

- ▶ Strong business resilience over first 3 quarters of 2020
- ▶ Stable growth of recurring revenues, which now represent 63% of consolidated revenues
- ▶ Strong growth of Processing business revenues
- ▶ Strengthening of the customer portfolio with new customers signed in the 3rd quarter

Indicators consolidated* in MMAD	Q3 2020	Q3 2019	Variation	Cumulated from the beginning of 2020*	Cumulated from the beginning of 2019*	Variation
Operating revenues	147.4	148.9	-1.0%	509.0	498.5	+2.1%
Including recurring revenues	111.8	93.8	+19.1%	319.4	278.7	+14.6%
Research & Development	15.6	15.7	-0.7%	64.2	57.1	+12.4%
Debt**				81.0	64.0	26.5%

*Financial report drawn up based on management reporting

**The debt includes medium-term loans taken out as well as leasing contracts subscribed to (figures on 30/09/2020 vs. 31/12/2019).

Business analysis

In the context of the prolonged global health crisis, HPS continues to show solid business resilience, which is the result of the successful diversification of its business model (63% of recurring revenues) and the considerable reach of its geographical presence (more than 90 countries). HPS has therefore achieved a 2.1% increase of its revenues to establish itself at MAD 509.0 M at the end of September 2020.

The Services business, impacted by the lockdown and emergency measures taken by the government in France, records a less marked reduction than was seen during the first two quarters. At the end of September 2020, the variation in revenues from this business was -4.6% as opposed to -5.9% at the end of June.

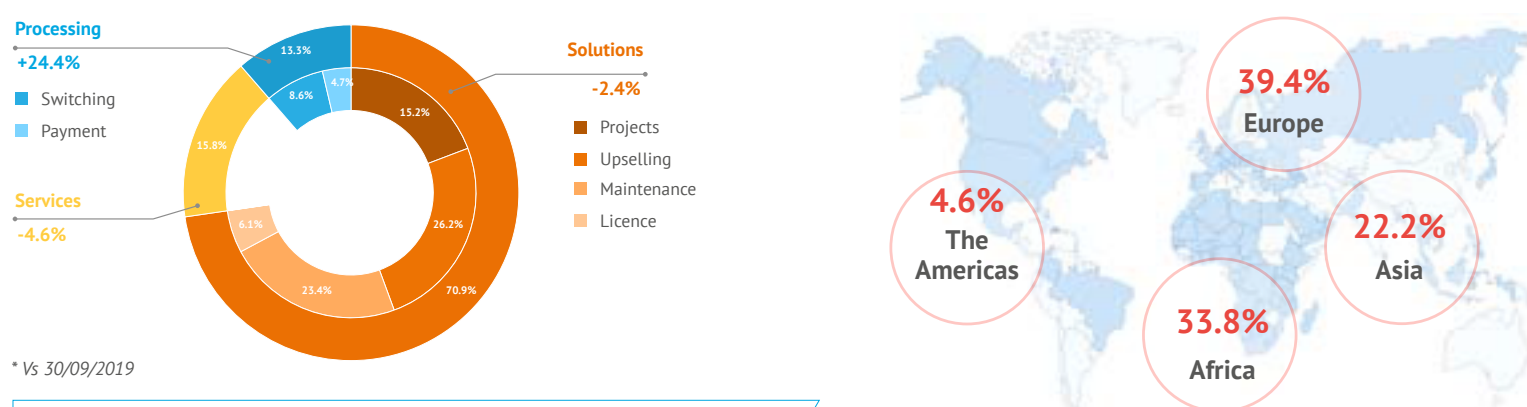
The Processing business growth accelerated during this quarter and amounted to +24.4% at the end of September 2020 (vs. 17.8% at the end of June 2020). This increase is the result of the solid performance of the Payment business, which absorbed the lockdown impact on the Switching business in Morocco.

Despite the teams' limited mobility due to the health crisis, the Solutions business at the end of September 2020 was kept to practically the same level as in 2019 (-2.4%).

In addition, and in spite of these constraints, the Group successfully reinforced its customer portfolio with the signing of new major contracts, including one with Capitec Bank in South Africa.

HPS is pursuing the deployment of its strategic objectives by maintaining efforts in R&D and the reinforcement of recurring revenues which stand at MAD 319.4 M, an increase of 14.6% representing 63% of consolidated revenues at the end of September 2020 as opposed to 56% during the same period of the previous year.

Distribution of revenues on 30 September 2020 by business line and by geographical area



* Vs 30/09/2019

Change of scope of consolidation

During the third quarter, HPS Group's scope of consolidation remained unchanged

The variation in the percentage of controlling interest in the GPS company, which occurred during the first quarter, is the only change in scope to report since the start of the 2020 financial year. This percentage now stands at 30% as opposed to 25%, with no impact on the consolidation method of the GPS entity (accounted for using the equity method).

Investments

HPS made no major investments during this quarter, apart from regular spending on computing equipment and the renovation of premises that constantly accompany its business.

Debt

During the first nine months of 2020, HPS Group's debt changed with the reinforcement of the liquidity position of its subsidiary in France Acqualife, taking a loan of EUR 2.5 M under the PGE (Loan guaranteed by the State) scheme during the second quarter. This loan had a 0% interest rate and a State guarantee cost of 0.25% in order to cover any delays in payment linked to the Covid-19 pandemic.

During the third quarter, HPS Group's debt showed no significant change by comparison with the previous quarter.

Prospects for 2020

The current development of the payment industry confirms sound prospects for HPS and its various lines of business. Given the results achieved by the end of the first nine months of 2020, management remains confident regarding the very strong resilience of the Group and the limited impact of the health crisis on its business.

HPS will therefore pursue the implementation of its strategic approaches while maintaining a system of governance that is appropriate for the uncertainty that clouds all global economies.

All financial publications by HPS, and in particular the annual financial report for 2019 and the half-year financial report for 2020, are available in the 'investor relations' section of the corporate website <https://www.hps-worldwide.com/>.

About HPS

HPS is a multinational leader in the supply of payment solutions and services for issuers, buyers, mobile network operators, mass distribution and independent sales organizations as well as national and regional switches in the world. PowerCARD is a complete series of HPS solutions that covers the entire chain of value of payments. It makes innovative payments possible thanks to its open platform which provides processing of all transactions initiated by all means of payment coming through any channel. PowerCARD is used by more than 400 institutions in more than 90 countries. HPS has been listed on the Casablanca Stock Exchange since 2000. Its offices located in the principle business centres (Africa, Europe, Asia, Middle East). For further information: www.hps-worldwide.com

HPS - Registered Office

Casablanca Nearshore Park, Shore 1 - 1100, bd Al Qods - Sidi Maârouf 20270 - Casablanca - Morocco - Tel.: + 212 529 045 000

Contact

invest@hps-worldwide.com

