

H1 2024 results: Profitable growth and high net income

- 1.3% growth in payment volumes, impacted by a challenging macroeconomic environment.
- Growth in turnover, outperforming volumes processed at +10.5%, linked to a favourable mix effect.
- EBITDA amounts to €5.5m, or 15.1% of turnover, and current operating income stands at €3.0m (€1.3m in H1 2023).
- Non-current items are highly positive at €2.7m, and net income amounts to €5.0m (vs. -€0.7m a year ago).

Paris, 17 September 2024, 8 a.m.: HiPay (ISIN code FR0012821916 – ALHYP), the fintech specialising in omnichannel payment solutions, has announced its results for the first half of 2024.

in millions of euros	H1 2024	H1 2023	Var. %
Consolidated income			
Payment volume	4,146	4,093	+1.3%
Turnover ¹	36.1	32.6	+10.5%
EBITDA ¹	5.5	3.7	+48%
Current operating income ¹	3.0	1.3	+131%
Operating income ¹⁻²	5.6	0.3	+€5.3m
Net income ¹	5.0	-0.7	+€5.7m
Consolidated balance sheet			
Shareholder capital ¹	29.4	21.4	+€8.1m
Total financial debt (including associated debt and IFRS 16) ¹	23.0	24.2	-€1.1m

⁽¹⁾ The Company's Board of Directors met on 13 September 2024 under the chairmanship of Benjamin Jayet and approved the Group's half-year consolidated financial results. These financial statements are currently being audited, subject to a limited review by the company's statutory auditors. The consolidated half-year financial statements will be published before 30 September 2024.

Growth in payment volume and significant increase in turnover

In the first half of 2024, the volume of payments processed reached 4.1 billion euros, representing growth of 1.3% on the previous year. The slowdown in inflation (from 4.5% to 2.3%) failed to boost household consumption, which has stagnated at +0.4%, impacting our capacity to grow flows (mainly connected to consumer purchases). Against this backdrop, we nevertheless benefited from a 1.3% growth in flows.

The strong growth in our turnover (+10.5%) is mainly due to mix effects and is driven by the iGaming/Digital markets, combined with the operational launches of new payment methods and the impact of one-off contracts.

Significant EBITDA and current EBIT

Gross margin rose by 3.9 points to 55% of turnover, boosted by the mix effects mentioned above, and amounts to €19.8m (+€3.1m).

Following a gradual resumption in the development of our offering, operating expenses are up: payroll is up by €1.0m and overheads by €1.6m compared with the first half of 2023 (when the cost base had been drastically reduced).

Other external income amounted to €1.0m, in line with the second half of 2023, while depreciation and amortisation rose slightly by €0.1m. Overall, costs rose less rapidly than turnover and margin, consequently EBITDA, increased by €1.8m to 15.1% of turnover (compared with 11.3% a year earlier). Current operating income stands at €3.0m, up from €1.3m, and represented 8.3% of turnover (3.9% in H1 2023).

Non-current operating income, financial result and net income

Non-current items are significant at €2.7m, mainly due to the finalisation of the dispute with the tax authorities, in favour of HiPay SAS (thus involving the writebacks of provisions initially set aside). Financial result corresponds to a net expense of €0.6m (vs. €0.9m last year), mainly due to increased returns on the company's surplus earnings.

Net income amounts to €5.0m (vs. -€0.7m the previous year), equivalent to 14% of the Group turnover.

Outlook

The Group's turnover projections for 2024 indicate growth of between 6% and 9%, driven by a continuation of the trends seen in the first half and the launch of new customers.

The company confirms that for the 2024 financial year, operating profitability and net profitability are expected to be at or above the 2023 level (as a % of its turnover).

The non-recurring items observed during the first half of the year will not be repeated in the second half.

Next financial communication:

5 November 2024 (before market opening) - Revenue for the 3rd quarter of 2024 and 2025 financial calendar

About HiPay

HiPay is a global payment service provider. By harnessing the power of payment data, we help our merchants grow by giving them a 360-degree view of their business.

More information on hipay.com

HiPay Group is listed on Euronext Growth (ISIN code: FR0012821916 - ALHYP).

Investors relations**Eric Meynard (DGM)**

+33 (0)6 98 04 33 07

emeynard@hipay.com

This press release does not constitute an offer to sell or the solicitation of an offer to purchase HIPAY securities. If you wish to obtain more information on HiPay Group, we invite you to refer to our website at hipay.com, under Investors. This release may contain certain forward-looking statements. Although HiPay believes these statements are based on reasonable assumptions as of the date of this release, they are inherently subject to risks and uncertainties that may cause actual results to differ from those expressed or implied by these statements. HiPay Group operates in a highly-evolving industry in which new risk factors may emerge. HiPay Group assumes no obligation to update these forward-looking statements to reflect new information, events or circumstances.

Consolidated income ⁽¹⁾

<i>in thousands of euros</i>	30 June 2024	30 June 2023
Turnover	36,052	32,640
Direct costs	- 16,212	- 15,948
Staff costs	- 9,248	- 8,241
General costs	- 6,204	- 4,575
Other current operating income and expenses	1,062	- 188
EBITDA⁽²⁾	5,450	3,688
Allocation to and writebacks of amortization and provisions	- 2,471	- 2,400
Current operating income	2,979	1,288
Valuation of stock options and free shares	- 85	373
Other non-current expenses	2,749	- 1,378
Operating income	5,643	283
Other financial income and expenses	- 558	- 882
Pre-tax income	5,085	- 599
Tax	- 63	- 102
Net income	5,022	- 702

⁽¹⁾ - These financial statements are currently being audited and are subject to a limited review by the company's statutory auditors. The full consolidated half-year financial statements will be published before 30 September 2024.

⁽²⁾ - Current operating income before allocation to and writebacks of amortization and provisions

Consolidated balance sheet ⁽¹⁾

ASSETS - in thousands of euros	30 June 2024	31 Dec. 2023	30 June 2023
Net goodwill	40,222	40,222	40,222
Net intangible assets	6,825	7,109	7,529
Net tangible fixed assets	4,496	4,866	5,422
Deferred tax assets	1,422	1,422	1,424
Other financial assets	1,106	1,080	1,058
Non-current assets	54,072	54,700	55,656
Clients and other receivables	1,779	2,223	2,191
Other current assets	119,781	132,076	116,253
Cash and cash equivalents	182	895	2,020
Current assets	121,742	134,194	120,464
TOTAL ASSETS	175,814	189,894	176,119
LIABILITIES - in thousands of euros	30 June 2024	31 Dec. 2023	30 June 2023
Share capital	19,844	19,844	19,844
Issue and acquisition premiums	50,156	50,156	50,156
Reserves and retained earnings	- 45,602	- 47,829	- 47,941
Consolidated income (Group share)	5,022	2,166	- 702
Equity	29,420	24,337	21,357
Long-term loans and financial liabilities	8,543	10,411	12,092
Non-current provisions	3,835	6,657	6,859
Non-current liabilities	12,378	17,069	19,151
Short-term financial liabilities and bank overdraft	14,648	13,407	14,085
Suppliers and other creditors	7,561	7,699	8,621
Other current liabilities	111,807	127,383	113,105
Current liabilities	134,016	148,489	135,811
TOTAL LIABILITIES	175,814	189,894	176,119

Consolidated cash flow statements ⁽¹⁾

in thousands of euros	30 June 2024	30 June 2023
Net income	5,022	- 702
Adjustments for:		
Amortization of fixed assets	1,651	1,708
Amortization of IFRS 16 fixed assets	765	760
Other elements with no cash impact	0	0
Provisions for tax risks	- 2,822	615
Cost of IFRS 16 debt	112	136
Cost of debt	833	733
Gains and losses on disposal of securities	0	0
Gains and losses on disposal of fixed assets	0	0
Gains and losses on disposal of fixed assets - IFRS 16	- 2	- 5
Cost of share-based payments	85	- 373
Current and deferred tax expenses	63	102
Operating income before WCR variation and provisions	5,708	2,974
WCR variation	- 2,498	- 730
Cash flow from operational activities	3,210	2,244
Interest paid	- 82	- 60
Income tax paid	- 63	- 103
Net cash from operational activities	3,065	- 2,081
Acquisition of fixed assets, claims and liabilities	- 1,860	- 1,740
Variation in financial assets	- 26	56
Net cash from investment activities	- 1,886	- 1,684
New loans	0	2,004
Loan repayments	- 997	- 1,160
IFRS 16 lease liability repayment	- 759	- 729
IFRS 16 interest paid	- 112	- 136
Net cash from funding activities	- 1,867	- 21
Net variation of cash and cash equivalents	- 714	388
Net cash on 1 January	895	1,632
Net cash at end of period	182	2,020