

AI firm Sidertrade announces H1 2020 Results

14% growth in revenue at the height of the pandemic

103% growth in net profit while pursuing an offensive investment strategy

Strengthened financial position

PARIS, France – 22 September 2020 | Sidertrade (Euronext Growth: ALBFR.PA), the Artificial Intelligence platform dedicated to accelerating company revenue and cashflow, announces record first half results, with income up 14% and net profit up 103%, while pursuing an offensive investment strategy.

Olivier Novasque, chief executive officer of Sidertrade, had this to say:



The Covid-19 crisis has revealed the soundness of our foundations and our sustained potential for development. Firstly, double-digit first half growth clearly demonstrates the capacity of our SaaS subscription model to withstand even the toughest of crises. Secondly, Sidertrade's mission– enable companies to secure and generate cashflow– clearly strikes a chord with today's hard-hit corporate finance departments. Our worldwide success has been powered by farsighted investments, including AI R&D and sales capacity. Despite the crisis, our bookings have never been so high. Emboldened by these results, we will continue our offensive investment policy.

Notwithstanding the economic uncertainties ahead, the robustness of our foundations, the relevance of our solutions, and the boldness of our investments are leading to the best annual performance in Sidertrade's history, and setting the stage for strong continued growth in 2021 and beyond."

14% growth in revenue at the height of the pandemic

Sidertrade (millions euros)	S1 2020	S1 2019	Variation
Revenue	14.4	12.6	+14%
Operating profit	1.3	0.7	+94%
Net profit	1.1	0.5	+103%

Non-audited 2020 consolidated data.

Following a particularly good Q1 (+14%), Sidertrade kept up the momentum in Q2, with 15% organic growth against the same period in 2019 (sales of €6.6M). Q2 turnover was €7.5m, the highest in the company's history. H1 revenue reached €14.4 M, up 14% vs. the previous financial year.

More than ever, Sidertrade's recurrent SaaS model enables the company to stand strong. In fact, 89% of Sidertrade's revenues are recurrent. Furthermore, Sidertrade's key account attrition rate is one of the lowest in the cloud industry, a mere 4.2% in June 2020, vs. 5% in June 2019.

103% growth in net profit while pursuing an offensive investment strategy

In the first half of 2020, Sidetrade's operating profit leapt 94% to €1.3M, reflecting increased revenues in the period, and the leverage of the firm's pure SaaS model. This outstanding performance results from a €1.6M increase in gross margin to €11.4M (vs. €9.8M in H1 2019), i.e. 79% of revenue. SaaS subscriptions contribute 93% of this margin, demonstrating the incremental profitability of this model.

H1 also saw an additional €1.6M investment in additional sales and marketing resources (up 16%) to build future growth.

The unprecedented circumstances of the pandemic generated €0.7M in savings in the period, due mainly to decreases in travel expenses and sales bonuses.

Operating profit included a €0.9M research tax credit (vs. €1.0M in H1 2019), as well as €0.10M in activation of R&D costs (vs. €0.15 in H1 2019).

Driven by these dynamics, H1 net earnings reached €1.1M, up 103%.

Strengthened financial position

As of 30 June 2020, Sidetrade's financial structure remained especially strong. Cash stood at €11.8M vs. €5.3M on 31 December 2019). Debt is virtually nil (€0.3M).

The company holds 66,000 of its own shares, at an estimated value of €4.6M as of 30 June 2020.

Given Sidetrade's excellent H1 performance despite the crisis, management has every confidence that FY2020 will be a year of double-digit growth.

Next communication

2020 Q3 Revenue: 20 October 2020 (after stock market closes)

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About Sidetrade (www.ww.sidetrade.com)

Sidetrade (Euronext Growth: ALBFR.PA) accelerates company revenue and cashflow. Its Artificial Intelligence, Aimie, is able to recognize and anticipate customer behavior in order to recommend, in real time, the best strategies for sales and finance teams. Aimie reinforces three pillars of the customer journey: sales development, loyalty and collection speed. Sidetrade has a global reach, thanks to its 250 talented employees based in Paris, London, Birmingham, Dublin, and Amsterdam. Used in 80 countries, Sidetrade's technology enables more than 2,700 businesses of all sizes and from all sectors to be more competitive.

For further information, visit us at www.sidetrade.com and follow us on Twitter [@Sidetrade](https://twitter.com/Sidetrade).

In case of a discrepancy between the French and English versions of this press release, only the French version should be deemed valid.