

Aix-en-Provence, 18 July 2024 (6 p.m.)

HIGHCO: BUSINESS DECLINE IN Q2 2024 (GROSS PROFIT DOWN 1.6% LFL); STABLE ESTIMATED HALF-YEAR EARNINGS; 2024 GUIDANCE REITERATED

Business decline in Q2 2024 in line with expectations

- Q2 2024 gross profit¹ of €18.84 m, down 1.6% LFL².
- H1 2024 gross profit¹ of €37.7 m, down slightly by 0.6% LFL².
- Decline in businesses in France (Q2 down 1.3% LFL; H1 unchanged LFL) and in International businesses (Q2 down 4.1% LFL; H1 down 4.7% LFL).

2024 Half-year earnings: Forecast of stable HPBIT³ and operating margin³

Casino: ongoing talks

Additional investment in RetailTech

2024 Guidance reiterated

- Drop in gross profit of about 10%.
- Operating margin of more than 15%.

Gross Profit (€ m)¹	2024	2023 LFL²	2024/2023 LFL² change
Q1	18.85	18.77	+0.5%
Q2	18.84	19.15	-1.6%
H1	37.70	37.92	-0.6%

¹ Limited audit by the Statutory Auditors currently in progress.

² Like for like: Based on a comparable scope and at constant exchange rates (i.e. applying the average exchange rate over the period to data from the compared period). Furthermore, in application of IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, the activities of High Connexion Italy were reported as discontinued operations as of the fourth quarter of 2023. For reasons of consistency, the data reported for the first half of 2023 has been restated to account for the impact of High Connexion Italy.

³ Headline PBIT: Profit before interest, tax and restructuring costs. Operating margin: Headline PBIT/Gross profit.

Didier Chabassieu, Chairman of the Management Board, stated, “*HighCo’s performance in the first part of 2024 is in line with forecasts. The second quarter confirmed the growth trend in the Activation division and the decline in the marketing and communication consulting and ad-selling businesses. Based on this half-year performance, along with the strong decline expected in our ad-selling business over the second half of the year, due to finalisation of the sale of Casino stores, we have maintained our guidance for 2024.*”

BUSINESS DECLINE IN Q2 2024 IN LINE WITH EXPECTATIONS

Following a stable first quarter in 2024 (up 0.5% LFL), **HighCo posted gross profit of €18.84 m, showing a decline in Q2 2024 (down 1.6% LFL).**

This business performance is due to:

- Sharp growth in the **Activation** division (**up 8.7% LFL**), due to the significant increase in the number of coupons processed in France and the very positive trend in the promotion management businesses;
- Stability in the **Mobile** division (**down 0.9% LFL**), resulting from further growth in SMS push notification activity and a slowdown in Mobile consulting businesses;
- Expected decline in the **Retail Consulting & Advertising** division (**down 15.1% LFL**).

As a result, in **H1 2024** the **Activation** division (53.8% of the Group’s gross profit) **grew by 10.9%**, while the **Mobile** division (20.8% of the Group’s gross profit) **fell by 7.4%** and the **Retail Consulting & Advertising** division (25.5% of the Group’s gross profit) also **fell, by 14.2%**.

Group revenue for H1 2024 came out at €77 m.

Businesses in France

FRANCE	Gross Profit (€ m)		2024/2023 LFL change	% Total gross profit
	2024	2023 LFL		
Q1	16.52	16.30	+1.3%	87.6%
Q2	16.66	16.87	-1.3%	88.4%
H1	33.18	33.18	0%	88.0%

In France, Q2 2024 gross profit fell by 1.3% to €16.66 m. This performance is the result of strong processing activities for **coupons** and other **promotional offers** but was counter-balanced by the decline, as anticipated, in the **Mobile consulting and Retail Consulting & Advertising divisions**.

In H1 2024, business in France was stable, accounting for 88% of the Group’s gross profit. Trends in business performance are largely comparable between the two first quarters of the year.

International businesses

INTERNATIONAL	Gross Profit (€ m)		2024/2023 LFL change	% Total gross profit
	2024	2023 LFL		
Q1	2.33	2.46	-5.2%	12.4%
Q2	2.18	2.28	-4.1%	11.6%
H1	4.52	4.74	-4.7%	12.0%

In International businesses, Q2 2024 gross profit fell (down 4.1% LFL) to €2.18 m.

In Belgium, gross profit fell by 4.9% due to the decline in coupon processing, which was partially offset by the positive trend in traditional promotions management.

Businesses in Spain showed growth (up 2.3%) and accounted for 1.3% of the Group's gross profit.

In H1 2024, International businesses declined by 4.7% to €4.52 m, accounting for 12% of the Group's gross profit.

FORECAST OF STABLE 2024 HALF-YEAR EARNINGS

Based on the half-year closing in progress, the Group forecasts:

- Stable headline PBIT³ (H1 2023 restated: €9.62 m);
- Stable operating margin³ (H1 2023 restated: 25.4%).

The 2024 half-year earnings will be released on Wednesday, 11 September after market close. A conference call for financial analysts is scheduled for Thursday, 12 September at 10 a.m.

CASINO: ONGOING TALKS

The decline in business with the Casino group reported in the first half of the year is in line with forecasts.

In parallel, HighCo is continuing its discussions with Casino's new executive management to redefine the scope of collaboration for 2025 and 2026.

ADDITIONAL INVESTMENT IN RETAILTECH

HighCo announced that, on 24 June, it finalised the acquisition of minority shares in the startup RetailTech, whose SaaS platform can be used by retailers to digitise and centralise their promotional processes. After purchasing an initial minority stake of 29% in April 2022, the Group increased its share ownership to 58%, giving it a controlling interest in the company. RetailTech, until now accounted for as an associate, will be fully consolidated within the Group as a result of the deal.

2024 GUIDANCE REITERATED

Based on its reported business activity in Q2 2024 and its forecast of stable half-year earnings, the Group **reiterates its guidance for 2024:**

- **Decrease in gross profit of about 10%** (2023 gross profit: €74.35 m);
- **Operating margin** (headline PBIT/gross profit) **of more than 15%** (2023 operating margin: 22.1%).

About HighCo

As an expert marketing and communication, HighCo supports brands and retailers in accelerating the transformation of retail.

Listed in compartment C of Euronext Paris, and eligible for SME equity savings plans (“PEA-PME”), HighCo has nearly 500 employees.

HighCo has achieved a Gold rating from EcoVadis, meaning that the Group is ranked in the top 5% of companies in terms of CSR performance and responsible purchasing.

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Upcoming events

Publications take place **after market close**.

2024 Half-year Earnings: Wednesday, 11 September 2024

Conference call on 2024 half-year earnings: Thursday, 12 September 2024 at 10 a.m.

Q3 and 9-month YTD 2024 Gross Profit: Wednesday, 16 October 2024

Q4 and FY 2024 Gross Profit: Wednesday, 22 January 2025



European Rising Tech
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HighCo is a component stock of the indices CAC® Small (CACs), CAC® Mid&Small (CACMS), CAC® All-Tradable (CACT), Euronext® Tech Croissance (FRTPR) and Enternext® PEA-PME 150 (ENPME).

ISIN: FR0000054231

Reuters: HIGH.PA

Bloomberg: HCO FP

For further financial information and press releases, go to www.highco.com.

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