HPS reports strong H1 2025 sales momentum and confirms full-year guidance of 20%+ revenue and 30%+ EBITDA

Casablanca, September 23, 2025 *– HPS (CSE: HPS), a global leader in payment solutions, today announced its consolidated results for the first half of 2025.*

- Revenue growth of +25.7% to 726 M MAD (in constant currency) in-line with budget, but the impact of extraordinary headwinds in FX reduced the growth in reported revenue to 16.4% at 672.5 M MAD
- Backlog up +46.7% at end-June vs. Dec. 2024, and +83.7% at end-August 2025, providing a solid foundation to support revenue and profit growth through year-end and beyond
- EBITDA at 69.8 MAD, in line with forecasts. While the impact of the SaaS transition was anticipated, the impact of FX (-39.1 M MAD) was strongly mitigated by strict costs control
- Net profit impacted by adverse FX effects in H1, but growth and profitability trajectory for 2025 remain firmly on track
- 2025 full-year guidance reaffirmed, with 2H EBITDA expected to close to double Year over Year, supported by recurring revenues, a robust Backlog, the ramp-up of existing SaaS contracts, and disciplined cost management

	REPORTED DATA			PROFORMA DATA		
AMOUNTS IN M MAD	H1 2025	H1 2024	VAR.	H1 2025	H1 2024	VAR.
Revenue	**672.5**	**577.6**	**16.4%**	**672.5**	**726.5**	**-7.4%**
Recurring & Regular revenue	464.3	415.9	11.6%	464.3	465.6	-0.3 pts
Share/Total Revenue	69.0%	72.0%	-3.0 pts	69.0%	64.1%	+4.9 pts
EBITDA	**69.8**	**107.5**	**-35.1%**	**69.8**	**105.6**	**-34.0%**
EBITDA Margin	10.4%	18.6%	-8.2 pts	10.4%	14.5%	-4.1 pts
EBIT	**36.2**	**75.2**	**-51.7%**	**36.2**	**71.5**	**-49.3%**
EBITD margin	5.4%	13.0%	-7.6 pts	5.4%	9.8%	-4.4 pts
Net Profit	**-47.2**	**39.9**	**-218.3%**	**-47.2**	**18.0**	**-361.2%**
Net Margin	-7.0%	6.9%	-13.9 pts	-7.0%	2.5%	-9.5 pts
Net Perofit per Share (NPS) in MAD	-6.4	5.4		-6.4	4.9	
R&D	**70.3**	**80.7**	**-12.9%**	**70.3**	**80.7**	**-12.9%**
Cash Position end of period (H1 2025 vs. FY 2024)	**279.8**	**204.2**	**37.0%**	**279.8**	**204.2**	**37.0%**
Backlog (H1 2025 vs. FY 2024)	**1,297.8**	**885.0**	**46.6%**	**1,297.8**	**885.0**	**46.6%**

Mohamed Horani, Chairman of HPS, said:
« HPS continues to deliver exceptional momentum, with both Backlog and Total Contract Value (TCV) reaching unprecedented levels in the Group's history. This performance reflects our ability to capture new market share in a fast-growing industry, while strengthening our position as a trusted partner for leading banks and financial institutions worldwide. Our bold strategic choices — notably the transition to the SaaS model and the rigorous optimization of our business portfolio — are placing the Group on a path of sustainable value creation. With the transition impacts now nearly behind us, we enter the second half of 2025 with greater visibility and renewed confidence. »

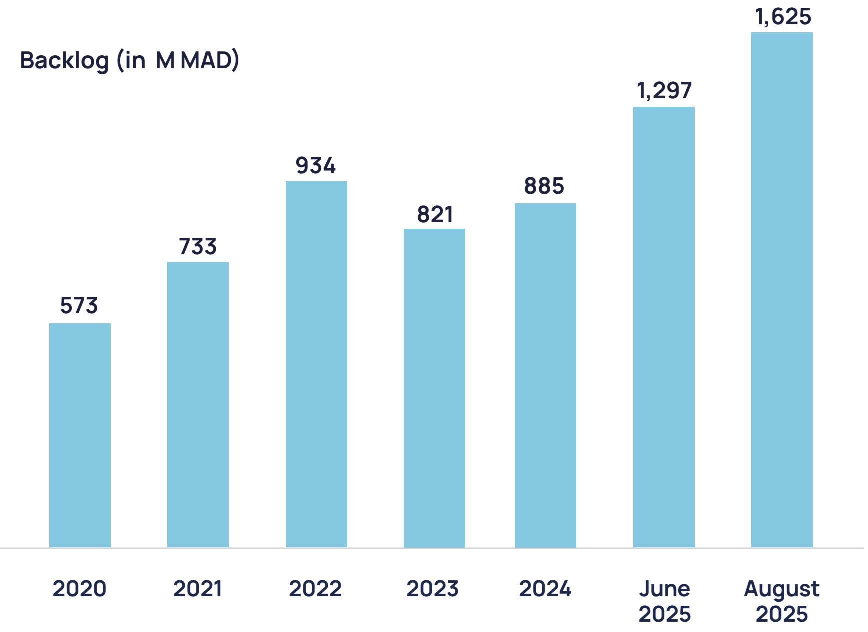
Abdeslam Alaoui Smaili, CEO of HPS, added:
« The first-half results highlight the strength of our business model and the soundness of our long-term strategy. We not only achieved our budgetary objectives but also demonstrated our ability to turn external challenges, such as currency volatility, into opportunities by reinforcing our management discipline and operational excellence. The strong momentum of our SaaS contracts, combined with the launch of major On-Premise projects signed this year, paves the way for sustainable and profitable growth. With a record backlog, steadily increasing demand, and a particularly promising pipeline of opportunities, we move forward with confidence towards our 2025 objectives, determined to further consolidate HPS's position among the world's leading payment technology providers. »

Commercial performance & Total Contract Value (TCV)

Total Contract Value (TCV) for the first half of 2025 amounted to 347 M MAD, up +180% compared to H1 2024. This performance notably includes the signing of a major contract with a leading Asian financial institution ranked in the global Top 100. Momentum continued at the start of the second half with the signing of a second Asian financial institution (Top 200 worldwide), bringing total TCV to 765 M MAD as of end-August 2025. These large On-Premise contracts are expected to generate significant contributions to revenue and EBITDA as early as the second half of 2025.

Backlog

The Backlog (secured revenue not yet recognized) reached a record level, increasing by +46.6% at end-June 2025 compared to year-end 2024 (+27.7% ex-CR2), and by +82.8% at end-August 2025. This unprecedented backlog provides a solid foundation to support the acceleration of growth in the second half of the year and beyond.



Revenue

	NON-ADJUSTED			FX-ADJUSTED		
AMOUNTS IN M MAD	H1 2025	H1 2024	VARIATION	H1 2025	H1 2024	VARIATION
Revenue Reported	**672.5**	**577.6**	**16.4%**	**725.9**	**577.6**	**25.7%**
Revenue Proforma	**672.5**	**726.2**	**-7.4%**	**725.9**	**726.2**	**-0.1%**

Consolidated revenue for the first half of 2025 amounted to 672.5 M MAD, up +16.4%. This performance includes an adverse FX impact estimated at -53.4 M MAD, driven by the exceptional depreciation of the US dollar (-10.7% over the period).

On a pro forma basis, revenue declined -7.4%, reflecting both this FX effect and a -15% decrease in CR2 revenue.

At constant exchange rates, revenue increased by +25.7% to 726.0 M MAD (stable on a proforma basis), fully in line with the Group's H1 forecasts.

EBITDA

HPS generated EBITDA of 69.8 M MAD in H1 2025, down -35.1% compared to H1 2024 and EBITDA of 108.8 M MAD on an FX adjusted basis, stable compared to H1 2024 (+1.3%).

The reported EBITDA reflects two distinct factors: on the one hand, margin compression linked to the transition to SaaS — an anticipated and budgeted effect — and, on the other hand, an exceptional and unfavourable currency impact, which further weighed on profitability.

As highlighted at the time of the 2024 full-year results, SaaS projects structurally generate lower margins in the short term during the Build phase, due to the absence of license revenues and the investments required in cloud infrastructure, cybersecurity, and regulatory compliance. This effect is expected to ease as early as the second half, supported by the ramp-up and growing profitability of SaaS projects in Canada and Australia.

The negative currency impact (-MAD 39.1 million) was significantly mitigated thanks to strict cost discipline, with operating expenses down -2.9% on a proforma basis. As a result, the Group delivered its EBITDA budget for the half year, demonstrating the strength and resilience of its operating model.

Excluding currency effects, and assuming current SaaS contracts were recognized under an On-Premise model, EBITDA would have increased by around 40%, with a margin close to 20%.

The record Backlog secured in the first half provides a powerful lever for a significant rebound in both growth and profitability in the second half of 2025. In line with its strategy, HPS continues to expand its SaaS portfolio while also rolling out major On-Premise projects. This balanced mix combines the strength and long-term profitability of recurring revenues with the immediate contribution of On-Premise deployments.

Against this backdrop, and with continued rigorous cost management, HPS expects a strong improvement in performance in the second half compared to the first half: revenue growth of more than 25% and EBITDA roughly tripling.

Net Profit

HPS reported a net loss of -47 M MAD in H1 2025, compared to a net profit of 40 M MAD in H1 2024, representing a decline of 87 M MAD. This evolution is almost entirely attributable to non-operational impacts amounting to a total of -63 M MAD, including:

- Foreign exchange effects of -25.5 M MAD: -15.5 M MAD of realized losses and -10 M MAD of provisions; this impact is not expected to re-occur if exchange rates remain as-is.
- Financial expenses: -14.6 M MAD of interest charges related to the financing of the CR2 acquisition;
- Goodwill amortization: -23.4 M MAD, also linked to the CR2 acquisition.

Excluding these impacts, the Group's underlying profitability remains solid, supported by disciplined cost management and resilient operational performance. With the expected rebound in EBITDA in the second half and assuming exchange rates remain stable at first-half levels, net profit is expected to return to significant growth for the full year 2025 compared to 2024.

CR2 Performance

As CR2 is fully consolidated in 2025, HPS provides a specific focus on its performance. CR2 generated revenue down -18.5% year-on-year in H1 2025 (-16.2% excluding FX impact), mainly due to delays in new sales which are in final stages of negotiation.

The strict cost control (operating costs reduced by -16.1%) helped limit the impact of lower revenue on EBITDA, which moved from +1 M MAD in H1 2024 to -2.7 M MAD in H1 2025.

This gap is expected to be fully recovered in H2 2025, with the planned closing of the postponed opportunities and the ramp-up of ongoing projects. As such, CR2 expects to be aligned with previously communicated guidance.

Refocusing on Payments through the Sale of the Testing Activity

In line with its AccelR8 strategic plan, HPS announced in September 2025 the signing of an agreement to sell its Testing activity to Synanto. This divestment reflects the Group's strategy to concentrate resources and investments on its core payments business, which offers higher growth and margin prospects.

The Testing activity, which had been declining for several years and carried structurally low margins, was weighing on HPS's consolidated performance. Its sale will therefore have a mechanically positive impact on the Group's future reported revenue growth and profit, further strengthening the trajectory of profitable growth.

2025 full-year guidance

Despite FX headwinds and SaaS transition effects, HPS confirms its 2025 full-year guidance: 20%+ revenue growth and 30%+ EBITDA growth.

The confidence of this outlook relies on a key factor: the majority of second-half revenues are expected to come from recurring activities and contracts already secured in the Backlog.

Several drivers support this trajectory:

- the deployment of major On-Premise projects signed over the past three months, generating immediate revenues with high incremental margins;
- the initial recognition of revenues from large SaaS projects won over the past three years and now in production;
- continued disciplined cost management.

Together, these factors allow HPS to approach the year-end with confidence, demonstrating its ability to combine growth with sustainable profitability.

Warning

This press release contains forward-looking statements, such as predictions, estimates, and assumptions about future financial results, plans and objectives, future events, and performance metrics. Actual results and events may differ significantly from those projected herein. These assertions do not guarantee future performance and should be evaluated accordingly.

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 500 institutions in over 95 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

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