

# HiPay: 2022 results

## Consolidation of 2020 and 2021 growth

### A year of transition with new governance and renewed ambition

- Annual revenues up 9% compared to 2021
- 2022, a year of transition with positive EBITDA at 1.3 million euros, and recurring operating income of - 3.2 million euros
- In this context, free cash flow in 2022 amounts to 2.1 million euros

April 6, 2023, at 8:30 am: HiPay, the fintech specializing in omnichannel payment solutions, announces its 2022 results.

In millions of euros (IFRS norms)	2022	2021	Var. %
<b>Consolidated Income Statement<sup>1</sup></b>			
Payment volume	7,528	6,612	+ 14 %
Revenue	58.9	53.9	+ 9 %
EBITDA	1.3	2.8	- 52 %
Recurring operating income	-3.2	-0.7	- 375 %
Net income	-7.8	-4.3	- 78 %
<b>Consolidated Balance Sheet<sup>1</sup></b>			
Shareholders' equity	22.4	29.9	- 25 %
Available cash	1.6	2.1	- 23 %

### Continued growth momentum in all sectors

With annual revenues up 9% across the entire year and 16% in the fourth quarter of 2022, HiPay increased its payment volume by +35% compared to 2020 and +14% compared to 2021, which corresponds to a turnover rate on flows of 0.78% for the 2022 financial year period.

<sup>1</sup> Consolidated income at 31 December 2022 is currently being reviewed by external auditors. The accounts were closed on 5 April 2023 by the board of directors. The 2022 financial report as well as the auditors' report will be published on the company's website on 28 April 2023.

Despite a challenging context and unfavorable geopolitical and macroeconomic events, HiPay has achieved multiple commercial successes. As a specialist in omnichannel payment solutions, the company has been able to adapt and meet the ever-changing needs of merchants in a wide range of sectors to support their growth, throughout Europe.

In France, the Online to In-store unified commerce offer has been very successful in the retail sector, with a +44% increase in revenues generated in points of sale (POS) for the year compared to 2021.

HiPay has also increased its market share in the iGaming sector. In addition to strengthening its position in the online fashion sector, the company made an incursion into the supermarket sector in Portugal, where payment volumes also increased. In Italy, HiPay continues to grow in new high-performance sectors such as InsurTech and travel.

Over the years 2020 to 2022, growth has averaged 19% each year, and HiPay confirms in 2022 its established, continued growth model.

### **Sharp decline in profitability**

The direct cost rate<sup>2</sup> deteriorated by 0.8% during the financial year, reflecting challenging market conditions in 2022, which was a transition year for the fintech sector.

EBITDA was 1.3 million euros, which was positive for a third year in a row, and +2.8 million euros in 2021. Recurring operating income amounted to -3.2 million euros (-0.2 million euros over the second half of the year), compared with -0.7 million euros a year earlier.

In addition to the slight decline in gross margin, this drop in profitability is mainly due to the sharp rise in operating costs over the 2022 fiscal year, despite the strict cost-saving plan implemented in the fall of 2022 and taking effect throughout 2023. To this, can be added the non-recurring costs relating mainly to the reorganization and restructuring of the group (circa 3.1 million euros).

Taking into account a non-current operating income of -2.9 million euros compared to -2.4 million euros in 2021 (reflecting the full provisioning of the company's risks), a net financial charge of -1.2 million euros and a tax charge of 0.2 million euros, the net result is -7.8 million euros (vs. -4.3 million euros in 2021).

### **Operating cash flow generation**

During the fiscal year, operating cash flow generation amounted to 2.1 million euros, with CAPEX amounting to 4.7 million euros and 2.4 million euros of net financial debts.

<sup>2</sup> *Direct cost rate: commissions paid to payment partners and technical connection costs as a percentage of volume of business*

As of December 31, 2022, the company has 1.6 million euros in available cash.

Additionally, there is a 2 million euro unused balance from the BJ Invest current account. Therefore, as of December 31, 2022, HiPay has a cash mobilization capacity of 3.6 million euros. The continued support of BJ Invest, the main shareholder, allows HiPay to sustain its current and future operations.

## Outlook

HiPay expects growth close to 10% in 2023 and is currently benefiting from a growing order book. At the same time, the group has implemented a significant cost-saving plan aimed at restoring positive cash flow generation as well as controlling its expenses and, consequently, systematically making its operations profitable.

The development of HiPay's product offering coupled with the commercial dynamics of our merchant customers allows us to consider a return to systematic double-digit growth over the next five years.

**Next financial communication:** Q1 2023 revenue - May 19, 2023, before market opening.

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## 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).

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