# Esker Q1 2022 Sales Activity

## Strong company growth with 18% increase in sales revenue

**LYON, France, and MIDDLETON, Wis. — April 19, 2022**

| SALES REVENUE IN M€ (UNAUDITED) | Q1 2022 | Q1 2021 | Q1 2022/Q1 2021 GROWTH[4] |
|---|---|---|---|
| SAAS[1] | 29.3 | 23.9 | +19% |
| IMPLEMENTATION SERVICES[2] | 5.8 | 5.3 | +4% |
| LEGACY PRODUCTS[3] | 1.4 | 1.8 | -23% |
| **TOTAL** | **36.5** | **31.0** | **+14%** |
| **BOOKINGS[5]** | **3.64** | **3.28** | **+11%** |

[1]Includes subscriptions and transactional revenue
[2]Includes implementation, training and Professional Services
[3]Includes Esker DeliveryWare, Fax Servers and Host Access
[4]Growth based on a constant exchange rate: 2022 exchange rates applied to 2021 figures
[5]Expressed as Annual Recurring Revenue (ARR), a standard metric for SaaS or subscription business. 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. Service revenue is also not included in ARR as it is non-recurring.

### Record quarter

Esker Q1 2022 sales revenue amounted to 36.5 million euros, an 18% increase over Q1 2021 based on current exchange rates (+14% based on constant rates). Once again, Esker has achieved its best quarter ever.

Despite a slight decrease in volumes processed at the beginning of the year due to another pandemic wave, cloud activities (+23% based on current rates and +20% based on constant rates) are driving growth, representing 84% of the company's business. This excellent performance is the result of the many customer contracts signed during 2021 that are now progressively entering production.

Implementation services grew more gradually (+8% based on current rates and +4% on constant rates). This moderate growth is mostly linked to a pandemic resurgence in early Q1 and the resulting shortfalls of resources and personnel for both Esker's teams and its customers.

The performance of traditional licensed and legacy products declined sharply, which is common when economic conditions tighten or become uncertain. These products represent only 4% of company business.

## Second best quarter in terms of bookings

Esker once again recorded a high number of signed projects in the beginning of the year. The Annual Recurring Value (ARR) of new contracts signed during Q1 2022 increased 11% over Q1 2021 to 3.64 million euros (13.3 million euros or +23% over the total duration of the contracts). The dynamic pace of signed contracts in Q1, primarily in France, the United States and Australia, makes it the second best quarter in terms of bookings (after Q4 2020).

## Strengthened financial structure for future growth

As of March 31, 2022, company cash rests at 46.2 million euros, after taking out a 5 million euro loan. With 41.2 million euros in net cash (versus 34.9 million euros on March 31, 2021) and close to 140,000 treasury shares immediately available, Esker has the financial resources necessary to pursue a strategy that is focused primarily on accelerating organic growth. Targeted acquisitions could also be envisioned in order to accelerate coverage of adjacent markets and enhance value delivered to customers.

## Outlook for 2022

Given the strong Q1 2022 performance and despite the accumulation of economic uncertainties, Esker maintains its full-year organic growth forecast of 15-16%. At this level of growth, profitability is expected to stand at around 12-15%.

## About Esker

Esker is a global cloud platform built to unlock strategic value for finance and customer service professionals, and strengthen collaboration between companies by automating the cash conversion cycle. Esker's solutions incorporate technologies like Artificial Intelligence (AI) to drive increased productivity, enhanced visibility, reduced fraud risk, and improved collaboration with customers, suppliers and internally. 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.



**Esker, Inc.**
1850 Deming Way, Suite 150
Middleton, WI 53562 USA
Tel: (608) 828-6000
www.esker.com | info@esker.com

**Press Contact:** Nick Wilson
Tel: (972) 850 5899 | nwilson@ideagrove.com

**Investor Relations Contact:** Emmanuel Olivier
Tel: +33 (0)4 72 83 46 46 – olivier@esker.fr

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