

solocal

Combined
General Meeting



27th November

2020





Disclaimer

This document contains forward-looking statements. These are not forecasts within the meaning of Delegated Commission Regulation (EU) 2019/980, and relate to future expectations, beliefs, projections, plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. Forward-looking statements are based on current beliefs, assumptions and expectations regarding the future performance of Solocal Group, and take into consideration all information currently available. Although Solocal Group's management believes that such forward-looking statements are reasonable, investors are cautioned that forward-looking statements are subject to various risks and uncertainties, many of which are difficult to predict and generally out of Solocal Group's control, that could cause actual results and events to differ materially from those expressed in, or implied or projected by, the forward-looking statements and information. The risks and uncertainties include those mentioned or identified in the public documents submitted by Solocal Group to the Autorité des Marchés Financiers (AMF), including, in particular, those listed under "Risk Factors" in Solocal Group's Universal Registration Document. Solocal Group, its subsidiaries, its Board directors, its employees and representatives expressly disclaim any liability in connection with these forward-looking statements. The forward-looking statements included in this document reflect Solocal Group's perspectives at the date of this document. Subject to applicable regulations, Solocal Group does not undertake any commitment to update or revise these forward-looking statements.

The annual accounting data is presented as an audited consolidated information, but the quarterly accounting data is presented as an unaudited consolidated information. Prior to 2019, Solocal separated in the comments of its financial statements and performance indicators the dynamics of continued operations from those of discontinued operations. Financial data and financial performance indicators are now commented on the basis of continued and discontinued operations (discontinued operations). The amounts presented in this document may not be additive due to rounded figures.

All indicators and data of a financial nature are disclosed in more detail in the report on the Consolidated Financial Statements for the year ended 31st December 2019 and in the Financial report as at 30th June 2020, available at www.solocal.com (Investor and Shareholder Relations section).

Agenda



- 1 Opening of the Combined Shareholders' Meeting** P.5
- 2 Business Review** P.7
- 3 Governance** P.16
- 4 Remuneration** P.21
- 5 Questions** P.30
- 6 Vote results** P.31
- 7 Closing** P.33

solocal

Opening of the Combined Shareholders' Meeting



Pierre DANON

Chairman of the Board of Directors
& Chief Executive Officer





Combined Shareholders' Meeting – 27th November 2020

Agenda

16.00 – 17.00

Presentations

17.00 – 17.30

Questions & answers

17.30 – 17.45

Vote results

solocal

Business Review

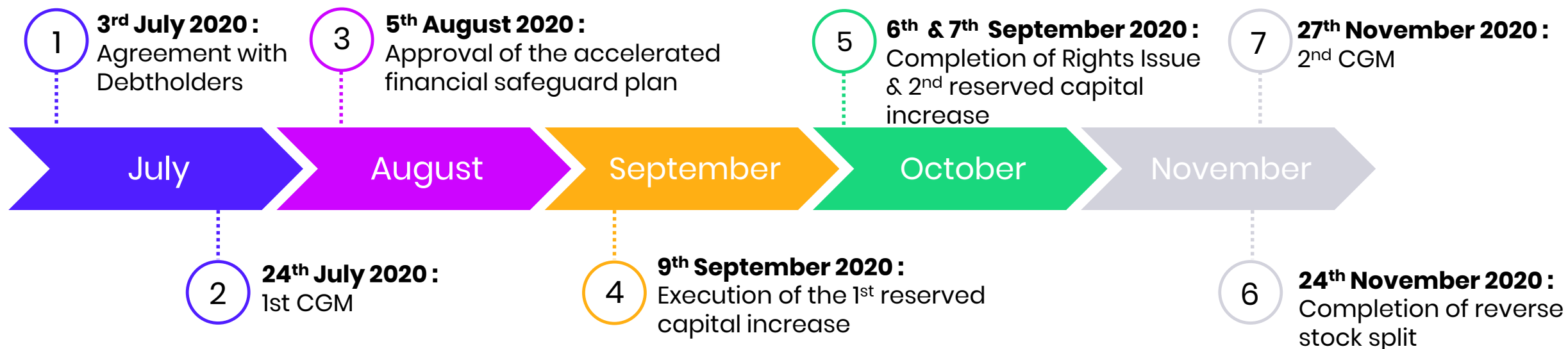


Pierre DANON

Chairman of the Board of Directors
& Chief Executive Officer



Key takeaways of the restructuring completed in 2020

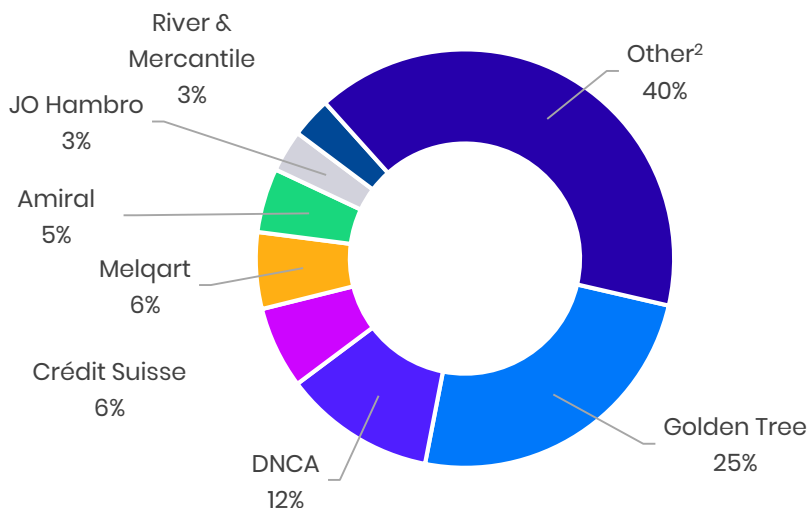


	Sources	Uses
TOTAL c. €378m	Capital increase backstopped by Bondholders c. €346m	Cash injection c. €118m
	Additional financing drawn c. €32m	Debt reduction (<i>set-off of Bonds against shares</i>) c. €260m

- **Additional financing secured** in August 2020 : Prêt Atout » loan & issuance of new Bonds
- **Completion of capital increase on** 7th October 2020

A strengthened financial structure

New shareholding structure¹

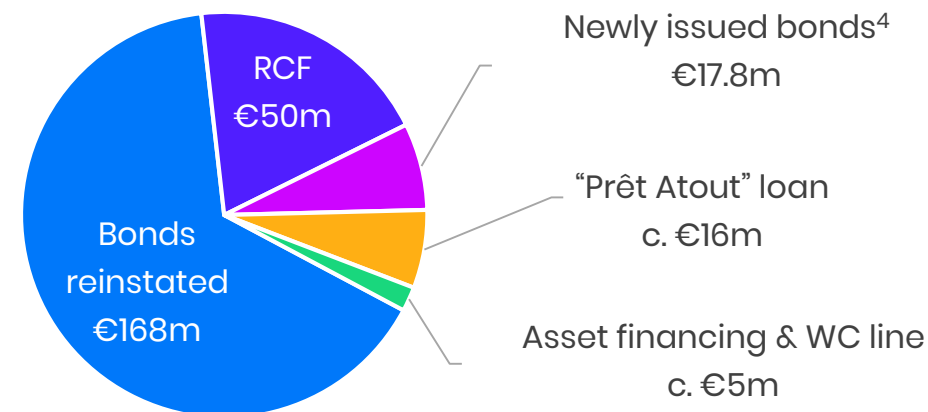


Reverse stock split

- Process finalized on **24th November 2020**
- **100 old shares for 1 new share basis :**
 - New number of outstanding : **129,505,837**
 - New ISIN code : **FR0014000609**
- No impact on the € value of shares held
- Stock price as at 26th Nov. 2020 post-closing : **2.46€**

Strengthening of the financial structure :

- Gross debt reduced from **€475 million to c. €257 million³**
- **Annual financial costs decreased to €20 million** (vs €45 million previously)



¹ on the outstanding shares as at 31st October 2020 & the last public disclosures

² Holding confirmation from JP Morgan Securities plc as per article L 233-91 of the « Code de Commerce » under a temporary acquisition agreement

³ €475 million (gross debt as at 30th June 2020) + €33.7 million (additional financing) + €10 million (Q3 coupon) – €260 million (debt reduction) – €1.7 million (WC line)

⁴ the newly issued bonds have a nominal amount of €17.8 million while the amount received by Solocal was €16 million (OID)

Key figures of Q3 2020

Sales & financial momentum

→ Impact of the health crisis on our revenue :

- Q3 2020 Digital revenue : €106.8m, i.e. : -13,6pts vs. Q3 2019¹
- 9M 2020 Digital revenue : €332m, i.e. : -12.5pts vs. 9M 2019¹

→ 2020 guidance maintained :

- €419m Digital revenue secured for 2020 at end of Sept.

→ 2021 on track

**Customer base
in subscription mode⁴**
At end of Q3 2020

77%

Migration rate²

Q3 2020 for VSE/SMEs

90%

Slowdown in the decrease of our customer base – in Q3 2020 vs. Q3 2019

Beginning of Period

**336k
customers**

+

**+13k
customers**
(vs +8k in Q3 2019)

-

**-20k
customers**
(vs -24k in Q3 2019)

=

**329k
customers**

End of Period

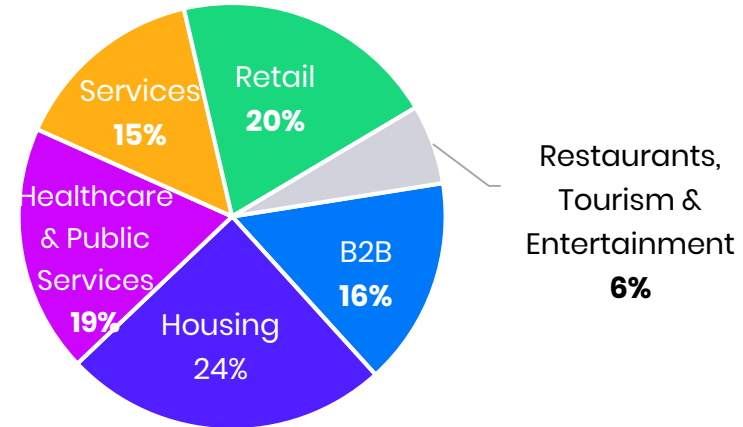
Average ARPA³

Q3 2020 – LTM

c. €1,520

Second lockdown : a very different scenario compared to the first one

A diversified customer base



Impact on the economy expected to be **3x lower**¹

- Less businesses had to be closed
- Higher availability of employees (schools & public services are open, remote working is more widespread)

More than $\frac{3}{4}$ of our customers are in subscription-mode²

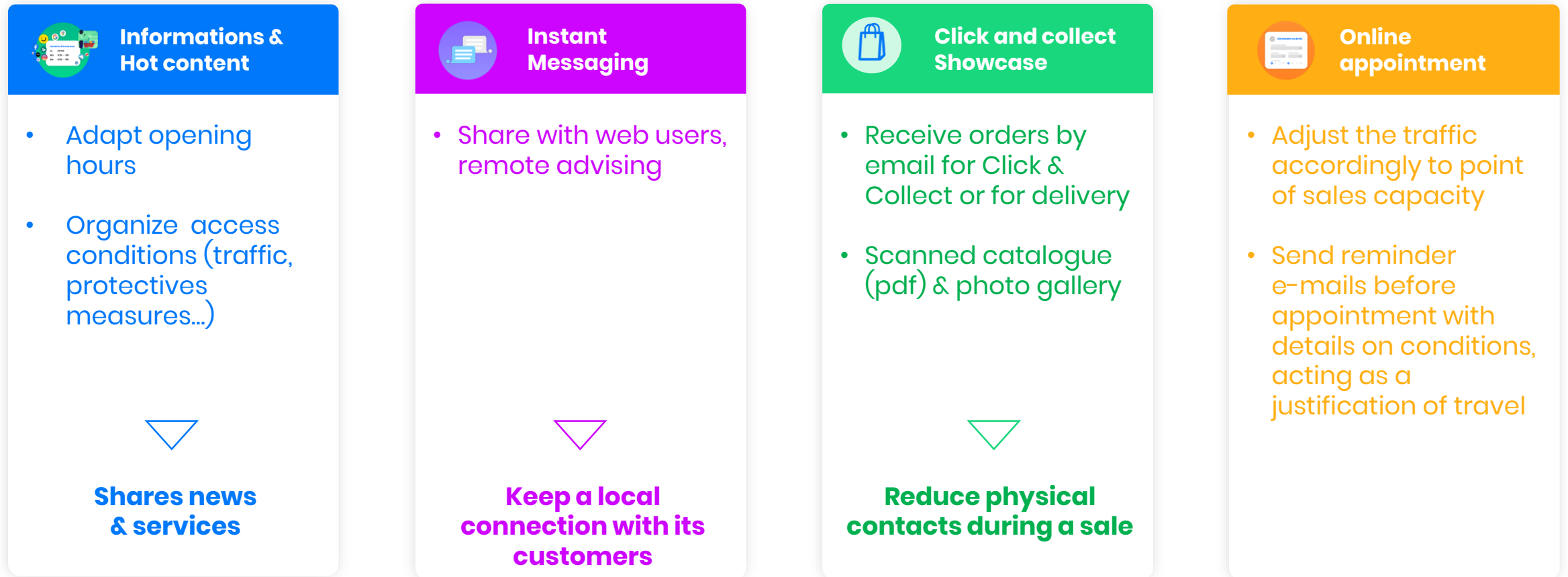
- As at end of September 2020, 77% of our customers² had at least one product in subscription mode

Fully mobilized teams working remotely
















































- 0% partial unemployment

● An adjusted offer to address the second lockdown

- 4 features in free access, available on PagesJaunes via Solocal Manager



- An adjusted offer to address the second lockdown**
- A complete range of services tailored for local professional retailers

		Connect Acces	Connect Essentiel	Connect Premium	Connect + Site
		No Commitment 0 €/month 9 €/month Free up to Feb 28 th	No Commitment 15 €/month 19 €/month	Commitment 12 months From 39 €/month 49 €/month	Commitment 24 months From 109 €/month 119 €/month + Set-up fees +660 €
Create your « Click & Collect Website » tailored to your business	 CLICK&COLLECT WEBSITE available with Essentiel or Premium website version	-	-	-	 
	 REQUEST FOR QUOTATION	-	-	Added value   LocalPartner	  LocalPartner
Develop your relational visibility all over the web	 CLICK & COLLECT Shopping²	-	-	Added value   LocalPartner	  LocalPartner
	 CLICK & COLLECT Showcase¹	FREE   LocalPartner	  LocalPartner	  LocalPartner	  LocalPartner
	 ONLINE APPOINTEMENT	  LocalPartner	  LocalPartner	Added value   LocalPartner	  LocalPartner
	 INSTANT MESSAGING	  LocalPartner	  LocalPartner	  LocalPartner	  LocalPartner
	 INFORMATION & HOT CONTENT	  LocalPartner	Added value 		  LocalPartner

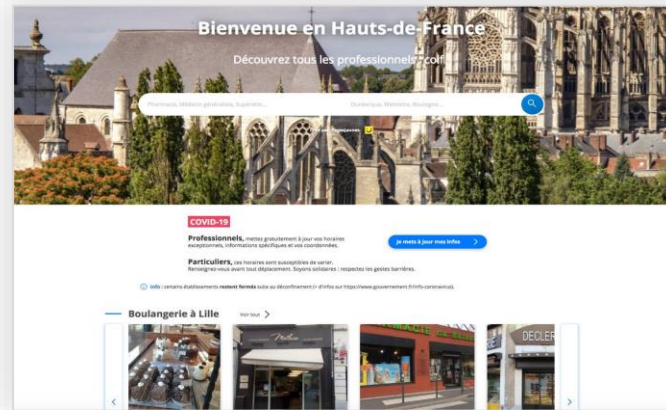
¹Contact form via emails with Scanned catalog (.pdf) and Photo gallery
²Digital & structured catalog and order online basket (product description, price, photo) already available and Online payment available early December
 Pricing available in one-shot payment

- **An adjusted offer to address the second lockdown**
- Local Partner, a free solution to support the economy on the local community level

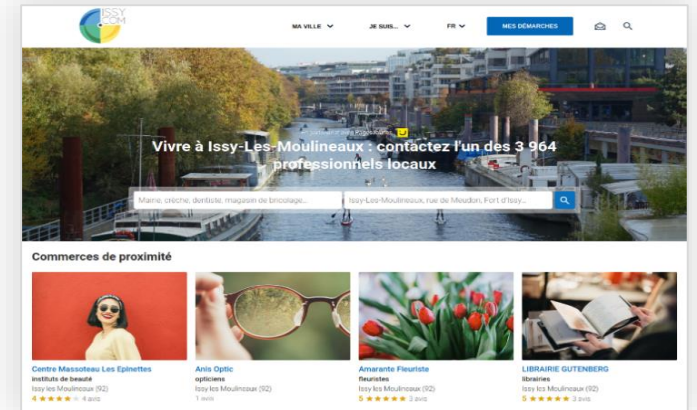
"Sud" region



« Hauts-de-France » region



Issy-les-Moulineaux



LIVE

SOON

● Trading update & guidance

- **Much more limited impact of the second lockdown on the business activity of the Group in comparison to the first lockdown in 2020**
- **2020 guidance maintained**
- **2021 ambitions :**
 - Update of commercial inputs in the upcoming weeks
 - Additional information will be given at the 2020 annual results presentation on 18th February 2021

solocal

Governance



Delphine GRISON

Chairwoman

of the Compensation and Nominations Committee



Ratification of the cooptation of Mr. David Eckert as Board Director

1st resolution

NAME



David ECKERT

Born 08/05/1955
Massachusetts (USA)

NATIONALITY

- American

FUNCTION

- Board Director
- Member of the Remuneration and Nominations Committee

DATE APPOINTED

- 02/10/2020

DATE OFFICE EXPIRES

- General Meeting to be held in 2024

NUMBER OF SHARES

- In process

OTHER DUTIES AND MAIN OFFICES HELD IN ALL COMPANIES OVER THE PAST 5 YEARS

- Chairman and CEO of Yellow Pages Limited (Canada)

Offices no longer held:

- NED of ItaliaOnline S.P.A. (Italy)
- NED of Yellow Pages Ltd. (Canada)
- NED and Vice- Président of SEAT Pagine Gialle S.P.A. (Italy) (later known as ItaliaOnline, after their merger with ItaliaOnline)

David Eckert has led numerous companies in a variety of industries. He is currently Chairman and CEO of Yellow Pages Limited (Canada). Prior to that, he was President, CEO and Director of the Hibu Group and notably served on the board of directors of X-Rite, Inc. of Safety-Kleen Systems, Inc., of Clean Harbors, Inc. of Italiaonline SpA and by Yellow Pages Limited (Canada). During his career, he has served and chaired on the boards of many companies. In the 1980s, he was Vice-President and Partner of Bain & Company. He holds an MBA from Harvard Business School.

Ratification de la cooptation de Monsieur Paul Russo en qualité d'Administrateur – 2nd resolution

NAME



Paul Russo

Born 23/05/1953
Tel Aviv Jaffa (Israel)

NATIONALITY

- American

FUNCTION

- Board Director
- Member of the Audit Committee

DATE APPOINTED

- 02/10/2020

DATE OFFICE EXPIRES

- General Meeting to be held in 2021

NUMBER OF SHARES

- In process

OTHER DUTIES AND MAIN OFFICES HELD IN ALL COMPANIES OVER THE PAST 5 YEARS

- Director and Chairman of the Human Resources and Compensation Committee of Yellow Pages Limited (Canada), - Business consulting services, private employment (Israel)

Offices no longer held:

- Managing Director of Color Spot Holdings, Inc.
- Executive Vice-President in charge of the development of the Hibu Group (United Kingdom)

Paul Russo has been a director of Yellow Pages Limited (Canada) since 2017, where he chairs the Human Resources and Compensation Committee and is a member of the Audit Committee. Previously, he served as Managing Director of Color Spot Holdings, Inc. and as Executive Vice President in charge of development and member of the Hibu Group.

He began his career as a partner of Bain & Company and went on to be a director of numerous companies. He graduated from the University of California - Berkeley and an MBA in business from Harvard Business School. Prior to graduating, he began his career with Arthur Young and Company and obtained CPA certification.



Composition of the Board of Directors

Pierre DANON

*Chairman of the Board of Directors
and Chief Executive Officer*

Delphine GRISON

Catherine ROBAGLIA

Board Director representing employees

David AMAR

Anne-France LACLIDE

Paul RUSSO

David ECKERT

Marie-Christine LEVET

Sophie SURSOCK



Composition of the Board of Directors and Committees

Audit Committee

Remunerations and Nominations Committee

Customer satisfaction Committee

Pierre DANON

Chairman

David AMAR

Member

David ECKERT

Member

Delphine GRISON

Chairwoman

Anne-France LACLIDE

Chairwoman

Marie-Christine LEVET

Member

Catherine ROBAGLIA

Member

Paul RUSSO

Member

Sophie SURSOCK

Member

solocal

Remuneration



Delphine GRISON

Chairwoman

of the Compensation and Nominations Committee



Remuneration Policy of the Chairman and CEO

3rd resolution



Pierre Danon	Type of remuneration	Amount paid	Comments
Chairman of the Board of Directors	Fixed compensation	€150 000	<ul style="list-style-type: none">150,000 fixed compensation for the mandate of Chairman of the Board of Directors
Chief Executive Officer	Fixed compensation	€150 000	<ul style="list-style-type: none">150,000 fixed compensation for the mandate of Chief Executive OfficerNo further compensation: No variable compensation, no benefits in kind, no performance sharesNo severance payment

- **Temporary** merger between the positions of Chairman and Chief Executive Officer
- Remuneration **significantly lower** than the cumulative remuneration for the positions of Chairman and Chief Executive Officer
- There are no variable compensation, no performance share grants and no termination compensation.

Remuneration Policy of the Directors of the Board

4th resolution

	Type of remuneration	Amount paid	Comments
Remuneration Policy of the Directors of the Board	Fixed compensation	<p>Annual Envelope of €490 000</p> <p>Attribution policy :</p> <ul style="list-style-type: none"> • €150 000 for the Chairman • €37 700 for the Directors of the Board • €18 000 for the Chairman of the Audit Committee • €16 000 for the Chairman of the Remunerations and Nominations Committee • €16 000 for the Chairman of Customer Satisfaction Committee • €5 800 for the members of the Audit Committee • €4 800 for the members of the Remunerations and Nominations Committee • €4 800 for the members of Customer Satisfaction Committee • €18 000 for the Chairman of the ad hoc ad hoc Financial Restructuring Committee • €3 000 for the members of the ad hoc ad hoc Financial Restructuring Committee 	<ul style="list-style-type: none"> • Maintaining the envelope • The directors have waived 25% of their remuneration during the 2 months of spring lockdown. • readjustment of the remuneration of Committee members to consider the importance of the work carried out, after a benchmark has been established • Pro rata temporis allocation for Directors having resigned during the fiscal year • Reduced amount paid for Directors who have been substantially absent.. • No compensation for inside directors (Director representing employees, Chief Executive Officer (if the functions of Chief Executive Officer and Chairman of the Board of Directors are separated)).

● **Compensation paid or allocated to the dissociated Chief Executive Officer in respect of fiscal year 2020 (Eric Boustouller up to October 4 inclusive)** 5th resolution (1/3)

Strict application of the provisions previously voted on the conditions of departure of the Chief Executive Officer

	Type of Remuneration	Amount paid	Comments
CEO Board Director	2020 Fixed compensation	€372 278 From January 1, 2020 to October 4, 2020, including a voluntary 25% waiver during the two-month lockdown period.	<ul style="list-style-type: none"> Fixed compensation of a gross annual amount, €520,000, paid in monthly installments (prorata temporis up to October 4, 2020, termination date).
	2020 Variable Compensation	€256 736 From January 1st to October 4th 2020	<ul style="list-style-type: none"> Gross variable annual compensation varying between 65% and 90% of the fixed contractual compensation. As a reminder, the objectives set for the Chief Executive Officer by the Board of Directors in 2020 included four targets (NB: for financial criteria, the target corresponds to the budget redefined at the beginning of the lockdown) : <ul style="list-style-type: none"> (i) 25% of digital sales - estimated to have been achieved according to the latest Forecast available (ii) 15% on the customer base - considered not achieved (iii) 30% on the estimated EBITDA- achieved according to the latest Forecast available (iv) 10% on customer and user NPS - 5% expected to be reached given the good user results, (v) 20% on personal objectives related to customers and products: estimated to have been achieved to a maximum of 9.1%% When Eric Boustouller left the company, the best available estimate of the variable compensation of the dissociated Chief Executive Officer for fiscal year 2020 was between 65% and 69.1%. The Board of Directors decided conservatively to retain 65%..

● **Compensation paid or allocated to the dissociated Chief Executive Officer in respect of fiscal year 2020 (Eric Boustouller up to October 4 inclusive)** 5th resolution (2/3)

	Type of Remuneration	Amount paid	Comments
CEO Board Director	Stock options, performance shares or any other long-term benefit (BSA)	<ul style="list-style-type: none"> Initial allocation: 1,000,000 shares 2018 allocation: 2,300,000 shares, 2019 allocation: 1,500,000 shares No allocation in 2020 	<ul style="list-style-type: none"> acquired considering the performance conditions, 0 vested considering the performance conditions, 0 vested
	Compensation in respect of his position as Board member	N/A	<ul style="list-style-type: none"> The Chief Executive Officer is not remunerated for his position as Board member of Solocal Group
	All kinds of benefits	€18 346,21	TAKEOVER/AVAILABILITY : <ul style="list-style-type: none"> health and welfare plans; liability insurance as Managing Director; reimbursement by the Company of expenses related to the Chief Executive Officer's duties; membership fees and Job Loss Insurance (GSC) contribution; and a corporate vehicle...

● **Compensation paid or allocated to the dissociated Chief Executive Officer in respect of fiscal year 2020 (Eric Boustouller up to October 4 inclusive)** 5th resolution (3/3)

	Type of Remuneration	Amount paid	Comments
CEO Board Director	Severance compensation	€1 560 000	<p>Strict implementation of the provisions voted by the General Meeting on the terms and conditions of departure :</p> <ul style="list-style-type: none"> • 18 months of the gross fixed annual compensation (fixed and variable based on objectives achieved) • payment subject to a performance condition based on the achievement of an average of at least 80% of his annual objectives during his term of office at the Company
	Non-competition compensation	0€	<ul style="list-style-type: none"> • The Board of Directors decided on October 2, 2020 to exempt Éric Boustouller of this obligation, so that no non-competition compensation is due to the said director.
	Supplementary Pension Plan	€7 229,01 (employer's contribution)	<ul style="list-style-type: none"> • Supplementary pension scheme based on defined contributions (Article 83 of the French General Tax Code).

● Free share allocation to employees and corporate officers

● 6th Resolution (1/2)

- Board of Directors' authorization to proceed with the free allocation of ordinary shares
- Beneficiaries:
 - ✓ **Employees** of Solocal Group and its subsidiaries
 - ✓ Corporate officers
- Maximum number of free shares that may be granted : **1% of the share capital.**
- Maximum number of free shares that may be granted to managers: 0.33% of the share capital
- The exceptional aspect of this resolution, given the problems of retention (accelerated vesting) and the ongoing research of the future CEO.
- The performance indicators related to the Restructuring Business Plan in terms of cash generation and the share price as shown in the Finexi report.

Allocation of bonus shares to employees and corporate officers – waiver of their preferential subscription rights

6th Resolution (2/2)

2 COMPONENTS: BASE ET BOOSTER

Base component:

- **Shares granted subject to presence and performance conditions**
 - 4-year plan,
 - Gradual vesting based on the progressive achievement of the performance condition (cash level in accordance with the Business Plan underlying the capital increase) in years N, N+1 and N+2, with a portion in year 3 depending on the share price,
 - Conservation period from 3 to 1 year.

Booster component: Grant subject to the beneficiary's personal investment

- **Actions attribuées sous condition de présence et de performance et de conservation de l'investissement réalisé**
 - 4-year plan,
 - Gradual vesting based on the progressive achievement of the performance condition (level of cash in accordance with the Business Plan underlying the capital increase) in years N, N+1 and N+2, with a portion in year 3 depending on the share price (stronger component than the Base component),
 - Conservation period from 3 to 1 year...

• Delegation to the Board of Directors to provide for a reinforced majority • for certain important decisions – 7th resolution

- Amendment of the articles of association (art 16 al 5) of Solocal Group
- Procedure: Decisions will be taken by a majority of the members.
- Exceptions: for certain decisions a higher majority may be required by the rules of procedure of the Board of Directors.

Removal of the minimum period for choosing the method of exercising the Executive Management – 8th resolution

- Amendment of Article 18 of the Articles of Association
- Removal of the minimum one-year term.

solocal

Questions



solocal

Votes results

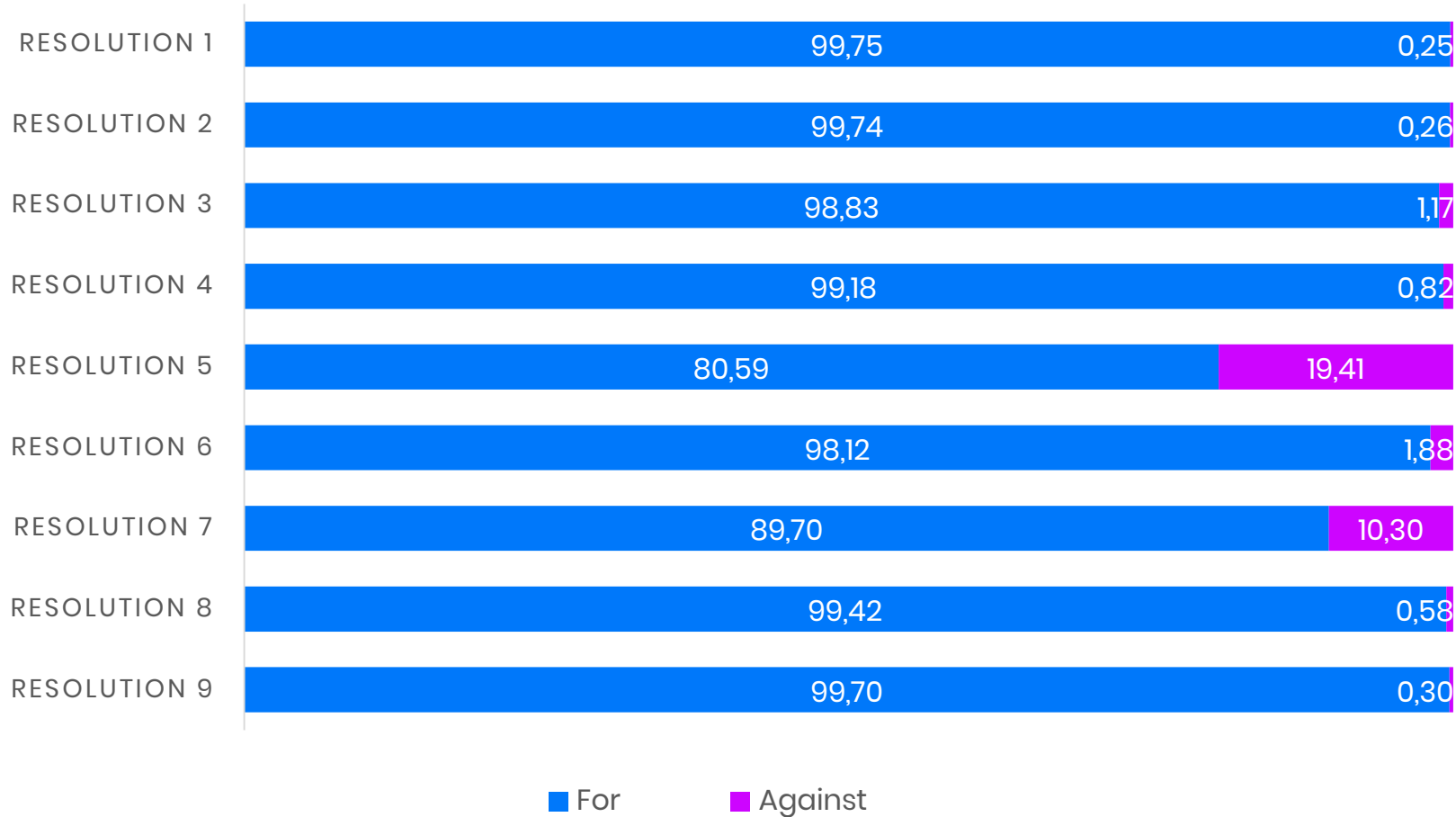


Alexandre de TOURTIER

Group General Counsel



Vote results for each resolution



Resolution 1: ✓

Resolution 2: ✓

Resolution 3: ✓

Resolution 4: ✓

Resolution 5: ✓

Resolution 6: ✓

Resolution 7: ✓

Resolution 8: ✓

Resolution 9: ✓

solocal

Closing

