

Aix-en-Provence, 16 October 2024 (6 p.m.)

## HIGHCO: BETTER THAN EXPECTED BUSINESS ACTIVITY IN Q3 2024 (GROSS PROFIT DOWN 11.3% LFL), ENABLING A SLIGHT IMPROVEMENT IN BUSINESS GUIDANCE FOR 2024

### Business decline in Q3 2024 less steep than expected

- Q3 2024 gross profit<sup>1</sup> of €16.5 m, down 11.3% LFL<sup>2</sup>.
- Nine-month YTD 2024 gross profit<sup>1</sup> of €54.2 m, down 4.1% LFL<sup>2</sup>.
- Strong growth in the Activation division (Q3 up 10% LFL; 9-month YTD up 10.6%), growth in Mobile businesses (Q3 up 3% LFL; 9-month YTD down 4.2%) and very strong decline as expected in Consulting & In-store media selling (Q3 down 46% LFL; 9-month YTD down 26% LFL).
- Decline in businesses in France (Q3 down 12.3% LFL; 9-month YTD down 4% LFL) and in International businesses (Q3 down 4.7% LFL; 9-month YTD down 4.7% LFL).

### 2024 Guidance revised

- Decrease in gross profit of about 8%.
- Operating margin of more than 16%.

Gross Profit (€ m)	2024	2023 LFL <sup>2</sup>	2024/2023 LFL <sup>2</sup> change
Q1	18.85	18.77	+0.5%
Q2	18.84	19.15	-1.6%
Q3 <sup>1</sup>	16.50	18.62	-11.3%
9-month total <sup>1</sup>	54.20	56.53	-4.1%

<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). 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 nine months of 2023 has been restated to account for the impact of High Connexion Italy.

Didier Chabassieu, Chairman of the Management Board, stated, “HighCo’s performance was slightly better than expected in the third quarter. The Activation division continued its sustained pace of development, and the Mobile businesses returned to growth. This good performance has partly offset the strong decline in the Consulting & In-store media selling businesses, due to our client Casino. The better-than-expected performance in the Activation and Mobile divisions during the quarter have enabled us to anticipate a slight improvement in our gross profit forecast for the year.”

## BUSINESS DECLINE IN Q3 2024 LESS STEEP THAN EXPECTED

Following a virtually stable first half in 2024 (down 0.6% LFL), HighCo posted gross profit of €16.5 m, showing a strong decline in Q3 2024 (down 11.3% LFL).

This drop in activity is less steep than expected and can be explained by:

- Double-digit growth in the **Activation** division (**up 10% LFL**), due to the continued increase in the number of coupons processed in France and the positive performance in the promotion management businesses;
- Growth in the **Mobile** division (**up 3% LFL**), resulting from further growth in SMS push notification activity and the continued slowdown in Mobile consulting businesses;
- The sharp decline, as expected, in the **Consulting & In-store media selling division (down 46% LFL)** due to Casino.

As a result, over the **first nine months of 2024**, the **Activation** division (54.1% of the Group's gross profit) **grew by 10.6%**, while the **Mobile** division (21.6% of the Group's gross profit) **fell by 4.2%** and the **Consulting & In-store media selling** division (24.3% of the Group's gross profit) was also **down by 26%**.

### 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%
Q3	14.36	16.37	-12.3%	87.0%
9-month total	47.54	49.54	-4.0%	87.7%

In France, Q3 2024 gross profit fell by 12.3% to €14.36 m. Directly impacted by the sale of Casino stores, the **Consulting & In-store media selling businesses were down sharply**, as expected. This decline was partially offset by the good performance of the **Activation** division, as well as the growth in **Mobile activities**.

For the first nine months of 2024, businesses in France fell by 4%, accounting for 87.7% of the Group's gross profit.

### 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%
Q3	2.14	2.25	-4.7%	13.0%
9-month total	6.66	6.99	-4.7%	12.3%

In International businesses, Q3 2024 gross profit was down by 4.7% to €2.14 m.

In **Belgium**, gross profit fell by 5.3% due to the decline in coupon processing, which was partially offset by the positive trend in traditional promotions management.

Businesses in **Spain** showed slight growth (up 1.2%) and accounted for 1.2% of the Group's gross profit.

For the first nine months of 2024, International businesses declined by 4.7% to €6.66 m, accounting for 12.3% of the Group's gross profit.

## 2024 GUIDANCE REVISED

With better-than-expected business activity in Q3 2024 and the sharp decline in business forecast for the last quarter, the Group has **revised its 2024 guidance** as follows:

- **Gross profit** revised “from a decline of about 9%” to “**a decline of about 8%**” (2023 gross profit: €74.35 m);
- **Operating margin** (headline PBIT/gross profit) **maintained at more than 16%** (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 event

Publication takes place **after market close**.

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



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HighCo is a component stock of the indices CAC<sup>®</sup> Small (CACs), CAC<sup>®</sup> Mid&Small (CACMS), CAC<sup>®</sup> All-Tradable (CACT), Euronext<sup>®</sup> Tech Croissance (FRTPR) and Enternext<sup>®</sup> 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).

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