

Aix-en-Provence, 26 April 2022 (6.00 p.m.)

## HIGHCO: Q1 2022 BUSINESS GROWTH IN LINE WITH EXPECTATIONS (GP UP 1.1%); 2022 GUIDANCE CONFIRMED

### Q1 2022 Business growth driven by digital

- Q1 2022 gross profit<sup>1</sup> of €18.8 M, up 1.1% on a reported basis and LFL<sup>2</sup>.
- Strong performance of digital businesses (Q1 up 5.7% LFL) with very sharp growth in Mobile; decline in offline businesses (Q1 down 6.6% LFL).
- Business growth in France (Q1 up 1% LFL) and in International business (Q1 up 1.8% LFL).

### 2022 guidance confirmed

HighCo Venturi Startup Studio: First equity investment and development of projects under way

2021 Annual Financial Report and Annual General Meeting on 16 May 2022

(€ M)	2022	2021	2022/2021 Change
Q1 Gross Profit <sup>1</sup>	18.80	18.59	+1.1%

<sup>1</sup> Unaudited data.

<sup>2</sup> 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).

Didier Chabassieu, Chairman of the Management Board, stated, “HighCo’s start to the year was in line with expectations, with slight growth driven by two main trends. First, growth in Mobile businesses picked up significantly (up 21.2%). And second, the inflationary environment has led to sharp growth in the volume of discount coupons, with purchasing power a key concern for consumers. To support our clients in accelerating the retail transformation, we will continue investing in innovation in two key areas: the shift towards digital promotions and the emergence of Web3 retail.”

## Q1 2022 BUSINESS GROWTH DRIVEN BY DIGITAL

As anticipated, **HighCo showed slight growth in Q1 2022 and posted a 1.1% increase in gross profit to €18.8 M.** This change is mainly due to:

- Double-digit growth in **Mobile** (up 21.2%);
- Healthy performance of **coupon clearing** with increasing volumes (up 9%);
- Slight drop in the management of traditional promotions;
- Decline in marketing & communication consulting businesses in France (down 14.2%).

These factors resulted in **5.7% growth in Digital for Q1 2022**. Its share in total Group gross profit rose significantly, from 62.6% in Q1 2021 to 65.5% in Q1 2022. Meanwhile, offline businesses fell 6.6% over the quarter.

### Growth in France and International business

FRANCE	Gross Profit (in € M)		2022/2021 Change	% Total gross profit
	2022	2021		
Q1	16.14	15.98	+1%	85.9%

**In France, Q1 2022 gross profit grew slightly, by 1% to €16.14 M** and accounted for 85.9% of the Group's gross profit. The main reasons for this growth are: double-digit growth in **Mobile** businesses (up 20.8%), the substantial rise in volumes of **coupons cleared** (up 11%), and the decline in the management of traditional promotions and in marketing & communication consulting businesses.

**Digital rose 6.9% in Q1 2022**, representing two-thirds of total business activities. Impacted by the loss of a marketing & communication consulting client, offline businesses fell 9.1% 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%

**In International business, Q1 2022 gross profit grew 1.8% to € 2.65 M** and accounted for 14.1% of the Group's gross profit.

In **Belgium**, gross margin increased 0.3%. Performance was driven by growth in **coupon clearing** businesses and the slowdown in promotion management. The share of Digital in Belgian businesses represented 52.7% of gross profit. With double-digit growth (up 13.5%), business in other countries (Spain and Italy) was stronger and accounted for 1.9% of the Group's gross profit.

## 2022 GUIDANCE CONFIRMED

The Group points out that it is not directly or indirectly active in the regions involved in the Russia-Ukraine conflict. However, the ongoing war, on top of the Covid-19 pandemic which continues to spread, is creating uncertainty. In this complex and changing environment, HighCo remains watchful of the potential impact on its brand and retailer clients, in particular the consequences of the sharp rise in commodities prices and in inflation.

Given the performance reported in Q1 and the **business growth outlook expected for Q2** (comparable to Q1 reported growth), the Group has **confirmed 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%).

## HIGHCO VENTURI STARTUP STUDIO: FIRST EQUITY INVESTMENT AND DEVELOPMENT OF PROJECTS UNDER WAY

Having radically changed the way we do things, the Covid-19 crisis has accelerated the **retail transformation**. Brands and retailers face **huge new challenges**: the transformation of physical points of sale, strong growth in e-commerce, development of m-commerce and social media, and the emergence of Web3.

Through its startup studio HighCo Venturi, HighCo continues to **invest in innovation** to support its clients in accelerating the retail transformation in two key areas: the **shift towards digital promotions** and the **emergence of Web3 retail**.

### Shifting towards digital promotions

In an inflationary environment in which purchasing power is a key concern for consumers, promotions are central to the strategy of brands and retailers.

Through its growth stage startups and a first equity investment, HighCo invests in creating solutions to:

- develop digital coupons, and
- provide retailers with a technological platform for managing promotions.

#### 1) DEVELOPING DIGITAL COUPONS

**Universal mobile discount coupons:** HighCo Nifty continues its development with the aim of simplifying access to brand generosity. Developed in a first phase in pharmacy chains (6,000 pharmacies will be covered by the end of 2022), this solution will next be rolled out to food retailers.

**Smart discount coupons:** HighCo Coupon[AI] lets brands optimise their generosity strategy using the artificial intelligence of its decision-making and recommendation engines. Big-name brands such as Danone and Blédina use this solution to optimise the ROI of their relational programmes by industrialising campaign personalisation based on their first-party data.

#### 2) PROVIDING RETAILERS WITH TOOLS FOR MANAGING PROMOTIONS

HighCo announces its **equity investment in the launch of the very first SaaS centralised promotion management platform**.

In the context of the increasing use of promotions, retailers are faced with a growing need for automated management, campaign planning, regulatory compliance, and so forth. This situation is what led the startup **RetailTech** founded by Martin Rennert to develop its technological platform **Unipromo** for retailers. HighCo has invested €0.5 M in the first funding round, acquiring one-third of the share capital.

## Supporting the emergence of Web3 retail

**Virtual commerce** may still be nascent, but HighCo is already guiding brands and retailers in their first steps towards **Web3 through a comprehensive offering**: creating a collection of non-fungible tokens (NFTs), buying lands in the metaverse, developing interfaces with e-commerce, and more.

For example, HighCo has recently worked with the French department store chain Printemps to create its very first **virtual and immersive shopping experience**. In the 3D digital shop, users can buy a selection of exclusive items and participate in a drawing to win NFTs of art works.

## 2021 ANNUAL FINANCIAL REPORT AND 2022 ANNUAL GENERAL MEETING

**HighCo's 2021 Universal Registration Document** was filed with the Autorité des Marchés Financiers (French financial markets authority) on 21 April 2022 under No. D22-0325. The document contains the annual financial report and is available on HighCo's website ([www.highco.com](http://www.highco.com)), under Investors > Regulated information > Annual Financial Report.

The **Annual General Meeting will be held** at the head office in Aix-en-Provence on **16 May 2022**. A **dividend of €0.32 per share for FY 2021** will be proposed at the meeting, representing a **substantial increase**. Payment is scheduled for 23 May 2022 (ex-dividend date of 19 May 2022). The **cancellation of treasury shares** equal to at least 8% of the share capital will also be proposed.

If measures are taken that would prevent in-person attendance, the Management Board could decide to hold the meeting under closed session. The shareholders would be informed and are encouraged to check the Company website regularly at: <https://www.highco.com/investisseurs/assemblee-generale/>.

## GOVERNANCE

HighCo announces that Céline Dargent has resigned from the Management Board today. The Supervisory Board has noted the resignation and decided not to appoint a replacement. The Management Board now has two members: Didier Chabassieu, Chairman of the Management Board, and Cécile Collina-Hue, member of the Management Board and Managing Director. HighCo reiterates that the Management Board works closely with the Executive Committee, which is made up of business unit managers and experts in strategy and in overseeing the Group's operations and management.

### 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.**

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### Upcoming events

Publications take place **after market close**.

Q2 and H1 2022 Gross Profit: Thursday, 21 July 2022  
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



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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](http://www.highco.com)