

- Strong growth in consolidated revenues in line with AccelR8 objectives for 2023
- Continued build-up of recurring & regular revenues
- Expansion of the Group's geographical footprint with the development of major projects in Asia
- Financial strength reinforced with cash up 30.4% and debt down 11.6%.

Consolidated Key Figures

QUARTERLY INDICATORS IN M MAD ¹		Q1 2023	Q1 2022	Change
Revenues		265.4	221.3	20.0%
Of which recurring and regular revenues		184.0	152.9	20.3%
Research & Developement		31.0	26.0	19.2%
CUMULATIVE INDICATORS IN M MAD ¹		March 2023	December 2022	Change
Debt ²		132.5	149.9	-11.6%
Treasury		310.6	238.3	30.4%

Statutory Key Figures

QUARTERLY INDICATORS IN M MAD ¹		Q1 2023	Q1 2022	Change
Revenues		201.7	173.3	16.4%
Debt ²		104.6	111.4	-6.1%

1. Situation established on the basis of management reporting - 2. indebtedness includes medium-term loans and leasing contracts (figures at 03/31/2023 vs. 12/31/2022)

Business Review

Revenues

HPS Group's consolidated revenues for the first quarter reached 265.4 M MAD, up 20.0% on the same quarter of 2022. This solid revenue growth reflects the successful implementation of HPS's strategic plan, focused on organic business development in key regions and the successful deployment of its solutions under its various business models. Recurring and regular revenues are up 20.3% vs. Q1 2022, representing 71% of Group revenues.

Payment Activity

The Payment business recorded a strong increase in revenues, in line with the Group's strategic orientations. This performance is underpinned by the maintenance of several major accounts and the ongoing implementation of new projects, notably PowerCARD version 4. Business is also benefiting from the growing contribution of the SaaS model of the PowerCARD platform. During the first quarter, HPS Group further extended its geographical presence, with the development of its customer portfolio in Asia and the launch of major projects with world-renowned European banking groups.

In the first quarter of 2023, the payments business recorded a 22.9% increase in revenues, representing 84% of Group consolidated revenues.

Switching activity

To support the ongoing development of electronic payment in Morocco, HPS Switch is continuing to strengthen its infrastructure to ensure regular availability of its services. During the quarter, strong growth in interoperable cash withdrawals (+14%), e-commerce transactions (+28%) and merchant payment transactions (+30%) resulted in a 10.1% increase in Switching revenues compared with the same period in 2022.

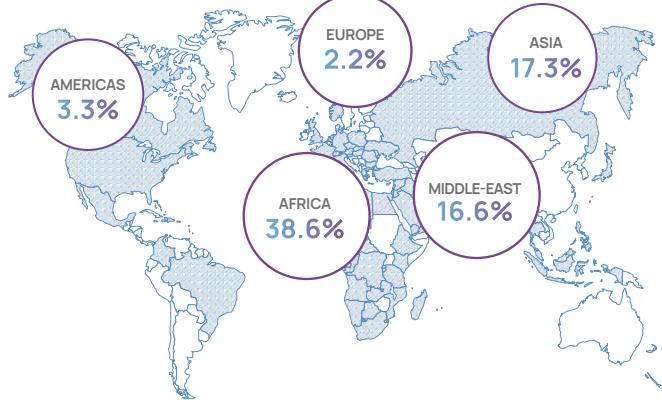
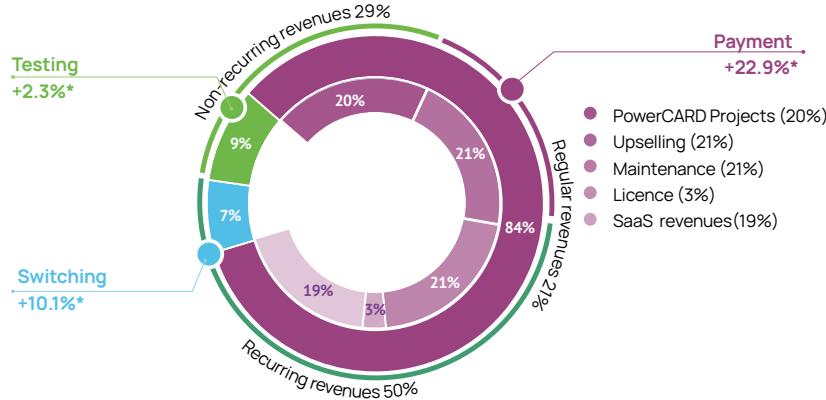
Testing activity

Following the referencing and reorganization efforts implemented to support the resumption of projects with customers and partners, Testing revenues rose by 2.3% compared with the first quarter of 2022. This performance reflects the start-up of several projects with new customers and the resumption of qualification and digitization projects with the entity's historical customers.

Research & Development

After finalizing the development of the last milestones of PowerCARD version 4 in 2022, HPS maintained its Research & Development momentum in the first quarter of 2023, with an investment of 31 M MAD, up 19.2% on the same period last year. This continued momentum reflects the Group's firm commitment to providing its customers and partners with solutions tailored to their technological challenges and regulatory constraints, and which meet the evolving needs of their users.

Revenues Breakdown by Activity and by Geographic Area as of March 31st, 2023



Change in scope of consolidation

During the first quarter of 2023, there was no change in the scope of consolidation of HPS compared with the same period in 2022.

Investments

During the first quarter of 2023, the HPS Group's investments mainly concerned the acquisition of IT hardware, office equipment and workplace adaptations required to support the development of its various activities.

Debt

Last year's operating performance, combined with ongoing efforts to optimize cash flow and control debt, enables the Group to maintain its financial strength. At the end of the first quarter of 2023, HPS Group had cash of 310.6 M MAD, up 30.4%, and debt of 132.5 M MAD, down 11.6%, compared with the end of 2022. The cash surplus for the first quarter was 178.1 M MAD, up 90 M MAD compared with the end of 2022.

Outlook

To keep pace with the sustained development of payment technologies and strengthen its position in an industry undergoing profound change, HPS Group has adopted the AccelR8 development plan to 2027, aimed primarily at revenue growth, with a stronger contribution from recurring & regular revenues, and the expansion of its geographical coverage. The Group's performance for the quarter confirms its various strategic choices, both in terms of growth and global presence.

2023 should be marked by the roll-out of the AccelR8 plan, capitalizing on the Group's strategic levers, such as its know-how in innovation and R&D, its financial strength and the diversification of its business models. This momentum will enable us to achieve the target set out in the AccelR8 plan, with consolidated sales growth of between 20% and 25% in 2023.

About HPS

HPS is a worldwide leading provider of payment solutions and services for issuers, acquirers, card processors, independent sales organisations (ISOs), retailers, mobile network operators (MNOs), and national & regional switches around the world. PowerCARD is HPS' comprehensive suite of solutions that covers the entire payment value chain by enabling innovative payments through its open platform that allows the processing of any transaction coming from any channel initiated by any means-of-payment. PowerCARD is used by more than 450 institutions in over 90 countries. HPS has been listed on the Casablanca Stock Exchange since 2006 and has offices located in major business centres (Africa, Europe, Asia, Middle East). For more information: www.hps-worldwide.com

