

The Cloud Platform for the Back Office Digitalization

Jean-Michel Bérard, Founder and CEO
Emmanuel Olivier, COO

April 2024



Corporate Overview

The Cloud Platform for Document Process Automation

Bringing The Back-Office To The Modern World



Digitalization of B2B Back Office Processes



Source-to-Pay

Order-to-Cash

Procurement

Order Management

Accounts Payable

Accounts Receivable



Digital transformation of the Back-Office



Increased business productivity



Enhanced global visibility & analytics

Positive-Sum Growth

Eliminate tedious tasks



Pay suppliers faster
Increase visibility

Serve customers faster
Increase visibility

Reduce paper consumption

Leading Analyst Recognition

Gartner

Esker Named a Leader in the **2023 Gartner® Magic Quadrant™ for Integrated Invoice-to-Cash Applications**⁽¹⁾

&

Esker Recognized in the **2022 Gartner® Magic Quadrant™ for Procure-to-Pay Suites** for the Third Year in a Row⁽¹⁾

Ardent Partners
RESEARCH WITH RESULTS

Esker Recognized as a Market Leader in **Ardent Partners 2023 ePayables Technology Advisor** for 3rd Consecutive Year

&

Esker Recognized as a **Key Solution Provider in 2020** by Ardent Partners

IDC

Esker Named a Leader in the **IDC MarketScape for Accounts Receivable 2021**⁽²⁾

&

Esker Named a Major Player in the **IDC MarketScape for Accounts Payable 2020- 2021**⁽³⁾

FORRESTER

Esker Named in Forrester **Order Management System Landscape, Q4 2022**

&

Forrester **AR Invoice Automation Landscape, Q1 2023**

(1) Gartner, Magic Quadrant for Procure-to-Pay Suites, Micky Keck, Balaji Abbabatulla, Patrick Connaughton, Lynne Phelan, 28 November 2022.

Gartner, Magic Quadrant for Integrated Invoice-to-Cash Applications, Tamara Shipley, Nisha Bhandare, Valeria Di Maso, 2 May 2023.

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(2) IDC MarketScape, IDC MarketScape: Worldwide SaaS and Cloud-Enabled Accounts Receivable Automation Applications for Midmarket 2020–2021 Vendor Assessment, IDC #US47032320, December 2020

(3) IDC MarketScape: Worldwide SaaS and Cloud-Enabled Accounts Payable Automation Applications for Enterprise 2020–2021 Vendor Assessment, IDC # US47032520, December 2020

Key Facts & Numbers



Top 10

Happy at Work 2022



€179M

Sales Revenue 2023



39 years

of Experience



1000+

Employees



€650B

Transactions Managed
Per Year



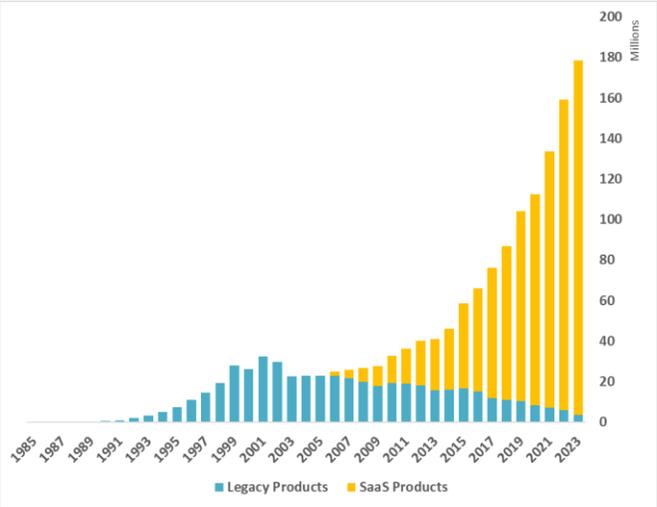
14%

Revenue Growth
2023



8.3%

Net Income
2023



Global Presence

Lyon, France — Headquarters

Paris, France

Derby, UK

Stonehouse, UK

Munich & Düsseldorf, Germany

Madrid, Spain

Milan, Italy

Ghent, Belgium

Madison, WI & Denver, CO, U.S.A

Montreal, Canada

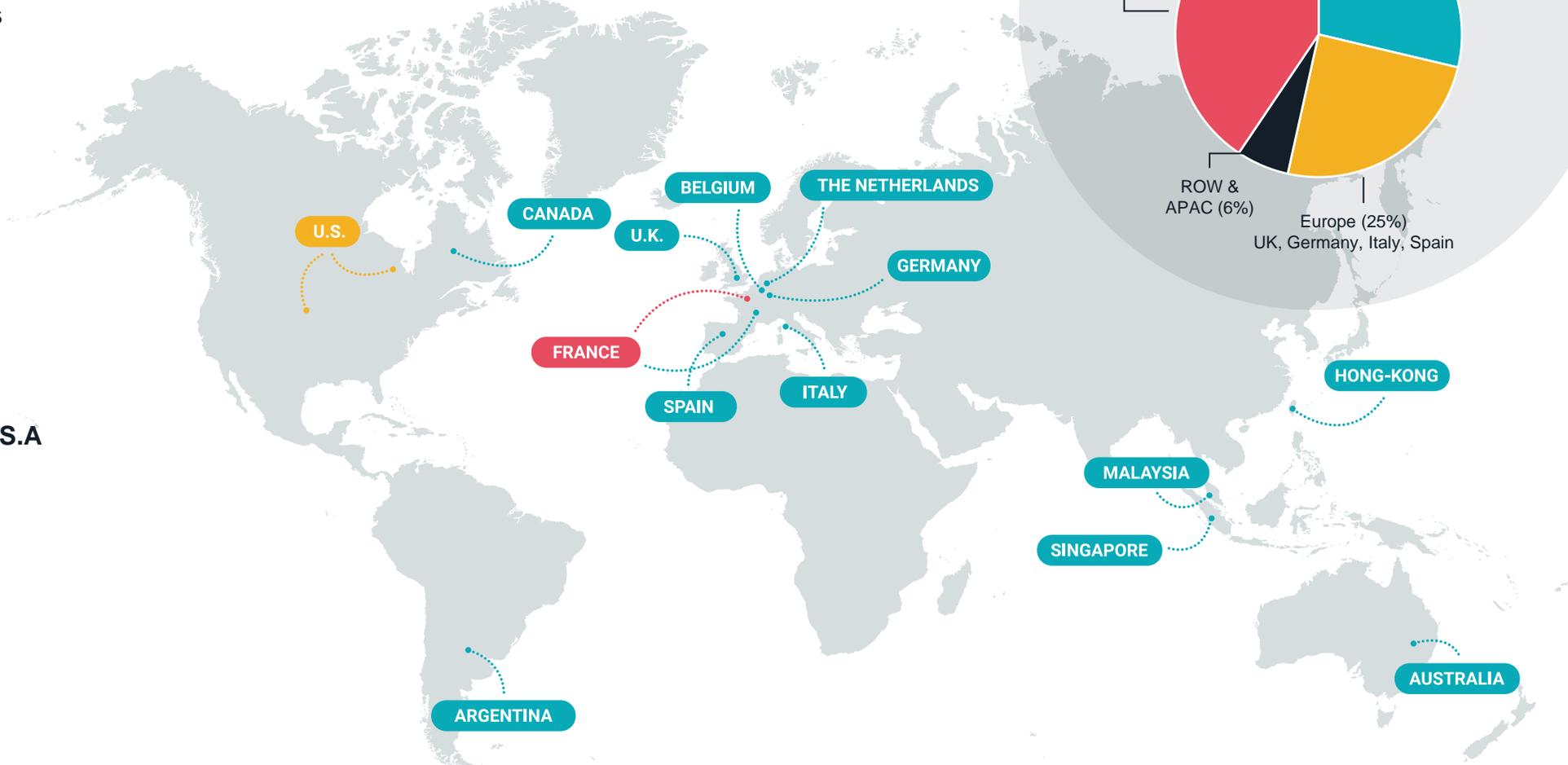
Buenos Aires, Argentina

Sydney, Australia

Singapore

Hong-Kong

Kuala Lumpur, Malaysia

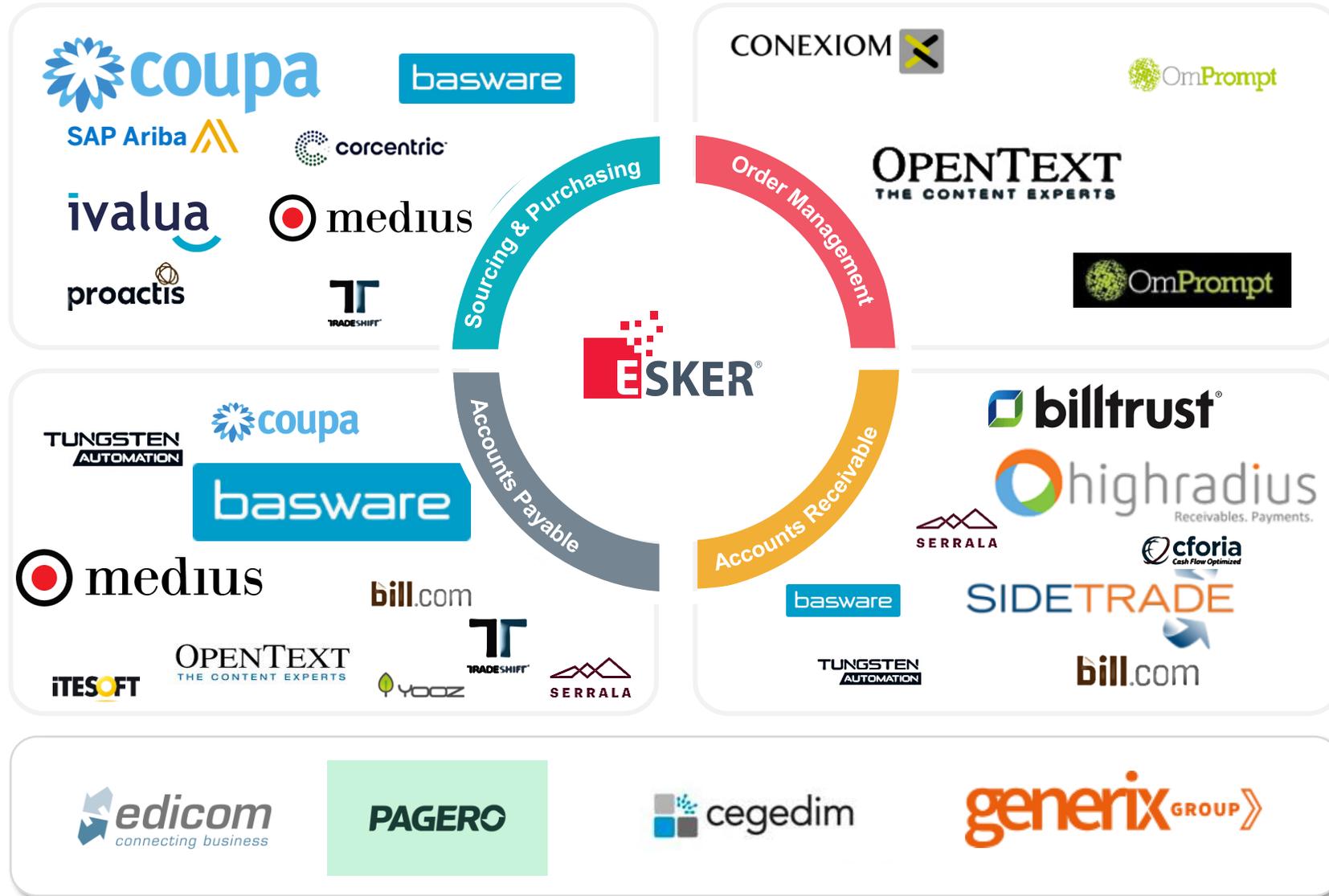


Recently Signed Customers



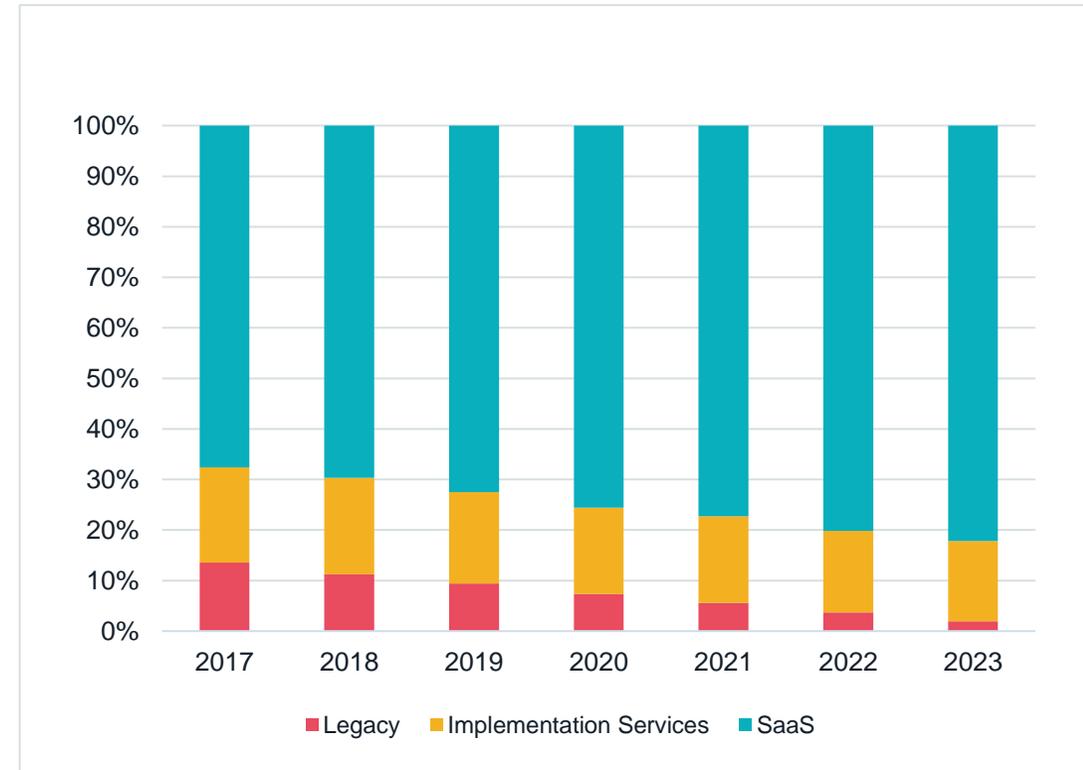
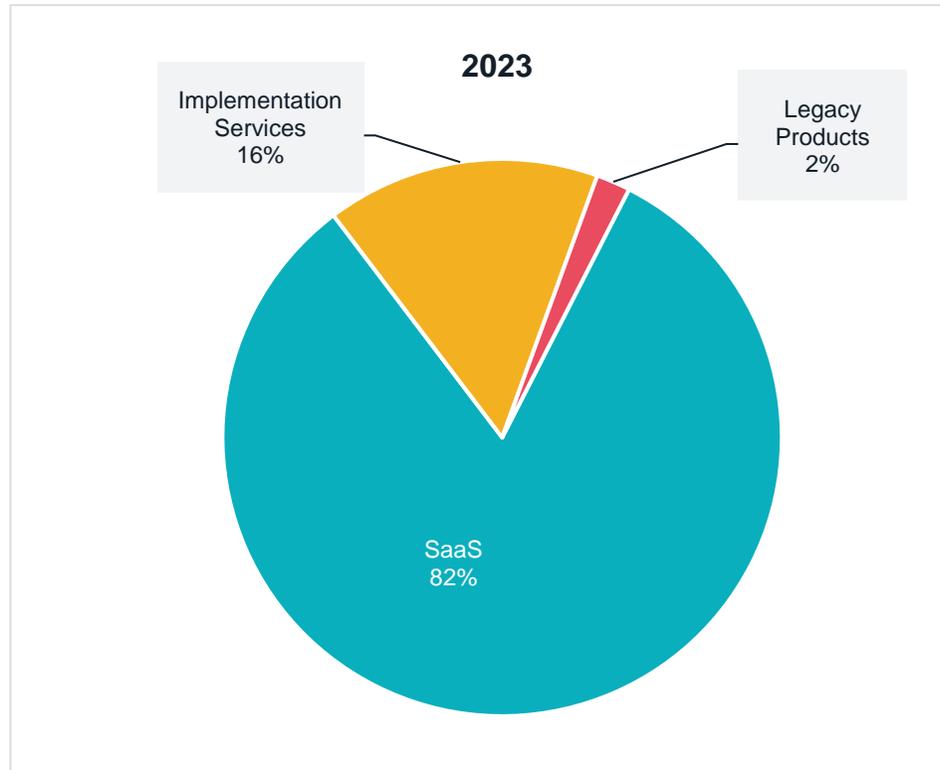
And many more...

Competition



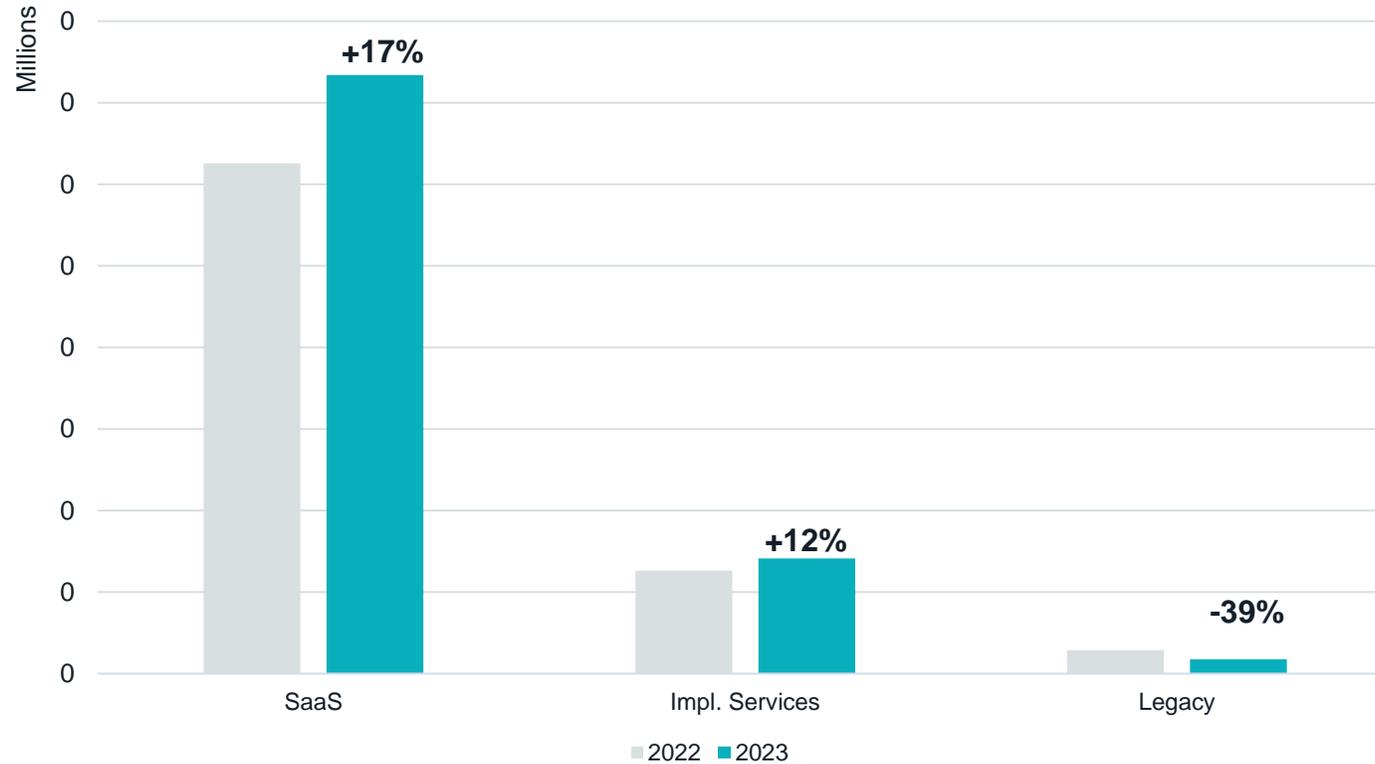
Business Model

Strong recurring Business Model



In 2023 SaaS increased 17% to represent 82% of the total revenue (80% for FY 2022)

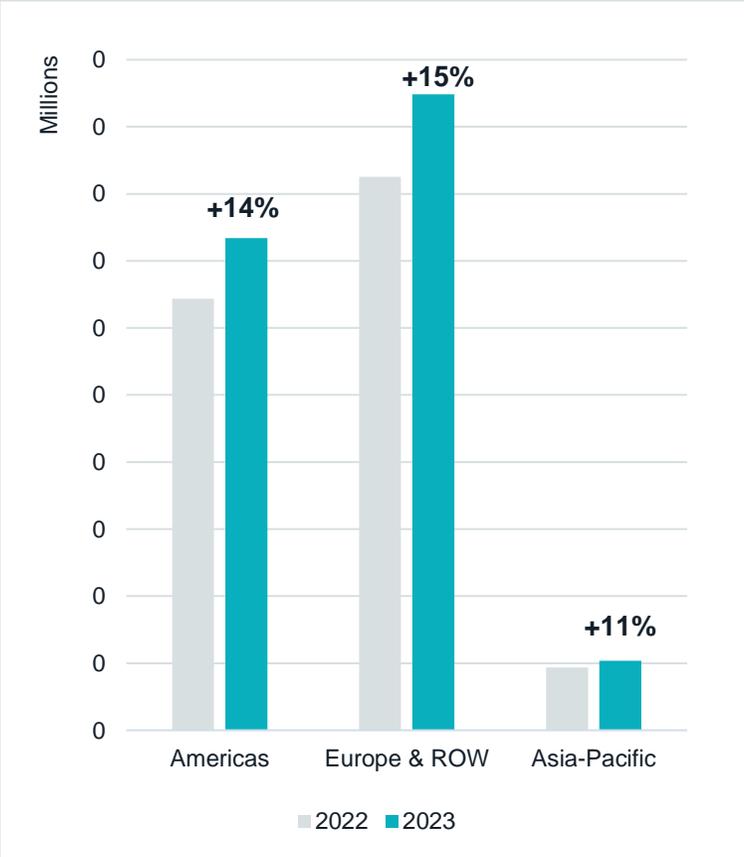
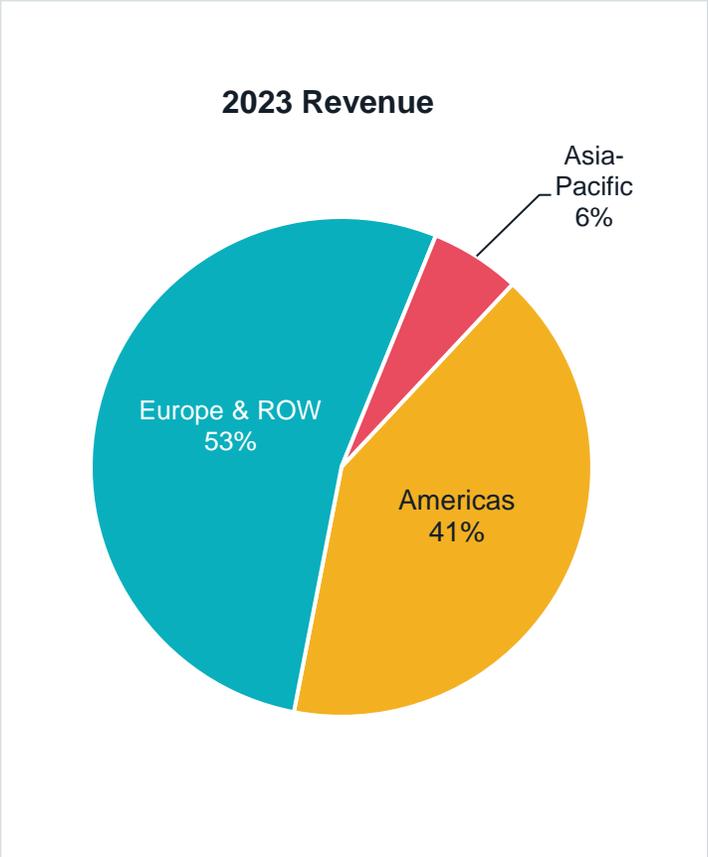
Revenue Growth by Product Type



- Dynamic growth of SaaS shows implementation of past wins as well as volume of activity on the platform by existing customers
- Consulting revenue on positive trend
- Bad Legacy products performance

*In constant currency exchange rates

Revenue Growth by Region

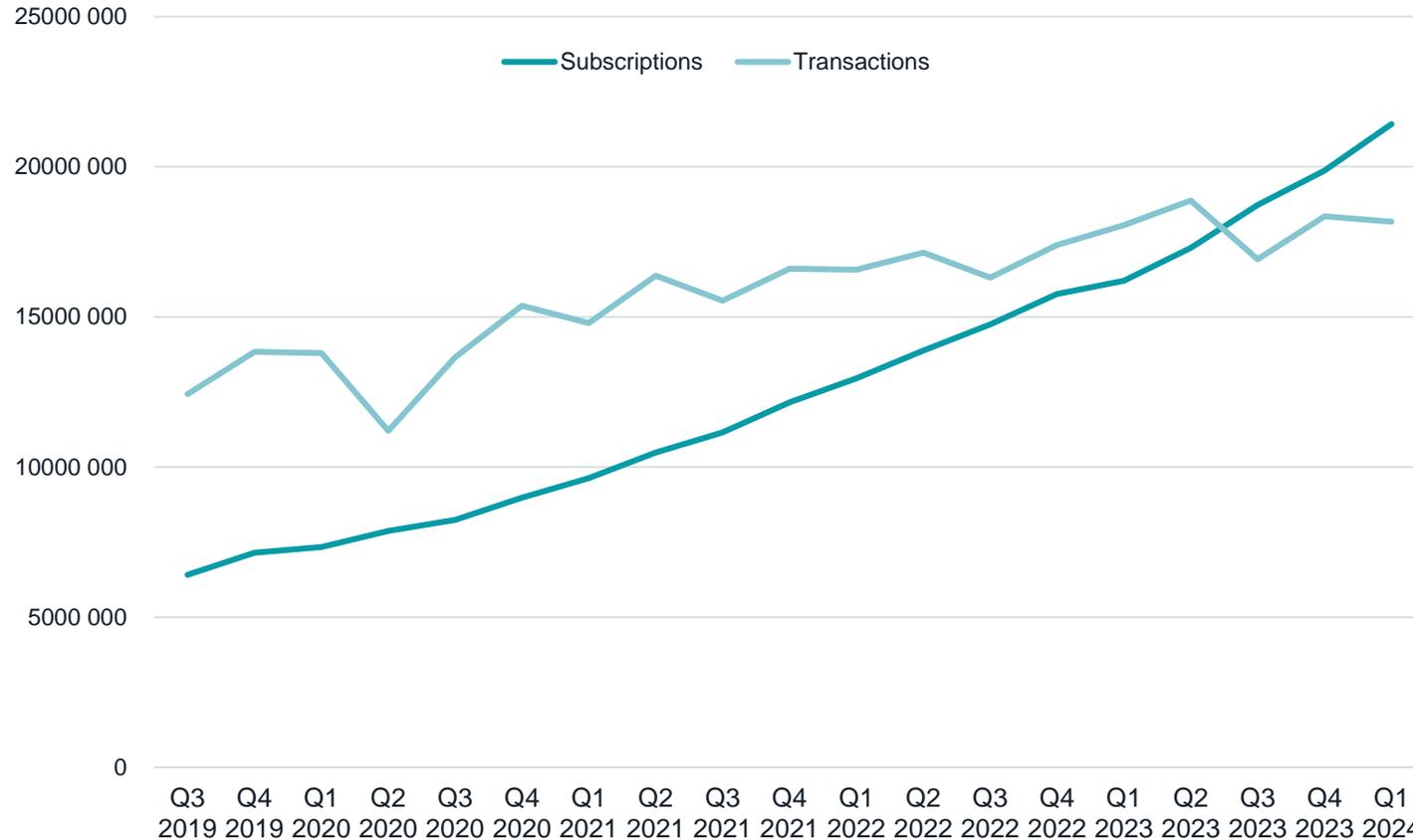


- All regions are growing
- Dynamic growth in US and Europe following consistent growth in bookings in previous years
- APAC experienced a weak Q4 2022 and Q1 2023 in term of bookings

*In constant currency exchange rates



SaaS Revenue by Type



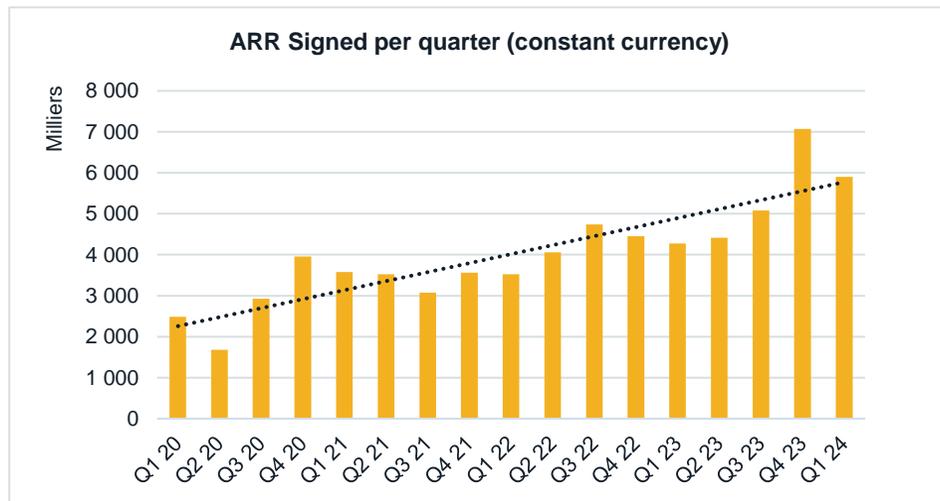
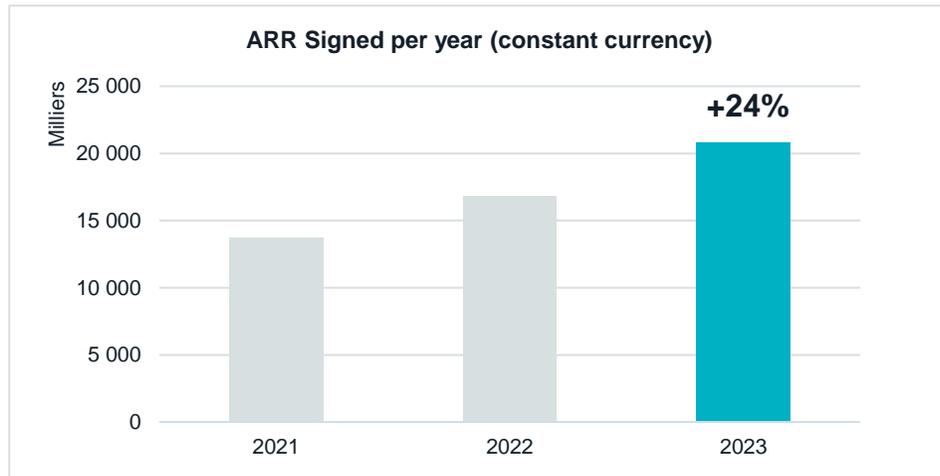
Subscription revenue

- 54% of SaaS revenue in Q1-24
- 29% growth vs. Q1-23

Transaction revenue

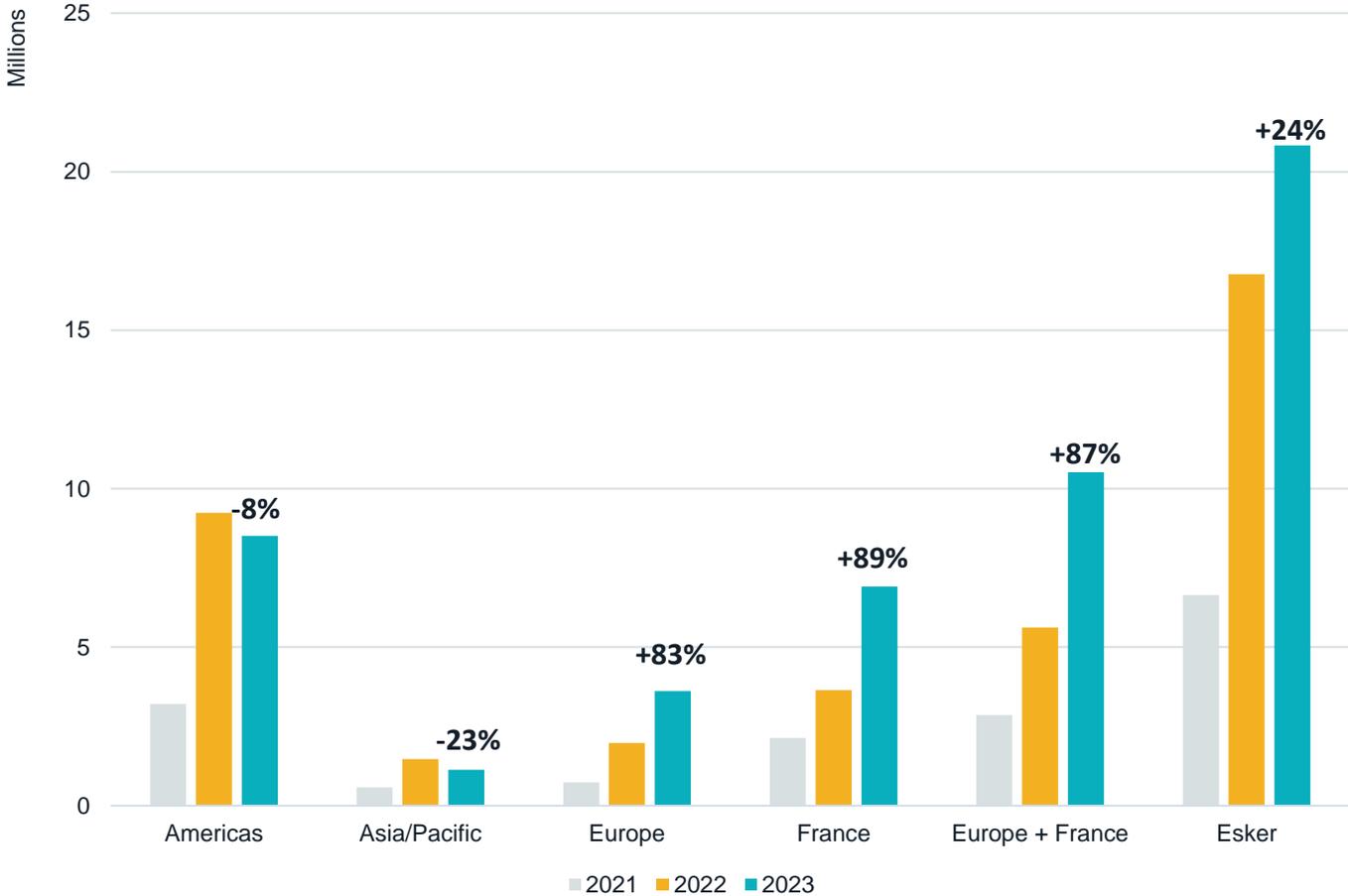
- 46% of SaaS revenue
- 0% growth vs. Q1-23

Dynamic Sales Performance (Bookings)



- Bookings (order intake) is defined as the **average** annual minimum amount of revenue for signed contracts (Annual Recurring Revenue)
- It is charged to customers as subscription fee
- This revenue will be recognized over the duration of the contract. Typical contract: 3 years. Generally, includes ramp ups
- Acquisition cost (sales & marketing mainly) charged to income statement in the year on contract closing. No deferral
- Per document revenue comes on top of subscription fees and will be recognized based on customers utilization of the platform.
- Per document revenue (transactional) is not included in bookings

Bookings Growth by Region (FY 23)

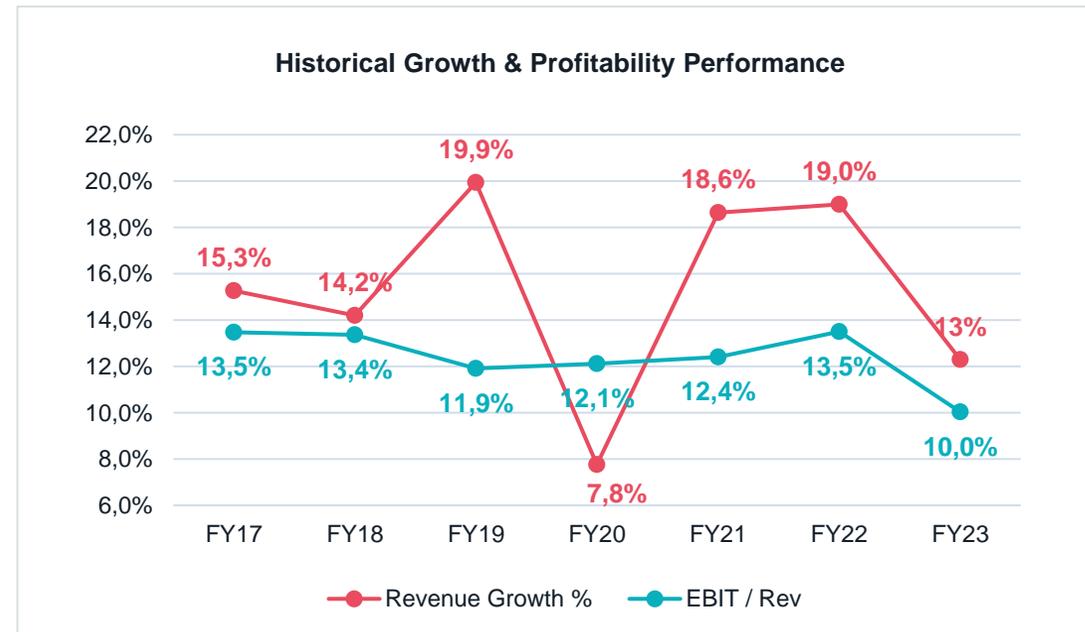
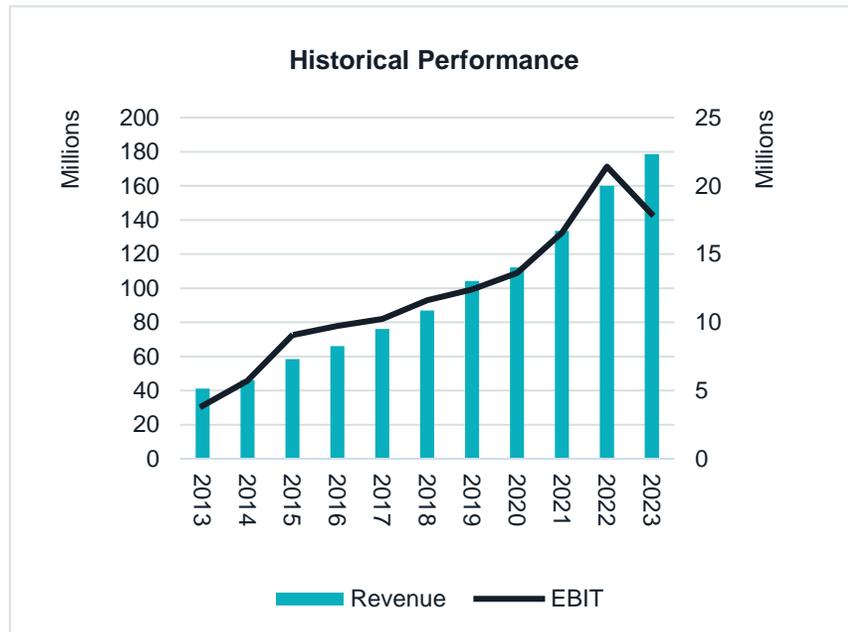


- Strong performance in France & Europe
- Solid & regular performance in Americas
- Weak performance in Asia-Pacific after a slow beginning of the year 2023

*In constant currency exchange rates



Business Model Combines Growth & Profitability



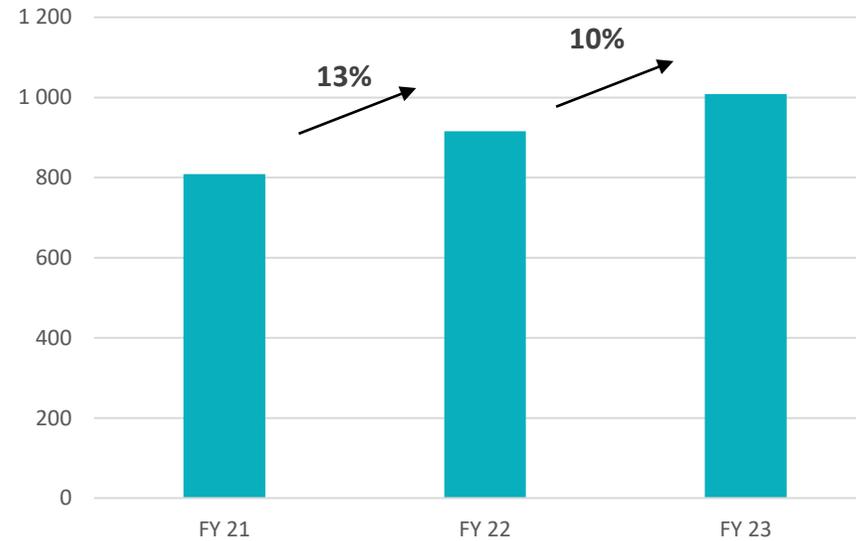
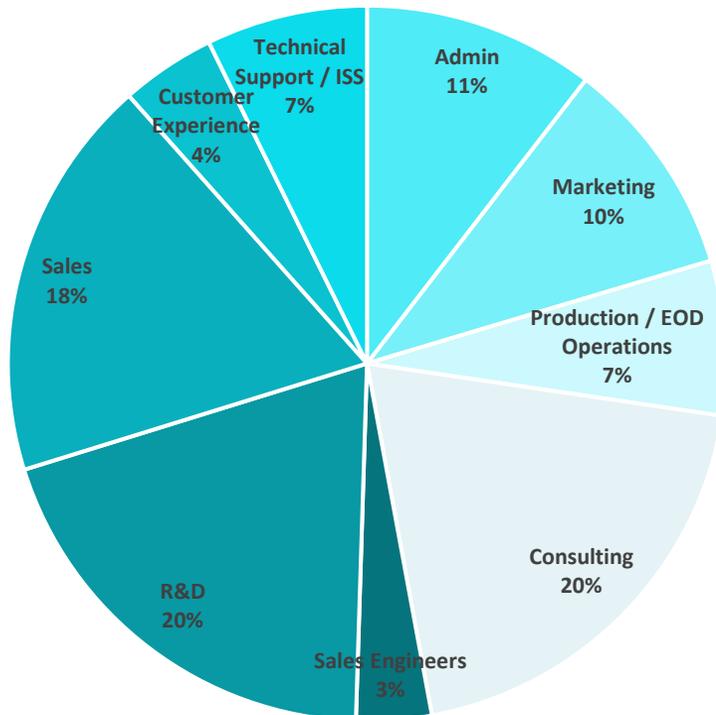
Growth requires investments but Esker still aims at maintaining profitability in the 12 – 15% range

FY23 profitability decrease mainly due to:

- Salary and cost inflation
- Headcount increase
- Accelerated growth in bookings driving sales commission up
- Forex effect

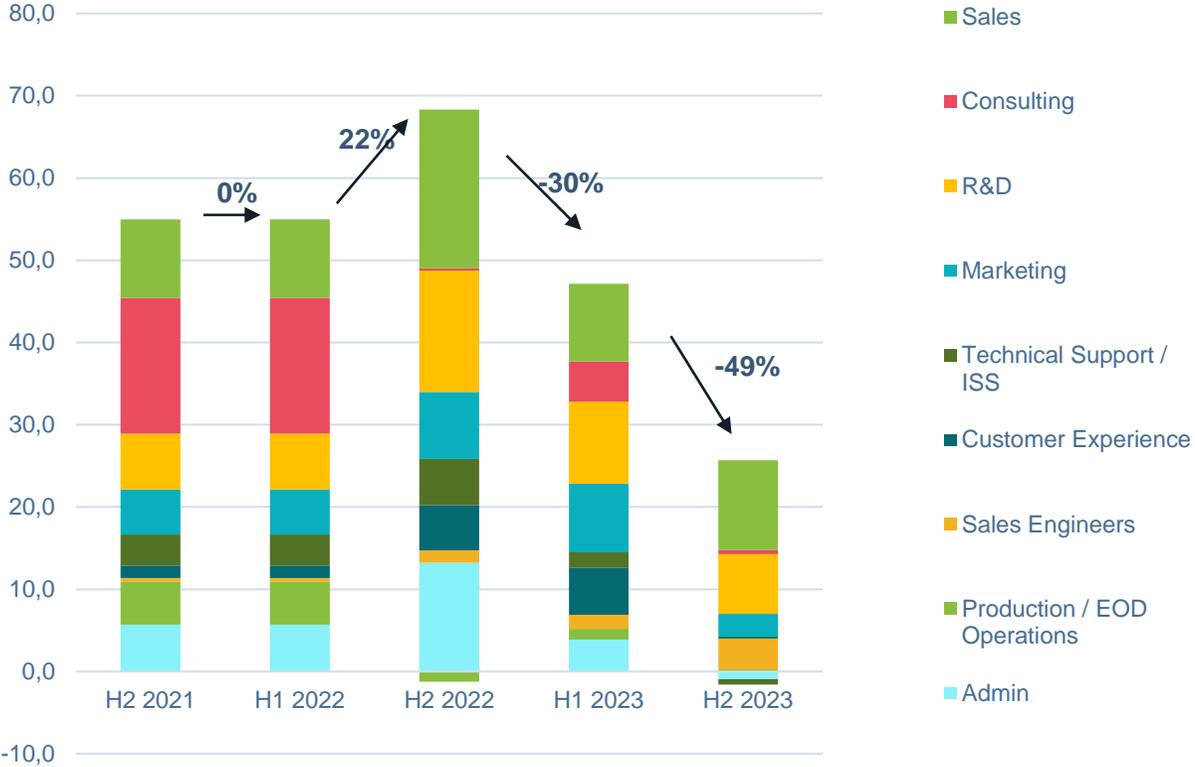
Headcount Analysis

Staff @12/31/23 – 1008 employees



- Average headcount increased by 10% to exceed 1,000 employees (includes Market Dojo)
- Lower than 2022 increase

Net Increase of Headcount Slows Down



- Efforts to slow down hirings have started end of FY22 showing first results in H1 23 and even more in H2 23
- Will fully benefit FY 24 average FTE headcount
- Efforts have been focused on productivity
- Support functions and marketing contributed the most, but all departments helped

FY 2023
Q1 2024

Q1 24 REVENUE

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.

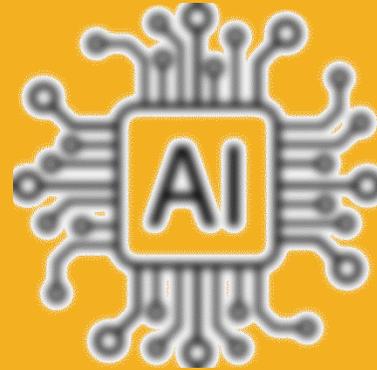
Strategy

Office of the CFO



Artificial Intelligence

REAL
WORLD



GENERATIVE AI (CHATGPT)

- Auto-answering
- Classification
- Auto-Reporting
- Auto-Mapping
- Real time Translation
- Chatbot

TRANSFORMERS

- Document Recognition

MACHINE LEARNING

- Auto-learning

LONG SHORT-TERM MEMORY

- Document Recognition

K-NEAREST NEIGHBORS

- Prediction (payment date)
- Anomaly Detection
- Fraud Detection
- Classification

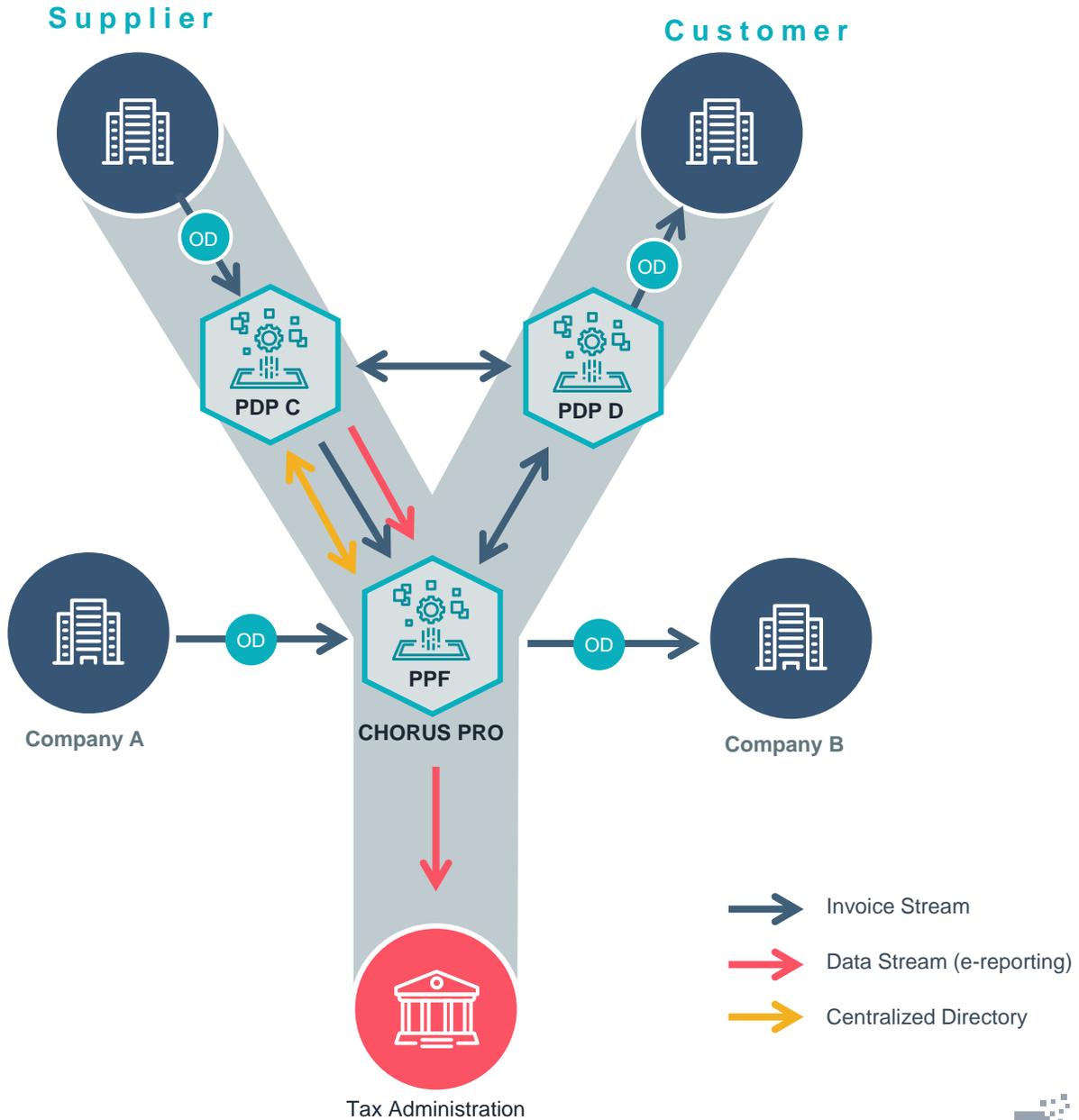
DIGITAL
WORLD

Payment



e-invoicing

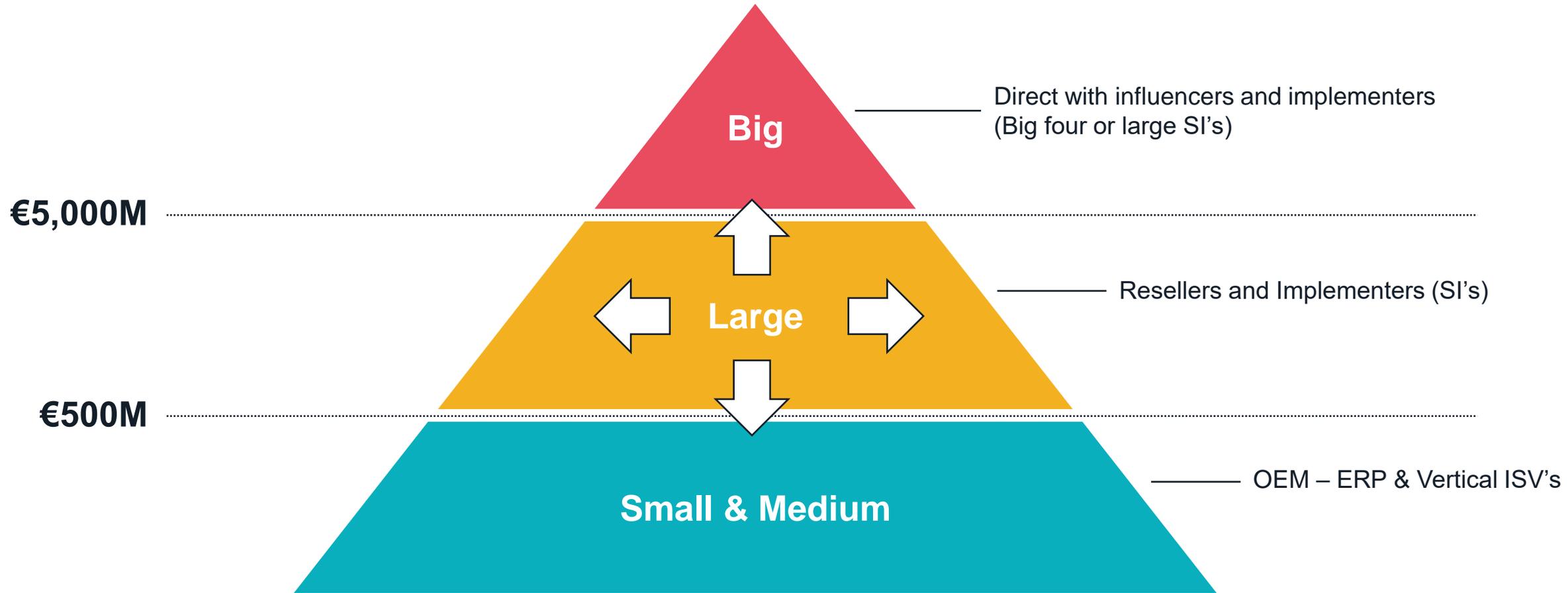
- 2024
 - Slovakia
 - Romania
 - Greece
 - Malaysia
- 2025
 - Malaysia
 - Spain
 - Malaysia
- 2026
 - France
 - Croatia
 - Malaysia
 - Belgium
- 2027
 - France
 - Germany
 - Malaysia
- 2028
 - Europe (ViDA)



French B2B e-invoicing



Sales Strategy



ESG agency ratings

Overall Score 2023



81/100

EthiFinance

75/100

MOODY'S
ESG Solutions

ROBUST
53/100

New!
MSCI

Grade A



"Sustainable growth requires an equitable business ecosystem. By applying the positive-sum growth concept, we work towards a world where success never happens at the expense of any team, individual or company — everybody wins."

Jean-Michel Bérard, CEO | Esker

Guidance 2024

- Revenue Growth
 - 12 -14% at constant exchange rates
 - Assumes continued uncertainty in world macro economy
 - Factors in backend loaded bookings performance in FY23
- Operating profitability
 - Based on the above revenue performance and as a result of careful investments in the business,
 - Profitability expected to return to FY 22 levels (12 - 13%)
 - Excluding potential effects of currencies fluctuation, tax accrual on free shares or other unforeseen events.

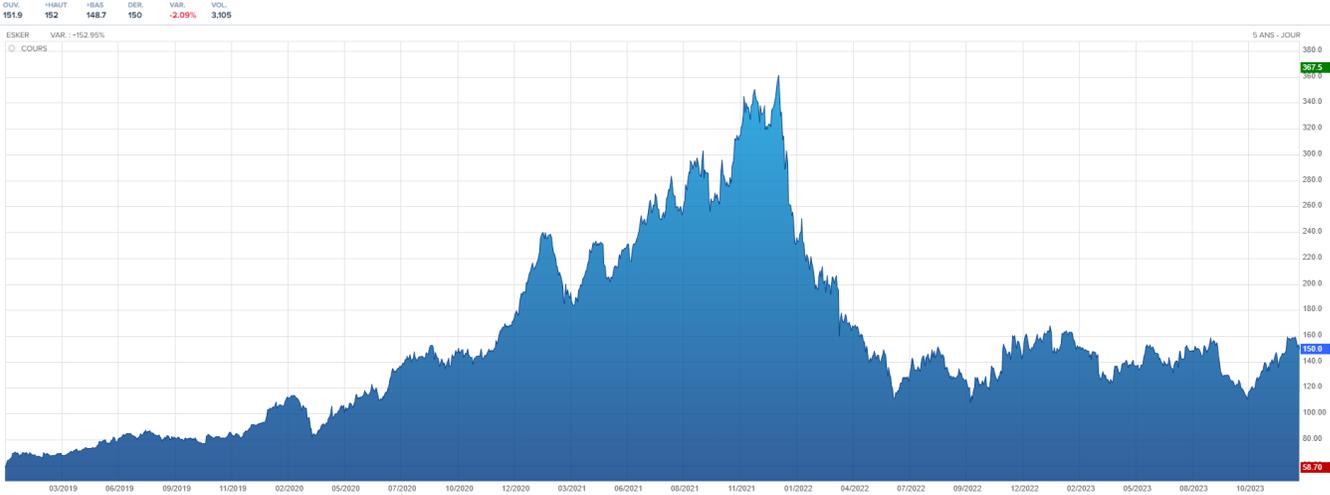


Thank you
for your attention



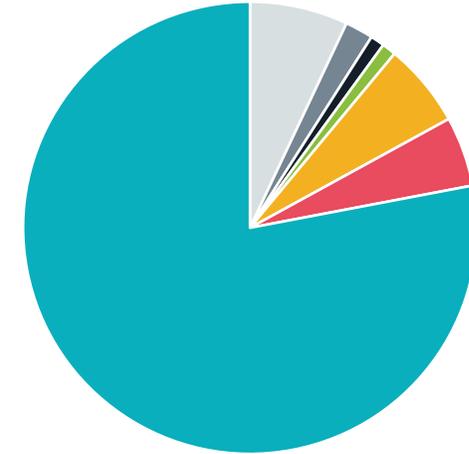
Addendum

Stock Market



Euronext Growth Paris

- ISIN Code: FR0000035818 ALESK
- Market capitalization December 31, 2023: €893,436M
- Number of shares: 6,024,524



- Jean-Michel Bérard
- Auto-contrôle
- Emmanuel Olivier
- FCPE Esker
- Management
- Autres nominatifs
- Public porteur

Financial Announcements

Q4 2023 January 16, 2024

FY 2023 March 27, 2024

Q1 2024 April 16, 2024

Q2 July 16, 2024

HY September 18, 2024

Q3 October 15, 2024

*After stock market closing

Leadership Team



Jean-Michel Bérard (62)
CEO & Founder
Board President



Jean-Jacques Bérard (58)
Executive Vice President,
Research and Development



Steve Smith (62)
U.S. Chief Operating
Officer



Eric Bussy (49)
Vice President Marketing
& Product Management



Emmanuel Olivier (56)
COO – General Manager
Board Member



Claire Valencony (49)
Deputy-COO



Ari Widlanski (43)
Vice President
Global Strategic Alliances



Nicolas Mougín (51)
Vice President Customer
Services