

Transaction Volume: €1.8 billion +33%

Paris, July 25, 2019: HiPay (ISIN code FR0012821916 - HIPAY), the French fintech company specialising in Omnichannel payment solutions, announces its results for the first half of 2019¹.

In millions of euros	S1 2019	S1 2018	Var. %
Consolidated income statements			
Transaction Volume	1 761	1 325	+33 %
Revenue	16.8	13.0	+29 %
In millions of euros	June 30 2019	Dec. 31 2018 (Pro forma)	Var. %
Consolidated balance sheets			
Shareholders' equity	39.9	42.4	-6 %
Cash and cash equivalent	5.4	2.7	+102 %

Commenting on the first half results, Grégoire Bourdin, Chief Executive Officer of HiPay, said: "HiPay is once again demonstrating the relevance of its offer and the talent of its teams by posting 33% transaction volume growth in the first half of 2019. The objective of controlling operating costs has been achieved: compared to the first half of 2018, the EBIT increased by 37%. The commercial dynamic is still as strong as ever and the market's appetite for our offers continues unabated.

Business Strategy Success

- +568 merchants, including 91 major accounts.
- Many customers signed with complex technical needs, including the French Tennis Federation, for which HiPay managed the high traffic peaks during the sale of Roland Garros 2019 tickets.

¹ The interim and consolidated financial statements, which were approved by the Board of Directors of HiPay Group SA on 23 July 2019, have been subject to a limited review and the corresponding certification report is being issued. The half-yearly financial report on the financial statements for the six months ended 30 June 2019 will be available in the coming days on the Group's website at www.hipay.com under the heading "Investors".

- Strong partnerships established on proximity payment systems, including the French leader in proximity payment maintenance services, AVEM.
- On-going sector diversification of HiPay's customers with the launch of restaurant players such as Pizza Hut, tourism such as Club Med and press such as Le Figaro.

Offer Enhancement

- Complete coverage of all payment channels and usages thanks to the launch of a solution for interactive kiosk (unattended payment terminals).
- Implementation of an easy solution to ensure merchants compliancy with the PSD2 regulation thanks to HiPay's expertise in the transactional data management.
- Signing of an innovative partnership with VISA for the implementation of VISA Token Services: a tokenization solution that enhances payment security.
- New success for the technical partner management program with the integration of HiPay into the Orchestra platform (the leading software platform for the French travel market).

Continued Activity Growth

- Significant increase in transaction volumes managed with approximately 1.8 billion this half-year (+33% vs. H1 2018 and +16% vs. S2 2018) thanks to a continued strong commercial momentum.
- Sales increased by +29% to €16.8 million from €13.0 million in the first half of 2018, reflecting both the growth in sales volume and HiPay's ability to correctly value its product. The commission rate remained around 0.95%.

Improving Operational Efficiency

- Gross margin up 28% vs. the first semester 2018 to €8.8 million.
- Thanks to a controlled recruitment policy, human resources costs appear to have increased by 7%, well below the margin growth.
- Operating and net income of the group, up sharply to - €2.3 million from - €3.7 million at June 30, 2018 and - €2.7 million from - €4.2 million at June 30, 2018, an improvement of 36% and 37% respectively, demonstrating HiPay's ability to combine growth and control of its operating costs.

- With available cash of €5.4 million at 30 June 2019, HiPay can look forward to pursuing its commercial and technological strategy with confidence.

Next financial communication: February 20, 2020 – Announcement of 2019 revenue

About HiPay

HiPay is a global payment service provider. By harnessing the power of payment data, we participate in our merchants' growth by giving them a 360-degree view of their activities.

More information on hipay.com and you can also follow us on [Twitter](#) and [linkedin](#)

The HiPay Group is listed on Compartment C of Euronext Paris (ISIN code: FR0012821916 - HIPAY mnemonic).

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This press release does not constitute an offer to sell or the solicitation of an offer to buy HIPAY securities. If you would like more complete information about HiPay Group, please refer to our website hipay.com, Investors section. This press release may contain certain forward-looking statements. Although HiPay Group believes that these statements are based on reasonable assumptions as of the date of this press release, they are by their nature subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by these statements. HiPay Group operates in a highly evolving sector in which new risk factors may emerge. HiPay Group does not undertake any obligation to update these forward-looking statements to reflect new information, events or other circumstances.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated income statements

<i>in thousands of Euros</i>	June 30th, 2019	June 30th, 2018
Sales	16 753	12 984
Direct costs	- 7 976	- 6 152
Payroll charges	- 6 155	- 5 747
General expenses	- 2 910	- 3 342
EBITDA	- 289	- 2 257
Depreciation and amortization	- 1 934	- 1 268
Current operating profit	- 2 222	- 3 525
Stock based compensation	- 29	- 44
Other non-current income and charges	- 72	- 91
Operating profit	- 2 323	- 3 660
Other financial income and charges	- 210	- 274
Earning of the consolidated companies	- 2 533	- 3 935
Earnings before tax of the consolidated companies	- 2 533	- 3 935
Income Tax	- 130	- 259
Net income from continuing operations	- 2 663	- 4 194
Including minority interests	0	0
Including Group share	- 2 663	- 4 194
Net income from operations sold	-	-
Net income	- 2 663	- 4 194
Including minority interests	0	0
Including Group share	- 2 663	- 4 194

Consolidated balance sheets

<i>ASSETS - in thousands of Euros</i>	June 30th, 2019	December 31st, 2018
Net Goodwill	40 222	40 222
Net intangible fixed assets	4 996	4 654
Net tangible fixed assets	9 062	1 262
Deferred tax assets	1 430	1 429
Other financial assets	408	401
Non-current assets	56 118	47 968
Receivables and other debtors	1 184	648
Other current assets	74 085	60 893
Cash and cash equivalents	5 390	2 662
Current assets	80 659	64 203
TOTAL ASSETS	136 777	112 171

<i>LIABILITIES - in thousands of Euros</i>	June 30th, 2019	December 31st, 2018
Share capital	54 505	54 505
Premiums on issue and on conveyance	15 495	15 495
Reserves and retained earnings	- 27 488	- 19 097
Consolidated net income (Group share)	- 2 663	- 8 417
Shareholders' equity (Group share)	39 849	42 486
Minority interests	- 0	- 0
Shareholders' equity	39 849	42 486
Long-term borrowings and financial liabilities	15 594	7 615
Non-current Provisions	737	644
Deferred tax liabilities	2	1
Non-current liabilities	16 333	8 259
Short-term financial liabilities and bank overdrafts	100	143
Suppliers and other creditors	5 459	4 938
Other current debts	75 037	56 344
Current liabilities	80 595	61 426
TOTAL LIABILITIES	136 777	112 171

Consolidated cash-flow statement

in thousands of Euros	June 30th, 2019	December 31st, 2018
Net income	-2 663	-8 417
<i>Adjustments for:</i>		
Depreciation of the fixed assets	1 089	2 171
Depreciation of the fixed assets IFRS 16	678	-
Other non current elements without impact on the cash	93	92
Financial income and charges IFRS 16	173	-
Financial income and charges	10	51
Take away earn out	-	2 000
Result on sale of equity securities	-	239
Net income on disposals of fixed assets	1	-
Costs of payments based on shares	29	44
Tax charge or proceeds	276	445
Operating profit before variation of the operating capital need and provisions	-314	-3 375
Variation of the operating capital need	544	-3 289
Cash flow resulting from operating activities	230	-6 664
Interest paid	-10	-51
Tax on earnings paid	-276	-883
Net Cash Flow Resulting From continuing Operating Activities	-56	-7 598
Net Cash Flow Resulting From operating activities of divested operations	-	-
Net Cash Flow Resulting From Operating Activities	-56	-7 598
Acquisition of fixed assets, debt	-1 891	-3 500
Variation of financial assets	-7	-486
Effect of the perimeter variations	-	-
Net Cash Flow Resulting From continuing investing Activities	-1 898	-3 986
Net Cash Flow Resulting From operating investing of discontinued operations	-	-
Net Cash Flow Resulting From Investing Activities	-1 898	-3 986
Repurchase of own shares	-	-
Minority transactions	-	-
New borrowings	5 125	6 284
Loan repayments	-63	-168
Debt repayments IFRS 16	-308	-
Interest paid IFRS 16	-29	-
Dividends paid to minority interests	-	-
Net Cash Flow Resulting From continuing Financing Activities	4 725	6 116
Net Cash Flow Resulting From Financing Activities	4 725	6 116
Effect of exchange rates variation	-	-
Net Variation Of Cash And Cash Equivalents from continuing Activities	2 771	-5 468
Net Variation Of Cash And Cash Equivalents from divested operations	-	-
Net cash on January 1st	2 519	7 987
Net cash at the end of the period	5 290	2 519