

Press Release

Esker Q1 2024 Sales Activity

Esker achieves steady sales growth alongside dynamic increase in new bookings

Derby, UK — April 17, 2024

Sales Revenue in M€ (Unaudited)	Q1 2024 M€	Q1 2023 M€	Q1 2024/Q1 2023 Growth ⁽⁴⁾
SaaS ⁽¹⁾	39.6	35.4	+12%
Implementation Services ⁽²⁾	7.7	6.3	+22%
Legacy Products ⁽³⁾	0.4	1.1	-64%
TOTAL	47.7	42.8	+12%
Bookings^{(5) (4)}	5.95	4.12	+37%

⁽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: 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.

Steady sales growth

Esker Q1 2024 consolidated sales revenue amounted to 47.7 million euros, a 12% increase over Q1 2023 based on current as well as constant exchange rates. Once again, Esker has achieved its best quarter in company history.

Over Q1, Esker's SaaS activities continued to drive growth (+12% based on current and constant exchange rates) to represent 83% of the company's overall revenue. This performance is the result of the many customer contracts signed during 2023 that are now progressively entering production and driving subscriptions up by 29% compared to Q1 2023. Transaction volumes remained stable in the first quarter due to fewer working days during the period and a slight decrease in fax and mail volumes.

Implementation services grew by 22%, representing 16% of the company's overall revenue. This strong performance is a result of the number of ongoing customer implementations and was achieved without significantly increasing the consultant headcount thanks to the contribution of Esker's partner network.

The performance of legacy products continued its downward trend, accounting for only 1% of sales, in line with the company's overall approach.

An excellent quarter for new bookings

Esker achieved the second-best quarter in its history in terms of bookings, extending the momentum of the record set in Q4 2023. The annual recurring value (ARR) of new contracts signed during Q1

2024 increased by 37% based on constant exchange rates compared to Q1 2023 to reach 5.95 million euros, 18.1 million euros over the total duration of the contracts.

This performance was mainly driven by the U.S., where bookings increased by 73% over the quarter, confirming the momentum achieved at the end of 2023. Sales activity in Europe (excluding France) was down 18% compared to Q1 2023 due to a particularly demanding base effect (+191% in Q1 2023). Adjusted for an exceptional contract closed in 2023, bookings in Europe increased by over 114%. Bookings in France and Asia-Pacific increased by 29% and 83% respectively, both benefiting from comparisons with a less demanding base period.

A solid financial structure

As of March 31, 2024, company cash rests at 53.8 million euros, including 4.8 million euros classified as long-term investments, compared to 52.2 million euros on December 31, 2023. With moderate financial debt, 7.8 million euros as of March 31, 2024, and 134,000 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 elevate the customer value proposition.

Outlook for 2024

Esker is off to a strong start in 2024, in line with its objectives thanks to the significant new bookings in 2023 and at the beginning of this year, which will gradually fuel sales growth. Additionally, the strategy of moderate investments adopted for the year will make a significant contribution to improving profitability.

Against a backdrop of exceptional bookings in Q1 2024, Esker expects its revenue growth to be between 12-14%, excluding acquisitions and currency effects, for 2024. At this level of activity, the operating margin will be between 12-13% of revenue.

Despite a difficult economic and geopolitical environment, Esker projects strong organic revenue growth and acceleration in its sales performance, while retaining its employees. Its structure remains fundamentally profitable.

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 internally. 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](#), and join the conversation on the [Esker blog](#).

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