



2019 Annual results

HighCo

01

Key mes sages

01. Key messages

- 02. Mission and strategy
- 03. Financial performance
- 04. COVID-19 context
- 05. Conclusion

01. Key messages

2019: Another year of business growth and increase in earnings

7TH CONSECUTIVE YEAR OF GROWTH

GROSS PROFIT

€95.22 M

up 4.6% LFL¹

up 8.7% reported

STRONG GROWTH IN EARNINGS

Adjusted headline PBIT²: €17.62 M up 9.9%

Adjusted operating margin²:

18.5% up 20 bp

Recurring operating income:

€16.54 M up 17.2%

Attributable net income: €9.32 M up 7.8%

STRONG CASH GENERATION

NET CASH³ €62.38 M

up €10.22 M (vs. 31 Dec. 2018)

NET CASH

excluding operating WC³

€3.1 M up €2.13 M (vs. 31 Dec. 2018)

Continued strong growth in digital businesses (up 7.8% LFL), which accounted for 56.2% of gross profit in 2019 (52.9% on a reported basis in 2018)

(1) Like for like: Based on a comparable scope (i.e. mainly including the subsidiary Useradgents as of 1 Jan. 2018) and at constant exchange rates. (3) Net cash position: Cash and cash equivalents less gross current and non-current financial debt, excluding operating working capital (€59.29 M at 31 Dec. 2019).

(2) Adjusted headline profit before interest & tax: Recurring operating income before restructuring costs and excluding the cost of performance share plans. Adjusted operating margin: Adjusted headline PBIT/Gross profit.

02

Mission & Strategy

01. Key messages

02. Mission and strategy

03. Financial performance

04. COVID-19 context

05. Conclusion

02. Mission and offer

Our mission

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

02. Mission and offer

Our offer

4 complementary areas of expertise cover the entire customer engagement chain
from initial contact to the transaction



Émotion



Relation



Personnalisation

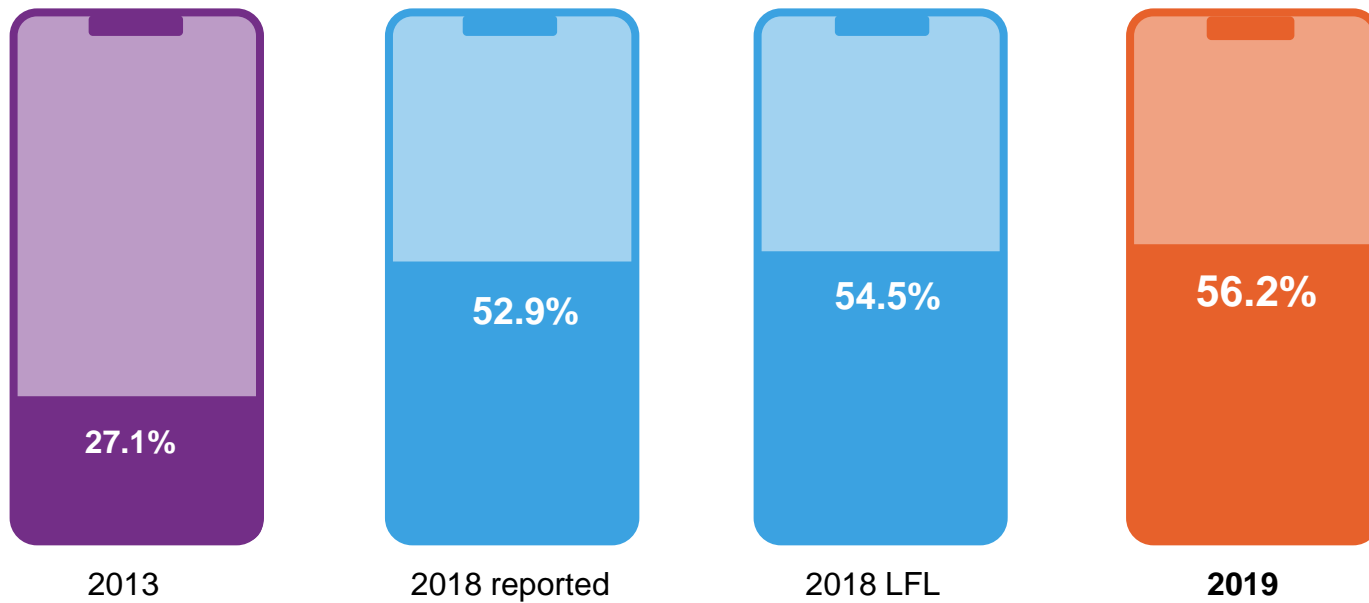


Transaction

02. Overview of our strategic focuses

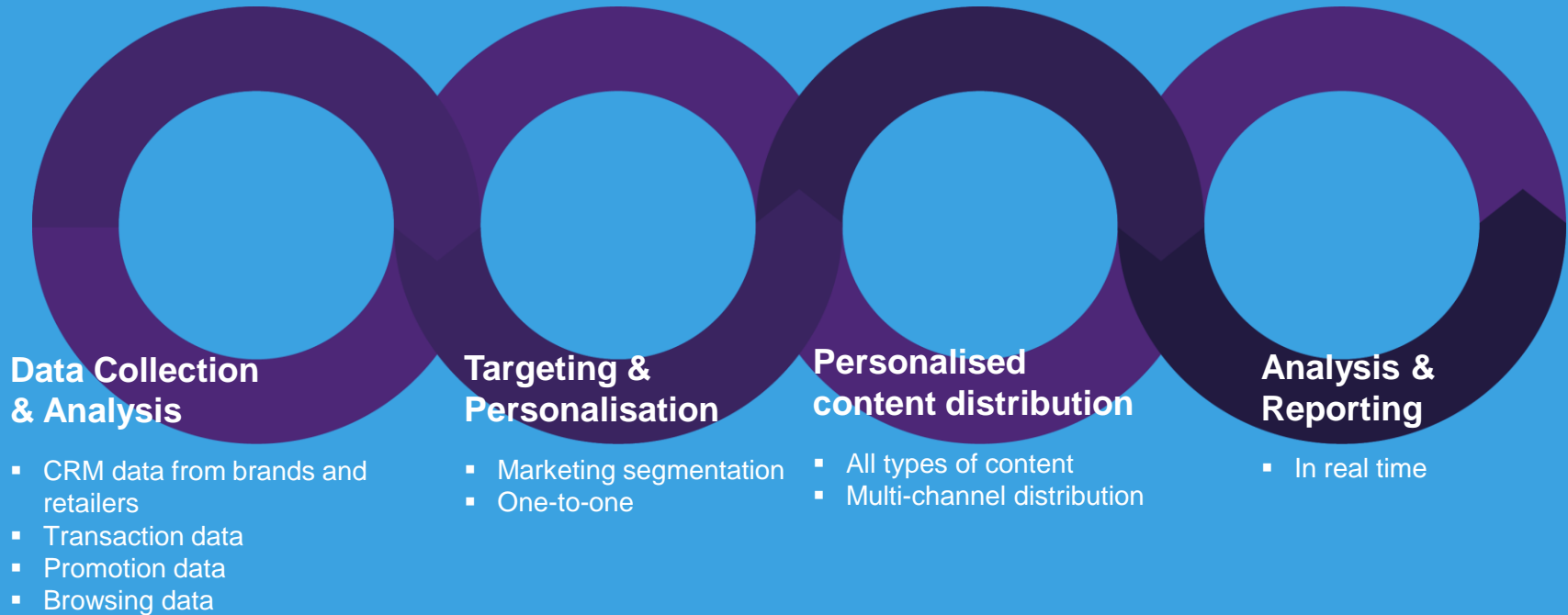
Strategic focus #1: Continue digitising our businesses

Digital business as a percentage of Group gross profit



02. Overview of our strategic focuses

Strategic focus #2: Develop our understanding of data



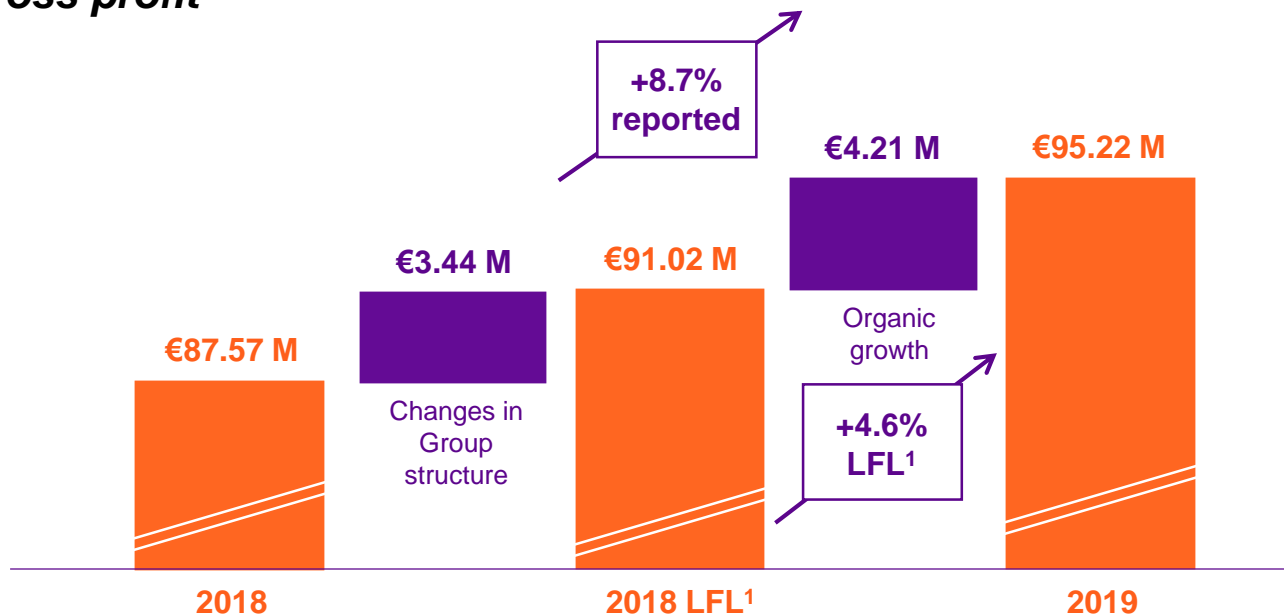
03

Financial Performance

- 01. Key messages
- 02. Mission and strategy
- 03. **Financial performance**
- 04. COVID-19 context
- 05. Conclusion

03. Financial performance

2019 Gross profit

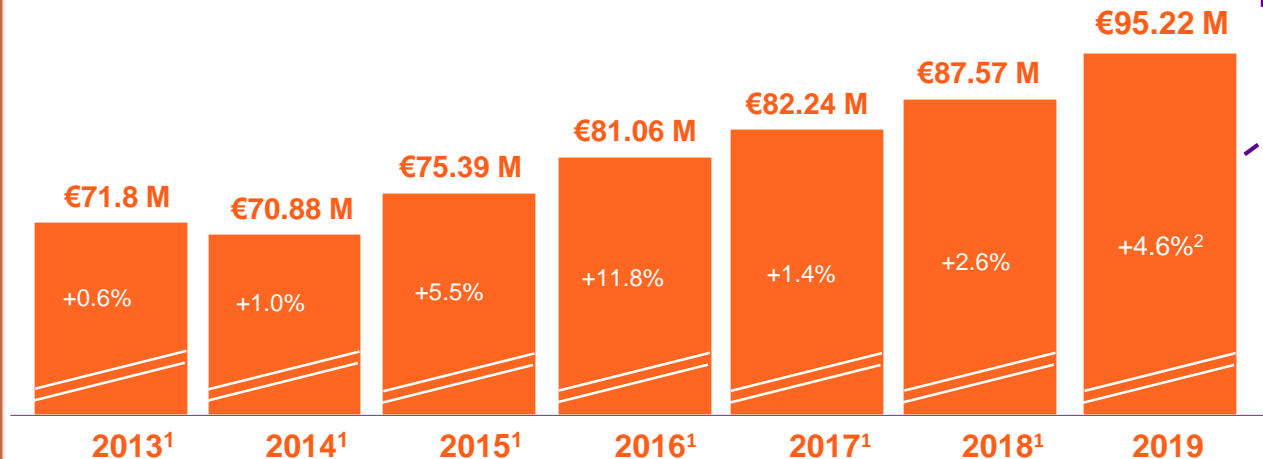


2019 gross profit amounted to €95.22 M, up 8.7% on a reported basis and 4.6% like for like¹.

(1) LFL: See definition on page 3.

03. Financial performance

2019 Gross profit



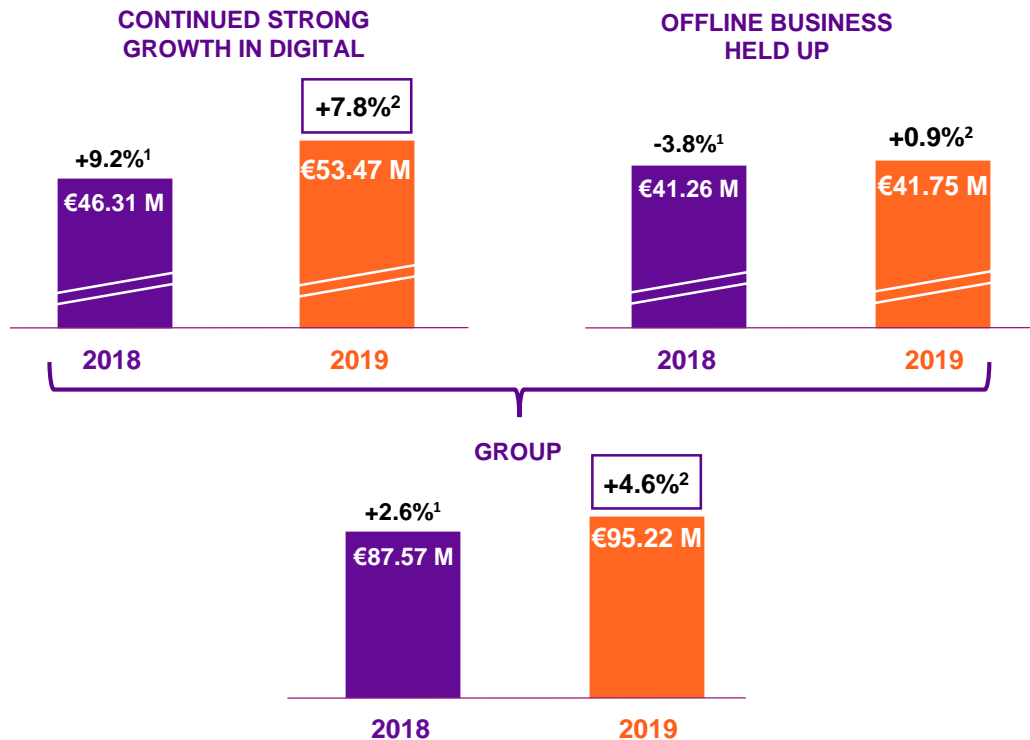
Seventh consecutive year of growth: Up 4.6% LFL², with sequential quarterly growth.

(1) Historical LFL data.

(2) LFL: See definition on page 3.

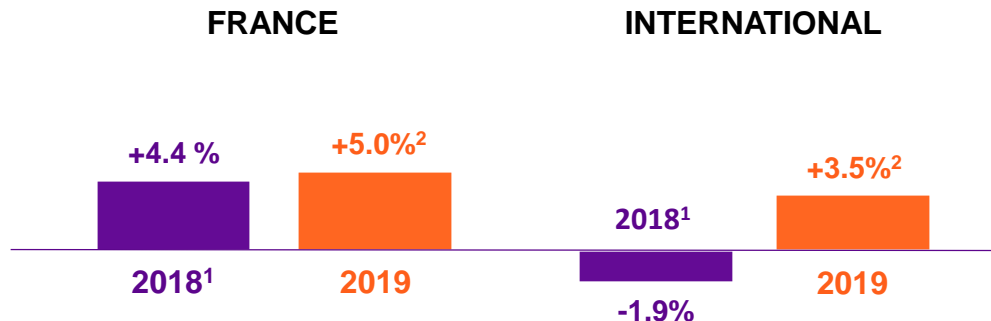
03. Financial performance

Business growth continues to be driven by digital



03. Financial performance

Gross profit by geographical area



> **Strong growth in France** (up 5% to €71.52 M; 75.1% of the Group's gross profit).

> **Improvement in international business** (up 3.5% to €23.71 M):

- Growth in Benelux (up 3.7% to €22.61 M; 23.7% of the Group's gross profit);
- Stable activity in Spain and Italy (down 0.3% to €1.1 M; 1.2% of the Group's gross profit).

(1) Historical LFL data.

(2) LFL: See definition on page 3.

03. Financial performance

France: Strong growth

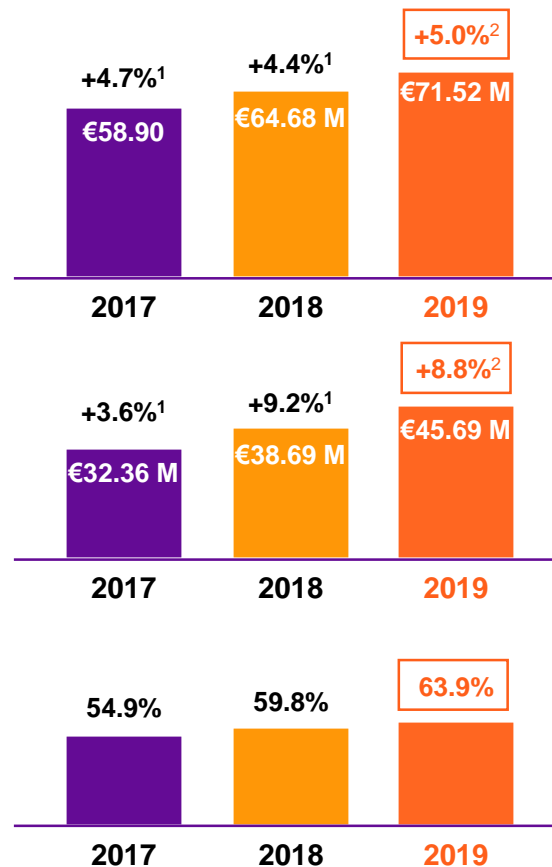
> Good growth trend continues

> Strong growth in digital maintained

> Increase in the share of Digital: More than 60% (integration of the all-digital agency Useradgents in July 2018)

(1) Historical LFL data.

(2) LFL: See definition on page 3.



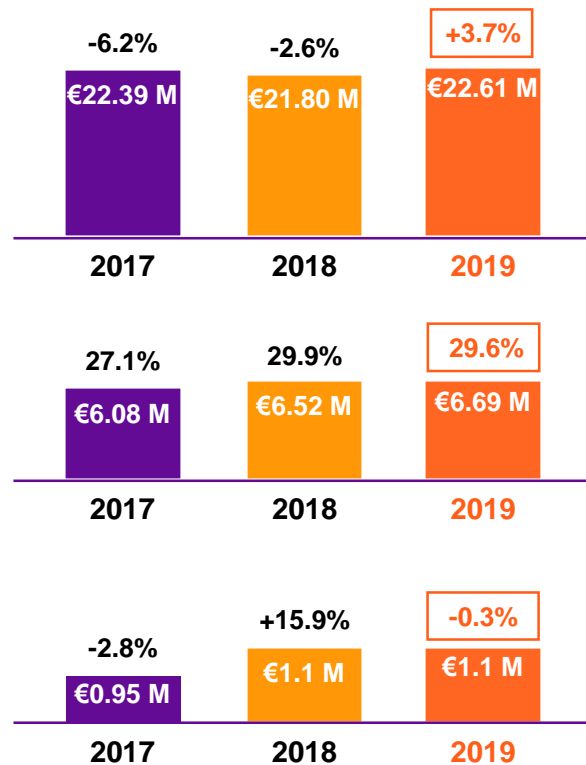
03. Financial performance

International: Improved performance

> Benelux: Business recovery in 2019 (up 3.7%) thanks to a strong H2

> Benelux: 2.6% growth in Digital to reach nearly 30% of total business in 2019

> Stable performance in Southern Europe over the year



03. Financial performance

Business cases

DIGITISING GENEROSITY ON MOBILE FORMATS

Objective

Facilitate access to discounts for users in the loyalty programme

Approach

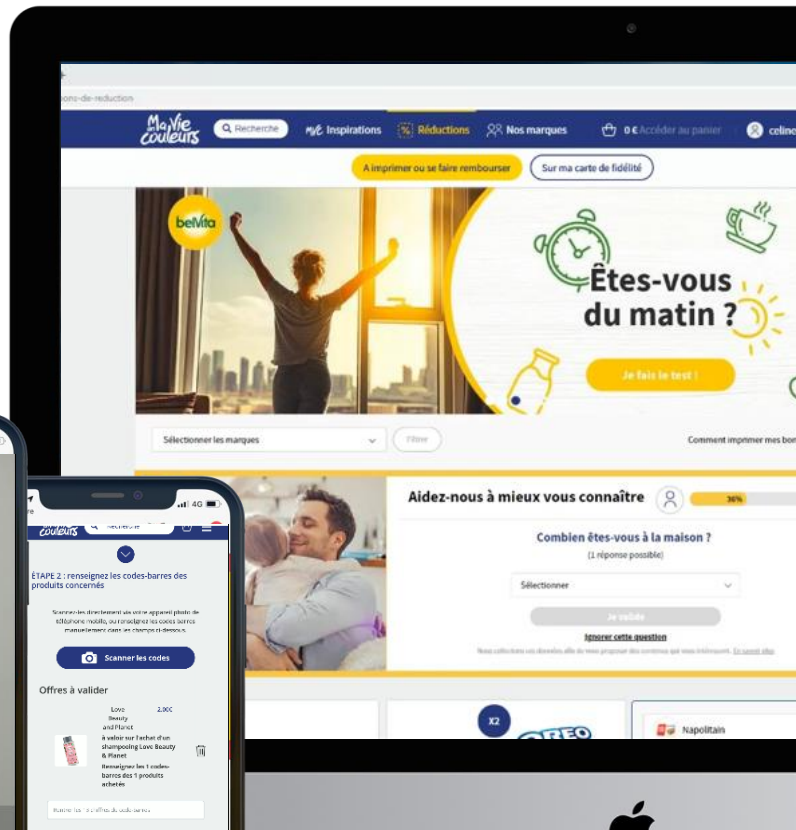
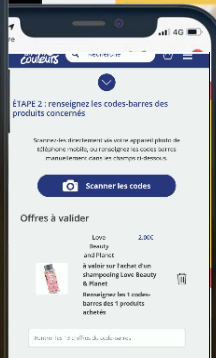
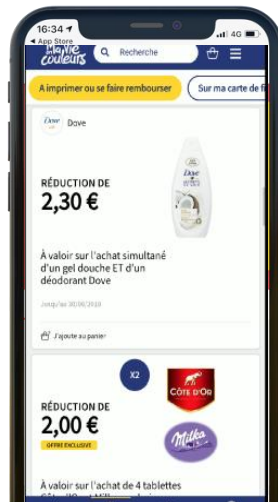
Implementation of a mobile platform:

- Distribution of offers
- Receipt scanner
- Processing and reimbursement

Ma Vie
en couleurs



Mondelēz
International



03. Financial performance

Business cases



SEASONAL EVENT CAMPAIGN FOR LOYALTY CARDHOLDERS

Objective

Create traffic in stores and increase basket size

Two-part approach: bonus + game

- Manufacture and logistics of 24 million Christmas ornaments distributed at check-out for purchases of €25
- Design and management of online game



03. Financial performance

Business cases



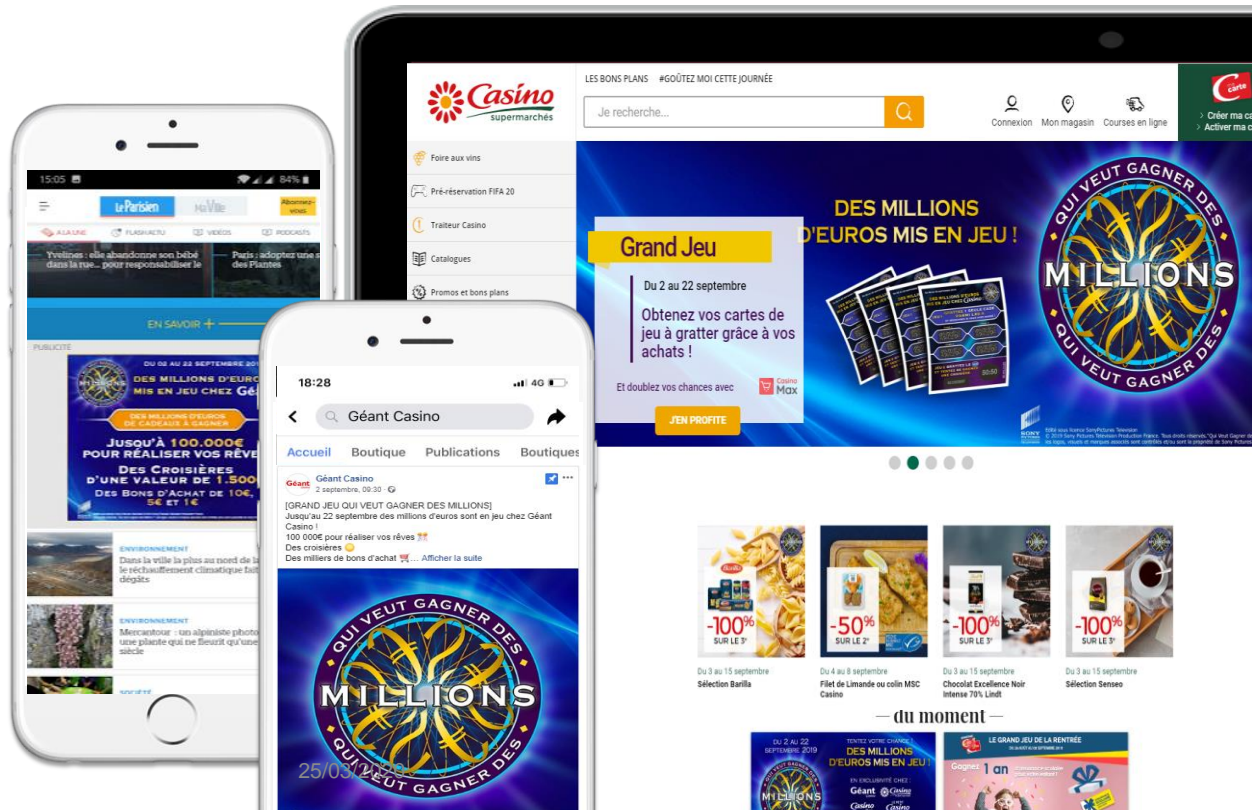
TRADE MARKETING SEASONAL EVENT CAMPAIGN

Objectives

- Create traffic to chain
- Increase in basket size for 83 participating brands

Two-part approach

- 14 million scratch-to-win cards distributed at check-out to win up to €25 million in prizes
- Game with drawing



03. Financial performance

Business cases

UX¹ APPLIED TO REDESIGN BFORBANK MOBILE APP

Objective

Make the app more user-friendly

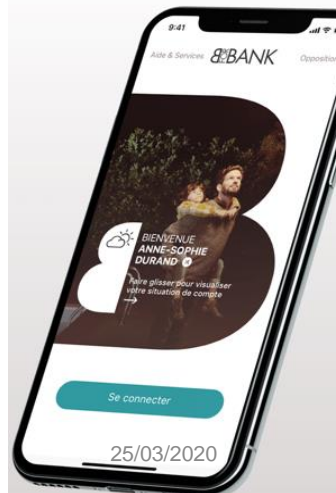
UX operating method

Involvement of 800 users from design to prototyping

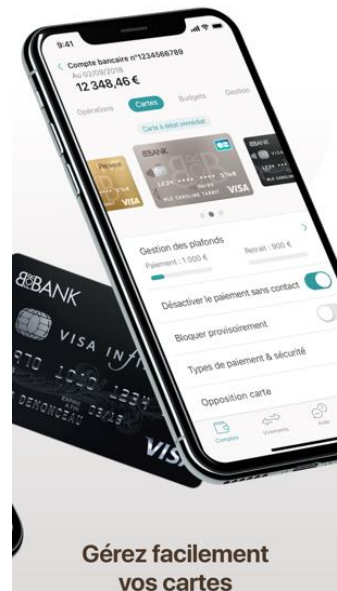
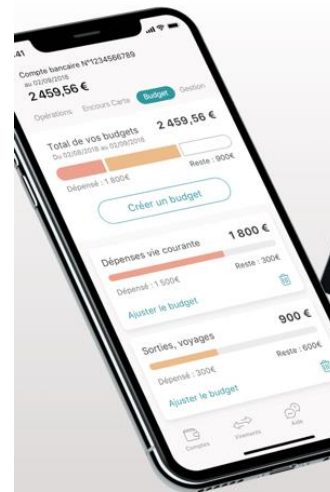
(1) User experience



Découvrez la nouvelle application BforBank élégante, intuitive, plus rapide.



Analysez vos dépenses par catégorie et pilotez vos budgets



Gérez facilement vos cartes

03. Financial performance

Operating profitability

(€ M)	2019	2018	CHANGE	LFL CHANGE ¹
GROSS PROFIT	95.22	87.57	+8.7%	+4.6%
OPERATING OVERHEADS	(77.61)	(71.53)	+8.5%	
Adjusted headline PBIT ²	17.62	16.04	+9.9%	
Adjusted OPERATING MARGIN ² (Adjusted headline PBIT/GP)	18.5%	18.3%	+20 bp	

> Strong growth in adjusted headline PBIT²: Up 9.9% in 2019.

> Slight rise in adjusted operating margin² of 20 bp to 18.5% in 2019.

(1) LFL: See definition on page 3.

(2) See definitions on page 3.

03. Financial performance

Operating profitability by geographical area

(€ M)	2019	2018	CHANGE
Adjusted headline PBIT ¹ France	15.18	13.84	+9.7%
Adjusted headline PBIT ¹ International	2.44	2.20	+11.1%
Adjusted headline PBIT ¹ Group	17.62	16.04	+9.9%
Adjusted OPERATING MARGIN ¹ Group	18.5%	18.3%	+20 bp

> France²: Strong business growth along with a further increase in adjusted headline PBIT¹ (up 9.7% in 2019).

> International²: Business growth and increase in adjusted headline PBIT¹ (up 11.1% in 2019).

(1) See definitions on page 3.

(2) Head office costs allocated on a pro rata basis of the gross profit generated by geographical region.

03. Financial performance

Operating profitability

(€ M)	2019	2018	CHANGE
Adjusted headline PBIT ¹	17.62	16.04	+9.9%
Restructuring costs	(0.45)	(0.71)	
Adjusted recurring operating income ¹	17.17	15.33	+12.0%
Cost of performance share plans	(0.62)	(1.21)	
Recurring operating income	16.54	14.12	+17.2%
Other operating income and expenses	0.12	0.54	
Operating income	16.66	14.66	+13.7%

> 9.9% rise in adjusted headline PBIT¹.

> 17.2% increase in recurring operating income to €16.54 M (decrease in the cost of performance share plans).

> Operating income up 13.7%.

03. Financial performance

Net income

(€ M)	2019	2018	CHANGE
Operating income	16.66	14.66	+13.7%
Cost of net debt	(0.39)	(0.15)	
Other financial income and expenses	(0.07)	(0.01)	
Tax expense	(5.76)	(3.86)	
Share in associates	0.24	0.23	
Net income from held for sale and discontinued operations	-	(0.77)	
Net income	10.68	10.10	+5.7%
Net income attributable to owners of the parent	9.32	8.64	+7.8%
Adjusted net income attributable to owners of the parent ¹	9.65	9.75	-1.0%

- > Slight rise in the cost of net debt (IFRS 16) and strong increase in tax expense (€1.5 M in tax credits in 2018).
- > Attributable net income up 7.8% to €9.32 M.
- > Adjusted attributable net income down 1% to €9.65 M.

03. Financial performance

Earnings per share



> 2019 EPS up 7.9% to €0.45 (up 8% on a diluted basis to €0.44).

(1) Attributable net income per share based on an average number of shares of 20,779,690 at 31/12/2019 and 20,803,414 at 31/12/2018.

(2) Diluted attributable net income per share based on an average number of diluted shares of 20,973,735 at 31/12/2019 and 21,011,353 at 31/12/2018.

03. Financial performance

Financial position

(€ M)	31 Dec. 2019	31 Dec. 2018	CHANGE
Cash and cash equivalents	69.84	62.78	+11.2%
Operating working capital	59.29	51.20	+15.8%
Gross cash	10.56	11.58	-8.9%
Gross debt	7.46	10.62	-29.7%
Net cash position ¹	62.38	52.17	+19.6%
Net cash excluding operating working capital	3.10	0.97	x3

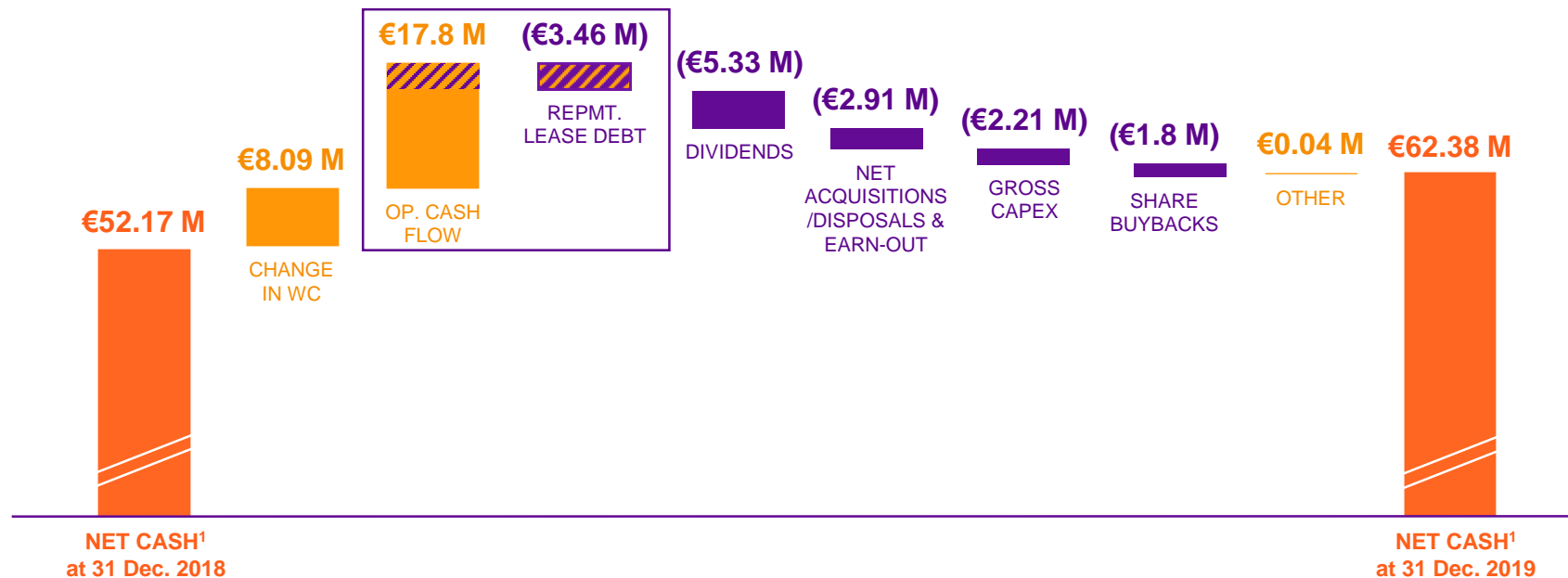
> HighCo's financial position remains healthy, with net cash of €62.38 M, up €10.22 M compared to end-2018.

> Excluding operating working capital, the Group posted gross cash of €10.56 M and net cash of €3.1 M, an improvement of €2.13 M with respect to 31 December 2018.

(1) Net cash position: See definition on page 3.

03. Financial performance

Financial position



With cash-generating flows of €22.43 M (operating cash flow excluding the favourable impact of IFRS 16 and change in working capital) and cash-consuming flows of €12.21 M (dividends, acquisitions, earn-out, CAPEX and share buybacks), net cash came out at €62.38 M, up €10.21 M.

03. Financial performance

Treasury shares

	17 March 2020	31 Dec. 2019	31 Dec. 2018
Number of existing shares	22,421,332	22,421,332	22,421,332
Maximum number of potential performance shares	434,000	434,000	740,000
Number of treasury shares	(1,807,190)	(1,789,688)	(1,718,053)
Percentage of treasury shares	8.1%	8.0%	7.7%

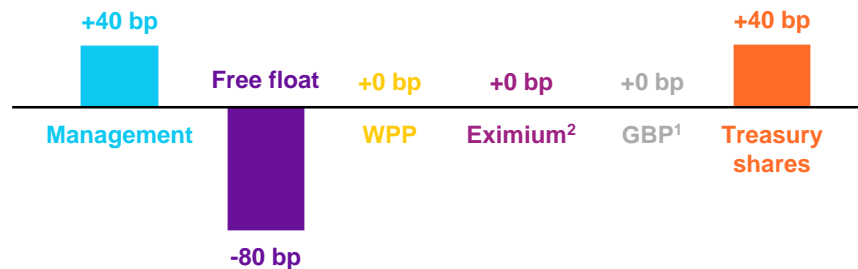
The maximum number of potential performance shares (qualifying shares) at this date represented 1.9% of the number of existing shares.

> The proportion of treasury shares rose from 7.7% at 31 December 2018 to 8% at 31 December 2019.

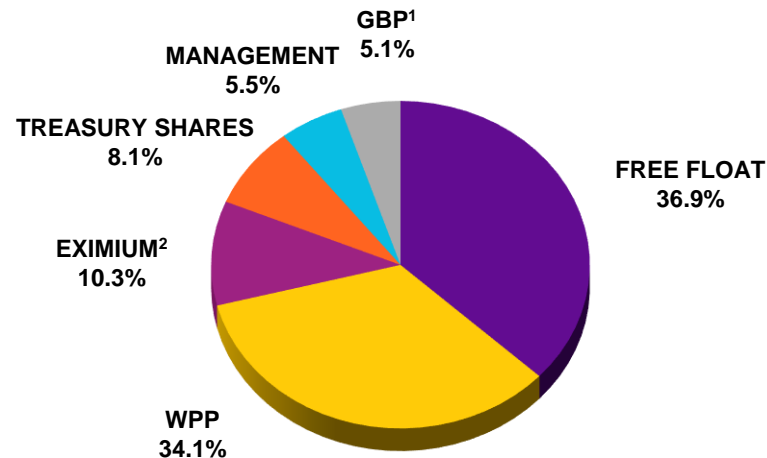
03. Financial performance

Ownership structure at 17 March 2020

Change in ownership in basis points since
31 December 2018



Ownership structure at 17 March 2020



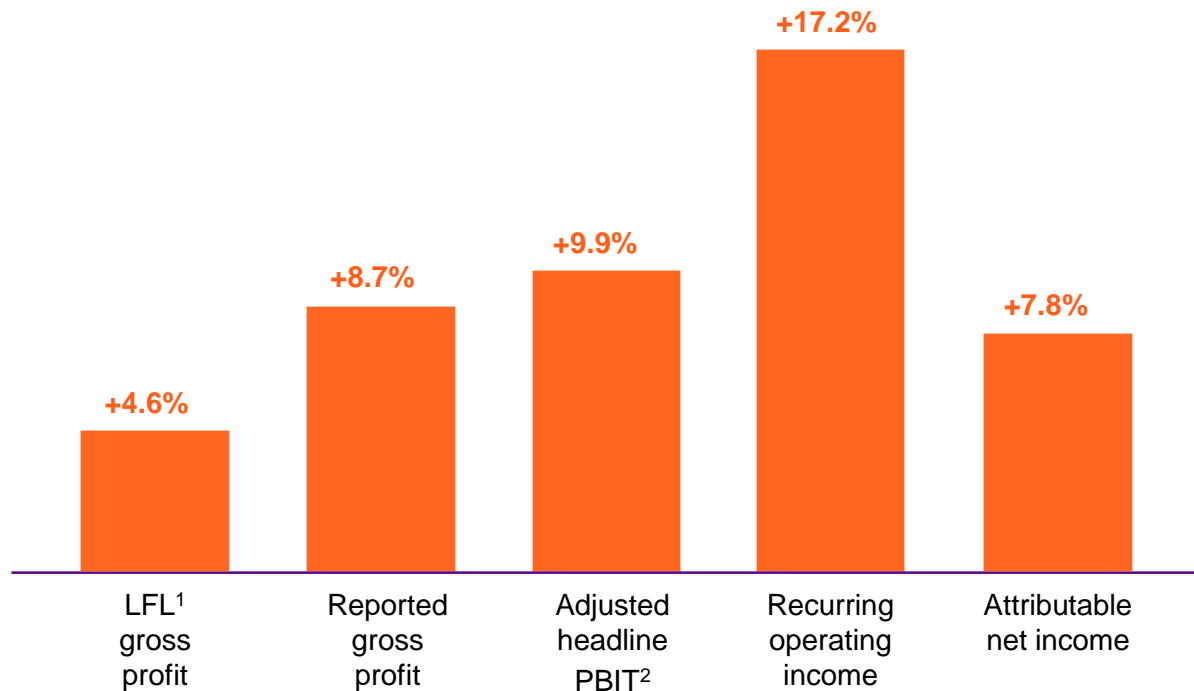
HighCo continues to benefit from a relatively stable ownership structure compared to 31 December 2018, with an increase in management ownership to 5.5% (up 40 bp), mainly due to the vesting of performance shares, and in treasury shares.

(1) GBP: Gérard de Bartillat Participations, member of the Supervisory Board.

(2) Eximium: Company controlled by Michel Baulé according to the most recent declaration of threshold crossing filed with the AMF on 1 August 2017.

03. Financial performance

Strong growth in main financial indicators in 2019

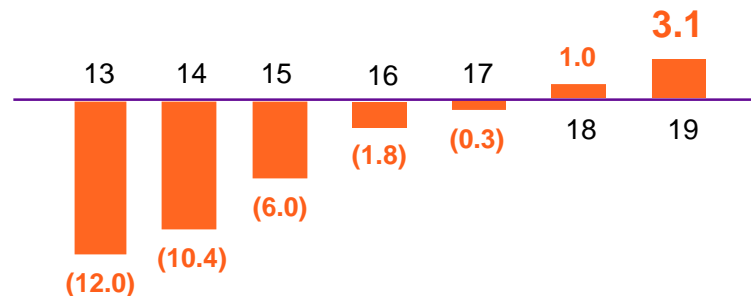
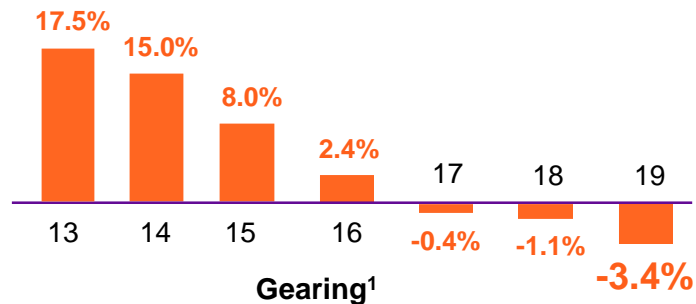
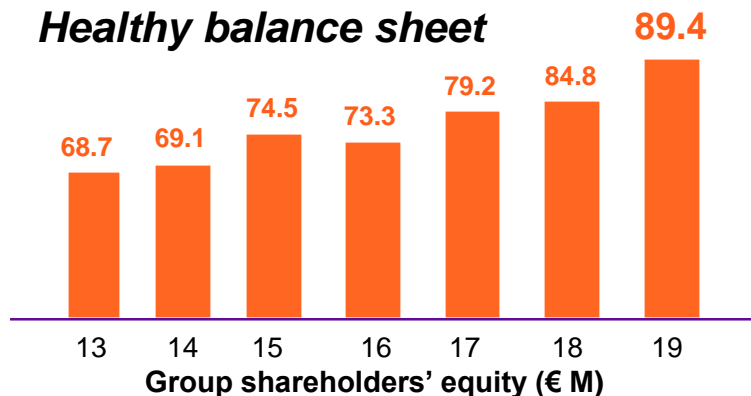


(1) LFL: See definition on page 3.

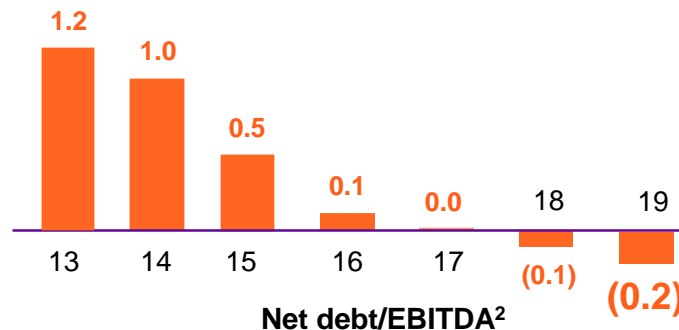
(2) See definition on page 3.

03. Financial performance

Healthy balance sheet



Net cash excluding operating working capital (€ M)



(1) Gearing: Net debt/Group shareholders' equity.

(2) Net debt/EBITDA: (Gross debt - Net cash excluding WC)/Recurring operating income before amortisation and cost of performance share plans.

(3) Gross cash position: Cash and cash equivalents (€69.84 M at 31 Dec. 2019) excluding operating working capital (€59.29 M at 31 Dec. 2019).

> At 31 December 2019, the Group posted gross cash³ of €10.56 M.

04

COVID 19 Context

- 01. Key messages
- 02. Mission and strategy
- 03. Financial performance
- 04. **COVID-19 context**
- 05. Conclusion

04. COVID-19 context

Employees

- Dissemination/reminder of “distancing techniques” on various media and **stricter health protection measures**.
- Closure of Group sites and **rollout of measures to ensure business continuity (teleworking)**.
- Group cohesion maintained via collaborative tools.



04. COVID-19 context

Businesses

#1. Client environment

Non-food retail

- Store closures.

Large food retail

- Drive to store: Decrease in promotions, and chain seasonal event campaigns postponed or cancelled.
- In-store: Difficulty for merchandisers to access stores; printers closed.
- Digital: Click & collect sites saturated causing a sharp decline in display media.

#2. Impact on Group business (GP)

- Q1 2020: Decline despite a position in line with the budget showing slight growth at end-February.
- Q2 2020: Substantial impact with risk of significant decline.



04. COVID-19 context

Situation and action plan

#1. Cash position

Mid-March 2020: Stable cash position (gross cash) compared with 31 December 2019 (€10.56 M)

#2. Government economic programmes

Use of programmes implemented by the government to reduce the impact of the situation: postponed payment of taxes and social security charges, partial unemployment, etc.

#3. SBP

Suspension of the share buyback programme

#4. CAPEX

Suspension of non-priority investments

#5. Dividend

Proposal to allocate 2019 profits to reserves



05

Conclusion

- 01. Key messages
- 02. Mission and strategy
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- 04. COVID-19 context

05. Conclusion

05. Conclusion

HighCo has posted its seventh consecutive year of growth, driven by the strong rise in digital businesses and very good financial performance.

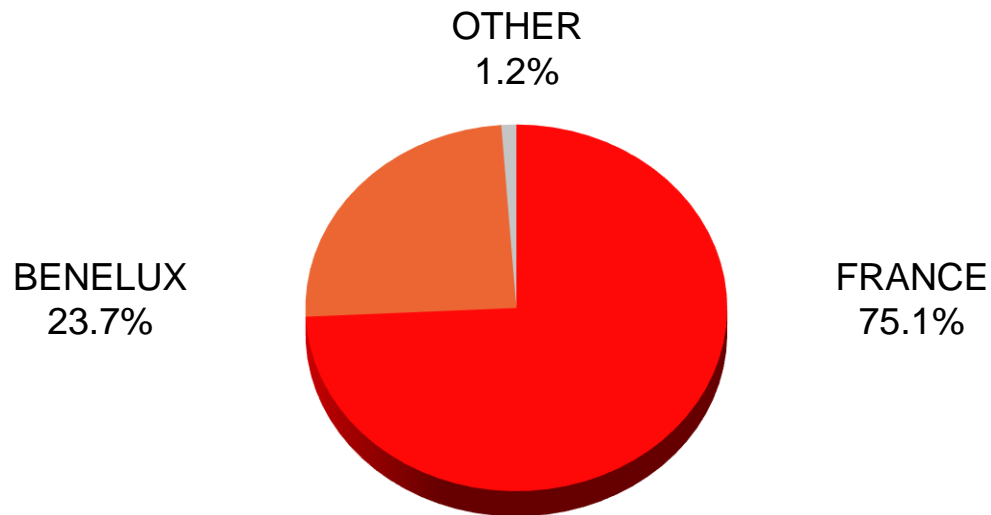
Our financial soundness, excellent relations with our clients and financial partners, and the cohesion and involvement of our employees are our greatest strengths to get through the unprecedented health and economic crisis caused by COVID-19.



HighCo



BREAKDOWN OF 2019 GROSS PROFIT BY GEOGRAPHIC AREA



CONSOLIDATED INCOME STATEMENT

(in € thousands, except for earnings per share)

	31/12/19	31/12/18
Sales	175,747	173,769
Purchases and external charges	(96,174)	(105,314)
Personnel expenses	(53,474)	(49,745)
Taxes	(1,141)	(1,137)
Depreciation and amortization	(7,169)	(2,689)
Other current operating income	264	344
Other current operating expenses	(1,508)	(1,112)
Recurring operating income	16,544	14,117
Other operating income and expenses	120	536
Operating income	16,664	14,653
Financial income	2	20
Gross cost of financial debt	(389)	(172)
Net cost of financial debt	(387)	(152)
Other financial income	11	12
Other financial costs	(85)	(18)
Income tax expense	(5,758)	(3,859)
Share of income of associates	237	231
Net income from continuing operations	10,681	10,867
Net income from non-current assets held for sale and discontinued operations	-	(769)
Net income	10,681	10,098
– HighCo shareholders	9,316	8,643
– Minority interest	1,365	1,455
Headline PBIT¹	16,993	14,825
Adjusted Headline PBIT²	17,618	16,036
Basic earnings per share from continuing operations in euros ³	0.51	0.52
Diluted net earnings per share from continuing operations in euros ⁴	0.51	0.52
Basic earnings per share in euros ³	0.51	0.49
Diluted net earnings per share in euros ⁴	0.51	0.48
Basic earnings per share attributable to HighCo shareholders in euros ³	0.45	0.42
Diluted net earnings per share attributable to HighCo shareholders in euros ⁴	0.44	0.41

(1) Adjusted headline profit before interest & tax: Recurring operating income before restructuring costs (2019 : €450th; 2018 : €709th).

(2) Adjusted headline profit before interest & tax: Recurring operating income before restructuring costs (2019 : €450th; 2018 : €709th) and excluding the cost of performance share plans (2019 : €624th; 2018 : €1,211th).

(3) Based on an average number of shares of 20,779,690 at December 31, 2019 and 20,803,414 at December 31, 2018.

(4) Based on an average number of diluted shares of 20,973,735 at December 31, 2019 and 21,011,353 at December 31, 2018.

CONSOLIDATED BALANCE SHEET

Assets (in € thousands)	31/12/19	31/12/18
Non-current assets		
Goodwill	79,811	79,811
Net intangible assets	9,477	7,855
Net tangible assets	2,791	2,591
Right-of-use assets related to leases	15,261	-
Investments in associates	578	335
Other non-current financial assets	623	597
Other non-current assets	-	-
Deferred income tax assets	1,265	1,068
Total non-current assets	109,807	92,257
Current assets		
Inventories and work in progress	45	148
Advances and prepayments	1,572	874
Trade and other receivables	44,818	48,591
Other current assets	6,797	14,360
Tax receivables due	1,056	1,657
Tax receivables	8,723	7,850
Cash and cash equivalents	69,841	62,781
Total current assets	132,852	136,261
Assets held for sale	-	-
Total assets	242,660	228,518

Liabilities (in € thousands)	31/12/19	31/12/18
Shareholders' equity		
Ordinary shares	11,211	11,211
Share premium	26,129	26,129
Other reserves	42,765	38,820
Net income for the year	9,316	8,643
Group shareholders' equity	89,421	84,803
Minority interest in equity	2,304	2,927
Total shareholders' equity	91,726	87,730
Non-current liabilities		
Borrowings	2,582	6,903
Lease liabilities	12,891	-
Provisions for liabilities and charges	1,869	1,797
Other non-current liabilities	2,650	2,795
Total non-current liabilities	19,991	11,495
Current liabilities		
Financial debt	4,723	3,712
Lease liabilities	3,100	-
Provisions for liabilities and charges	1,176	1,090
Trade and other payables	31,392	38,501
Other current liabilities	78,132	73,579
Tax debts payable	71	271
Tax debts	12,349	12,141
Total current liabilities	130,943	129,294
Total debts	150,934	140,788
Liabilities directly associated with assets held for sale	-	-
Total liabilities	242,660	228,518

CONSOLIDATED CASH FLOW STATEMENT

<i>(in € thousands)</i>	31/12/19	31/12/18
Net income	10,681	10,098
Net income from discontinued operations	-	769
Depreciation and provisions charges (net)	7,339	7,515
Income and expenses arising from share-base payments	364	1,044
Dividends	-	535
Remeasurement (Fair Value)	(118)	(5,076)
Share of profit of associates	(237)	(231)
Deferred tax	(190)	22
Gain or loss on sales of assets	(38)	(30)
Net cash from operating activities - before changes in working capital	17,800	14,646
Changes in working capital	8,086	5,333
Net cash from operating activities	25,885	19,978
Purchases of fixed assets	(2,208)	(2,569)
Proceeds from disposal of fixed assets	46	42
Change in other non-current assets	(6)	5
Net cash allocated to subsidiary acquisitions/disposition	(2,909)	(5,987)
Net cash from investing activities	(5,078)	(8,509)
Capital increase	-	(1)
Dividends paid to shareholders	(5,331)	(4,375)
New loans	529	1
Repayment of loans	(3,561)	(3,807)
Repayment of lease liabilities	(3,585)	-
Treasury shares	(1,802)	(655)
Net cash from financing activities	(13,750)	(8,837)
Foreign exchange impact	2	(3)
Net cash inflow (outflow)	7,059	2,629
Cash and cash equivalents at the beginning of the period	62,781	60,152
IFRS 5 Impact of cash and cash equivalents	-	-
Cash and cash equivalents at the end of the period	69,841	62,781
Change	7,059	2,629

INVESTOR RELATION CONTACTS AND FINANCIAL REPORTING CALENDAR



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2020 Calendar

Q1 2020 (GP)	22 April 2020
Q2/H1 2020 (GP)	16 July 2020
H1 results 2020	26 August 2020
Conference call H1 2020	27 August 2020
Q3 2020 (GP)	14 October 2020
Q4/FY 2020 (GP)	20 January 2021

Published post closing.