

HiPay: A new year of profitable growth in 2021, operating cash flow of +6.8M€

- Annual revenues up 18% compared to an exceptional 2020
- EBITDA once again positive at 2.8 million euros, an increase of 88% excluding elements related to the public health crisis in 2020
- Strong cash flow of 6.8 million euros from operating activities

April 7, 2022 at 7:00 am: HiPay, a fintech specializing in omnichannel payment solutions announces its 2021 results.

| In millions of euros (IFRS norms) | 2020 | 2021 | Var. % |
|--------------------------------------------------|-------|-------|--------|
| Consolidated Income Statement¹ | | | |
| Payment volume | 5,565 | 6,612 | + 19 % |
| Revenue | 45.7 | 53.9 | + 18 % |
| EBITDA | 3.4 | 2.8 | - 17 % |
| Current operating income | -0.1 | -0.7 | - |
| Net income | -1.8 | -4.3 | - |
| Consolidated Balance Sheet¹ | | | |
| Shareholders' equity | 34.5 | 29.9 | - 13 % |
| Available cash | 3.1 | 2.1 | - 31 % |

¹ Consolidated income at 31 December 2021 is currently being reviewed by external auditors. The accounts were closed on 31 March 2022 by the board of directors. The 2021 financial report as well as the auditors' report will be published on the company's website.

Sustained growth in 2021, after an exceptional 2020

In 2021, HiPay's payment volume reached 6.6 billion euros (1 billion euros more than in 2020), and revenue was 53.9 million euros (up 18% vs. 2020), corresponding to a stable revenue-to-payment volume ratio of 0.82%.

After 2020, which was strongly spurred by the pandemic and confinements and led many merchants to accelerate their digital transformations, HiPay managed to maintain a robust growth rate, due in particular to the continued growth of e-commerce. The group capitalized on its strong position with its core target group, tier-2 customers.

During the 2019/2021 period, the average annual growth rate was +24% compared to +19% during the 2017/2019 period.

Controlling operating costs

The direct cost rate remains at 0.45%, equivalent to that of 2020 and 2019, which attests to HiPay's ability to control its operating costs.

EBITDA was 2.8 million euros, which was positive for a second year in a row after 3.4 million euros in 2020, a year in which the company benefited from operating cost savings due to the public health situation, including partial business measures not renewed in 2021. When adjusted for this situation, EBITDA increased by 88%.

Taking into account a loss of -2.8 million euros from non-ordinary activities (total and prudent provision for a tax risk), a net loss of -0.6 million euros and a tax expense of 0.3 million euros, the net result is -4.3 million euros (vs. -1.8 million euros in 2020).

Strong operating cash flow generation

HiPay's 2021 performance resulted in an operating cash flow of 6.8 million euros, which is higher than its investments. It consists mainly of cash flow from operations of 3.6 million and a change in working capital of 3.2 million. HiPay's business model, once operational profitability is achieved, benefits from an advantageous working capital structure. Its main revenue components are collected much quicker than its direct costs and other operating expenses are disbursed.

As of December 31, 2021, the company has 2.1 million euros in available cash.

Additionally, there is a 3.7 million euro unused balance from the BJ Invest current account. Therefore, as of December 31, 2021, HiPay has a cash mobilization capacity of 5.8 million euros.

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

Outlook

HiPay expects another year of double-digit growth in 2022, with first quarter sales growing at a more moderate pace than in the last quarter of 2021. At the same time, the group will continue to rigorously manage its expenses by striving to contain structural costs and by controlling the increase in its marketing budget in order to convert an increasingly significant portion of its growth into EBITDA and operating cash flow generation.

Additionally, HiPay will continue to grow profitably by expanding its client portfolio, increasing the average volume processed per client and regularly adding new value-added features to its platform.

Next financial communication: Q1 2022 revenue - May 19, 2022 before market opening.

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

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

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Consolidated Income Statements for 2021 and 2020

| <i>in thousands of Euros</i> | 2021 | 2020 |
|----------------------------------------------------------|----------------|----------------|
| Sales | 53 944 | 45 713 |
| Direct costs | - 29 934 | - 25 105 |
| Payroll charges | - 15 593 | - 12 999 |
| General expenses | - 5 619 | - 4 221 |
| EBITDA | 2 798 | 3 387 |
| Depreciation and amortization | - 3 478 | - 3 514 |
| Current operating profit | - 680 | - 127 |
| Stock based compensation | - 256 | - 168 |
| Other non-current income and charges | - 2 521 | - 277 |
| Operating profit | - 3 457 | - 572 |
| Other financial income and charges | - 579 | - 1 164 |
| Earnings before tax of the consolidated companies | - 4 036 | - 1 736 |
| Income Tax | - 312 | - 142 |
| Net income | - 4 348 | - 1 878 |

Consolidated Balance Sheets for 2021 and 2020

| <i>ASSETS - in thousands of Euros</i> | December 31st, 2021 | December 31st, 2020 |
|---------------------------------------|----------------------------|----------------------------|
| Net Goodwill | 40 222 | 40 222 |
| Net intangible fixed assets | 7 077 | 5 480 |
| Net tangible fixed assets | 7 388 | 8 591 |
| Deferred tax assets | 1 438 | 1 437 |
| Other financial assets | 1 152 | 1 117 |
| Non-current assets | 57 278 | 56 847 |
| Receivables and other debtors | 2 214 | 2 239 |
| Other current assets | 90 338 | 101 263 |
| Cash and cash equivalents | 2 124 | 3 081 |
| Current assets | 94 676 | 106 583 |
| TOTAL ASSETS | 151 954 | 163 430 |

| <i>LIABILITIES - in thousands of Euros</i> | December 31st, 2021 | December 31st, 2020 |
|------------------------------------------------------|----------------------------|----------------------------|
| Share capital | 19 844 | 19 844 |
| Premiums on issue and on conveyance | 50 156 | 50 156 |
| Reserves and retained earnings | - 35 745 | - 33 686 |
| Consolidated net income (Group share) | - 4 348 | - 1 878 |
| Shareholders' equity | 29 907 | 34 436 |
| Long-term borrowings and financial liabilities | 13 015 | 16 233 |
| Non-current Provisions | 3 267 | 624 |
| Non-current liabilities | 16 282 | 16 857 |
| Short-term financial liabilities and bank overdrafts | 8 393 | - |
| Suppliers and other creditors | 4 917 | 4 323 |
| Other current debts | 92 454 | 107 814 |
| Current liabilities | 105 764 | 112 137 |
| TOTAL LIABILITIES | 151 954 | 163 430 |

Consolidated Cash Flow Statements for 2021 and 2020

| Consolidated Cash Flow Statement - in thousands of Euros | 2021 | 2020 |
|--------------------------------------------------------------------------------|---------------|---------------|
| Net income | -4 348 | -1 878 |
| <i>Adjustments for:</i> | | |
| Depreciation of the fixed assets | 2 047 | 2 023 |
| Depreciation of fixed assets IFRS 16 | 1 457 | 1 503 |
| Other elements without impact on the cash | -1 | -59 |
| Tax litigation | 2 677 | 0 |
| Cost of debt IFRS 16 | 325 | 85 |
| Financial income and charges | 601 | 391 |
| Result on sale of equity securities | 0 | 16 |
| Net income on disposals of fixed assets | 0 | -1 |
| Net income on disposals of fixed assets | 0 | -110 |
| Costs of payments based on shares | 256 | 168 |
| Tax charge or proceeds | 313 | 141 |
| Operating profit before variation of the operating capital need and provisions | 3 327 | 2 280 |
| Variation of the operating capital need | 3 755 | -2 687 |
| Cash flow resulting from operating activities | 7 082 | -407 |
| Interest paid | -209 | -11 |
| Tax on earnings paid | -57 | -2 |
| Net Cash Flow Resulting From Operating Activities | 6 816 | -420 |
| Acquisition of fixed assets, debt | -4 889 | -3 592 |
| Variation of financial assets | -35 | 204 |
| Net Cash Flow Resulting From Investing Activities | -4 924 | -3 388 |
| New borrowings | 0 | 6 522 |
| Loan repayments | -1 036 | -130 |
| Repayment of rent debt IFRS 16 | -1 488 | -793 |
| Other financial liabilities variation | -325 | -220 |
| Net Cash Flow Resulting From Financing Activities | -2 849 | 5 379 |
| Net Variation Of Cash And Cash Equivalents from continuing Activities | -957 | 1 569 |
| Net cash on January 1st | 3 081 | 1 512 |
| Net cash at the end of the period | 2 124 | 3 081 |