

- Strong revenues growth and successful execution of AccelR8 plan
- Sustained momentum in the deployment of PowerCARD projects in Europe and Asia
- Further reduction in debt and cash position lower due to growth momentum

Consolidated Key Figures

QUARTERLY INDICATORS IN M MAD ¹	Q2 2023	Q2 2022	Change
Revenues	296.6	259.7	14.2%
Of which recurring and regular revenues	184.7	199.6	-7.5%
Research & Development	41.0	40.9	0.2%
CUMULATIVE INDICATORS IN M MAD ¹	H1 2023	H1 2022	Change
Revenues	562.0	481.0	16.9%
Of which recurring and regular revenues	368.6	352.5	4.6%
Research & Development	72.0	66.9	7.6%
CUMULATIVE BALANCE SHEET INDICATORS IN M MAD ¹	H1 2023	FY 2022	Change
Debt ²	123.7	149.9	-17.5%
Cash & cash equivalents	207.0	238.3	-13.1%

Statutory Key Figures

QUARTERLY INDICATORS IN M MAD ¹	Q2 2023	Q2 2022	Change
Revenues	234.3	183.4	27.7%
CUMULATIVE BALANCE SHEET INDICATORS IN M MAD ¹	H1 2023	FY 2022	Change
Debt ²	97.9	111.4	-12.1%

1. Situation established on the basis of management reporting - 2. Indebtedness includes medium-term loans and leasing contracts (figures at 06/30/2023 vs. 12/31/2022)

Business Review

Revenues

Consolidated revenues for the second quarter of 2023 totaled 296.6 M MAD, up 14.2% on the second quarter of 2022. This growth was mainly driven by the accelerated deployment of PowerCARD projects during the second quarter. The Group continues to deploy its strategic development plan, which saw the signature in June of a first SaaS contract with one of Canada's leading banks, as well as the opening of a new office in Montreal to develop business in the region. At the end of June, consolidated revenues stood at 562 M MAD, up 16.9% (+21.6% at constant exchange rates) on 2022. This trend is also reflected in the Group's regular and recurring revenues, which rose by 4.6%.

Payment Activity

The Payment activity recorded a significant increase in revenues for the half-year (+17.4%), in line with the Group's strategic orientations. This remarkable performance was driven by the accelerated deployment of several major PowerCARD projects, notably in Asia and Europe. Upselling from existing customers also continued to grow strongly (+24.3% vs. 2022). On the other hand, recurring revenues fell slightly in Q2, due to the decline in license extensions, which were at an exceptionally high level in Q2 2022. In the first half, the Payment business continued to benefit increasingly from the contribution of the SaaS model of the PowerCARD platform. This trend is set to continue with the signing of a major contract in Canada, and given the strong outlook for the second half of the year.

Switching Activity

As part of its contribution to the ongoing development of electronic banking in Morocco, HPS Switch is actively strengthening its infrastructure to guarantee optimized availability of its services. These initiatives have resulted in a significant 10.1% increase in revenues generated by the Switching business, compared with the same period in 2022.

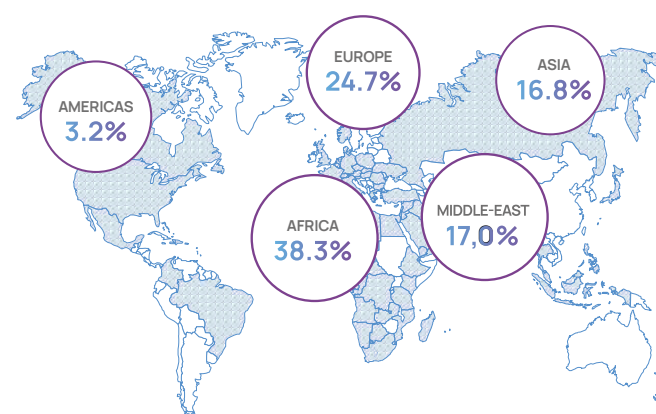
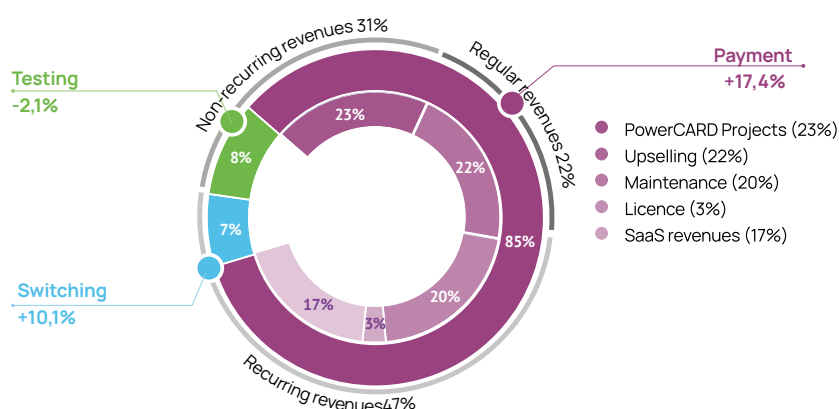
Testing Activity

During the first half of the year, Testing activity evolved in an economic context marked by a reduction in capital spending by companies and a fall in household consumption, under the effect of inflationary pressure. This had a negative impact on Testing revenues for the half-year, which were down 2.1% year-on-year.

Research & Development

The first half of 2023 was characterized by the continuation of developments concerning version 4 of PowerCARD, scheduled for completion in the first half of 2024, accompanied by the industrialization of the testing approach and efforts to improve software security. During this period, the HPS Group invested 72 M MAD in Research & Development, up 7.6% on the same period in 2022.

Revenues Breakdown by Activity and by Geographic Area as of June 30th, 2023



Change in Scope of Consolidation

The scope of consolidation of HPS underwent a change in the first half of 2023 with the entry into the scope of consolidation of HPS South Africa, which is 100% owned by HPS and fully consolidated.

Investments

During the second quarter of 2023, HPS Group's investments focused mainly on the acquisition of computer hardware and office equipment, as well as the necessary adjustments to workspaces to support the ongoing evolution of the business.

Debt

Operating performance during the first six months of 2023 was accompanied by tight control of the Group's debt, which stood at 123.7 M MAD compared with 149.9 M MAD at the end of 2022. The sustained development & growth has led to an increase in working capital requirements, resulting in a 13.1% reduction in cash and cash equivalents at end of June 2023.

Outlook

To keep pace with the continuing growth of payment technologies and strengthen its position in a constantly evolving industry, HPS Group is ensuring the successful execution of its «AccelR8» development plan to 2027. It aims to boost revenue growth by focusing on increasing recurring and regular revenues, as well as expanding geographical coverage. The Group's performance during the quarter confirms the relevance of its strategic choices, both in terms of organic growth and international expansion, in achieving its targets for the year, with a revenue growth in a range of 20% to 25% and an EBITDA margin of 25% to 30%.

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

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