

Aix-en-Provence, 21 July 2022 (6.00 p.m.)

HIGHCO: Q2 2022 BUSINESS GROWTH IN LINE WITH EXPECTATIONS (GP UP 1.5%); ESTIMATED INCREASE IN HALF-YEAR EARNINGS

Q2/H1 2022 business growth driven by France and Mobile

- Q2 2022 gross profit¹ of €19.51 M, up 1.5% on a reported basis and LFL².
- H1 2022 gross profit¹ of €38.31 M, up 1.3% on a reported basis and LFL².
- Growth in digital businesses (Q2 up 0.1% LFL; H1 up 2.8% LFL) with offline businesses holding up well (Q2 up 4.4% LFL; H1 down 1.3% LFL).
- Healthy business growth in France (Q2 up 3.4% LFL; H1 up 2.2% LFL) and decline in International businesses (Q2 down 9.5% LFL; H1 down 3.9% LFL).

2022 Half-year Earnings: Expected increase in adjusted headline PBIT³ and adjusted operating margin³

2022 guidance reiterated

Shareholder returns: cancellation of 8.77% of the share capital

HighCo Venturi Startup Studio: Investment in an influencer platform and update on projects under way

Gross Profit (in € M) ¹	2022	2021	2022/2021 Change
Q1	18.80	18.59	+1.1%
Q2	19.51	19.21	+1.5%
H1	38.31	37.80	+1.3%

¹ Limited audit by the Statutory Auditors currently in progress.

² LFL: 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).

³ Adjusted headline profit before interest and tax: Recurring operating income before restructuring costs and excluding the impact of performance share plans. Adjusted operating margin: Adjusted headline PBIT/Gross profit.

Didier Chabassieu, Chairman of the Management Board, stated, “With growth in gross profit of 1.3% in the first half of the year, HighCo’s business activity is in line with its expectations. Confirming first-quarter trends, second-quarter growth was mainly driven by the strength of Mobile businesses (up 21%) and the increase in the volumes of coupons cleared in France. Given the economic environment, which remains uncertain, the Group is holding up well. At this stage, the increase in inflationary pressure has had a limited positive impact on HighCo’s business.”

Q2/H1 2022 BUSINESS GROWTH DRIVEN BY FRANCE AND MOBILE BUSINESS

After a slight increase in Q1 2022 (up 1.1% like for like), **HighCo showed growth in Q2 2022 and posted a 1.5% increase in gross profit to €19.51 M.**

Following on from Q1, this business growth change is mainly due to:

- Double-digit growth in **Mobile** (up 20.9%);
- Continued strong performance of **coupon clearing** with increasing volumes (up 8%);
- Drop in the management of traditional promotions;
- Downturn in marketing and communication consulting.

In Q2 2022, Digital came out stable (up 0.1%). Offline businesses recovered with 4.4% growth over the quarter.

As a result, the **Group’s businesses grew 1.3% in H1 2022 to €38.31 M.** Digital business, up 2.8% in the first half of the year, was driven by the strong growth in Mobile activities (up 21.1%). Its share in total Group gross profit rose, from 64.3% in H1 2021 to 65.3% in H1 2022.

Group revenue for H1 2022 came out at €72.7 M.

Strong growth in France and decline in International business

FRANCE	Gross Profit (in € M)		2022/2021 Change	% Total gross profit
	2022	2021		
Q1	16.14	15.98	+1.0%	85.9%
Q2	17.05	16.50	+3.4%	87.4%
H1	33.19	32.48	+2.2%	86.7%

In France, growth in gross profit in Q2 2022 was stronger than in Q1, rising 3.4% to €17.05 M. The main reasons for this growth are the same as in Q1: double-digit growth in **Mobile** businesses (up 18.6%), the substantial rise in volumes of **coupons cleared** (up 16%), while the management of traditional promotions and the marketing and communication consulting businesses declined.

H1 2022 was up 2.2%, with France accounting for 86.7% of the Group’s gross profit in the first half of the year. **Digital businesses rose by 4.1% in the first half**, and their share grew to account for 65.9% of gross profit. This growth in Digital was driven by Mobile activities, which now represents more than a quarter of business in France (26.2%). Impacted by the loss of a marketing and communication consulting client, offline businesses held up, posting a 1.2% decline over the quarter.

INTERNATIONAL	Gross Profit (in € M)		2022/2021 Change	% Total gross profit
	2022	2021		
Q1	2.65	2.61	+1.8%	14.1%
Q2	2.46	2.71	-9.5%	12.6%
H1	5.11	5.32	-3.9%	13.3%

In International business, Q2 2022 gross profit fell 9.5% to €2.46 M and accounted for 12.6% of the Group's gross profit.

In **Belgium**, gross profit was down by 16.4%, impacted by the sharp decline in the number of **discount coupons cleared** and the ongoing slowdown in promotion management.

With growth again in the double digits (up 56.8%), business in **other countries** (Spain and Italy) remained very strong and now accounts for 2.1% of the Group's gross profit.

In H1 2022, International business fell 3.9% to €5.11 M, accounting for 13.3% of the Group's gross profit. The share of Digital in International businesses represented 61.1% of gross profit.

EXPECTED INCREASE IN H1 2022 EARNINGS

Based on the 2022 half-year closing in progress, **the Group forecasts:**

- **An increase in adjusted headline PBIT³ of between 3% and 5%** (H1 2021: €9.5 M);
- **A rise in adjusted operating margin³** (H1 2021: 25.1%).

The 2022 half-year earnings will be released on Wednesday, 24 August after market close. A conference call with analysts will take place on Thursday, 25 August at 11 a.m.

2022 GUIDANCE REITERATED

Based on the business growth reported for Q2 2022 and the expected growth in half-year earnings, the Group **reiterates its guidance for 2022:**

- **Slight growth in gross profit** (2021 gross profit: €76.52 M);
- **A rise in adjusted operating margin** (adjusted headline PBIT/gross profit) of **50 basis points** (2021 adjusted operating margin: 20.3%).

SHAREHOLDER RETURNS: CANCELLATION OF 8.77% OF THE SHARE CAPITAL

As part of its policy on shareholder returns, the Company would like to remind readers that on 2 July 2022 it **reduced its share capital** by €982,964.50 with the cancellation of 1,965,929 of treasury shares, amounting to **8.77% of the share capital**. Since this date, **HighCo's share capital has stood at €10,227,701.50**, comprising 20,455,403 shares.

HIGHCO VENTURI STARTUP STUDIO: INVESTMENT IN AN INFLUENCER PLATFORM AND UPDATE ON PROJECTS UNDER WAY

The startup studio is currently focusing its mission on transforming the Group's historical businesses of **promotions** and the development of more disruptive solutions, especially in the areas of **influence** and **Web3**. Among its projects in progress, three startups have made advances since the beginning of the year.

Universal mobile discount coupons – HighCo Nifty

HighCo Nifty continues its rollout in pharmacies. For now, 4,000 pharmacies can read and accept HighCo Nifty coupons at checkout. Its target is to cover 6,000 points of sale by the end of the year. In parallel, discussions are under way with several food retailers.

SaaS platform for centralised promotion management – Unipromo

The **Unipromo** platform is currently being developed for retailers. The first version is scheduled to be delivered in Q4 2022. As a reminder, the Group has invested €0.5 M in this project since its inception in order to hold one-third of the capital.

Influencer platform – FDBK

FDBK is a platform that puts influencers in contact with individuals to provide them with personalised advice in the context of a remote exchange. This unprecedented type of collaboration is very attractive for influencers who will be able to access a new revenue stream, without having to create additional content.

FDBK has received support from the startup studio since it was created. **The Group has recently invested €0.65 M in the startup and now holds 65% of the capital.**

About HighCo

As an expert in data marketing and communication, HighCo continuously innovates to work with brands and retailers in meeting the retail challenges of tomorrow.

Listed in compartment C of Euronext Paris, and eligible for SME equity savings plans ("PEA-PME"), HighCo has more than 500 employees and has achieved Platinum status from EcoVadis, meaning that the Group is ranked in the top 1% of companies in terms of CSR performance and responsible purchasing.

Your contacts

Cécile Collina-Hue
Managing Director
+33 1 77 75 65 06
comfi@highco.com

Cynthia Lerat
Press Relations
+33 1 77 75 65 16
c.lerat@highco.com

Upcoming events

Publications take place **after market close**.

2022 Half-year Earnings: Wednesday, 24 August 2022
Conference call on 2022 half-year earnings: Thursday, 25 August 2022
Q3 and 9-month YTD 2022 Gross Profit: Wednesday, 19 October 2022
Q4 and FY 2022 Gross Profit: Wednesday, 25 January 2023



European Rising Tech
LABEL



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

ISIN: FR0000054231

Reuters: HIGH.PA

Bloomberg: HCO FP

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