

Esker Q4 2024 Sales Activity

Esker achieves 16% sales revenue growth based on constant exchange rates

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Sales Revenue in M€ (Unaudited)	Q4 2024	Q4 2023	Q4 2024/ Q4 2023 Change ⁽⁴⁾	2024	2023	2024/2023 Change ⁽⁴⁾
SaaS Subscription	26.2	19.0	+34%	93.0	69.8	+33%
SaaS Transaction ⁽¹⁾	18.7	19.2	-4%	74.8	77.2	-3%
Total SaaS	44.6	38.2	+15%	167.9	146.8	+14%
Implementation Services ⁽²⁾	10.1	8.0	+25%	35.9	28.3	+28%
Legacy Products ⁽³⁾	0.3	0.7	-54%	1.5	3.5	-56%
TOTAL	55.1	46.9	+16%	205.3	178.6	+15%
Bookings⁽⁴⁾⁽⁵⁾	6.9	7.0	-3%	25.7	20.8	+22%

⁽¹⁾Billing by document

⁽²⁾Includes Consulting and Professional Services

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

⁽⁴⁾Change based on constant exchange rates: 2024 exchange rate applied to 2023 sales

⁽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.

Dynamic growth confirmed

Esker achieved its most successful year in company history with sales revenue reaching over 200 million euros for 2024. Esker 2024 sales revenue amounted to 205.3 million euros, a 15% increase over 2023 based on constant and current exchange rates.

Esker Q4 2024 consolidated sales revenue amounted to 55.1 million euros, a 16% increase over Q4 2023 based on constant exchange rates (+17% based on a current exchange rates).

In 2024, Esker's SaaS revenue grew by 14% to amount to 167.9 million euros, representing 82% of the company's overall revenue.

SaaS subscription revenue continue to be a key growth driver, increasing by 34% in Q4 to reach 26 million euros. For the full year, they grew by an impressive 33%, reflecting Esker's sales strategy favouring subscription as a source of recurring revenue.

SaaS transactional revenue, although down slightly by -4% for Q4 and -3% for the year, remains an essential component of Esker's global SaaS offering. This reflects cyclical trends in transaction volumes but does not alter the overall growth dynamic of the SaaS model.

Implementation services saw strong growth, rising 25% in Q4 and 28% for the year, driven by the strong momentum in bookings throughout the period.

Stable bookings in Q4

New bookings totalled 6.9 million euros in Q4, reflecting a modest 3% decline compared to Q4 2023. However, this year-over-year comparison requires context, as Q4 2023 experienced exceptional momentum (+58% increase in new bookings) fuelled by heightened anticipation surrounding France's electronic invoicing reform, which was then

planned for 2024. The delay of this reform resulted in a loss of momentum in 2024, as companies became more cautious amid regulatory uncertainty.

Despite this cyclical base effect, demand for Esker's solutions remained solid throughout the year, as demonstrated by a 22% year-on-year increase in new bookings in 2024. This outcome reaffirms the company's ability to sustain a growth trajectory, even amidst an environment shaped by uncertainty and regulatory changes.

Sales activity was particularly dynamic in America with an over 51% increase in new bookings for the year (+15% in Q4). In France, sales activity declined by 16% for the year (-26% in Q4), driven by the impact of the e-invoicing reform postponement and a demanding base effect. The rest of Europe achieved over 10% growth for the year, supported by the significant investments made in European subsidiaries in previous years, despite a 16% decline in Q4, impacted by the economic uncertainties that have affected the region since last summer. The Asia-Pacific region recorded dynamic growth of 20% in Q4.

A solid financial structure

As of December 31, 2024, company cash rests at 77 million euros (versus 52.2 million euros on December 31, 2023), after repayment of the equity loan to LSQ in the U.S. for a total of 5 million dollars.

Net cash amounts to 70.2 million euros (compared to 41.5 million euros on December 31, 2023) and more than 130,000 in treasury shares (representing more than 34 million euros based on the closing share price). 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 2025

The 2024 results highlight the company's strong performance in the SaaS sector. Marked by robust growth in subscriptions, implementation services and new bookings, the company continues to demonstrate its ability to innovate and meet customer needs.

Furthermore, sales growth — combined with a prudent investment strategy — has positively impacted the operating margin, which is now expected to exceed the previously announced range of 12-13% by 1 to 2 percentage points.

Given the strong performance of new bookings in 2024, and despite the potential impact of an economic slowdown that may reduce the number of transactions processed on the platform, Esker projects full-year organic sales growth of 13-15%. This level of activity, coupled with disciplined investment management, is expected to support profitability, with the operating margin anticipated to range between 13-15%.

Overall, the company's subsidiaries maintain a substantial pipeline of business opportunities, positioning them to achieve double-digit growth in new bookings in 2025.

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

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