

Press Release

Esker Q1 2023 Sales Activity

Esker achieves another record quarter

LYON, France, and MIDDLETON, Wis. — April 18, 2023

Sales Revenue In M€ (Unaudited)	Q1 2023 M€	Q1 2022 M€	Q1 2023/Q1 2022 Growth ⁽⁴⁾
SaaS ⁽¹⁾	35.4	29.3	+18%
Implementation Services ⁽²⁾	6.3	5.8	+7%
Legacy Products ⁽³⁾	1.1	1.4	-21%
TOTAL	42.8	36.5	+15%
Bookings^{(5) (4)}	4.12	3.64	+19%

⁽¹⁾Includes subscriptions and transactional revenue

⁽²⁾Includes Consulting and Professional Services

⁽³⁾Includes Esker DeliveryWare, Fax Servers and Host Access

⁽⁴⁾Growth based on a constant exchange rate: 2023 exchange rates applied to 2022 figures and excluding Market Dojo (acquired in 2022)

⁽⁵⁾Expressed as Annual Recurring Revenue (ARR). ARR is the average annual subscription value that customers commit to pay over the life of a contract. Revenue from platform transactions is not included as it is uncertain by nature and depends on the number of transactions effectively processed, which is not known at the time the contract is signed.

A record quarter

Esker Q1 2023 sales revenue amounted to 42.8 million euros, a 17% increase over Q1 2022 based on current exchange rates (+15% based on constant rates and excluding Market Dojo acquired in 2022). Once again, Esker has achieved its best quarter in company history.

Cloud activities (+21% based on current rates and +18% based on constant rates and company structure) are driving growth, representing 83% of the company's business. This excellent performance is the result of the many customer contracts signed during 2022 that are now progressively entering production. Additionally, transaction volumes, which had decreased at the end of 2022, have shown good resilience in this first quarter.

Implementation services grew more gradually (+8% based on current rates and +7% on constant rates), representing 15% of the company's business. This trend illustrates Esker's willingness to develop the use of its partners to carry out the implementation of its solutions.

The performance of legacy products continues its downward trend and represents less than 3% of sales revenue.

An excellent quarter for new bookings

Esker recorded the third-best quarter in its history in terms of bookings. The annual recurring value (ARR) of new contracts signed during Q1 2023 increased by 19% (at constant exchange rates) compared to Q1 2022, reaching 4.12 million euros (16.2 million euros over the total duration of the contracts).

The pace of new bookings was extremely dynamic in Europe (+191%), excluding France, with a very large contract won in Germany. The U.S. (+29%) outperformed once again, as it has for several years. Performance in France (-36%) was disrupted by the macroeconomic environment and the uncertainties linked to the upcoming change in electronic invoicing regulations. However, this e-invoicing mandate will create a strong momentum of opportunities that should fuel French performance in the coming quarters and years.

A solid financial position

As of March 31, 2023, company cash rests at 49.1 million euros (including 4.7 million euros classified as financial fixed assets) versus 47.5 million euros on December 31, 2022. Given very low financial debt amount (13.7 million euros as of March 31, 2023) and more than 130,000 in treasury shares, Esker has the financial autonomy to pursue its strategy based on accelerating organic growth, complemented by targeted acquisitions to integrate adjacent markets and enhance value delivered to customers.

Outlook for 2023

Given the strong booking performance in Q1 2023, Esker raises its organic revenue forecast for 2023 to between 13-15%, while aiming for profitability between 12-14% of sales revenue.

An English webcast will take place April 18, 2023, at 6:30 p.m. Central European Time. To participate, please join Microsoft Teams call [here](#).

About Esker

Esker is a global cloud platform built to unlock strategic value for Finance, Procurement and Customer Service professionals and strengthen collaboration between companies by automating the cash conversion cycle. Esker's solutions incorporate AI technologies to drive increased productivity, enhanced visibility, reduced fraud risk, and improved collaboration with customers, suppliers and employees. Founded in 1985, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin. For more information on Esker and its solutions, visit www.esker.com. Follow Esker on [LinkedIn](#) and join the conversation on the Esker blog at blog.esker.com.

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