

# H1 2023 results: HiPay reports strong growth (+18.8%), EBITDA margin picking up at €3.7 million and positive current operating income (€1.3 million)

- **Payment volume** rises sharply to 4.1 billion euros in H1 2023, up +13.9% vs. H1 2022.
- The Fintech's **commercial activity** is excellent, with strong turnover growth to 32.6 million euros, outperforming processed volumes with an increase of +18.8%.
- **EBITDA** stands at 3.7 million euros, i.e., 11.3% of turnover, a level never before achieved by the Group.
- **Current operating income** amounts to 1.3 million euros (-3.0 million euros in H1 2022), and operating income is positive at 0.3 million euros vs. -3.1 million euros a year ago.

Paris, September 14, 2023, at 8 a.m.: HiPay (ISIN code FR0012821916 – ALHYP), the Fintech specializing in omnichannel payment solutions, has announced its results for the first half of 2023.

| in millions of euros                  | H1 2023 | H1 2022 | Var. % |
|---------------------------------------|---------|---------|--------|
| <b>Consolidated income</b>            |         |         |        |
| Payment volume                        | 4,093   | 3,594   | +13.9% |
| Turnover <sup>1</sup>                 | 32.6    | 27.5    | +18.8% |
| EBITDA <sup>1</sup>                   | 3.7     | -0.8    | N/A    |
| Current operating income <sup>1</sup> | 1.3     | -3.0    | N/A    |
| Operating income <sup>1-2</sup>       | 0.3     | -3.1    | N/A    |
| Net income <sup>1</sup>               | -0.7    | -3.6    | +80%   |
| <b>Consolidated balance sheet</b>     |         |         |        |
| Shareholder capital <sup>1</sup>      | 21.4    | 26.5    | -19.4% |
| Cash <sup>1</sup>                     | 2.0     | 1.5     | +34.2% |

*The Company's Board of Administrators met on September 13, 2023 under the chairmanship of Benjamin Jayet and approved the Group's half-year consolidated financial results.*

*The consolidated half-year financial statements will be published before the end of September.*

<sup>1</sup> Unaudited data

<sup>2</sup> IFRS compliant

### **Strong payment flow growth**

Payment volume grew strongly by +13.9% to 4.1 billion euros in the first half of 2023.

HiPay is keeping pace with the shift in global commerce towards digital, while building on its omnichannel payment offering, and gains new market share with the signing of 160 new key accounts, i.e., a 5.96% growth compared with the first half of 2022 (151 new customers).

The strong first-half growth demonstrates the robustness of the HiPay business model combined with high levels of customer satisfaction.

### **Turnover growth**

Overall turnover rose to 32.6 million euros (+18.8% vs. H1 2022).

This growth in revenue exceeds that of payment volume, due in particular to stronger growth in more profitable payment methods (product mix effect).

### **Significant EBITDA and current EBIT**

Strong growth and mix effects on margins, combined with an ambitious cost-cutting plan, enabled the Group to report a positive current operating margin for the first time in the first half of a year.

At the Group level, expenses level improved significantly. HiPay's transactional direct costs are under control, rising less than flows, and staff costs are down by 5%.

As a result, the EBITDA margin stands at 11.3% of the revenue (vs. -3% in 2022) and current EBIT at 1.3 million euros (3.9% of the revenue).

After taking into account non-recurring costs (litigation, IFRS 16, etc.) and due to interest rates increasing, setting the cost of debt at 0.9 million euros, net income amounts to -0.7 million euros.

### **Outlook**

The implementation of a strict cost-cutting plan has enabled HiPay to return to profitability without impacting its capacity for strong growth.

In the long term, the implementation of growth investments will accompany the structuring of the Group's strategy, which nevertheless intends to continue to control its costs and optimize its organization.

For the 2023 financial period, HiPay is still aiming for growth above 10%, as well as positive operating profitability and net income, which should be boosted by seasonal effects during the second half of the year.

### **Next financial communication:**

October 26, 2023 (before market opening) – Revenue for the 3rd quarter of 2023

## About HiPay

HiPay is a global payment service provider. By harnessing the power of payment data, we help our merchants grow by providing them with a 360-degree view of their business.

More information on [hipay.com](https://hipay.com)

HiPay Group is listed on Euronext Growth (ISIN code: FR0012821916 – ALHYP).

## Investor Relations

### **Eric Meynard (DGM)**

+33 (0)6 98 04 33 07

[emeynard@hipay.com](mailto:emeynard@hipay.com)

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**Consolidated income <sup>1</sup>**

| <i>in thousands of euros</i>                                | <b>30 June 2023</b> | <b>30 June 2022</b> |
|---|---------------------|---------------------|
| <b>Turnover</b>   | <b>32,640</b>       | <b>27,475</b>       |
| Direct costs  | - 15,948            | - 14,667            |
| Staff costs   | - 8,241             | - 8,685             |
| General costs   | - 4,763             | - 4,962             |
| <b>EBITDA <sup>2</sup></b>                                  | <b>3,688</b>        | <b>- 839</b>        |
| Allocation to and writebacks of amortization and provisions | - 2,400             | - 2,126             |
| <b>Current operating income</b>                             | <b>1,288</b>        | <b>- 2,965</b>      |
| Valuation of stock options and free shares                  | 373                 | - 246               |
| Other non-current expenses                                  | - 1,378             | 62                  |
| <b>Operating income</b>                                     | <b>283</b>          | <b>- 3,148</b>      |
| Other financial income and expenses                         | - 882               | - 368               |
| <b>Pre-tax income</b>                                       | <b>- 599</b>        | <b>- 3,516</b>      |
| Tax   | - 102               | - 72                |
| <b>Net income</b>   | <b>- 702</b>        | <b>- 3,589</b>      |

<sup>1</sup> Unaudited data

<sup>2</sup> Current operating income before allocation to and writebacks of amortization and provisions

**Consolidated balance sheet <sup>1</sup>**

| <b>ASSETS - in thousands of euros</b>               | <b>30 June 2023</b> | <b>31 Dec. 2022</b> | <b>30 June 2022</b> |
|---|---------------------|---------------------|---------------------|
| Net goodwill  | 40,222              | 40,222              | 40,222              |
| Net intangible assets                               | 7,529               | 7,864               | 7,651               |
| Net tangible fixed assets                           | 5,422               | 6,361               | 7,023               |
| Deferred tax assets                                 | 1,424               | 1,423               | 1,439               |
| Other financial assets                              | 1,058               | 1,115               | 1,151               |
| <b>Non-current assets</b>                           | <b>55,656</b>       | <b>56,986</b>       | <b>57,486</b>       |
| Clients and other receivables                       | 2,191               | 2,570               | 2,027               |
| Other current assets                                | 116,253             | 111,837             | 93,528              |
| Cash and cash equivalents                           | 2,020               | 1,632               | 1,505               |
| <b>Current assets</b>                               | <b>120,464</b>      | <b>116,039</b>      | <b>97,060</b>       |
| <b>TOTAL ASSETS</b>                                 | <b>176,119</b>      | <b>173,025</b>      | <b>154,545</b>      |
| <hr/>   |                     |                     |                     |
| <b>LIABILITIES - in thousands of euros</b>          | <b>30 June 2023</b> | <b>31 Dec. 2022</b> | <b>30 June 2022</b> |
| Share capital                                       | 19,844              | 19,844              | 19,844              |
| Issue and acquisition premiums                      | 50,156              | 50,156              | 50,156              |
| Reserves and retained earnings                      | - 47,941            | - 39,800            | - 39,904            |
| Consolidated income (Group share)                   | - 702               | - 7,781             | - 3,589             |
| <b>Equity</b>                                       | <b>21,357</b>       | <b>22,419</b>       | <b>26,507</b>       |
| Long-term loans and financial liabilities           | 12,092              | 12,055              | 11,962              |
| Non-current provisions                              | 6,859               | 6,244               | 3,305               |
| <b>Non-current liabilities</b>                      | <b>18,951</b>       | <b>18,298</b>       | <b>15,267</b>       |
| Short-term financial liabilities and bank overdraft | 14,085              | 13,326              | 13,361              |
| Suppliers and other creditors                       | 8,621               | 7,700               | 6,970               |
| Other current liabilities                           | 113,105             | 111,283             | 92,440              |
| <b>Current liabilities</b>                          | <b>135,811</b>      | <b>132,308</b>      | <b>112,771</b>      |
| <b>TOTAL LIABILITIES</b>                            | <b>176,119</b>      | <b>173,025</b>      | <b>154,545</b>      |

<sup>1</sup> Unaudited data

**Consolidated cash flow statements <sup>1</sup>**

| <b>in thousands of euros</b>                           | <b>30 June 2023</b> | <b>30 June 2022</b> |
|--|---------------------|---------------------|
| Net income   | - 702               | - 3,589             |
| <i>Adjustments for:</i>                                |                     |                     |
| Amortization of fixed assets                           | 1,708               | 1,358               |
| Amortization of IFRS 16 fixed assets                   | 760                 | 757                 |
| Other elements with no cash impact                     | 0                   |                     |
| Provisions for tax risks                               | 615                 | 38                  |
| Cost of IFRS 16 debt                                   | 136                 | 154                 |
| Cost of debt   | 733                 | 370                 |
| Gains and losses on disposal of securities             | 0                   | 0                   |
| Gains and losses on disposal of fixed assets           | 0                   | 0                   |
| Gains and losses on disposal of fixed assets - IFRS 16 | - 5                 | 0                   |
| Cost of share-based payments                           | - 373               | 246                 |
| Current and deferred tax expenses                      | 102                 | 72                  |
| Operating income before WCR variation and provisions   | 2,974               | - 594               |
| WCR variation  | - 730               | 72                  |
| Cash flow from operational activities                  | 2,244               | - 666               |
| Interest paid  | - 60                | - 370               |
| Income tax paid  | - 103               | - 111               |
| <b>Net cash from operational activities</b>            | <b>2,081</b>        | <b>- 1,147</b>      |
| Acquisition of fixed assets, claims and liabilities    | - 1,740             | - 2,504             |
| Variation in financial assets                          | 56                  | 1                   |
| <b>Net cash from investment activities</b>             | <b>- 1,684</b>      | <b>- 2,503</b>      |
| New loans  | 2,004               | 4,420               |
| Loan repayments  | - 1,160             | - 516               |
| IFRS 16 lease liability repayment                      | - 729               | - 714               |
| IFRS 16 interest paid                                  | - 136               | - 154               |
| <b>Net cash from funding activities</b>                | <b>- 21</b>         | <b>3,036</b>        |
| Net variation of cash and cash equivalents             | <b>388</b>          | <b>- 619</b>        |
| Net cash on 1 January                                  | 1,632               | 2,124               |
| <b>Net cash at end of period</b>                       | <b>2,020</b>        | <b>1,505</b>        |

<sup>1</sup> Unaudited data