

Aix-en-Provence, 25 January 2023 (6.00 p.m.)

## HIGHCO: SLIGHT GROWTH IN 2022 (GP: UP 0.8%) WITH A FURTHER RISE IN OPERATING MARGIN (ESTIMATED AT 21%); RECOMMENDATION OF ANOTHER STRONG DIVIDEND INCREASE

### Slight business growth in 2022 driven by the strong performance of Mobile

- Q4 2022 gross profit (GP)<sup>1</sup> of €20.04 m, for slight growth of 0.2% on a reported basis and LFL<sup>2</sup>.
- FY 2022 gross profit<sup>1</sup> of €77.16 m, up 0.8% on a reported basis and LFL<sup>2</sup>.
- Slight growth in digital businesses (Q4 down 0.4% LFL; FY up 1% LFL), with offline businesses holding up well (Q4 up 1.5% LFL; FY up 0.5% LFL).
- Business growth in France (Q4 up 0.7% LFL; FY up 1.5% LFL) and decline in International business (Q4 down 3.7% LFL; FY down 3.6% LFL).

### 2022 financial performance exceeds expectations

- Operating margin (headline PBIT/gross profit)<sup>3</sup> estimated at 21%, for an increase of 70 basis points, beating guidance.
- Shareholder returns: recommendation of a very strong dividend increase (up 25% to €0.40 per share).

### Stock markets: HighCo remains eligible for France's SME equity savings plans ("PEA-PME")

Gross Profit (in € m) <sup>1</sup>	2022	2021	2022/2021 Change
Q1	18.80	18.59	+1.1%
Q2	19.51	19.21	+1.5%
Q3	18.81	18.72	+0.5%
Q4	20.04	20.00	+0.2%
<b>12-month total</b>	<b>77.16</b>	<b>76.52</b>	<b>+0.8%</b>

<sup>1</sup> Data currently being audited.

<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).

<sup>3</sup> 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 2022 is in line with expectations, with slight growth in gross profit (up 0.8%). Last year, we focused on accelerating the growth of our Mobile businesses (up 12.2%), bringing the share of Digital business to two-thirds of the Group’s total gross profit. This business growth, combined with sound cost control, has enabled us to deliver very strong operating profitability (21%) and recommend a record-high dividend payout of €0.40 per share. In a context of high inflation, our teams are working even more closely with our clients to help them in overcoming new challenges.”*

## SLIGHT BUSINESS GROWTH IN 2022 DRIVEN BY THE STRONG PERFORMANCE OF MOBILE

As anticipated, HighCo showed stable business activity in Q4 2022, with gross profit of €20.04 M (up 0.2%).

The Group's businesses showed slight growth for FY 2022, up 0.8% to €77.16 m, with:

- Double-digit growth in **Mobile** (up 12.2%);
- Number of **coupons cleared** unchanged;
- Drop in the management of traditional promotions;
- Downturn in marketing and communication consulting.

**Digital business** was up 1% for FY 2022. Its share in total gross profit rose very slightly to 67% in 2022. Offline businesses held up well over the year (up 0.5%).

The Group's revenue for FY 2022 came to €146.4 m.

### Growth in France of 1.5%

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%
Q3	16.46	16.30	+1.0%	87.5%
<b>Q4</b>	<b>17.79</b>	<b>17.66</b>	<b>+0.7%</b>	<b>88.8%</b>
<b>12-month total</b>	<b>67.44</b>	<b>66.45</b>	<b>+1.5%</b>	<b>87.4%</b>

In France, Q4 2022 gross profit rose 0.7% to €17.79 M.

As a result, French business activity grew 1.5% for FY 2022, accounting for 87.4% of the Group's gross profit. The main reasons for this growth are: double-digit growth in **Mobile** businesses (up 11%), the rise in volumes of **coupons cleared** (up 2%), while the management of traditional promotions and the marketing and communication consulting businesses declined.

**Digital businesses grew 1.7% over the year**, and their share increased slightly to account for more than two-thirds of gross profit (67.6%). This growth in Digital stems directly from Mobile activities, which represent 25% of business in France.

Impacted by the loss of a marketing and communication consulting client, offline businesses nevertheless grew 1.1% over the year.

## International business fell 3.6%

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%
Q3	2.35	2.42	-2.7%	12.5%
Q4	2.25	2.34	-3.7%	11.2%
12-month total	9.71	10.07	-3.6%	12.6%

In International business, Q4 2022 gross profit decreased 3.7% to €2.25 M.

For the full year 2022, International business fell 3.6% to €9.71 M, accounting for 12.6% of the Group's gross profit. The share of Digital in International businesses represented 62.8% of gross profit.

In **Belgium**, gross profit was down by 7.3%, impacted by the sharp decline in the number of discount coupons cleared (down 18%) and the sharp slowdown in promotion management.

With double-digit growth (up 25.8%), all in digital, business in **Other countries (Spain and Italy)** is strong and now accounts for 1.9% of the Group's gross profit.

## 2022 FINANCIAL PERFORMANCE EXCEEDS EXPECTATIONS

Based on the year-end closing in progress, slight business growth combined with very sound cost control shows a **further increase in headline PBIT. The Group consequently estimates operating margin at 21%, for an increase of 70 basis points**, i.e. 20 basis points higher than guidance (2021 operating margin: 20.3%).

Due to the performance of Belgian businesses in 2022, medium-term forecasts for the geographical segment have been lowered. Despite steady profitability, partial goodwill impairment is expected to be recognised at 31 December 2022. The impairment would have no impact on the Group's annual cash flow or its net cash position.

In light of the Group's expected results and solid financial position, **the Management Board plans to maintain its policy of high shareholder returns:**

- by recommending that the Supervisory Board propose a **record-high dividend payout of €0.40 per share** at the next General Meeting, with a further sharp increase of 25% (€0.32 per share paid in 2022 for FY 2021);
- and by moving forward with its **share buyback programme** (2022: €1.68 m, up 28.2% from 2021).

2022 annual earnings will be released on 28 March after market close. A conference call is scheduled for Wednesday, 29 March at 11:00 a.m.

## STOCK MARKETS: HIGHCO REMAINS ELIGIBLE FOR FRANCE'S SME EQUITY SAVINGS PLANS

In line with regulations (France's Action Plan for Business Growth and Transformation, or PACTE, of 22 May 2019), **HighCo remains eligible for France's government initiative supporting SME equity savings plans ("PEA-PME")**. Eligibility means that HighCo shares can be included in these individual equity savings plans ("PEA-PME").

### 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 Gold status from EcoVadis, meaning that the Group is ranked in the top 5% of companies in terms of CSR performance and responsible purchasing.*

### Your contacts

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### Upcoming events

Publication takes place **after market close**.

2022 Annual Earnings: Tuesday, 28 March 2023  
Conference call on 2022 annual earnings: Wednesday, 29 March 2023 at 11:00 a.m.  
Q1 2023 Gross Profit: Wednesday, 26 April 2023  
Q2 and H1 2023 Gross Profit: Wednesday, 19 July 2023  
2023 Half-year Earnings: Wednesday, 13 September 2023  
Conference call on 2023 half-year earnings: Thursday, 14 September 2023 at 11:00 a.m.  
Q3 and 9-month YTD 2023 Gross Profit: Wednesday, 18 October 2023  
Q4 and FY 2023 Gross Profit: Wednesday, 24 January 2024



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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

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