate 51% of low value-added activities, while reducing operating costs by 15% to 30%.

On the strength of these various modules, the Augmented Cash solution transforms the operations of departments in charge of O2C. **It synchronizes internal processes while helping to promote a cash culture.** This empowers companies to provide an improved customer experience characterized by transparency and greater responsiveness in the financial interactions that involve all actors (sales administration, billing managers, cash collectors, dispute managers, credit analysts, credit managers, accounts receivable managers, etc.).

The real innovation of Augmented Cash is **the integration of our artificial intelligence, Aimie, which goes far beyond the mere automation of traditional, static processes** by adding an unprecedented dimension of strategic

optimization and customized operational support. Aimie drastically improves operational efficiency and minimizes the time devoted to manual tasks. Another noteworthy feature that makes her unique is that she **excels at predictive analytics.** This means, for example, that she recommends collections strategies based on the probability of success, but which are also adapted to

available resources, aiming for balanced effort management and customization for each client.

Our solutions have a positive social impact because we improve the daily experience of our users. By securing and accelerating business cash flow, we are reinforcing the soundness and financial stability of our economic fabric. This is how we are advancing a sustainable, more robust economy.

No AI performs without data

As pioneers in France in adopting the SaaS model, we have always been one step ahead of the competition, first by automating O2C processes, then by investing early in Big Data to build a database of B2B payment behaviors.

Our use of proprietary cloud technology, which began at the Company's inception and has been reinforced by years of investment in research and development (R&D), has enabled us to design a technical infrastructure that is both innovative and robust. **Our cloud platform was**

purpose-built to process large volumes of interactions between buyers and sellers. This technical capability gives us a competitive edge, improving data access and integration, and in turn, the performance of Augmented Cash.

The Sidetrade Data Lake records the behavior of more than 38.2 million business entities the world over.

Our technological leadership, which we estimate to be at least three years ahead of our competitors, has led to the development of a network of buyers and sellers, the Sidetrade Network, and the **creation of a database, the**

Sidetrade Data Lake. It constitutes a vital resource for our AI. It is not static, but rather it is updated constantly and reliably (see <https://datalake.sidetrade.com/>). The size and scope of the Sidetrade Data Lake has no equivalent in the world of O2C. Over the last five years, this directory has processed more than 1.1 billion

international payment experiences, or five invoices per second. That amounts to \$6.1 trillion in inter-company credit.

Mastery of data security

Our commitment to data security is reflected in our **ISO 27001 certification**, which we first obtained in 2019 and attests to our strict governance and proactive management of information security risks.

In February 2024, we earned **SOC 1 Type I (ISAE 3402) and SOC 2 Type I (ISAE 3000) certification**, further strengthening our credentials. SOC 1 and SOC 2 demonstrate our compliance with the most stringent international information security standards.

The scope of these certifications cannot be underestimated. The internationally recognized ISO 27001 certification is the gold standard for secure information management. It offers a sound framework for protecting data and reducing security risks. It also assures our customers that our information security practices not only comply with international standards but are regularly reviewed and improved to counter emerging threats.

Meanwhile, the SOC 1 and SOC 2 certifications focus on internal control mechanisms over processes, data, and systems. These two certifications offer additional assurance, namely proof that our services are secure and managed with the utmost rigor. SOC 1 and SOC 2 are of particular relevance to our clients who do business in regulated sectors, or those who place a premium on data security in their operations.

The adoption of these standards is **a real differentiating factor in the O2C software market.** This means our customers and partners can be certain that their data are processed in a secure framework, in accordance with international best practices, while reducing their own exposure to risks arising from the management of sensitive data. This bolsters their confidence.

Sidetrade's competitive edge: Aimie

At a time when AI tends to be seen as a commodity, the differentiating factor is the quality of the data. The reason is simple: **there is no high-performance AI without data!**

Aimie is distinctive because she has exclusive access to the Sidetrade Data Lake, which means she can mine a vast source of financial and business data. This unique capacity radically transforms payment behavior analytics and gives Aimie exceptional accuracy in predicting the dynamics of cash flow generation. Aimie is continuously enriched with millions of data points, which she leverages by applying the latest advances in machine learning, natural language processing and, more recently, generative AI. The power of our AI, fueled by our Data Lake, demonstrates our advanced expertise in algorithms.

For example, Aimie updates dunning strategies to macroeconomic shifts, pushing the boundaries of operational efficiency. She can identify the most suitable action plans to implement. She eases the burden of time-consuming, low value-added tasks for employees working on repetitive processes.

Aimie makes the complex simple by creating a seamless path to manage the O2C cycle.

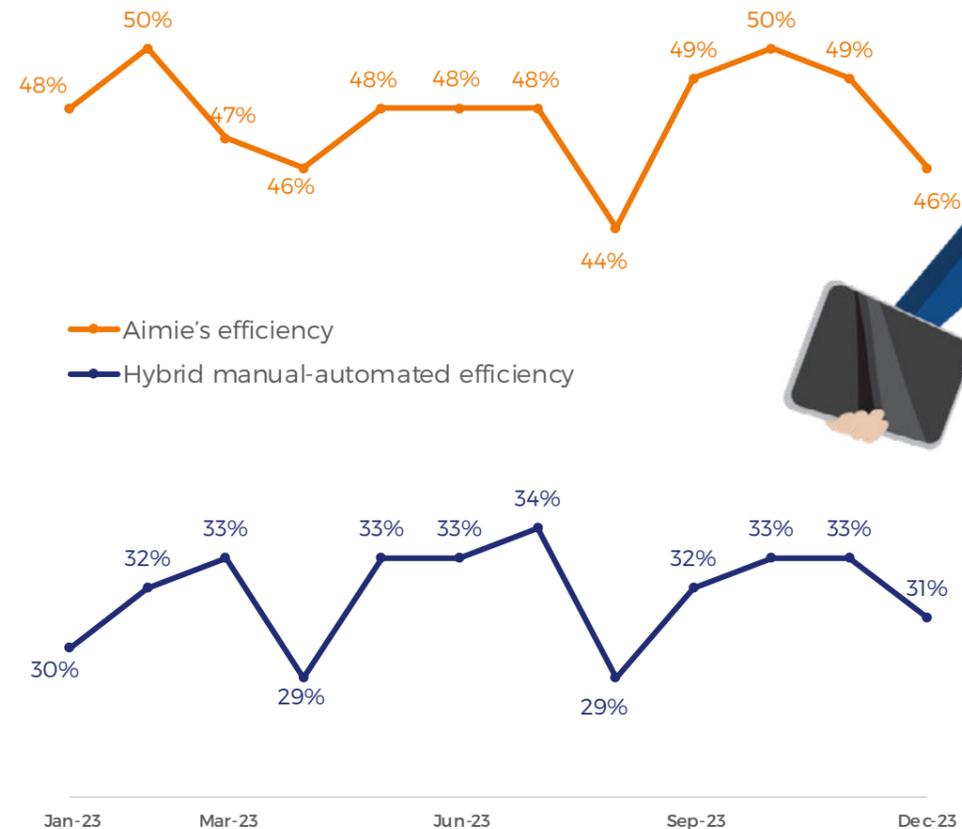
Aimie orchestrated more than 10.8 million dunning actions in 2023. This is how she boosts decision-making, with recommendations based on detailed, up-to-date data analysis.

Late payments are a universal business headache. Every CFO is trying to gauge their performance relative to their market. Aimie makes this possible, predicting each customer's delays with a confidence score and analyzing their customers' relationships with other suppliers. This strategic indicator, **Sidetrade Payment Intelligence, lets CFOs benchmark themselves against the most successful businesses** based on specific criteria, such as geography, size and business sector. It is a real revolution in financial performance analytics!

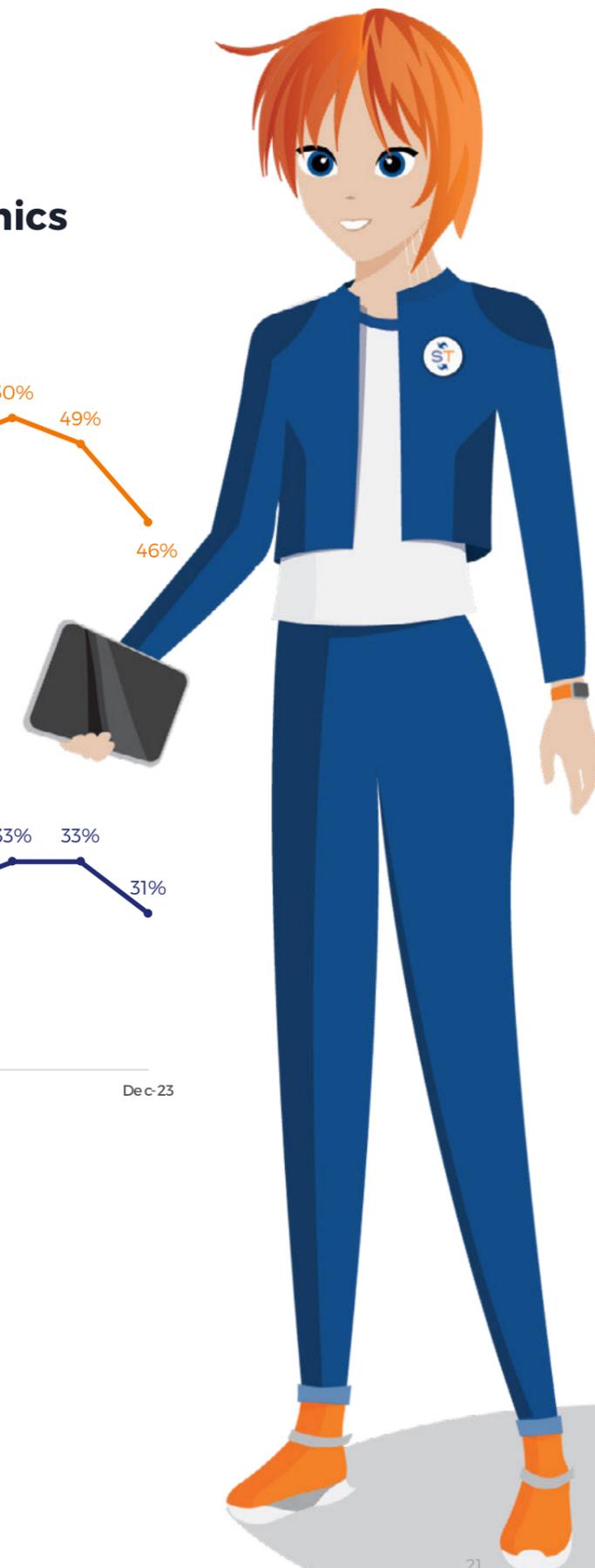
Aimie is a crucial advantage and is becoming a fully-fledged member of finance teams. In this time of talent shortages, she learns autonomously and adapts continuously to specific needs. Aimie provides **24/7 operational support in nine languages across more than 85 countries** to make companies flexible.

Breakdown of efficiency dynamics

Dunning success rate



+50%
Efficiency boost from AI



Excellence and innovation: the pillars of our Services

Augmented Cash implementation: a revolution for O2C

Our signature is built on an innovative approach and industry-leading expertise in the deployment of Augmented Cash. For this stage, our aim is to perfect O2C processes by applying best practices, capitalizing on our Data Lake and leveraging our know-how. We work proactively to make recommendations based on the analytical power of the Data Lake, supplemented by qualitative assessments during interactive workshops with our customers. This method ensures unsurpassed business line expertise for a seamless integration experience and effective change management.

Change management is coordinated through a detailed schedule. The schedule is updated at steering committee meetings and through rigorous monitoring of pending topics. This approach allows for transparency and accountability throughout the deployment of Augmented Cash. Regular weekly and monthly meetings ensure that the project progresses smoothly, and actively engages all stakeholders to deliver the project on time. The diverse skill sets of our teams, which combine project

management, working capital management advisory services, as well as functional and technical expertise, provide a tailor-made integration solution.

We also focus on ensuring that our customers get the most out of Augmented Cash. This is why we customize our training to the specific user context. The result is quick adoption and usage that delivers on the agreed objectives.

This standardized implementation method, which is also applied by our partners who implement Augmented Cash, promises deployment in just a few months.

In 2023, our project deployment revenue grew by 25%; a testament to the excellence of our services. The results were even more remarkable in North America, where our implementation teams now account for 30% of our worldwide personnel.

Efficient functional support at convenient times

We offer functional assistance for Augmented Cash; this is key to cultivating customer confidence and helps them maximize the efficiency of our solution in a secure environment.

Once they have activated Augmented Cash, our clients can access functional support five days a week, in French and English. Because our platform was designed to be cloud native, we can deliver quick technical assistance using **a single version of the software for all clients, no matter where they are in the world.**

Delivering a superior level of quality and absolute transparency to our clients and partners.

Sidetrade is committed to honoring high service levels with ambitious SLAs built into our contracts. Our website <https://trust.sidetrade.com> gives an overview of our commitments and the status of our platforms, with instant updates and an event log covering the last two years. This demonstrates our dedication to delivering a superior level of quality and **absolute transparency to our clients and partners.**

Ongoing commitment to Customer Success

Our value proposition is built around Customer Success, a department that stands as a strategic ally for our clients and is dedicated to looking after their interests. This service is critical to ensure our customers are satisfied and successful.

Each client receives personalized attention from a Customer Success Manager who is well versed in client working capital needs and the functional features of Augmented Cash. Our Customer Success Managers conduct regular performance reviews and use the analytical power of our Data Lake to home in on areas for improvement to:

- Monitor changes in objectives
- Maximize platform usage
- Optimize return on investment
- Integrate customer feedback in product upgrades

For us, adopting an advisory mindset requires no effort at all – it's second nature. Our Customer Success Managers have at least 10 years of experience with working capital needs for businesses, so they can propose a universal approach that can be adapted to each situation while summoning their in-depth business line expertise.

Just like our functional support, Customer Success is included in our contracts at no additional charge. This ensures our clients **have continuous access to expert recommendations** to help them make the most of Augmented Cash without worrying about extra expenses.



Client testimonials

We are helping companies grow in over 85 countries. Our client portfolio includes key accounts such as **Bidcorp, Biffa, Bunzl, Contentsquare, Engie, Expedia, Inmarsat, KPMG, Lafarge, Manpower, Opentext, Page, Randstad, Saint-Gobain, Securitas, Sodexo, Tech Data, UGI and Veolia**, which proves our ability to attract leaders in all sectors.

In 2022, we began targeting businesses with total sales above \$1 billion. This is an obvious indication of **the appeal of Augmented Cash in the high end of the market**, with this segment accounting for 43% of our subscriptions in 2023. We view this trend as a promising vector for growth.

This success underscores customer confidence in our teams, technology and our ability to create value in O2C.

At the end of 2023, we had attained a 48% growth rate in subscriptions by multinational firms with annual contracts greater than \$250,000.

■ **Adaptability and scalability:** Augmented Cash and our teams can respond to the complex needs of multinationals in the short and long term.

■ **Business sector expertise:** We bring an augmented understanding to the specific challenges of each sector that result in customized solutions.

■ **Reliability:** Our technology can securely analyze high volumes of customer financial interactions.

The average length of our new customers' initial commitment – which is often close to four years – and our low attrition rate

(5%, well below the industry norm of 10%), reflect our customers' satisfaction and loyalty.

What they're saying...

"I'm thrilled to announce the successful deployment of Sidetrade [...]! This marks an important step in our journey toward digital transformation and operational excellence. By integrating Sidetrade in our financial processes, we are equipped to improve our cash management and make our collections strategy more effective."

Group Finance Transformation Director
Financial Services

"It was very reassuring to hear that our team was delighted with the implementation and gave excellent feedback about the project team, and how everything came together over time, despite highly specific business challenges. On several occasions, I heard words like 'collaborative', 'adapting to our requirements' and 'solution-oriented'."

Global AR Capability & O2C Strategy Manager
ICT

"Sidetrade's international footprint and their ability to offer personalized solutions at the regional level are significant advantages for our business. Their expert analysis of our data also enabled us to access relevant, actionable information to continue optimizing our customer service capabilities."

Group Commercial Finance
Manufacturing

"By choosing Sidetrade and its AI technology, we are strengthening our leadership with immediate benefits in terms of raising cash awareness among our staff."

Chief Financial Officer
Construction & Mining

"In disruptive times when everything is changing rapidly, companies need to focus on growth without compromising their customer relationships. Thanks to Sidetrade, we will meet our financial performance goals for cash flow while helping our regional entities grow."

Executive Vice-President
Services

The Fusion 100 strategic vision

Overview of our ambitious road map for 2025

At Sidetrade, we developed our Fusion 100 strategy to strengthen our position as the O2C leader. This plan lays out an ambitious goal: **we want to generate \$100 million in annual recurring revenue (ARR) by 2025.**

Fusion 100 is consistent with current market challenges, the needs of our clients and our Group's capabilities.

- Continue to lead the way in AI and offer the most comprehensive platform on the market.
- Consolidate our leadership in the European market and become one of the Top 3 players in the US.
- Seize every opportunity for targeted external growth.

Balancing growth with profitability

Under the Fusion 100 plan, we are investing in technological innovation, especially in data science, machine learning and generative AI. We are also hiring highly skilled employees to drive these innovations and accelerate sales growth.

Our financial approach, which is based on a clear distinction between capital expenditure and operating expenses, allows for rigorous assessments, ensuring our profitability in both the short and medium term. **We have set up a robust framework that incorporates dedicated**

indicators and assessment criteria to measure the effectiveness and impact of our initiatives. Those indicators include sales growth, gross margin increase, customer retention rate and time to market.

The success of Fusion 100 depends on our ability to maintain the right balance between investments and careful resource management. **The successful completion of this project will position Sidetrade as a centaur, a software company with ARR of over \$100 million.**

Innovating is in our DNA

We are always at **the cutting-edge of innovation.** **By adopting generative AI, we are opening the door to unlimited possibilities,** dramatically improving the customization and efficiency of the services.

This is a breakthrough that will not only cement our leadership in innovation, but also ensure that our solutions meet the new digital needs of our customers in a rapidly changing world.

Strategic and responsible governance



Governance that ensures profitable growth

Our governance model is built on trust, dialogue and planning for future challenges. Our CEO, Board of Directors and Executive Committee rally around these principles.

The **Board of Directors** is at the heart of our governance, playing a decisive role in the Company's growth through **strategic thinking, engagement on key challenges and oversight of major issues**. The Board's contributions are critical in guiding Sidetrade toward the fulfillment of its ambitious Fusion 100 plan.

Our company set up a Compensation Committee several years ago as part of its corporate governance.

In September 2023, we made the Board more autonomous by appointing two new Independent Directors. With their skills and expertise in corporate strategy and business development specific to the SaaS sector, these Board members are great allies to help accelerate our future success.

2023

- 6** meetings
- €0** compensation
- 100%** attendance
- 1** employee representative
- 62** average age

Board of Directors as of April 23, 2024



Pierre-Yves Dargaud

Director,
Member of
the Compensation
Committee



Gilles Rigal

Independent
Director



Olivier Novasque

Chairman of
the Board of Directors

Christelle Dhrif

Paid Director
Member of
the CSR Committee



Jean-Luc Robert

Independent
Director



Executive Committee as of April 23, 2024

2024

10 members
9 years of service
50 average age
40% women

At Sidetrade, the **Executive Committee is responsible for the operational implementation of the guidelines issued by the Board of Directors.** It determines strategic priorities and draws up the corresponding action plans.

The strength of this body lies in the diversity and complementarity of its members, who have a variety of professional backgrounds, skills and nationalities. Their extensive knowledge of the Company and their commitment ensure the quality of their discussions and the judiciousness of their decisions. As majority shareholders since the Company's inception, our Executive Committee members articulate a coherent vision and a sound strategy for easy execution.



Olivier Novasque
CEO since 2000

A TBS business school graduate with sales experience (Bouygues Group, GE Capital), Olivier founded Sidetrade in 2000 and has been making a mark on the SaaS industry ever since with a market strategy that defies expectations. As a charismatic leader, his sense of innovation has transformed the O2C landscape and established Sidetrade as a leader. But Olivier's impact doesn't stop there, as he supports new generations of tech entrepreneurs through the Seed4soft fund.



Allison Barlaz
Chief Marketing Officer since 2024

A graduate of INSEAD, UC Berkeley and the University of Pennsylvania, with over twenty-five years in SaaS product marketing, Allison leads Sidetrade's go-to-market strategy, brand awareness, sales prospecting and upselling. Focused on value proposition, she adopts a data-centric marketing approach to achieve Sidetrade's business growth goals.



Carole Benichou
Chief of Staff since 2024

An ESCP business school graduate with two decades of experience in market strategy at Procter & Gamble and Microsoft, Carole maximizes business development, spearheads global alliances and plays a key role in M&A. Through data analysis, she fine-tunes decision-making and strengthens our competitiveness, acting as a driving force behind the Fusion 100 plan. Her appointment underscores Sidetrade's ambitions to accelerate its growth.



Jennifer Bos
Chief People Officer since 2022

A graduate of IGS business school, with two decades of experience in human resources within the software industry, Jennifer values talent development of Sidetraders, well-being and corporate culture. Her focus on onboarding, career advancement, especially for women, optimizes employee engagement and retention, contributing directly to Sidetrade's performance and competitiveness.



Christelle Dhrif
Chief Communications Officer, joined in 2005

A graduate of UPMC university, with ten years of experience in capital markets, and twenty years in SaaS, Christelle leads Sidetrade's internal and external communications, including investor relations and CSR. A true agency at the service of reputation management, turning Sidetraders into brand ambassadors, promoting unity and strategic alignment, and amplifying our influence on a global scale.



Frédéric Dupont-Aldiolan
Chief Services Officer, joined Sidetrade in 2008

A graduate of GEM business school, with thirty years of experience in implementation (including SAP Concur), Frédéric orchestrates deployment projects of Augmented Cash worldwide and our outsourcing activities – a veritable incubator for our innovations. Gifted with natural leadership, he leads a team of fifteen nationalities that forge strong relationships with our clients, the cornerstone of successful customer engagement.



Rob Harvey
Chief Product Officer, joined Sidetrade in 2012

With solid experience in B2B credit management (Accenture and Verizon), Rob fronts Sidetrade's product strategy, as well as client co-innovation and relationships with tech analysts. Involved in decisions on acquisitions and AI investments, his collaboration with Chief Technology Officer Mark Sheldon converts market trends into solutions, consolidating our leader status and creating value for Sidetrade and its clients.



Philippe Gangneux
Chief Financial Officer since 2014

Graduate from ISG, ESCLA business school, Paris, and Harvard business school, with thirty years' experience in corporate finance at fast-growing international software vendors (such as SAP BusinessObjects), Philippe leads Sidetrade's growth, maintains the optimization of financial resources, and directs M&A operations. As Corporate Social Responsibility ambassador, he ensures both the Group's financial and non-financial soundness.



Mark Sheldon
Chief Technology Officer, joined Sidetrade in 2016

Graduating with honors from Nottingham Trent University, with twenty years of experience in AI and co-founder of BrightTarget, which was incorporated into Sidetrade, Mark leads R&D, data science and IT. His leadership and pragmatism position Sidetrade well ahead of its competitors. Engaged in external growth operations and working in tandem with Rob Harvey, he fosters a culture of innovation and technological excellence.



Emmanuel Thiriez
Chief Customer Officer since 2021

Graduate from CentraleSupélec and HEC business school, Paris, beginning his career in strategy consulting and distribution, followed by twenty years of entrepreneurship in SaaS solutions for businesses (including Amalto, since acquired by Sidetrade), Emmanuel is at the heart of the ongoing enhancement of customer satisfaction. He energizes growth, collaborating with all departments to expand Sidetrade's global footprint.

A responsible leader in sustainable innovation

Mindful of the impact of our business on the world around us, in late 2022 we decided to focus on corporate social responsibility (CSR). We discovered that we had been doing CSR all along without realizing it: by stopping to consider our actions, we became aware of our commitments, culminating in the publication of our first CSR report in July 2023.



Sustainability

We are taking energy-saving measures to shrink our carbon footprint in response to the growing demands of our stakeholders around eco-friendly behaviors. Since the 2022 fiscal year, we conducted a comprehensive carbon assessment of our activities the world over (scope 1, 2 and 3), enabling us to pinpoint and control the most polluting sources of our greenhouse gas emissions. These targeted efforts highlight our ambition to tackle climate change, reiterating our role as a committed trailblazer in the AI landscape.

Collaborative excellence

Innovating and leveraging the diversity of our employees, especially women, is at the core of Sidetrade's HR strategy. This approach enriches our corporate culture, which is essential to our ongoing success in the tech sector.

Data security

Digital responsibility and data security are top priorities at a time when information protection is crucial. Our data security policy builds trust with our customers and reflects our commitment to keeping their data safe.

Ethical business practices

We apply ethical conduct in our business interactions, setting a standard for transparency and integrity. This positioning is the bedrock on which we build lasting, trust-based relationships with our stakeholders.

Sidetrade's contribution to the United Nations' Sustainable Development Goals (SDGs)



Ratings from Ethifinance and EcoVadis

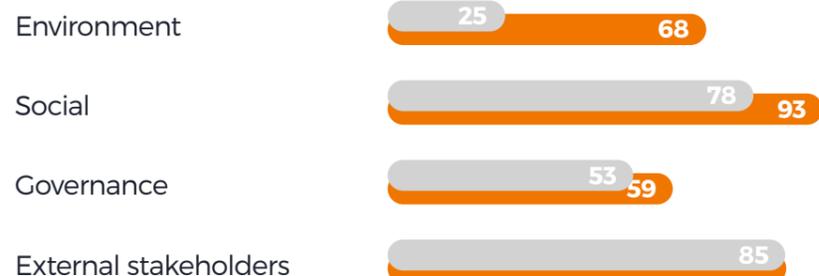
We turned to world-renowned CSR rating agencies to objectively assess our CSR commitment. Our approach was a success, earning us a Gold Medal from Ethifinance and a Silver Medal from EcoVadis. These organizations recognize our excellence in environmental and social performance and **these distinctions illustrate our leadership in our sector and restate our CSR commitments.**



Gold Medal

2023
76/100

2022
65/100



Among the top 25% (all sectors and companies rated)

2023
68/100

2022
53/100



Our efforts do more than generate a positive impact on our society and the environment: they also strengthen our reputation in the market. We are fully aligned with our corporate mission, which is to unlock companies' cash flow potential, while making a positive contribution to economic, social and environmental performance.

This commitment benefits not only our customers and employees, but also our shareholders, partners and the Group as a whole. **Our approach to CSR is intrinsically linked to our vision, which reaffirms our determination to be a good corporate citizen, mindful of current and future challenges.**

A word from Finance



Group and Company management report to the Ordinary General Meeting of 20 June 2024 for the year ended 31 December 2023

Ladies and Gentlemen,

We have called you to a General Meeting in order to report to you on the activities of Sidetrade SA (hereinafter the "Company") and the Sidetrade Group (hereinafter the "Group"), the results of our management during the financial year ended 31 December 2023, and to submit for your approval the annual accounts of Sidetrade SA and the consolidated accounts of the Sidetrade Group.

The annual accounts as at 31 December 2023, comprising the balance sheet, the profit and loss statement and the notes, have been drawn up in accordance with French accounting principles. The financial years ended 31 December 2023 and 31 December 2022 have a duration of 12 months.

The Company drew up consolidated accounts for the first time as at 31 December 2008. These include the balance sheet, the profit and loss statement and the notes, and were drawn up in accordance with ANC Regulation n°2020-01.

You will also shortly be informed of the mission of your Statutory Auditor.

Its reports, those of your Board, as well as the accounts, balance sheet and related documents or information have been made available to you under the conditions and within the deadlines anticipated by the regulatory provisions.

In accordance with the legal provisions, we present you with our management report.

1. Situation of the Group during the past financial year

Significant events

The main significant events of the year are as follows:

- The Sidetrade Group reported a turnover of €43.7M, an increase of +19%.
- The Group's operating income amounts to €5.8M in 2023, up 57%.
- The operating income includes a Research Tax Credit for €2.4M (compared to €2.3M in 2022) and activation of R&D costs amounting to €0.2M (compared to €0.3M in 2022).
- Net income amounts to €5.6M, or 13% of turnover.
- The Sidetrade Group has a solid financial structure with a cash position of €23.9M as at 31 December 2023, an increase of +€3.6M.
- The company also owns 86,697 treasury shares with an estimated value as at 31 December 2023 of €14.0M.
- Sidetrade has loans totalling €10.2M following the acquisition of the company Amalto in April 2021.

With €11.2M in new orders, Sidetrade surpassed its 2022 record, up +9%.

Sidetrade, in millions of euros	2023	2022	Variance
SaaS order intake (New ARR)	6.2	6.4	-4%
Services order intake	5.0	3.8	+31%
New Annual Contract Value (ACV)	11.2	10.3	+9%
of which North America (ACV)	4.1	3.4	+22%

The 2023 information is unaudited consolidated data.

Over the whole of the 2023 financial year, Sidetrade managed, in an uncertain economic context, to slightly exceed the record amount of its order intake in 2022 with an annual value of new contracts signed (ACV) up 9%, amounting to €11.2M. As a reminder, order intake expressed in ACV had reached a record figure of €10.3M in 2022 with a growth of 36% compared to 2021. **As such, 2023 marks the best performance in Sidetrade's history in terms of order intake.** The United States played their full role as a

growth engine with a 22% increase in order intake, accounting for 37% of the total. It is also worth highlighting the start of the reboot of the Northern Europe region (mainly in the United Kingdom) which recorded €1.09M in ACV in 2023 compared to €0.36M in 2022 (+200%), suggesting additional growth potential for 2024.

Order intake for new SaaS subscriptions amounts to €6.18M and remained almost stable compared to 2022 (-4%). In an uncertain economic context, the Company focused on strengthening the visibility of its future revenues during its contract negotiations. To this end, the average initial duration of new contracts continued to increase to 45.5 months in 2023 (compared to 44.9 months in 2022). As a result, the total value of new subscription contracts signed over their commitment period (Total Contract Value - TCV) shows a slight increase to €21.1M in 2023 compared to €20.7M in 2022. At the same time, order intake for services, which are generally invoiced within twelve months of signing, amounts to €5.04M, recording a growth of 31% compared to 2022 (to €3.84M). This sharp increase is mainly attributable to the multiplication of global roll-out projects.

In the end, the performance observed in 2023 in terms of order intake is explained by 1/ a commercial strategy initiated eighteen months ago, focused on companies with more than one billion dollars in turnover, 2/ a growing recognition of Sidetrade's lead in artificial intelligence in the market of multinational companies and notably in the United States, and 3/ the availability of a complete technological suite covering the entire Order-to-Cash cycle, resulting from a constantly sustained innovation policy.

2023 demonstrated Sidetrade's appeal to sector giants such as BIC, Agfa, NielsenIQ, Dassault Systèmes, Bayer, Nutrien and MorningStar. This harvest of leading logos is not only a token of trust on the part of these global leaders, but also a tangible validation of the relevance and effectiveness of the solutions offered by Sidetrade.

During this 2023 financial year, orders from new customers ("New Business") represent 58% of the total, while the extension to new entities within a group ("Cross-Sell") constitutes 20% of order intake. Finally, sales of additional modules to existing customers ("UpSell") represent 22% of the total.

Strong turnover growth of +19%, including +22% for SaaS subscriptions

Sidetrade, in millions of euros	2023	2022	Variance
"Order-to-Cash" activities	43.1	35.9	+20%
<i>including SaaS subscriptions</i>	36.6	30.1	+22%
Sales & Marketing activities	0.6	0.9	-33%
Turnover	43.7	36.8	+19%

The 2023 information is unaudited consolidated data. Published data.

Sidetrade's overall turnover for 2023 reached €43.7M, up +19% compared to 2022. In 2023, revenues from "Order-to-Cash" SaaS subscriptions grew remarkably, rising by 22%. Three key factors explain this performance:

Successful expansion in the United States

The United States were a quarter-on-quarter growth driver for Sidetrade in 2023, with revenues up 40% to €12.1M over the year. This successful expansion means that international sales now account for 58% of the Group's total turnover, 28% of which already comes from North America. The United States will continue to play a key role in Sidetrade's future growth.

Growing appeal to multinational companies

An analysis of the Sidetrade clientele in the Order-to-Cash segment reveals growth of 48% in subscriptions from multinational companies with annual subscription contracts (ARR) in excess of €250,000. These subscriptions now represent 43% of Sidetrade's total subscriptions and should continue to be a significant growth driver in the coming quarters.

Integration of CreditPoint Software activities

The integration of CreditPoint Software's activities, effective from 1 July 2023, contributed positively to Sidetrade's performance. Indeed, the activities of CreditPoint Software generated a turnover of €0.9M in the second half of the year, representing an impact of 2% on annual growth.

It is recalled that all Sidetrade multi-year contracts are systematically indexed to inflation (Syntec for Southern Europe, UK CPI for Northern Europe, and US CPI for the United States). This measure ensures that price changes are passed on to SaaS subscribers each year, without having to wait for contracts to be renewed.

Profitability increased sharply to 13% while investing an additional €4M

Operating income amounts to €5.8M in 2023, compared to €3.7M for the previous year, i.e. an increase of 57%. Beyond an increase in investments close to €4M, Sidetrade recorded a strong increase in its profitability under the combined effect of the higher growth, the strong growth in gross margin (which reached 81% of turnover) as well as cost optimization efforts.

The 2023 operating income includes a research tax credit for €2.4M (compared to €2.3M in 2022), as well as a marginal activation of R&D costs for an amount of €0.2M (almost identical to that of 2022, which was €0.3M).

The 2023 financial result amounts to €0.4M, a strong increase compared to 2022, largely due to the interest on short-term investments made during the year.

With regard to corporate tax, the expense is estimated at €0.6M in 2023, compared to €0.4M in 2022.

In the end, Sidetrade's net income in 2023 was €5.6M, demonstrating a good balance between investments, growth and profitability.

Acquisition of CreditPoint Software

Sidetrade is strengthening its presence on the North American market with the acquisition of the activities of CreditPoint Software, an American software publisher specializing in all areas of BtoB credit risk management. This acquisition was made in cash for an estimated amount of around €3M, part of which was paid upon signature and the rest at the end of 2023, subject to the renewal of certain customers. To this amount may be added an earn-out related to the sales of the CreditPoint Software solution made by Sidetrade over the next three years.

Sidetrade financed this operation through its treasury.

This operation was part of the execution of Sidetrade's Fusion 100 strategic plan, with the objective of reaching an ARR of \$100 million by the end of 2025. It also represents an accelerator in Sidetrade's product strategy as well as in achieving revenue of close to \$10 million in North America by 2023, thus consolidating its presence in the United States.

Strengthened financial structure

As at 31 December 2023, the Sidetrade Group has gross cash of €23.9M (an increase of €3.6M compared to 2022).

The Company also holds 86,697 treasury shares for a value of €14.0M as at 31 December 2023.

The financial debt amounts to €10.3M, a reduction of €1.7M compared to 2022.

Thanks to this strengthened financial structure, Sidetrade has a strong investment capacity allowing it to accelerate its expansion.

2. Comments on the consolidated accounts

Turnover

At €43.7 million, consolidated turnover for the 2023 financial year was up 19% compared to 2022 (turnover of €36.8 million).

This steady growth, quarter after quarter, shows how attractive Sidetrade's services are in a context where cash collection has become a vital factor for businesses, reinforced in particular by the rise in interest rates and the return of inflation.

The publisher's Saas model, where 90% of income is recurrent, has proven its resilience faced with the complex macro-economic context.

The turnover from exports in 2023 amounts to €24,026k compared to €18,555k in 2022, an increase of +29%. The turnover in the financial year is broken down by service lines as follows:

in €k	OTC Platform subscriptions	Services	Total
2023	37,287	6,452	43,739
2022	31,039	5,724	36,763
Growth	20%	13%	19%

Operational revenue

Total operational revenue amounts to €50,049k in 2023 compared to €43,345k in 2022 (+15%) and mainly includes:

- Turnover of €43,739k compared to €36,763k in 2022;
- The amount of activated development costs of €220k in 2023 (compared to €300k in 2022);
- The net Research Tax Credit recorded as an operational subsidy of €2,371k in 2023 compared to €2,314k in 2022;
- Write-backs of provisions amounting to €1,243k (compared to €1,004k in 2022) corresponding mainly to depreciation of customer receivables (€749k);
- The other income for €2,467k (compared to €2,390k in 2022) mainly corresponds to invoicing of electronic mail sending services (€2,200k).

Operating expenses

Operating expenses amount to €44,240k in 2023 compared to €39,677k in 2022 (+12%). The increase in expenses, amounting to €4,563k, is mainly due to the following expenses:

- The increase in external expenses for €2,467k (+24%)
- The increase in the payroll for €2,249k (+8%).

Operating income

The operating income is a profit of €5,808k, up 58% compared to a profit of €3,669k in 2022.

The financial result for the year is profitable and amounts to €377k compared to a profit of €114k as at 31 December 2022. This result mainly concerns interest on short-term cash investments, foreign exchange gains and losses, interest on borrowings. Taking these elements into account, the current result before tax for the financial year was +€6,185k for the 2023 financial year compared to +€3,873k for the 2022 financial year.

The exceptional result for the year is a loss of €1k compared to a loss of €3k in 2022.

The Group's net income for the year is a profit of €5,626k, up 67% compared to the 2022 financial year (€3,375k).

As at 31 December 2023, the total consolidated balance sheet amounts to €64,988k compared to €63,555k as at 31 December 2022 (+2%).

The change in balance sheet asset accounts amounts to €1,433k and essentially includes:

- The increase in goodwill (+€5,131k) corresponding to the goodwill of CreditPoint Software (+€3,130k), a provision for earn-outs following the purchase of assets of CreditPoint (+€1,730k) and a provision for earn-outs following the acquisition of Amalto (+€271k);
- The increase in cash and cash equivalents (+€3,593k);
- The decrease in customer receivables (-€5,948k);
- The decrease in Other receivables (-€976k);

The decrease in non-performing assets (-€412k).

- The change in liability items mainly concerns:

- The increase in equity (+€4,911k);
- The decrease in loans and other financial debts (-€1,724k);
- The increase in advances and deposits received (+€888k);
- The decrease in tax and social security debts (-€443k);
- The increase in other debts (+€1,869k);
- The decrease in deferred income (-€3,722k);
- The decrease in the Conditional advances item (-€425k).

Headcount

The headcount at 31 December 2023 is 313 employees. The headcount is broken down as follows:

- 218 men and 95 women,
- 309 permanent contracts, 4 fixed-term contracts
- 116 management level staff, 7 employees and supervisors, and 190 other staff (foreign subsidiaries).

The average headcount over the financial year is 297 employees.

3. Foreseeable evolution of the Group's situation

The year 2023 saw a performance in terms of order intake that was unprecedented in Sidetrade's history, despite a complex macroeconomic context. Taking into account the inherent mismatch in our business between order intake and generated revenue, we now know that our revenue growth in 2024 will be in double digits.

In terms of revenue, Sidetrade achieved a remarkable year 2023 with an increase of 19%. This new growth is mainly due to the success of our expansion in the United States, with a 40% increase in our turnover to more than 12 million euros, or nearly a third of the Group's overall activity, fewer than three years after the start-up of this region. At the same time, the commercial approach targeting large multinational groups largely contributed to this dynamic with a 48% increase in subscription revenues from this segment, which now account for nearly half of total recurring revenues. In this regard, our lead in artificial intelligence is increasingly perceived by major contractors that have become significantly more mature on the subject, as demonstrated by our commercial success rate on contracts won against market leaders in the United States, which rose from 45% in 2021, to 68% in 2022 and to 79% in 2023.

Quarter after quarter, Sidetrade continues to demonstrate its ability to become the global reference player in an increasingly globalized Order-to-Cash market.

In a still volatile and uncertain environment, Sidetrade's original model, based on pursuing an offensive investment policy to support its growth while preserving its profitability, will remain a decisive competitive advantage in the months to come.

Sidetrade is therefore approaching the 2024 financial year with confidence, a clear vision for its future and the means to live up to its ambitions.

4. Significant events since 31 December 2023

N/A

5. Research and development activity (Group)

During this financial year, the Group increased its Research and Development efforts. The research program meets the requirements of a "Research Tax Credit" program. Its base amounts to €9,053k in 2023. In addition, €220k have been activated for development costs. The amount of net research tax credit amounts to €2,400k for 2023. A portion (€94k) of this tax credit was recorded as deferred income corresponding to the activated share of development costs.

6. Significant acquisitions of equity interests (shareholdings or voting rights) in companies having their registered office in France, or acquisition of control of such companies; disposals of such equity interests)

N/A

7. Activity and result of the Company and its subsidiaries

Sidetrade SA

The turnover amounts to €39,318k compared to €31,959k for the year 2022 (+23%). The turnover from exports amounts to €18,691k in 2023 compared to €13,751k in 2022 (+36%).

in €k	OTC Platform subscriptions	Services	Total
2023	35,114	4,204	39,318
2022	28,396	3,563	31,959
Growth	24%	18%	23%

"OTC Platform Subscriptions" activities increased by 24% with a turnover of €35.1M.

"Services" activities achieved a turnover of €4.2M, up 18%.

Total operational revenue amounts to €43,437k in 2023 compared to €37,431k in 2022 and mainly includes:

- Turnover is €39,318k in 2023 compared to €31,959k in 2022;
- The amount of activated development costs is €220k in 2023 (compared to €300k in 2022);
- Provision write-backs for an amount of €438k mainly correspond to provision write-backs for employee litigation (€225k). The amount of provision write-backs amounts to €1,031k in 2022;
- The re-invoicing of postage costs as part of automated routing services amounts to €2,200k compared to €2,247k in 2022;
- Re-invoicing of expenses for the benefit of the subsidiary Amalto Technologies Corporation for €865k compared to €1,074k in 2022;
- Re-invoicing of expenses to the subsidiary Sidetrade Ireland for €113k compared to €118k in 2022.

Operating expenses for the year amount to €42,426k compared to €37,552k for the 2022 financial year. The increase in operating expenses of €4,874k is notably explained by:

- The increase in external expenses (+€4,054k);
- The increase in payroll costs (+€758k);
- The increase in provisions for risks (+€208k).

The operating income is a profit of €1,010k compared to a loss of €122k in 2022.

The financial result for the year is a loss of €1,287k compared to a profit of €117k in 2022.

Financial income mainly includes interest on cash investments of €539k and provision write-backs for depreciation of Ondiflo securities and receivables for a total amount of €264k.

Financial expenses mainly include the provision for depreciation of BrightTarget securities of €1,415k, interest on borrowings of €370k, interest on current accounts of €265k, and a foreign exchange loss of €241k.

Taking these elements into account, the current result before tax for the financial year was -€277k for the 2023 financial year compared to -€5k in 2022.

The exceptional result for the year shows a profit of €24k and mainly concerns capital gains on treasury shares of €70k and capital losses on treasury shares of €44k.

In 2023, corporation tax totals a credit of €2,075k which corresponds to a Research Tax Credit.

As at 31 December 2023, the Company's balance sheet amounts to €66,254k compared to €66,131k as at 31 December 2022.

The change in balance sheet asset accounts amounts to €121k and essentially concerns:

- The decrease in customer receivables (-€6,049k);
- The increase in the amount of goodwill (+€5,131k);
- The decrease in the amount of other tangible fixed assets (-€129k);
- The decrease in financial fixed assets (-€1,626k) following the impairment of BrightTarget's shares of €1,415k;

- The decrease in other receivables (-€921k);
- The increase in cash, cash equivalents and investment securities for (+€3,489k);
- The increase in prepaid expenses (+€290k).

The change in liability items mainly elicits for the following remarks:

- The increase in equity (+€1,823k) related to a profit for the year of €1,823k;
- The decrease in guaranteed advances (-€425k);
- The decrease in borrowings (-€1,688k);
- The increase in supplier debts (+€152k);
- The decrease in tax and social security debts (-€334k);
- The increase in other debts (+€4,398k) including €2,000k in provisions for earn-outs related to the acquisitions of CreditPoint and Amalto;
- The decrease in deferred income (-€3,644k);
- The decrease in exchange difference liabilities (-€128k).

BrightTarget

As at 31 December 2023, the Company holds 100% of the capital of BrightTarget acquired on 21 November 2016.

In FY23, BrightTarget contributed all of its assets and liabilities to Sidetrade UK.

This start-up specializes in artificial intelligence applied to the marketing and commercial performance of companies.

The company is linked to Sidetrade SA by a management fees agreement that notably provides for the invoicing of marketing and structural expenses incurred in the United Kingdom. The costs incurred by the subsidiary during the year represent an amount of €313k.

During the 2023 financial year, turnover (intra-group) amounts to €870k, including €313k with Sidetrade SA. The net result is a profit of €1,242k.

Sidetrade UK Limited

As at 31 December 2023, the Company holds a British subsidiary incorporated on 16 August 2011, the company Sidetrade UK Limited, of which it holds 100% of the capital.

The objective of Sidetrade UK Limited is to develop the Sidetrade Group's offer on the UK market.

The company is linked to Sidetrade SA by a management fees and business development agreement that notably provides for the invoicing of marketing, R&D and structural expenses incurred in the United Kingdom. The costs incurred by the subsidiary during the year represent an amount of €7,417k.

The turnover (intra-group) amounts to €8,271k. The net income of Sidetrade UK is a loss of €184k.

Sidetrade Limited Ireland

As at 31 December 2023, the Company holds an Irish subsidiary incorporated on 19 July 2013, the company Sidetrade Limited, of which it holds 100% of the capital.

The objective of Sidetrade Limited Ireland is to provide a pan-European shared service center.

The company is linked to Sidetrade SA by:

- a shared service desk re-invoicing agreement as well as a commercial cost re-invoicing agreement. The costs incurred for the subsidiary during the year represent an amount of €113k.
- a business development agreement that notably provides for the invoicing of marketing and structural expenses incurred on Irish territory. The costs incurred by the subsidiary during the year represent an amount of €556k.

The turnover amounts to €2,443k, including €1,887k outside of the Group. The net income of Sidetrade Limited Ireland is a loss of €401k.

Sidetrade BV

As at 31 December 2023, the Company holds a Dutch subsidiary incorporated on 29 March 2015, the company Sidetrade BV, of which it holds 100% of the capital.

The net income of Sidetrade BV is a profit of €10k.

Sidetrade Inc

As at 31 December 2023, the Company holds a US subsidiary incorporated on 9 January 2020, the company Sidetrade Inc, of which it holds 100% of the capital.

The objective of Sidetrade Inc is to develop the Sidetrade Group's offer on the American market.

The company is linked to Sidetrade SA by a business development agreement that notably provides for the invoicing of marketing and structural expenses incurred in the United States. The costs incurred by the subsidiary during the year represent an amount of €5,808k.

The turnover (intra-group) amounts to €6,415k. The net income of Sidetrade Inc is a profit of €647k.

Amalto Technologies Corporation

As at 31 December 2023, Amalto Corporation is 100% owned by Sidetrade SA following the absorption of Amalto SA by Sidetrade SA as at 31 December 2021.

The objective of Amalto Technologies Corporation is to develop the Sidetrade Group's offer on the American and Canadian markets.

The company is linked to Sidetrade SA by a re-invoicing agreement, based on the total amount of subscriptions billed to the customers of Amalto Technologies Corporation. The amount invoiced to the subsidiary during the financial year amounts to €865k.

The turnover amounts to €2,569k. The net income of Amalto Technologies Corporation is a profit of €1,079k.

Sidetrade Canada Ltd

As at 31 December 2023, the Company holds a Canadian subsidiary incorporated on 30 June 2022, Sidetrade Canada Ltd, of which it holds 100% of the capital.

The objective of Sidetrade Canada is to develop the Sidetrade Group's offer on the Canadian market.

The company is linked to Sidetrade SA by a management fees agreement that notably provides for the invoicing of marketing and structural expenses incurred on Canadian territory. The costs incurred by the subsidiary during the year represent an amount of €2,127k.

The turnover (intra-group) amounts to €2,127k.

The net income of Sidetrade Canada Ltd is a profit of €173k.

8. Group Risk Management Policy

The current global economic situation related to rising inflation, increasing rates, and risks of recession are all risks that could impact the company's financial situation:

- **Inflation risk:** Our solutions for securing and accelerating cash flow are even more relevant for companies in the current context. As such, we believe that our pricing power will be favorably correlated with rising inflation. On the one hand, almost all of our SaaS subscription contracts are automatically indexed annually to price changes, and on the other hand, the return on investment of our solutions is directly proportional to the cost of cash made available to our customers.
- **Rate risk:** due to the Group's good cash flow as at 31 December 2023, and a borrowing situation with a hedged rate structure, the risk is limited.
- **Risk of recession:** as a result of the investment freeze, order intake could be weaker, with a marked impact on growth in 2024.

In addition, the main usual risks identified by the Company are summarized below:

- **Risks relating to the Group's business,** notably those relating to market acceptance of the business model, which is a major strength of the software publisher, those relating to competition, which could threaten the Company's leading position, and those relating to the economic environment in the current context of liquidity crisis, those relating to data security, which is covered by a contract and a state-of-the-art technological organization, those relating to technological obsolescence, which would mean that the software would not meet future market demand, and those relating to scalability, which could lead to service unavailability.
- **Operational risks,** particularly those related to dependence on key employees.
- **Market risks,** such as those associated with a portion of cash invested in French mutual funds (FCP) with a mix of equity and fixed income investments, or those associated with foreign currency transactions, notably in pounds sterling and dollars, which may generate a foreign exchange risk for the Group.
- **Legal risks,** including those covered by insurance.
- **Risks relating to shares,** notably the fact that the Company's shares are not listed for trading on a regulated market and therefore do not benefit from the corresponding guarantees, and that the price of the Company's shares may fluctuate significantly.

- Risks relating to the possibility of significant disposals of Sidetrade shares made possible by the improved liquidity of Sidetrade shares since the transfer to the E1 listing group of the Euronext Growth Paris market.

9. Information relating to the distribution of capital and self monitoring

In accordance with article L. 233-13 of the French Commercial Code, we inform you that:

- Mr. Olivier Novasque holds 36% of the Company's registered capital and 36% of the voting rights.

We also inform you that Sidetrade holds 86,697 treasury shares as at 31 December 2023, or 6% of the share capital. The book value of these treasury shares is €6,641 K and the market value is €14,045 K as at 31/12/2023. Treasury shares are acquired for the purpose of holding them and subsequently delivering them in connection with external growth transactions.

Under the liquidity contract, Sidetrade purchased 10,705 shares at an average price of €144.98 and sold 9,797 shares at an average price of €146.07 during the year.

10. Non-tax deductible expenses

In accordance with the provisions of articles 223c and 223d of the French General Tax Code, we inform you that the Company has not recorded any non-deductible expenses or charges referred to in article 39-4 of the French General Tax Code.

11. Dividends distributed

In accordance with the law, we remind you that:

- The 2023 Annual General Meeting decided not to distribute dividends in respect of the 2022 results.
- The 2022 Annual General Meeting decided not to distribute dividends in respect of the 2021 results.
- The 2021 Annual General Meeting decided not to distribute dividends in respect of the 2020 results.
- The 2020 Annual General Meeting decided not to distribute dividends in respect of the 2019 results. Participation des salariés au capital.

12. Employee share ownership

In accordance with the provisions of article L. 225-102 of the French Commercial Code, we hereby report to you on the status of employee share ownership in the Company on the last day of the financial year, i.e. 31 December 2023: as at 31 December 2023, 44 employees held registered securities of the Company representing 5.2% of the capital.

13. Information concerning the mandate of the statutory auditors

ERNST & YOUNG et Autres, the registered office of which is at 1 place des Saisons La Défense 92400 Courbevoie, as statutory auditor for a term of six financial years, ending at the close of the General Meeting called to approve the financial statements for the year ending on 31 December 2025.

Yuma Audit, the registered office of which is at 5 rue Catulle Mendès, 75017 Paris, as statutory auditor for a term of six financial years, ending at the close of the General Meeting called to approve the financial statements for the year ending on 31 December 2028.

Auditex, the registered office of which is at 1 place des Saisons La Défense 92400 Courbevoie, as alternate statutory auditor for a term of six financial years, ending at the close of the General Meeting called to approve the financial statements for the year ending on 31 December 2025.

14. Payment terms for suppliers and customers

Pursuant to article L441-6-1 of the French Commercial Code, we inform you of the breakdown of trade receivables and payables at the balance sheet date.

	Article D. 441 I. - 1° of the French Commercial Code: Invoices received but not yet paid at the end of the financial year when due						Article D. 441 I. - 2° of the French Commercial Code: Invoices issued but not yet paid at the end of the financial year when due					
	0 day indicative	1 to 30 days	31 to 60 days	61 to 90 days	91 days and +	Total (1 day and +)	0 day indicative	1 to 30 days	31 to 60 days	61 to 90 days	91 days and +	Total (1 day and +)
(A) Late payment bracket												
Number of invoices concerned	40	-	-	-	-	67	143	-	-	-	-	158
Total amount of invoices concerned (incl. VAT)	766	217	4	4	61	1 044	4 006	2 826	263	46	776	7 916
% of total purchases for the year (ex-VAT)	3%	1%	0%	0%	0%	4%	-	-	-	-	-	-
% of turnover for the year (ex-VAT)	-	-	-	-	-	-	10%	7%	1%	0%	2%	20%
(B) Invoices excluded from (A) relating to disputed or unrecorded debts and receivables												
Number of invoices excluded							-	-	-	-	-	-
Total amount of excluded invoices (specify ex-VAT or VAT incl.)			N/A				-	-	-	-	-	-
(C) Reference payment terms used (contractual or legal - article L. 441-6 or article L. 443-1 of the French Commercial Code)												
Payment terms used for the calculation of late payments	Contractual deadlines: due date indicated on the invoice											

15. Bonus share allocation plan

Authority was granted to the Management Board by the General Meeting on 17 June 2021 to allocate bonus shares to Company employees and/or eligible corporate officers within the limit of 3% of capital, i.e., 43,000 shares. This authority was granted for a period of 38 months with effect from 17 June 2021.

The Management Board meetings on 8 June 2022 and 28 March 2023 drew up an initial list of 62 individuals who could benefit from the bonus share allocation plan (BSAP) representing a total of 34,022 shares, i.e., a maximum dilution of 2.3%.

As at 31.12.2023	BSAP
Date of the General Meeting	17/06/2021
Date of the Management Board meeting	08/06/2022
Number of shares authorised	43,000
Number of shares allocated	34,022
Number of void allocations	986
Number of shares issued	0
Total number of shares which can be issued	
Total number of shares	34,022
- Of whom corporate officers	1,795
Number of individuals concerned	62
- Of whom corporate officers	1

16. Table of results for the last five financial years

Attached to this report is the table referred to in amended article 148 of the Decree of 23 March 1967, showing the Company's results over the last five financial years.

17. Allocation of net income

We propose to allocate the net income for the year, i.e. 1,822,553 euros, as follows:

in euros	12.2023
Profit for the year	1,822,553
Previous legal reserve	145,198
Prior retained earnings	15,674,268
Allocation of net income	-
- to the Legal Reserve account in order to increase it to 10% of the share capital	1,594
- to the shareholders' account by the allocation of a dividend per share	-
- to retained earnings for the balance	1,820,959

18. Directors' fees

Finally, you will be asked to vote on the allocation of directors' fees to your Management Board. We propose that no directors' fees be paid.

We ask you to approve the Company's annual accounts for the year ended 31 December 2023 and the Group's consolidated accounts for the year ended 31 December 2023 as presented to you, the Management Board's management report and the Statutory Auditors' report, and to appropriate the net income for the year in the manner described above.

We also ask you to approve the conclusions of the Statutory Auditor's special report concerning the agreements indicated in articles L 225-38 et seq. of the French Commercial Code.

Finally, we kindly ask you to grant discharge to the directors for their management.

The Management Board

Table of results for the last five financial years

in €k	12.2023 12 months	12.2022 12 months	12.2021 12 months	12.2020 12 months	12.2019 12 months
A – Capital at the end of the financial year					
1. Share Capital	1,468	1,452	1,436	1,425	1,416
2. Number of existing ordinary shares	1,467,926	1,451,984	1,436,091	1,425,496	1,416,406
3. Maximum number of future shares to be created by exercising subscription rights	-	-	-	-	-
B – Operations and results of the financial year					
1. Turnover excluding taxes	39,318	31,959	27,764	26,641	23,189
2. Income before taxes, employee profit-sharing and depreciation, amortization and provisions	1,890	185	2,381	1,525	1,020
3. Tax on profit	(2,075)	(1,993)	(1,625)	(1,646)	(1,833)
4. Employee profit-sharing due for the financial year	-	-	81	63	-
5. Income after taxes, employee profit-sharing and depreciation, amortization and provisions	1,823	1,916	2,666	2,701	856
6. Distributed income (during the year)	-	-	-	-	-
C – Earnings per share (in euros)					
1. Income after taxes, employee profit-sharing, but before depreciation, amortization and provisions	1.29	0.13	1.66	1.07	0.72
2. Income after taxes, employee profit-sharing and depreciation, amortization and provisions	1.24	1.32	1.86	1.89	0.60
3. Net dividend allocated to each share (during the year)	-	-	-	-	-
D – Personnel					
1. Average number of employees during the year	118	118	109	111	123
2. Total payroll for the year	9,626	9,374	8,101	7,737	8,521
3. Amounts paid in respect of social security charges for the year	4,544	4,038	3,518	3,329	3,533

Consolidated financial statements of the Sidetrade group

1. Consolidated balance sheet

Consolidated balance sheet - assets (in €)	Notes	Gross values	Amortization & depreciation	12.2023	12.2022
Uncalled share capital					
Goodwill	Note 1	23,053,457	(820,415)	22,233,042	17,102,352
Company start-up fees		30,000	(30,000)	-	-
Development costs		4,030,983	(3,544,316)	486,667	500,000
Concessions, patents, licences and similar rights		484,847	(425,440)	59,407	92,963
Customer relations		3,000,000	(300,000)	2,700,000	2,850,000
Intangible fixed assets	Note 2	30,599,286	(5,120,172)	25,479,115	20,545,314
Constructions		26,543	(26,543)	-	-
Facilities, buildings and equipment		667,052	(294,871)	372,181	199,796
Other tangible fixed assets		4,201,852	(3,425,410)	776,442	936,307
Tangible fixed assets	Note 2	4,895,447	(3,746,824)	1,148,623	1,136,103
Shares		-	-	-	-
Receivables from equity interests		-	-	-	-
Loans		342,590	-	342,590	359,982
Deposits and guarantees deposited		573,081	-	573,081	652,346
Non-performing assets		185,047	-	185,047	597,032
Financial fixed assets	Note 3	1,100,719	-	1,100,719	1,609,360
Fixed assets		36,595,452	(8,866,996)	27,728,456	23,290,778
Work in progress in stock					
Customer receivables and related accounts receivable		9,671,129	(1,162,091)	8,509,038	14,457,431
Customer receivables and related accounts receivable	Note 4	9,671,129	(1,162,091)	8,509,038	14,457,431
Other receivables and adjustment accounts	Note 5	3,517,127	-	3,517,127	4,492,949
Investment securities		19,949,849	-	19,949,849	12,223,071
Cash		3,840,928	-	3,840,928	8,109,002
Interest incurred not due - liabilities		161,035	-	161,035	26,377
Cash and other	Note 6	23,951,813	-	23,951,813	20,358,450
Prepaid expenses	Note 7	1,281,708	-	1,281,708	954,921
Current assets		38,421,777	(1,162,091)	37,259,686	40,263,751
Total Assets		75,017,229	(10,029,087)	64,988,142	63,554,530

Consolidated balance sheet – liabilities (in euros)	Notes	12.2023	12.2022
Capital		1,467,926	1,451,984
Capital bonuses		4,908,402	4,924,344
Consolidated reserves		25,634,736	22,755,247
Treasury shares		(6,640,919)	(6,421,167)
Net income (group share)		5,626,400	3,374,826
Net investment subsidies		-	-
Regulated provisions		-	-
Total equity	Note 9	30,996,544	26,085,233
Condition advances	Note 10	309,352	733,892
Other equity		309,352	733,892
Provisions for risks		558,146	595,956
Provisions for pensions and retirements		155,444	124,639
Provisions for risks and expenses	Note 11	713,590	720,595
Loans and other financial debts		10,216,471	11,940,920
Deposits and guarantees received		4,587	4,636
Interest incurred on loans		10,918	12,733
Bank credit facilities		40,304	30,789
Financial debts	Note 12	10,272,280	11,989,078
Advances and deposits received against orders		1,572,424	684,160
Suppliers and related accounts	Note 13	2,431,534	2,353,503
Tax and social security debts	Note 14	4,957,063	5,399,920
Other debts	Note 15	2,195,574	326,399
Other debts		9,584,171	8,079,822
Deferred income		11,539,780	15,261,750
Total liabilities		64,988,142	63,554,530

2. Consolidated Profit & Loss statement

P&L (in euros)	Notes	12.2023	12.2022
Turnover	Note 17	43,739,255	36,763,257
Capitalized production		220,000	300,000
Operational subsidies		2,371,349	2,860,740
Provision write-backs and transfer of operating expenses		1,251,362	1,031,171
Other revenue		2,466,631	2,390,317
Other operational revenue	Note 18	6,309,341	6,582,229
Operational revenue		50,048,596	43,345,486
Other purchases and external expenses		(12,763,186)	(10,296,773)
Outgoings		(12,763,186)	(10,296,773)
Taxes	Note 19	(361,551)	(407,941)
Staff salaries		(22,544,294)	(21,041,327)
Social charges		(6,476,723)	(5,712,967)
Other payroll costs		(36,585)	(54,624)
Payroll costs	Note 20	(29,057,603)	(26,808,918)
Provisions for depreciation & depreciation on intangible fixed assets		(426,886)	(355,383)
Provisions for depreciation & depreciation on tangible fixed assets		(559,795)	(466,689)
Allocation for provisions on operations		(439,561)	(244,872)
Allocation for provisions for retirement		(30,805)	(21,447)
Allocations for depreciation on current assets		(600,823)	(1,074,616)
Allocations for amortization, depreciation and provisions	Note 21	(2,057,870)	(2,163,008)
Other exceptional outgoings		(76)	-
Operating expenses		(44,240,286)	(39,676,641)
Operating income		5,808,310	3,668,845

	Notes	12.2023	12.2022
Operating income		5,808,310	3,668,845
Write-backs on provisions of a financial nature		287,105	107,140
Exchange rate gains on financial operations		185,456	332,083
Other financial income		515,268	26,469
Financial income		987,829	465,691
Interest charges		(78,746)	(122,558)
Losses on financial receivables and investment securities		(265,026)	(26,662)
Exchange rate losses on financial operations		(259,274)	(180,262)
Other financial costs		-	-
Allocation for provisions of a financial nature		(7,813)	(22,079)
Financial expenses		(610,859)	(351,561)
Profit	Note 22	376,970	114,130
Current income of integrated companies		6,185,280	3,782,975
Exceptional income		1	-
Exceptional expenses from previous financial years		-	26
Exceptional income		1	26
Exceptional losses on management operations		(1,280)	(3,295)
Exceptional losses on previous financial years		-	-
Exceptional losses		(1,280)	(3,295)
Exceptional profit	Note 23	(1,279)	(3,269)
Tax on profit		(571,695)	(369,141)
Differed tax		14,094	(35,739)
Tax on profit	Note 25	(557,601)	(404,880)
Net income of integrated companies		5,626,400	3,374,826
Allocations for depreciation on goodwill		-	-
Proportion of net income from company equity revaluation		-	-
Consolidated net income		5,626,400	3,374,826
Minority interest		-	-
Net income (group share)		5,626,400	3,374,826

3. Consolidated cash flow statement

(in €k)	12.2023	12.2022
Net income of consolidated entities	5,626	3,375
Allocations/write-backs and provisions for depreciation	888	808
Variation in deferred tax	(14)	36
Gains or losses calculated from fair-value variations	-	-
Elimination of gains or losses from sale of assets	-	-
Elimination of MEE company profit share	-	-
Other items with no impact on cash	11	13
Cash flow from operations	6,511	4,231
Dividends received from equity affiliates	-	-
Variation in working capital requirements (including provisions)	2,186	(196)
NET CASH FLOW FROM OPERATING ACTIVITIES (I)	8,697	4,035
Acquisitions of fixed assets	(3,396)	(979)
Sale of fixed assets	-	-
Reduction of other financial fixed assets	657	108
Impact on variations in scope	-	-
Net variation in short-term investment	-	-
Internal operations on fixed assets (balance sheet)	-	-
NET CASH FLOW FROM INVESTMENTS ACTIVITIES (II)	(2,738)	(871)
Loan issues	-	-
Loan repayments	(1,737)	(1,105)
Changes in investment subsidies	(425)	174
Increases/reductions in capital	-	-
Net sales / Acquisitions of treasury shares	(194)	90
Net variation in credit facilities	(2)	(1)
NET CASH FLOW FROM FINANCING ACTIVITIES (III)	(2,358)	(842)
Exchange rate gains/losses (IV)	(19)	75
IMPACT OF EXCHANGE RATE VARIATION	(19)	-
CHANGE IN CASH FLOW (I + II + III + IV)	3,582	2,398
Initial cash reserves	20,330	17,932
Initial cash reserves	20,330	17,932
Final cash reserves	23,912	20,330

Cash and cash equivalents amount to €23,912k in 2023 compared to €20,330k (+18%). This increase is notably explained by:

- The result for the year of €5,626k
- The negative change in working capital (+€2,186k) mainly due to a decrease in customer receivables (+€6,079k) and a decrease in deferred income (-€4,330k)

The decrease in cash due to the acquisition of fixed assets mainly property, plant and equipment for €572k and intangible assets including €2,534k for the purchase of CreditPoint Software.

The decrease in cash due to repayments of various repayable loans and advances (-€2,162k) mainly including the following repayments: €924k for the BNP loan, €655k for the BPI loans, €101k for the Société Générale loan and €340k in repayable advances.

4. Presentation of the Group and significant events of the financial year

Strong turnover growth of +19%, including +22% for SaaS subscriptions

In 2023, revenues from 'Order to Cash' SaaS subscriptions grew remarkably, rising by 22%. Sidetrade's overall turnover for 2023 reached €43.7M, up +19% compared to 2022. In 2023, revenues from 'Order to Cash' SaaS subscriptions grew remarkably, rising by 22%.

Three key factors explain this performance:

Successful expansion in the United States

The United States were a quarter-on-quarter growth driver for Sidetrade in 2023, with revenues up 40% to €12.1M over the year. This successful expansion means that international sales now account for 58% of the Group's total turnover, 28% of which already comes from North America. The United States will continue to play a key role in Sidetrade's future growth.

Growing appeal to multinational companies

An analysis of the Sidetrade clientele in the 'Order to Cash' segment reveals growth of 48% in subscriptions from multinational companies with annual subscription contracts (ARR) in excess of €250,000. These subscriptions now represent 43% of Sidetrade's total subscriptions and should continue to be a significant growth driver in the coming quarters.

Integration of CreditPoint Software activities

The integration of CreditPoint Software's activities, effective from 1 July 2023, contributed positively to Sidetrade's performance. Indeed, the activities of CreditPoint Software generated a turnover of €0.9M in the second half of the year, representing an impact of 2% on annual growth.

It is recalled that all Sidetrade multi-year contracts are systematically indexed to inflation (Syntec for Southern Europe, UK CPI for Northern Europe, and US CPI for the United States). This measure ensures that price changes are passed on to SaaS subscribers each year, without having to wait for contracts to be renewed.

Profitability increased sharply to 13% while investing an additional €4M

Operating income amounts to €5.8M in 2023, compared to €3.7M for the previous year, i.e. an increase of 57%. Beyond an increase in investments close to €4M, Sidetrade recorded a strong increase in its profitability under the combined effect of the higher growth, the strong growth in gross margin (which reached 81% of turnover) as well as cost optimization efforts.

The 2023 operating income includes a research tax credit for €2.4M (compared to €2.3M in 2022), as well as a marginal activation of R&D costs for an amount of €0.2M (almost identical to that of 2022, which was €0.3M).

The 2023 financial result was €0.4M, a strong increase compared to 2022, largely due to the interest on short-term investments made during the year.

With regard to corporate tax, the expense is estimated at €0.6M in 2023, compared to €0.4M in 2022.

In the end, Sidetrade's net income in 2023 was €5.6M, demonstrating a good balance between investments, growth and profitability.

Acquisition of CreditPoint Software

Sidetrade is strengthening its presence on the North American market with the acquisition of the activities of CreditPoint Software, an American software publisher specializing in all areas of B2B credit risk management. This acquisition was made in cash for an estimated amount of around €3M, part of which was paid upon signature and the rest at the end of 2023, subject to the renewal of certain customers. The estimated earn-out recognized under "other debts" as at 31/12/2023 amounts to €1,730k. Taking into account an acquisition price of €3.1M and an earn-out of €1.7M, the goodwill generated by this operation amounts to €4.8M.

Disbursements were €527k in July 2023 and €1,996k in December 2023, taking into account contract renewals.

Sidetrade financed this operation through its treasury.

The acquisition price allocation exercise was not carried out by 31 December 2023 and will be carried out in 2024.

This operation was part of the execution of Sidetrade's Fusion 100 strategic plan, with the objective of reaching an ARR of \$100 million by the end of 2025. It also represents an accelerator in Sidetrade's product strategy as well as in achieving revenue of close to \$10 million in North America by 2023, thus consolidating its presence in the United States.

Purchase of assets of BrightTarget Ltd by Sidetrade UK Ltd

Sidetrade UK Ltd purchased the assets of BrightTarget Ltd with a view to simplifying and streamlining the Group's structures. The transfer of assets was carried out on 29/12/2023.

Strengthened financial structure

As at 31 December 2023, Sidetrade has gross cash of €23.9M (an increase of €3.6M compared to 2022).

The Company also holds 86,697 treasury shares for a value of €14.0M as at 31 December 2023.

The financial debt amounts to €10.3M, a reduction of €1.7M compared to 2022.

Thanks to this strengthened financial structure, Sidetrade has a strong investment capacity allowing it to accelerate its expansion.

5. Events subsequent to the close of the financial year

N/A

6. Consolidation methods and principles

General principles

The Group consolidated accounts were established in accordance with French accounting principles laid down by law n°85.11 of 3 January 1985 and its implementing decree n°86.221 of 17 February 1986, and CRC regulation n°99-02 of 22 June 1999, as amended by ANC regulation 2020-01 of 29 December 2020.

The financial year ending 31/12/2023 covered a period of 12 months, like that ending on 31/12/2022.

The closing date of the accounts for the consolidating company is the same as the closing date for the consolidated companies.

The consolidated accounts are presented in euros.

Definition of the scope of consolidation

Scope of consolidation

Consolidated company	Business registration n°	Head office	Country
Sidetrade SA	430007252	114 rue Galliéni, 92100 Boulogne Billancourt	France
Sidetrade UK Ltd	7742637	3 rd Floor, 6 Kean Street, London WC2B 4AS	United Kingdom
BrightTarget Ltd	09107017	6 th Floor, 4 St Philip's Place, Birmingham B3 2SL	United Kingdom
Sidetrade Ltd	530457	Ferry House, 2 nd Floor Front, 48/53 Lower Mount Street Lower, Dublin 2, D02 PT98	Ireland
Sidetrade B.V.	62973096	Johan Huizingalaan 763A, 1066 VH Amsterdam	Netherlands
Sidetrade Canada Ltd	2024424893	140 4 th Avenue SW, Calgary, Alberta T2P 3N3	Canada
Amalto Technologies Corp.	4443806	2002 Timberloch Place, Suite 200, The Woodlands, Texas 77380	United States
Sidetrade Inc.	7791780	2002 Timberloch Place, Suite 200, The Woodlands, Texas 77380	United States

Ownership and consolidation method

Company	Method	% interest (closing)	% interest (starting)	Acquisition/incorporation date
Sidetrade SA	Consolidating company	100.00	100.00	N/A
Sidetrade UK Ltd	Fully consolidated	100.00	100.00	16/08/2011
Sidetrade Ltd	Fully consolidated	100.00	100.00	19/07/2013
Sidetrade B.V.	Fully consolidated	100.00	100.00	27/03/2015
BrightTarget Ltd	Fully consolidated	100.00	100.00	18/11/2016
Sidetrade Inc.	Fully consolidated	100.00	100.00	09/01/2020
Sidetrade Canada Ltd	Fully consolidated	100.00	100.00	30/06/2022
Amalto Technologies Corporation	Fully consolidated	100.00	100.00	06/04/2021

At 31 December 2023, the scope of consolidation included 8 companies. All companies are fully included.

Change in the scope of consolidation

No changes were made to the scope of consolidation during the financial year.

Accounting rules and methods

The accounts were approved by the Management Board on 21 March 2024. They were established on the basis of the company being a going concern and compliant with the consistency principle of accounting methods (from one financial year to the next).

Goodwill

Goodwill determined on initial consolidation of a company is equivalent to the difference between the cost of acquisition of shares and the proportion of equity withdrawn from the company on the date on which control was taken.

Positive goodwill is the difference between the cost of acquisition and the acquirer's share of assets and liabilities identified on the acquisition date. Positive goodwill is recorded in the "goodwill" asset account.

Goodwill is depreciated across a timescale which reflects, as closely as possible, the assumptions made and the strategy established at acquisition. New regulations established in 2016 stipulate that goodwill cannot be written off.

Goodwill is valued each year taking into account the market price at the closing.

Tangible and intangible fixed assets

Fixed assets are recorded in compliance with general accounting rules (CRC 99-03) issued and updated by regulations CRC 2002-10, CRC 2002-07 and CRC 2004-06 on the management of assets and their depreciation.

Fixed assets are valued at acquisition cost (purchase price, additional costs, excluding acquisition cost and loan expenses, net of reductions, discounts or rebates obtained) or at production cost.

Intangible fixed assets

Research and development costs

Research costs based on prior analysis are recorded directly in expenses for the financial year.

In compliance with regulation CRC 2004-06, development costs cannot be recorded as assets unless they relate to specific projects with a strong likelihood of both technical and sales profitability - or economic viability for projects developed over several years. This means adhering to the following criteria:

- technical feasibility of the completion of the intangible fixed asset with regard to its implementation or sale;
- intention to complete the intangible fixed asset and to use it or sell it;
- capacity to use or sell the intangible fixed asset;
- manner in which the intangible fixed assets will generate probable future economic benefits;
- availability of resources (technical, financial and other) to complete the development and use or sell the intangible fixed asset; and,
- capacity to reliably value the expenses attributable to the intangible fixed assets during development.

Development costs incurred prior to establishing the technical feasibility are recorded as a cost as and when incurred.

Development costs are mainly payroll costs and external subcontracting costs attributed to the development of new modules for the Sidetrade Augmented Cash software, improving existing versions, quality control and testing, and depreciation of related development assets.

Customer relations

A customer relationship was identified following an exercise to allocate the acquisition price of Amalto in accordance with ANC regulation 2020-01. It is depreciated over 20 years.

Accounting treatment of development costs relating to the new version of the software

Development costs for the new version and previous versions of the software were recorded in accounts as intangible fixed assets where the Company considers that they meet the necessary criteria for activation. Activated development costs are amortized over three years which corresponds to the useful life of each version of the software.

Software

Purchased software is amortized on a straight line basis over a duration ranging from one to five years.

Tangible fixed assets

Tangible fixed assets are accounted for at acquisition cost. Depreciation for tangible fixed assets is calculated based on the following methods and durations:

	Useful life	Method
Fixtures, general and specific installations	Between 5 & 9 years	Straight line basis
Computing and office equipment	Between 3 & 4 years	Straight line basis
Furniture	Between 3 & 10 years	Straight line basis

Financial fixed assets

Financial fixed assets include deposits and guarantees paid, accounted for at nominal value and the share of the capitalized construction effort.

Cash allocated to a liquidity contract is accounted for in other financial fixed assets.

Treasury shares

The value of treasury shares is deducted from equity at purchase value.

Where shares are sold outside the Group, the income from the sale and corresponding tax are recorded directly in consolidated reserves.

Receivables and debts

Receivables and debts were valued at nominal value.

A provision for depreciation of customer receivables is recorded on a case-by-case basis when an event changes the net value of the receivable (i.e.: company in administration, etc.)

A so-called "statistical" provision is recorded on receivables due at more than 180 days at Sidetrade SA.

Asset adjustment accounts

Prepaid expenses

These are expenses paid or accounted for and attributable to the next financial year.

Accrued income receivable

These are receivables which are expected to be received in the next financial year and attributable to the financial year closed.

Investment securities

Investment securities are accounted for based on the historical cost method. A provision is recorded where a loss in value is recorded.

Recognition of turnover

The method for recognising turnover and associated costs depends on the type of contracts entered into with customers.

Provision of services

For Sidetrade Augmented Cash software integration, consulting, training or operational assistance, audit and contentious debt recovery, turnover is accounted for as and when services are provided.

Sidetrade Augmented Cash Software

The company markets its Sidetrade Augmented Cash software based mainly on annual or multi-annual subscription contracts or as maintenance services (when not included in the subscription contract for the service). As a result, the associated turnover is recorded monthly based on the volume of transactions processed.

Operational subsidies

Operational subsidies correspond to the research tax credit.

Since the publication of Regulation 2020-01 on 9 October 2020, the income resulting from the research tax credit system must therefore be presented as a decrease in the tax on profit in the consolidated profit and loss.

The ANC tolerates a transition period of 3 years ending on 31 December 2023 before making this reclassification. This reclassification will be carried out in the 2024 accounts.

Provisions for risks and expenses

A provision is recorded when a Company commitment (legal, regulatory or contractual) exists as a result of past events, when it is probable or certain that it will result in an outflow of resources for no consideration at least equal in value, and the amount can be reliably valued.

The amount entered as a provision represents the best estimate of risk on the publication date of the consolidated balance sheet. Provisions are recorded at nominal value (not updated).

Retirement commitments

A provision for retirement and the related deferred tax are recorded in the consolidated accounts. This amount is based on an actuarial calculation on the employee population with the assumptions of staff turnover rates decreasing according to age. The applicable collective agreement is the Syntec agreement.

Deferred tax

The group calculates deferred tax based on the variable carry-forward method on the differences between accounting and fiscal values of assets and liabilities in the balance sheet. Deferred tax is recorded in accounts at the tax rate applicable on the publication date of the accounts, adjusted to take account of changes to French tax law and current tax rates.

Deferred tax assets are recorded based on differences in deductibility over time, tax losses and deficits carried over. A deferred tax asset on deficits carried forward is recorded when it is probable that the relevant tax entity can recover them through a forecast taxable profit.

Deferred tax assets are recorded as net assets or liabilities by tax entity.

At the end of December 2023, the tax rate applied is 25%.

The research tax credit is accounted for as an operational subsidy.

It is recorded as deferred income when it relates to fixed development costs and write-backs are then recorded based on the depreciation schedule of the given asset.

Currency conversion method for integrated company accounts

When consolidated accounts for foreign companies are established in a currency other than in euro, the conversion method applied is “closing rate method”.

Financial reports for foreign subsidiaries are established in their operating currency, the currency which is most representative of the given subsidiary’s business activities.

Assets and liabilities are converted during the accounts closing process on the date of the balance sheet and the conversion for profit and loss accounts is based on the annual average rate.

Rate differences on long-term current accounts are entered directly in a translation reserve. As at 31 December 2023, no rate difference was recognized in equity.

The conversion rates applied are:

Currency	Opening rate	Average rate	Closing rate
GBP	0.8869	0.8698	0.8691
USD	1.0666	1.0813	1.1050
CAD	1.4440	1.4595	1.4642

Notes to the balance sheet statement

Note 1. Breakdown of goodwill

in €k	Initial	Increase	Decrease	Final
Goodwill	17,923	5,131	-	23,053
Depreciation on goodwill	(820)	-	-	(820)
Net value	17,102	5,131	0	22,233

The increase in goodwill corresponds to the goodwill of CreditPoint Software for an amount of €3,130k, a provision for earn-out following the purchase of assets of CreditPoint for an amount of €1,730k and a provision for earn-out following the acquisition of Amalto for an amount of €271k bringing it to €370k. The allocation of the acquisition price will be carried out in 2024.

As at 31/12/2023, the goodwill amounts to €23,053k, of which €820k was depreciable and fully amortized.

Note 2. Intangible and tangible fixed assets

The breakdown of gross values is shown in the table below:

in €k	Initial	Increase	Decrease	Final
Goodwill	17,923	5,131	-	23,053
Development costs	3,811	220	-	4,031
Concessions, patents, licences and similar rights	475	10	-	485
Company start-up fees	30	-	-	30
Goodwill	3,000	-	-	3,000
Intangible fixed assets	25,239	5,360	-	30,599
Constructions	27	-	-	27
Facilities, buildings and equipment	328	339	-	667
Other tangible fixed assets	4,004	240	(42)	4,202
Tangible fixed assets	4,358	579	(42)	4,895
Tangible and intangible fixed assets	29,597	5,939	(42)	35,494

The increase in development costs (+€220k) is due to activations carried out during the financial year. “Concessions, patents and similar rights” apply to software purchased for development work. The increase in tangible fixed assets during the 2023 financial year relates primarily to the acquisition of computing equipment and R&D infrastructure.

The breakdown of amortization and depreciation is shown in the table below:

in €k	Initial	Allocation	Other variance	Final
Amort. on goodwill	(820)	-	-	(820)
Amort. on dev. costs	(3,311)	(233)	-	(3,544)
Amort. on concessions, patents and similar rights	(382)	(43)	-	(425)
Amort. on company start-up fees	(30)	-	-	(30)
Depreciation of goodwill	(150)	(150)	-	(300)
Intangible fixed assets	(4,694)	(426)	-	(5,120)
Depreciation on constructions	(27)	-	-	(27)
Depreciation on facilities, buildings and equipment	(128)	(167)	-	(295)
Depreciation on other tangible fixed assets	(3,068)	(399)	42	(3,425)
Tangible fixed assets	(3,222)	(566)	42	(3,747)
Tangible and intangible fixed assets	(7,916)	(993)	42	(8,867)
Net value	21,681	4,946	-	26,627

Note 3. Financial fixed assets

The breakdown of gross values is shown in the table below:

in €k	Initial	Increase	Decrease	Final
Shares	-	-	-	-
Receivables from equity interests	-	-	-	-
Loans	360	39	56	342
Deposits and guarantees deposited	653	21	100	574
Non-performing assets	597	-	412	185
Financial fixed assets	1,609	59	567	1,101
Equity method securities	-	-	-	-
Financial assets	1,609	59	567	1,101

Loans and deposits mainly include:

- construction projects (€342k)
- rent deposit for the Boulogne head office (€171k)
- surety on BPI loans (€342k)

The remaining cash on the available funds account is recorded as non-performing assets amounting to €185k.

Note 4. Customer receivables and related accounts receivable

Customer receivables are broken down as follows:

in €k	12.2023	12.2022
Customer receivables	8,298	14,266
Bad debts	1,013	1,168
Invoices to raise	360	333
Gross value	9,671	15,767
Provisions	(1,162)	(1,310)
Net value	8,509	14,457

Provisions for depreciation of customer receivables (€1,488k as at 31 December 2023) vary as follows:

in €k	Initial	Increase	Decrease	Final
Provisions for depreciation	(1,310)	(601)	749	(1,162)
Provisions for depreciation	(1,310)	(601)	749	(1,162)

Allocations for provisions for depreciation on doubtful debts are recorded in the "Provisions for liabilities on current assets" account (€601k). Income from write-backs on provisions for depreciation on doubtful debts are recorded in the "Operational revenue - provision write-backs" account (€749k). All other customer receivables are due within one year.

Note 5. Other receivables

Other receivables are broken down as follows:

in €k	12.2023	12.2022
Suppliers, advances	12	45
Staff debts		1
State, Tax on profit	2,507	2,509
Fiscal receivables excluding tax on profit	713	915
Deferred tax - assets	240	747
Other debtors	45	276
Other receivables	3,517	4,493

As at 31 December 2023, the "Tax on Profit" account primarily includes the research tax credit for the 2023 financial year (€2.4M). The "fiscal receivables excluding tax on profit" account mainly includes VAT receivables. Deferred tax assets include the activation of deficits carried over for €201k and retirement commitments for €39k

Note 6. Net cash

in €k	12.2023	12.2022
Investment securities	19,950	12,223
Cash	3,841	8,109
Interest incurred not due - liabilities	161	26
Working cash	23,952	20,359
Credit facilities (debts)	40	31
Cash liabilities	40	31
Net cash	23,912	20,329

Note 7. Prepaid expenses

Prepaid expenses are broken down as follows:

in €k	12.2023	12.2022
Prepaid expenses - Rent	367	275
Prepaid expenses - Other	915	680
Prepaid expenses	1,282	955

The "Other" account mainly includes software rentals amounting to €627k for Sidetrade SA as at 31 December 2023.

Note 8. Deferred tax assets

in €k	12.2023	12.2022
Tax deficits	201	201
Retirement commitments	39	31
Treasury shares	-	515
Deferred tax assets	240	747

Note 9. Variance in consolidated equity

in €k	Capital	Capital bonuses	Reserves	Treasury shares	Group conversion reserves	Net income (group share)	Equity (group share)
As at 31/12/2022	1,452	4,924	22,841	(6,421)	(86)	3,375	26,085
Allocation of net income for N-1	-	-	3,375	-	-	(3,375)	-
Distribution/gross payment	-	-	-	-	-	-	-
Cash and subscribed capital variation	16	(16)	-	-	-	-	-
Net income	-	-	-	-	-	5,626	5,626
Other increases/decreases	-	-	-	-	-	-	-
Restatements on treasury shares	-	-	(496)	(220)	-	-	(716)
Currency conversion/exchange rate difference	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
As at 31/12/2023	1,468	4,908	25,720	(6,641)	(86)	5,626	30,997

The amount of the cancellation of 86,697 treasury shares held as at 31 December 2023 in the scope of a liquidity and treasury share contract amounts to €6,641k.

Composition of share capital

As at 31 December 2023, equity is composed of 1,467,926 shares with a nominal value of €1 each, i.e., share capital of €1,467,926. The variance from 2022, to the sum of 15,942 euros, results from the increase in equity due to the issue of 15,942 vested free shares.

Bonus share allocation plan

Authority was granted to the Management Board by the General Meeting on 17 June 2021 to allocate bonus shares to Company employees and/or eligible corporate officers within the limit of 3% of capital, i.e., 43,000 shares. This authority was granted for a period of 38 months with effect from 17 June 2021.

The Management Board meetings on 8 June 2022 and 28 March 2023 drew up an initial list of 62 individuals who could benefit from the bonus share allocation plan (BSAP) representing a total of 34,022 shares, i.e., a maximum dilution of 2.3%.

For each beneficiary, the acquisition period referred to in article L. 225-197-1 I paragraph 6 of the French Commercial Code is two years. At the end of the vesting period, each beneficiary will benefit from a final allocation of the allocated shares, subject to satisfaction, at the end of the vesting period, of the beneficiary's effective presence within the Company.

As at 31.12.2023	BSAP
Date of the General Meeting	17/06/2021
Date of the Management Board meeting	08/06/2022
Number of shares authorised	43,000
Number of shares allocated	34,022
Number of void allocations	986
Number of shares issued	0
Total number of shares which can be issued	
Total number of shares	34,022
- Of whom corporate officers	1,795
Number of individuals concerned	62
- Of whom corporate officers	1

Share buyback scheme and liquidity contract

Under liquidity and buyback contracts granted to the brokerage firm ODDO BHF by Sidetrade Group, the following resources were recorded in the liquidity contract as at 31 December 2023:

in €k	12.2023	12.2022
Number of shares	86,697	85,305
Valuation	6,641	6,421
Balance on the available funds account	185	597

Note 10. Conditional advances

in €k	Initial	Increase	Decrease	Final
Conditional advances	734		425	309
Total conditional advances	734		425	309

Conditional advances correspond to the following aids:

- Eurofirmo: a project to develop a comprehensive and up-to-date database on all EU companies and its tools in order for it to be used via a B2B marketing platform. This aid is subject to deferred reimbursement. The total amount of repayable advances amounts to €309K at 31 December 2023.

Note 11. Provisions for risks and expenses

in €k	Initial	Increase	Decrease	Final
Provisions pour risques	574	440	464	549
Provisions pour pensions et retraites	125	31		155
Autres provisions	22	8	22	8
Provisions pour risques et charges	721	478	486	714

Provisions for risk as at 31 December 2023 correspond to Employment Tribunal disputes (€342k) and a provision for employee contributions (€207k).

Other provisions as at 31 December 2023 correspond to provisions for exchange losses (€8k).

Commitments for retirement benefits are valued in accordance with ANC Recommendation 2013-02. The applied discount rate is 3.6% and the applied salary increase used is 3%. The amount as at 31 December 2023 is €155k.

This amount is based on an actuarial calculation on the employee population with the assumptions of staff turnover rates decreasing according to age. The average age of Sidetrade Group employees at 31 December 2023 is 40.1. The retirement age is 65 years. Average length of service at 31 December 2023 is 6.1 years.

Note 12. Financial debts

Financial debts are broken down as follows:

in €k	Initial	Increase	Decrease	Final
Interest incurred on loans	13	11	13	11
Loans from credit institutions	11,941	-	1,724	10,216
Deposits and guarantees received	5	-	-	5
Financial debts	11,959	11	1,738	10,232

Sidetrade holds a loan previously accounted for at Amalto SA. This loan of an initial sum of €500k was granted by the bank Société Générale. The balance due as at 31 December 2023 is €77k, including €77k at under one year. Interest expenses for the financial year amounts to €1k.

Sidetrade has also taken out three loans totaling €13M following the acquisition of the company Amalto in April 2021 for this amount.

- BNP loan for the sum of €6.5M, 82-month loan at a rate of 0.8%, repayable quarterly in arrears, with the last repayment set for 29 April 2028. The balance due as at 31 December 2023 is €4.2M, including €931k at under one year and the remainder at under five years. Interest expenses for the financial year amount to €83k, fully repaid thanks to the interest rate hedge.
- BPI loan for the sum of €5M, 84-month loan at a rate of 1.07% with repayment of principal deferred for 8 quarters followed by 20 quarterly repayments in arrears covering redemption of principal and payments of interest, the first of these due on 31 July 2023 and the last on 30 April 2028. The balance due as at 31 December 2023 is €4.5M, including €1M at under one year and the remainder at under five years. Interest expenses for the financial year amount to €53k.
- BPI loan for the sum of €1.5M, 84-month loan at a rate of 1.07% with repayment of principal deferred for 8 quarters followed by 20 quarterly repayments in arrears covering redemption of principal and payments of interest, the first of these due on 31 July 2023 and the last on 30 April 2028. The balance due as at 31 December 2023 is €1.4M, including €309k at under one year and the remainder at under five years. Interest expenses for the financial year amount to €16k.

Note 13. Suppliers debts

Supplier debts are broken down as follows:

in €k	12.2023	12.2022
Suppliers	1,321	1,126
Invoices not received	1,111	1,227
Supplier debts	2,431	2,354

All supplier debts are due within one year.

Note 14. Tax and social security debts

Tax and social security debts are broken down as follows:

in €k	12.2023	12.2022
Paid leave	990	933
Provisions for bonuses	599	733
Social charges	1,696	1,367
VAT to pay out	165	317
State - other outgoings	1,101	1,618
Other	8	28
State - tax on profit	398	404
Tax and social security debts	4,957	5,400

All other debts are due within one year.

Note 15. Other debts

Other debt are broken down as follow:

in €k	12.2023	12.2022
Autres dettes	2 196	326
Autres dettes	2 196	326

The other debts mainly consist of provisions for earn-outs following the acquisition of Amalto SA (€370k) and of CreditPoint Software (€1,730k).

Note 16. Outgoings to pay

Outgoings to pay are broken down as follow:

in €k	12.2023	12.2022
PPA Credit notes to be issued	884	345
NPF Unbilled payables	1 111	1,227
Tax and social security debts	2,244	1,807
Paid leave	990	933
Provisions for bonuses	599	733
Employee contributions	492	-
Expense accounts	29	5
Tax on salaries	102	97
Various	37	40
Outgoings to pay	4,244	3,380

Notes to the profit and loss statement

Note 17. Turnover

During the 2023 financial year, the Group achieved a total turnover of €43,739k, an increase of 19% compared to 2022.

The turnover in the financial year is broken down by service lines as follows:

in €k	OTC platform subscriptions	Services	Total
2023	37,287	6,452	43,739
2022	31,039	5,724	36,763
Growth	+20%	+13%	+19%

Note 18. Other operational revenue

in €k	12.2023	12.2022
Capitalized production	220	300
Operating subsidies	2,371	2,861
Provision write-backs and transfer of operating expenses	1,251	1,031
Other income	2,467	2,390
Other operating income	6,309	6,582

The operational subsidies mainly correspond to the research tax credit for €2.4M for the 2023 financial year:

- a portion (€94k) of this tax credit was recorded as deferred income corresponding to the activated share of development costs.
- €98k of previous deferred income was included in the 2023 profit.

Provision write-backs mainly relate to provisions for customer depreciation (€749k).

The "Other income" account mainly corresponds to invoicing of electronic mail sending services (€2,200k).

Note 19. Taxes and duties

in €k	12.2023	12.2022
Tax on salaries	(192)	(153)
Other tax and duties	(170)	(255)
Taxes	(362)	(408)

Tax and duties mainly include the CVAE for €72k, the CFE for €42k and tax on salaries for €192k.

Note 20. Payroll costs

in €k	12.2023	12.2022
Staff salaries	(22,544)	(21,041)
Social security and welfare costs	(6,477)	(5,713)
Other personnel expenses	(37)	(55)
Payroll costs	(29,058)	(26,809)

Payroll costs amount to €29,058k. No allocation to the employee profit-sharing reserve was made in the 2023 financial year.

Note 21. Allocations for amortization, depreciation and provisions

in €k	12.2023	12.2022
Provisions for depreciation & depreciation on intangible fixed assets	(427)	(355)
Provisions for depreciation & depreciation on tangible fixed assets	(560)	(467)
Allocation for provisions on operations	(440)	(245)
Allocation for provisions for retirement	(31)	(21)
Allocations for depreciation on current assets	(601)	(1 075)
Operational allocations	(2,058)	(2,163)

Allocations for intangible fixed assets mainly include development costs (€233k) and customer relations (€150k).

Allocations for tangible fixed assets mainly include computing equipment and R&D infrastructure at Sidetrade SA (€269k).

Allocations for depreciation relate to provisions for employee litigation and employee contributions.

Allocations for depreciation of current assets relate mainly to provisions for depreciation of customer receivables.

Note 22. Financial result

in €k	12.2023	12.2022
Write-backs on depreciation for financial assets	287	107
Exchange rate gains on financial operations	185	332
Other financial income	515	26
Financial income	988	466
Interest charges	(79)	(123)
Losses on financial receivables and investment securities	(265)	-
Exchange rate losses	(259)	(180)
Other financial costs	-	(27)
Allocations for depreciation on financial assets	(8)	(22)
Financial expenses	(611)	(352)
Profit	377	114

The financial result stands out with a profit of €377K. Financial income mainly includes interest on DAT and CAT of €515k and provision write-backs for depreciation of Ondiflo securities and receivables for a total amount of €265k. Financial expenses mainly include interest on borrowings of €79k, a foreign exchange loss of €259k and losses related to the disposal of Ondiflo securities and receivables for a total amount of €265k.

Note 23. Exceptional result

in €k	12.2023	12.2022
Exceptional expenses from previous financial years	-	-
Provision write-backs	-	-
Exceptional income on management operations	-	-
Exceptional income	-	-
Penalties	-	(3)
Exceptional expenses from previous financial years	-	-
Losses on receivables	-	-
Staff redundancy costs	-	-
Allocations for amortization and depreciation	-	-
Exceptional losses on management operations	(1)	-
Exceptional losses	(1)	(3)
Exceptional profit	(1)	(3)

The exceptional result is a loss of 1 k€.

Note 24. Research and development costs

Total research and development costs for the financial year amount to €9,053k and mainly include salaries (including social security contributions) and external outsourcing costs.

Sidetrade activated €220k in development costs for the 2023 financial year.

Note 25. Tax on profit and tax reconciliation

in €k	12.2023	12.2022
Tax on profit	(572)	(369)
Deferred tax	14	(36)
Tax on profit	(558)	(405)

Tax reconciliation is broken down as follows:

in €k	12.2023
Pretax profit	6,184
Consolidating entity tax rate	25%
Theoretical tax	1,546
Effect of rate differences	75
Prior year adjustments	38
Permanent differences	156
Effects of research tax credit reclassifications to operating income	555
Effects of offsetting of previous losses	214
Non-capitalization of losses	(50)
Theoretical tax expense	558
Actual tax expense	558

The rate differences are due to items taxed at a reduced rate and differences of tax rates on foreign subsidiaries.

7. Other information

Note 26. Headcount

The headcount as at 31 December 2023 is 313 employees, including 123 employees in France.

The headcount is broken down as follows:

- 218 men and 95 women
- 309 permanent contracts, 4 fixed-term contracts
- 116 management level staff, 7 employees and supervisors, and 190 other staff (foreign subsidiaries).

The average headcount over the financial year was 297 employees.

Note 27. Tax deficits

in €k	Deficits not activated	Deficits activated
Sidetrade SA	4,547	805
BrightTarget	393	-
Sidetrade IE	540	-
Total	5,480	805

Tax losses amount to €6,285k as of 31/12/2023, of which €5,480k were not activated.

Note 28. Off-balance sheet commitments

in euros	12.2023	12.2022
Market guarantees and counter-indemnities	-	-
Securities, mortgages and real guarantees	6,545	6,545
Agreements, deposits and guarantees agreed	126	100
Other commitments made	-	-
Total commitments made	6,671	6,645
Market guarantees and counter-indemnities	-	-
Securities, mortgages and real guarantees	-	-
Agreements, deposits and guarantees received	-	-
Other commitments received	-	-
Total commitments received	0	0

The commitments given relate to company vehicles leased or long-term leased by directors and certain executives, amounting to €126k as at 31/12/2023, and a pledge of €6,545k on shares given when the BNP loan of €6.5M was taken out.

Note 29. Auditor remuneration

in euros	2023	2022	2022	2022
Audit	EY	EY	Yuma Audit	Yuma Audit
* Auditing, certification, examination of individual and consolidated accounts	42,000	62,000	18,000	0
- Issuer	42,000	62,000	18,000	-
- Consolidated subsidiaries worldwide	-	-	-	-
* Other work and services directly related	-	-	-	-
- Issuer	-	-	-	-
- Consolidated subsidiaries worldwide	-	-	-	-
Sub-total	42,000	62,000	18,000	0
Other services rendered by networks to fully consolidated subsidiaries	-	-	-	-
* Legal, fiscal, corporate	-	-	-	-
* Other	53,014	42,578	-	-
Sub-total	53,014	42,578	-	-
Total	95,014	104,578	18,000	0

Note 30. Senior management pay

In 2023, Olivier Novasque received a fixed gross annual remuneration of €279,999.96, benefits in kind of €3,450.56 and a variable share of €74,500, linked to quantitative criteria. Half of these targets depended on the group's turnover, and the other half on its EBIT.

He did not receive any share subscription or purchase options or performance shares that year. In addition, no remuneration related to his role as a director was paid to him or for any other position in a company related to the company within the meaning of article L. 233-16 of the French Commercial Code. Olivier was entitled to a company car as a benefit in kind. As a corporate officer, he is not eligible for the company's pension or provident plan, but he benefits from the same health coverage plan - to which he contributes - as other Sidetrade employees in France.

Note 31. Bank loan commitments

- A guarantee of €78k was given when the €1.5M BPI loan was taken out in May 2021.
- A guarantee of €250k was given when the €5M BPI loan was taken out in May 2021.
- A pledge of securities of €6,545k was given when the €6.5M BNP loan was taken out. Sidetrade SA also guaranteed to the Borrower the "Consolidated Net Financial Debts / Consolidated EBITDA" ratio of less than 2.5 for the entire term of the Loan. This ratio is well respected.

Note 32. Earn-out payment commitments

Earn-outs for the acquisition of Amalto SA and CreditPoint Software are likely to be paid based on the future turnover. An earn-out following the acquisition of Amalto in the amount of €370k and an earn-out following the purchase of CreditPoint assets in the amount of €1,730k corresponding to the management's estimate were provisioned as at 31 December 2023. Payments will occur in Q1 2025 for Amalto and Q1 2026 for CreditPoint.

Note 33. Basic earnings per share

Net earnings per share are calculated with the net earnings of the consolidated whole as the numerator, €5,898,030 in 2023 (€3,374,826 in 2022) and the following denominator: the number of ordinary shares outstanding in the financial year 2023, i.e. 1,467,926 shares (1,451,894 shares in 2022).

in euros	12.2023	12.2022
Net income	5,626,400	3,374,826
Number of shares	1,467,926	1,451,984
Average number of shares	1,459,955	1,444,037
Diluted share numbers	1,501,948	1,469,426
Earnings per share	3,833	2,324
Net diluted earnings per share	3,746	2,297

Note 34. Specific information on subsidiaries' corporate accounts

SIDETRADE Limited (N° d'immatriculation : 530457)

SIDETRADE Limited (registration n°: 530457) is a subsidiary included in the consolidated financial statements of Sidetrade SA.

It availed itself of the exemption from filing its financial statements for the financial year ending on 31 December 2023 with the Company Registration Office provided for by article 357 of the Companies Act 2014 because it meets the conditions set forth in lines 357 a) to 357 h) of this article.

Financial statement of Sidetrade SA

in euros	Gross amount	Amortization and Depreciation	12.2023	12.2022
FIXED ASSETS				
INTANGIBLE FIXED ASSETS				
Company start-up fees	30,000	(30,000)	-	-
Development costs	4,030,983	(3,544,316)	486,667	500,000
Concessions, patents and similar rights	469,859	(410,453)	59,407	92,963
Goodwill	24,110,927	(413,023)	23,697,904	18,567,215
Other intangible fixed assets	-	-	-	-
Intangible fixed assets in progress	-	-	-	-
Advances and deposits on intangible assets	-	-	-	-
Total intangible fixed assets	28,641,769	(4,397,792)	24,243,977	19,160,178
Land	-	-	-	-
Constructions	26,543	(26,543)	-	-
Facilities, buildings and indus. equipment	-	-	-	-
Other	3,867,963	(3,171,963)	696,001	825,094
Property, plant and equipment in progress	-	-	-	-
Advances and deposits	-	-	-	-
Total property, plant and equipment:	3,894,506	(3,198,506)	696,001	825,094
FINANCIAL FIXED ASSETS				
Equity interests	1,528,118	(1,414,521)	113,597	1,528,118
Receivables from equity interests	-	-	-	-
Other long-term securities	-	-	-	-
Loans	342,590	-	342,590	359,982
Other financial fixed assets	7,328,282	-	7,328,282	7,521,899
Total financial fixed assets	9,198,990	(1,414,521)	7,784,469	9,409,998
Total I: FIXED ASSETS	41,735,266	(9,010,819)	32,724,447	29,395,271
CURRENT ASSETS				
WORK IN PROGRESS IN STOCK				
Raw materials and other supplies	-	-	-	-
Work in progress (goods and services)	-	-	-	-
Intermediate and finished products	-	-	-	-
Goods	-	-	-	-
Advances and deposits paid against orders	-	-	-	-
Total work in progress in stock	-	-	-	-
RECEIVABLES				
Customer receivables and related accounts receivable	9,186,752	(1,162,091)	8,024,661	14,074,084
Other receivables	2,740,079	-	2,740,079	3,660,885
Subscribed capital - called, unpaid	-	-	-	-
Total receivables	11,926,831	(1,162,091)	10,764,740	17,734,968
CASH AND OTHER				
Investment securities	19,949,849	-	19,949,849	12,223,071
Other investment securities	-	-	-	-
Cash	1,984,866	-	1,984,866	6,222,971
Total cash and other	21,934,715	-	21,934,715	18,446,042
Prepaid expenses	822,437	-	822,437	532,785
Total II: CURRENT ASSETS	34,683,983	(1,162,091)	33,521,892	36,713,795
Expenses spread over several financial years (III)	-	-	-	-
Bond redemption premium (IV)	-	-	-	-
Exchange difference Assets (V)	7,813	-	7,813	22,079
Grand total (I + II + III + IV + V)	76,427,062	(10,172,910)	66,254,152	66,131,145

in euros	12.2023	12.2022
NET POSITION		
Capital (of which paid in...)	1,467,926	1,451,984
Issue, merger and contribution premiums	4,908,402	4,924,344
Revaluation differences	-	-
Equivalence difference	-	-
Reserves	-	-
Legal reserve	145,198	145,198
Statutory or contractual reserves	-	-
Regulated reserves	-	-
Other Reserves	-	-
Retained earnings	15,674,268	13,758,198
Result for the financial year (profit or loss)	1,822,553	1,916,070
Total net position	24,018,346	22,195,794
INVESTMENT SUBSIDIES	-	-
REGULATED PROVISIONS	-	-
Total I: EQUITY	24,018,346	22,195,794
Conditional advances	309,352	733,892
Total II: OTHER EQUITY	309,352	733,892
Provisions for risk	326,146	357,851
Provisions for expenses	-	-
Total III: PROVISIONS FOR RISKS AND EXPENSES	326,146	357,851
FINANCIAL DEBTS		
Borrowings and debts from credit institutions	10,267,693	11,955,981
Miscellaneous financial debts	3,229	3,229
Total financial debts	10,270,922	11,959,211
ADVANCES AND DEPOSITS RECEIVED AGAINST ORDERS IN PROGRESS		
OTHER DEBTS		
Supplier debts and Related accounts	1,939,363	1,787,730
Tax and social security debts	3,722,368	4,055,984
Other debts	14,317,779	9,919,567
Total other debts	19,979,510	15,763,281
DEFERRED INCOME	11,284,960	14,928,675
Total IV: DEBTS	41,535,392	42,651,167
Exchange difference Liabilities (V)	64,915	192,442
Grand total (I + II + III + IV + V)	66,254,152	66,131,145

in euros	France	Export	12.2023	12.2022
Sales of goods	-	-	-	-
Sold production of goods	-	-	-	-
Sold production of services	20,627,115	18,690,731	39,317,846	31,958,791
Net turnover	20,627,115	18,690,731	39,317,846	31,958,791
Production in stock (work in progress)	-	-	-	-
Capitalized production	-	-	220,000	300,000
Operational subsidy	-	-	16,489	559,128
Provision write-backs (and amort.), transfer of expenses	-	-	437,754	1,031,171
Other revenue	-	-	3,444,472	3,581,515
OPERATIONAL REVENUE			43,436,561	37,430,606
OUTGOINGS				
Other purchases and outgoings	-	-	26,300,030	22,246,232
Total outgoings			26,300,030	22,246,232
TAXES, DUTIES AND SIMILAR PAYMENTS			361,551	407,941
PAYROLL COSTS				
Wages and salaries	-	-	9,625,685	9,374,145
Social charges	-	-	4,543,512	4,037,537
Total payroll costs			14,169,197	13,411,682
OPERATIONAL ALLOCATIONS				
On fixed assets: allocations for amortization	-	-	628,074	586,782
On fixed assets: allocations for provisions	-	-	-	-
On current assets: allocations for provisions	-	-	600,823	691,967
For risks and expenses: allocations for provisions	-	-	207,561	-
Total operational allocations			1,436,458	1,278,749
Other operating expenses	-	-	158,920	207,686
OPERATING EXPENSES			42,426,157	37,552,290
OPERATING INCOME			1,010,404	(121,684)
FINANCIAL INCOME				
Other interest and similar income	-	-	538,929	26,469
Provision write-backs and transfer of expenses	-	-	287,105	107,140
Positive exchange differences	-	-	185,456	335,060
Net income on disposals of investment securities	-	-	-	-
Total financial income			1,011,489	468,669
FINANCIAL EXPENSES				
Depreciation, amortization and provisions	-	-	1,422,334	22,079
Interest and similar expenses	-	-	634,779	122,558
Negative exchange differences	-	-	241,354	180,262
Net expenses on disposals of investment securities	-	-	-	26,662
Total financial expenses			2,298,468	351,561
FINANCIAL RESULT			(1,286,979)	117,108
CURRENT RESULT BEFORE TAXES			(276,575)	(4,577)
EXCEPTIONAL INCOME				
Exceptional income on management operations	-	-	-	26
Exceptional income on capital operations	-	-	69,903	47,348
Provision write-backs and transfer of expenses	-	-	-	-
Total exceptional income			69,903	47,374
EXCEPTIONAL EXPENSES				
Exceptional expenses on management operations	-	-	1,280	3,295
Exceptional expenses on capital operations	-	-	44,331	115,365
Depreciation, amortization and provisions	-	-	-	-
Total exceptional expenses			45,611	118,660
EXCEPTIONAL RESULT			24,292	(71,287)
Employee profit-sharing	-	-	-	1,200
Tax on profit	-	-	(2,074,835)	(1,993,133)
TOTAL INCOME			44,517,953	37,946,648
TOTAL EXPENSES			42,695,401	36,030,578
PROFIT OR LOSS			1,822,553	1,916,070

1. Notes to the annual accounts for the year ended 31 December 2023

General

Events marking the financial year

Sidetrade is strengthening its presence on the North American market with the acquisition of the activities of CreditPoint Software, an American software publisher specializing BtoB credit risk management.

The acquisition price amounts to €3.1M and the amount disbursed was €2.5M (including €0.5M in July 2023 and €2.0M in December 2023 due to the renewal of certain customer contracts), taking into account the assets and liabilities acquired for a net amount of €0.6M (including €0.6M in PCA).

An earn-out on the basis of turnover was recorded for an amount of €1.7M in other debts. It was evaluated on the basis of the turnover change ratio over the years 2023, 2024 and 2025.

The goodwill generated by this acquisition is €4.9M.

Sidetrade financed this operation through its treasury.

This operation was part of the execution of Sidetrade's Fusion 100 strategic plan, with the objective of reaching an ARR of \$100 million by the end of 2025. It also represents an accelerator in Sidetrade's product strategy as well as in achieving revenue of close to \$10 million in North America by 2023, thus consolidating its presence in the United States.

Events subsequent to the close of the financial year

N/A

2. Accounting rules and methods

The Company's annual accounts have been prepared in accordance with ANC accounting regulation 2014-03 as amended by regulations 2015-05 of 2 July 2015, 2015-06 of 23 November 2015, 2016-07 of 4 November 2016, 2018-01 of 20 April 2018 and 2018-02 of 6 July 2018. The general accounting conventions have been applied with due regard to the principle of prudence, in accordance with the basic going concern rules, consistency of accounting methods from one financial year to the next, independence of financial years, true and fair view, regularity and fairness, and in accordance with the general rules governing the preparation and presentation of the annual accounts.

The basic method used for the valuation of items recorded in the accounts is the historical cost method. The applied accounting policies are consistent with industry practices. Unless otherwise indicated, the following financial data is presented in thousands of euros without decimals. Rounding to the nearest thousand euros may lead to non-material differences in the totals and subtotals of the tables.

Intangible fixed assets

Research and development costs

Research costs based on prior analysis phases are recorded directly in expenses for the financial year.

Development costs are mainly payroll costs attributed to the development of new modules for the Sidetrade Augmented Cash software, improving existing versions, quality control and testing, and depreciation of related development assets.

In compliance with regulation CRC 2004-06, development costs cannot be recorded as assets unless they relate to specific projects with a strong likelihood of both technical and sales profitability - or economic viability for projects developed over several years. This means adhering to the following criteria:

- technical feasibility of the completion of the intangible fixed asset with regard to its implementation or sale;
- intention to complete the intangible fixed asset and to use it or sell it;
- capacity to use or sell the intangible fixed asset;
- manner in which the intangible fixed assets will generate probable future economic benefits;
- availability of resources (technical, financial and other) to complete the development and use or sell the intangible fixed asset; and,
- capacity to reliably value the expenses attributable to the intangible fixed assets during development;
- Development costs incurred prior to establishing the technical feasibility are recorded as a cost as and when incurred.

Development costs are mainly payroll costs and external subcontracting costs attributed to the development of new modules for the Sidetrade Augmented Cash software and to external subcontracting expenses, improving existing versions, quality control and testing, and depreciation of related development assets.

Accounting treatment of development costs relating to the new version and prior releases of the software

Development costs for the new version and previous releases of the software were recorded in the accounts as intangible fixed assets where the Company considers that they meet the necessary criteria for activation. Activated development costs are amortized over three years which corresponds to the useful life of each version of the software.

Software

Purchased software is amortized on a straight line basis over a duration ranging from one to five years.

Goodwill

The valuation of the goodwill is assessed each year by reference to the market value resulting from the Sidetrade stock market price.

Tangible fixed assets

Tangible fixed assets are accounted for at acquisition cost. Depreciation for tangible fixed assets is calculated based on the following methods and durations:

	Useful life	Method
Fixtures, general and specific installations	Between 5 and 9 years	Straight line basis
Computing and office equipment	Between 3 and 4 years	Straight line basis
Furniture	Between 3 and 10 years	Straight line basis

Financial fixed assets

Financial fixed assets include shares, deposits and guarantees paid, accounted for at nominal value and the share of the capitalized construction effort.

Since the 2009 financial year, the treasury shares held by Sidetrade under the liquidity contract implemented to manage the share price of the Company on the Euronext Growth market are recorded under the item "Treasury shares". Cash allocated to a liquidity contract is capitalized in other financial fixed assets.

Shares are shown in the balance sheet at their acquisition cost. A depreciation is recognized when the value in use is less than the acquisition cost. The inventory value is determined while notably taking into account Sidetrade's share in the equity of its subsidiary and its profitability prospects.

Receivables and debts

Receivables and debts were valued at nominal value.

A provision for depreciation of customer receivables is recorded on a case-by-case basis when an event changes the net value of the receivable (i.e.: company in administration, unresolved commercial dispute, etc.).

A so-called "statistical" provision is recorded on 100% of the receivables due at more than 180 days.

Asset adjustment accounts

Prepaid expenses

These are expenses paid or accounted for and attributable to the next financial year.

Accrued income receivable

These are receivables which are expected to be received in the next financial year and attributable to the financial year closed.

Investment securities

Investment securities are accounted for based on the historical cost method. A provision is recorded where a loss in value is recorded.

Recognition of turnover

The method for recognising turnover and associated costs depends on the type of contracts entered into with customers.

Provision of services

For Sidetrade Augmented Cash software integration, consulting, training or operational assistance, audit and contentious debt recovery, turnover is accounted for as and when services are provided.

Sidetrade Augmented Cash Software

The company markets its Sidetrade Augmented Cash software based mainly on annual or multi-annual subscription contracts or as maintenance services (when not included in the subscription contract for the service). As a result, the associated turnover is recorded monthly based on the volume of transactions processed.

Operational subsidies

Operational subsidies are recorded in a revenue account called "operational subsidies".

Research tax credit

The research tax credit is recorded on the "Tax on profit" line.

3. Notes to the balance sheet

Intangible fixed assets

The movements of the financial year are broken down as follows:

in €k	12.2022	Increase	Decrease	12.2023
Company start-up fees	30	-	-	30
Development costs	3,811	220	-	4,031
Concessions, patents, licences and similar rights	460	10	-	470
Goodwill	18,980	5,131	-	24,111
Intangible fixed assets	23,281	5,361	-	28,642

The increase in development costs (+€220k) is explained by the activation of development costs.

The increase in goodwill corresponds to the goodwill generated by the acquisition of CreditPoint Software for an amount of €3,130k, a provision for earn-out following the purchase of assets of CreditPoint for an amount of €1,730k and a provision for earn-out following the acquisition of Amalto for an amount of €271k bringing it to €370k.

Depreciation and provisions relating to intangible assets break down as follows:

in €k	12.2022	Allocation	Reverseal	12.2023
Amortization on company start-up fees	30	-	-	30
Amortization on development costs	3,311	233	-	3,544
Amort. on concessions, patents and similar rights	367	44	-	410
Depreciation of goodwill	413	-	-	413
Depreciation of intangible fixed assets	4,121	277	-	4,398
Net value of intangible fixed assets	19,160	5,084	-	24,244

Tangible fixed assets

The movements of the financial year are broken down as follows:

in €k	12.2022	Allocation	Reverseal	12.2023
General facilities, fixtures	897	1	-	899
Transport equipment	37	-	(37)	-
Computing and office equipment, furniture	2,780	221	(5)	2,996
Total	3,714	222	(42)	3,895

The increase in tangible fixed assets during the 2023 financial year relates essentially to the acquisition of computing equipment and R&D infrastructure.

Depreciation relating to tangible assets break down as follows:

in €k	12.2022	Allocation	Reverseal	12.2023
General facilities, fixtures	464	91	-	555
Transport equipment	37	-	(37)	-
Computing and office equipment, furniture	2,388	260	(5)	2,644
Total	2,889	351	(42)	3,199
Net value of property, plant and equipment	825	(129)	-	696

Financial fixed assets

in €k	12.2022	Increase	Decrease	12.2023
Shares	1,702	-	(174)	1,528
Receivables from equity interests	,91	-	(91)	-
Loans	360	39	(56)	343
Deposits and guarantees deposited	503	14	(16)	502
Non-performing assets	597	-	(412)	185
Treasury shares	6,421	220	-	6,641
Financial fixed assets	9,675	-	-	9,199
Depreciation	265	1,415	(265)	1,415
Net value of financial fixed assets	9,410	(1,415)	265	7,784

The securities of the subsidiaries are detailed as follows:

- 100% stake in Sidetrade UK Limited, a company incorporated in August 2011.
- 100% stake in Sidetrade Limited Ireland, a company incorporated in July 2013.
- 100% stake in Sidetrade BV, a company incorporated in March 2015.
- 100% stake in BrightTarget, a company acquired in November 2016.
- 100% stake in Sidetrade INC., a company incorporated in January 2020.
- 100% stake in Amalto Technologies Corporation, a company acquired in April 2021.
- 100% stake in Sidetrade Canada Ltd, a company incorporated in June 2022.

As at 31 December 2023, BrightTarget has contributed all of its assets and liabilities to Sidetrade UK. The BrightTarget securities held by Sidetrade SA were 100% written down for an amount of €1,415k.

The decrease of €174k in securities and €91k in receivables from equity interests is related to the exit of Ondiflo taking into account the liquidation of the company. Provisions on securities and related receivables have been reversed.

As at 31 December 2023, the Company held 86,697 treasury shares (compared to 85,305 in 2022) for a net purchase price of €6,641k.

There is no impairment for treasury shares recorded as at 31 December 2023.

The remaining cash on the liquidity contract is recorded as non-performing assets amounting to €185k.

Other non-current financial assets mainly relate to the construction project (€343k) as well as deposits for bank loans (€327k) and office guarantees (€171k).

Customer receivables

Customer receivables are broken down as follows:

in €k	12.2023	12.2022	Variance
Centralizing customers	7,916	13,900	(5,983)
Bad debts	1,013	586	427
Customer invoices to be issued	257	316	(59)
Customer receivables	9,187	14,802	(5,615)

Bad debts are receivables attached to specific customer disputes (€1,013k).

in €k	12.2023	12.2022	Variance
Provisions pour dépréciation des comptes clients	917	491	425
Provisions pour dépréciations des comptes clients - statistiques	246	236	9
Provisions pour dépréciations clients	1,162	728	434
Valeur nette	8,025	14,074	(6,049)

All customer receivables have a maturity of less than one year.

Other receivables

Other receivables are broken down as follow:

in €k	12.2023	12.2022	Variance
Suppliers, advances	-	45	(45)
Personnel	-	1	(1)
Current taxes	2,075	1,992	83
Social security and other social organizations	26	70	(44)
Value added tax	561	494	67
Other debtors	-	128	(128)
Current account	79	969	(891)
Other receivables	2,740	3,699	(959)

As at 31 December 2023, current taxes relate to the research tax credit for the year 2023 (€2,075k).

Investment securities

in €k	12.2022	Increase	Decrease	12.2023
Investment securities	12,223	7,727	-	19,950
Investment securities	12,223	7,727	-	19,950

As at 31 December 2023, investment securities mainly include DATs (€11,800k) set up in November 2022, June 2023 and July 2023 as well as CATs (€7M) set up in April and May 2023.

The DATs have a maturity of less than one year and the CATs will expire in May 2025.

Prepaid expenses

Prepaid expenses are broken down as follow:

in €k	12.2023	12.2022	Variance
Prepaid expenses - Rent	192	178	14
Prepaid expenses - Other	630	355	275
Prepaid expenses	822	533	290

Prepaid expenses mainly concern the rent and associated expenses of the Boulogne-Billancourt head office (€192k) and software rentals (€627k).

Change in equity

in €k	Capital	Issue premium	Reserves	Retained earnings	Dividends	Net income	Total
Equity as at 31 December 2022	1,452	4,924	145	13,758	-	1,916	22,196
Capital increase	16	(16)	-	-	-	-	-
Allocation of net income	-	-	-	1,916	-	(1,916)	-
Result for the 2023 financial year	-	-	-	-	-	1,823	1,823
Equity as at 31 December 2023	1,468	4,908	145	15,675	-	1,822	24,018

The General Meeting of 15 June 2023 decided to allocate the 2022 result to retained earnings, which amount to €15,675k as at 31 December 2023.

Composition of the share capital

At 31 December 2023, equity is composed of 1,467,926 shares with a nominal value of €1 each, i.e., share capital of €1,467,926. The variance from 2022, to the sum of 15,942 euros, results from the increase in equity due to the issue of 15,942 vested free shares.

Bonus share allocation plan

Authority was granted to the Management Board by the General Meeting on 17 June 2021 to allocate bonus shares to Company employees and/or eligible corporate officers within the limit of 3% of capital, i.e., 43,000 shares. This authority was granted for a period of 38 months with effect from 17 June 2021.

The Management Board meetings on 8 June 2022 and 28 March 2023 drew up an initial list of 62 individuals who could benefit from the bonus share allocation plan (BSAP) representing a total of 34,022 shares, i.e., a maximum dilution of 2.3%.

For each beneficiary, the acquisition period referred to in article L. 225-197-1 I paragraph 6 of the French Commercial Code is two years. At the end of the vesting period, each beneficiary will benefit from a final allocation of the allocated shares, subject to satisfaction, at the end of the vesting period, of the beneficiary's effective presence within the Company.

As at 31.12.2023	BSAP
Date of the General Meeting	17/06/2021
Date of the Management Board meeting	08/06/2022
Number of shares authorised	43,000
Number of shares allocated	34,022
Number of void allocations	986
Number of shares issued	0
Total number of shares which can be issued	
Total number of shares	34,022
- Of whom corporate officers	1,795
Number of individuals concerned	62
- Of whom corporate officers	1

Share buyback scheme and liquidity contract

Under the liquidity contract granted to the brokerage firm ODDO BHF by Sidetrade Group, the following resources were recorded in the liquidity contract as at 31 December 2023:

in €k	12.2023	12.2022	Variance
Number of shares	86,697	85,305	1,392
Valuation	6,641	6,421	220
Balance on the available funds account	185	597	(412)

Conditional advances

in €k	12.2022	Increase	Decrease	12.2023
BPI loan	233	-	(233)	-
RESEARCH-ALPS REIMB ADV	85	-	(85)	-
EUROFIRMO	417	-	(108)	309
Total conditional advances	734	-	425	309

Table of changes in provisions

in €k	12.2022	Allocation	Reverseal	12.2023
Provisions for risks and expenses	336	208	(225)	318
Provisions for exchange rate loss	22	8	(22)	8
Provisions for risk	358	215	(247)	326
Provisions	358	215	(247)	326

Provisions for risks and expenses for the financial year relate to provisions for Employment Tribunal risks (€111k) and a provision for employee contributions (€208k).

Borrowings and debts from credit institutions

Sidetrade holds a loan previously accounted for at Amalto SA. This loan of an initial sum of €500k was granted by the bank Société Générale. The balance due as at 31 December 2023 is €77k, including €77k at under one year.

Sidetrade has also taken out three loans totaling €13M following the acquisition of the company Amalto in April 2021 for this amount.

- BNP loan for the sum of €6.5M, 82-month loan at a rate of 0.8%, repayable quarterly in arrears, with the last repayment set for 29 April 2028. The balance due as at 31 December 2023 is €4.2M, including €931k at under one year.
- BPI loan for the sum of €5M, 84-month loan at a rate of 1.07% with repayment of principal deferred for 8 quarters followed by 20 quarterly repayments in arrears covering redemption of principal and payments of interest, the first of these due on 31 July 2023 and the last on 30 April 2028. The balance due as at 31 December 2023 is €4.5M, including €1M at under one year.
- BPI loan for the sum of €1.5M, 84-month loan at a rate of 1.07% with repayment of principal deferred for 8 quarters followed by 20 quarterly repayments in arrears covering redemption of principal and payments of interest, the first of these due on 31 July 2023 and the last on 30 April 2028. The balance due as at 31 December 2023 is €1.4M, including €309k at under one year.

Supplier debts

Supplier debts are broken down as follow:

in €k	12.2023	12.2022	Variance
Supplier debts	1,044	713	331
Invoices not received	895	1,074	(179)
Supplier debts and related accounts	1,939	1,788	152

All supplier debts are due within one year.

Tax and social security debts

Tax and social security debts are broken down as follow:

in €k	12.2023	12.2022	Variations
Social security debts	2,640	2,415	225
Tax debts	1,082	1,641	(559)
Social security and tax debts	3,722	4,056	(334)

All social security and tax debts are due within one year.

Other debts

Other debts are broken down as follow:

in €k	12.2023	12.2022	Variance
Group current accounts	10,483	9,101	1,381
Other debts	2,100	473	2,478
Customers in credit	851	-	-
Customer credit notes to raise	884	345	539
Other debts	14,318	9,920	4,398

The other debts mainly consist of current accounts with Sidetrade Limited (€4,330k), Sidetrade UK Limited (€4,252k), Sidetrade Inc (€1,519k) and Sidetrade BV (€382k) and provisions for earn-outs following the acquisitions of Amalto SA (€370k) and CreditPoint Software (€1,730k). Payments will occur in Q1 2025 for Amalto and Q1 2026 for CreditPoint.

All other debts are due within one year.

Outgoings to pay

Outgoings to pay are broken down as follow:

in €k	12.2023	12.2022	Variance
Customer credit notes to be issued	884	345	539
Suppliers, invoices receivable	895	1,074	(179)
Tax and social security expenses payable	2,173	1,871	302
Paid leave	1,275	1,200	76
Expense accounts	19	5	14
Premiums payable	247	530	(283)
Employee profit-sharing	-	-	-
Tax on salaries	102	97	5
Various	530	40	490
Outgoings to pay	3,953	3,291	662

4. Notes to the profit and loss statement

Breakdown of turnover

The turnover amounts to €39,318k compared to €31,959k for the year 2022 (+23%). The turnover from exports amounts to €18,691k in 2023 compared to €13,751k in 2022 (+36%). The turnover in the financial year is broken down by service lines as follows:

in €k	OTC Platform subscriptions	Services	Total
2023	35,114	4,204	39,318
2022	28,396	3,563	31,959
Growth	24%	18%	23%

"OTC Platform Subscriptions" activities increased by 24% with a turnover of €35.1M. "Services" activities achieved a turnover of €4.2M, up 18%.

Payroll costs

in €k	12.2023	12.2022	Variance
Staff salaries	9,626	9,374	252
Social security and disability insurance expenses	4,495	3,973	523
Other payroll costs	48	65	(17)
Payroll costs	14,169	13,412	758

Payroll costs amount to €14,169k.

Financial result

in €k	12.2023	12.2022	Variance
Write-backs on provisions of a financial nature	287	107	180
Exchange rate gains on financial operations	186	335	(149)
Other financial income	539	26	512
Financial income	1,012	469	543
Allocation for provisions of a financial nature	(1,422)	(22)	(1,400)
Interest charges	(370)	(123)	(247)
Exchange rate losses on financial operations	(241)	(180)	(61)
Other financial costs	(265)	(27)	(238)
Financial expenses	(2,299)	(351)	(1,709)
Profit	(1,287)	117	(1,404)

The financial result for the year is a loss of €1,287k compared to a profit of €117k in 2022.

Financial income mainly includes interest on DAT and CAT of €515k and provision write-backs for depreciation of Ondiflo securities and receivables for a total amount of €265k. Financial expenses mainly include the provision for depreciation of BrightTarget securities of €1,415k, interest on borrowings of €79k, interest on current accounts of €291k, a foreign exchange loss of €241k and losses related to the disposal of Ondiflo securities and receivables for a total amount of €265k.

Exceptional result

in €k	12.2023	12.2022	Variance
Bonus on treasury shares	70	47	22
Provision write-backs	-	-	-
Other exceptional income	-	-	-
Exceptional income	70	47	22
Penalties, tax fines	(1)	(3)	2
Exceptional expenses from previous financial years	-	-	-
Loss on treasury shares	(44)	(115)	71
Staff redundancy costs	-	-	-
Other expenses on management operations	-	-	-
Allocations for amortization and depreciation	-	-	-
Other exceptional expenses	-	-	-
Exceptional losses	(46)	(119)	73
Exceptional profit	24	(71)	96

The exceptional result for the year shows a profit of €24k and mainly concerns capital gains on treasury shares of €70k and capital losses on treasury shares of €44k.

Research and development costs

Total research and development costs for the year amount to €4,441k and mainly included salaries for €3,656k (including social security contributions), subcontracting expenses and depreciation of computer equipment used for R&D.

Sidetrade activated €220k in development costs for the 2023 financial year.

5. Miscellaneous information

Senior management pay

In 2023, Olivier Novasque received a fixed gross annual remuneration of €279,999.96, benefits in kind of €3,450.56 and a variable share of €74,500, linked to quantitative criteria. Half of these targets depended on the group's turnover, and the other half on its EBIT.

He did not receive any share subscription or purchase options or performance shares that year. In addition, no remuneration related to his role as a director was paid to him or for any other position in a company related to the Company within the meaning of article L. 233-16 of the French Commercial Code. As a corporate officer, he is not eligible for the company's pension or provident plan, but he benefits from the same health coverage plan - to which he contributes - as other Sidetrade employees in France.

Average headcount

The headcount as at 31 December 2023 is 123 employees, and breaks down in the following manner:

- 87 Men and 36 Women
- 121 permanent contracts and 2 fixed-term contracts
- 116 Management level staff, 7 employees and supervisors.

The average headcount over the financial year was 118 employees.

Off-balance sheet commitments

The commitments given relate to company vehicles leased or long-term leased by directors and certain executives, amounting to €126k as at 31/12/2023, and a pledge of €6,545k on shares given when the BNP loan of €6.5M was taken out.

in €k	12.2023	12.2022
Market guarantees and counter-indemnities	-	-
Securities, mortgages and real guarantees	6,545	6,545
Agreements, deposits and guarantees agreed	126	100
Other commitments made	-	-
Total commitments made	6,671	6,645
Market guarantees and counter-indemnities	-	-
Securities, mortgages and real guarantees	-	-
Agreements, deposits and guarantees received	-	-
Other commitments received	-	-
Total commitments received	0	0

Retirement benefit commitments

The Company has not made any provision or taken out any insurance in the company accounts to cover its retirement commitment. The off-balance sheet commitment for retirement benefits was valued by the Company at €155k as at 31 December 2023. Commitments are valued in accordance with ANC Recommendation 2013-02. The applied discount rate is 3.6% and the applied salary increase used is 3%.

This amount is based on an actuarial calculation on the employee population with the assumptions of staff turnover rates decreasing according to age. The average age of Sidetrade Group employees as at 31 December 2023 is 40.1. The retirement age is 65 years. Average length of service at 31 December 2023 is 6.1 years.

The applicable collective agreement is the Syntec agreement.

Bank loan commitments

- A guarantee of €78k was given when the €1.5M BPI loan was taken out in May 2021.
- A guarantee of €250k was given when the €5M BPI loan was taken out in May 2021.
- A pledge of securities of €6,545k was given when the €6.5M BNP loan was taken out. Sidetrade SA also guaranteed to the Borrower the “Consolidated Net Financial Debts/ Consolidated EBITDA” ratio of less than 2.5 for the entire term of the Loan. This ratio is well respected.

Auditor remuneration

in euros Audit	2023 EY	2022 EY	2022 Yuma Audit	2022 Yuma Audit
* Auditing, certification, examination of individual and consolidated accounts	42,000	62,000	18,000	0
- Issuer	42,000	62,000	18,000	-
- Consolidated subsidiaries worldwide	-	-	-	-
* Other work and services directly related	-	-	-	-
- Issuer	-	-	-	-
- Consolidated subsidiaries worldwide	-	-	-	-
Sub-total	42,000	62,000	18,000	0
Other services rendered by networks to fully consolidated subsidiaries	-	-	-	-
* Legal, fiscal, corporate	-	-	-	-
* Other	53,014	42,578	-	-
Sub-total	53,014	42,578	-	-
Total	95,014	104,578	18,000	0

List of subsidiaries and equity interests

in €k	Holding	Acquisition/ incorporation date	Equity	Turnover	Net income	Divi- dends	Gross value of shares	Net value of shares
Sidetrade UK Limited	100%	16/08/2011	4,889	8,263	(188)	-	1	1
Sidetrade Limited	100%	19/07/2013	5,052	2,443	(401)	-	1	1
Sidetrade BV	100%	27/03/2015	255	0	10	-	1	1
BrightTarget	100%	18/11/2016	0	888	1,266	-	1,415	-
Sidetrade INC	100%	09/01/2020	827	6,427	638	-	84	84
Amalto Technologies Corporation	100%	06/04/2021	169	2,534	1,065	-	27	27
Sidetrade Canada Ltd	100%	30/06/2022	49	2,123	172	-	-	-

Related companies

in €k	Current account in debit	Customer receivable	Current account in credit	Supplier debt	Net receivables / date
Sidetrade UK Limited	-	-	(4,252)	-	(4,252)
Sidetrade Limited	-	-	(4,330)	-	(4,330)
Sidetrade BV	-	-	(382)	-	(382)
Sidetrade Inc	-	-	(1,519)	-	(1,519)
Amalto Corporation	-	(152)	-	(8)	(160)
Sidetrade Canada Ltd	79	-	-	-	79

Sidetrade UK Limited

Sidetrade UK Limited is 100% owned by Sidetrade SA. Its capital is €1,000.

For the year 2023, the following transactions were carried out between Sidetrade SA and Sidetrade UK Limited:

- Re-invoicing of expenses: Sidetrade UK Limited re-invoices its management fees to Sidetrade SA for a total amount of €4,301k. This service includes a margin of 7% of the revenues invoiced by Sidetrade SA to customers in Northern Europe.

- Re-invoicing of R&D expenses: Sidetrade UK Limited re-invoices its R&D expenses to Sidetrade SA for a total amount of €3,970k. This service includes a 12% margin.
- Sidetrade UK Limited invoices current account interest to Sidetrade SA in the amount of €107k.

The current account balance with Sidetrade UK Limited amounts to -€4,252k as at 31 December 2023.

Sidetrade Limited

Sidetrade Limited is 100% owned by Sidetrade SA. Its capital is €1,000.

For the year 2023, the following transactions were carried out between Sidetrade SA and Sidetrade Limited:

- Sidetrade SA re-invoices a share of its commercial costs for the services performed for Sidetrade Limited for an amount of €113k ex-VAT.
- Sidetrade Limited re-invoices its management fees to Sidetrade SA for a total amount of €556k ex-VAT. This service includes a 12% margin.
- Sidetrade Limited invoices current account interest to Sidetrade SA in the amount of €152k.

The current account balance with Sidetrade Limited amounts to -€4,330k as at 31 December 2023.

Sidetrade BV

Sidetrade BV is 100% owned by Sidetrade SA. Its capital is €1,000.

For the year 2023, Sidetrade BV invoices current account interest to Sidetrade SA in the amount of €13k.

The current account balance with Sidetrade BV amounts to -€382k as at 31 December 2023.

Sidetrade INC.

Sidetrade INC. is 100% owned by Sidetrade SA. Its capital is \$100,000.

- Re-invoicing of expenses: Sidetrade Inc re-invoices its management fees to Sidetrade SA for a total amount of €6,415k. This service includes a margin of 7% of the revenues invoiced by Sidetrade SA to customers in North America.
- Sidetrade Inc Corporation invoices current account interest to Sidetrade SA in the amount of €12k.

The current account balance with Sidetrade Inc amounts to -€1,519k as at 31 December 2023.

BrightTarget

BrightTarget is 100% owned by Sidetrade SA. Its capital is £100.

- Re-invoicing of expenses: BrightTarget re-invoices its management fees to Sidetrade SA for a total amount of €313k ex-VAT. This service includes a 12% margin.
- Sidetrade SA invoices current account interest to BrightTarget in the amount of €12k.

Amalto Corporation

Amalto Corporation is 100% owned by Sidetrade SA. Its capital is \$30,000.

- Re-invoicing of expenses: The company is linked with Sidetrade SA by a re-invoicing agreement, based on the total amount of subscriptions billed to Amalto Corporation customers. The amount invoiced to the subsidiary during the financial year amounts to €865k.
- Amalto Corporation invoices current account interest to Sidetrade SA in the amount of €7k.

Sidetrade Canada Ltd

Sidetrade Canada Ltd is 100% owned by Sidetrade SA. Its capital is CDN \$1.

- Re-invoicing of expenses: Sidetrade Canada re-invoices its management fees to Sidetrade SA for a total amount of €2,127k. This service includes a 12% margin.
- Sidetrade SA invoices current account interest to Sidetrade Canada in the amount of €12k.

The current account balance with Sidetrade Canada Ltd amounts to €79k as at 31 December 2023.

Earn-outs related to acquisitions

Earn-outs for the acquisition of Amalto SA and CreditPoint Software are likely to be paid based on the future turnover. An earn-out following the acquisition of Amalto in the amount of €370k and an earn-out following the purchase of CreditPoint assets in the amount of €1,730k corresponding to the management's estimate were provisioned as at 31 December 2023.

Comptes consolidés

Sidetrade prepares consolidated accounts as at 31 December 2023.

Statutory Auditors' Reports

1. Report on the Consolidated Financial Statements

To the Annual General Meeting of Sidetrade,

Opinion

In compliance with the engagement entrusted to us by your annual general meetings, we have audited the accompanying consolidated financial statements of Sidetrade for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

■ Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

■ Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2023 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Note 6 to the consolidated financial statements sets out in particular the accounting rules and methods for the recognition of goodwill and the recognition of revenue.

As part of our assessment of the accounting rules and methods used by your Company, we have verified the appropriateness of the accounting methods as detailed above and of the information given in said Note to the consolidated financial statements, as well as the proper application thereof.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- ▶ Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- ▶ Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- ▶ Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Paris and Paris-La Défense, April 5, 2024

The Statutory Auditors
French original signed by

YUMA AUDIT
Laurent Halfon

ERNST & YOUNG et Autres
Carine Malval

2. Report on the financial statements

To the Annual General Meeting of Sidetrade,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of Sidetrade for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

■ Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

■ Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2023 to the date of our report.

Justification of Assessments

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the assessments that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Note 2 to the financial statements sets out in particular the accounting rules and methods for the valuation of goodwill and the recognition of revenue.

As part of our assessment of the accounting rules and methods used by your Company, we have verified the appropriateness of the accounting methods as detailed above and of the information given in said note to the financial statements, as well as the proper application thereof.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

■ Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*Code de commerce*).

■ Information relating to Corporate Governance

We attest that the section of the Board of Directors' management report on corporate governance sets out the information required by Article L. 225-37-4 of the French Commercial Code (*Code de commerce*).

■ Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of voting rights has been properly disclosed in the management report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- ▶ Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.
- ▶ Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- ▶ Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris and Paris-La Défense, April 5, 2024

The Statutory Auditors
French original signed by

YUMA AUDIT
Laurent Halfon

ERNST & YOUNG et Autres
Carine Malval

3. Special Report on Regulated Agreements

At the general meeting of Sidetrade,

In our capacity as statutory auditors of your company, we present to you our report on regulated agreements.

It is up to us to inform you, on the basis of the information given to us, of the characteristics, the essential modalities and the reasons justifying the interest for society of the agreements of which we have been notified or which we may have discovered in the course of our mission, without having to pronounce on their usefulness and merits or to investigate the existence of other agreements. It is up to you, under the terms of Article R. 225-31 of the French Commercial Code, to assess the interest attached to the conclusion of these agreements with a view to their approval.

In addition, it is our responsibility, if necessary, to provide you with the information provided for in Article R. 225-31 of the French Commercial Code relating to the execution, during the past financial year, of the agreements already approved by the General Meeting.

We have carried out the due diligence that we have deemed necessary with regard to the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes relating to this mission.

AGREEMENTS SUBJECT TO APPROVAL BY THE GENERAL MEETING

We would like to inform you that we have not been given notice of any agreement authorized and concluded during the past financial year to be submitted to the general meeting for approval pursuant to the provisions of Article L. 225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

We would like to inform you that we have not been notified of any agreement already approved by the general meeting whose execution has continued during the past financial year.

Paris and Paris-La Défense, March 5, 2024

The Statutory Auditors
French original signed by

YUMA AUDIT
Laurent Halfon

ERNST & YOUNG et Autres
Carine Malval

4. Certificate relating to the total amount of remuneration paid

Statutory auditors' certificate on the information communicated in accordance with Article L. 225-115 4° of the French Commercial Code relating to the total amount of remuneration paid to the highest paid persons for the financial year ended December 31, 2023

To the general meeting of SIDETRADE,

In our capacity as statutory auditors of your company and pursuant to Article L. 225-115 4° of the French Commercial Code, we have drawn up this certificate on the information relating to the total amount of remuneration paid to the highest paid persons for the financial year ended December 31, 2023, contained in the attached document.

This information has been prepared under the responsibility of the Chairman and Chief Executive Officer. It is up to us to attest to this information.

As part of our statutory auditing mission, we have carried out an audit of your company's annual accounts for the year ended 31 December 2023. The objective of our audit, carried out in accordance with the standards of professional practice applicable in France, was to express an opinion on the annual accounts as a whole, and not on specific elements of these accounts used to determine the overall amount of remuneration paid to the highest paid persons. As a result, we did not conduct our audit tests and surveys for this purpose and do not express an opinion on these items in isolation.

We have carried out the due diligence that we have deemed necessary with regard to the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes relating to this mission. These due diligences, which do not constitute an audit or a limited examination, consisted of making the necessary reconciliations between the total amount of remuneration paid to the best-paid persons and the accounts from which it is derived and verifying that it is consistent with the elements used as the basis for the preparation of the annual accounts for the year ended 31 December 2023.

On the basis of our work, we have no comment to make on the concordance of the total amount of remuneration paid to the highest paid persons set out in the attached document and amounting to €1,515,800 with the accounts used as the basis for the preparation of the annual accounts for the year ended 31 December 2023.

This certificate serves as a certification of the accuracy of the total amount of remuneration paid to the best-paid persons within the meaning of Article L. 225-115 4° of the French Commercial Code.

It is made available to you in the context set out in the first paragraph and must not be used, disseminated, or cited for any other purpose.

Paris and Paris-La Défense, April 5, 2024

The Statutory Auditors
French original signed by

YUMA AUDIT
Laurent Halfon

ERNST & YOUNG et Autres
Carine Malval

finance@sidetrade.com

www.sidetrade.com



SIDETRADE