

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 2, 2023

CoreCard Corporation

(Exact name of registrant as specified in its charter)

Georgia

(State or Other Jurisdiction of Incorporation)

001-09330

(Commission File Number)

58-1964787

(I.R.S. Employer Identification No.)

One Meca Way

Norcross, Georgia 30093

(Address of Principal Executive Offices) (Zip Code)

(770) 381-2900

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value for the class	CCRD	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On August 2, 2023, the Registrant issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

[Exhibit 99.1](#) [Press Release dated August 2, 2023](#)

Exhibit 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CoreCard Corporation

Date: August 2, 2023

By: /s/ Matthew A. White
Matthew A. White
Chief Financial Officer

CoreCard Corporation Reports Second Quarter 2023 Results

25%+ increase in Processing and Maintenance Revenue Year-over-Year and achieves New License Tier

NORCROSS, Ga., Aug. 02, 2023 (GLOBE NEWSWIRE) -- CoreCard Corporation (NYSE: CCRD) ("CoreCard" or the "Company"), the leading provider of innovative credit technology solutions and processing services to the financial technology and services market, announced today its financial results for the quarter ended June 30, 2023.

"CoreCard's strong performance continued in the second quarter and resulted in total revenue of \$15.7 million in-line with our expectations," said Leland Strange, CEO of CoreCard Corporation. "Our top-line growth in services revenue was driven by 26% growth in processing and maintenance revenue, partially offset by declines in professional services and third party revenues. As a reminder, third party revenues are very low margin. Additionally, we achieved a new license tier which resulted in \$1.8 million of license revenue in the second quarter. We continue to invest in our platform and processing capabilities, which are showing encouraging results. CoreCard provides a best-in-class credit platform that is extremely well positioned to capture the growing demand for next-generation card management platforms by large and complex modern card issuers."

Mr. Strange continued, "We recently converted a portion of our professional services revenue from variable to recurring, which is beneficial from a visibility perspective but will result in lower services revenue for the remainder of the year. We now expect services revenue growth of approximately 5% and continue to expect total license revenue in the range of \$3 million to \$7 million. The opportunity ahead of us is significant, and CoreCard remains a growth business focused on meeting the evolving needs of modern issuers while generating long-term value for our shareholders."

Financial Highlights for the three months ended June 30, 2023

Total revenues in the three-month period ended June 30, 2023, was \$15.7 million compared to \$15.2 million in the comparable period in 2022.

In the following table, revenue is disaggregated by type of revenue for the three months ended June 30, 2023 and 2022:

<i>(in thousands)</i>	Three Months Ended	
	June 30,	
	2023	2022
License	\$ 1,794	\$ 1,794
Professional services	7,354	7,605
Processing and maintenance	5,689	4,510
Third party	855	1,297
Total	\$ 15,692	\$ 15,206

Income from operations was \$2.7 million for the second quarter compared to income from operations of \$3.5 million in the comparable prior year quarter.

Net income was \$1.9 million for the second quarter compared to net income of \$2.9 million in the comparable prior year quarter.

Earnings per diluted share was \$0.22 for the second quarter compared to \$0.33 in the comparable prior year quarter.

Investor Conference Call

The company is holding an investor conference call today, August 2, 2023, at 11 A.M. Eastern Time. Interested investors are invited to attend the conference call by accessing the webcast at <https://www.webcast-eps.com/register/corecard080223/en> or by dialing 1-877-407-0890. As part of the conference call CoreCard will be conducting a question-and-answer session where participants are invited to email their questions to questions@corecard.com prior to the call. A transcript of the call will be posted on the company's website at investors.corecard.com as soon as available after the call.

The company will file its Form 10-Q for the period ended June 30, 2023, with the Securities and Exchange Commission today. For additional information about reported results, investors will be able to access the Form 10-Q on the company's website at investors.corecard.com or on the SEC website, www.sec.gov.

About CoreCard Corporation

CoreCard Corporation (NYSE: CCRD) provides the gold standard card issuing platform built for the future of global transactions in an embedded digital world. Dedicated to continual technological innovation in the ever-evolving payments industry backed by decades of deep expertise in credit card offerings, CoreCard helps customers conceptualize, implement, and manage all aspects of their issuing card programs. Keenly focused on steady, sustainable growth, CoreCard has earned the trust of some of the largest companies and financial institutions in the world, providing truly real-time transactions via their proven, reliable platform operating on private on-premise and leading cloud technology infrastructure.

Forward-Looking Statements

The forward-looking statements in this press release are made under the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The Company's actual results could differ materially from those indicated by the forward-looking statements because of various risks and uncertainties including those listed in Item 1A of the Company's Annual Report on Form 10-K and in the Company's other filings and reports with the Securities and Exchange Commission. All of the risks and uncertainties are beyond the ability of the Company to control, and in many cases, the Company cannot predict the risks and uncertainties that could cause its actual results to differ materially from those indicated by the forward-looking statements. When used in this press release, the words "believes," "plans," "expects," "will," "intends," "continue," "outlook," "progressing," and "anticipates" and similar expressions as they relate to the Company or its management are intended to identify forward-looking statements. Except as required by law, the Company is not obligated to publicly

release any revisions to these forward-looking statements to reflect the events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

For further information,
email CoreCardIR@icrinc.com

CoreCard Corporation
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands, except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenue				
Services	\$ 13,898	\$ 13,412	\$ 28,654	\$ 25,207
Products	1,794	1,794	1,794	14,283
Total net revenue	15,692	15,206	30,448	39,490
Cost of revenue				
Services	9,296	7,937	19,101	15,393
Products	—	—	—	—
Total cost of revenue	9,296	7,937	19,101	15,393
Expenses				
Marketing	105	85	174	151
General and administrative	1,516	1,255	3,065	2,940
Research and development	2,092	2,463	3,605	5,787
Income from operations	2,683	3,466	4,503	15,219
Investment income (loss)	(391)	260	(686)	157
Other income	201	29	345	66
Income before income taxes	2,493	3,755	4,162	15,442
Income taxes	618	899	1,031	3,916
Net income	\$ 1,875	\$ 2,856	\$ 3,131	\$ 11,526
Earnings per share:				
Basic	\$ 0.22	\$ 0.33	\$ 0.37	\$ 1.34
Diluted	\$ 0.22	\$ 0.33	\$ 0.37	\$ 1.33
Basic weighted average common shares outstanding	8,493,040	8,595,478	8,497,888	8,625,504
Diluted weighted average common shares outstanding	8,516,573	8,616,354	8,524,337	8,651,874

CoreCard Corporation
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

As of	June 30, 2023	December 31,
ASSETS	(unaudited)	2022
		(audited)
Current assets:		
Cash and cash equivalents	\$ 31,005	\$ 20,399
Marketable securities	5,099	4,973
Accounts receivable, net	6,110	13,220
Other current assets	3,884	3,729
Total current assets	46,098	42,321
Investments	4,494	5,180
Property and equipment, at cost less accumulated depreciation	12,315	12,006

Other long-term assets		3,055		3,725
Total assets		\$ 65,962	\$	63,232

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:				
Accounts payable		\$ 1,407	\$	2,011
Deferred revenue, current portion		1,724		1,094
Accrued payroll		2,003		1,888
Accrued expenses		877		525
Other current liabilities		1,959		2,025
Total current liabilities		7,970		7,543
Noncurrent liabilities:				
Deferred revenue, net of current portion		363		473
Deferred tax liability		494		472
Long-term lease obligation		1,556		1,981
Total noncurrent liabilities		2,413		2,926
Stockholders' equity:				
Common stock, \$0.01 par value: Authorized shares - 20,000,000;				
Issued shares – 9,016,140 and 9,010,119 at June 30, 2023 and December 31, 2022, respectively;				
Outstanding shares – 8,490,681 and 8,502,735 at June 30, 2023 and December 31, 2022, respectively				
		90		90
Additional paid-in capital		16,621		16,471
Treasury stock, 525,459 and 507,384 shares at June 30, 2023 and December 31, 2022, respectively, at cost		(17,105)		(16,662)
Accumulated other comprehensive income (loss)		(83)		(61)
Accumulated earnings		56,056		52,925
Total stockholders' equity		55,579		52,763
Total liabilities and stockholders' equity		\$ 65,962	\$	63,232