

Esker Q3 2024 Sales Activity

Esker achieves 16% sales revenue growth

Derby, UK — October 16, 2024

Sales Revenue in M€ (Unaudited)	Q3 2024	Q3 2023	Q3 2024/ Q3 2023 Growth ⁽⁴⁾	9 Month 2024	9 Month 2024/ 9 Month 2023 Growth ⁽⁴⁾
SaaS Subscription	24.5	19.5	+26%	70.4	+27%
SaaS Transaction ⁽¹⁾	17.1	16.6	+3%	52.8	-1%
Total SaaS	41.6	36.1	+16%	123.2	+14
Implementation Services ⁽²⁾	9.1	6.9	+32	25.8	+27%
Legacy Products ⁽³⁾	0.3	0.8	-56%	1.2	-57%
TOTAL	51.0	43.8	+17%	150.2	+14%
Bookings^{(5) (4)}	5.3	5.3	+4.8%	18.3	+34%

⁽¹⁾Billing by document

⁽²⁾Includes Consulting and Professional Services

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

⁽⁴⁾Growth based on a constant exchange rate: 2024 exchange rates applied to 2023 figures

⁽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.

Continued growth in SaaS activities

Esker Q3 2024 consolidated sales revenue amounted to 51.0 million euros, a 17% increase over Q3 2023 based on constant exchange rates and +16 based on current exchange rates. For the first nine months of 2024, Esker sales came to 150.2 million euros, up 14% based on constant exchange rates and current rates.

In Q3, Esker's SaaS activities continued to drive growth (+16% based on constant rates and +14% based on current rates), representing 82% of the company's overall revenue.

Subscription sales grew by 26% accounting for 59% of SaaS business. This development reflects the priorities of Esker's sales strategy which focuses on resilience and predictability of revenue, therefore favouring subscription as a source of recurring revenue.

The slower growth in transactional revenue (+3%) can be explained by persistently tense macroeconomic conditions, which traditionally impact volumes processed by the Esker on Demand platform.

Implementation services grew by 32% based on constant rates and 31% based on current rates, representing 17% of the company's total revenue. This performance is directly linked to the implementation of the many contracts signed in previous quarters.

Bookings up despite demanding base effect

The annual recurring revenue (ARR) of new contracts signed during Q3 2024 increased by 5% year-over-year to reach 5.3 million euros. This was achieved despite a very demanding base effect in Q3 2023, which benefitted from France's e-invoicing reform which has been postponed for two years at the end of 2023.

The ARR of new contracts signed in the first nine months of the year reached 18.3 million euros, an increase of 34%.

Esker achieved a solid performance in terms of bookings over the period. The APAC region recorded 72% growth, linked to the introduction of mandatory e-invoicing in Malaysia. In Europe (excluding France) bookings increased by 19%. The French market remained stable over the first nine months of the year. In the U.S., the robust growth that began earlier this year has persisted, achieving a 66% increase over the first nine months.

A solid financial structure

As of September 30, 2024, company cash rests at 59.6 million euros (including 5.5 million euros classified as long-term investment) versus 45.8 million euros on September 30, 2023. Net cash amounts to 51.7 million euros as of September 30, 2024, compared with 34.1 million euros the previous year. Esker's solid financial base is supported by its low financial debt (7.8 million euros as of September 30, 2024) and 134,373 in treasury shares (representing 35.3 million euros based on the closing share price on October 14, 2024).

Outlook for the end of 2024

Given the good performance of the first nine months of 2024, Esker maintains its sales growth target of +12-14% (excluding acquisitions and currency effects) for the full year 2024. In terms of bookings, Q4 2023 benefitted strongly from France's e-invoicing reforms. This will represent a very demanding base effect in France for Q4 2024 sales activity. At this level of activity, the operating margin will be between 12-13% of sales.

About Esker

Esker is the global authority in AI-powered business solutions for the Office of the CFO. Leveraging the latest in automation technologies, Esker's Source-to-Pay and Order-to-Cash solutions optimise working capital and cashflow, enhance decision-making, and drive better collaboration and human-to-human relationships 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 <https://www.esker.co.uk/>. Follow Esker on [LinkedIn](#), [X](#), or [You Tube](#) and join the conversation on the [Esker blog](#).

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