

himediagroup[™]
is now



advertising & user experience

In 2016 : 3 market key issues

USERS

increasingly tend
to reject ads

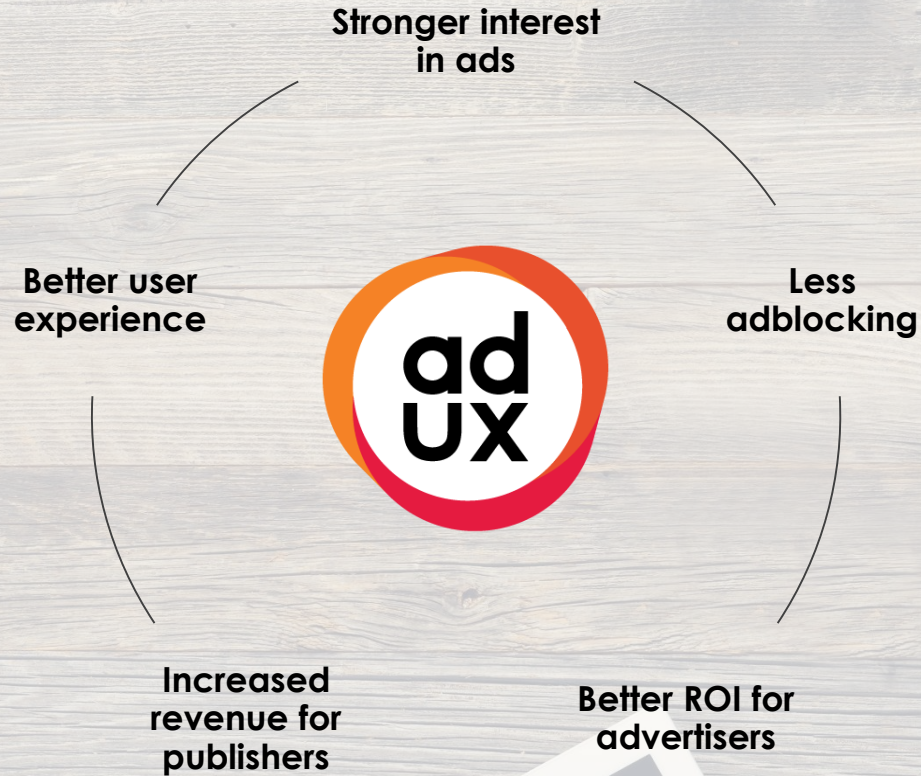
PUBLISHERS

struggle with
low advertising revenues

ADVERTISERS

challenge digital
ad efficiency

In 2017 the ad market must focus on improving UX



Our solutions to address the digital ad market's issues



quantum

 admoove
data for intelligent media

 adpulse

AdUX solution #1: **Native advertising**

ADVERTISER



Storytelling at scale

AdUX SOLUTION



quantum

USER



No disruption

What genuine Native is about



Non Interruptive



100% Visible



integrated in the content stream



Editorialised and informative



**Fully matching any sites
look&feel**



**Dedicated to one unique
advertiser**

Product and Formats

The desktop layout features a top navigation bar with categories like 'ECONOMIE', 'BOURSE', 'ENTREPRISES & FINANCE', 'HI-TECH', 'VOS FINANCES', 'IDÉES', 'MÉTROPOLIS', and 'CARRIÈRES'. The main content area includes several articles with headlines such as 'Trumpcare': 24 millions d'Américains perdraient leur couverture...', 'Free prend de court la fin annoncée des frais d'itinérance', 'Trump fait bondir l'émigration vers la Nouvelle-Zélande', 'Partenaire | L'élégance technologique', 'Pour gonfler ses recettes fiscales, Bercy a trouvé la martingale !', 'Italie : vers un forfait impôt à 100.000 euros pour les plus riches', and 'Où va le prix du pétrole ?'. A right sidebar contains a 'LE PRIX JEUNE ENTREPRENEUR' banner, a 'Présidentielle 2017' section, and 'ÉDITIONS ABONNÉS' for 'Edition quotidienne' and 'Edition hebdomadaire'.

DESKTOP
User is exposed
to an integrated teaser

The mobile view shows a news article titled 'Italie : référendum le 28 mai sur une partie du Jobs Act'. Below the article, a large advertisement for the Peugeot 308 is integrated into the layout. The ad features a car image and the text 'Partenaire | L'élégance technologique' and 'Découvrez la Peugeot 308 : pure et technologique, elle offre des sensations inédites au volant tout en affichant un caractère haut-gamme'. A 'AVEC PEUGEOT' badge is visible at the bottom of the ad.

MOBILE
Integrated teaser with no
downloading time lapse

The mobile view shows a beauty website with a main article titled 'Teint lumineux en hiver : 6 astuces anti-grise mine'. Below the article, a video advertisement for the Nissan Qashqai is integrated. The video shows a woman and a car, with the text 'OFFRE PROPOSÉE PAR NISSAN' and 'Nissan QASHQAI'. A 'BONS PLANS' banner is visible at the top of the page.

TEASER VIDEO
Video content integrated
with 100% viewability

A growing reach, close to 1500 publishers

7m UU/day

FRANCE

Volumes : 1B imp./month
600 websites

3m UU/day

ITALY

Volumes : 200m imp./month
175 websites

0,5m UU/day

BELGIUM

Volumes : 200m imp./month
35 websites

0,5m UU/day

SPAIN

Volumes : 50m imp./month
100 websites

Partnerships :

4m UU/day

UK

Volumes : 1B imp./month

4m UU/day

GERMANY

Volumes : 200m imp./month



A capacity to grow paneuropean

Pan EU Native Campaign on 8 countries



Brief

- Geo : FR, IT, SP, UK, DE, BE, NL, GR
- Period : end of May to mid August 2016
- Budget : 650k€
- Generate Brandlift and Traffic on Michelin's website

Solution & results

- 100% Native placements and creatives
- Several sets of creatives, editorialised and adapted to each country
- Use of additional Data to improve targeting
- More than **1,2% CTR**



AdUX solution #2 : **Geo marketing**



Product : Drive to Store and cluster targeting

A Powerful Premium Network

Offering brand safety

1 Billion

Monthly ad requests

28 Million

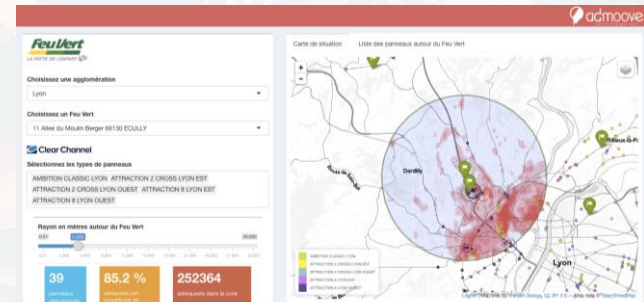
Monthly Unique Users

Unique geodata

Clusters On demand

Precise GPS diffusion

The unique French Network certified



Drive to store solutions for retailers

CUSTOMER LOYALTY

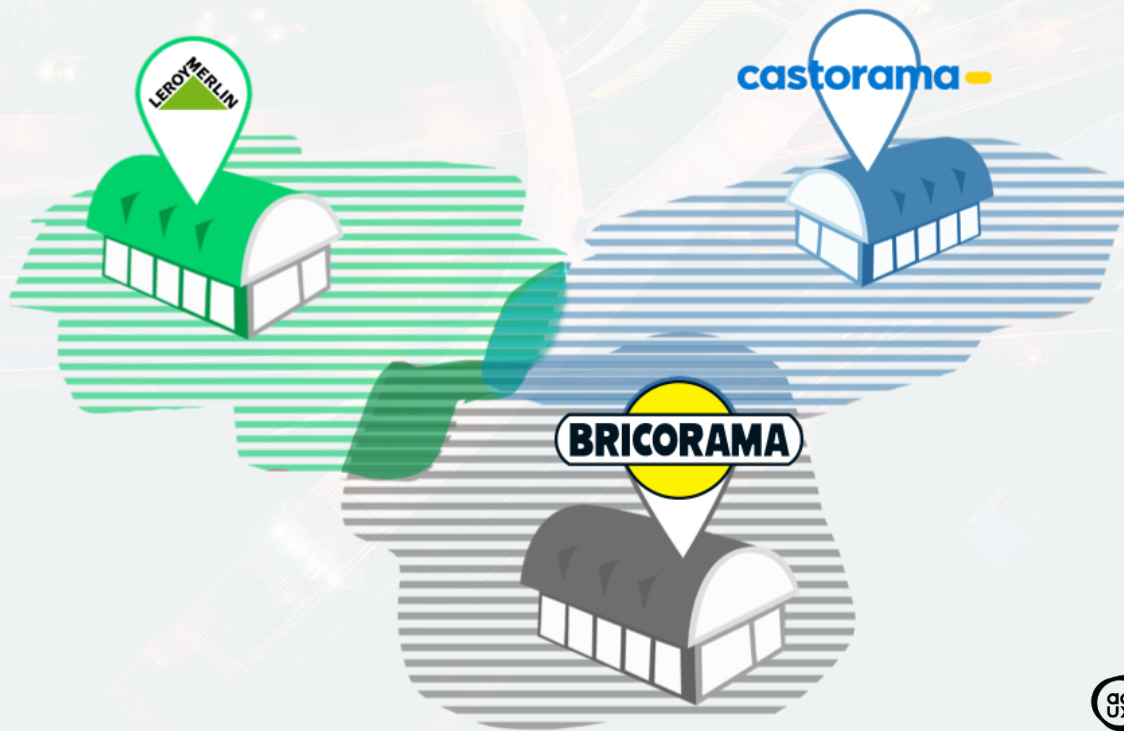
Customers only visiting one store

DUAL STORE

Customers visiting one store
& its competitors

CONQUEST

Customers catchment
area and visiting the competitors



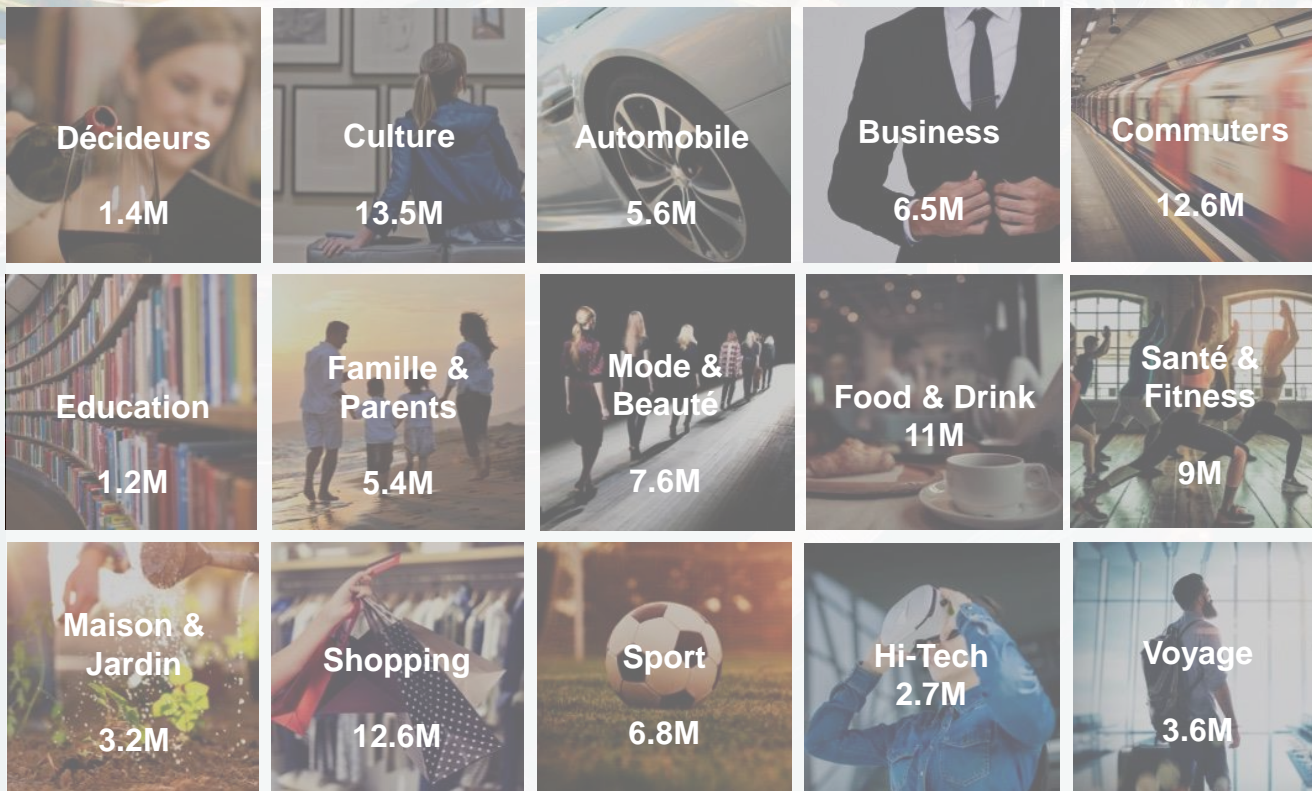
Geodata for a better knowledge of customers

A real focus on the consumer journey for a better storytelling with your advertising



Private and confidential.

Agregated geodata to build profile clusters



Example : automotive



5.6m Mobile ID
each month



POI

Car dealers, Gas station, Automotive repair stands



Target group

24-54 year old
Car Owners
Interested to purchase a new car

AdUX solution #3 : **Engagement**



Ads involving User Engagement

Business case of social publishing

AU SERVICE DE LA JOY FOOD

Badoit veut créer une nouvelle tendance, la Joy Food en articulant sa prise de parole autour :

- Du Food
- Du Ludique
- Du Créatif
- Du Fun
- Du Goût
- Du Convivial
- Du Surprenant
- De l'Inattendu
- Et du Français

JOY
food =

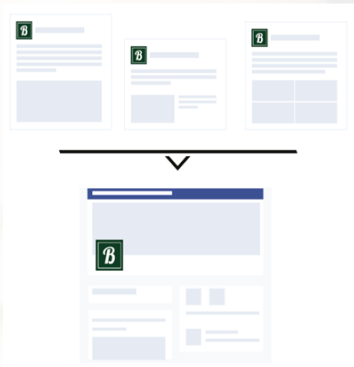


Demotivateur Food

HOW DOES IT WORK?

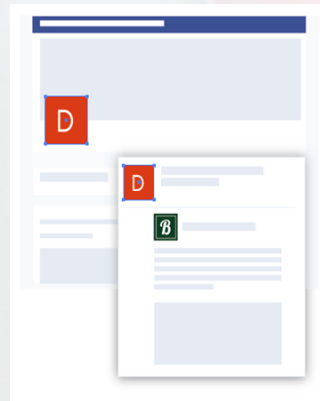
SOCIAL CONTENT

Content is produced and posted on Joyfood page



ENGAGEMENT TRANSFER

Content is socialized and goes viral leveraging Demotivateur 2M fan base and social tools



Demotivateur Food

ENGAGED USERS FOR THE BRAND

JoyFood fan page is populated by real fans and can generate earned media



CONTENT PYRAMIDE

Demotivateur Food produces 1000 articles/video/content for Joyfood over a year

52 VIDEO REPORTS

52 VIDEO RECIPIES

156 ARTICLES

260 QUOTES

468 PHOTOS

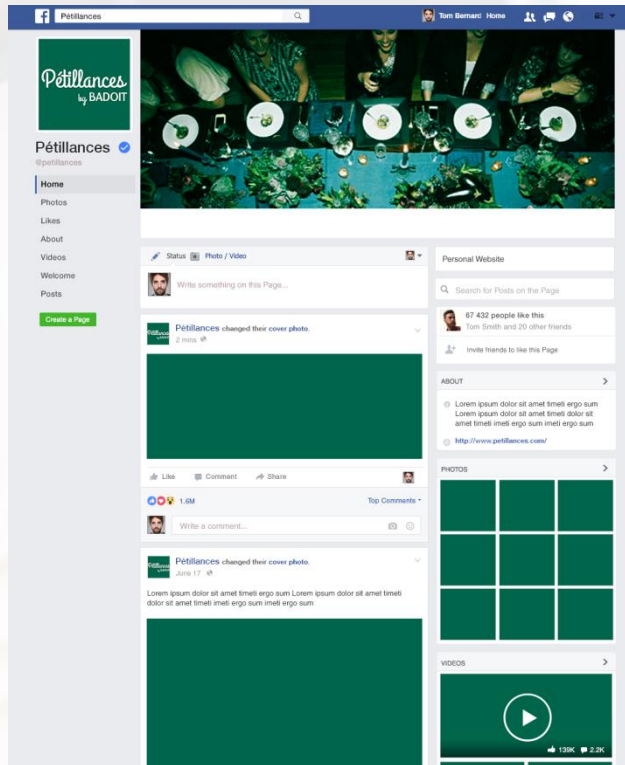
Ads involving User Engagement

FACEBOOK JOYFOOD'S PAGE

The screenshot shows the Facebook page for Joy Food (@joyfood). The page header includes navigation options like 'Page', 'Messages', 'Notifications', and 'Statistiques'. The main content area features a post with a photo of a breakfast table and the text 'Le beau, le bon et le goût'. Below the photo are interaction buttons for 'J'aime déjà', 'Contacter', and 'Plus'. A secondary post below it features a photo of a chef and the text 'Le personnel d'un restaurant étoilé, accompagné du célèbre Chef Thierry Marx, va faire une énorme surprise aux passagers de ce RER'. The page also shows a 'Propos' section with contact information and a 'Boost' button.

The right side of the slide displays two examples of video ads. The top ad shows a close-up of a braided bread on a wooden surface with a play button overlay. Below the video are engagement metrics: '1 031 875 personnes atteintes', '302 K vues', and '3,7 K' likes. The bottom ad shows a cup of coffee with whipped cream and a cinnamon swirl, with the text 'Tarte aux pommes meringuée au caramel beurre salé ! Un délice !' and a play button overlay.

Engagement KPIs



1000

articles

25M

videos viewed on Facebook

400K

social interactions

400

social interactions per article in average

100M

cumulated contacts

An increasing scope

Diversification of brands

Social reach of 6M users cumulated

Growing international in 2018



Demotivateur
Food



Jetlag
by Demotivateur



CONFIDENTIELLES
le Joli Rendez-Vous



Demotivateur
Atelier



Demotivateur



fubiz[™]



Financials 2016*

*Figures closed by the Hi-Media SA board of directors on 14 March 2017. The annual and consolidated financial statements have been audited and the corresponding certification report is being prepared. The annual report on the financial statements closed on 31 December 2016 will be available on the Company's Internet site in the legal deadline.

Financial Highlights - 2016 target reached

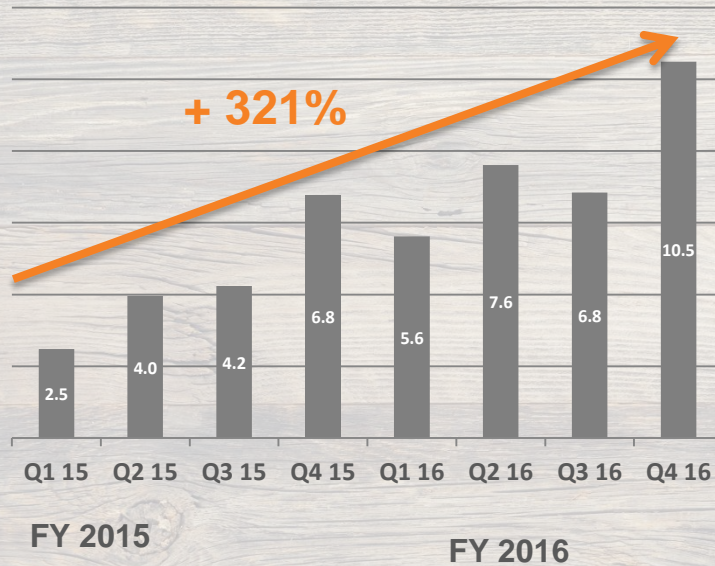
In €M	2016	2015	Var.
Sales	59,2	64,7	(5,6)
Gross profit	26,8	19,4	7,5
EBITDA	1,1	(10,4)	11,5
Operating profit	(0,7)	(38,8)	38,1
Net income	(1,3)	(40,3)	39,0
Net income - Group share	(1,1)	(39,7)	38,6

**Dynamics of
growth businesses
confirmed**

**57% of revenues
generated by new
growth activities
at the end of Q4 and
52% on FY 2016**

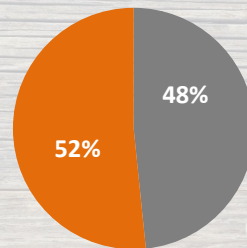
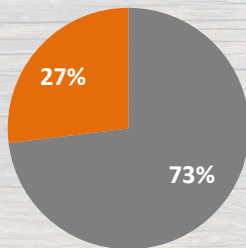
**Back to
a growth pattern
and increased EBITDA
in 2017**

Growth businesses keep a strong dynamism and generate more than 50% of revenues



€30M in 2016 vs. €17M in 2015

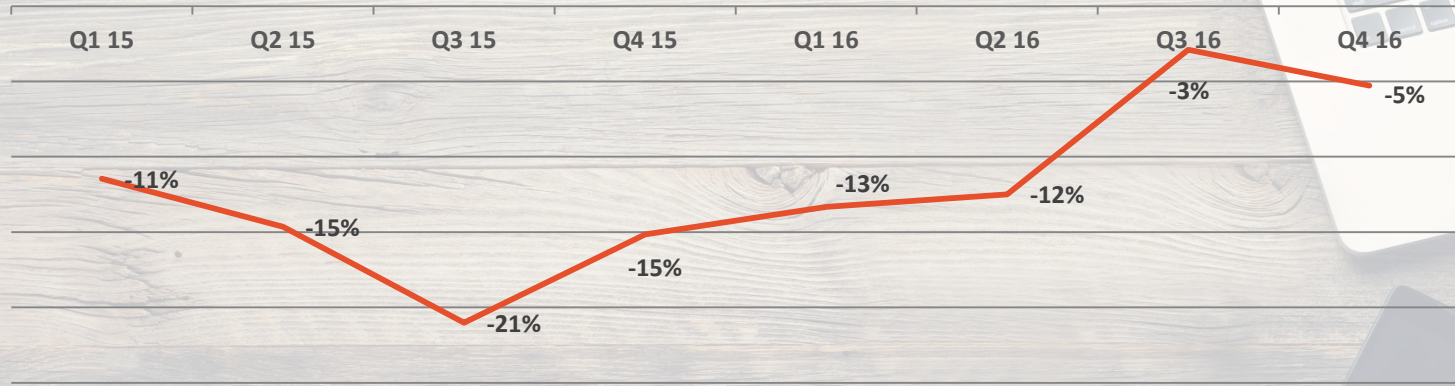
- Double digit growth per quarter (2016 vs 2015)
- + 75% growth in 2016 vs 2015
- Double digit growth per quarter expected in 2017 (2017 vs 2016)
- From 27% to 52% in one year



- Growth businesses
- Legacy business

Consolidated revenue will grow in 2017

- **The consolidated activity is about to be stabilized***



- **2017 topline will increase**

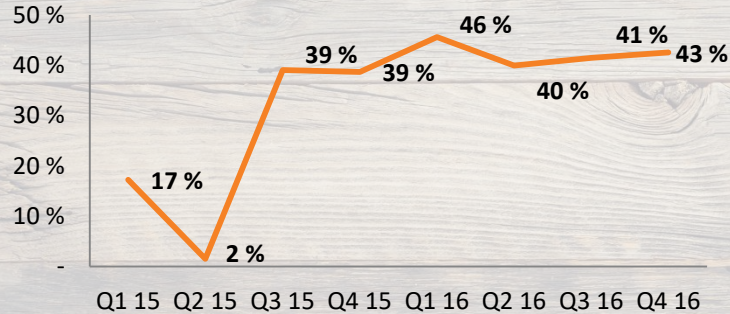
- Thanks to the increasing weight of growth businesses in the revenue mix on a FY basis
- Thanks to the stabilisation of the legacy business with Adpulse

* At constant perimeter

Gross margin are stabilizing at a healthy level

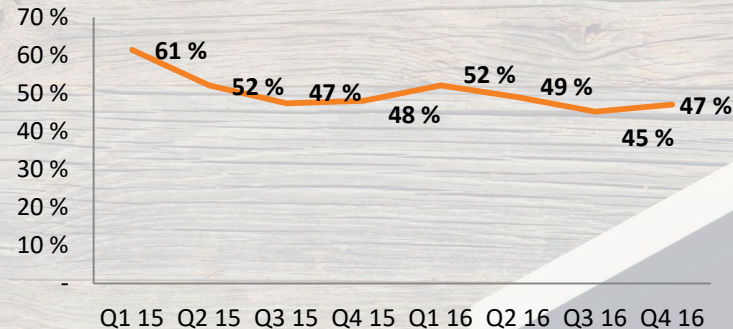
€27M FY 2016 vs. €19M FY 2015

Legacy Business



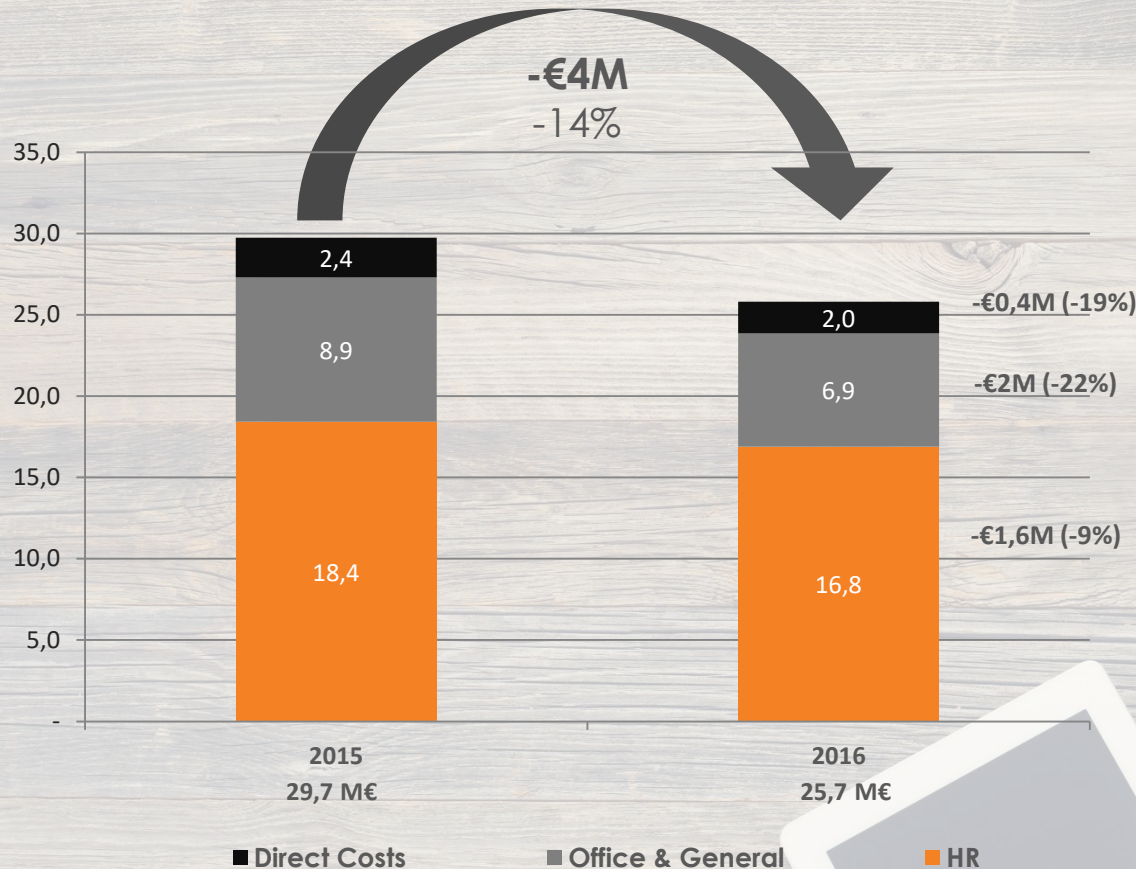
Legacy business around 40% / 42%

Growth Businesses



Growth businesses around 45% / 47%

Consolidated costs are under control



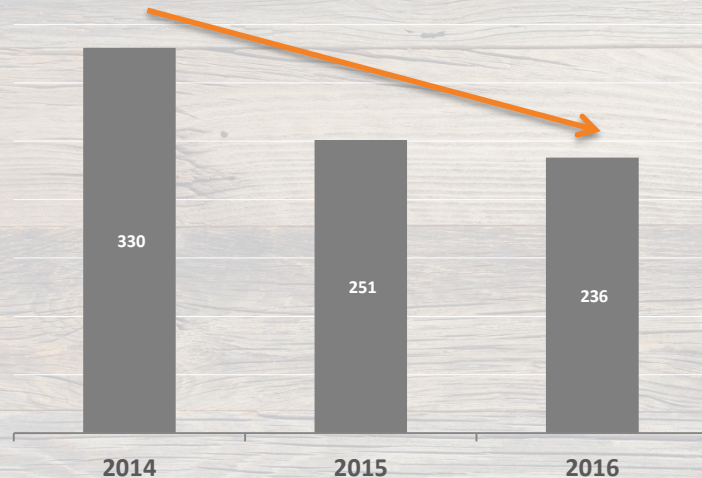
€26M FY 2016 vs. €30M FY 2015

Strong reduction of the cost structure :

- €-4M (-14%) between 2016 & 2015
- Direct costs (advertising/hosting) have been decreased by -€0,4M (-19%)
- Office & General (rental charges, marketing, audit and legal fees, travel and representation...) costs have been reduced by -€2M (-22%)
- HR costs have been decreased by -€1,6M (-9%)

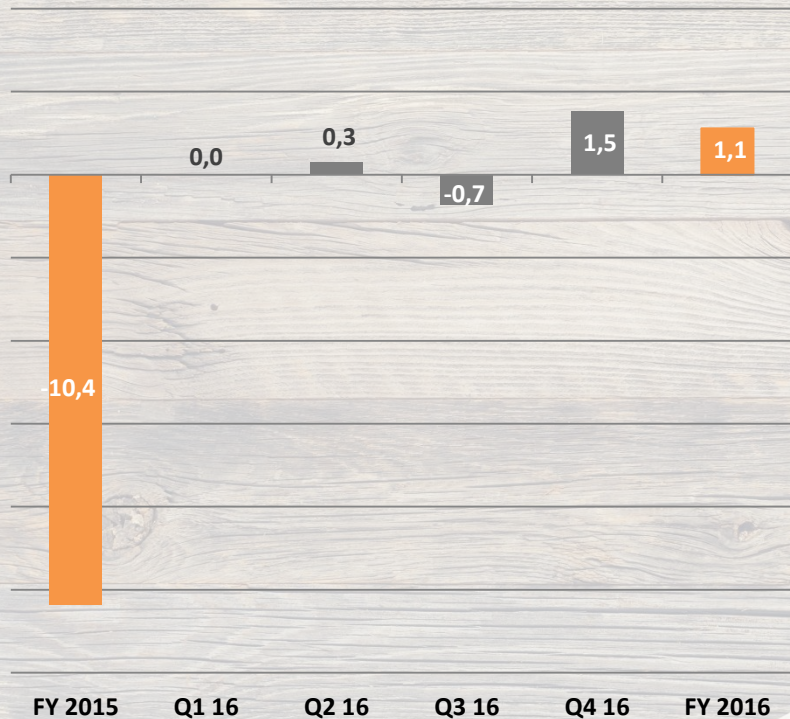
Headcount has been optimized and the workforce is scalable at reasonable cost

236 people in 2016 vs. 251 people in 2015



- A strong reduction in the global headcount
- IT and backoffice teams have been organized in lower labour cost countries
- Deployment of Quantum and Admovee in new geographical area do not require more than 2 people at the beginning

Return to profitability with positive EBITDA for the full year 2016



2016 target reached : Positive EBITDA

€1.1M FY 2016 vs. -€10,4M FY 2015

Cash Flow synthesis

M€	H2 2015	H1 2016	H2 2016
Cash - period start	15.5	7.4	5.2
Cash from operations	-5.9	-4.9	-1.3
Cash from investment activities	-2.2	+2.7	+1.8
Current	-0.8	-0.6	-0.8
Non current	-1.4	+3.3	+2.6
Cash - end of the period	7.4	5.2	5.7

- Working capital: substantial decreasing over the last semesters
- Capex: recurring amount limited to €1.6M per year
- HiPay valuation at €3,2M as of December, 31st 2016
- Tax loss carryforwards for €77M



Moving Forward

A seasoned management team

GROUP DIRECTORS

CEO, **Cyril Zimmermann** and COO experience in the ad tech industry

Mickael Ferreira founded Quantum in 2014 after 10 years working for AOL and HiMedia.

Eric Giordano have more than 15 years

Clément Boule founded Local Media in 2011 after 5 years working in the media industry.

A seasoned management team

COUNTRY MANAGERS

Benedita Simas has managed Portuguese operations since early 2000 after running business development at Interpublic.

Carlo Poss has managed Italian operations since 2009 after a career at Mediaset and DoubleClick.

Giuliano Stiglitz has managed USA and Mexican operations after 5 years at Orange Group.

Andreas Stietzel has managed German operations since 2001.

Gonzalo Figares has managed Spanish operations since 2011 after founding the mobile marketing company Ad Triple and running sales at Yahoo!.

Vincent Delmotte has managed Belgium operations since 2006 after managing sales in Belgium agencies and saleshouses for 10 years (Publicityweb).

Beatrice Tannerstal has managed Swedish operations since 2010 after managing sales at Medianet.

Operational teams in main markets



France, Belgium, Germany, Italy, Portugal,
Spain, Sweden, United States (Miami), Mexico,
Tunisia

236 PROFESSIONALS IN 10 MARKETS

Clear roadmap for growth

NATIVE is the **new display**

GEOMARKETING focuses on where **the majority of commerce remains**

SOCIAL PUBLISING leverages **the scale of social network**

Clear roadmap for growth

QUANTUM shall open 2 new markets in 2017 **to be present on 6 countries**

ADMOOVE will start its international **development in H2 2017**

ADPULSE will grow **international in 2018**

Clear roadmap for profitability

Growth will go with **increased profitability in 2017**

Long term EBITDA **margin shall reach 10% and more**



advertising &
user experience

quantum

acp
pulse

admoove