



#2018

NOTICE OF MEETING

COMBINED GENERAL SHAREHOLDERS' MEETING
SOLOCAL GROUP

9 March 2018 at 2.30 p.m.

L'ALTERNATIF - Place de la Pyramide - 92 800 PUTEAUX - LA DÉFENSE

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WELCOME

TO THE SOLOCAL GROUP'S
COMBINED GENERAL
SHAREHOLDERS' MEETING

9 March 2018 at 2.30 p.m.

at L'ALTERNATIF
Place de la Pyramide
92 800 PUTEAUX - LA DÉFENSE

Informal translation from the French. For information purposes only.

Solocal
GROUP

SOLOCAL GROUP

Public limited company with a capital of €58,268,444
Commercial and Companies Register Nanterre 552 028 425

Head office:
204 Rond-Point du Pont de Sèvres -
92649 Boulogne-Billancourt Cedex

HOW TO PARTICIPATE IN THE GENERAL MEETING

SoLocal Group's Combined General Shareholders' Meeting will be held on:

Friday 9 March 2018
At 2:30 p.m.;
ALTERNATIVE – Place de la Pyramide
92800 PUTEAUX – LA DÉFENSE

You can attend the Meeting in person or vote by post, by Internet (electronically) or by proxy.

Regardless of how you choose to participate, you must provide evidence of your SoLocal Group shareholder status.

PROVIDING EVIDENCE OF SHAREHOLDER STATUS

- **If you hold registered shares:** your shares must be registered in your name (whether managed by a financial intermediary or by the SoLocal Group) no later than the second business day preceding the General Meeting, i.e. **7 March 2018 at 00:00 (Paris time)**.
- **If you hold bearer shares:** have a shareholder certificate drawn up as soon as possible certifying that your shares are registered, no later than the second business day preceding the General Meeting, i.e. **7 March 2018 at 00:00 (Paris time)**, in the securities account held by your financial intermediary (bank, stockbroker or online broker). To be taken into account, this certificate must reach BNP Paribas Securities Services, the bank acting as the centralising agent for the SoLocal Group General Meeting, no later than 8 March 2018 at 15:00 (Paris time).

OBTAINING INFORMATION



- **By telephone:**

N°Vert 0 800 81 84 54

(freephone number) if calling from France

or **+33 (1) 55 77 35 00** if calling from abroad,
from 9:00 a.m. to 7:00 p.m., Monday to Friday.



- **Online:**

www.solocalgroup.com



- **By email:**

actionnaires@solocalgroup.com



- **By post:**

SoLocal Group
Relations actionnaires (Shareholder Relations)
204 Rond-point du Pont de Sèvres
92649 Boulogne-Billancourt Cedex

VOTING

If you are a SoLocal Group shareholder on the date of the Meeting, you may exercise your voting right in three ways:

- **in person attend the General Meeting;**
- **grant proxy to the Chairman of the Meeting (the Chairman of the Board of Directors) or to a third party;**
- **vote by post or online.**

IF YOU WISH TO ATTEND THE GENERAL MEETING IN PERSON

Shareholders wishing to attend the General Meeting in person may apply for an admission card as follows:



APPLY FOR AN ADMISSION CARD BY POST

IF YOU HOLD REGISTERED SHARES

(whether your shares are managed by SoLocal Group or your financial intermediary)

- Tick **box A** on the paper form (see template on page 5).
- Date and sign at the bottom of the form.
- Return the form to BNP Paribas Securities Services using the postage-free envelope provided.

BNP Paribas Securities Services must receive your form **no later than 8 March 2018 at 3:00 p.m. (Paris time)**.

IF YOU HOLD BEARER SHARES

- Tick **box A** on the paper form (see template on page 5).
- Date and sign at the bottom of the form.
- Return the form as soon as possible to the financial intermediary that holds your account (bank, stockbroker or online broker).

Your financial intermediary will forward the form, together with a shareholder certificate certifying that the shares are registered to you, to:

**BNP Paribas Securities Services – CTS Assemblées
Grands Moulins de Pantin
9, rue du Débarcadère - 93761 Pantin Cedex**

In order to be taken into account, the form and certificate must reach BNP Paribas Securities Services **no later than 8 March 2018 at 3:00 p.m. (Paris time)**.

BNP Paribas Securities Services will send you your admission card



APPLY FOR AN ADMISSION CARD ONLINE

Shareholders wishing to participate in the General Meeting in person may also apply for an admission card electronically as follows:

FOR HOLDERS OF REGISTERED SHARES (WHETHER MANAGED BY A FINANCIAL INTERMEDIARY OR BY THE SOLOCAL GROUP):

Holders of pure or managed registered shares may apply for an admission card online on the VOTACCESS secure platform via the Planetshares website accessible at <https://planetshares.bnpparibas.com>.

Access to the website is protected by username and password. Data exchanges are encrypted to ensure confidentiality. The Planetshares website will be available from **21 February 2018**. The option of applying for an admission card online will end on **8 March 2018 at 3:00 p.m. (Paris time)**.

Holders of pure registered shares must access the Planetshares website with their login details. Holders of managed registered

shares must access the Planetshares website using their username which can be found in the top right-hand corner of their voting form. Shareholders who no longer have their username and/or password may contact the Freephone number **0 800 818 454** made available to them.

After logging on, holders of registered shares should follow the instructions given on screen to access the VOTACCESS platform and to apply for an admission card.

FOR BEARER SHAREHOLDERS:

Holders of bearer shares should find out if their account keeper is connected to the VOTACCESS platform.

If the account keeper is connected to the VOTACCESS platform, the shareholder should identify himself on his account keeper's Internet portal with his usual login details. Then follow the instructions given on screen to access the VOTACCESS platform and apply for an admission card.

IF YOU DO NOT HAVE YOUR ADMISSION CARD ON THE DATE OF THE MEETING

If your admission card application reaches BNP Paribas Securities Services after 8 March 2018 or if you have not applied for your admission card:

- if you are a registered shareholder, you can attend the General Meeting by presenting an identity document at the counter set up for such purpose at the Meeting entrance;
- if you are a bearer shareholder, you can attend the General Meeting by presenting a shareholder certificate drawn up by your financial intermediary certifying that your shares were registered no later than **7 March 2018 at 00:00 (Paris time)**, together with an identity document, at the counter set up for such purpose at the Meeting entrance.

IF YOU WISH TO VOTE BY POST OR BE REPRESENTED BY A PROXY AT THE GENERAL MEETING



WITH THE PAPER FORM (see template on page 5)

TO VOTE BY POST

- Please tick "I am voting by post" **box 1** and place your vote.
- If you wish to vote "no" on a resolution or if you wish to "abstain" (*abstentions are counted as "no" votes*), mark the box below the number of the appropriate resolution.
- Do not mark any box if you wish to vote "for" all resolutions.
- Date and sign at the bottom of the form.



TO GRANT A PROXY TO THE CHAIRMAN

- Please tick "I am granting a proxy to the Chairman" **box 2**.
- Date and sign at the bottom of the form.
- Do not mark any box.
- Your votes will be "for" the draft resolutions submitted or approved by the Board of Directors, and "against" all other draft resolutions.



TO GRANT A PROXY TO ANOTHER SHAREHOLDER OR TO ANY OTHER INDIVIDUAL OR LEGAL ENTITY OF YOUR CHOICE

- Please tick "I am granting a proxy" **box 3**.
- Provide the identity details (*name, surname and address*) of the person who will represent you.
- Date and sign at the bottom of the form.



You have voted

IF YOU HOLD REGISTERED SHARES

Return the form to BNP Paribas Securities Services using the postage-free envelope provided.

BNP Paribas Securities Services must receive your form no later than **8 March 2018 at 3:00 p.m.** (*Paris time*).

IF YOU HOLD BEARER SHARES

Return the form as soon as possible to the financial intermediary that holds your account (*bank, stockbroker or online broker*).

Your financial intermediary will send the form, together with a shareholder certificate certifying that the shares are registered to you, to:

**BNP Paribas Securities Services – CTS Assemblées
Grands Moulins de Pantin
9, rue du Débarcadère – 93761 Pantin Cedex**

The form and certificate must reach BNP Paribas Securities Services no later than **8 March 2018 at 3:00 p.m.** (*Paris time*).



TO VOTE OR TO APPOINT/REVOKE A PROXY VIA THE INTERNET

FOR HOLDERS OF (PURE OR MANAGED) REGISTERED SHARES

Holders of pure or managed registered shares may vote or appoint/revoke a proxy online on the VOTACCESS secure platform via the Planetshares website accessible at <https://planetshares.bnpparibas.com>.

This option is an additional means of participation offered to shareholders who may benefit from all the options available on the form. Access to the website is protected by username and password. Data exchanges are encrypted to ensure confidentiality. The Planetshares website will be available from **21 February 2018**. The option of voting or designating/revoking a proxy online will end on **8 March 2018 at 3:00 p.m. (Paris time)**. However, in order to prevent potential congestion on the Internet site dedicated to voting prior to the General Shareholders' Meeting, shareholders are recommended not to wait until the day before the Meeting to vote.

Holders of pure registered shares must access the Planetshares website with their login details. Holders of managed registered shares must access the Planetshares website using their username which can be found in the top right-hand corner of their voting form. Shareholders who no longer have their username and/or password may contact the Freephone number made available to them.

▶ N°Vert 0 800 81 84 54

After logging on, holders of registered shares should follow the instructions given on screen to access the VOTACCESS platform and to vote or to appoint/revoke a proxy. You will also have the option, via this same site, of accessing the official documents of the General Meeting.

FOR BEARER SHAREHOLDERS

You must ascertain whether the institution that holds your securities account is connected to the VOTACCESS platform and, if it is, whether access thereto is subject to specific conditions of use.

Only bearer shareholders whose account keeper is connected to the VOTACCESS platform may vote or appoint/revoke a proxy online. Failing this, the bearer shareholder must take measures to vote by post.

If the institution that holds your securities account is connected to the VOTACCESS website, you must identify yourself with the account keeper institution, using your usual login details. Then, click on the icon on the line for your SoLocal Group shares and follow the instructions displayed onscreen to access the VOTACCESS website and vote or designate/revoke a proxy. You will also have the option, via this same site, of accessing the official documents of the General Meeting.

If the institution that holds your securities account is not connected to the VOTACCESS website, in accordance with Article R. 225-79 of the French Commercial Code, notice of the appointment or revocation of a proxy may also be given electronically by following the procedures below:

- the shareholder should send an email to: **paris.bp2s.france.cts.mandats@bnpparibas.com**. This email must contain the following information: the name of the relevant company, the Meeting date, the first and last name, address and bank details of the principal, as well as the first and last name and, if possible, the address of the proxy holder;
- you must request the financial intermediary that manages your securities account to send a written confirmation to **Services Assemblées Générales de BNP Paribas Securities Services – CTS Assemblées Générales – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex**.

Only notices appointing or revoking proxies may be sent to the e-mail address above. Any other request or notice about other matters will not be taken into account and/or processed.

In order for electronic appointments or revocations of proxies to be validly taken into account, the confirmations must be received no later than the day before the Meeting of **8 March 2018 at 3:00 p.m. (Paris time)**. Appointments or revocations of proxies made using a paper form must be received no later than the day before the Meeting, i.e. **8 March 2018 at 3:00 p.m. (Paris time)**. The VOTACCESS dedicated secure website will be available from **21 February 2018**.

HOW TO COMPLETE THE FORM INCLUDED WITH THIS DOCUMENT

Do not send the form directly to SoLocal Group.

All operations in relation to the General Meeting are handled by BNP Paribas Securities Services, the bank acting as the centralising bank for the SoLocal Group General Meeting.



To be taken into account, your form must reach
BNP PARIBAS SECURITIES SERVICES
by 8 March 2018 before 3.00 p.m. at the latest.

BNP Paribas Securities Services
CTS Services des Assemblées
Grands Moulins de Pantin
9, rue du Débarcadère – 93761 Pantin Cedex

If you want to attend the meeting
 and receive your admission card:
 please tick **box A**.

If you hold bearer shares:

send this form to the institution that holds your securities account which will forward it accompanied by a shareholder certificate to BNP PARIBAS SECURITIES SERVICES.

A **IMPORTANT : Avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso - Important : Before selecting please refer to instructions on reverse side**
 Quelle que soit l'option choisie, noircir comme ceci la ou les cases correspondantes, dater et signer au bas du formulaire - Whichever option is used, shade box(es) like this , date and sign at the bottom of the form
 A. Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire // I wish to attend the shareholders' meeting and request an admission card : date and sign at the bottom of the form.
 B. J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes // I prefer to use the postal voting form or the proxy form as specified below.

SOLOCAL GROUP

S.A. au capital de 58 244 480 €
 Siège social : 204, rond-point du pont de Sèvres
 92100 BOULOGNE BILLANCOURT
 552 028 425 RCS Nanterre

L'Assemblée Générale Mixte des actionnaires
 de SoLocal Group se tiendra
 vendredi 9 mars 2018, à 14 heures 30,

L'Alternatif 10 rue Delarivière-Lefoulon - 92800 Puteaux
Entrée piétons: Place de la Pyramide - Paris la Défense
 Escalier vers Parking Villon
 Entrée de l'Alternatif sous l'escalier

CADRE RÉSERVÉ À LA SOCIÉTÉ - FOR COMPANY'S USE ONLY

Identifiant - Account
 Nombre d'actions / Number of shares
 Nominatif Registered
 Porteur Bearer
 Vote simple / Single vote
 Vote double / Double vote
 Nombre de voix - Number of voting rights

1 **JE VOTE PAR CORRESPONDANCE // I VOTE BY POST**
 Cf. au verso (2) - See reverse (2)
 Je vote **OUI** à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'exception de ceux que je signale en noircissant comme ceci la case correspondante et pour lesquels je vote **NON** ou je m'abstiens.
 I vote **YES** all the draft resolutions approved by the Board of Directors **EXCEPT** those indicated by a shaded box - like this , for which I vote **NO** or I abstain.
 Sur les projets de résolutions **non agréés** par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en noircissant comme ceci la case correspondant à mon choix.
 On the draft resolutions **not approved** by the Board of Directors, I cast my vote by shading the box of my choice - like this .

2 **JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**
 Cf. au verso (3)
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
 See reverse (3)

3 **JE DONNE POUVOIR A :** Cf. au verso (4)
I HEREBY APPOINT : See reverse (4)
 M., Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name
 Adresse / Address

ATTENTION : s'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement retournées à votre banque.
CAUTION : if it is about bearer securities, the present instructions will be valid only if they are directly returned to your bank.
 Nom, prénom, adresse de l'actionnaire (les modifications de ces informations doivent être adressées à l'établissement concerné et ne peuvent être effectuées à l'aide de ce formulaire). Cf au verso (1)
 Surname, first name, address of the shareholder (Change regarding this information have to be notified to relevant institution, no change can be made using this proxy form). See reverse (1)

FORMULAIRE DÉDIÉ AUX SOCIÉTÉS FRANÇAISES / FORM RELATED TO FRENCH CO.

1	2	3	4	5	6	7	8	9	Qui / Yes	Non/No	Abs/Abs	Qui / Yes	Non/No	Abs/Abs
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A	<input type="checkbox"/>	<input type="checkbox"/>	F	<input type="checkbox"/>	<input type="checkbox"/>
10	11	12	13	14	15	16	17	18	B	<input type="checkbox"/>	<input type="checkbox"/>	G	<input type="checkbox"/>	<input type="checkbox"/>
19	20	21	22	23	24	25	26	27	C	<input type="checkbox"/>	<input type="checkbox"/>	H	<input type="checkbox"/>	<input type="checkbox"/>
28	29	30	31	32	33	34	35	36	D	<input type="checkbox"/>	<input type="checkbox"/>	J	<input type="checkbox"/>	<input type="checkbox"/>
37	38	39	40	41	42	43	44	45	E	<input type="checkbox"/>	<input type="checkbox"/>	K	<input type="checkbox"/>	<input type="checkbox"/>

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / In case amendments or new resolutions are proposed during the meeting
 - Je donne pouvoir au Président de l'assemblée générale de voter en mon nom. // I appoint the Chairman of the general meeting to vote on my behalf.....
 - Je m'abstiens (l'abstention équivaut à un vote contre). // I abstain from voting (is equivalent to vote NO)
 - Je donne procuration [cf. au verso renvoi (4)] à M., Mme ou Mlle, Raison Sociale pour voter en mon nom
 // J'appoint [see reverse (4)] Mr, Mrs or Miss, Corporate Name to vote on my behalf.....

Pour être prise en considération, toute formule doit parvenir au plus tard :
 In order to be considered, this completed form must be returned at the latest
 sur 1^{ère} convocation / on 1st notification sur 2^{ème} convocation / on 2nd notification
 jeudi 8 mars 2018
 à / to **BNP PARIBAS SECURITIES SERVICES, CTS Assemblées, Grands Moulins de Pantin – 93761 PANTIN Cedex**

Whatever you decide, sign and date it here.

Date & Signature

To vote by post,
 please tick **box 1**.

To give a proxy to the Meeting's Chairman,
 please tick **box 2**.
 Sign and date the bottom of the form without completing anything.

To give a proxy to a designated person:
 please tick **box 3**
 and enter this person's details.

WRITTEN QUESTIONS

Written questions should be sent by registered letter with acknowledgement of receipt to the Company's registered office, marked for the attention of the Chairman of the Board of Directors at the latest on the fourth business day prior to the date of the General Meeting i.e. at the latest on **5 March 2018**.

Letters whereby written questions are raised shall include a shareholder certificate certifying that your shares are registered

with the Company in your name or are held in a bearer securities account held with a financial intermediary.

In accordance with the laws in force, a written question will be deemed to have been answered if answer thereto is included in the "Questions and Answers" section of the Company's website.

SECURITIES LENDING AND BORROWING

In accordance with Article L. 225-126 I of the French Commercial Code, any person who holds, either alone or jointly, in respect of one or more temporary transfer transactions relating to the Company's shares or any transaction granting it the right or imposing on it the obligation to resell or return those shares to the transferor, a number of shares representing more than 0.5% of the voting rights, must inform the Company and the French Financial Markets Authority (AMF), no later than the second business day prior to the Meeting, i.e. by **7 March 2018, at 00:00 (Paris time)**, and if the contract organising this transaction is still in force at that date, of the total number of shares it temporarily holds.

This declaration must include, besides the number of shares acquired in respect of one of the aforesaid transactions, the identity of the transferor, the date and the maturity of the contract relating to the transaction and, where appropriate, the voting agreement.

The persons concerned must e-mail the Autorité des marchés financiers the information stipulated to the following address: **declarationpretsemprunts@amf-france.org**.

They must email the same information to the Company to the following address: **actionnaires@solocalgroup.com**.

If the Company and the Autorité des marchés financiers are not provided with any information under the aforementioned conditions, the shares acquired in respect of the temporary transactions concerned will not carry voting rights for the General Meeting to be held on 9 March 2018 or at any Shareholders' Meeting to be held until the resale or return of the aforementioned shares.

INFORMATION AND DOCUMENTS MADE AVAILABLE TO SHAREHOLDERS

All documents and information required by Article R. 225-73-1 of the French Commercial Code may be viewed on the Company's website: **<http://www.solocalgroup.com>**.

NOTICE OF MEETING

ORDINARY ITEMS

- Board of Directors' report;
- Ratification of the co-opting of Mr Pierre Danon as Director;
- Ratification of the co-opting of Mrs Marie-Christine Levet as Director;
- Approval of the components of the remuneration paid or granted for the financial year 2017 to Mr Pierre Danon;
- Approval of the components of the remuneration paid or granted for the financial year 2017 to Mr Eric Boustouller;
- Approval of the components of the remuneration paid or granted for the financial year 2017 to Mr Jean-Pierre Remy;
- Approval of the components of the remuneration paid or granted for the financial year 2017 to Mr Robert de Metz;
- Approval of the components of the remuneration paid or granted for the financial year 2017 to Mr Christophe Pingard;
- Approval of the principles and criteria for the determination, allocation and granting of the fixed, variable and exceptional components of the total remuneration and benefits of any kind attributable for the financial year 2018 to the Chief Executive Officer;
- Approval of the principles and criteria for the determination, allocation and granting of the fixed, variable and exceptional components of the total remuneration and benefits of any kind attributable for the financial year 2018 to the Chairman of the Board of Directors;
- Approval of commitments as referred to in Article L. 225-42-1 of the French Commercial Code for the benefit of Mr Eric Boustouller;
- Reiteration of the approval of commitments as referred to in Article L. 22542-1 of the French Commercial Code for the benefit of Mr Christophe Pingard.

EXTRAORDINARY ITEMS

- Authorisation granted to the Board of Directors to allocate free shares of the Company to employees or corporate officers of the group SoLocal Group;
- Authorisation granted to the Board of Directors to allocate free shares of the Company to Mr Eric Boustouller, Chief Executive Officer;
- Delegation of authority to the Board of Directors to increase the share capital, with shareholders' preferential subscription rights preserved, by issuing shares and/or equity securities granting access to other equity securities and/or giving entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued;
- Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities granting access to other equity securities and/or giving entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued, through public offerings;
- Delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights, by issuing shares and/or equity securities granting access to other equity securities and/or giving entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued, through private placements as referred to in Article L. 411-2 II of the French Monetary and Financial Code;
- Authorisation granted to the Board of Directors in the event of a share capital increase with or without shareholders' preferential subscription rights preserved, to increase the number of securities to be issued;
- Delegation of authority to the Board of Directors to increase the share capital of the Company through the incorporation of reserves, profits or premiums;
- Delegation of authority to the Board of Directors to proceed with share capital increases reserved for members of company savings plans;
- Power for formalities.

ORDINARY MATTERS

- Appointment of Mrs Lucile Ribot as a Director.

BRIEF OVERVIEW OF THE SOLOCAL GROUP'S SITUATION DURING THE PAST FINANCIAL YEAR



SoLocal Group generated revenues of €755.8 million in 2017 (within the scope of its continued activities, excluding entities disposed of in 2017), with its Internet and Print & Voice activities representing 84% and 16%, respectively. In 2017, Internet activity was driven by the two main digital businesses, Local Search and Digital Marketing.

- second, we create and provide Internet users with the best local and customised content about businesses: in 2017, this Digital Marketing activity represented revenues of €174.5 million. These technologies have been created over the last five years and have generated rapid growth (+18.1% in 2017 compared to 2016). They comprise sites & contents, local programmatic and transactional services.

INTERNET

In 2017, SoLocal Group recorded €635.8 million in Internet revenues, representing 84% of Group revenues.

- first, we offer digital services and solutions to clients which enable them to enhance their visibility and develop their local leads: in 2017, Local Search posted revenues of €461.3 million, thanks to a sustainable and highly qualitative audience generated through our own brands (PagesJaunes, Mappy, Ooreka) and our privileged partnerships (Google, Bing (Microsoft), Yahoo!, Apple and Facebook);

PRINT & VOICE

The Print & Voice activities generated €120.0 million in 2017. This business line includes the Group's activities in the publication, distribution and sale of advertising space in printed directories (PagesJaunes, PagesBlanches), as well as the Group's other activity called 'Voice', including telephone directory enquiry and reverse directory services.

COMMENTARY ON THE 2017 FULL-YEAR RESULTS

During the 2017 financial year, the Group divested itself of two non-strategic activities ("divested activities"):

- avendrealouer.fr, a website for real estate classified advertisements;
- Chronoresto, an online meal ordering service.

The accounts published by the Group as at 31 December 2017 are made up as follows.

At 31 December 2015, EBITDA for divested activities amounted to -€2.7 million, compared to -€2.1 million for the financial year ended 31 December 2016.

In the presentation of its results and in this activity report, SoLocal Group isolates the momentum of the continued activities from that of the activities that it has disposed of. The financial performance indicators are commented on the perimeter of continued activities.

CONSOLIDATED INCOME STATEMENT FOR CONTINUED ACTIVITIES FOR THE FINANCIAL YEARS ENDED ON 31 DECEMBER 2017 AND 31 DECEMBER 2016

(Amount in thousands of euros)	Notes	Financial year ended 31 December 2017					Financial year ended 31 December 2016*				
		Consolidated	Divested activities	Continued activities		Non-recurrent	Consolidated	Divested activities	Continued activities		Non-recurrent
				Continued activities	Recurrent				Continued activities	Recurrent	
Group revenues		764,941	9,092	755,849	755,849	-	812,277	10,973	801,304	801,304	-
Net external expenses		(201,479)	(6,154)	(195,325)	(192,377)	(2,948)	(215,822)	(7,407)	(208,415)	(207,436)	(979)
Personnel expenses		(383,492)	(5,628)	(377,864)	(367,489)	(10,375)	(372,580)	(5,709)	(366,871)	(362,859)	(4,012)
EBITDA from Continued activities operations		179,970	(2,690)	182,660	195,983	(13,323)	223,875	(2,143)	226,018	231,009	(4,991)
Depreciation and amortisation		(53,487)	10,720	(64,207)	(64,207)	-	(59,231)	(2,586)	(56,645)	(56,645)	-
Operating income/expense		126,483	8,030	118,453	131,777	(13,323)	164,644	(4,729)	169,373	174,364	(4,991)
Net gain from debt restructuring at 13 March 2017		265,785		265,785	-	265,785	-		-	-	-
Other financial income		393	-	393	393	-	1,425	-	1,425	1,425	-
Financial expenses		(28,569)	-	(28,569)	(28,569)	-	(75,247)	-	(75,247)	(75,247)	-
Exchange rate gain (loss)		-	-	-	-	-	(25)	-	(25)	(25)	-
Financial income	10.4	237,609	-	237,609	(28,176)	265,785	(73,847)	-	(73,847)	(73,847)	-
Income before tax		364,092	8,030	356,062	103,601	252,462	90,796	(4,729)	95,525	100,516	(4,991)
Corporation tax	9	(28,570)	(1,468)	(27,102)	(44,094)	16,992	(41,840)	(79)	(41,761)	(43,480)	1,719
Income for the period		335,522	6,562	328,960	59,507	269,453	48,956	(4,808)	53,764	57,037	(3,272)

* Restated with the retroactive application of the provisions of the IAS 20 standard on the CIR and Turnover Tables

Non-recurring items of the continued activities mainly cover exceptional employee expenses incurred to secure business continuity; the severance costs of people who were not replaced; elements related to the change in governance; and, particularly in 2017, elements related to the financial restructuring.

DETAILS ON THE REVENUES AND RECURRING EBITDA (SEE DEFINITIONS ON PAGE 19) OF CONTINUED ACTIVITIES, AS AT 31 DECEMBER 2017 AND 31 DECEMBER 2016

(in millions of euros)	Financial year ended 31 December 2017	Financial year ended 31 December 2016	Change 2017/2016
Internet	635.8	637.8	-0.3%
Print & Voice	120.0	163.5	-26.6%
Group revenues	755.8	801.3	-5.7%
Internet revenues as % of total revenues	84.1%	79.6%	
Internet	170.4	187.6	-9.2%
Print & Voice	25.6	43.4	-41.0%
recurring EBITDA	196.0	231.0	-15.2%
<i>As % of revenues</i>			
Internet	26.8%	29.4%	
Print & Voice	21.3%	26.5%	

1. ANALYSIS OF REVENUES

GROUP REVENUES

Revenues were €755.8 million in 2017, down -5.7% compared to 2016:

- internet revenues were stable at -0.3% and represented 84% of total Group revenue (+4 points on 2016). Growth in Digital Marketing activity (+18.1%) offset the decline in Search activity (-5.8%), due specifically to the negative impact of the financial restructuring on activity and the slower than expected ramp-up of new Search products;
- audience growth: Internet visits were up +3% to 2.4 billion in 2017 compared to 2016, with growth of +12% in the mobile audience, representing 40% of the total audience,
- Search Local revenues: -5.8% to €461.3 million in 2017 compared to 2016:
- Search Local ARPA: -1% to 984 euros in 2017 compared to 2016. This downturn is overwhelmingly due to the impact on business of the finalisation of the financial restructuring plan in the fourth quarter of 2016, particularly for the major accounts,
- number of customers: -5% to 469K in 2017 compared to 2016,
- Digital Marketing: revenues were up +18.1% to €174.5 million in 2017 compared to 2016, thanks to the acceleration on the Group's innovative solutions: websites (Premium and Privilege) and Adwords (Booster Contact). Digital Marketing revenues represented 23% of total revenues in 2017;
- Print & Voice revenues fell -26.6% over the period, with customers and users continuing to migrate to digital media. Print & Voice represented 16% of total revenues in 2017.

2. ANALYSIS OF RECURRING EBITDA

NET EXTERNAL EXPENSES

Net external expenses declined by -7.2% or -€15.1 million to -€192.4 million in 2017, compared to -€207.4 million in 2016. External expenses represented 25.5% of revenues in 2017. The cost reduction is due mainly to communications, Print & Voice production costs, and control of business expenses.

PERSONNEL EXPENSES

Personnel expenses increased by +1.3% to -€367.5 million in 2017 compared to -€362.9 million in 2016. Personnel expenses represented 48.6% of revenues in 2017.

RECURRING EBITDA

Recurring EBITDA was €196.0 million in 2017, down by -15.2% compared to 2016, mainly due to the slump in revenues partially offset by the reduction of external expenses.

The EBITDA margin was 25.9% in 2017, a drop of 2.9 points compared to 2016.

Recurring EBITDA for the Internet segment declined by -€17.3 million or -9.2% to €170.4 million in 2017, compared to €187.6 million in 2016. Recurring EBITDA for the Print & Voice segment declined by -€17.8 million or -41.0% to €25.6 million in 2017, compared to €43.4 million in 2016.

3. ANALYSIS OF OTHER LINE ITEMS IN THE INCOME STATEMENT

OPERATING INCOME/EXPENSE

The table below shows the Group's operating income for continued activities as at 31 December 2017 and 31 December 2016:

SoLocal Group (in millions of euros)	Continued activities						
	Financial year ended 31 December 2017			Financial year ended 31 December 2016*			recurrent change 2017/2016
	Total	Recurrent	Non- recurrent	Total	Recurrent	Non- recurrent	
EBITDA from Continued activities operations	182.7	196.0	(13.3)	226.0	231.0	(5.0)	-15.2%
As % of revenues	24.2%	25.9%	-	28.2%	28.8%	-	
Depreciation and amortisation	(64.2)	(64.2)	-	(56.6)	(56.6)	-	13.4%
Operating income/expense	118.5	131.8	(13.3)	169.4	174.4	(5.0)	-24.4%
As % of revenues	15.7%	17.4%	-1.8%	21.1%	21.8%	-0.6%	

* Restated with the retroactive application of the provisions of the IAS 20 standard on the CIR and Turnover Tables

Group depreciation and amortisation totalled -€64.2 million in 2017 compared to -€56.6 million in 2016, i.e. an increase of -€7.6 million (+13.4%), which is mainly explained by an increase in depreciation and amortisation caused by the pace of investment in previous financial years.

The Group's recurrent operating income fell by -24.4% compared to 2016 to €131.8 million. This decline is primarily a result of the fall in recurring EBITDA (-€35.0 million) and the increase in depreciation and amortisation (€7.6 million).

NET INCOME/EXPENSES

The table below shows the Group's net income for continued activities as at 31 December 2017 and 31 December 2016:

SoLocal Group (in millions of euros)	Continued activities						
	Financial year ended 31 December 2017			Financial year ended 31 December 2016*			recurrent change 2017/2016
	Total	Recurrent	Non- recurrent	Total	Recurrent	Non- recurrent	
Operating income/expense	118.5	131.8	(13.3)	169.4	174.4	(5.0)	-24.4%
Net gain from debt restructuring at 13 March 2017	265.8	-	265.8	-	-	-	-
Other financial income	0.4	0.4	-	1.4	1.4	-	-71.4%
Financial expenses	(28.6)	(28.6)	-	(75.2)	(75.2)	-	-62.0%
Financial income	237.6	(28.2)	265.8	(73.8)	(73.8)	-	-61.8%
Income before tax	356.1	103.6	252.5	95.5	100.5	(5.0)	3.1%
Corporation tax	(27.1)	(44.1)	17.0	(41.8)	(43.5)	1.7	1.4%
Income for the period	329.0	59.5	269.5	53.8	57.0	(3.3)	4.4%

* Restated with the retroactive application of the provisions of the IAS 20 standard on the CIR and Turnover Tables.

NET FINANCIAL EXPENSES

The Group's net financial expenses were -€28.6 million at 31 December 2017, down -62.0%, due mainly to a decline in financial debts, despite an increase in the average debt rate from 5.4% in 2016 to 7.6% in 2017; this latter was calculated over the period in which it was owed. Indeed, the 2017 interest expense is owed only for the period from 15 March to 31 December 2017, pursuant to the terms negotiated under the financial restructuring.

RECURRING INCOME FOR THE PERIOD

Corporate income tax stood at -€44.1 million in 2017, up by 1.4% compared to 2016. The effective tax rate was 42.6%, down by -0.7 point compared to 2016.

Recurring income from continued activities totalled +€59.5 million in 2017, an increase of +4.3% compared to 2016.

NON-RECURRING ITEMS

Net income from non-recurring items rose to +€269.5 million compared to -€3.3 million in 2016. These are essentially financial revenues of +€265.8 million excluding tax (+€278.0 million net of tax) and non-recurring items included in EBITDA for a total of -€13.3 million (-€8.5 million net of tax), broken down into the following:

- non-recurring items included in EBITDA for -€13.3 million, including -€8 million in personnel costs for departing employees who were not replaced and -€2 million for 2017 retention plan expenses;
- a non-monetary financial gain of +€298.0 million resulting from the difference between the carrying value of the debt converted into equity instruments and the fair value of those same instruments pursuant to IFRIC 19 (see Note 10.5 to the consolidated accounts);
- accelerated amortisation of the expenses of issuing the preceding funds, amounting to -€10.5 million for debt restructuring in March 2017, which cancelled the previous debt;
- costs related to financial restructuring that were recorded in full in the income statement, for €2.47 million;
- a gain of +€2.2 million on the partial surrender of the bond borrowing.

NET INCOME FOR THE PERIOD

Income from the Group's continued activities stood at +€329.0 million in 2017. Excluding financial revenues from the debt restructuring (€265.8 million, i.e. €278.2 million net of taxes), income from the Group's continued activities would be +€50.8 million, a decline of -5.6%.

2018 OUTLOOK

The outlook for 2018 is stability in recurring EBITDA.

PRESENTATION OF THE RESOLUTIONS

TO BE SUBMITTED TO THE COMBINED GENERAL MEETING OF 9 MARCH 2018



A presentation of the resolutions appears in the Board of Directors' report on pages 26 et seq. of this document.

DRAFT RESOLUTIONS

TO BE SUBMITTED TO THE COMBINED GENERAL MEETING OF 9 MARCH 2018

ORDINARY MATTERS

FIRST RESOLUTION

(RATIFICATION OF THE CO-OPTING OF MR PIERRE DANON AS DIRECTOR)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, ratifies the co-opting by the Board of Directors at its meeting on 5 September 2017 of Mr Pierre Danon as Director, replacing Mr Robert de Metz, for the remainder of his term of office, i.e. until the ordinary General Meeting of the Company convened to vote on the financial statements for the financial year ending 31 December 2018.

SECOND RESOLUTION

(RATIFICATION OF THE CO-OPTING OF MRS MARIE-CHRISTINE LEVET AS DIRECTOR)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, ratifies the co-opting by the Board of Directors at its meeting on 15 December 2017 of Mrs Marie-Christine Levet as Director, replacing Mrs Monica Menghini, for the remainder of her term of office, i.e. until the ordinary General Meeting of the Company convened to vote on the financial statements for the financial year ending 31 December 2019.

THIRD RESOLUTION

(APPROVAL OF THE COMPONENTS OF THE REMUNERATION PAID OR GRANTED FOR THE FINANCIAL YEAR 2017 TO MR PIERRE DANON)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, voting pursuant to Article L. 225-100 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or granted for the financial year 2017 to Mr Pierre Danon in his capacity as Chairman of the Board of Directors since 5 September 2017, as presented in the corporate governance report of the Company as referred to in Article L. 225-37 of the French Commercial Code.

FOURTH RESOLUTION

(APPROVAL OF THE COMPONENTS OF THE REMUNERATION PAID OR GRANTED FOR THE FINANCIAL YEAR 2017 TO MR ERIC BOUSTOULLER)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, voting pursuant to Article L. 225-100 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or granted for the financial year 2017 to Mr Eric Boustouller in his capacity as Chief Executive Officer since 11 December 2017, as presented in the corporate governance report of the Company as referred to in Article L. 225-37 of the French Commercial Code.

FIFTH RESOLUTION

(APPROVAL OF THE COMPONENTS OF THE REMUNERATION PAID OR GRANTED FOR THE FINANCIAL YEAR 2017 TO MR JEAN-PIERRE REMY)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, voting pursuant to Article L. 225-100 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or granted for the financial year 2017 to Mr Jean-Pierre Remy in his capacity as Chief Executive Officer until 30 June 2017, as presented in the corporate governance report of the Company as referred to in Article L. 225-37 of the French Commercial Code.

SIXTH RESOLUTION

(APPROVAL OF THE COMPONENTS OF THE REMUNERATION PAID OR GRANTED FOR THE FINANCIAL YEAR 2017 TO MR ROBERT DE METZ)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, voting pursuant to Article L. 225-100 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or granted for the financial year 2017 to Mr Robert de Metz in his capacity as Chief Executive Officer until 5 September 2017, as presented in the corporate governance report of the Company as referred to in Article L. 225-37 of the French Commercial Code.

SEVENTH RESOLUTION

(APPROVAL OF THE COMPONENTS OF THE REMUNERATION PAID OR GRANTED FOR THE FINANCIAL YEAR 2017 TO MR CHRISTOPHE PINGARD)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, voting pursuant to Article L. 225-100 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or granted for the financial year 2017 to Mr Christophe Pingard in his capacity as Deputy Chief Executive Officer until 15 December 2017, as presented in the corporate governance report of the Company as referred to in Article L. 225-37 of the French Commercial Code.

EIGHTH RESOLUTION

(APPROVAL OF THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, ALLOCATION AND GRANTING OF THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND ATTRIBUTABLE FOR THE FINANCIAL YEAR 2018 TO THE CHIEF EXECUTIVE OFFICER)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, voting pursuant to Article L. 225372 of the French Commercial Code, approves the principles and criteria for the determination, allocation

and granting of the fixed, variable and exceptional components of the total remuneration and the benefits of any kind attributable for the financial year 2018 to the Chief Executive Officer, by reason of his office, and detailed in the corporate governance report of the Company as referred to in Article L. 225-37 of the French Commercial Code.

NINTH RESOLUTION

(APPROVAL OF THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, ALLOCATION AND GRANTING OF THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND ATTRIBUTABLE FOR THE FINANCIAL YEAR 2018 TO THE CHAIRMAN OF THE BOARD OF DIRECTORS)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, voting pursuant to Article L. 225-37-2 of the French Commercial Code, approves the principles and criteria for the determination, allocation and granting of the fixed, variable and exceptional components of the total remuneration and the benefits of any kind attributable for the financial year 2018 to the Chairman of the Board of Directors, by reason of his office, and detailed in the corporate governance report of the Company as referred to in Article L. 225-37 of the French Commercial Code.

TENTH RESOLUTION

(APPROVAL OF COMMITMENTS WITHIN THE SCOPE OF ARTICLE L. 225-42-1 OF THE FRENCH COMMERCIAL CODE FOR THE BENEFIT OF MR ERIC BOUSTOULLER)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, after

having reviewed the Board of Directors' report and the Statutory Auditors' special report on commitments within the scope of Article L. 225-42-1 of the French Commercial Code, approves the commitments detailed in the Statutory Auditors' special report and, notably, the commitment to pay a severance payment, under certain conditions, and the commitment to pay a compensation as consideration for a clause whereby the beneficiary may not carry out any competing professional activity after the termination of his duties within the Company, as decided by the Board of Directors at its meeting on 11 July 2017 and described in said special report, for the benefit of Mr Eric Boustouller with respect to his term of office as Chief Executive Officer of the Company.

ELEVENTH RESOLUTION

(REITERATION OF THE APPROVAL OF COMMITMENTS WITHIN THE SCOPE OF ARTICLE L. 225-42-1 OF THE FRENCH COMMERCIAL CODE FOR THE BENEFIT OF MR CHRISTOPHE PINGARD)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report on commitments within the scope of Article L. 225-42-1 of the French Commercial Code, acknowledges the approval by the combined General Meeting of 13 June 2017, pursuant to its fifth resolution, of the commitments undertaken by the Company for the benefit of Mr Christophe Pingard and decides, considering the extension until 15 December 2017 of his mandate as Deputy Chief Executive Officer, to renew this approval on the same terms.

EXTRAORDINARY MATTERS

TWELFTH RESOLUTION

(AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS TO ALLOCATE FREE SHARES OF THE COMPANY TO EMPLOYEES OR CORPORATE OFFICERS OF THE GROUP SOLOCAL GROUP)

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report;

- acknowledges that the authorisation granted by the Extraordinary General Meeting of 29 April 2014, pursuant to its fifth resolution, is no longer in force;
- authorises the Board of Directors, with the right to sub-delegate under the conditions set by law, for a period of 12 months as from the date of this General Meeting, to proceed, in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code, in one or more instalments and under the conditions it will determine, within the limits set in this authorisation, to allocations for free of Company's existing shares or shares to be issued, under the conditions set forth below;
- decides that the beneficiaries shall be employees or corporate officers of the Company or of French or foreign companies or related groups within the meaning of Article L. 225197-2 of the French Commercial Code or certain categories thereof, it being specified that no allocation of free shares shall occur for the benefit of the Chairman of the Company's Board of Directors;
- decides that the total number of shares that may be allocated for free pursuant to this resolution shall represent a maximum of 9,200,000 shares, including a maximum of 2,300,000 shares

for the benefit of the corporate officers of the Company, it being specified that this ceiling is set in an autonomous manner from the ceilings of the share capital increases resulting from the issues of shares or securities authorised by the fourteenth to seventeenth resolutions thereafter;

- decides that any allocation for free of shares pursuant to this resolution shall be subject to a performance condition and a presence condition, which terms will be set by the Board of Directors;
- decides that the performance condition will be based on the one hand (i) on the degree of achievement of an objective regarding the aggregate EBITDA minus CAPEX and on the other hand (ii) on the evolution of the Company's share price, it being specified that the final allocation of the maximum number of shares authorised by this General Meeting (i.e. 9,200,000 shares for all beneficiaries) will be subject to the fact that the average share price for the twenty trading days prior to the date of 31 December 2020 is equal to or greater than €1.98 (after adjustment of any potential distribution or transaction on the share capital performed as from the date of this General Meeting);
- decides that the performance condition shall be deemed satisfied in the event of a change of control of the Company within the meaning of Article L. 233-3 of the French Commercial Code (without prejudice to the obligation for the beneficiaries to comply with the vesting period);
- decides that the duration of the vesting period will be of three years and that no holding period for shares will be imposed to the beneficiaries;

- decides that, by way of exception, the members of the Executive Committee (or any body substituted therefor) of the Company (as of the date of the definitive allocation) will be required to hold at least 30% of the shares that will be definitively allocated to them pursuant to this resolution until the termination of their membership in the Executive Committee;
- decides that in case of disability of the beneficiary meeting the conditions set forth by law or in case of his death, the performance and presence conditions shall be deemed satisfied and the definitive allocation of the shares will occur prior to the end of the vesting period;
- decides that existing shares that may be allocated pursuant to this resolution shall be acquired by the Company under Articles L. 225-208 and L. 225-209 of the French Commercial Code;
- acknowledges and decides, if need be, that under this authorisation, the shareholders shall waive, for the benefit of the beneficiaries of allocations of existing shares or shares to be issued, (i) their preferential subscription rights to the shares that shall be issued upon definitive allocation thereof, (ii) any right on shares allocated for free pursuant to this authorisation and (iii) any right on the amount of the capital reserves and premiums to which the issue of the new shares will be allocated, where applicable;
- grants full powers to the Board of Directors (which may be assisted by a committee comprising the members of its choice), with the right to sub-delegate under the conditions set by law, to implement this authorisation, within the limit set above, and in particular to:
 - set the performance and presence conditions (in particular cases where the Board of Directors may waive the presence condition) as well as the allocation criteria under which the shares will be allocated,
 - set, within the legal conditions and limits, dates on which free allocations will take place,
 - decide the dividend entitlement date of the newly issued shares, which may be retroactive,
 - determine the identity of the beneficiaries, the number of shares to be allocated to each of them and the terms and conditions of the allocation of shares,
 - decide one or more share capital increases of the Company resulting from the free allocations of shares to be issued by the Company pursuant to this resolution,
 - adjust, as the case may be, the number of shares allocated in the event of transactions on the Company's share capital or equity having for effect to change the value of the shares comprising the share capital in order to preserve the rights of the beneficiaries of shares allocated for free,
 - carry out all publication and filing formalities in connection with the completion of the share capital increase(s) of the Company resulting from the free allocations of shares to be issued by the Company pursuant to this resolution and amend the by-laws accordingly, and
 - more generally, enter into any agreement, establish all documents, carry out all formalities and all declarations before any organization and do all that is necessary.

The Board of Directors shall inform the General Meeting each year of the allocations made pursuant to this resolution in accordance with Article L. 225-197-4 of the French Commercial Code.

THIRTEENTH RESOLUTION

(AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS TO ALLOCATE FREE SHARES OF THE COMPANY TO MR ERIC BOUSTOULLER, CHIEF EXECUTIVE OFFICER)

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report, and in particular the specific commitments made to Mr Eric Boustouller when appointed as Chief Executive Officer of the Company, authorises the Board of Directors to proceed, in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code, to an allocation for free of Company's existing shares or shares to be issued to Mr Eric Boustouller, Chief Executive Officer of the Company, within the conditions set forth below:

- the number of shares that may be allocated for free pursuant to this resolution is set at 1,000,000;
- the definitive allocation of shares pursuant to this resolution will be subject to the condition that Mr Eric Boustouller is still in the Company at the end of the vesting period as referred to below; this condition shall be deemed satisfied in the event of a forced departure during the vesting period;
- the allocation for free of shares shall occur within 30 days as from the date of this General Meeting;
- the vesting period shall be 12 months and the holding period shall be 12 months;
- subsequently to the above-mentioned holding period, Mr Eric Boustouller shall hold at least two third of the shares thus allocated until the termination of his duties as Chief Executive Officer of the Company;
- in case of disability of the beneficiary meeting the conditions set forth by law or in case of his death, the definitive allocation of the shares will occur prior to the end of the vesting period;
- existing shares that may be allocated pursuant to this resolution shall be acquired by the Company under Articles L. 225-208 and L. 225-209 of the French Commercial Code.

The General Meeting acknowledges and decides, if need be, that under this authorisation, the shareholders shall waive, for the benefit of the beneficiary, (i) their preferential subscription rights to the shares that shall be issued upon definitive allocation thereof, (ii) any right on shares allocated for free pursuant to this authorisation and (iii) any right on the amount of capital reserves and premiums to which, as the case may be, the issue of the new shares will be allocated, where applicable.

The General Meeting grants full powers to the Board of Directors to implement this authorisation, within the limits set above, and in particular to:

- set, within the legal conditions and limits, the dates on which the free allocations will take place;
- decide the dividend entitlement date of the newly issued shares, which may be retroactive;
- decide one or more share capital increases of the Company resulting from the free allocations of shares to be issued by the Company pursuant to this resolution;
- adjust, as the case may be, the number of shares allocated in the event of transactions on the Company's share capital or equity having for effect to change the value of the shares comprising the share capital in order to preserve the rights of the beneficiaries of shares allocated for free;

- carry out all publication and filing formalities in connection with the completion of share capital increase(s) of the Company resulting from the free allocations of shares to be issued by the Company pursuant to this resolution and amend the by-laws accordingly; and
- more generally, enter into any agreement, establish all documents, carry out all formalities and all declarations before any organization and do all that is necessary.

The Board of Directors shall inform the General Meeting each year of the allocations made under this resolution in accordance with Article L. 225-197-4 of the French Commercial Code.

FOURTEENTH RESOLUTION

(DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL, WITH SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS PRESERVED, BY ISSUING SHARES AND/OR EQUITY SECURITIES GRANTING ACCESS TO OTHER EQUITY SECURITIES AND/OR GIVING ENTITLEMENT TO THE ALLOTMENT OF DEBT SECURITIES AND/OR SECURITIES GRANTING ACCESS TO EQUITY SECURITIES TO BE ISSUED)

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report, and voting in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, in particular Article L. 225-129-2, and with the provisions of Articles L. 228-91 et seq. of said Code, delegates to the Board of Directors, with the right to sub-delegate under the conditions set by law, for a period of 26 months as from the date of this General Meeting, its authority to decide the issue, with shareholders' preferential subscription rights preserved, of shares and/or equity securities granting access to other equity securities and/or giving entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued, the subscription of which may be carried out either in cash or by set-off with certain, due and payable receivables, or, in full or in part, by incorporation of reserves, profits or premiums.

Limits to authorized capital increases in the event of use by the Board of Directors of this delegation of authority are set as follows:

- the nominal maximum amount of the share capital increases that may be carried out immediately or in the future pursuant to this delegation is set at €17,000,000, or the equivalent in any other currency or currency unit established by reference to more than one currency;
- the global nominal maximum amount of the share capital increases that may be carried out pursuant to this delegation and to those granted under the fifteenth and sixteenth resolutions submitted to this General Meeting is set at €22,800,000, or the equivalent in any other currency or currency unit established by reference to more than one currency;
- these ceilings (i) are set exclusive of the nominal amount of the Company's shares which may be issued by way of the adjustments made to protect, in accordance with the provisions of applicable laws and regulations and, as the case may be, with contractual provisions providing for other adjustment cases, the rights of the holders of securities or of other rights giving access to the Company's share capital but (ii) inclusive of the amount of additional shares to be issued in the event of the implementation of the option to increase the number of shares to be issued in the event of over-subscriptions which is the subject matter of the

seventeenth resolution hereafter (or any other resolution which may be substituted for the same).

Securities giving access to the share capital of the Company so issued may consist of debt securities or be associated with the issue of such securities or allow the issue of the same as intermediate securities. In particular they may take the form of subordinated or non-subordinated securities, with a fixed or indefinite duration, and be issued either in euros, or in foreign currencies, or in currency units established by reference to more than one currency. The duration of the loans (giving access to the Company's share capital), other than those that would be represented by securities of indefinite duration, shall not exceed fifty years.

Issued securities may be, as the case may be, complemented by warrants giving entitlement to the allotment, purchase or subscription of bonds or other debt securities.

The global nominal maximum amount of all debt securities issued pursuant to this resolution shall not exceed €450 million (or its equivalent in euros on the date of decision of the issue in the event of issue in foreign currencies or currency units established by reference to more than one currency), it being specified that this amount (on which the amount of additional debt securities to be issued in the event of over-subscriptions as part of the implementation of the seventeenth resolution hereafter (or any other resolution which may be substituted for the same) will be charged) applies to all the debt securities the issue of which is provided for by the fourteenth, fifteenth and sixteenth resolutions submitted to this General Meeting.

Shareholders have, in proportion to the amount of their shares, a preferential subscription right for shares, equity securities and securities issued pursuant to this resolution. The Board of Directors may introduce for the benefit of the shareholders a subscription right on a reducible basis to the issued shares, equity securities or securities, which shall be exercised in proportion to their subscription rights and within the limit of their requests.

If subscriptions made on a non-reducible basis and, as the case may be, reducible basis, do not absorb the entire issue, the Board of Directors may use the following rights or some of them in the order of its choice: (i) limit the issue to the amount of subscriptions received provided that it reaches at least three-quarters of the decided issue, (ii) freely allocate all or part of the unsubscribed securities, or (iii) offer all or part of the unsubscribed securities to the public, on the French and/or international and/or foreign market.

The General Meeting acknowledges that under this delegation, the shareholders shall waive their preferential subscription right to the Company's shares or equity securities to which securities that may be issued pursuant to this delegation will give right.

The General Meeting decides that issues of warrants for Company's shares may be carried out by subscription offer, but also by a free allocation to holders of existing shares and, that in the event of a free allocation of warrants for shares, the Board of Directors will have the right to decide that fractional rights of allotment will not be tradable and that corresponding securities will be sold.

The Board of Directors shall set, with the right to sub-delegate under the conditions set by law, the characteristics, amount and terms of any issue as well as issued securities. In particular, it shall determine the category of securities issued and shall set their subscription price, their methods of payment, their dividend entitlement date which may be retroactive or the terms for exercising the rights attached to the issued securities. The Board of Directors will also be entitled to, as the case may be, with the right

to sub-delegate under the conditions set by law, take all measures to protect the rights of holders of issued securities or other rights granting access to the Company's share capital required by the law and regulations and applicable contractual provisions, suspend if appropriate the exercise of the rights attached to these securities for a period determined in accordance with the law and regulations and applicable contractual provisions. The Board of Directors, with the right to sub-delegate under the conditions set by law, may in particular in the event of issue of warrants for shares, determine the number and characteristics thereof and decide, if it deems fit, under the terms and conditions that it will set, that the warrants may be repaid or redeemed, or allocated for free to the shareholders in proportion of their right in the capital.

The Board of Directors may charge, on its own initiative and with the right to subdelegate under the conditions set by law, the costs of the share capital increases on the premium amounts arising thereon and deduct from this amount the necessary sums to increase the legal reserve.

The Board of Directors may decide to disregard the treasury shares held by the Company for the purpose of determining the preferential subscription rights attached to the other shares. If not, rights attached to the securities held by the Company will be, before the closure of the time limit for subscription, either be sold on the stock exchange or allocated among the shareholders in proportion to their rights.

The Board of Directors shall have all powers, with the right to sub-delegate under the conditions set by law, to implement this resolution, in particular by entering into any agreement for this purpose, to proceed in one or more instalments, in the proportion and at the time it will deem fit, in France and/or, as the case may be, abroad and/or on the international market, to the aforementioned issues – as well as, as the case may be, to postpone them, to acknowledge the completion of each share capital increase and amend the by-laws accordingly, to take all measures and carry out all appropriate formalities useful to the issue, to the listing and financial servicing of the securities issued pursuant to this delegation as well as for the exercise of the rights attached thereto.

The Board of Directors may not, without the prior authorisation of the General Meeting, make use of this delegation of authority as from the filing by a third party of a public tender offer on the Company's securities, and until the closing of the offering period.

If the Board of Directors were to use the delegation of authority conferred by this resolution, the Board of Directors would report to the next ordinary General Meeting, in accordance with the law and regulations, on the use made of the authorisations granted by this resolution.

FIFTEENTH RESOLUTION

(DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL, WITHOUT SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS, BY ISSUING SHARES AND/OR EQUITY SECURITIES GRANTING ACCESS TO OTHER EQUITY SECURITIES AND/OR GIVING ENTITLEMENT TO THE ALLOTMENT OF DEBT SECURITIES AND/OR SECURITIES GRANTING ACCESS TO EQUITY SECURITIES TO BE ISSUED, THROUGH PUBLIC OFFERINGS)

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report, and voting in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, in particular of Articles L. 225129-2, L. 225-135 and L. 225-136 of said Code, and with the provisions of Articles L. 228-91 et

seq. of said Code, delegates to the Board of Directors, with the right to subdelegate under the conditions set by law, for a period of 26 months as from the date of this General Meeting, its authority to decide the issue of shares and/or equity securities granting access to other equity securities and/or giving entitlement to the allotment of debt securities and/or securities granting access to equity securities to be issued, the subscription of which may be carried out either in cash or by set-off with certain, due and payable receivables.

Issues carried out pursuant to this delegation will be carried out through public offerings, it being specified that they may be carried out in association with one or several offers within the scope of section II of Article L. 411-2 of the French Monetary and Financial Code carried out pursuant to the sixteenth resolution hereafter.

The General Meeting decides accordingly to withdraw the shareholders' preferential subscription right to shares, equity securities and other securities to be issued under this resolution, while allowing the Board of Directors, in accordance with subparagraph 5 of Article L. 225-135 of the French Commercial Code, the option to grant to the shareholders, for a period and on terms it will set in accordance with the applicable law and regulations and for some or all of any issue, a priority subscription period which does not constitute a tradable right and which must be exercised in proportion to the quantity of shares owned by each shareholder.

Limits for authorised share capital increases in the event of use by the Board of Directors of this delegation of authority are set as follows:

- the nominal maximum amount of the share capital increases that may be carried out immediately or in the future pursuant to this delegation is set at €5,800,000, or the equivalent in any other currency or currency unit established by reference to more than one currency;
- the global nominal maximum amount of the share capital increases that may be carried out pursuant to this delegation and to those granted under the sixteenth resolution submitted to this General Meeting is set at €5,800,000, or the equivalent in any other currency or currency unit established by reference to more than one currency;
- these ceilings (i) are set exclusive of the nominal amount of the Company's shares which may be issued by way of the adjustments made to protect, in accordance with the provisions of applicable laws and regulations and, as the case may be, with contractual provisions providing for other adjustment cases, the rights of the holders of securities or of other rights giving access to the Company's share capital but (ii) inclusive of the amount of additional shares to be issued in the event of the implementation of the option to increase the number of shares to be issued in the event of over-subscriptions which is the subject matter of the seventeenth resolution hereafter (or any other resolution which may be substituted for the same).

It is specified that the amount of the share capital increases carried out or that may be carried out in the future pursuant to this delegation will be charged on the overall ceiling provided by subparagraph 2 of the fourteenth resolution submitted to this General Meeting or, as the case may be, on the overall ceiling that may be provided in a resolution of a same nature which may supersede said resolution during the validity period of this delegation.

Securities giving access to the share capital of the Company so issued may consist of debt securities or be associated with the issue of such securities or allow the issue of the same as intermediate securities. In particular they may take the form of subordinated or non-subordinated securities, with a fixed or indefinite duration, and

be issued either in euros, or in foreign currencies, or in currency units established by reference to more than one currency. The duration of the loans (giving access to the Company's share capital), other than those that would be represented by securities of indefinite duration, shall not exceed fifty years. Provisions concerning the securities of a same nature that may be issued under the previous resolution will apply to their issue, throughout their existence and for their access to share capital, their payment, subordination rank or amortization.

Issued securities may be, as the case may be, complemented by warrants giving entitlement to the allotment, purchase or subscription of bonds or other debt securities.

The global nominal maximum amount of all debt securities issued pursuant to this resolution shall not exceed, and will be charged on the ceiling relating to debt securities provided for by the foregoing fourteenth resolution.

The General Meeting acknowledges that under this delegation, the shareholders shall waive their preferential subscription right to the Company's shares or equity securities to which securities that may be issued pursuant to this delegation will give right.

The Board of Directors shall set, with the right to sub-delegate under the conditions set by law, the characteristics, amount and terms of any issue as well as issued securities. In particular, it shall determine the category of securities issued and shall set their subscription price, their methods of payment, their dividend entitlement date which may be retroactive or the terms for exercising the rights attached to the issued securities. The Board of Directors will also be entitled to, as the case may be, with the right to sub-delegate under the conditions set by law, take all measures to protect the rights of holders of issued securities or other rights granting access to the Company's share capital required by the law and regulations and applicable contractual provisions, suspend if appropriate the exercise of the rights attached to these securities for a period determined in accordance with the law and regulations and applicable contractual provisions. The Board of Directors, with the right to sub-delegate under the conditions set by law, may in particular in the event of issue of warrants for shares, determine the number and characteristics thereof and decide, if it deems fit, under the terms and conditions that it will set, that the warrants may be repaid or redeemed, or allocated for free to the shareholders in proportion of their right in the capital.

The Board of Directors, with the right to sub-delegate under the conditions set by law, may set the issue price of the shares or securities which may be issued pursuant to this resolution, it being specified that:

- a) the issue price of shares will be at least equal to the minimum provided by the applicable regulatory provisions as of the date of issue (as of the date hereof, the weighted average price of the three latest stock exchange sessions preceding its determination, which may be reduced by a discount of at most 5%);
- b) the issue price of securities giving access to the capital and the number of shares to which conversion, redemption or more generally transformation of each security giving access to the capital may give entitlement to, will be such that the amount received immediately by the Company, plus, as the case may be, any amount to be received subsequently by the Company i.e., for each share issued as a consequence of the issue of these securities, be at least equal to the amount described in subparagraph "a)" above.

If subscriptions made on a non-reducible basis and, as the case may be, reducible basis, do not absorb the entire issue, the Board

of Directors may use the following rights or some of them in the order of its choice: (i) limit the issue to the amount of subscriptions received provided that it reaches at least three-quarters of the decided issue, (ii) freely allocate all or part of the unsubscribed securities, or (iii) offer all or part of the unsubscribed securities to the public, on the French and/or international and/or foreign market.

The Board of Directors may charge, on its own initiative and with the right to subdelegate under the conditions set by law, the costs of the share capital increases on the premium amounts arising thereon and deduct from this amount the necessary sums to increase the legal reserve.

The Board of Directors shall have all powers, with the right to sub-delegate under the conditions set by law, to implement this resolution, in particular by entering into any agreement for this purpose, to proceed in one or more instalments, in the proportion and at the time it will deem fit, in France and/or, as the case may be, abroad and/or on the international market, to the aforementioned issues – as well as, as the case may be, to postpone them, to acknowledge the completion of each share capital increase and amend the by-laws accordingly, to take all measures and carry out all appropriate formalities useful to the issue, to the listing and financial servicing of the securities issued pursuant to this delegation as well as for the exercise of the rights attached thereto.

The Board of Directors may not, without the prior authorisation of the General Meeting, make use of this delegation of authority as from the filing by a third party of a public tender offer on the Company's securities, and until the closing of the offering period.

If the Board of Directors were to use the delegation of authority conferred by this resolution, the Board of Directors would report to the next ordinary General Meeting, in accordance with the law and regulations, on the use made of the authorisations granted by this resolution.

SIXTEENTH RESOLUTION

(DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL, WITHOUT SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS, BY ISSUING SHARES AND/OR EQUITY SECURITIES GRANTING ACCESS TO OTHER EQUITY SECURITIES AND/OR GIVING ENTITLEMENT TO THE ALLOTMENT OF DEBT SECURITIES AND/OR SECURITIES GRANTING ACCESS TO EQUITY SECURITIES TO BE ISSUED, THROUGH PRIVATE PLACEMENTS AS REFERRED TO IN ARTICLE L. 411-2 II OF THE FRENCH MONETARY AND FINANCIAL CODE)

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report, and voting in accordance with the provisions of Articles L.225-129 et seq. of the French Commercial Code, in particular of Articles L.225129-2, L.225-135 and L.225-136 of said Code, and with the provisions of Articles L. 228-91 et seq. of said Code, delegates to the Board of Directors, with the right to subdelegate under the conditions set by law, for a period of 26 months as from the date of this General Meeting, its authority to decide the issue of shares and/or equity securities granting access to other equity securities and/or giving entitlement to the allocation of debt securities and/or securities granting access to equity securities to be issued, the subscription of which may be carried out either in cash or by set-off with certain, due and payable receivables.

Issues carried out pursuant to this delegation will be carried out through offerings as referred to in section II of Article L. 411-2 of

the French Monetary and Financial Code, it being specified that they may be carried out in association with one or several public offerings carried out pursuant to the foregoing fifteenth resolution.

The General Meeting decides accordingly to withdraw the shareholders' preferential subscription right to shares, equity securities and other securities to be issued under this resolution.

Limits for authorised share capital increases in the event of use by the Board of Directors of this delegation of authority are set as follows:

- the nominal maximum amount of the share capital increases that may be carried out immediately or in the future under this delegation is set at €5,800,000, or the equivalent in any other currency or currency unit established by reference to more than one currency;
- it being specified that this ceiling (i) is set exclusive of the nominal amount of the Company's shares which may be issued by way of the adjustments made to protect, in accordance with the provisions of applicable laws and regulations and, as the case may be, with contractual provisions providing for other adjustment cases, the rights of the holders of securities or of other rights giving access to the Company's share capital but (ii) inclusive of the amount of additional shares to be issued in the event of the implementation of the option to increase the number of shares to be issued in the event of over-subscriptions which is the subject matter of the seventeenth resolution hereafter (or any other resolution which may be substituted for the same).

In any event, issues of shares carried out pursuant to this delegation shall not exceed the limits provided by the applicable regulations as of the date of the issue (as of the date hereof, 20% of the share capital per year).

It is specified that the amount of the share capital increases carried out or that may be carried out in the future pursuant to this delegation will be charged (i) on the overall ceiling provided by subparagraph 2 of the fourteenth resolution submitted to this General Meeting or, as the case may be, on the overall ceiling that may be provided in a resolution of a same nature which may supersede said resolution during the validity period of this delegation and (ii) on the overall ceiling provided by subparagraph 4 of the fifteenth resolution submitted to this General Meeting or, as the case may be, the overall ceiling that may be provided in a resolution of a same nature which may supersede said resolution during the validity period of this delegation.

Securities giving access to the share capital of the Company so issued may consist of debt securities or be associated with the issue of such securities or allow the issue of the same as intermediate securities. In particular they may take the form of subordinated or non-subordinated securities, with a fixed or indefinite duration, and be issued either in euros, or in foreign currencies, or in currency units established by reference to more than one currency. The duration of the loans (giving access to the Company's share capital), other than those that would be represented by securities of indefinite duration, shall not exceed fifty years. Provisions concerning the securities of a same nature that may be issued under the fourteenth resolution will apply to their issue, throughout their existence and for their access to share capital, their payment, subordination rank or amortization.

Issued securities may be, as the case may be, complemented by warrants giving entitlement to the allotment, purchase or subscription of bonds or other debt securities.

The global nominal maximum amount of all debt securities issued pursuant to this resolution shall not exceed, and will be charged on the ceiling relating to debt securities provided for by the foregoing

fourteenth resolution.

The General Meeting acknowledges that under this delegation, the shareholders shall waive their preferential subscription right to the Company's shares or equity securities to which securities that may be issued pursuant to this delegation will give right.

The Board of Directors shall set, with the right to sub-delegate under the conditions set by law, the characteristics, amount and terms of any issue as well as issued securities. In particular, it shall determine the category of securities issued and shall set their subscription price, their methods of payment, their dividend entitlement date which may be retroactive or the terms for exercising the rights attached to the issued securities. The Board of Directors will also be entitled to, as the case may be, with the right to sub-delegate under the conditions set by law, take all measures to protect the rights of holders of issued securities or other rights granting access to the Company's share capital required by the law and regulations and applicable contractual provisions, suspend if appropriate the exercise of the rights attached to these securities for a period determined in accordance with the law and regulations and applicable contractual provisions. The Board of Directors, with the right to sub-delegate under the conditions set by law, may in particular in the event of issue of warrants for shares, determine the number and characteristics thereof and decide, if it deems fit, under the terms and conditions that it will set, that the warrants may be repaid or redeemed, or allocated for free to the shareholders in proportion of their right in the capital.

The Board of Directors, with the right to sub-delegate under the conditions set by law, may set the issue price of the shares or securities which may be issued pursuant to this resolution, it being specified that:

- a) the issue price of shares will be at least equal to the minimum provided by the applicable regulatory provisions as of the date of issue (as of the date hereof, the weighted average price of the three latest stock exchange sessions preceding its determination, which may be reduced by a discount of at most 5%);
- b) the issue price of securities giving access to the capital and the number of shares to which conversion, redemption or more generally transformation of each security giving access to the capital may give entitlement to, will be such that the amount received immediately by the Company, plus, as the case may be, any amount to be received subsequently by the Company i.e., for each share issued as a consequence of the issue of these securities, be at least equal to the amount described in subparagraph "a)" above.

If subscriptions made on a non-reducible basis and, as the case may be, reducible basis, do not absorb the entire issue, the Board of Directors may use the following rights or some of them in the order of its choice: (i) limit the issue to the amount of subscriptions received provided that it reaches at least three-quarters of the decided issue, (ii) freely allocate all or part of the unsubscribed securities, or (iii) offer all or part of the unsubscribed securities to the public, on the French and/or international and/or foreign market.

The Board of Directors may charge, on its own initiative and with the right to subdelegate under the conditions set by law, the costs of the share capital increases on the premium amounts arising thereon and deduct from this amount the necessary sums to increase the legal reserve.

The Board of Directors shall have all powers, with the right to sub-delegate under the conditions set by law, to implement

this resolution, in particular by entering into any agreement for this purpose, to proceed in one or more instalments, in the proportion and at the time it will deem fit, in France and/or, as the case may be, abroad and/or on the international market, to the aforementioned issues – as well as, as the case may be, to postpone them, to acknowledge the completion of each share capital increase and amend the by-laws accordingly, to take all measures and carry out all appropriate formalities useful to the issue, to the listing and financial servicing of the securities issued pursuant to this delegation as well as for the exercise of the rights attached thereto.

The Board of Directors may not, without the prior authorisation of the General Meeting, make use of this delegation of authority as from the filing by a third party of a public tender offer on the Company's securities, and until the closing of the offering period.

If the Board of Directors were to use the delegation of authority conferred by this resolution, the Board of Directors would report to the next ordinary General Meeting, in accordance with the law and regulations, on the use made of the authorisations granted by this resolution.

SEVENTEENTH RESOLUTION

(AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS, IN THE EVENT OF A SHARE CAPITAL INCREASE WITH OR WITHOUT SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS PRESERVED, TO INCREASE THE NUMBER OF SECURITIES TO BE ISSUED)

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report, and voting in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code, authorises the Board of Directors, with the right to subdelegate under the conditions set by law, for a period of 26 months as from the date of this General Meeting, for each of the issues decided pursuant to the foregoing fourteenth, fifteenth and sixteenth resolutions, to increase the number of securities to be issued, under the conditions of the above-mentioned Article L. 225-135-1 (i.e., as of the date hereof, within thirty days of the closure of the subscription, up to the limit of 15% of each issue and at the same price as that decided for the initial issue), and subject to compliance with the ceiling(s) provided for in the resolution pursuant to which the issue is decided.

The Board of Directors may not, without the prior authorisation of the General Meeting, make use of this delegation of authority as from the filing by a third party of a public tender offer on the Company's securities, and until the closing of the offering period.

EIGHTEENTH RESOLUTION

(DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL OF THE COMPANY THROUGH THE INCORPORATION OF RESERVES, PROFITS OR PREMIUMS)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, after having reviewed the Board of Directors' report, and voting in accordance with the provisions of Articles L. 225-129-2 and L. 225-130 of the French Commercial Code, delegates to the Board of Directors, for a period of 26 months as from the date of this General Meeting, its authority to decide to increase the share capital, in one or more instalments, at the time it will deem fit, through the incorporation of reserves, profits or premiums into the share capital, followed by the creation and the free allocation of new shares or by the increase in the par value of existing shares, or a combination of these two methods.

The ceiling of the nominal amount of the share capital increase, whether immediate or deferred, resulting from all of the issues carried out pursuant to this delegation is set at €40 million, it being specified that this ceiling is set (i) exclusive of the nominal amount of the Company's shares which may be issued by way of the adjustments made to protect, in accordance with the provisions of applicable laws and regulations and, as the case may be, with contractual provisions providing for other adjustment cases, the rights of the holders of securities or of other rights giving access to the Company's share capital and (ii) in an autonomous manner from the ceilings of the share capital increases resulting from the issues of shares or securities authorised by the fourteenth to seventeenth resolutions.

The Board of Directors may not, without the prior authorisation of the General Meeting, make use of this delegation of authority as from the filing by a third party of a public tender offer on the Company's securities, and until the closing of the offering period.

The Board of Directors shall have all powers, with the right to sub-delegate under the conditions set by law, for the purpose of implementing this resolution and in particular to:

- set the amount and nature of sums to be incorporated into the share capital, set the number of new shares to be issued and/or the amount by which the par value of the existing shares composing the share capital is to be increased, decide on the date, which may be retroactive, from which the new shares will rank for dividend or that of the increase in the par value will take effect;
- decide that fractional rights will be neither be tradable nor transferable and the corresponding securities will be sold; the amounts deriving from the sale shall be allocated to the holders of the rights within timeframe provided for by the regulations;
- charge the costs of share capital increases on one or more available reserve accounts and deduct from this amount the sums necessary to fund the legal reserve;
- take all measures to complete the share capital increases, carry out the formalities resulting therefrom, in particular those relating to the listing of the issued securities, and amend the by-laws accordingly to reflect those capital increases, and generally do all that may be necessary.

NINETEENTH RESOLUTION

(DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO PROCEED WITH SHARE CAPITAL INCREASES RESERVED FOR MEMBERS OF COMPANY SAVINGS PLANS)

The General Meeting, voting in accordance with the quorum and majority requirements for Extraordinary General Meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report, and voting in accordance with the provisions of Articles L. 225-129-2, L. 225-129-6, L. 225-138 I and L. 225-138-1 of the French Commercial Code and with the provisions of Articles L. 3332-18 et seq. of the French Labour Code,

- terminates, with immediate effect, for the unused portion thereof, the authorisation granted by the Extraordinary General Meeting of 13 June 2017, pursuant to its fifteenth resolution; and
- delegates to the Board of Directors, with the right to sub-delegate under the conditions set by law, for a period of 26 months as from the date of this Meeting, its authority to decide to increase the share capital, on its sole decisions, in one or more instalments, at the time it will deem fit, by issuing shares reserved for employees and former employees of the Company and/or companies related to the Company within the meaning of the provisions of Article

L. 225-180 of the Commercial Code and Article L. 3344-1 of the French Labour Code being member of a company savings plan.

The ceiling of the nominal amount of the share capital increase, whether immediate or deferred, resulting from the issue carried out pursuant to this delegation (including by the incorporation of reserves, profits or premiums under the conditions and limits set by the aforementioned Articles of the French Labour Code) is set at €1,150,000, it being specified that this ceiling is set in an autonomous manner from the ceilings of the share capital increases resulting from the issues of shares or securities authorised by the foregoing fourteenth to seventeenth resolutions.

The General Meeting decides to withdraw in favour of these employees and former employees the shareholders' preferential subscription right to the shares to be issued pursuant to this delegation.

The General Meeting decides that the price of the securities issued pursuant to this delegation shall be determined under the conditions set out in the provisions of Article L. 3332-18 et seq. of the French Labour Code, it being specified that the maximum discount offered under the company savings plan shall be set at 20% of the average opening prices of SoLocal Group's share quoted on the Euronext Paris market during the 20 trading days preceding the day of the decision setting the opening date for the subscriptions, the Board of Directors may reduce this discount as it will deem fit.

The Board of Directors shall have full powers, with the right to sub-delegate under the conditions set by law, to implement this resolution and in particular to:

- decide that the issues may be carried out directly in favour of the beneficiaries or through collective securities investment funds;
 - establish, among the entities likely to be included in the scope of the company savings plan, the list of companies, or groups, whose employees and former employees may subscribe to the issued shares;
 - determine the nature and the terms of the share capital increase;
 - set the seniority conditions to be met by the beneficiaries of the shares resulting from the share capital increase carried out pursuant to this resolution;
- acknowledges the completion of the share capital increase;
 - determines, if necessary, the amount of the sums to be incorporated into the share capital within the limit set above, the equity entry(entries) from which they shall be drawn as well as the dividend entitlement date of these newly issued shares;
 - as the case may be, charge the costs of the issues on the related premiums amount and deduct the sums necessary to fund the legal reserve;
 - take all measures to complete the share capital increases, carry out the formalities resulting therefrom, in particular those pertaining to the listing of the issued securities, and amend the by-laws accordingly to reflect those capital increases, and generally do all that may be necessary.

TWENTIETH RESOLUTION

(POWER FOR FORMALITIES)

The General Meeting grants full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all legal and administrative formalities and comply with all filing and publication requirements referred to in the laws in force.

ORDINARY MATTERS

TWENTY-FIRST RESOLUTION – NEW RESOLUTION

(APPOINTMENT OF MRS LUCILE RIBOT AS A DIRECTOR)

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, decides to appoint Mrs Lucie Ribot as Director, for a term of four (4) years that will expire at the close of the Ordinary General Meeting convened to vote on the financial statements for the financial year ending 31 December 2021.

DIRECTORS WHOSE RATIFICATION IS PROPOSED TO THE COMBINED GENERAL MEETING OF 9 MARCH 2018



A biography of each Director whose ratification is proposed to the Combined General Meeting of 9 March 2018 is set out on page 27 of this document.

Name	Position or office within the Company	Number of shares of which the candidate is the registered holder or bearer	Expiry date of the office	Other duties and main offices in other companies during the past five years
Pierre Danon	N/A	260,530	Annual General Meeting to be held in 2019	Positions held: <ul style="list-style-type: none"> ● Chairman of TDC (Denmark) ● Vice-President of Agrogénération (Ukraine) ● Executive Chairman of Volia (Ukraine) ● Executive Chairman of All Media Baltic (Baltic countries) ● Chairman of ProContact (Mauritius) ● Vice-Chairman of Ciel Finance (Mauritius) Positions no longer held: <ul style="list-style-type: none"> ● President of the Numericable-Completel Group ● Non-Executive Director of Standard Life (Scotland)
Marie-Christine Levat	N/A	Acquisition in progress	Annual General Meeting to be held in 2020	Positions held: <ul style="list-style-type: none"> ● President of Educapital ● Director of Iliad ● Director of Maisons du Monde ● Director of Econocom ● Director of Mercilays ● Director of the AFP Positions no longer held: <ul style="list-style-type: none"> ● Director of Hi-Pay ● Director of Avanquest

DIRECTOR WHOSE APPOINTMENT IS PROPOSED TO THE COMBINED GENERAL MEETING OF 9 MARCH 2018



A biography of the Director whose appointment is proposed to the Combined General Meeting of 9 March 2018 is set out on pages 32 of this document.

Name	Position or office within the Company	Number of shares of which the candidate is the registered holder or bearer	Expiry date of the office	Other duties and main offices in other companies during the past five years
Lucile Ribot	N/A	Acquisition in progress	Annual General Meeting to be held in 2022	<p>Positions held:</p> <ul style="list-style-type: none"> ● Member of the HSBC (France) Audit and Risks Committee <p>Positions no longer held:</p> <ul style="list-style-type: none"> ● Management and Financial Controller Fives Information Technology and Systems EIG ● Liquidator 5 of Pik SAS ● Director Solios Carbone SA ● Chief Executive Officer (CEO) FL Investco SAS ● Director Fives Celes SA ● Director Fives Cryo SA ● Director Fives Manufacturing Industries SA ● Director Fives Proabd SA ● Director Fives Stein SA ● Director – permanent representative Fives Solios SA ● Director – permanent representative Fives Cail SA ● Director Fives DMS SA ● Director Fives Pillard SA ● Director FL Metal SA ● Director Fives Landis Limited ● Director Fives UK Holding Limited ● Member of the Executive Committee of Fives SA ● Member of the Executive Committee of Novafives SAS

FIVE-YEAR SUMMARY OF FINANCIAL RESULTS

(ARTICLE R. 225-81(3) AND R. 225-83(6) OF THE FRENCH COMMERCIAL CODE)

Type of information ([other than share capital, amounts given in thousands of euros])	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017
1 - FINANCIAL POSITION AT YEAR-END					
a) Share capital	56,196,951	232,345,434	233,259,384	233,259,384	58,244,480
b) Number of outstanding ordinary shares	280,984,754	1,161,727,170	38,876,565	38,876,565	582,280,326
2 - TOTAL INCOME FROM OPERATIONS					
a) Annual revenues, net of tax ⁽¹⁾	10,345	9,071	13,047	24,080	24,709
b) Earnings before tax, profit-sharing, depreciation, amortisation and provisions	77,276	(142,015)	(152,278)	(98,531)	(4,788)
c) Corporate income tax	(57,839)	(56,153)	14,089	(51,474)	(54,667)
d) Mandatory employee profit-sharing	-	-	-	-	-
e) Earnings after tax, depreciation, amortisation and provisions	(51,438)	(132,193)	(1,785,325)	8,640	(21,002)
f) Earnings distributed in n+1*	-	-	-	-	-
3. EARNINGS PER SHARE (in euros)					
a) Earnings after tax & profit-sharing but before depreciation, amortisation and provisions	0.48	-0.07	-4.28	-1.21	0.09
b) Earnings after tax, profit-sharing, depreciation, amortisation and provisions	-0.18	-0.11	-45.92	0.22	0.04
c) Dividend per share paid in n+1*	0.00	0.00	0.00	0.00	0.00
4 - PERSONNEL					
a) Average number of salaried employees during the year	45	43	43	38	2
b) Total payroll	8,721	7,536	8,107	7,986	805
c) Total paid in respect of employee benefits	4,216	5,791	3,997	3,833	328

* Or submitted to the General Meeting for the last financial year (before deduction of treasury shares).
(1) The amounts recorded as Revenues, net of tax include all operating income.

BOARD OF DIRECTORS' REPORT

TO THE SOLOCAL GROUP COMBINED GENERAL MEETING OF 9 MARCH 2018



RESOLUTIONS SUBMITTED TO THE SHAREHOLDERS' VOTE

Ladies and Gentlemen,

We have called this Combined General Meeting, in accordance with the provisions of the law and the Company's Articles of Association, specifically to ask you to vote on:

RESOLUTIONS FALLING WITHIN THE SCOPE OF COMPETENCE OF THE ORDINARY GENERAL MEETING

- ratification of the co-opting of Mr Pierre Danon as Director;
- ratification of the co-opting of Ms Marie-Christine Levat as Director;
- approval of the components of remuneration paid or granted in for the 2017 financial year to Mr Pierre Danon, Mr Eric Boustouller, Mr Jean-Pierre Remy, Mr Robert de Metz and Mr Christophe Pingard;
- approval of the principles and criteria for the determination, allocation and granting of the fixed, variable and exceptional components of the total remuneration and benefits of any kind attributable for the 2018 financial year to the Chief Executive Officer and to the Chairman of the Board of Directors;
- approval of commitments within the scope of Article L. 225-42-1 of the French Commercial Code for the benefit of Mr Eric Boustouller;
- reiteration of the approval of commitments within the scope of Article L. 225-42-1 of the French Commercial Code for the benefit of Mr Christophe Pingard.

RESOLUTIONS FALLING WITHIN THE SCOPE OF COMPETENCE OF THE EXTRAORDINARY GENERAL MEETING

- authorisation granted to the Board of Directors to allocate free shares of the Company to employees or corporate officers of the group SoLocal Group;
- authorisation granted to the Board of Directors to allocate free shares of the Company to Mr Eric Boustouller, Chief Executive Officer;

- delegation of authority to the Board of Directors to increase the share capital, with shareholders' preferential subscription rights preserved, by issuing shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued;
- delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights by issuing of shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued, through public offerings;
- delegation of authority to the Board of Directors to increase the share capital, without shareholders' preferential subscription rights by issuing of shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued, through private placements as referred to in Article L. 411-2 II of the French Monetary and Financial Code;
- authorisation given to the Board of Directors to, in the event of a capital increase with or without shareholders' preferential subscription rights preserved, increase the number of securities to be issued;
- delegation of authority to the Board of Directors to increase the Company's share capital through the capitalisation of reserves, profits or premiums;
- delegation of authority to the Board of Directors to proceed with capital increases reserved for members of company savings plans.

RESOLUTION FALLING WITHIN THE SCOPE OF THE ORDINARY GENERAL MEETING

- Appointment of Mrs Lucile Ribot as a Director.

The required notices have been duly sent to you and all the documents and items provided for by the applicable regulations in force have been made available to you within the legal deadlines.

This report by the Board of Directors concerns the agenda and the text of the proposed draft resolutions (i) as drawn up by the Board of Directors at its meeting on 19 January 2018 and published in the Official Bulletin of Civil and Commercial Announcements (Bulletin des Annonces Légales Obligatoires) number 13 of 29 January 2018 ((1st to 20th resolutions), (ii) amended with respect to the drafts of 10th

and 12th resolutions and (iii) supplemented by the Board of Directors at its meeting on 14 February 2018 by the addition of an item on the agenda and by the draft resolution relating to it (21st resolution) as they will appear in the convening notice which will be published in the Bulletin of Civil and Commercial Announcements.

RESOLUTIONS FALLING WITHIN THE SCOPE OF COMPETENCE OF THE ORDINARY GENERAL MEETING

(1st TO 11th RESOLUTIONS)

RATIFICATION OF THE CO-OPTING OF MR PIERRE DANON AS DIRECTOR

(1st RESOLUTION)

Under the terms of the 1st resolution, it is proposed that the General Meeting ratify the co-opting by the Board of Directors, at its meeting of 5 September 2017, of Mr Pierre Danon as Director, to replace Mr Robert de Metz.

A graduate in Civil Engineering from Ponts et Chaussées, and in Law from the Institut supérieur des affaires, Pierre Danon, aged 61, has held senior management and Director positions in several companies, including as President of Xerox Europe, CEO of British Telecom Retail and Chairman & Chief Executive Officer of Numericable-Completel. Since 2008, he has been Vice-Chairman and is now Chairman of TDC in Copenhagen. He has also, since 2011, served as Executive Chairman of Volia in Kiev. In 2013, he was appointed Vice-Chairman of AgroGénération in Paris and in 2017, he became Executive Chairman of All Media Baltic in Vilnius.

Pierre Danon is the current Chairman of the Board of Directors of the Company.

Pierre Danon holds 260,530 Company shares.

RATIFICATION OF THE CO-OPTING OF MS MARIE-CHRISTINE LEVET AS DIRECTOR

(2nd RESOLUTION)

Under the terms of the 2nd resolution, it is proposed that the General Meeting ratify the co-opting by the Board of Directors, at its meeting of 15 December 2017, of Ms Marie-Christine Levet as Director, to replace Ms Monica Menghini.

A pioneer of the Internet in France, Marie-Christine Levet, aged 50, has headed several major French Internet brands. In 1997, she founded the company Lycos to launch and develop the French version of the search engine, notably through the purchase of the companies Caramail, Spray and Multimania. From 2001 to 2007, she was head of the company Club-Internet, an Internet service provider (subsidiary of T-Online/Deutsche Telekom), where she significantly increased its ADSL market share and its range of content and services, before selling the company in 2007 to Neuf Cegetel (now known as SFR). From there she joined the senior management team of Groupe 01, the leading high-tech information group in France (01net, 01Informatique, etc.), as well as taking over the online business of the Nextradiotv group (bfmtv.com, rmc.fr, etc.). In 2009, Marie-Christine Levet turned her focus towards capital risk and helped to create Jaina Capital, an investment fund specialised in funding start-ups, which has since helped finance some 20 companies including Made.com, La Ruche qui dit Oui and Mediarithmetic.

In 2017, she created her own fund, Educapital, the first investment fund dedicated to education and innovative training. She remains in charge of this fund today. Marie-Christine Levet also serves as a Director of other companies including Iliad (Free), Mercialis, Maisons du Monde, Econocom and the AFP.

Marie-Christine Levet is a graduate of HEC business school and has an MBA from INSEAD.

Marie-Christine Levet is a current member of the Board of Directors of the Company.

As at the date of this report, the acquisition of Company shares by Marie-Christine Levet is in progress.

APPROVAL OF THE COMPONENTS OF REMUNERATION PAID OR GRANTED FOR THE 2017 FINANCIAL YEAR TO MR PIERRE DANON, MR ERIC BOUSTOULLER, MR JEAN-PIERRE REMY, MR ROBERT DE METZ AND MR CHRISTOPHE PINGARD

(3rd, 4th, 5th, 6th AND 7th RESOLUTIONS) ("EX-POST" VOTE)

Under the terms of the 3rd, 4th, 5th, 6th and 7th resolutions, we ask you to approve the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid or granted for the 2017 financial year to Mr Pierre Danon, Chairman of the Board of Directors since 5 September 2017, Mr Eric Boustouller, Chief Executive Officer since 11 October 2017, Mr Jean-Pierre Remy, Chief Executive Officer until 30 June 2017, Mr Robert de Metz, Chairman of the Board of Directors until 5 September 2017, and Mr Christophe Pingard, Deputy Chief Executive Officer until 15 December 2017, pursuant to Article L. 225-100 of the French Commercial Code.

These components of remuneration paid or granted in respect of the 2017 financial year to Mr Pierre Danon, Mr Eric Boustouller, Mr Jean-Pierre Remy, Mr Robert de Metz and Mr Christophe Pingard are presented in detail in "Section II: Remuneration of corporate officers in respect of the 2017 financial year (Article L. 225-37-3 of the French Commercial Code)" of the Company's corporate governance report as described in Article L. 225-37 of the French Commercial Code, presented together with this report at the General Meeting.

In accordance with Article L. 225-37-2 of the French Commercial Code, it is specified that the payment of the aforementioned variable and exceptional components of remuneration is, for all five persons concerned, conditional upon your approval of the associated components of remuneration in respect of the financial year ending 31 December 2018, in accordance with the conditions set out in Article L. 225-100 of the French Commercial Code.

APPROVAL OF THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, ALLOCATION AND GRANTING OF THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND ATTRIBUTABLE FOR THE 2018 FINANCIAL YEAR TO THE CHIEF EXECUTIVE OFFICER AND TO THE CHAIRMAN OF THE BOARD OF DIRECTORS

(8th AND 9th RESOLUTIONS) ("EX-ANTE" VOTE)

Under the terms of the 8th and 9th resolutions, we propose that you approve the principles and criteria for the determination, allocation and granting of the fixed, variable and exceptional components of the total remuneration and benefits of any kind attributable for the 2018 financial year to the Chief Executive Officer and the Chairman of the Board of Directors, pursuant to Article L. 225-37-2 of the French Commercial Code.

The description of the principles and criteria for the allocation, distribution and granting of the fixed, variable and exceptional components of the total remuneration and benefits of any kind attributable for the 2018 financial year to the Chief Executive Officer and the Chairman of the Board of Directors are presented in detail in "Section I: Principles and criteria for the determination of the remuneration of corporate officers in respect of the 2018 financial year (Article L. 225-37-2 of the French Commercial Code)" of the report referred to in Article L. 225-37 of the French Commercial Code, presented together with this report at the General Meeting.

For more information on the long-term variable remuneration to which the Chief Executive Officer may be entitled, please refer to the details hereafter regarding the authorisations that you are asked to grant to the Board of Directors for the purpose of allotting free Company shares (12th and 13th resolutions).

In accordance with Article L. 225-37-2 of the French Commercial Code, it is specified that the payment of variable and exceptional components of the remuneration is, for all persons concerned, conditional upon the prior approval by an Ordinary General Meeting of the associated components of remuneration in accordance with the conditions set out in Article L. 225-100 of the French Commercial Code (namely, for each person concerned, approval by the General Meeting to be held in 2019 of the variable and exceptional components of the total remuneration paid or owed to said person for the financial year ending 31 December 2018).

APPROVAL OF COMMITMENTS WITHIN THE SCOPE OF ARTICLE L. 225-42-1 OF THE FRENCH COMMERCIAL CODE FOR THE BENEFIT OF MR ERIC BOUSTOULLER

(10th RESOLUTION)

Under the terms the 10th resolution we are proposing that you approve, in accordance with Article L. 225-42-1 of the French Commercial Code, all of the commitments made by the Company to Mr Éric Boustouller for his office as Chief Executive Officer, as decided by the Board of Directors at its meeting on 11 July 2017, concerning (i) the payment of a severance package, under certain conditions, (ii) the payment of an indemnity in return for a clause preventing him from exercising a competing professional activity after his functions cease with the Company, and (iii) the defined-

contribution supplementary retirement plan (Article 83 of the French Tax Code).

As Mr Éric Boustouller does not have an employment contract, the Board of Directors has decided to introduce a severance payment in the event of his forced departure from the Company due to a change in control or strategy or the implementation thereof (irrespective of the form of departure: dismissal, non-renewal or resignation), subject to the condition that Mr Éric Boustouller achieves an average of at least 80% of his annual targets over the three years preceding said departure. If the departure occurs less than three years after taking up his duties, the annual targets taken into account will be those which were applicable during the time he was with the Company.

The severance package will be paid only after the Board of Directors acknowledges the achievement of the performance condition.

The amount of this severance package shall be equal to 18 months of the gross annual all-inclusive remuneration (fixed and variable with targets achieved).

A non-competition clause will be applied in the event of the termination of Mr Eric Boustouller's office as Chief Executive Officer for any reason and in any form whatsoever. This non-competition clause shall apply for a period of 12 months commencing on the day of effective termination of his duties and shall cover the performance of professional activity of any kind whatsoever in Europe, for a competitor of the Company. The corresponding compensation shall be equal, on the basis of a 12-month non-competition period, to 6 months remuneration calculated on the basis of the monthly average of his total gross remuneration over the 12 months of activity preceding the date of termination of his duties. It shall be paid to Eric Boustouller at the end of each 6-month period at a rate of one-half of the total amount of compensation.

The Company may, at the time of termination of his duties, (i) waive the non-competition clause (in which case it will not be required to pay the corresponding compensation), or (ii) reduce the duration, scope of activity and/or geographical scope of said clause (in which case the amount of non-competition compensation shall be proportionately reduced).

The aggregate of both the severance package and the non-competition compensation may not exceed two years of fixed and variable remuneration.

REITERATION OF THE APPROVAL OF THE COMMITMENTS WITHIN THE SCOPE OF ARTICLE L. 225-42-1 OF THE FRENCH COMMERCIAL CODE FOR THE BENEFIT OF MR CHRISTOPHE PINGARD

(11th RESOLUTION)

Under the terms of the 5th resolution which was presented at the Combined General Meeting of 13 June 2017, you have approved the commitments made by the Company for the benefit of Mr Christophe Pingard, in accordance with Article L. 225-42-1 of the French Commercial Code.

In light of the extension until 15 December 2017 of the office of the latter as Deputy Chief Executive Officer, we propose that you renew this approval on the same terms.

RESOLUTIONS FALLING WITHIN THE SCOPE OF COMPETENCE OF THE EXTRAORDINARY GENERAL MEETING

(12th TO 19th RESOLUTIONS)

AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS TO ALLOCATE FREE SHARES OF THE COMPANY

(12th RESOLUTION)

The Company successfully achieved its digital transformation in 2016 and its financial restructuring plan in March 2017 with a strengthening of its equity and a two-thirds reduction of its gross debt.

The group, thanks to an improved financial structure and the launch of its strategic market entry plan, is now able to reveal its full growth and innovation potential. This requires a strong commitment from its executive corporate officers and its employees to the long-term objectives of the business.

It is for this reason that the Board of Directors wishes to adapt the group's long-term variable remuneration policy, with two main objectives:

- to align the beneficiaries' interests with the value creation realised by the firm for the benefit of its various stakeholders, in particular its shareholders; and
- to contribute effectively to the policy of attractiveness and talent retention.

The Board of Directors, after taking into account:

- the recommendations of the AFEP/MEDEF Corporate Governance Code of June 2013, as amended in November 2016;
- the specificity of the Company's business, the new operational phase that is beginning and the necessity to define an extended scope of beneficiaries (compared to the previous plan in 2014) in order to preserve the Company's ability to retain and motivate its employees, in the context of growth and acquisition of market shares by the Company; and
- the proposal from the Remuneration and Appointments Committee, itself taking into account the rejection of a free share allocation plan by the Combined General Meeting of 13 June 2017, under the terms of its 16th resolution.

has thus set the conditions of a new free shares allocation plan, as put before you for approval.

Therefore, under the terms of the 12th resolution, it is proposed that the General Meeting acknowledges that the authorisation granted by the Extraordinary General Meeting of 29 April 2014, through its 5th resolution, is no longer in force and, pursuant to the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code, authorises the Board of Directors, with the right to sub-delegate, under the conditions set by law, for a period of 12 months, to proceed, in one or more instalments and under conditions to be determined, within the limits of this new authorisation to allocations for free of Company's existing shares or shares to be issued, under the conditions set forth below.

The beneficiaries must be employees or corporate officers of the Company or of French or foreign related companies or groups as within the meaning of Article L. 225-197-2 of the French Commercial Code or certain categories thereof, it being specified

that no free share allocation shall occur in favour of the Chairman of the Company's Board of Directors.

The total number of shares that may be allocated for free under this authorisation may represent a maximum of 9.2 million shares, including a maximum of 2.3 million shares in favour of the Company's corporate officers.

Any allocated for free of shares pursuant to this authorisation must be subject to a performance condition and a presence condition, the terms and conditions of which would be set by the Board of Directors. The performance condition would be based on the one hand (i) the degree of achievement of an objective regarding the aggregate EBITDA less CAPEX and on the other hand (ii) on the evolution of the Company's share price, it being noted that the final allocation of the maximum number of shares which must be authorised by the General Meeting (i.e. 9.2 million shares for all beneficiaries) would be conditional upon the average share price over the twenty trading days preceding 31 December 2020 being equal to or higher than €1.98 (after restatement of any distributions or capital transactions taking place subsequent to the General Meeting).

The performance condition would be deemed satisfied in the event of a change in control of the Company within the meaning of Article L. 233-3 of the French Commercial Code (provided that the vesting period is met).

The duration of the vesting period would be three years and there would be no holding period imposed on the beneficiaries.

By way of exception, the members of the Executive Committee (or any replacement body) of the Company (on the final allocation date) would be under an obligation to retain at least 30% of the shares definitively allocated thereto pursuant to the 12th resolution and until the termination of their office on the Executive Committee.

In the event of the disability of a beneficiary under the conditions set forth by law, or in the event of the death thereof, the performance and presence conditions shall be deemed satisfied and the final allocation of shares shall occur prior to the end of the vesting period.

It is specified that:

- in the event of forced departure during the vesting period, he shall remain entitled to the allocation of a number of shares determined prorata to his length of service compared to the three-year vesting period, assuming that (i) this forced departure occurs more than twelve (12) months after the allocation of the shares and (ii) on the effective date of departure, the performance condition(s) has/have been met;
- in the event of forced departure due to (x) death or (y) disability or (z) a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) during the vesting period, the performance conditions and the presence condition shall be deemed fully satisfied, thereby entitling him or his successors in interest to all shares allocated.

Forced departure shall mean departure for any reason other than as a result of resignation or dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors.

The existing shares that may be allocated under this new authorisation must be acquired by the Company under Articles L.225-208 and L.225-209 of the French Commercial Code.

Under this authorisation, shareholders would waive, for the benefit of the beneficiaries of allocations of existing shares or shares to be issued, (i) their preferential subscription rights to the shares that would be issued upon the definitive allocation thereof, (ii) any right over the shares allocated for free pursuant to this new authorisation, and (iii) any right over the amount of the reserves and premiums to which the issue of the new shares would be allocated, where applicable.

You are asked to grant full powers to the Board of Directors (which may notably be assisted by a committee comprising members of its choice) with the right to sub-delegate, under the conditions set by law, to implement the authorisation requested, and in particular to:

- set the performance and presence conditions (in particular the circumstances under which the Board of Directors may waive the presence condition) as well as the allocation criteria according to which the shares will be allocated;
- set, within the legal conditions and limits, the dates on which free allocation may take place;
- decide the dividend entitlement date of the newly issued shares (which may be retroactive);
- determine the identity of the beneficiaries, the number of shares to each of them and the terms and conditions of the allocation of shares;
- decide on one or more capital increases of the Company resulting from the free allocation of shares to be issued by the Company pursuant to this authorisation;
- adjust, as the case may be, the number of shares allocated in the event of transactions on the Company's share capital or equity resulting in a change in the value of the shares comprising the share capital in order to preserve the rights of the beneficiaries of the freely allocated shares;
- carry out all publication and filing formalities in connection with the completion of capital increase(s) of the Company resulting from the free allocation of shares to be issued by the Company pursuant to this resolution and amend the by-laws accordingly; and
- more generally, enter into any agreement, establish all documents, carry out all formalities and all declarations before any organisation, and perform any steps or measures as may be required.

AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS TO ALLOCATE FREE SHARES OF THE COMPANY MR ERIC BOUSTOULLER (13th RESOLUTION)

The acceptance by Mr Eric Boustouller of the office of Chief Executive Officer led to his surrender of significant rights to long-term remuneration in respect of his former positions, it being agreed with him at the time of his acceptance of the position of Chief Executive Officer that he would, subject to approval by the Company's General Shareholders' Meeting, be entitled to compensation for taking up his new role, in the form of the free allocation of 1 million Company shares.

As such, under the terms of the 13th resolution, it is proposed that the General Meeting authorises the Board of Directors to proceed, in accordance with the provisions of Articles L.225-197-1 et seq. of the French Commercial Code, to an allocation for free of Company's

existing shares or shares to be issued, to Mr Eric Boustouller, within the conditions set forth below.

The number of shares that may be allocated for free pursuant to this authorisation would be 1 million.

The definitive allocation of shares pursuant to this authorisation would occur within 30 days of the date of the General Meeting and shall be subject to the condition that Mr Eric Boustouller is still working for the Company at the end of the vesting period described below; this condition shall be deemed satisfied in the event of forced departure during the vesting period.

Forced departure shall mean departure for any reason other than as a result of resignation or dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors.

The vesting period shall be 12 months, followed by a 12-month holding period. After this holding period, Mr Eric Boustouller would have to hold at least two thirds of the shares allocated, until the termination of his duties as Chief Executive Officer of the Company.

In the event of the disability of the beneficiary, under the conditions set forth by law, or in the event of the death thereof, the definitive allocation of shares shall take place prior to the end of the vesting period.

The existing shares that may be allocated under this authorisation must be acquired by the Company under Articles L.225-208 and L. 225-209 of the French Commercial Code.

Under this authorisation, shareholders would waive, for the benefit of the beneficiary, (i) their preferential subscription rights to the shares that would be issued upon the definitive allocation thereof, (ii) any right over the shares allocated for free pursuant to this new authorisation, and (iii) any right over the amount of the reserves and premiums to which the issue of the new shares would be allocated, where applicable.

You are asked to grant full powers to the Board of Directors to implement the authorisation requested, and in particular to:

- set, within the legal conditions and limits, the dates on which free allocations may take place;
- decide the dividend entitlement date of the newly issued shares (which may be retroactive);
- decide on one or more capital increases resulting from the allocation of free shares to be issued by the Company pursuant to this authorisation;
- adjust, as the case may be, the number of shares allocated in the event of transactions on the Company's share capital or equity resulting in a change in the value of the shares comprising the share capital in order to preserve the rights of the beneficiary of the freely allocated shares;
- carry out all publication and filing formalities in connection with the completion of capital increase(s) of the Company resulting from the allocation of free shares to be issued by the Company pursuant to this resolution and amend the by-laws accordingly; and
- more generally, enter into any agreement, establish all documents, carry out all formalities and all declarations before any organisation, and perform any steps or measures as may be required.

The Board of Directors would be required to inform the General Meeting each year of the allocations made under this authorisation, in accordance with Article L. 225-197-4 of the French Commercial Code.

RENEWAL OF FINANCIAL AUTHORISATIONS AND DELEGATIONS (14th TO 19th RESOLUTIONS)

The financial authorisations and delegations granted to the Board of Directors in the past have all reached maturity today.

It is therefore proposed that the General Meeting renew these financial authorisations and delegations intended to ensure that the Board of Directors has control over the Company's financial management, enabling it specifically to increase the share capital, using a variety of methods and for various reasons explained hereunder and in the summary table in Annex 1 of this report.

The aim of these financial authorisations and delegations is to allow the Board of Directors, for a period of 26 months from the General Meeting, flexibility in its selection of possible issues and to adapt, at the appropriate time and with ease, the type of financial instruments to be issued in accordance with the state and potential of the financial markets, in France and internationally, as well as the Company's financial position.

As such, under the terms of the 14th resolution, it is proposed that the General Meeting delegate to the Board of Directors its authority to decide to increase (immediately or in the future) the share capital of the Company with preferential subscription rights preserved.

Under the terms of the 15th and 16th resolutions, it is proposed that that General Meeting delegate to the Board of Directors its authority to decide to increase (immediately or in the future) the share capital of the Company – using a variety of methods – without preferential subscription rights.

It is recalled that the “preferential subscription rights” is the right of each shareholder to subscribe, during a period of at least 5 trading days from the opening of the subscription period, a number of new shares proportional to his or her stake in the share capital. This right is detachable and negotiable during the subscription period.

The Board of Directors proposes that you grant to it, for certain resolutions, the ability to waive this preferential subscription rights. In fact, depending on market conditions, the nature of investors involved in the issue and the type of securities issued, it may be preferable or even necessary, to waive the preferential subscription rights to ensure the securities are distributed under the best conditions, particularly when speed is essential to the success of the transaction, or when the issues are carried out on foreign financial markets. This waiver may result in a larger pool of capital due to more favourable issue conditions. Lastly, the law sometimes provides for this waiver, when: notably, the vote on the delegation authorising the Board of Directors to issue shares reserved for members of company savings plans (19th resolution) would legally result in the express waiver by the shareholders of their preferential subscription rights in favour of the beneficiaries of these issues.

The overall ceiling for capital increases carried out in accordance with the terms of the 14th, 15th and 16th resolutions would not exceed the maximum nominal ceiling of €22.8 million (the “Overall Ceiling”) which is broken down into:

- (a) a nominal ceiling of €17 million, representing approximately 30% of the Company's share capital, for capital increases with rights issue (14th resolution), it being specified that this ceiling is incorporated within the Overall Ceiling; and
- (b) a nominal ceiling of €5.8 million, representing approximately 10% of the Company's share capital, for capital increases without rights issue (15th and 16th resolutions), it being specified that this ceiling is incorporated within the Overall Ceiling.

These capital increases may be carried out by issuing shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allocation of debt securities and/or securities giving access to equity securities to be issued.

Furthermore, the overall maximum nominal amount of all debt securities issued pursuant to the 14th, 15th and 16th resolutions may not exceed the overall ceiling of €450 million (the “Overall Ceiling for Debt Securities”).

It is specified that the ceiling of €40 million set for the capital increase carried out in accordance with the 18th resolution is independent of the aforementioned ceilings applicable to the 14th, 15th and 16th resolutions.

Within the context of certain special transactions, the Board of Directors may (see the summary table in Annex 1 of this report for the financial resolutions presented to the General Meeting):

- decide to increase the capital without preferential subscription rights, within the context of public offerings: subject of the 15th resolution. The Board of Directors would however, pursuant to Article L. 225-135, paragraph 5, of the French Commercial Code, have the right to grant to the shareholders, for a specific period and in accordance with the terms and conditions that it would set in compliance with applicable legal and regulatory provisions and for all or part of the issue, a priority subscription period not giving rise to the creation of negotiable rights and that must be exercised proportionately to the number of shares held by each shareholder;
- decide to increase the capital without preferential subscription rights, by way of an offer as defined in Article L. 411-2, II of the French Monetary and Financial Code: subject of the 16th resolution. This resolution would result in the delegation to the Board of Directors of the authority to carry out private placement transactions in favour of qualified investors or a limited group of investors;
- decide to increase the number of securities to be issued within the legal limits in the case of a capital increase with or without preferential subscription rights, in the context of the 14th, 15th and 16th resolutions: subject of the 17th resolution;
- decide to increase the share capital by capitalisation of premiums, reserves, profits or other: subject of the 18th resolution. The purpose of this resolution is to enable the Board of Directors to carry out, in one or more instalments, capital increases by capitalisation of premiums, reserves, profits or other, the capitalisation of which shall comply with the law and the by-laws; and
- decide on a capital increase without preferential subscription rights reserved for members of company savings plans up to a nominal maximum amount of €1.15 million: subject of the 19th resolution. The purpose of implementing a capital increase reserved for members of company savings plans would be to strengthen this ownership and to encourage employees to become actively involved in the development of the Company.

For each of these delegations (except that covered by the 19th resolution), it is specified that the Board of Directors may not, without the prior authorisation of the General Meeting, use the delegations of authority subsequent to the filing by a third party of a tender offer in relation to Company securities, until after the end of this offer period.

Details on the running of the Company's business during the financial period closed on 31 December 2017 and from the start of the current financial year are shown in Annex 2 of this report in accordance with Article R. 225-113 of the French Commercial Code.

RESOLUTIONS COMING WITHIN THE SCOPE OF THE ORDINARY GENERAL MEETING

(21st RESOLUTION)

APPOINTMENT OF MRS LUCILE RIBOT AS DIRECTOR

(21st RESOLUTION)

This draft resolution has been added by the Board of Directors at its meeting on 14 February 2018.

Under the terms of the 21st resolution, it is proposed that the General Meeting appoints Mrs Lucile Ribot as a Director for a term of four (4) years. Her term of office would therefore expire at the end of the Ordinary General Meeting convened to vote on the financial statements for the financial year ending 31 December 2021.

Mrs Lucile Ribot, who graduated from HEC in 1989, began her career with Arthur Andersen where she advised large international groups on audit and financial consultancy matters. She joined

the Fives Group in 1995, becoming Financial Director in 1998 and a member of the Executive Committee in 2002, accompanying its strategic growth and development until 2017. She is a Director and member of HSBC France's Audit and Risk Committees.

Mrs Lucile Ribot does not hold a position within SoLocal Group.

The acquisition of Company shares by Mrs Lucile Ribot was in progress at the date of this report.

The Board of Directors invites you to adopt the resolutions it has submitted to your vote.

Prepared in Boulogne-Billancourt, on 14 February 2018

The Board of Directors

ANNEX 1

SUMMARY TABLE OF THE FINANCIAL RESOLUTIONS PRESENTED TO THE GENERAL MEETING

No.	Subject	Duration	Reason for possible uses of the delegation	Specific ceilings	Price or terms and conditions for determining the price	Other information and comments
14	Issue, with preferential subscription rights preserved, of shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued	26 months	May be used by the Board of Directors to decide on these issues, in one or more instalments	<ul style="list-style-type: none"> • Ceiling: €17 million incorporated within the Overall Ceiling • Issue of debt securities included within the Overall Ceiling for Debt Securities • Ceilings specified exclude any additional amount issued to preserve the rights of holders of securities giving access to the share capital 	Price set by the Board of Directors	<ul style="list-style-type: none"> • Possibility to create a subscription right on a reducible basis • Delegation may not be used during a tender offer period
15	Issue, without preferential subscription rights, of shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued, through a public offerings	26 months	May be used by the Board of Directors to decide on these issues and to carry out issues without preferential subscription rights in favour of shareholders, in France and/or abroad, through public offering	<ul style="list-style-type: none"> • Ceiling: €5.8 million incorporated within the Overall Ceiling • Issue of debt securities included within the Overall Ceiling for Debt Securities • Ceilings specified exclude any additional amount issued to preserve the rights of holders of securities giving access to the share capital 	Price set by the Board of Directors in compliance with legal rules (weighted average price over the preceding three trading days with a maximum discount of 5%)	<ul style="list-style-type: none"> • Delegation may not be used during a tender offer period • The Board of Directors has the ability to grant to the shareholders, for all or part of an issue, a priority subscription period not giving rise to the creation of negotiable rights, to be exercised proportionately to the number of shares held by each shareholder
16	Issue, without preferential subscription rights, shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued, through private placements referred to in Article L. 411-2 II of the French Monetary and Financial Code	26 months	May be used by the Board of Directors to make private placement offers	<ul style="list-style-type: none"> • Ceiling: €5.8 million incorporated within the Overall Ceiling and the ceiling of €5.8 million set by the 15th resolution • Issue of debt securities included within the Overall Ceiling for Debt Securities • Legal ceiling: currently 20% of the share capital per year • Ceilings specified exclude any additional amount issued to preserve the rights of holders of securities giving access to the share capital 	Price set by the Board of Directors in compliance with legal rules (weighted average price over the preceding three trading days with a maximum discount of 5%)	Delegation may not be used during a tender offer period

No.	Subject	Duration	Reason for possible uses of the delegation	Specific ceilings	Price or terms and conditions for determining the price	Other information and comments
17	Increase in the number of shares to be issued in the event of a capital increase with or without preferential subscription rights	26 months	May be used to reopen a capital increase, at the same price as the original transaction, in the event of over-subscription (known as the "greenshoe" option)	<ul style="list-style-type: none"> For each issue, the ceiling is equal to the limit set by the regulations applicable on the date of the issue (currently 15% of the original issue) Included in the ceiling of the original issue and incorporated within the Overall Ceiling 	Price identical to that of the original transaction	
18	Company capital increase by capitalisation of reserves, profits or premiums	26 months	May be used to capitalise reserves, profits or others within the share capital, resulting in a capital increase without any "new money" being invested	<ul style="list-style-type: none"> Ceiling: €40 million, independent of the Overall Ceiling and the ceilings mentioned in the 14th, 15th and 16th resolutions 	Determination by the Board of Directors of the amounts to be incorporated and the number of new equity securities and/or the new nominal amount of existing equity securities	Delegation may not be used during a tender offer period
19	Capital increase reserved for members of company savings plans	26 months	May be used to develop employee shareholding, in France or abroad	<ul style="list-style-type: none"> Ceiling: €1.15 million, independent of the Overall Ceiling and the ceilings mentioned in the 14th, 15th and 16th resolutions 	Maximum discount of 20% on the average of the first share prices of the SoLocal Group listed on the Euronext Paris stock exchange over the 20 trading days preceding the issue	

ANNEX 2

THE COMPANY'S BUSINESS DURING THE PAST FINANCIAL YEAR AND SINCE THE START OF THE CURRENT FINANCIAL YEAR

In accordance with the provisions of Article R. 225-13 of the French Commercial Code, we provide you below are presenting you with a report on the Company's business during the past financial year ended on 31 December 2017, and since the start of the current financial year.

SoLocal Group is a holding company and, as such, holds subsidiaries whose task is to "raise awareness of local know-how everywhere and boost local business". The Group offers its customers digital services and solutions to increase their visibility and local contacts and creates and updates the best personalised professional local content for users.

The Group's activities are organised as two segments: the "Internet" segment and the "Print & Voice" segment.

OPERATING INCOME

The SoLocal Group company posted annual revenues of €23.1 million in 2017, compared with €23.5 million in 2016. This revenue consists mainly of real estate services invoiced to subsidiaries and of costs invoiced to all of its subsidiaries.

OPERATING EXPENSES

Personnel expenses totalled €1.1 million in 2017, compared with €11.8 million in 2016, for an average workforce of two in 2017, compared with 38 in 2017. This trend is explained by the transfer on 1 January 2017 of SoLocal Group employees to the GIE SoLocal (SoLocal economic interest group), excluding the corporate officer.

The other operating expenses increased from €39.5 million in 2016 to €44.3 million in 2017. This €4.8 million increase is due primarily to:

- the full-year effect of the rental payments and expenses for the Citylights property located in Boulogne-Billancourt (move-in: May 2016) for €17.3 million compared to €11.0 million in 2016, i.e. an impact of €6.3 million;
- re-invoicing of the GIE SoLocal contribution for €1.8 million with no equivalent in 2016;
- the lump-sum retirement payments of SoLocal Group transferred to the GIE SoLocal on 1 January 2017 for €1.6 million, with an equivalent reversal of a provision in operating income;

a reduction in costs linked to debt refinancing of €7.0 million, i.e. €10.7 million in 2017 versus €17.7 million in 2016.

SoLocal Group posted an operating loss of €20.7 million in 2017, and also had an operating loss of €27.3 million in 2016.

FINANCIAL INCOME

Financial revenue totalled €73.7 million in 2017, compared with €76.5 million in 2016.

In 2017, financial revenues consisted mainly of:

- dividends received from PagesJaunes SA for €64.1 million;
- the reversal of a provision for impairment on Chronoresto shares for €5.2 million and the current account of that same entity for €3.1 million.

Financial expenses totalled €82.6 million in 2017, compared with €91.8 million in 2016. These expenses consisted mainly of:

- impairment of shares in PagesJaunes SA for €37.0 million, compared to €18.7 million in 2016 for PagesJaunes Resto, Leadformance and Mappy, and of treasury shares;
- the interest expense on bank loans and on loans and current account payables owed to subsidiaries, which totalled €45.0 million in 2017, compared with €72.6 million in 2016. This reduction is explained by the financial debt restructuring.

The average interest rate on the debt rose from 5.4% at 31 December 2016 to 7.6% at 31 December 2017, where the latter was calculated over the period when the new debt was set up, i.e. from 15 March to 31 December 2017.

The net financial loss was €9.0 million in 2017, compared to a loss of €15.3 million in 2016.

EXTRAORDINARY INCOME

There was a net exceptional loss of €4.0 million in 2017 compared with another loss of 0.€2 million in 2016.

Exceptional income stood at €2.5 million. It consisted mainly of the expected repayment of the employer's contribution for free share allocations (€2.0 million), as well as Article 700 payments.

In 2016, they consisted of the costs of the move into the Citylights property, re-invoiced to the subsidiaries.

Exceptional expenses stood at €6.5 million in 2017. They consisted primarily of the sale of Chronoresto's shares for 5.3 million, which were 100% impaired. In 2016, they consisted mainly of the cost of moving into the Citylights property.

CORPORATION TAX

On 3 December 2004, SoLocal Group opted to comply with the rules that apply to tax groups pursuant to Articles 223-A et seq. of the French Tax Code, for a renewable period of five years. In doing so, SoLocal Group made itself solely liable for the corporate income tax on all of the earnings of the tax consolidation group formed by itself and the companies in which it directly or indirectly holds at least 95% of the share capital and which agreed to join this group.

The tax-consolidated subsidiaries at 31 December 2017 were PagesJaunes, SoLocal Marketing Services, NetVendeur, Mappy, PagesJaunes Outre-mer, ClicRDV, Fine Media, Retail Explorer, Cristallerie 5 and Leadformance.

Thus, SoLocal Group recognised net tax income of €54.4 million in 2017, mainly from tax consolidation. In 2016, this tax income stood at €51.4 million.

NET INCOME/EXPENSES

SoLocal Group posted a net profit of €21.0 million in 2017, compared with a profit of €8.6 million in 2016.

Appended to this report there is, pursuant to Article R. 225-102 of the French Commercial Code, a table of our Company's earnings over the past five fiscal years.

OUTLOOK

For 2018, SoLocal Group will continue to provide audit, internal control and risk management support to operational entities and to empower them in these areas.

BUSINESS ACTIVITY OF MAIN SUBSIDIARIES

SoLocal Group generated revenue of €755.8 million in 2017 (within the scope of its ongoing activities, excluding entities disposed of in 2017), with its Internet and Print & Voice activities representing 84% and 16%, respectively. In 2017, Internet activity was driven by the two main digital businesses, Local Search and Digital Marketing.

INTERNET

In 2017, SoLocal Group recorded €635.8 million in Internet revenues, representing 84% of Group revenues.

- First, we offer digital services and solutions to clients which enable them to enhance their visibility and develop their local leads: in 2017, Local Search posted revenue of €461.3 million, thanks to a sustainable and highly qualitative audience generated through our own brands (PagesJaunes, Mappy, Ooreka) and our privileged partnerships (Google, Bing (Microsoft), Yahoo!, Apple and Facebook).

- Second, we create and provide Internet users with the best local and customised content about professionals: in 2017, this Digital Marketing activity represented revenues of €174.5 million. The technologies have been created over the last five years and have generated rapid growth (+18.1% in 2017 compared to 2016). They comprise sites & contents, local programmatic and transactional services.

PRINT & VOICE

The Print & Voice activities generated €120.0 million in 2017. This business line includes the Group's activities in the publication, distribution and sale of advertising space in printed directories (PagesJaunes, PagesBlanches), as well as the Group's other activity called 'Voice', including telephone directory enquiry and reverse directory services.

During the 2017 financial year, the Group divested itself of two non-strategic activities ("divested activities"):

- avendrealouer.fr, a website for classified real estate advertisements;
- Chronorest, an online meal ordering service.

The accounts published by the Group as at 31 December 2017 are made up as follows:

At 31 December 2017, EBITDA for divested activities amounted to -€2.7 million, compared to -€2.1 million for the financial year ended 31 December 2016.

In the presentation of its results and in this activity report, SoLocal Group separates the momentum of its ongoing activities from that of the activities that it has disposed of. The financial performance indicators are commented on the perimeter of continued activities.

Financial year ended 31 December 2017

Financial year ended 31 December 2016*

(Amount in thousands of euros)	Notes	Continued activities					Continued activities				
		Consolidated	Divested activities	Continued activities	Recurrent	Non- recurrent	Consolidated	Divested activities	Continued activities	Recurrent	Non- recurrent
Group revenues		764,941	9,092	755,849	755,849	-	812,277	10,973	801,304	801,304	-
Net external expenses		(201,479)	(6,154)	(195,325)	(192,377)	(2,948)	(215,822)	(7,407)	(208,415)	(207,436)	(979)
Personnel expenses		(383,492)	(5,628)	(377,864)	(367,489)	(10,375)	(372,580)	(5,709)	(366,871)	(362,859)	(4,012)
EBITDA from Continued activities operations		179,970	(2,690)	182,660	195,983	(13,323)	223,875	(2,143)	226,018	231,009	(4,991)
Depreciation and amortisation		(53,487)	10,720	(64,207)	(64,207)	-	(59,231)	(2,586)	(56,645)	(56,645)	-
Operating income/expense		126,483	8,030	118,453	131,777	(13,323)	164,644	(4,729)	169,373	174,364	(4,991)
Net gain from debt restructuring at 13 March 2017		265,785		265,785	-	265,785	-		-	-	-
Other financial income		393	-	393	393	-	1,425	-	1,425	1,425	-
Financial expenses		(28,569)	-	(28,569)	(28,569)	-	(75,247)	-	(75,247)	(75,247)	-
Exchange rate gain (loss)		-	-	-	-	-	(25)	-	(25)	(25)	-
Financial income	10.4	237,609	-	237,609	(28,176)	265,785	(73,847)	-	(73,847)	(73,847)	-
Income before tax		364,092	8,030	356,062	103,601	252,462	90,796	(4,729)	95,525	100,516	(4,991)
Corporation tax	9	(28,570)	(1,468)	(27,102)	(44,094)	16,992	(41,840)	(79)	(41,761)	(43,480)	1,719
Income for the period		335,522	6,562	328,960	59,507	269,453	48,956	(4,808)	53,764	57,037	(3,272)

* Restated with the retroactive application of the provisions of the IAS 20 standard on the CIR and Turnover Tables

CORPORATE GOVERNANCE REPORT

This report is prepared in accordance with Articles L. 225-37 et seq. of the French Commercial Code. It has four sections:

Part I: Principles and criteria for determining the compensation of corporate officers for the 2018 financial year (Article L. 225-37-2 of the French Commercial Code)

Part II: The compensation of corporate officers for the 2017 financial year (Article L. 225-37-3 of the French Commercial Code)

Part III: Corporate Governance (Article L. 225-37-4 of the French Commercial Code)

Part IV: Significant factors liable to have an impact in the event of a tender offer or public exchange offer (L. 225-37-5 of the French Commercial Code)

PART I: PRINCIPLES AND CRITERIA FOR DETERMINING THE COMPENSATION OF CORPORATE OFFICERS FOR THE 2018 FINANCIAL YEAR (ARTICLE L. 225-37-2 OF THE FRENCH COMMERCIAL CODE)

Principles and criteria for the determination, allocation and granting of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the Chairman, Chief Executive Officers or Deputy Chief Executive Officers by reason of their office (Article L. 225-37-2 subparagraph 2 of the French Commercial Code) (ex ante vote)

The 8th and 9th resolutions submitted to the General Shareholders' Meeting on 9 March 2018 concern the approval of the principles and criteria for the determination, allocation and granting of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the Chief Executive Officer (8th resolution) and to the Chairman of the Board of Directors (9th resolution) for the 2018 financial year.

Part I sets out the principles and criteria for determination which are submitted to the vote of the General Meeting. It is specified that these principles and criteria apply to the functions concerned and would continue to apply if the General Management or the Chairman of the Board change.

In addition, it is specified that the amounts referred to in Part I represent ceilings and that the total compensation and benefits in kind granted to the corporate officers of SoLocal Group may be for lower amounts.

THE PRINCIPLES AND RULES OF DETERMINATION

The compensation of the corporate officers of the Group is determined in compliance with the recommendations of the AFEP/MEDEF Corporate Governance Code, revised in November 2016, and the provisions of Law n° 2016-1691 of 9 December 2016 (the "Sapin 2 Law").

It is decided by the Board of Directors, on the proposal of the Remuneration and Appointments Committee, and submitted to the vote of the General Meeting.

It is subject to regular comparative studies in order to ensure the competitiveness and fairness of the compensation policy within the Group.

The conditions of compensation of the corporate officers comprise firstly annual growth and personal operational effectiveness targets, and secondly long-term targets linked to the economic and financial performance of the Group. They notably take account of the specificities of firms of the digital sector in the matter of compensation and retention of management staff.

For the 2017 financial year, the Board of Directors wanted the variable compensation of executive corporate officers to be based on the creation of value for shareholders (Total Shareholder Return).

For the 2018 financial year, the Board of Directors wants the targets fixed for executive corporate officers to reflect their involvement in the challenges of transforming the strategy, organisations and the culture whilst taking into account the return to growth which is necessary for the Group.

A. CHAIRMAN OF THE BOARD OF DIRECTORS

A proposal will be made to the shareholders at the General Meeting on 9 March 2018 for the Chairman of the Board of Directors to receive annual all-inclusive compensation of €150,000 in Directors' fees for his office as Chairman of the Board of Directors.

He does not benefit from any other compensation or benefit.

B. CHIEF EXECUTIVE OFFICER (CEO)

1. DIRECTORS' FEES

The Directors' fees which the Chief Executive Officer may be entitled to during his term of office as a Director or permanent representative of a company of the Group (the Company and its subsidiaries) or an entity in which he may intervene as a representative of a company of the Group will either not be paid (in particular for subsidiaries) or paid to the Company.

2. ANNUAL COMPENSATION

2.1. STRUCTURE OF THE ANNUAL COMPENSATION

The annual compensation of the Chief Executive Officer comprises a fixed portion and a variable portion, the criteria of which are (i) partly common to all Directors of the Group ("common targets"), and (ii) partly individual ("individual targets").

2.2. FIXED ANNUAL COMPENSATION

The Chief Executive Officer's gross annual fixed compensation for the 2018 fiscal year will total €520,000 which will be paid in monthly installments. The amount of this fixed compensation has not changed since 2013.

2.3. ANNUAL VARIABLE COMPENSATION

The Board of Directors informs the Chief Executive Officer annually of the targets it has set for assessing variable compensation, which are based on a proposal by the Remuneration and Appointments Committee. The Board of Directors assesses the attainment of the targets and the amount of the corresponding variable portion every year on a proposal by the Remuneration and Appointments Committee.

The criteria for the variable compensation of the Chief Executive Officer for the 2018 financial year payable in 2019 were fixed by the Board of Directors at its meeting on 14 February 2018 on a proposal by the Remuneration and Appointments Committee.

The criteria for assessment of the 2018 variable compensation of the Chief Executive Officer and their respective weight are summarised in the table below.

The Board of Directors set the 2018 target for the variable portion of the Chief Executive Officer's compensation at 100% of the fixed compensation, if targets are achieved. It can vary between 0% and 200% of the fixed compensation, based on the following criteria:

	Min	Target	Max
2018 Internet revenues: growth target for internet revenues	0%	20%	40%
2018 EBITDA: profitability and cost reduction focus target	0%	20%	40%
Evolution in number of clients	0%	10%	20%
NPS customer satisfaction target	0%	10%	20%
Individual targets related to the transformation project	0%	40%	80%
TOTAL VARIABLE AS% OF FIXED COMPENSATION	0%	100%	200%

The payment of the components of the variable compensation due for the 2018 financial year to the Chief Executive Officer will be conditional on approval by the Ordinary General Shareholders' Meeting of the Company to be held in 2019.

2.4. MULTI-YEAR VARIABLE COMPENSATION

N/A.

2.5. STOCK OPTIONS

No stock option allotment is planned for 2018.

2.6. FREE SHARES ALLOCATIONS

It is proposed that the General Meeting on 9 March 2018 authorise a long-term compensation mechanism in the form of an allocation of the Company's performance shares (12th resolution) to the Company's corporate officers.

Therefore, in 2018, the Chief Executive Officer would be allocated a maximum of 2,300,000 free performance shares, in accordance with the terms and conditions below:

- the allocation of free shares would be subject to a performance condition and a presence condition;
- the performance condition would be based on the one hand (i) on the degree of achievement of an objective regarding the aggregate EBITDA less CAPEX and on the other hand (ii) on the evolution of the Company's share price, it being noted that the final allocation

of the maximum number of shares which must be authorised by the General Meeting would be conditional upon the average share price over the twenty trading days preceding 31 December 2020 being equal to or higher than €1.98 (after restatement of any distributions or capital transactions taking place subsequent to the General Meeting);

- the vesting period would be three years;
- the Chief Executive Officer would be obliged to hold at least 30% of the free shares definitely allocated to him up until he ceased to be a member of the Company's Executive Board;
- in the event of the disability of a beneficiary under the conditions set forth by law, or in the event of the death thereof, the performance and presence conditions shall be deemed satisfied and the final allocation of shares shall occur before the end of the vesting period;
- in the event of forced departure during the vesting period, he shall remain entitled to the allocation of a number of shares determined prorata to his length of service compared to the three-year vesting period, assuming that (i) this forced departure occurs more than twelve (12) months after the allocation of the shares and (ii) on the effective date of departure, the performance condition(s) have been met;
- in the event of forced departure due to (x) death or (y) incapacity or (z) a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) during the vesting period, the performance conditions and the presence condition shall be deemed fully satisfied, thereby entitling him or his successors in interest to all shares allocated.

Forced departure shall mean departure for any reason other than as a result of resignation or dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors.

The Board of Directors' intention is to submit a performance share allocation plan to the General Shareholders' Meeting of the Company annually, whose scope and conditions will be agreed at the appropriate time.

2.7. EXCEPTIONAL COMPENSATION

N/A.

2.8. COMPENSATION, INDEMNITIES OR BENEFITS DUE OR THAT MAY BE DUE AS A RESULT OF TAKING UP DUTIES

As Mr Éric Boustouller, when accepting the office of Chief Executive Officer, had to waive significant rights to long-term compensation for his former duties, he will, subject to the approval of the Company's General Shareholders' Meeting on 9 March 2018 (13th resolution), receive a payment for taking up his functions in the form of a free allocation of one million Company shares, under the following terms:

- the allocation of free shares would not be subject to a performance condition;
- the definitive allocation of the shares would be conditional on Mr Éric Boustouller still being present in the Company at the end of the vesting period mentioned below. The presence condition would be deemed satisfied in the event of forced departure during the vesting period;

Forced departure shall mean departure for any reason other than as a result of resignation or dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors.

- the free share allocation would occur within 30 days of the date of the General Meeting on 9 March 2018;
- the vesting period would be 12 months and the holding period would be 12 months;
- Mr Éric Boustouller must hold two thirds of the shares allocated until the termination of his duties' Chief Executive Officer of the Company; and
- in the event of the beneficiary's disability, in accordance with the conditions set forth by law, or in the event of the death thereof, the shares would be definitely allocated before the end of the vesting period.

2.9. UNDERTAKINGS DUE TO CEASING ACTIVITIES (ARTICLE L. 225-42-1 PARAGRAPHS 1 AND 6 OF THE FRENCH COMMERCIAL CODE)

All of the commitments in favour of the new Chief Executive Officer have been authorised by the Board of Directors and will be submitted to the General Shareholders' Meeting for its approval on 9 March 2018 in accordance with the provisions of Article L. 225-42-1 of the French Commercial Code (10th resolution).

These commitments to the Chief Executive Officer were a condition of his recruitment, and thus enabled Mr Éric Boustouller to be recruited as the Company's new Chief Executive Officer.

SEVERANCE PACKAGE

As the Chief Executive Officer does not have an employment contract, he would, in the event of his forced departure from the Company (namely any departure other than as a result of resignation or dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors), receive a severance payment within the condition set forth below:

- the amount of the payment will be equal to 18 months of the Chief Executive Officer's gross annual all-inclusive compensation (fixed and variable for targets achieved);
- the payment of the indemnity will be subject to the following performance condition: the Chief Executive Officer must have, on average, achieved at least 80% of his annual targets during the previous three years. If the departure occurs less than three years after taking up his duties, the annual targets taken into account will be those which were applicable during the time he was with the Company;
- the severance package would only be paid after the Board of Directors of the Company has recorded the achievement of the applicable performance condition.

The aggregate of both the severance package and the non-competition compensation may not exceed two years of fixed and variable compensation.

NON-COMPETITION INDEMNITIES

The Chief Executive Officer will be subject to a non-competition obligation if he leaves his office as Chief Executive Officer for any reason, and in any form whatsoever, under the conditions set forth below:

- the non-competition obligation will be limited to a 12-month period starting from the end of his duties;
- the corresponding compensation shall be equal, on the basis of a 12-month non-competition period, to 6 months' total compensation calculated on the basis of the monthly average of his total gross compensation paid over the 12 months of activity preceding the date of termination of his duties.

The Company may, at the time of termination of his duties, (i) waive the non-competition clause (in which case it will not be required to pay the corresponding compensation), or (ii) reduce the duration, scope of activity and/or geographical scope of said clause (in which case the amount of non-competition compensation shall be proportionately reduced).

The aggregate of both the severance package and the non-competition compensation cannot exceed two years of fixed and variable remuneration.

2.10. ELEMENTS OF COMPENSATION AND BENEFITS IN KIND DUE OR THAT MAY BE DUE UNDER AGREEMENTS ENTERED INTO WITH THE COMPANY OR A SUBSIDIARY

N/A.

2.11. ANY OTHER ELEMENT OF COMPENSATION ATTRIBUTABLE OWING TO THE OFFICE

N/A.

2.12. BENEFITS IN KIND

The Chief Executive Officer will receive the following benefits in kind:

- the health and welfare benefit plans under the terms which currently apply for the Company's executive employees or a

similar plan and civil liability insurance covering him as Chief Executive Officer;

- the Company will refund his business expenses incurred when performing his functions as Chief Executive Officer, in particular accommodation and travelling costs, on production of receipts, in accordance with the Company's rules;
- the Company will pay the unemployment insurance (GSC) enrollment costs and contributions for executive corporate officers;
- a company car in accordance with Company practices, with the benefit resulting from private use assessed in accordance with the Company's rules; and
- a defined-contribution supplementary retirement plan (Article 83 of the French Tax Code) resulting in a contribution of 5.50% applied to compensation tranches B and C. This contribution is paid 60% by the Company, i.e. 3.3%, with the remaining 40% payable by the Chief Executive Officer, i.e. 2.2%.

In accordance with Article L. 225-37-2 of the French Commercial Code, it is specified that the payment of the variable and exceptional component of the compensation referred to in this Part I of the report is, conditional, for all persons concerned, upon a subsequent Ordinary General Meeting approving the associated components of compensation under the conditions provided for by Article L. 225-100 of the French Commercial Code (namely, for each person concerned, approval by the General Shareholders' Meeting to be held in 2019, of the variable and exceptional components of the total compensation paid or owed to said person for the financial year ending 31 December 2018).

PART II: COMPENSATION OF CORPORATE OFFICERS FOR THE 2017 FISCAL YEAR (ARTICLE L. 225-37-3 OF THE FRENCH COMMERCIAL CODE)

Description of the fixed, variable and exceptional components of this compensation and benefits (including in the form of the allocation of shares, debt securities or securities giving access to the capital or a right to the allocation of debt securities of the Company or of the companies mentioned in Articles L. 228-13 and L. 228-93) and the criteria for calculating them, or the circumstances in which they are allocated, referring as the case may be to the resolutions voted (ex post vote).

A. COMPENSATION AND BENEFITS OF ANY KIND PAID TO SOLOCAL GROUP'S CORPORATE OFFICERS DURING THE 2017 FINANCIAL YEAR BY SOLOCAL GROUP

The 3rd, 4th, 5th, 6th and 7th resolutions submitted to the General Shareholders' Meeting of 9 March 2018 concern the approval of the components of the compensation paid or granted for the 2017 financial year to Mr Pierre Danon (3rd resolution), Mr Éric Boustouller (4th resolution), Mr Jean-Pierre Remy (5th resolution), Mr Robert de Metz (6th resolution) and Mr Christophe Pingard (7th resolution).

In accordance with Articles L. 225-37-2 and L. 225-100 of the French Commercial Code, it is proposed that the General Meeting of 9 March 2018 approve the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted for the 2017 fiscal year to each officer as presented in this Part II.

It is recalled that these components were paid or granted for the 2017 financial year to each of the five above-mentioned corporate officers in accordance with the principles and criteria for the determination allocation and granting of the compensation of executive corporate officers which were approved by the Combined General Meeting of 13 June 2017 within the scope of the ex ante vote.

These principles and criteria are set out in the report drawn up in accordance with the provisions of Article L. 225-37-2 of the French Commercial Code (the "2017 Sapin Law Report"). This report appears on pages 51 et seq. of the convening brochure to the Combined General Meeting on 13 June 2017. It can be downloaded from the website www.solocalgroup.com.

PIERRE DANON⁽¹⁾, CHAIRMAN OF THE BOARD OF DIRECTORS (3rd RESOLUTION)

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Fixed compensation	N/A	No fixed compensation
Annual variable compensation	N/A	No variable remuneration
Multi-year variable compensation	N/A	No multi-year variable compensation
Exceptional compensation	N/A	No exceptional remuneration
Stock options, performance shares or any other long-term benefit (subscription warrants, etc.)	N/A	No allocation en 2017
Directors' fees	€45,000	€90,000 lump sum for his term of office as Chairman of the Board of Directors
Benefits in kind	N/A	No benefits in kind
Severance payment	N/A	None
Non-competition indemnity	N/A	None
Supplementary pension Scheme	N/A	None

ÉRIC BOUSTOULLER⁽²⁾, CHIEF EXECUTIVE OFFICER (4th RESOLUTION)

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Fixed compensation	€116,214 (amount paid calculated prorata temporis)	Fixed compensation of a gross annual amount of €520,000 paid monthly
Annual variable compensation	€116,214 (amount awarded for the previous financial year)	<p>Gross annual variable compensation which can vary from between 0% and 200% of the fixed compensation with a target of 100% of the fixed compensation if targets are achieved.</p> <p>For the record, the Board of Directors fixed four targets for the Chief Executive Officer for the 2017 financial year: (i) evolution in the aggregate EBITDA-CAPEX, (ii) growth in 2017 Internet revenues (iii) growth in the number of Customers, and (iv) Total Shareholder Return^(a).</p> <p>Subject to the approval of the General Meeting on 9 March 2018, Éric Boustouller's variable compensation will be at least equal to 100% of his fixed compensation (pro rata temporis to the time of presence) subject to the condition of his effective presence. It is specified that this presence condition will be deemed satisfied in the event of a forced departure between the date he takes up his duties (11 October 2017) and 31 December 2017.</p> <p>The principle of awarding deferred variable compensation is not provided.</p>
Multi-year variable compensation	N/A	There is no multi-year variable compensation mechanism
Exceptional compensation	N/A	No exceptional compensation
Stock options, performance shares or any other long-term benefit (subscription warrants, etc.)	N/A	No allocation in 2017

(1) Mr Pierre Danon was appointed Chairman of the Board of Directors on 5 September 2017.

(2) Mr Éric Boustouller was appointed Chief Executive Officer on 11 October 2017.

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Directors' fees	N/A	The Directors' fees which Mr Éric Boustouller may be entitled to during his term of office as a Director or permanent representative of a company of the Group (the Company and its subsidiaries) or an entity in which he may intervene as a representative of a company of the Group will either not be paid (in particular for subsidiaries) or paid to the Company.
Benefits in kind	€4,819 (accounting valuation)	Paid/supplied: <ul style="list-style-type: none"> ● health and welfare benefit plans under the terms which currently apply to the Company's employed executives or a similar plan; ● civil liability insurance in the capacity as Chief Executive Officer; ● the refund by the Company of his business expenses incurred when performing his functions, especially accommodation and travelling costs, on production of receipts in accordance with the Company's rules; ● the unemployment insurance (GSC) enrollment costs and contributions for executive corporate officers; and ● a company car in accordance with the Company's practices, with the benefit from personal use assessed in accordance with the Company's rules.
Severance payment	Nothing is owed for the 2017 financial year	<p>In the event of his forced departure (namely any departure other than as a result of resignation or dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors), a severance payment will be paid to the Chief Executive Officer under the conditions set forth below:</p> <ul style="list-style-type: none"> ● the amount of the indemnity will be equal to 18 months of the Chief Executive Officer's gross annual all-inclusive compensation (fixed and variable for targets achieved); ● the payment of the indemnity will be subject to the following performance condition: the Chief Executive Officer must have, on average, achieved at least 80% of his annual targets during the previous three years. If the departure occurs less than three years after taking up his duties, the annual targets taken into account will be those which were applicable during the time he was with the Company. ● the severance package would only be paid after the Board of Directors of the Company has recorded the achievement of the applicable performance condition. <p>The aggregate of both the severance package and non-competition compensation may not exceed two years of fixed and variable compensation.</p> <p>In accordance with the provisions of Article L. 225-42-1 of the French Commercial Code, the commitment to make a severance payment will be submitted to the Company's General Shareholders' Meeting for its approval.</p>

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Non-competition compensation	Nothing is owed for the 2017 financial year	<p>The Chief Executive Officer will be subject to a non-competition obligation if he leaves his office for any reason and in any form whatsoever, under the conditions set forth below:</p> <ul style="list-style-type: none"> the non-competition obligation will be limited to a 12-month period starting from the end of his duties; the corresponding compensation shall be equal, on the basis of a 12-month non-competition period, to 6 months' total remuneration calculated on the basis of the monthly average of the total gross remuneration paid over the 12 months of activity preceding the date of termination of his duties. <p>The aggregate to both the severance package and the non-competition compensation may not exceed two years of fixed and variable compensation. In accordance with Article L. 225-42-1 of the French Commercial Code, the above-mentioned non-competition provision will be submitted to the Company's General Shareholders' Meeting for its approval.</p>
Supplementary pension scheme	€2,039 (employer contribution)	<p>Defined-contribution supplementary retirement plan (Article 83 of the French Tax Code) resulting in a contribution of 5.5% applied to remuneration tranches B and C. This contribution will be paid 60% by the Company, i.e. 3.3%, with the remaining 40% payable by the Chief Executive Officer, i.e. 2.2%.</p> <p>The Board of Directors gave its prior approval to this commitment on 11 July 2017 and it will be put to the General Shareholders' Meeting on 9 March 2018 for its approval.</p>

(a) See Section 2.1.3 (Annual variable compensation for 2017 payable in 2018) of the 2017 Sapin Law report:

	Min	Target	Max
Evolution of the aggregate EBITDA-CAPEX	0%	50%	100%
Growth in internet revenues 2017	0%	12.5%	25%
Evolution in number of Clients	0%	12.5%	25%
Total Shareholder Return	0%	25%	50%
TOTAL VARIABLE AS% OF FIXED COMPENSATION	0%	100%	200%

JEAN-PIERRE REMY⁽¹⁾, CHIEF EXECUTIVE OFFICER, RESIGNING (5th RESOLUTION)

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Fixed compensation	€260,004 (amount paid calculated prorata temporis)	Fixed compensation of a gross annual amount of €520,000 paid monthly
Annual variable compensation	Nothing is owed for the 2017 financial year as Jean-Pierre Remy waived his annual variable compensation	Gross annual variable compensation which can vary from between 0% and 200% of the fixed compensation with a target of 100% of the fixed compensation if targets are achieved. For the record, the Board of Directors fixed four targets for the Chief Executive Officer for the 2017 financial year: (i) evolution in the aggregate EBITDA-CAPEX, (ii) growth in 2017 Internet revenues (iii) growth in the number of Clients, and (iv) Total Shareholder Return ^(a) . Subject to the approval of the General Meeting on 9 March 2018, Jean-Pierre Remy's variable compensation would have been at least equal to 100% of his fixed compensation (pro rata temporis to the time of presence) subject to the condition of his effective presence. The principle of awarding deferred variable compensation is not provided.
Multi-year variable compensation	N/A	There is no multi-year variable compensation mechanism
Exceptional compensation	N/A	No exceptional compensation
Stock options, performance shares or any other long-term benefit (subscription warrants, etc.)	N/A	No allocation en 2017
Directors' fees	€11,677 (Paid amount)	Jean-Pierre Remy, Company Director, received Directors' fees for his contribution to the work of the Board of Directors. ^(b)
Benefits in kind	€10,207 (accounting valuation)	Paid/supplied: <ul style="list-style-type: none"> ● health and welfare benefit plans under the terms which currently apply to the Company's employed executives or a similar plan; ● civil liability insurance in the capacity as the Chief Executive Officer; ● the refund by the Company of his business expenses incurred when performing his functions as Chief Executive Officer, especially accommodation and travelling costs, on production of receipts in accordance with the Company's rules; ● the unemployment insurance (GSC) contributions for executive corporate officers; and ● a company car in accordance with the Company's practices, with the benefit from personal use assessed in accordance with the Company's rules.

(1) Mr Jean-Pierre Remy left his functions on 30 June 2017.

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Severance payment	Nothing is owed for the 2017 financial year, as Jean-Pierre Remy waived receiving any indemnity connected to his departure.	In the event of his forced departure, a severance payment will be paid to the Chief Executive Officer under the conditions set forth below: <ul style="list-style-type: none"> the amount of the indemnity will be equal to 12 months of the Chief Executive Officer's gross annual all-inclusive remuneration (fixed and variable for targets achieved); the payment of the indemnity will be subject to the following performance conditions: the Chief Executive Officer must have, on average, achieved at least 80% of his annual targets during the previous three years; the severance package would only be paid after the Board of Directors of the Company has recorded the achievement of the applicable performance condition. The aggregate of both the severance package and non-competition compensation may not exceed two years of fixed and variable compensation.
Non-competition compensation	Nothing is owed for the 2017 financial year, as the Board of Directors released Jean-Pierre Remy from his non-competition obligation.	The Chief Executive Officer will be subject to a non-competition obligation if he leaves his office for any reason and in any form whatsoever, under the conditions set forth below: <ul style="list-style-type: none"> the non-competition obligation will be limited to a 24-month period starting from the end of his duties; the corresponding compensation shall be equal to 12 months' total remuneration calculated on the basis of the monthly average of his total gross compensation paid over the last 12 months of activity. The aggregate of both the severance package and non-competition compensation may not exceed two years of fixed and variable compensation.
Supplementary pension scheme	€4,531 (employer contribution)	Defined-contribution supplementary retirement plan (Article 83 of the French Tax Code) resulting in a contribution of 5.5% applied to remuneration tranches B and C. This contribution is paid 60% by the Company, i.e. 3.3%, with the remaining 40% payable by the Deputy Chief Executive Officer, i.e. 2.2%.

(a) See Section 2.1.3 (Annual variable compensation for 2017 payable in 2018) of the 2017 Sapin Law report:

	Min	Target	Max
Evolution of the aggregate EBITDA-CAPEX	0%	50%	100%
Growth in internet revenues 2017	0%	12.5%	25%
Evolution in number of Clients	0%	12.5%	25%
Total Shareholder Return	0%	25%	50%
TOTAL VARIABLE AS% OF FIXED COMPENSATION	0%	100%	200%

(b) See section 2.2.2 (Directors' fees) of the 2017 Sapin Law report.

ROBERT DE METZ⁽¹⁾, CHAIRMAN OF THE BOARD OF DIRECTORS, RESIGNING (6th RESOLUTION)

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Fixed compensation	N/A	No fixed compensation
Annual variable compensation	N/A	No variable compensation
Multi-year variable compensation	N/A	No multi-year variable compensation
Exceptional compensation	N/A	No exceptional compensation
Stock options, performance shares or any other long-term benefit (subscription warrants, etc.)	N/A	No allocation en 2017
Directors' fees	€45,000	€90,000 lump sum for his term of office as Chairman of the Board of Directors ^(a)
Benefits in kind	N/A	Benefits in kind
Severance payment	N/A	None
Non-competition compensation	N/A	None
Supplementary pension Scheme	N/A	None

(a) See Section 3 (Compensation of the non-executive corporate officers) of the 2017 Sapin Law report.

CHRISTOPHE PINGARD⁽²⁾, DEPUTY CHIEF EXECUTIVE OFFICER⁽¹⁾ END OF TERM OF OFFICE (7th RESOLUTION)

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Fixed compensation	€355,317 (amount paid calculated prorata temporis)	Fixed compensation of a gross annual amount of €370,000 paid monthly
Annual variable compensation	€0	Gross annual variable compensation which can vary from between 0% and 120% of the fixed compensation with a target of 60% of the fixed compensation if targets are achieved. For the record, the Board of Directors fixed four targets for the Deputy Chief Executive Officer(s) (DCEO) for the 2017 financial year: (i) evolution in the aggregate EBITDA-CAPEX, (ii) growth in 2017 Internet revenues (iii) growth in the number of Clients, and (iv) Total Shareholder Return ^(a) . The principle of awarding deferred variable compensation is not provided.
Multi-year variable compensation	N/A	There is no multi-year variable compensation mechanism
Exceptional compensation	N/A	No exceptional remuneration
Stock options, performance shares or any other long-term benefit (subscription warrants, etc.)	N/A	No allocation en 2017
Directors' fees	N/A	Christophe Pingard was not a Company Director and did not receive any Directors' fees

(1) Mr Robert de Metz left his functions on 5 September 2017.

(2) As Mr Éric Boustouller's appointment as the Company's Chief Executive Officer (CEO) had the effect of bringing Christophe Pingard's term of office as Deputy Chief Executive Officer (DCEO) to an end, the Company's Board of Directors decided, in agreement with the Chief Executive Officer (CEO), and in order to facilitate the transition to a new management team, to extend Christophe Pingard's functions as Deputy Chief Executive Officer (DCEO) for a non-renewable period of two months, i.e. up until 15 December 2017.

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Benefits in kind	€20,050 (accounting valuation)	<p>Paid/supplied:</p> <ul style="list-style-type: none"> ● health and welfare benefit plans under the terms which currently apply to the Company's employed executives or a similar plan; ● civil liability insurance; ● the refund by the Company of his business expenses incurred when performing his functions, especially accommodation and travelling costs, on production of receipts in accordance with the Company's rules; ● the unemployment insurance (GSC) contributions for executive corporate officers; and ● a company car in accordance with the Company's practices, with the benefit from personal use assessed in accordance with the Company's rules.
Severance payment	€595,903	<p>In the event of his forced departure, (namely any departure other than as a result of a resignation or dismissal for gross misconduct, except, in the case of resignation, if this is due to a change in control of the Company (within the meaning of Article L. 233-3 of the French Commercial Code) or a change in strategy decided by the Board of Directors), a severance payment will be paid to the Deputy Chief Executive Officer under the conditions set forth below:</p> <ul style="list-style-type: none"> ● the amount of the indemnity will be equal to 12 months of the Deputy Chief Executive Officers's gross annual all-inclusive compensation (fixed and variable for targets achieved); ● the payment of the indemnity will be subject to the following performance conditions: the Deputy Chief Executive Officer must have, on average, achieved at least 80% of his annual targets during the previous three years; ● the severance package would only be paid after the Board of Directors of the Company has recorded the achievement of the applicable performance condition. <p>The aggregate of both the severance package and non-competition compensation may not exceed two years of fixed and variable compensation.</p> <p>This severance payment mechanism was approved for the last time by the General Meeting on 13 June 2017. The Board of Directors acknowledged at its meeting on 15 December 2017 that the payment conditions for the severance payment (especially the performance condition) were satisfied. Consequently, Christophe Pingard received a severance payment equal to 12 months' compensation calculated on the basis of the average monthly total gross compensation (fixed and variable) paid over the last 12 months of activity.</p>
Non-competition compensation	Nothing is owed for the 2017 financial year, as the Board of Directors released Christophe Pingard from his non-competition obligation	<p>The Deputy Chief Executive Officer will be subject to a non-competition obligation if he leaves his office for any reason and in any form whatsoever, under the conditions set forth below:</p> <ul style="list-style-type: none"> ● the non-competition obligation will be limited to a 24-month period starting from the end of his duties; ● the corresponding compensation shall be equal to 12 months' total compensation calculated on the basis of the monthly average of his total gross compensation (fixed and variable) paid over the last 12 months of activity. <p>The aggregate of both the severance package and non-competition compensation may not exceed two years of fixed and variable compensation.</p>

Components of compensation paid or granted for the 2017 financial year	Amounts or accounting valuation put to the vote	Presentation
Supplementary pension Scheme	€8,684 (employer contribution)	Defined-contribution supplementary retirement plan (Article 83 of the French Tax Code) resulting in a contribution of 5.5% applied to remuneration tranches B and C. This contribution is paid 60% by the Company, i.e. 3.3%, with the remaining 40% payable by the Chief Executive Officer, i.e. 2.2%.

(a) See Section 2.1.3 (Annual variable compensation for 2017 payable in 2018) of the 2017 Sapin Law report.

	Min	Target	Max
Evolution of the aggregate EBITDA-CAPEX	0%	24%	48%
Growth in internet revenues 2017	0%	10.5%	21%
Evolution in number of Clients	0%	10.5%	21%
Total Shareholder Return	0%	15%	30%
TOTAL VARIABLE AS% OF FIXED COMPENSATION	0%	60%	120%

In accordance with Article L. 225-37-2 of the French Commercial Code, the payment of the variable and exceptional components of the remuneration referred to in this Section A of Part II of the report is conditional on the General Shareholders' Meeting approving, for each of the persons concerned, the variable and exceptional components of the total compensation paid or to be paid to this person for the financial year closed on 31 December 2017, namely the General Meeting of 9 March 2018 approving the 3rd, 4th, 5th, 6th, and 7th resolutions which will be submitted to them for its vote.

B. COMPENSATION AND BENEFITS OF ANY KIND RECEIVED BY THE CORPORATE OFFICERS OF SOLOCAL GROUP DURING THE 2017 FINANCIAL YEAR FROM COMPANIES CONTROLLED BY SOLOCAL GROUP⁽¹⁾

(in euros)

Corporate officers of SoLocal	Fixed compensation paid during 2017 financial year	Variable compensation and premiums paid during 2017 financial year	Profit-sharing and employer contribution paid during 2017 financial year	Benefits in kind granted during 2017 financial year	Directors' fees presence owed during 2017 financial year
Joelle Obadia	80,642	15,923	1,877	3,649	30,906

C. COMPENSATION AND BENEFITS OF ANY KIND RECEIVED BY THE CORPORATE OFFICERS OF SOLOCAL GROUP DURING THE 2017 FINANCIAL YEAR FROM THE COMPANY CONTROLLING SOLOCAL GROUP⁽²⁾

N/A.

(1) Note: Formerly, section VII of the SoLocal Group management report.

(2) Rating: Formerly, section VIII of the SoLocal Group management report.

PART III: CORPORATE GOVERNANCE (ARTICLE L. 225-37-4 OF THE FRENCH COMMERCIAL CODE)

1. LIST OF ALL OFFICES AND DUTIES IN EVERY COMPANY BY EACH CORPORATE OFFICER DURING THE 2017 FINANCIAL YEAR

Name	Nationality	Duty(ies)	Date of appointment	Date expires office	Other duties and main offices held in all companies over the past 5 years
David Amar 11 rue du Rhône 1204 Geneva Switzerland	Swiss	Director Member of the Remuneration and Appointments Committee Chairman of the Strategy Committee Member of the Ad Hoc Committee on refinancing	13 June 2017	General Meeting to be held in 2021	Representative of Amar Family Office Managing Director of Holspespar Luxembourg SA Director of Matignon Investissements et gestion Chairman of SA EHPBG Manager of Château le Mayne Offices no longer held: None
Pierre Danon Cordial Consulting 17, bd Anatole- France 92100 Boulogne- Billancourt France	French	Chairman of the Board of Directors	5 September 2017	General Meeting to be held in 2019	Chairman of TDC (Denmark) Vice-President of Agrogénération (Ukraine) Executive Chairman of Volia (Ukraine) Executive Chairman of All Media Baltics (Baltic countries) Chairman of ProContact (Mauritius) Vice-Chairman of Ciel Finance (Mauritius) Offices no longer held: President of the Numericable-Completel Group Non-Executive Director of Standard Life (Scotland)
Jacques-Henri David 47, rue du Faubourg-Saint- Honoré 75008 Paris France	French	Director Member of the Audit Committee Chairman of the Ad Hoc Committee on equity story	19 October 2016	General Meeting to be Held in 2020	Director of UGC – Paris (France) Chairman of the Control Commission of Financial Activities of the Principality of Monaco (France) Director of Edmond de Rothschild Europe – Luxembourg (Luxembourg) Chairman of Axcior Corporate Finance (France) Offices no longer held: None

Name	Nationality	Duty(ies)	Date of appointment	Date expires office	Other duties and main offices held in all companies over the past 5 years
Sandrine Dufour Proximus (Belgacom) Boulevard du Roi Albert II 27 1030 Brussels, Belgium	French	Director Chairman of the Audit Committee	23 April 2013	General Meeting to be held in 2018	Chief Financial Officer and member of the Management Board of Proximus (Belgium) Director of BICS (Belgacom International Carrier Services) (Belgium) Director of Proximus Group Services SA (Belgium) Director of Connectimmo (Belgium) Director of Proximus Art Asbl (Belgium) Director of Tango Director of Telindus Luxembourg Director of Be-Mobile Director of Fonds de pension de Proximus Offices no longer held: Executive Director of Finance and Strategy of Groupe SFR (France) Chairwoman and CEO of CID SA (France) Chairwoman and CEO of SNBL SA (France) Permanent Representative of SFR, Director of SFD SA (France) Director of SHD SA (France) Permanent Representative of SFR, Director of SFR Service Clients SA (France) Permanent Representative of SFR, Director of SFR Collectivités SA (France) Director of Société Financière de Communication and Multimedia SA (France) Permanent Representative of SFR, Director of Ltb-R SA (France) Member of the Supervisory Committees of Foncière Rimbaud 1 SAS, Foncière Rimbaud 2 SAS, Foncière Rimbaud 3 SAS, Foncière Rimbaud 4 SAS (France) Member of the Strategic and Financial Committee of La Poste Telecom SAS (France) Member of the Supervisory Committee of Numergy SAS (France) Chairwoman of the Board of LDCom Italy (Italy) Chairwoman of the Board of LDCom Switzerland (Switzerland) Member of the Audit Committee of Maroc Telecom (Morocco) Director of CEREP (France) CEO and Director of Watchever Group (ex-Vivendi Mobile Entertainment) (France) Director of Groupe Telindus France
Delphine Grison CBRE 144-151, rue de Courcelles 75017 – Paris France	French	Director Member of the Strategy Committee	13 June 2017	General Meeting to be held in 2020	Chief marketing & business intelligence Officer of CBRE France Chairwoman of DGTL Conseil Member of the Supervisory Board of Asmodée Holding Offices no longer held: None

Name	Nationality	Duty(ies)	Date of appointment	Date expires office	Other duties and main offices held in all companies over the past 5 years
Marie-Christine Levet 44-46, rue de la Bienfaisance 75008 Paris France	French	Director Member of the Strategy Committee	15 December 2017	General Meeting to be held in 2020	Chairwoman of Educapital Director of Iliad Director of Maisons du Monde Director of Econocom Director of Mercilays Director of the AFP Offices no longer held: Director of HiPay Director of Avanquest
Alexandre Lousert 3, rue Jules-Ferry 92400 Courbevoie- France	French	Director Member of the Remuneration and Appointments Committee	19 October 2016	General Meeting to be held in 2020	None Offices no longer held: None
Arnaud Marion Marion & Partners 563 Chiswick High Road W4 3AY London United Kingdom	French	Director Member of the Audit Committee Chairman of the Ad Hoc monitoring the Committee on restructuring Chairman of the Ad Hoc Committee on the refinancing	19 October 2016	General Meeting to be held in 2020	Director of Marion & Partner LTD (United Kingdom) Director of Digital Shield Ltd (United Kingdom) Director of Etablissements Zilli (France) Offices no longer held: Manager of Initiales AM SARL (France) Manager then Chairman of Trans Consult International (France) Director of EGP (France) Manager of ART DAM (France) Chairman then Liquidator of Sirenak (France) Chief Executive Officer of MIA ELECTRIC SAS (France) Representative of SideAlliance to the Supervisory Board of ASCOMETAL (France) Non-Director Deputy CEO of BUF (France) Non-Director Deputy CEO of Neuhauser Financière (France)
Sophie Sursock Accelerero Capital 6 rue Morillo 75008 Paris France	French	Director Member of the Audit Committee Member of the Ad Hoc Committee on the refinancing Member of the Ad Hoc Committee on the equity story	13 June 2017	General Meeting to be held in 2021	Co-founder and Director of Accelerero Capital Director and Member of the Remunerations Committee of Subfero Limited (UK) Director of Italiaonline S.p.A (ex-Seat Pagine Gialle S.p.A and Italia Online S.p.A) (Italy) Offices no longer held: Director of Dada Spa (Italie)

Name	Nationality	Duty(ies)	Date of appointment	Date expires office	Other duties and main offices held in all companies over the past 5 years
Joelle Obadia PagesJaunes 204 Rond-Point du Pont de Sèvres 92100 Boulogne Billancourt France	French	Director representing the employees Member of Remuneration and Appointments Committee Member of the Ad Hoc Committee on monitoring the restructuring	7 April 2016	7 April 2020	None Offices no longer held: None
Philippe De Verdalle Nobel 20 rue Quentin- Bauchart 75008 Paris France	French	Director Chairman of the the Remuneration and Appointments Committee Member of the Ad Hoc Committee on the equity story	13 June 2017	General Meeting to be held in 2021	Chief Executive Officer of Nobel, specialized professional investment company managed by WCP (Weinberg Capital Partners) Director of LNA Santé (listed company – France, representative of the Nobel Fund) Offices no longer held: Director of Mersen (listed company – France, representative of the Nobel Fund)

The Board of Directors has decided to submit a resolution on the appointment of Ms Lucile Ribot as Director to the vote of the General Meeting of 9 March 2018.

2. REGULATED AGREEMENTS

You will find below the list of the agreements and/or commitments referred to in Article L. 225-38 of the French Commercial Code, entered into during the financial year 2017 or during previous financial years and which are still in force during the financial year 2017:

- the terms and conditions of the appointment of Mr Jean-Pierre Remy as Chief Executive Officer (described in the table in Part II above and in the 2017 Sapin Law Report), which the Board of Directors had approved at its meeting of 17 May 2009;
- the terms and conditions of the appointment of Mr Christophe Pingard as Deputy Chief Executive Officer (described in the table of Part II above, and in the 2017 Sapin Law Report), which the Board of Directors had approved at its meetings of 26 October 2011, 13 December 2016, and 11 October 2017;
- the terms and conditions of the appointment of Mr Éric Boustouller as Chief Executive Officer (described in the table in Part II above), which the Board of Directors had approved at its meeting of 11 July 2017.

3. SUMMARY TABLE OF THE CURRENTLY VALID DELEGATIONS GRANTED TO THE BOARD OF DIRECTORS

The Combined General Shareholders' Meeting of the Company, which was held on 13 June 2017, delegated the following authorisation to the Board of Directors, under the terms and conditions described in the table below:

Securities concerned	Duration authorisation and expiry	Amount maximum of securities of debt securities	Nominal amount maximum increase share capital
Capital increase for the benefit of members of company savings plans and/or employees	26 months 12 August 2019	-	€1,150,000

It is specified that the aforementioned authorisation would be terminated if the General Meeting of 9 March 2018 were to adopt the 19th resolution that will be submitted to its vote (i.e. the issue mentioned in point 6. of the table below).

Should they be adopted by the General Meeting of 9 March 2018 (14th to 19th resolutions), the Board of Directors would be delegated the following authorisations, under the terms and conditions described in the table below:

Securities concerned	Duration authorisation and expiry	Amount maximum of securities of debt securities	Nominal amount maximum increase share capital
1. Issue, with preferential subscription rights preserved, of shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued	26 months 8 May 2020	€450,000,000	Ceiling: €17,000,000 Overall ceiling for issues 1., 2. and 3.: €22,800,000
2. Issue, without preferential subscription rights, of shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued, through public offerings	26 months 8 May 2020	€450,000,000	Ceiling for issues 2. and 3.: €5,800,000 Overall ceiling for issues 1., 2. and 3.: €22,800,000
3. Issue, without preferential subscription rights, shares and/or equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or securities giving access to equity securities to be issued, through private placements referred to in Article L.411-2 II of the French Monetary and Financial Code	26 months 8 May 2020	€450,000,000	Ceiling for issues 2. and 3.: €5,800,000 Overall ceiling for issues 1., 2. and 3.: €22,800,000
4. Increase in the number of shares to be issued in the event of a capital increase with or without preferential subscription rights	26 months 8 May 2020	-	Regulatory ceiling
5. Company's capital increase through the capitalisation of reserves, profits or premiums	26 months 8 May 2020	-	€40,000,000
6. Capital increase reserved for members of company savings plans	26 months 8 May 2020	-	€1,150,000

4. COMPOSITION, PREPARATION AND ORGANISATION OF THE BOARD'S WORK

4.1. INTERNAL REGULATIONS

Internal regulations of the Board of Directors, in line with the recommendations of the AFEP/MEDEF Corporate Governance Code, were drawn up at the Board of Directors meeting of 23 September 2004. These internal regulations specify the guiding principles that govern the Board's operations and the rights and duties of Directors.

The main provisions of the Board of Directors' internal regulations are described in the by-laws section of the Reference Document.

4.2. MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors gives its opinion on all major decisions in relation to the Company's strategy, economic, social, human resources, finances and technology and sees to it that senior management implements these decisions.

The Board met 21 times in 2017. On average, 80% of Directors attended each Board of Directors' meeting during the financial year. The average duration of each Board meeting was three hours long.

The Board of Directors' work mainly involved:

- changes in governance: the Board of Directors, relying on the Remuneration and Appointments Committee, has set up a search and selection process for its new Chair and new Chief Executive Officer, and has renewed many of its appointments;
- financial restructuring: the Board of Directors met many times to review, prepare, and implement the financial restructuring plan;
- review of financial accounts and results: the Board reviewed and approved the annual and semi-annual corporate and consolidated accounts and the management reports. It examined quarterly revenue and key income figures and the associated financial communication. It prepared the reports and draft resolutions for General Meetings;
- review of business performance: at each Board meeting, senior management reported on business conditions and results, which enabled Directors to keep close track of the Group's business activity "in real time";
- review of strategy: business unit managers regularly gave presentations of a specific Group business to the Board. The Board examined the strategic plan, discussed it at length and approved it;
- corporate social responsibility (CSR): the Board of Directors is informed of the market trends, the competitive environment, and the major issues including those of the Company's environmental and social responsibility.

4.3. BOARD OF DIRECTORS COMMITTEES

The Board of Directors has created three Committees within the Company, namely an Audit Committee, a Remuneration and Appointments Committee, and a Strategy Committee, with this latter created by the Board of Directors at its meeting on 13 June 2017.

The Board of Directors, at its meeting of 9 November 2017, also created three Ad Hoc Committees on the refinancing, the equity story, and the monitoring of the Company's restructuring.

4.3.1. AUDIT COMMITTEE

The Audit Committee must have at least two members, which are appointed by the Board of Directors on the Chairman's recommendation. Pursuant to its charter, the Audit Committee appoints its own Chairman.

As of the date of this document, the Audit Committee is composed of the following members:

- Ms Sandrine Dufour, Chairwoman;
- Mr Jacques-Henri David;
- Mr Arnaud Marion;
- Ms Sophie Surssock.

Therefore, 100% of its members are Independent Directors.

The Audit Committee monitors all matters that have to do with the preparation and auditing of accounting and financial information. Without prejudice to the powers of the administrative, management and supervisory bodies, it is responsible for the following, in particular:

- monitoring the preparation of financial information, specifically:
 - reviewing corporate and consolidated draft annual and semi-annual financial statements and draft management reports and sales and earnings tables,
 - reviewing documents intended for the Financial Communication department,
 - ensuring that corporate and consolidated financial statements comply with the accounting standards adopted,
 - reviewing the accounting treatment of specific transactions and the corresponding disclosures,
- checking the quality and relevance of the information communicated to shareholders;
- monitoring the effectiveness of internal control and risk management systems, in particular:
 - checking that internal data collection and control procedures are complied with,
 - reviewing the procedure for selecting the Company's Statutory Auditors, particularly their choice and their terms of remuneration for the purpose of making observations,

- reviewing the annual audit programmes proposed by the statutory and internal auditors, examining the internal auditing reports for the past year and preparing the audit engagement programme for the current year,
- each year, assessing the Group's exposure to risks and in particular to financial and litigation risks, significant off-balance sheet commitments and the effectiveness of the internal control system,
- the Statutory Audit of the annual corporate and, if applicable, consolidated accounts,
- monitoring the independence of the Statutory Auditors,
- giving its opinion on the Statutory Auditors proposed for appointment at the General Shareholders' Meeting,
- reporting regularly on its work to the Board of Directors and informing it immediately of any difficulty encountered.

These duties do not limit the powers of the Board of Directors, which cannot rely on the duties or opinions of these Committees to reduce its responsibility.

The Audit Committee shall meet as often as it deems useful and shall address any matter that falls within its remit. It may ask the Company to provide it with any document or information it needs to carry out its duties and conduct any internal or external audit on any matter, it believes is pertinent to these duties. When reviewing annual and semi-annual draft financial statements, the Committee may question the Statutory Auditors in the absence of the Company's senior executives. The Audit Committee must be notified of any accounting or auditing irregularity.

The Audit Committee met 8 times in 2017. On average, 91% of members attended each Audit Committee meeting during the financial year. It regularly met with the Company's senior executives, senior Finance department managers, the head of Auditing, Risks and Internal Control, and the Statutory Auditors, to discuss their work programmes and follow-up actions.

The Audit Committee looked at the following in 2017 in particular:

- the annual corporate and consolidated financial statements for 2016;
- quarterly condensed consolidated accounts for 2017;
- 2017 Internal Audit programme, findings of the year's audit engagements and implementation of recommendations;
- risk management and major risk mapping.

4.3.2. REMUNERATION AND APPOINTMENTS COMMITTEE

This committee is comprised of at least three members who are appointed by the Board of Directors on the Chairman's proposal. The Remuneration and Appointments Committee appoints its own Chairman.

As of the date of this report, the Remuneration and Appointments Committee is composed of the following members:

- Mr Philippe de Verdalle, Chairman;
- Mr David Amar;
- Mr Alexandre Loussert;
- Ms Joëlle Obadia.

Therefore, 75% of its members are Independent Directors.

The Remuneration and Appointments Committee is responsible for submitting to the Board of Directors its proposals for appointments of members of the Board of Directors, the Chairman of the Board, the Chief Executive Officer, and members of the Board's committees. It is also kept informed by the Chairman of the Board of other senior executive appointments within the Group. The Committee also advises the Board of Directors on the amount of Directors' fees to be proposed at the General Meeting and on the allocation of these fees between Board members.

The Committee also proposes the remuneration of corporate officers to the Board of Directors and may also, at the Chairman's request, make recommendations on the remuneration of senior executives. The Committee reviews the remuneration structure for Company executives, and approves the structure for executive bonuses.

The Remuneration and Appointments Committee met 14 times in 2017. On average, 90% of members attended each Audit Committee meeting during the financial year.

In 2017, the Committee reviewed issues involving changes in the Company's governance, and in the composition of the Board of Directors and of the Board committees, the definition of performance targets and the calculation of variable remuneration for the Chief Executive Officer and the Deputy Chief Executive Officer, the composition of the Board of Directors and the executive management team, and its remuneration and long-term incentives.

4.3.3. STRATEGY COMMITTEE

This Committee is comprised of at least three members who are appointed by the Board of Directors on the Chairman's proposal. The Strategy Committee appoints its own Chairman.

As of the date of this report, the Remuneration and Appointments Committee is composed of the following members:

- Mr David Amar, Chairman;
- Ms Delphine Grison;
- Ms Marie-Christine Levet.

Therefore, 100% of its members are Independent Directors.

Further to his resignation from his office as Company Director on 5 September 2017, Jean-Marc Tassetto agreed, at the request of the Strategy Committee, to continue to participate as an expert in that Committee's work.

The Committee also asked Philippe Besnard to participate as an expert in its work. Mr Besnard is Chairman of Pentagrammedia.com and CEO and co-founder of QuantumAdvertising.

The Committee is in charge of monitoring issues related to the major strategic, economic, social, financial, and technological objectives of the Company and its direct and indirect subsidiaries.

The Strategy Committee has met 4 times since its creation in June 2017. On average, 80% of members attended each Committee meeting during the financial year.

In 2017, the Committee reviewed issues involving considerations of the change in strategy in response to changes in governance made during the year.

4.3.4. SUBCOMMITTEES

The Board of Directors, at its meeting of 9 November 2017, created three Ad Hoc Committees on the refinancing, the equity story, and the monitoring of the Company's restructuring.

The Ad Hoc Committee on the refinancing is chaired by Arnaud Marion, Sophie Sursock and David Amar members. Its purpose is to consider refinancing opportunities and prepare the work of the Board of Directors. This Committee has met 10 times since its creation.

The Ad Hoc Committee on the equity story is chaired by Jacques-Henri David, with Sophie Sursock and Philippe de Verdalle members. The purpose of this Committee, which met about twice a

week between December 2017 and February 2018, was to assume and monitor, on behalf of the Board of Directors, the preparatory work on the equity story presentation of 15 February 2018.

The Ad Hoc Committee on monitoring the restructuring is chaired by Arnaud Marion, with Joëlle Obadia as a member. Its purpose is to consider the opportunities, constraints, and risks in transforming the economic model, as well as any support measures. This Committee has met 4 times since its creation.

5. DESCRIPTION OF THE DIVERSITY POLICY APPLIED TO THE MEMBERS OF THE BOARD OF DIRECTORS

As of the date of this report, there are four women on the Board of Directors (not including the Director representing the employees): Sandrine Dufour, Delphine Grison, Marie-Christine Levet, and Sophie Sursock, and six men: David Amar, Pierre Danon, Jacques-Henri David, Alexandre Loussert, Arnaud Marion and Philippe de Verdalle, i.e. 40% women and 60% men.

Pursuant to Article L. 225-18-1 of the French Commercial Code, the proportion of Directors of each gender within the Board of Directors must not be less than 40%.

6. LIMITATIONS THAT THE BOARD OF DIRECTORS HAS PLACED ON THE CHIEF EXECUTIVE OFFICER'S POWERS

The Chief Executive Officer, subject to the power expressly granted to Shareholders' Meetings and the Board of Directors, and within the limits of the corporate purpose, is vested with the widest powers to act, in all circumstances, in the name of the Company, with the following stipulations:

- (i) the Chief Executive Officer must present a draft strategic plan to the Board of Directors each year defining the Group's medium-term business objectives including projected trends for the Group's key operational and financial indicators, in addition to a draft annual budget;
- (ii) the following decisions are subject to prior approval by the Board of Directors:
 - the annual budget and any significant changes thereto,
 - the annual and three-year business plans,
 - the acquisition or disposal of a business by SoLocal Group or a subsidiary that is not included in the annual budget, the total amount of which, including all liabilities and off-balance sheet commitments exceeds €10 million,
 - any investments or divestments not included in the annual budget for fixed assets for an amount, including all liabilities and other off-balance sheet commitments, in excess of €10 million,
 - amendments to the employment contract, hiring/appointment/dismissal/removal of the Chief Financial Officer of the Company; any amendment to the employment contract, hiring/appointment or dismissal/removal of the Group's Human Resources Director and the Secretary to the Board of Directors shall not require prior authorisation by the Board of Directors, but shall require the prior agreement of the Remuneration and Appointments Committee,
 - any increase in the total indebtedness of SoLocal Group or of a subsidiary that exceeds the amount authorised under the financing or loan agreements previously authorised by SoLocal Group's Board of Directors,
 - the execution of any agreement in order to create a joint-venture with a third party, not included in the annual budget and generating a commitment for SoLocal Group or one of its subsidiaries for a total amount greater than €10 million over the duration of the joint-venture,
 - any decision to have the securities of SoLocal Group or a subsidiary listed on a regulated exchange and any subsequent action to have additional SoLocal Group or subsidiary securities listed if already listed on a regulated exchange,
 - any decision to delist or buy back shares (except share purchases under liquidity agreements previously authorised by the Board of Directors),
 - the acquisition or subscription, by SoLocal Group or by a subsidiary, of shares, other equity securities or securities giving access to the capital of any company (x) the value of which, including all liabilities and other off-balance sheet commitments, exceeds €10 million, provided that the liability of SoLocal Group or its subsidiary is limited and the transaction is not already included in the annual budget, or (y) any company irrespective of the amount invested if SoLocal Group or its subsidiary is acting as an unlimited liability partner in such a company,
 - any diversification of the business activities of SoLocal Group or of a subsidiary that is unrelated to previous business activities, or any diversification that is related to previous business activities but is not included in the annual budget and involves a financial commitment that exceeds €10 million,

- any sale, transfer or termination of a major business activity of SoLocal Group or of a subsidiary that is not included in the annual budget or the three-year business plan,
- any incentive plan (as defined under French labour law or the labour law of another country, with the exception of a mandatory or standard voluntary profit-sharing plan) to be implemented in SoLocal Group or within a subsidiary, or any measure that encourages employees to directly or indirectly acquire shares in SoLocal Group or a subsidiary,
- any authorisation or instruction given to a SoLocal Group subsidiary to examine or undertake any of the transactions referred to in this appendix,
- the execution of any agreement not included in the annual budget that would imply payments or supply of goods or services by SoLocal Group or its subsidiaries for an annual amount greater than a total of €10 million,
- any decision relating to plans for the merger or demerger of a SoLocal Group subsidiary, the spin-off of the assets of a SoLocal Group subsidiary, or a long-term agreement to manage a SoLocal Group subsidiary, that is not included in the annual budget or the three-year business plan, excluding internal reorganisation that has no material impact on SoLocal Group's position,
- any transfer or sale in order to provide collateral, any decision to grant a security interest or pledge by SoLocal Group or one of its subsidiaries, in order to meet debts or honour guarantees given to third parties not included in the annual budget for a total amount greater than €10 million per year,
- any loans made by SoLocal Group or by a subsidiary that are not included in the annual budget the cumulative amounts of which exceed €5 million.

7. APPLICATION OF THE AFEP/MEDEF CODE

SoLocal Group observes the AFEP/MEDEF Corporate Governance Code, available on the www.medef.fr website, and complies with all of the operating rules recommended in this Code.

8. SPECIAL TERMS AND CONDITIONS FOR SHAREHOLDER ATTENDANCE OF THE GENERAL MEETING

8.1. ACCESS, PARTICIPATION AND VOTING AT GENERAL SHAREHOLDERS' MEETINGS

General Shareholders' Meetings are made up of all shareholders whose shares have been fully paid up and registered in their name as justifying the right to participate in General Shareholders' Meetings, or if the shareholder is not domiciled in France, in the name of the representative acting on the shareholder's behalf, on the second working day prior to the General Shareholders' Meeting at 12:00 midnight (Paris time).

In order to attend, vote remotely, or be represented at General Shareholders' Meetings, owners of bearer shares or shares registered in an account not held by the Company must file a certificate prepared by the intermediary holding their account, indicating that the shares will not be transferable before the date of the General Shareholders' Meeting, at the place indicated in the notice of meeting, no later than 3 p.m. (Paris time) on the day prior to the General Shareholders' Meeting.

In order to attend, vote remotely or be represented at General Shareholders' Meetings, owners of shares registered in an account held by the Company must have their shares registered in their account held by the Company by no later than 3 p.m. (Paris time) on the day prior to the General Shareholders' Meeting.

Access to the General Shareholders' Meeting is open to its members with proof of their status and identity. If it deems this useful, the Board of Directors may ensure that shareholders are sent personal admission cards with names and demand that these cards be shown at the General Shareholders' Meeting.

Owners of Company shares, who are not residents of France, may be registered in the accounts and represented at General Shareholders' Meetings by any intermediary who is registered on their behalf and holds a general securities management mandate,

provided that such intermediaries have previously declared themselves as intermediaries holding shares on behalf of third parties at the time the account is opened with the Company or account-holding financial intermediary, in accordance with legal and regulatory provisions.

The Company is entitled to ask any intermediary who is registered on behalf of shareholders not residing in France and who holds a general mandate to provide a list of the shareholders they represent and whose rights would be exercised at the Meeting.

Each member of a General Shareholders' Meeting has as many votes as the number of shares he or she owns or represents, provided that his or her voting rights have not been withdrawn.

Any shareholder may, subject to legal and regulatory conditions, vote remotely or issue powers to any person of his or her choice in order to be represented and vote at a General Shareholders' Meeting.

Remote voting is carried out under the terms and conditions stipulated by legal and regulatory provisions. The Company must receive the voting form no later than 3 p.m. (Paris time) on the day before the General Shareholders' Meeting.

Powers, remote voting forms and certificates of non-transferability of shares may be submitted in electronic form duly signed under the terms set out in applicable legal and regulatory provisions.

Shares are indivisible with regard to the Company. Joint owners of shares must arrange for one of them to act as their representative with the Company, who shall be considered to be the sole owner and representative. In the event of failure to agree, the sole representative may be appointed by the Court at the request of the first joint owner to so request. Unless the Company is properly notified of any agreement to the contrary, beneficial owners have the right to vote at Ordinary General Shareholders' Meetings and bare owners have the right to vote at Extraordinary General Shareholders' Meetings.

General Shareholders' Meetings may be held by videoconference or by any other means of telecommunication, including the Internet, which enables shareholders to be identified under the conditions set out in applicable legal and regulatory texts.

If the Board of Directors so decides at the time of convening the Meeting, forms may be completed and signed electronically directly on a site set up by the Company. This site must use a process including a username and password, in accordance with the terms set out in the first sentence of paragraph two of Article 1316-4 of the French Civil Code, or any other process which meets the conditions set out in the first sentence of paragraph two of Article 1316-4 of the French Civil Code.

Powers or votes cast in this way prior to the Meeting by such electronic means, and any receipts which are provided for them, shall be considered to be fully enforceable, irrevocable written records, subject to the points set out below. By derogation, in the case of a sale of shares occurring prior to midnight (Paris time) on the second working day preceding the Meeting the Company shall invalidate or alter accordingly, as the case may be, the proxy expressed or the vote cast prior to the Meeting, using the electronic method set up by the Board of Directors.

Owners of Company shares who are not resident on the French territory may be registered in the accounts and represented at the Meeting by any intermediary who is registered on their behalf and holds a general securities management mandate, provided such intermediaries have previously declared themselves as intermediaries holding shares on behalf of others at the time when shares are registered in the accounts with the Company or account-holding financial intermediary, in accordance with legal and regulatory provisions.

The Company is entitled to ask any intermediary who is registered on behalf of shareholders not residing in France and who holds a general mandate to provide a list of the shareholders they represent and whose rights would be exercised at the Meeting.

ORDINARY GENERAL SHAREHOLDERS' MEETINGS

Ordinary General Shareholders' Meetings are called to make all decisions that do not amend the Articles of Association. They are held at least once a year within six months of the end of the financial year, to approve the financial statements for the previous financial year, unless this period is extended by Court order.

Ordinary General Shareholders' Meetings cannot validly deliberate, on the first notice of meeting, unless shareholders present, represented or voting remotely, hold at least one-fifth of shares with voting rights. Upon a second notice of meeting, no quorum is required. Decisions are made by majority vote of the shareholders who are present, represented or have voted remotely.

For the purposes of calculating quorum and majority, shareholders are deemed to be present if they take part in an Extraordinary General Shareholders' Meeting by videoconference or any other means of telecommunication enabling them to be identified, the nature and terms of use of which are defined by applicable laws and regulations.

EXTRAORDINARY GENERAL SHAREHOLDERS' MEETINGS

Only Extraordinary General Shareholders' Meetings are authorised to amend any provisions in the Articles of Association. However, they may not increase shareholders' commitments except through transactions resulting from a properly executed share consolidation.

Subject to legal stipulations applicable to share capital increases

by the incorporation of reserves, profits or issue premiums, Extraordinary General Shareholders' Meetings cannot validly deliberate unless shareholders present, represented or voting remotely, hold on the first notice of meeting at least one-quarter, or on the second notice of meeting one-fifth of the shares with voting rights. If the latter quorum cannot be reached, the second meeting may be reconvened up to two months after the original date, at which point a one-fifth quorum is again required.

Subject to the same conditions, decisions are made by a two-thirds majority vote of shareholders who are present, represented or have voted remotely.

For the purposes of calculating quorum and majority, shareholders are deemed to be present if they take part in an Extraordinary General Shareholders' Meeting by videoconference or any other means of telecommunication enabling them to be identified, the nature and terms of use of which are defined by applicable laws and regulations.

8.2. FORM AND DEADLINES FOR NOTICES OF MEETING (ARTICLE 28 OF THE ARTICLES OF ASSOCIATION)

The Board of Directors calls General Shareholders' Meetings under the conditions provided for by law.

Otherwise, General Shareholders' Meetings may also be called by the auditors or by any person authorised for this purpose.

A notice informing shareholders of the next General Shareholders' Meeting is published at least 35 days prior to the Meeting in the French bulletin of mandatory legal announcements (BALO).

Except where provided for legally, notices are issued at least fifteen clear days before the scheduled date of a General Shareholders' Meeting. This period is reduced to ten clear days for General Shareholders' Meetings held after a second notice of meeting and for reconvened General Shareholders' Meetings.

The notices of meetings are issued by a notice in a newspaper publishing legal announcements in the département where the registered office is located, and in the French bulletin of mandatory legal announcements (BALO). Moreover, shareholders who have held registered shares for at least one month prior to the notice of meeting are summoned to the General Shareholders' Meeting by ordinary letter. They may ask to be notified by registered post, provided they pay the registered postage fee to the Company.

The meetings shall take place at the date, time and place stated in the notice of meeting.

Notices of meeting must include the agenda for the Meeting.

8.3. OFFICERS OF GENERAL SHAREHOLDERS' MEETINGS (ARTICLE 30 OF THE ARTICLES OF ASSOCIATION)

General Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his or her absence, by a Director appointed by the Board for this purpose. Failing this, the General Shareholders' Meeting elects its own Chairman.

The two members of the General Shareholders' Meeting with the highest number of votes, who accept this role, shall serve as tellers.

The officers of a General Shareholders' Meeting appoint a secretary, who is not required to be a shareholder.

8.4. AGENDA

The Agenda of General Shareholders' Meeting is prepared by the author of the notice of meeting.

One or more shareholders representing the percentage of capital required by applicable regulatory provisions and acting in accordance with legal conditions and time limits may request that proposed resolutions be added to the agenda.

Requests for proposed resolutions to be added to the agenda must be sent by registered letter with recorded delivery as of publication of the notice of meeting in the French bulletin of mandatory legal announcements (BALO), and up to 25 days prior to the Meeting (however, if the notice is published more than 45 days prior to the Meeting, proposed must be sent within 20 days of publication of the notice). The authors must provide proof that they possess or represent the required proportion of share capital, prior to transmission of the request, by registering the shareholders on the Company registers.

Only matters on the agenda may be discussed at General Shareholders' Meetings. However, the Meeting may at any time dismiss and replace one or more members of the Board of Directors.

The agenda may not be amended where a second notice of meeting has been issued, or in the event of a meeting being reconvened.

8.5. CONDITIONS FOR EXERCISING VOTING RIGHTS

At all General Shareholders' Meetings, each shareholder has as many votes as the number of shares he or she owns or represents, with no limitations other than those which may arise from legal provisions or the Articles of Association, subject to a Court order in certain cases. The provisions of the Articles of Association stipulating the existence of a double voting right, as adopted by the General Shareholders' Meeting of 7 June 2011, became effective on 1 May 2013. A double voting right is attributed to all fully paid-up registered shares of the Company that have been registered in the name of the same holder for at least two years.

PART IV: SIGNIFICANT FACTORS IN THE EVENT OF A TENDER OFFER OR PUBLIC EXCHANGE OFFER (L. 225-37-5 OF THE FRENCH COMMERCIAL CODE)

The items listed in paragraphs 1-10 below are provided for information only. The Company considers that they are unlikely to be relevant in the event of a public offering.

1. STRUCTURE OF THE COMPANY'S SHARE CAPITAL AT 31 DECEMBER 2017

	Number of shares	% of share capital	Voting rights	% of voting rights
J O Hambro Capital Management	48,105,409	8.3%	48,105,409	8.3%
River and Mercantile AM	46,902,261	8.1%	46,902,261	8.0%
DNCA	31,210,000	5.4%	31,210,000	5.4%
Edmond de Rothschild AM	30,259,098	5.2%	30,259,098	5.2%
Public	424,962,151	73.0%	425,677,440	73.0%
SoLocal Group employees ⁽¹⁾	603,607	0.1%	603,607	0.1%
Treasury shares held ⁽²⁾	402,274	0.1%	0	0.0%
TOTAL	582,444,800	100.0%	582,757,815	100.0%

(1) Under the SoLocal Group savings plan (PEG).

(2) 402,274 treasury shares are held under a liquidity agreement as of 2 December 2012.

2. STATUTORY RESTRICTIONS ON THE EXERCISE OF VOTING RIGHTS AND THE TRANSFER OF SHARES OR THE CLAUSES OF AGREEMENTS MADE KNOWN TO THE COMPANY PURSUANT TO ARTICLE L. 233-11

N/A.

3. DIRECT OR INDIRECT INTERESTS IN THE COMPANY'S CAPITAL, OF WHICH IT IS AWARE, PURSUANT TO ARTICLES L. 233-7 AND L. 233-12⁽¹⁾

- On 16 March 2017, Edmond de Rothschild Asset Management, acting on behalf of the funds it manages, fell below the statutory shareholding threshold of 6% on 14 March 2017. Edmond de Rothschild Asset Management reported that it held 30,259,098 shares, representing 5.25% of the Company's share capital and voting rights.
- On 16 March 2017, GLAS Trustees Limited, a company acting as security agent for the holders of €350,000,000 in 8.875% senior secured bonds maturing in 2018, reported that it had:
 - exceeded, on 13 March 2017, the thresholds of 5% and 10% of the Company's share capital and voting rights, and held 59,837,345 shares representing the same number of voting rights, i.e. 10.39% of the share capital and 10.38% of the voting rights; and
 - fallen below, on 14 March 2017, as the result of the return of shares to beneficiaries of the trust, the thresholds of 10% and 5% of the Company's share capital and voting rights, and held 7,680,208 shares representing the same number of voting rights, i.e. 1.33% of the share capital and voting rights.
- On 17 March 2017, the funds acting together and managed by Paulson, Monarch and Amber Capital, exceeded the statutory thresholds on 13 March 2017 of 1% to 14% and held 81,808,384 shares representing the same number of voting rights, i.e. about 14.2% of the share capital and 14.19% of the voting rights of the Company. Individually, the funds managed by Paulson hold 49,018,750 shares and the same number of voting rights representing about 8.51% of the share capital and 8.50% of the voting rights of the Company. Individually, the funds managed by Monarch hold 22,613,813 shares and the same number of voting rights representing about 3.92% of the share capital and 3.92% of the voting rights of the Company. Individually, the funds managed by Amber Capital hold 10,174,546 shares and the same number of voting rights representing about 1.77% of the share capital and 1.76% of the voting rights of the Company.
- On 17 March 2017, the funds acting together and managed by Paulson, Monarch and Amber Capital fell below the statutory thresholds on 15 and 16 March 2017 of 14%, 13% and 12%, holding 65,957,511 shares representing the same number of voting rights, i.e. about 11.45% of the share capital and 11.44% of the voting rights of the Company. Individually, the funds managed by Paulson hold 45,411,171 shares and the same number of voting rights representing about 7.88% of the share capital and 7.88% of the voting rights of the Company. Individually, the funds managed by Monarch hold 10,370,519 shares and the same number of voting rights representing about 1.8% of the share capital and 1.88% of the voting rights of the Company.
- On 17 March 2017, DNCA Finance, acting on behalf of funds it manages, reported that on 13 March 2017 it fell below the thresholds of 5% of the Company's share capital and voting rights and held, on behalf of said funds, 20,262,500 shares representing the same number of voting rights, i.e. 3.52% of the share capital and 3.51% of the voting rights of the Company.
- On 22 March 2017, the companies Paulson, Monarch and Amber reported that they had jointly fallen below the thresholds of 10% of the Company's share capital and voting rights on 16 March 2017, and held 41,502,134 shares representing the same number of voting rights, i.e. 7.20% of the share capital and voting rights. Individually, the funds managed by Paulson hold 23,726,313 shares and the same number of voting rights representing about 4.12% of the share capital and 4.12% of the voting rights of the Company. Individually, the funds managed by Monarch hold 7,600,000 shares and the same number of voting rights representing about 1.32% of the share capital and 1.32% of the voting rights of the Company. Individually, the funds managed by Amber Capital hold 10,175,821 shares representing about 1.77% of the share capital in the Company.
- On 27 March 2017, the Paulson, Monarch, and Amber companies announced that the shareholder agreements entered into on 13 March 2017 had expired, and their joint action with regard to the Company had ended. In the same letter, the Paulson, Monarch, and Amber companies reported that on 24 March 2017 they fell below the thresholds of 5% of the Company's share capital and voting rights and no longer jointly held any shares in the Company. Individually, the funds managed by Paulson hold 23,726,313 shares and the same number of voting rights representing about 4.12% of the share capital and 4.12% of the voting rights of the Company. Individually, the funds managed by Monarch hold 6,701,397 shares and the same number of voting rights representing about 1.16% of the share capital and 1.16% of the voting rights of the Company. Individually, the funds managed by Amber Capital hold 10,175,821 shares and the same number of voting rights representing about 1.77% of the share capital and 1.76% of the voting rights of the Company.
- On 17 July 2017, River and Mercantile Asset Management LLP, acting on behalf of the fund it manages, reported that on 12 July 2017 it exceeded the thresholds of 5% of the Company's share capital and voting rights and, on behalf of said funds, held 29,230,953 shares representing the same number of voting rights, i.e. 5.03% of the share capital and 5.02% of the voting rights of the Company.
- On 14 September 2017, DNCA Finance, acting on behalf of funds it manages, reported that on 8 September 2017 it exceeded the thresholds of 5% of the Company's share capital and voting rights and held, directly and indirectly on behalf of said funds, 31,210,000 SoLocal Group shares representing the same number of voting rights, i.e. 5.36% of the share capital and 5.35% of the voting rights of the Company.
- On 7 November 2017, J O Hambro Capital Management Limited, acting on behalf of clients and funds it manages, reported for adjustment purposes that on 20 June 2017 it exceeded the thresholds of 5% of the Company's share capital and voting rights and, on behalf of said clients and funds, held 30,303,875 SoLocal Group shares representing the same number of voting rights, i.e. 5.23% of the share capital and 5.22% of the voting rights of that Company. J O Hambro Capital Management Limited stated that at 6 November 2017, it held 45,804,787 SoLocal Group shares representing the same number of voting rights, i.e. 7.87% of the share capital and 7.86% of the voting rights of that company.

(1) Legal shareholding disclosure thresholds.

4. LIST OF HOLDERS OF ALL SECURITIES INCLUDING SPECIAL CONTROLLING RIGHTS, WITH THE DESCRIPTION OF THESE RIGHTS

N/A.

5. CONTROL MECHANISMS PROVIDED IN THE EMPLOYEE⁽¹⁾ SHAREHOLDING SYSTEM

According to the regulations on the employee shareholding fund (FCPE) of the Group savings plan invested in SoLocal shares, the voting rights attached to this fund's capitalised securities are exercised by the fund's Supervisory Board.

With no express mention in the regulations of any cases in which the Supervisory Board must seek the shareholders' opinion in

advance, the Supervisory Board decides to contribute this fund's capitalised securities to purchase or exchange offers, pursuant to Article L. 214-164 of the French Monetary and Financial Code.

At 31 December 2017, the FCPE held 0.11% of the Company's share capital and 0.14% of voting rights in the General Meeting.

6. AGREEMENTS BETWEEN SHAREHOLDERS OF WHICH THE COMPANY IS AWARE AND THAT MAY LEAD TO RESTRICTIONS ON THE TRANSFER OF SHARES OR THE EXERCISE OF VOTING RIGHTS

The Company is not aware of any agreements between shareholders that may lead to restrictions on the transfer of shares or the exercise of voting rights.

7. RULES APPLICABLE TO THE APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE BOARD OF DIRECTORS AS WELL AS THE AMENDMENT OF THE COMPANY'S BY-LAWS

No stipulation in the by-laws or agreement between the Company and a third party includes any special provision on the appointment and/or replacement of Company Directors that may have an impact in the event of a tender offer.

8. POWERS OF THE BOARD OF DIRECTORS (PARTICULARLY CONCERNING THE ISSUE OR REDEMPTION OF SHARES)

Subject to their adoption, the delegations of authority or authorisations that will be submitted to the vote of the General Meeting of 9 March 2018 (14th to 18th resolutions), will specify that the Board of Directors may not, without the prior authorisation of the General Meeting, use them as from the filing by a third party of a tender offer in relation to Company securities, until after the end of this offer period.

9. AGREEMENTS ENTERED INTO BY THE COMPANY THAT HAVE BEEN AMENDED OR ARE EXPIRING IN THE EVENT OF A CHANGE IN CONTROL OF THE COMPANY

A number of agreements entered into by the Company include a change in control clause.

10. AGREEMENTS PROVIDING COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS OR EMPLOYEES

There is no agreement by the Company providing compensation for members of the Board of Directors or employees of the Company. For commitments made to entend into the benefit the Chief Executive Officer, in the event of a forced departure and related to a change in control or strategy, see Section 2.9 above.

(1) Under the assumption that the controlling rights are not exercised by the Company's employees.

STATUTORY AUDITORS' REPORTS

STATUTORY AUDITORS' REPORT ON THE CORPORATE GOVERNANCE REPORT

Financial year ended 31 December 2017

To the Annual General Meeting of SoLocal Group

We have, in our capacity as your Company's Statutory Auditors and in accordance with Article L. 225-235 of the French Commercial Code, drawn up this report on the corporate governance report which is stipulated by Article L. 225-37 of the same Code.

The corporate governance report was drawn up under the responsibility of your board. We are responsible for certifying the existence of certain information in the corporate governance report and for attesting to the accuracy and genuineness of the information on the remuneration and benefits paid to the corporate officers.

We performed our work in accordance with the professional standards of practice which apply in France. The work involved the following:

- examining the information mentioned in Article L. 225-37-4 of the French Commercial Code on the different operational aspects of the Company's Administrative and Management bodies and in Article L. 225-37-3 of the French Commercial Code on the individual remuneration of corporate officers, and in Article L. 225-37-5 of the French Commercial Code on information which your Company considered liable to impact a tender offer or a public exchange offer;
- checking that the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code is set out in the corporate governance report;
- concerning the information provided pursuant to Article L. 225-37-3 of the French Commercial Code relating to the remuneration and benefits received by the corporate officers and any other commitments made to them, verifying that it was consistent with the financial statements, or the underlying information used to prepare them and, where appropriate, with the information your Company has obtained from companies that control your Company or are controlled by it;
- checking that the information which is liable to have an impact on a tender offer or a public exchange offer and supplied pursuant to Article L. 225-37-5 of the French Commercial Code conforms with the basic documents which it is derived from and which were disclosed to us.

On the basis of our work:

- we certify that the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code is set out in the corporate governance report and that the information required by Article L. 225-37-3 of the French Commercial Code is accurate and genuine;
- we have no observations to make on the information which is referred to in Article L. 225-37-5 of the French Commercial Code.

Paris-La Défense and Neuilly-sur-Seine, 14 February 2018

Statutory Auditors

BEAS

A Deloitte network entity
Joël Assayah

AUDITEX

Member of the Ernst & Young network Global Limited
Vincent de La Bachelerie

STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED COMMITMENTS

Combined General Meeting of 9 March 2018 10th and 11th resolutions

To the shareholders,

In our capacity as your Company's auditors, we are presenting our report to you on the regulated commitments, which require the approval of your General Meeting on 9 March 2018.

We are responsible for communicating to you, on the basis of the information which has been disclosed to us, the characteristics and the main terms and conditions and the grounds to justify the benefit to the Company of these commitments which have been disclosed to us, without however having to pronounce on their usefulness or merits or search for the existence of other commitments. Under Article R. 225-31 of the French Commercial Code, you are responsible for determining whether the commitments are appropriate and should be approved.

We conducted the diligences we deemed necessary having regard to the professional doctrine of the National Auditors' Association as relevant to this assignment. These measures consisted of verifying the consistency of the information given to us with the contents of the source documents.

I. COMMITMENTS AUTHORISED BY THE BOARD OF DIRECTORS

In accordance with Article L. 225-40 of the French Commercial Code, we were informed of the following commitments made in favour of Mr Éric Boustouller, Chief Executive Officer from 11 October 2017, which had previously been authorised by your Board of Directors.

NATURE AND PURPOSE

Your Board of Directors, which met on 11 July 2017, authorised the terms, and notably the financial terms, of Mr Éric Boustouller's office as Chief Executive Officer on the proposal of the Remunerations Committee. Amongst the commitments made by your Company, Mr Éric Boustouller will receive (i) under certain conditions, a severance payment and/or an indemnity in return for a non-competition obligation, together with, as a benefit in kind, (ii) a defined-contribution supplementary retirement plan.

TERMS AND CONDITIONS

SEVERANCE PAYMENT

In the event of a forced departure from your Company, i.e. any departure other than following a resignation or dismissal for serious misconduct except, with respect to the resignation, if this is caused by a change in control of your Company or a change in strategy decided by your Board of Directors, a severance payment will be paid to the Chief Executive Officer under the following conditions :

- the amount of the indemnity will be equal to 18 months of the Chief Executive Officer's gross annual all-inclusive compensation (fixed and variable for targets achieved);
- the payment of the indemnity will be subject to the following performance condition: the Chief Executive Officer must have, on average, achieved at least 80% of his annual targets during the past three years. If the departure occurs less than three years after taking up his duties, the annual targets taken into account will be those which applied during his period of presence in your Company;
- the indemnity will only be paid after the Board of Directors has recorded the achievement of the applicable performance condition.

NON-COMPETITION CLAUSE

The Chief Executive Officer will be subject to a non-competition obligation after his term of office ends, for any reason and in any form whatsoever, as follows:

- the non-competition obligation will be limited to a 12-month period starting from the end of his duties;
- the corresponding compensation shall be equal, on the basis of a 12-month non-competition period, to 6 months' total compensation calculated on the basis of the monthly average of the total gross compensation paid over the 12 months of activity preceding the date of termination of his duties.

The Company may, when at the time of termination, (i) waive the non-competition clause (in which case it will not be required to pay the corresponding compensation), or (ii) reduce the duration, scope of activity and/or geographical scope of said clause (in which case the amount of non-competition compensation shall be proportionately reduced).

The aggregate of both the severance package and the non-competition compensation may not exceed two years of fixed and variable compensation.

SUPPLEMENTARY PENSION SCHEME

The Chief Executive Officer will benefit from a defined-benefit supplementary retirement plan (Article 83 of the French Tax Code) with a 5.5% contribution applied to tranches B and C of the compensation. This contribution will be paid 60% by your Company, i.e. 3.3%, with the remaining 40% payable by the Chief Executive Officer, i.e. 2.2%.

Your Company paid 2,039 euros for the 2017 financial year as its contribution.

REASONS JUSTIFYING THE BENEFIT OF THE COMMITMENTS FOR THE COMPANY

In accordance with the law, we hereby inform you that the previous authorisation given by the Board of Directors on 11 July 2017 did not include the reasons justifying the benefit of the commitments for the Company stipulated by Article L. 225-38 of the French Commercial Code. However your Board of Directors, which met on 14 February 2018, considered that the benefit for the Company of these provisions, was to recruit a Chief Executive Officer with the necessary skills to carry through the Company's transformation strategy, under compensation conditions which are comparable to market conditions for chief executives of companies in the same sector or of the same size.

II. COMMITMENTS TO BE RESUBMITTED TO THE GENERAL MEETING FOR ITS APPROVAL

We were also informed of the following commitments made to Mr Christophe Pingard, Deputy Chief Executive Officer (DCEO) until 15 December 2017, which must be resubmitted to the General Meeting for its approval in accordance with Article L. 225-42-1 of the French Commercial Code.

As stated in the report of the Board of Directors and in accordance with the law, it is proposed that you reiterate your approval, which was given for the last time at the Combined General Meeting on 13 June 2017, of the commitments made to Mr Christophe Pingard, because of the prolongation of his term of office as Deputy Chief Executive Officer until 15 December 2017, and not renewed by a decision of your Board of Directors, which met on 11 October 2017. These commitments, which are unchanged since their approval, involve the grant of a severance payment which is subject to certain conditions, notably of performance, and a non-competition obligation.

SEVERANCE PAYMENT

The commitment approved by the Combined General Meeting on 13 June 2017 provided for an indemnity which could be paid to Mr Christophe Pingard in the event of his forced departure from your Company and connected to a change of control or strategy, or its implementation. The amount of this severance payment had to be equal to 12 months' compensation calculated on the basis of the average monthly total gross compensation (fixed and variable) for the last 12 months' of activity before he left his functions.

As Mr Christophe Pingard left his functions on 15 December 2017 your Board of Directors meeting on the same day acknowledged that the conditions for the payment of the severance payment (especially the performance condition) were satisfied. Mr Christophe Pingard therefore received a severance payment which in accordance with the above terms, amounts to €595,903.

NON-COMPETITION OBLIGATION

A non-competition obligation could have been applied in case of termination of the office of Deputy Chief Executive Officer of Mr Christophe Pingard for any reason and in any form whatsoever. It would have been limited to twenty-four months and would have covered the whole of French territory.

The commitment approved by the Combined General Meeting on 13 June 2017 stipulated a corresponding indemnity payment which, on the basis of a twenty-four month non-competition period, would have been equal to 12 months' compensation calculated on the basis of the average monthly total gross compensation for the last 12 months' activity before the date that Mr Christophe Pingard ceased his functions as the Deputy Chief Executive Officer.

Your Company had the option, when he ceased his functions, of waiving the benefit of the non-competition commitment (in which case it would not be obliged to pay the corresponding indemnity).

Your Board of Directors, which met on 15 December 2017, decided not to pay Mr Christophe Pingard the compensatory indemnity amounting to €595,903 and consequently released him from his non-competition obligation.

Paris-La Défense and Neuilly-sur-Seine, 14 February 2018

Statutory Auditors

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Joël Assayah

AUDITEX

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Vincent de La Bachelerie

REPORT OF THE STATUTORY AUDITORS ON THE AUTHORISATION TO ALLOCATE EXISTING FREE SHARES OR SHARES TO BE ISSUED

Combined General Meeting of 9 March 2018

12th resolution

To the shareholders,

We, in our capacity as Statutory Auditors of your Company and in performance of the assignment stipulated in Article L. 225-197-1 of the French Commercial Code, are submitting our report to you on the contemplated authorisation of allocation, subject to conditions of performance and presence, of free shares, which either exist or will be issued in the future, to the employees or the corporate officers of the Company or of French or foreign companies and groups affiliated with it as defined by Article L. 225-197-2 of the French Commercial Code, or certain categories of them, an operation you will be asked to vote on.

The maximum total number of shares which can be allocated under this authorisation is 10,200,000 shares, including a maximum of 2,300,000 shares to the Company's corporate officers, although no free share allocation can be made to the Chairman of the Board of Directors of your Company.

The Board of Directors is proposing, that based on its report, you authorise it to allocate free shares, which either exist or are to be issued, for a period of 12 months starting from the day of this General Meeting.

The Board of Directors will draft a report on this operation that it hopes it can carry out. We are required to give you, if need be, our comments on the information that is being given to you on the anticipated operation.

We conducted the diligences we deemed necessary having regard to the professional doctrine of the National Auditors' Association as relevant to this assignment. These due diligences consisted, in particular, in checking that the methods envisaged and provided in the Board of Directors' report come within the scope of the provisions provided for by law.

We do not have any comments to make on the information provided in the Board of Directors' report concerning the contemplated operation to authorise the allocation of free share.

Paris-La Défense and Neuilly-sur-Seine, 14 February 2018

Statutory Auditors

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A Deloitte network entity
Joël Assayah

AUDITEX

Member of the Ernst & Young network Global Limited
Vincent de La Bachelerie

REPORT OF THE STATUTORY AUDITORS ON THE AUTHORISATION TO ALLOCATE EXISTING FREE SHARES OR SHARES TO BE ISSUED TO THE BENEFIT OF THE CHIEF EXECUTIVE OFFICER

Combined General Meeting of 9 March 2018

13th resolution

To the shareholders,

We, in our capacity as your Company's Statutory Auditors and in performance of the assignment stipulated in Article L. 225-197-1 of the French Commercial Code, are presenting our report to you on the contemplated authorisation of the allocation of free shares, either existing or issued in the future, to your Company's Chief Executive Officer, Mr Éric Boustouller, an operation which you will be asked to vote on.

In accordance with the commitments which were made when Mr Éric Boustouller was appointed as your Company's Chief Executive Officer, a maximum of 1,000,000 shares can be allocated to him under this authorisation.

Your Board of Directors is proposing that, based on this report, you authorise it to allocate these existing or future free shares within 30 days of this General Meeting.

The Board of Directors will draft a report on this operation that it hopes it can carry out. We are required to give you, if need be, our comments on the information that is being given to you on the anticipated operation.

We conducted the diligences we deemed necessary having regard to the professional doctrine of the National Auditors' Association as relevant to this assignment. These due diligences consisted, in particular, in checking that the methods envisaged and provided in the Board of Directors' report come within the scope of the provisions provided for by law.

We do not have any comments to make on the information provided in the Board of Directors' report concerning the contemplated operation to authorise the allocation of free share.

Paris-La Défense and Neuilly-sur-Seine, 14 February 2018

Statutory Auditors

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Joël Assayah

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Vincent de La Bachelerie

STATUTORY AUDITORS' REPORTS ON THE ISSUE OF SHARES AND VARIOUS SECURITIES WITH OR WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS

Combined General Meeting of 9 March 2018

14th, 15th, 16th and 17th resolutions

To the shareholders,

In our capacity as Statutory Auditors of your Company (the "Company") and in implementation of the assignment stipulated in Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code, we submit our report on the proposals of delegating to the Board of Directors the various issues of shares and/or securities. You are asked to vote on these operations.

Your Board of Directors proposes, based on its report, that you delegate to it, with the option of sub-delegation per the terms set out by law, for a period of 26 months starting from the day of this General Meeting, the authority to decide on the following operations and to set the final terms of these issues. It also proposes that you waive your preferential subscription right, as applicable:

- issue, with preferential subscription rights preserved (14th resolution), (i) of shares and/or (ii) equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or (iii) securities giving access to equity securities to be issued;
- issue, without preferential subscription rights, of (i) shares and/or (ii) equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or (iii) securities giving access to equity securities to be issued, through a public offering (15th resolution);
- issue, without preferential subscription rights, of (i) shares and/or (ii) equity securities giving access to other equity securities and/or granting entitlement to the allotment of debt securities and/or (iii) securities giving access to equity securities to be issued, through private placements as defined in Article L.411-2 II of the French Monetary and Financial Code and up to a limit of 20% of registered capital per year (16th resolution).

The total nominal amount of the capital increases that may be carried out, immediately or in the future, cannot, per the 14th resolution, exceed €22,800,000 under the 14th, 15th and 16th resolutions, given that the nominal amount of capital increases that may be carried out, immediately or in the future, cannot exceed (i) €17,000,000 under the 14th resolution and (ii) €5,800,000 under each and all of the 15th and 16th resolutions.

The total nominal amount of debt securities that may be issued cannot, per the 14th resolution, exceed €450,000,000 for all of the debt securities to be issued per the 14th, 15th and 16th resolutions.

These ceilings factor in the additional number of securities to be created for the application of the delegations set out in the 14th, 15th and 16th resolutions, within the conditions set forth in Article L. 225-135-1 of the French Commercial Code, if you adopt the 17th resolution.

It is the responsibility of the Board of Directors to prepare a report pursuant to Articles R. 225-113 et seq. of the French Commercial Code. It is our duty to state our opinion on the truthfulness of the statistical information taken from the financial statements, on the proposal to waive the preferential subscription rights and on certain other information concerning these operations, given in this report.

We conducted the diligences we deemed necessary having regard to the professional doctrine of the National Auditors' Association as relevant to this assignment. This due diligence consisted in verifying the contents of the Board of Directors' report relative to these operations and the methods for determining the issue price of the equity securities to be issued.

Subject to further study of the terms and conditions of the issues which will be decided, we have no comments to make regarding the methods for determining the issue price of the equity securities to be issued provided in the Board of Directors' report under the 15th and 16th resolutions.

Furthermore, as this report does not specify the methods for determining the issue price of the equity securities to be issued for the implementation of the 14th resolution, we cannot state an opinion on the choice of information for calculating this issue price.

The definitive terms and conditions under which the capital increase will be carried out having been established, we are not expressing our opinion on them and, as a result, on the proposal to waive the preferential subscription right being made to you in the 15th and 16th resolutions.

Pursuant to Article R. 225-116 of the French Commercial Code, we will draft an additional report, if need be, at the time these delegations are used by your Board of Directors, in the event of issues of marketable securities that are equity securities giving access to other equity securities or granting entitlement to the allotment of debt securities; in the event of issues of marketable securities giving access to equity securities to be issued; and in the event of an issue of shares, without rights issue.

Paris-La Défense and Neuilly-sur-Seine, 14 February 2018

Statutory Auditors

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A Deloitte network entity
Joël Assayah

AUDITEX

Member of the Ernst & Young network Global Limited
Vincent de La Bachelerie

REPORT OF THE STATUTORY AUDITORS ON THE CAPITAL INCREASE RESERVED FOR THE MEMBERS OF A COMPANY SAVINGS PLAN

Combined General Meeting of 9 March 2018

(19th resolution)

To the shareholders,

In our capacity as Statutory Auditors of your Company (the "Company") and in implementation of the assignment stipulated in Articles L. 225-135 et seq. of the French Commercial Code, we submit our report on the proposal of delegating to the Board of Directors the authority to decide on a capital increase through the issue of ordinary shares, without preferential subscription right, reserved for the employees and former employees of the Company and/or the Companies affiliated with the Company within the meaning of Article L. 225-180 of the French Commercial Code and Article L.3344-1 of the French Labour Code, who belong to a company savings plan, for a maximum nominal amount of €1,150,000. You are asked to vote on this operation.

This capital increase is submitted for your approval in application of the provisions of Articles L. 225-129-6 of the Commercial Code and L. 3332-18 et seq. of the French Labour Code.

The Board of Directors proposes, based on its report, that you delegate to it for a period of twenty-six months starting from the day of this Meeting, the authority to decide on a capital increase and to waive your preferential subscription right on the ordinary shares that will be issued. If need be, they will establish the final terms and conditions of issue of this operation.

The Board of Directors will prepare a report in compliance with Articles R. 225-113 and R. 225-114 of the French Commercial Code. We are required to give our opinion on the truthfulness of the statistical information taken from the financial statements, on the proposal for elimination of the pre-emptive subscription right and on certain other information concerning the issue given in this report.

We conducted the diligences we deemed necessary having regard to the professional doctrine of the National Auditors' Association as relevant to this assignment. This due diligence consisted in verifying the contents of the Board of Directors' report relative to this operation and the methods for determining the issue price of the shares.

Subject to further study of the terms and conditions of the capital increase which will be decided, we have no comments to make regarding the methods for determining the issue price of the ordinary shares to be issued provided in the Board of Directors' report.

The definitive terms and conditions under which the capital increase will be carried not having been established, we are not expressing our opinion on them and, as a result, on the proposal being made to you to eliminate the pre-emptive subscription right.

Pursuant to Article R. 225-116 of the French Commercial Code, we will draft an additional report, if need be, at the time this delegation is used by the Board of Directors.

Paris-La Défense and Neuilly-sur-Seine, 14 February 2018

Statutory Auditors

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Vincent de La Bachelerie



NOTES

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REQUEST FOR DOCUMENTS

COMBINED GENERAL
SHAREHOLDERS' MEETING
OF SOLOCAL GROUP

to be held on 9 March 2018

L'ALTERNATIF
Place de la Pyramide
92 800 PUTEAUX - LA DÉFENSE



Return this document, duly completed and signed,
directly to:

SOLOCAL GROUP – RELATIONS ACTIONNAIRES
(SHAREHOLDER RELATIONS)

204 ROND-POINT DU PONT DE SÈVRES
92649 BOULOGNE-BILLANCOURT CEDEX

Mr

Mrs

Miss

First and last names:

Address :

Postcode: Town/City:

E-mail address: @

Registered account number:

In accordance with the provisions of Article R. 225-88 of the French Commercial Code, I request that SoLocal Group send me all the documents and information concerning the Combined General Meeting to be held on 9 March 2018, as they are listed in Article R. 225-83 of the French Commercial Code.

- In my capacity as an owner of registered shares, I also request that a proxy form and the documents and information referred to in Article R. 225-81 and R. 225-83 of the French Commercial Code be sent to me at the time of each subsequent Shareholders' Meeting.
- In my capacity as an owner of shares, all in bearer form (*this section should not be completed by shareholders who hold registered shares*).

I represent that these shares are registered in an account held by:

Name and address of your financial intermediary

.....
.....

authorised intermediary, and that the certificate issued by such intermediary certifying that the shares were registered no later than **7 March 2018 at 00:00 (Paris time)**, was filed with SoLocal Group, the depositary designated in the Notice of Meeting (Article R. 225-85 and R. 225-88 of the French Commercial Code).

Signed in: , on 2018

Signature:





NOTES

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REQUEST FOR DOCUMENTS TO BE SENT ELECTRONICALLY

DOCUMENTS FOR PARTICIPATING IN GENERAL SHAREHOLDERS' MEETING TO BE SENT TO HOLDERS OF REGISTERED SHARES⁽¹⁾

SoLocal Group is aware of its responsibilities with respect to the environment and has decided to limit, to the extent possible, the use of paper in its communications.

That is why this form has been sent to you.

We hope that many of you will join us in this socially responsible measure.



Form to be sent to:

BNP PARIBAS SECURITIES SERVICES, CTS ASSEMBLÉES
GRANDS MOULINS DE PANTIN
9 RUE DU DÉBARCADÈRE – 93761 PANTIN CEDEX

You may register directly on our dedicated Planetshares website (<https://planetshares.bnpparibas.com>) to request any documents you wish.

- I request that, with effect from the Annual Ordinary General Meeting held in 2018, you send to me by email, at the email address stated below, my Notice of Meeting and the documents required to participate in SoLocal Group General Meetings.
- I expressly authorise SoLocal Group (or its representative if applicable) to send me by e-mail all communications concerning SoLocal Group corporate matters.

Mr Mrs Miss

First and last names:

Address:

Postcode: Town/City:

E-mail address:@.....

Registered account number:

Signed in, on 2018

Signature:

If at any time you decide that you once again wish to receive your Notice of Meeting and the documents for participating in General Meetings by post, please inform us by registered letter with acknowledgement of receipt.

Registered office: 204 Rond-Point du Pont de Sèvres – 92649 Boulogne-Billancourt Cedex

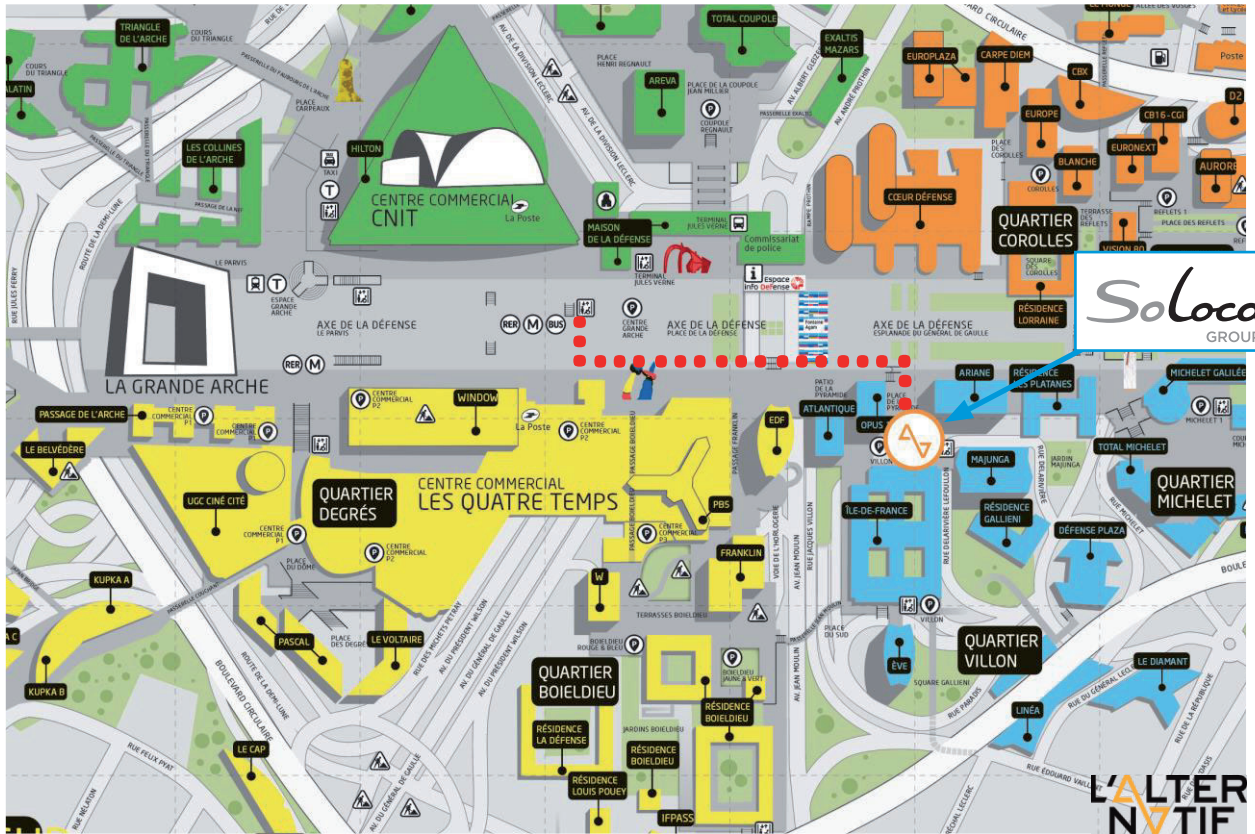
Telephone:  **0 800 81 84 54** (Freephone number)

E-mail address: actionnaires@solocalgroup.com – www.solocalgroup.com

(1) This possibility is available only to registered shareholders of SoLocal Group.



HOW TO GET TO THE GENERAL MEETING?



COMBINED GENERAL SHAREHOLDERS' MEETING OF SOLOCAL GROUP

of 9 March 2018

L'ALTERNATIF

Place de la Pyramide

92 800 PUTEAUX - LA DÉFENSE



• Vehicle entrance:

Villon car park
47 rue de Paradis - La Défense 9
92800 Puteaux
Section C, D, or E -Level 0

• Pedestrian entrance:

Place de la Pyramide - Paris la Défense
Stairs to Villon car park
Entrance to L'Alternatif under the stairs



• Station:

La Défense

• Bus:

258, 141, 159, 275, 276, 360,
174, 278, 541 - Stop Grande Arche



• Taxi/Uber:

Drop-off opposite 10 rue Delarivière-Lefoulon
92800 Puteaux

Outside lift
Level 0



SOLOCAL GROUP

Public limited company with a capital of €58,268,444
Commercial and Companies Register Nanterre 552 028 425

Head office:

204 Rond-Point du Pont de Sèvres - 92649 Boulogne-Billancourt Cedex

▶ N°Vert 0 800 81 84 54

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