



**#2016
NOTICE OF
MEETING**

EXTRAORDINARY GENERAL
SHAREHOLDERS' MEETING

15 December 2016
at 4 pm (CET)

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Informal translation from the French. For information purposes only.

SOLOCAL GROUP

A public limited company with share capital of €233,259,384

Registered office: 204 Rond-point du Pont de Sèvres, 92649 Boulogne-Billancourt Cedex
Nanterre Trade and Companies Register No. 552 028 425

HOW TO PARTICIPATE IN THE GENERAL MEETING?

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

Thursday, 15 December 2016

At 4 pm (Paris time)

Espace Grande Arche, Viparis - Parvis de la Défense, 92044 Paris la Défense Cedex

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

Regardless of how you choose to participate, you must prove that you are a SoLocal Group shareholder.

How to prove you are a shareholder?

- **If you hold registered shares:** Your shares must be registered in your name (whether managed by SoLocal Group or your financial intermediary) no later than the second business day prior to the General Meeting i.e. 13 December 2016 at 00:00 (Paris time).
- **If you hold bearer shares:** Have a shareholder certificate drawn up as soon as possible certifying that your shares were registered in the securities account held by your financial intermediary (bank, stockbroker or online broker), no later than the second business day prior to the General Meeting i.e. 13 December 2016 at 00:00 (Paris time). 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 14 December 2016 at 3 pm (Paris time).

How to obtain information?

- **By telephone:**
On 0800 81 84 54 (Freephone number) if calling from France or on +33 (1) 55 77 35 00 if calling from abroad, from 9 am to 7 pm, Monday to Friday.
- **Over the Internet:**
www.solocalgroup.com
- **By e-mail:**
actionnaires@solocalgroup.com
- **By post:**
SoLocal Group
Relations actionnaires (Shareholder Relations)
204 Rond-point du Pont de Sèvres
92649 Boulogne-Billancourt Cedex

How to vote?

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

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





If you wish to attend the General Meeting personally

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	If you hold bearer shares
(whether your shares are managed by SoLocal Group or your financial intermediary)	
<ol style="list-style-type: none"> 1 Tick box A on the paper form (see template on page 5). 	<ol style="list-style-type: none"> 1 Tick box A on the paper form (see template on page 5).
<ol style="list-style-type: none"> 2 Date and sign at the bottom of the form. 	<ol style="list-style-type: none"> 2 Date and sign at the bottom of the form.
<ol style="list-style-type: none"> 3 Return the form to BNP Paribas Securities Services using the postage-free envelope provided. 	<ol style="list-style-type: none"> 3 Return the form as soon as possible to the financial intermediary that holds your account (bank, stockbroker or online broker).
<p>BNP Paribas Securities Services must receive your form no later than 14 December 2016 at 3 pm (Paris time).</p>	<p>Your financial intermediary will forward the form, together with a shareholder certificate certifying that the shares are registered to you, to:</p>
	<p style="text-align: center;">BNP Paribas Securities Services – CTS Assemblées Grands Moulins de Pantin 9, rue du Débarcadère 93761 Pantin Cedex</p> <p>In order to be taken into account, the form and certificate must reach BNP Paribas Securities Services no later than 14 December 2016 at 3 pm (Paris time).</p>
<p>BNP Paribas Securities Services will send you your admission card</p>	<p>BNP Paribas Securities Services will send you your admission card</p>

How to participate in the General Meeting?



Notice of Meeting 2016 | SoLocal Group

◆ Apply for an admission card via the Internet

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

- ◆ For holders of (pure or managed) registered shares:

Holders of pure or managed registered shares may apply for an admission card via the Internet 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 as of 30 November 2016. The option of applying for an admission card via the Internet will end on 14 December at 3pm (Paris time).

Holders of pure registered shares must access the Planetshares website with their usual access codes. 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 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 holders of bearer shares:

Holders of bearer shares should find out whether their account keeper is connected to the VOTACCESS platform or not.

If account keeper is connected to the VOTACCESS platform, you must identify yourself on your account keeper's Internet portal with your usual access codes. 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 has reached BNP Paribas Securities Services after 14 December 2016 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 entrance to the Meeting;
- ◆ 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 13 December 2016 at 00:00 (Paris time), together with an identity document, at the counter set up for such purpose at the entrance to the Meeting.

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	To grant a proxy to the Chairman	To grant a proxy to another shareholder or to any other individual or legal entity of your choice
<p>1 Tick the "I vote by post" box 1 and specify how you vote.</p> <p>2 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.</p> <p>Do not mark any box if you wish to vote "yes" on all resolutions.</p> <p>3 Date and sign at the bottom of the form.</p>	<p>1 Tick the "I grant a proxy to the Chairman" box 2.</p> <p>2 Date and sign at the bottom of the form.</p> <p>3 Do not mark any box.</p> <p>4 Your votes will be "for" draft resolutions submitted or approved by the Board of Directors, and "against" all other draft resolutions.</p>	<p>1 Tick the "I grant a proxy" box 3.</p> <p>2 Provide the identity (first and last name, address) of the person who will represent you.</p> <p>3 Date and sign at the bottom of the form.</p>
<p>You have voted</p>	<p>You have voted</p>	<p>You have voted</p>

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 14 December 2016, 3pm (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. The form and certificate must reach BNP Paribas Securities Services no later than 14 December 2016, 3 pm (Paris time).

BNP Paribas Securities Services – CTS Assemblées

Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex





● 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 via the Internet 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 as from 30 November 2016. The option of voting or designating/revoking a proxy on the Internet will end on 14 December 2016 at 3 pm (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 usual access codes. 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 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 vote or to appoint/revoke a proxy. They will also be able to access the official documents of the General Meeting on that same website.

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 via the Internet. 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 customary access codes. 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:

- You should send an email to: paris.bp2s.france.cts.mandats@bnpparibas.com. This e-mail must contain the following information: the name of the relevant company, the date of the Meeting, 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 at 3 pm (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. 14 December 2016 at 3 pm (Paris time).

The VOTACCESS dedicated secure website will be open as from 30 November 2016.

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 centralizing bank for the SoLocal Group General Meeting.

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

If you wish to attend the Meeting and receive your admission card: tick **box A**.

If you hold bearer shares, send this form to the institution that holds your securities account, which will forward it, together with a shareholder certificate, to BNP PARIBAS SECURITIES SERVICES.

A **IMPORTANT : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please refer to instructions on reverse side.**
QUELLE QUE SOIT L'OPTION CHOISIE, NOIRCIER COMME CECI ■ LA OU LES CASES CORRESPONDANTES, DATER ET SIGNER AU BAS DU FORMULAIRE / WHICHEVER OPTION IS USED, SHADE BOX(S) LIKE THIS ■, DATE AND SIGN AT THE BOTTOM OF THE FORM.
 Je désire assister à cette assemblée et demander une carte d'admission : dater et signer au bas du formulaire / I wish to attend the shareholder's 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 233 259 384 €
 Siège social : 204, rond-point du pont de Sèvres
 92100 BOULOGNE BILLANCOURT
 552 028 425 RCS Nanterre

L'Assemblée Générale Extraordinaire
 des actionnaires de SoLocal Group se tiendra
 jeudi 15 décembre 2016, à 16 heures,

Espace Grande Arche, Viparis,
 Parvis de La Défense,
 92044 Paris La Défense

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 renvoi (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.

	Oui Yes	Non/No Abst/Abs	Oui Yes	Non/No Abst/Abs	Oui Yes	Non/No Abst/Abs	Oui Yes	Non/No Abst/Abs	Oui Yes	Non/No Abst/Abs
1	<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"/>	<input type="checkbox"/>
2	<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"/>	<input type="checkbox"/>
3	<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"/>	<input type="checkbox"/>
4	<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"/>	<input type="checkbox"/>
5	<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"/>	<input type="checkbox"/>
6	<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"/>	<input type="checkbox"/>
7	<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"/>	<input type="checkbox"/>
8	<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"/>	<input type="checkbox"/>
9	<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"/>	<input type="checkbox"/>
10	<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"/>	<input type="checkbox"/>
11	<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"/>	<input type="checkbox"/>
12	<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"/>	<input type="checkbox"/>
13	<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"/>	<input type="checkbox"/>
14	<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"/>	<input type="checkbox"/>
15	<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"/>	<input type="checkbox"/>
16	<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"/>	<input type="checkbox"/>
17	<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"/>	<input type="checkbox"/>
18	<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"/>	<input type="checkbox"/>
19	<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"/>	<input type="checkbox"/>
20	<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"/>	<input type="checkbox"/>
21	<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"/>	<input type="checkbox"/>
22	<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"/>	<input type="checkbox"/>
23	<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"/>	<input type="checkbox"/>
24	<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"/>	<input type="checkbox"/>
25	<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"/>	<input type="checkbox"/>
26	<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"/>	<input type="checkbox"/>
27	<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"/>	<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'A.G. 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 a vote NO).....
 - Je donne procuration (cf. au verso renvoi 4) à M., Mme ou Mlle, Raison Sociale,
 pour voter en mon nom / I appoint (see reverse (4)) Mr, Mrs or Miss, Corporate Name to vote on my behalf

Four 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
 mercredi 14 décembre à 15h00 / on Wednesday, december 14th of 3:00 pm (PARIS time)
 à BNP PARIBAS SECURITIES SERVICES, CTS Assemblées, Grands Moulins de Pantin – 93761 PANTIN Cedex.

2 JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE

cf. au verso renvoi (3)
 I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
 See reverse (3)

3 JE DONNE POUVOIR A : cf. au verso renvoi (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 (si ces informations figurent déjà, les vérifier et les rectifier éventuellement)
 - Surname, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary)
 Cf. au verso renvoi (1) - See reverse (1)

Regardless of your choice, date and sign here.

Date & Signature

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

To be taken into account, your ballot must be received by **BNP PARIBAS SECURITIES SERVICES** no later than 14 December 2016 before 3 pm (CET).

If you are granting a proxy to the Chairman of the Meeting: tick **box 2**. Date and sign at the bottom of the form, without completing anything else.

If you are granting a proxy to a specific person: tick **box 3** and write the contact details of that person.



Written questions

Written questions should be sent by registered letter with acknowledgment 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.

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 it 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 *Autorité des Marchés Financiers*, by the second business day prior to the shareholders' meeting at the latest, i.e. by 13 December 2016, at 00:00 (Paris time), and when the contract organizing that 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 e-mail 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 aforesaid conditions, the shares acquired in respect of the temporary transactions concerned will not carry voting rights at the General Shareholders' Meeting to be held on 15 December 2016 or at any shareholders' meeting to be held until the resale or return of the aforesaid 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>.

AGENDA

Important Note

The agenda and the draft resolutions set out in the notice of meeting to the shareholders' extraordinary general meeting of the Company published in the Bulletin des Annonces Légales Obligatoires number 135 dated 9 November 2016 have been amended following (i) amendments made by the Board of Directors of the Company to the text of the draft resolutions and (ii) requests for inclusion on the agenda of items and draft resolutions submitted by certain shareholders:

- a) The Board of Directors of the Company has decided to:
- (i) delete the draft of the fifth resolution, which becomes without purpose and will not be submitted to the vote of the shareholders during the general meeting; references to this resolution have been deleted in the text of the drafts of the second, third, fourth, sixth and seventh resolutions; and
 - (ii) amend the text of the drafts of the fourth and seventh resolutions relating to the financial restructuring, in particular to facilitate the processing of fractional shares during the issue of new shares that would be allocated, free of charge, to the Company's existing shareholders and to allow the issue reserved to the creditors to be implemented through an issue of new shares with warrants for shares attached (ABSA) or, alternatively, an issue of new shares with simultaneous delivery of warrants for shares (BSA), in order to facilitate the processing of fractional shares;
- (b) The following shareholders have requested the inclusion of items and draft resolutions on the agenda of the general meeting, in accordance with Article L. 225-105 of the French Commercial Code:
- Mr. Benjamin Jayet has requested the inclusion of the following draft resolutions on the agenda of the general meeting:
 - Share capital decrease by reducing the par value of the shares (draft resolution A);
 - Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital (draft resolution B);
 - Delegation of authority to the Chairman of the Board of Directors to issue autonomous warrants for shares (draft resolution C);
 - Appointment of a new Director (draft resolution D);
 - Appointment of a new Director (draft resolution E);
 - Appointment of a new Director (draft resolution F);
 - Suspension of the payment of attendance fees (draft resolution G);
 - Capping of the remuneration paid by the Company to its employees (draft resolution H);

- the company D&P Finance (494 124 977 R.C.S. Paris), represented by Mr Didier Calmels, as well as Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff have requested the inclusion of the following draft resolutions on the agenda of the general meeting:

- Removal of Mr Robert de Metz (draft resolution J);
- Appointment of Mr Didier Calmels as Director (draft resolution K);
- Removal of Mr Jean-Pierre Remy (draft resolution L);
- Appointment of Mr Philippe Besnard as Director (draft resolution M);
- Removal of Mr Rémy Sautter (draft resolution N);
- Appointment of Mr François-Xavier Barbier as Director (draft resolution O);
- Removal of Mrs Cécile Moulard (draft resolution P);
- Appointment of Mr Christophe Deshayes as Director (draft resolution Q);
- Removal of Mr Jean-Marc Tassetto (draft resolution R);
- Appointment of Mr Gilles Brenier as Director (draft resolution S);
- Removal of Mr Arnaud Marion (draft resolution T);
- Appointment of Mr Loïc de la Cochetière as Director (draft resolution U);
- Appointment of Mr Christian Louis-Victor as Director (draft resolution V);
- Appointment of Mr Baudoin de Pimodan as Director (draft resolution W);
- Appointment of Mr Benjamin Jayet as Director (draft resolution X);
- Amendment to article 22 of the by-laws (draft resolution Y);
- Inclusion of an article 38 to the by-laws (draft resolution Z);

The Board of Directors of the Company, during its meeting held on 24 November 2016, has not approved the draft resolutions referred to above, and invites the shareholders to either not approve them or abstain from voting.

- the Supervisory Board of the Company Mutual Fund (Fonds Commun de Placement d'Entreprise – FCPE) SoLocal Actions has requested the inclusion of the following item on the agenda of the general meeting:
 - Update on the follow-up to be given to the negative non-binding vote of the combined general meeting dated 19 October 2016 on the components of the remuneration owed or granted to Mr Robert de Metz, Mr Jean-Pierre Remy and Mr Christophe Pingard for the financial year ended 31 December 2015.

As a result of the foregoing, the Board of Directors of the Company has amended the agenda of the general meeting, which now reads as follows:

- Board of Directors' reports and statutory auditors' reports to this meeting;
- Share capital decrease by reducing the par value of the shares;
- Delegation of authority to the Board of Directors to issue shares of the Company, with shareholders' preferential subscription rights preserved;
- Authorisation granted to the Board of Directors to increase the number of shares to be issued in the event of over-subscription to the issue, with shareholders' preferential subscription rights preserved, of Company' shares, pursuant to the second resolution submitted to the vote of the general meeting;
- Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital;
- Delegation of authority to the Board of Directors to issue mandatory convertible bonds (obligations à option de conversion et remboursables en actions), without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria;
- Delegation of authority to the Board of Directors to issue new shares as well as warrants for shares (BSA), that may or may not be attached to said shares, without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria;
- Delegation of authority to the Board of Directors to proceed with a share capital increase reserved to the members of the group savings plan of the SoLocal Group;
- Amendment to article 12 of the by-laws;
- Powers for formalities.

Following requests for inclusion on the agenda of the general meeting of draft resolutions submitted by Mr Benjamin Jayet:

- Share capital decrease by reducing the par value of the shares;
- Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital;
- Delegation of authority to the Chairman of the Board of Directors to issue autonomous warrants for shares;
- Appointment of Mr Benjamin Jayet, Mr Jérôme Gallot and Mr Dominique Bernard as Directors;
- Suspension of the payment of attendance fees;
- Capping of the remuneration paid by the Company to its employees;

Following the request for inclusion on the agenda of the general meeting of draft resolutions submitted by the company D&P Finance, represented by Mr Didier Calmels, as well as Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff:

- Removal of Mrs Cécile Moulard and Mr Robert de Metz, Mr Jean-Pierre Remy, Mr Rémy Sautter, Mr Jean-Marc Tassetto and Mr Arnaud Marion from their office as Director ;
- Appointment of Mr Didier Calmels, Mr Philippe Besnard, Mr François-Xavier Barbier, Mr Christophe Deshayes, Mr Gilles Brenier, Mr Loïc de la Cochetière, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benjamin Jayet as Directors;
- Amendment to article 22 of the by-laws;
- Inclusion of an article 38 to the by-laws.

Following requests for inclusion on the agenda of the general meeting of an item submitted by the Supervisory Board of the Company Mutual Fund (Fonds Commun de Placement d'Entreprise – FCPE) SoLocal Actions:

- Update on the follow-up to be given to the negative non-binding vote of the combined general meeting dated 19 October 2016 on the components of the remuneration owed or granted to Mr Robert de Metz, Mr Jean-Pierre Remy and Mr Christophe Pingard for the financial year ended 31 December 2015.

BRIEF OVERVIEW OF THE SOLOCAL GROUP'S SITUATION IN Q3 2016

The summary statement of SoLocal Group's position during the course of the financial year ended 31 December 2015 is presented in Chapter 9 of the Reference Document 2015 available on the website www.solocalgroup.com.

The summary statement of SoLocal Group's position during the course of the first half of 2016 is presented in Section II "Progress in corporate affairs since the beginning of the current financial year" of the Board of Directors' report provided on pages 32 *et seq.* of this document.

The summary statement of SoLocal Group's position during the course of the third quarter of 2016 is presented in Section II "Progress in corporate affairs since the beginning of the current financial year" of the Board of Directors' complementary report provided on pages 53 *et seq.* of this document.



EXPLANATION OF THE RESOLUTIONS TO BE SUBMITTED TO THE EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING OF 15 DECEMBER 2016

A presentation of the resolutions and a brief presentation of the proposed financial restructuring are provided in the Board of Directors' complementary report on pages 48 *et seq.* of this document.

DRAFT RESOLUTIONS TO BE SUBMITTED TO THE EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING OF 15 DECEMBER 2016

As a result of the amendments made to the text of the draft resolutions by the Board of Directors of the Company and of the requests for inclusion on the agenda of items and draft resolutions submitted by certain shareholders, the Board of Directors of the Company has amended and supplemented the text of the draft resolutions submitted to the general meeting, which now reads as follows:

First resolution, unchanged

(Share capital decrease by reducing the par value of the shares)

The extraordinary general meeting, after having reviewed the Board of Directors' report and the statutory auditors' special report prepared in accordance with Article L.225-204 of the French Commercial Code,

- acknowledges that the balance sheet of the Company as at 31 December 2015 after allocation of the earnings for the financial year ended on that date has resulted in "retained earnings" with a debit balance of 552,300,359.33 euros;
- decides to partially reduce the debit balance of the retained earnings account by allocating it as follows on reserves or premium accounts:
 - (i) allocation for an amount of 342,819,232.88 euros to the "share issue premium" account, the amount of which will thus be reduced to 6,000,000 euros;
 - (ii) allocation for an amount of 18,283,923.79 euros to the "other reserves" account, the amount of which will thus be reduced to zero;

the balance of the "retained earnings" account being accordingly reduced from -552,300,359.33 euros to -191,197,202.66 euros;

- decides to proceed with a share capital decrease in a total amount of 229,371,727.60 euros, by reducing the par value of each share from six (6) euros (its current amount) to ten euro cents (€0.10);
- decides that the amount of such share capital decrease will be allocated:
 - (i) up to 191,197,202.66 euros to discharge the debit balance of the retained earnings account, which will be thus reduced to zero; and
 - (ii) for the remainder, i.e. 38,174,524.94 euros, to a special reserve account which will be entitled "special reserve from the share capital decrease decided on 15 December 2016";
- decides that the amounts on this special reserve account shall be unavailable and shall not be used for purposes other than discharge of potential losses of the financial year ended 31 December 2016 or of subsequent financial years;
- decides that the completion of this share capital decrease will be conditional upon the absence of objection from creditors of the Company within 20 calendar days as from the filing at the registry of the minutes of this general meeting or, if there is an objection, upon unconditional rejection of the objection(s) by the competent court or upon their waiver, by the repayment of receivables or the provision of sufficient guarantees by the Company, in accordance with Articles L. 225-205 and R. 225-152 of the French Commercial Code;
- acknowledges that, as a result of the share capital decrease under this resolution, the share capital will be reduced from 233,259,384 euros (its current amount) to 3,887,656.40 euros divided into 38,876,564 shares with a par value of ten euro cents (€0.10) each;
- decides, under the condition precedent of the completion of the share capital decrease under this resolution, to amend Article 6 "Share Capital" of the Company's by-laws as follows:

"Article 6 - Share Capital

The share capital amounts to 3,887,656.40 euros.

It is divided into 38,876,564 shares with a par value of ten euro cents (€0.10) each, fully paid-up and all of the same category."

- grants full powers to the Board of Directors, with the right to sub-delegate, under the conditions set by law and by this resolution, in order to:
 - acknowledge the completion of the aforementioned condition precedent and do, for this purpose, anything that it deems necessary and appropriate in order to waive any objections that would be made to the aforementioned share capital decrease that is envisaged;
 - acknowledge the final completion of the aforementioned share capital decrease and amend the Company's by-laws; and
 - more generally, carry out all formalities.

Second resolution, amended

(Delegation of authority to the Board of Directors to issue shares of the Company, with shareholders' preferential subscription rights preserved)

The extraordinary general meeting, after having reviewed the Board of Directors' report and complementary report, voting in accordance with Articles L. 225-129 et seq. of the French Commercial Code, including Article L. 225-129-2, after having acknowledged that the share capital is fully paid-up,

- delegates to 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, its authority to decide to issue, with shareholders' preferential subscription rights preserved, shares of the Company;
- decides that the subscription price of the shares issued pursuant to this resolution shall be equal to one (1) euro per new share, corresponding to a nominal value of ten euro cents (€0.10) and a premium of ninety euro cents (€0.90) (after taking into account the share capital decrease which is the subject matter of the first resolution);
- decides that the total nominal amount of share capital increase of the Company (issue premium excluded) resulting from the issue carried out pursuant to this resolution shall not exceed 40,500,000 euros; it is specified that this ceiling does not take into account additional shares to be issued in case of implementation of the option to increase the number of shares to be issued in the event of over-subscription which is the subject matter of the third resolution submitted to this general meeting;
- decides that the subscription to the new shares shall be paid in cash or by set-off with certain, due and payable receivables against the Company and that the new shares shall be paid-up in full upon subscription;
- decides that shareholders shall have, in proportion to the number of shares they hold, a preferential subscription right to shares issued pursuant to this resolution and the shareholders will be granted a right to subscribe on a reducible basis to the shares issued pursuant to this resolution, which shall be exercised in proportion to their subscription rights and within the limit of their requests;

- decides that, if subscriptions for new shares made on a non-reducible basis and on a 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 this amount reaches at least three quarters of the decided issue, (ii) freely allocate all or part of the unsubscribed shares, or (iii) offer to the public all or part of the unsubscribed shares, on the French and/or international and/or foreign markets;
- grants full powers to the Board of Directors, with the right to sub-delegate, under the terms set by law and by this resolution, to implement this delegation, and in particular to:
 - decide the issue and, if necessary, postpone it;
 - set, within the above limits, the final amount of the issue pursuant to this resolution, and the maximum number of shares to be issued;
 - determine the dates of opening and closing of the subscription period;
 - determine the number of subscription rights to be allocated to the shareholders of the Company depending on the number of existing shares of the Company which will be recorded on their securities account;
 - as the case may be, establish a statement of receivables, in accordance with Article R. 225-134 of the French Commercial Code;
 - as the case may be, obtain from the statutory auditors a report certifying as true the statement of receivables established by the Board of Directors, in accordance with Article R. 225-134 of the French Commercial Code;
 - collect the subscriptions for the new shares;
 - as the case may be, allocate under the conditions set by this resolution, the unsubscribed shares;
 - make any adjustments to take into account the effect of transactions on the share capital of the Company, in particular in case of change of the par value of the share, share capital increase upon exercise of securities giving access to the share capital of the Company or by incorporation of reserves, free allocation of shares, stock split or reverse stock split, distribution of reserves or any other assets, amortization of capital, or any other transaction involving equity, and set the terms which, as the case may be, will ensure the preservation of the rights of holders of securities giving or possibly giving access to the share capital of the Company;
 - close, if necessary in advance, the subscription period or extend its duration;
 - acknowledge the full payment of all shares issued and, accordingly, the final completion of the capital increase resulting therefrom;
 - carry out the corresponding publication and filing formalities relating to the completion of the share capital increase resulting from the issue of new shares and amend the Company's by-laws accordingly;
 - enter into any agreement for the completion of the share capital increase under this resolution;
 - if necessary, charge the costs of the share capital increase on the related premiums amount and deduct the sums necessary to fund the legal reserve;

- arrange for the admission to trading of the new shares on the regulated market of Euronext Paris;
- do whatever may be necessary to carry out the capital which is the subject matter of this resolution; and
- carry out all formalities resulting therefrom.

This resolution may not be implemented until after, and subject to, the prior completion of the share capital decrease referred to in the first resolution. The ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease, and are independent from the ceilings set in the other resolutions submitted to the vote of this general meeting. The Board of Directors may not, without the prior authorisation of the general meeting, make use of this delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

Third resolution, amended

(Authorisation granted to the Board of Directors to increase the number of shares to be issued in the event of over-subscription to the issue, with shareholders' preferential subscription rights preserved, of Company' shares pursuant to the second resolution submitted to the vote of the general meeting)

The extraordinary general meeting, after having reviewed the Board of Directors' report and complementary report voting in accordance with Articles L. 225-135-1 and R. 225-118 of the French Commercial Code, subject to the approval by this general meeting of the second resolution:

- 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 meeting, in the event of over-subscription to any issue decided pursuant to the second resolution above, to increase, under the conditions set by Article L. 225-135-1 of the French Commercial Code, the number of shares to be issued, at the same price as that decided for the initial issue and up to a maximum of 15% of the amount of the initial issue; it being specified that the increase in the number of securities to be issued may only be used to serve requests for subscription on a reducible basis made by shareholders and/or assignees of preferential subscription rights;
- decides that in case of implementation of this option to increase the number of shares to be issued, as provided under this resolution, the ceiling of the total nominal amount of the Company's share capital increase (share premium excluded) set by the second resolution will be increased by 15% and, thus, increased from 40,500,000 euros to 46,575,000 euros;
- decides that this authorisation granted to the Board of Directors shall be implemented at the latest within thirty days of the closing of the subscription period of the initial issue; if the Board has not used it within this period, it shall be void;
- grants full powers to the Board of Directors, with the right to sub-delegate under the conditions set by law and by this resolution, to implement this delegation.

This resolution may not be implemented until after, and subject to, the prior completion of the share capital decrease referred to in the first resolution. It is specified that the ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease.

Fourth resolution, amended

(Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital)

The extraordinary general meeting, after having reviewed the Board of Directors' report and complementary report, voting in accordance with the quorum and majority requirements for ordinary general meetings provided for by Article L. 225-98 of the French Commercial Code and in accordance with the conditions of Article L. 225-130 of the French Commercial Code,

- delegates to 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, its authority to decide, in one single time, the issue and the allocation, free of charge, of shares of the Company in favour of the Company's shareholders;
- decides that the total nominal amount of the Company's share capital increase resulting from the issue carried out pursuant to this resolution shall not exceed a maximum nominal amount of 5,850,000 euros corresponding to the issue of a maximum of 58,500,000 new shares with a nominal value of ten euro cents (€0.10) each (the "Free Shares") (on the basis of the number of Company's shares as at 30 September 2016). This ceiling shall be increased, as the case may be, by the nominal amount of the shares that would be issued between 30 September 2016 and the date of issue and allocation of the Free Shares, excluding, however, if any, the shares that would be issued under other delegations submitted to the vote of this general meeting;
- decides that the share capital increase of the Company resulting from the issue carried out pursuant to this resolution shall be carried out by incorporating into the share capital a portion of the amounts appearing on the "issuance premium" account that is equal to the nominal amount of the share capital increase, within the limit of a maximum amount of 5,850,000 euros (subject to adjustments, if any);
- acknowledges that in accordance with law, as a consequence of this share capital increase by incorporation of issuance premium, the Company must undertake an adjustment of the conditions for exercising the options for subscription or purchase of shares (stock options) which it has attributed;
- decides that the Free Shares shall be allocated free of charge to all the Company's shareholders at the latest on the date of completion of the share capital increase with preferential subscription rights preserved referred to in the second resolution above, at the ratio of three (3) Free Shares for every two (2) shares of the Company;
- decides that the Free Shares shall be allocated free of charge to all shareholders justifying an account registration of their securities on the relevant date;
- decides that the right to allocation of new Free Shares shall belong to the bare owner, subject to the rights of the beneficial owner;
- decides that the rights equivalent to fractional shares shall not be assignable nor tradable and that the relating securities shall be sold; the sums stemming from such sale shall be allocated to the holders of such rights in accordance with the applicable regulatory conditions;
- acknowledges that the shares which will be held by the Company as of the relevant date shall retain all of their rights to allocation of Free Shares;
- decides that the Free Shares issued pursuant to this resolution shall bear right to dividends as from their issue date and shall, upon issue, be completely assimilated to the existing shares and subject to all the provisions of the by-laws and to the decisions of the general meeting;

- grants full powers to the Board of Directors, with the right to sub-delegate under the conditions set by law and by this resolution, to implement this delegation, and in particular to:
 - decide the issue and, if necessary, postpone it;
 - set, within the above limits, the amount of the issue carried out pursuant to this resolution as well as the number of Free Shares to be issued;
 - make any adjustments to take into account the effect of transactions on the share capital of the Company, in particular in case of change of the par value of the share, share capital increase upon exercise of securities giving access to the share capital of the Company or by incorporation of reserves, free allocation of shares, stock split or reverse stock split;
 - carry out the corresponding publication and filing formalities relating to the completion of the share capital increase resulting from the issue of the Free Shares and amend the Company's by-laws accordingly;
 - arrange for the admission to trading of the new Free Shares on the regulated market of Euronext Paris;
 - do whatever may be necessary to carry out the capital increase which is the subject matter of this resolution; and
 - carry out all formalities resulting therefrom.

This resolution may not be implemented until after, and subject to, the prior completion of the capital reduction referred to in the first resolution. The ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease, and are independent from the ceilings set in the other resolutions submitted to this meeting. The Board of Directors may not, without the prior authorisation of the general meeting, make use of this delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

Fifth resolution (without purpose)

Sixth resolution, amended

(Delegation of authority to the Board of Directors to issue mandatory convertible bonds (obligations à option de conversion remboursables en actions), without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria)

The extraordinary general meeting, after having reviewed (i) the Board of Directors' report and complementary report, (ii) the statutory auditors' special report on the suppression of the shareholders' preferential subscription rights pursuant to the provisions of Article L. 225-138 of the French Commercial Code and established in accordance with the provisions of Article L. 225-135 of the French Commercial Code, voting in accordance with the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-138 and L. 228-91 *et seq.* of the French Commercial Code, after having acknowledged that the share capital is fully paid-up,

- delegates to 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, its authority to issue, without shareholders' preferential subscription right, mandatory convertible bonds (the "MCB");

- decides that the nominal value of each MCB shall be two (2) euros;
- decides that the number of MCB to be issued pursuant to this resolution shall be determined on the basis of the total amount "X" equal to the sum of the cash subscriptions (excluding any subscription by set-off with receivables) raised by the Company in the context of the share capital increase with shareholders' preferential subscription right preserved carried out pursuant to the second and third resolutions above;
- decides that, for an outstanding financial debt under the credit agreement dated 24 October 2016, as amended from time to time (the "**Credit Agreement**") of a total amount in principal amounting to 1,164,000,000 euros on the date of use of this delegation, the following calculation formula will be applied:
 - (i) if X is greater than or equal to 300,000,000 euros, the number of MCB to be issued shall be equal to zero; or
 - (ii) if X is equal to zero, the number of MCB to be issued shall be 100,000,000; or
 - (iii) if X is greater than zero and strictly less than 300,000,000 euros, the number of MCB to be issued shall be the result of the following formula:

$$100,000,000 - X/3$$
 (rounded up to the nearest unit);
- decides that in the event where, on the date of use of this delegation, the total amount in principal of the outstanding financial debt under the Credit Agreement is not equal to 1,164,000,000 euros, the parameters of the calculation formula referred to in the paragraph above shall be adjusted upwards or downwards in proportion to the gap between (i) the total amount in principal of the outstanding financial debt under the Credit Agreement on the date of use of this delegation and (ii) 1,164,000,000 euros;
- decides that in any event, the number of MCB to be issued pursuant to this resolution shall not exceed 101,000,000;
- decides that the MCB shall be issued at par, in euros, that they shall not bear interest and shall have a five (5) year maturity;
- decides that the subscription to the MCB shall be paid-up by set-off with certain, due and payable receivables against the Company and that the MCB shall be paid-up in full upon subscription;
- decides that the final issue date of the MCB shall correspond to the date of issuance of the statutory auditors' report in lieu of depositary's certificate, in accordance with the provisions of Article L. 225-146 paragraph 2 of the French Commercial Code;
- decides to withdraw the shareholders' preferential subscription right with respect to the issue of the MCB, and to reserve the subscription of all the MCB in favour of the financial creditors holding receivables against the Company under the Credit Agreement, up to a portion of their receivables, said creditors constituting a category of persons meeting specific criteria within the meaning of Article L. 225-138 of the French Commercial Code;
- decides:
 - (i) that the MCB shall constitute direct subordinated, general, unconditional, lowest rank subordinated and unsecured commitments of the Company, ranking equally among themselves and *pari passu* with all other present or future, lowest rank subordinated commitments of the Company, and shall be subordinated to (i) all present or future equity securities and equity loans, issued or granted by the Company, (ii) all ordinary subordinated bonds of the Company, and (iii) all unsubordinated obligations of the Company;
 - (ii) that the obligation of the Company to repay the principal and other sums due under the MCB shall not be guaranteed and shall not be secured;
- (iii) that in the event that a judgment ordering the liquidation of the Company would be given by a competent court, or in the event of a total sale of the business as a result of the opening of receivership proceedings, or if the Company is liquidated for any other reason, the payment of the Company's creditors shall be made in the following order of priority (subject, in each case, to full payment of creditors of higher rank): (a) non-subordinated creditors of the Company, (b) subordinated creditors of the Company, (c) lenders under equity loans granted to the Company and holders of equity securities issued by the Company, and (d) subordinated creditors of lowest rank of the Company;
- (iv) that the MCB shall benefit from a higher rank than the different classes of shares issued by the Company, whether ordinary or preference shares, being however specified that in case of judicial or conventional liquidation of the Company or, subject to applicable laws and regulations, safeguard or receivership proceedings, pursuant to the provisions of Title IV, Book VI of the French Commercial Code, the MCB shall be redeemed by allocation of new shares of the Company;
- decides that the MCB shall be redeemable:
 - (i) in full on the fifth (5th) anniversary of their issue date (i) either by delivery of one (1) new share of the Company per MCB (subject to adjustments, as the case may be), (ii) or, at the option of the Company, by payment for each MCB of an amount equal to the par value of the MCB, i.e. two (2) euros; or
 - (ii) in full, at any time upon request of the majority of the holders of MCB (representing at least 50% of the then outstanding MCB on the date of request), by delivery of one (1) new share of the Company per MCB (subject to adjustments, as the case may be); or
 - (iii) at any time upon request of any holders of MCB, up to all or a block of at least 100,000 of MCB that he/she/it owns, by delivery of one (1) new share of the Company per MCB (subject to adjustments, as the case may be);
- acknowledges that consequently:
 - (i) the maximum total number of new shares that may be issued upon redemption of the MCB shall be 101,000,000 (subject to adjustments, as the case may be);
 - (ii) the total nominal amount of share capital increase resulting from the redemption of the MCB shall not exceed 10,100,000 euros (corresponding to 101 million shares with a par value of 0.10 euro each) (after taking into account the share capital decrease which is the subject matter of the first resolution);

it being specified that the maximum total number of new shares to be issued under redemption of the MCB and the above total nominal amount of share capital increase resulting from the redemption of the MCB do not take into account any adjustments that may be necessary in the event of transactions on the share capital referred to in Articles L. 228-98 *et seq.* of the French Commercial Code;
- acknowledges that, in accordance with Article L. 225-132 paragraph 6 of the French Commercial Code, the decision to issue the MCB entails the waiver by the shareholders of their preferential subscription right to Company's shares to which the MCB give right in case of redemption in shares;
- decides that the shares that would be issued upon redemption of the MCB shall bear the right to dividends as from their issue date and shall, upon issue, be completely assimilated to the existing shares and subject to all the provisions of the by-laws and to the decisions of the general meeting;

- decides that the MCB shall be freely tradable and, for this purpose, a request for admission to trading on the regulated market of Euronext Paris shall be made;
- decides that in the event of a share capital increase, absorption, merger, spin-off or issue of new shares or securities giving access to the share capital of the Company, or other financial transactions with preferential subscription rights or reserving a priority subscription period to the Company's shareholders, the Company shall be entitled to suspend the redemption of the MCB for a period of up to three months or any other deadline set by the applicable regulations;
- decides that the issue of the MCB pursuant to this resolution shall be decided only if (i) the issue of Company's shares, with shareholders' preferential subscription rights preserved, pursuant to the second resolution and (ii) the issue and allocation, free of charge, of the new shares of the Company, pursuant to the fourth resolution, have been completed;
- grants full powers to the Board of Directors, with the right to sub-delegate under the conditions set by law and by this resolution, to implement this delegation, and in particular to:
 - carry out the issue referred to in this resolution and, if necessary, postpone it;
 - determine the number of MCB to be issued pursuant to the above formula (adjusted, as the case may be, in the event where, on the date of use of this delegation, the total amount in principal of the outstanding financial debt under the Credit Agreement is not equal to 1,164,000,000 euros);
 - determine the list of beneficiaries within the category of persons referred to above and the number of MCB to be subscribed by each of them;
 - determine all the characteristics of the MCB and the terms of the issue (including the events of early repayment); it being specified that the terms of adjustment in case of transactions on the share capital shall be consistent with those described in the Board of Directors' report to this meeting;
 - set the date for completion of the issue of the MCB;
 - establish a statement of receivables in accordance with Article R. 225-134 of the French Commercial Code;
 - obtain from the statutory auditors a report certifying as true the statement of receivables established by the Board of Directors, in accordance with Article R. 225-134 of the French Commercial Code;
 - receive subscriptions and acknowledges these subscriptions by way of set-off with certain, due and payable receivables against the Company;
 - set the conditions under which the Company shall have, as the case may be, the right to purchase or exchange on the stock exchange or otherwise, at any time or during specific periods, the MCB, in accordance with legal provisions;
 - determine and make all adjustments to take into account the effect of transactions on the share capital of the Company;
 - acknowledge the completion of shares capital increases resulting from the issue of the shares upon redemption of the MCB and amend the by-laws of the Company accordingly;
 - proceed to any action, as the case may be, for the admission, as the case may be, to trading on the regulated market of Euronext Paris of the MCB and the shares issued upon redemption of the MCB;
 - as the case may be, charge the cost of the issues on the related premiums amount and deduct the sums necessary to fund the legal reserve;

- in general, enter into any agreement, in particular to ensure the success of the contemplated issues, take any measures and carry out any formalities required for the issue, listing and financial servicing of securities issued pursuant to this delegation and the exercise of the rights attached thereto.

This resolution may not be implemented until after, and subject to, the prior completion of the share capital decrease referred to in the first resolution. The ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease, and are independent from the ceilings set in the other resolutions submitted to this meeting. The Board of Directors may not, without the prior authorisation of the general meeting, make use of this delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

Seventh resolution, amended

(Delegation of authority to the Board of Directors to issue new shares as well as warrants for shares (BSA), that may or may not be attached to said shares, without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria)

The extraordinary general meeting, after having reviewed (i) the Board of Directors' report and complementary report and (ii) the statutory auditors' special report on the suppression of the shareholders' preferential subscription rights pursuant to the provisions of Article L. 225-138 of the French Commercial Code and established in accordance with the provisions of Article L. 225-135 of the French Commercial Code, voting in accordance with the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-135 and L. 225-138 *et seq.* of the French Commercial Code, after having acknowledged that the share capital is fully paid-up,

- delegates to 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, its authority to decide to issue, without shareholders' preferential subscription right, new Company's shares associated with warrants for Company's shares;
- decides that the Board of Directors, on the date of use of this delegation, may choose between issuing, in favour of subscribers, (i) new shares with warrants for shares attached, and (ii) new Company's shares with simultaneous delivery of warrants for Company's shares;
- decides that the total amount of the share capital increase of the Company to be carried out pursuant to this resolution (excluding share capital increase upon exercise of the warrants for shares issued pursuant to this resolution), as well as the number of new shares to be issued pursuant to this resolution (whether the warrants for shares are attached or not to the issued shares, the "**creditors' Shares**"), shall be determined by applying the following formula, on the basis in particular of the total amount "**X**" equal to the sum of the cash subscriptions (excluding any subscription by set-off with receivables) raised by the Company in the context of the share capital increase with shareholders' preferential subscription right preserved carried out pursuant to the second and third resolutions above (the "**Rights Issue**");
- decides that, for an outstanding financial debt under the credit agreement dated 24 October 2016, as amended from time to time (the "**Credit Agreement**") of a total amount in principal amounting to 1,164,000,000 euros on the date of use of this delegation, the total amount of the creditors' Shares issue (issue premium included) shall be equal to: A + B

Where

"A" shall be equal to 75,000,000 euros

"B" shall be equal to the result of the following calculation:

(a) amount in principal of the outstanding debt under the Credit Agreement on the relevant date (referred to as "Y")

Less

(b) X – 20,000,000 euros if X is greater than 20,000,000 euros or zero if X is less than or equal to 20,000,000 euros

Less

(c) portion of Y used by the Company's financial creditors to subscribe by set-off of receivables to the Rights Issue

Less

(d) 400,000,000 euros (corresponding to the amount of the anticipated residual debt for an amount "Y" equal to 1,164,000,000 euros)

Less

(e) the nominal amount of the MCB possibly issued or to be issued pursuant to the sixth resolution

Less

(f) 75,000,000 euros

Plus

(g) the portion of X exceeding 400,000,000 euros (as the case may be)

(rounded down to the nearest multiple of the subscription price per creditors' Shares, determined according to the below);

- decides that in the event where, on the date of use of this delegation, the total amount in principal of the outstanding financial debt under the Credit Agreement is not equal to 1,164,000,000 euros, the amount of 75,000,000 euros referred to as A above, the amounts referred to in paragraphs (d) and (f) above as well as the amount of 400,000,000 euros referred to in paragraph (g) above, shall be adjusted upwards or downwards in proportion to the gap between (i) the total amount in principal of the outstanding financial debt under the Credit Agreement on the date of use of this delegation and (ii) 1,164,000,000 euros;
- acknowledges that, in any event, the total nominal amount of share capital increase of the Company (issue premium excluded) resulting from the creditors' Shares issue carried out pursuant to this resolution (excluding share capital increase upon exercise of the warrants for shares issued pursuant to this resolution) shall not exceed 8,200,000 euros;
- decides that the subscription price of each creditors' Share associated with creditors' Warrants (whether such creditors' Warrants are attached to the creditors' Share or delivered simultaneously) shall be equal to the result of the following formula (rounded down to the nearest euro cent): $[A + B] \text{ divided by } [A + (B / 50)]$ (the amounts A and B being as the case may be adjusted as indicated above);
- decides that in any event, the subscription price per creditors' Share associated with creditors' Warrants (whether such creditor's Warrants are attached to the creditors' Shares or delivered simultaneously) shall not be less than two euros and fourteen cents (€2.14) (10 euro cents of par value and 2.04 euros of issue premium) (or two euros and twelve cents (€2.12) (10 euro cents of par value and 2.02 euros of issue premium) in the event where the total amount in principal of the outstanding financial debt under the Credit Agreement would be greater than 1,164,000,000 euros) (after taking into account and subject to completion of the share capital decrease which is the subject matter of the first resolution);
- decides that the subscription shall be paid-up in full by set-off with certain, due and payable receivables against the Company and shall be paid in full upon subscription;
- decides that the date of final completion of the share capital increase resulting from the subscription and full payment of the issued securities shall correspond to the date of issuance of the statutory auditors' report in lieu of depositary's certificate, in accordance with the provisions Article L. 225-146 paragraph 2 of the French Commercial Code;
- decides to withdraw the shareholders' preferential subscription right with respect to the issue of the creditors' Shares and the creditors' Warrants, and to reserve the subscription of all the creditors' Shares and the creditors' Warrants in favour of the financial creditors holding receivables against the Company under the Credit Agreement, up to a portion of their receivables, said creditors constituting a category of persons meeting specific criteria within the meaning of Article L. 225-138 of the French Commercial Code;
- decides that the creditors' Shares issued shall bear the right to dividends as from their issue date and shall, upon issue, be completely assimilated to the existing shares and subject to all the provisions of the by-laws and to the decisions of the general meeting;
- decides that the total number of creditors' Warrants that would be issued, whether attached or not to the creditors' Shares shall be determined on the basis of the total amount "X" defined above pursuant to the following formula (for a total amount in principal of the outstanding financial debt under the Credit Agreement of 1,164,000,000 euros as at the date of use of this delegation):
 - (i) if X is greater than or equal to 250,000,000 euros, the total number of creditors' Warrants to be issued pursuant to this resolution is equal to zero (in which case no creditors' Warrant would be issued pursuant to this resolution); or
 - (ii) if X is equal to zero, the total number of creditors' Warrants to be issued pursuant to this resolution is equal to 45,000,000; or
 - (iii) if X is greater than zero and less than 250,000,000 euros, the total number of creditors' Warrants to be issued pursuant to this resolution is the result of the following calculation formula:

$$45,000,000 \times [1 - (X / 250,000,000)]$$
 (the result of this division being rounded to the nearest whole number);
- decides that the total number of creditors' Warrants that would be delivered to each subscriber shall be determined as a *pro rata* basis of the total amount of its receivable against the Company under the Credit Agreement as at the relevant date over the total amount of the outstanding debt of the Company under the Credit Agreement as at the same date, and rounded down to the nearest whole number of creditors' Warrant;
- decides that, in any event, the total number of shares to which all the creditors' Warrants issued pursuant to this resolution shall give the right to subscribe shall not exceed 46,000,000;
- decides that each creditors' Warrant shall have an exercise period of five (5) years and, until expiry of such period, shall give right to subscribe to one (1) new Company's share for a strike price of two (2) euros (i.e. 10 euro cents of par value and 1.90 euro of share premium after taking into account the share capital decrease which is the subject matter of the first resolution), without prejudice to any subsequent adjustments, in accordance with laws and regulations and contractual provisions;
- decides that the total nominal amount of additional share capital increase of the Company resulting from the exercise of the creditors' Warrants which would be issued pursuant to this resolution shall not exceed 4,600,000 euros. This ceiling shall be increased, as the case may be, by the par value of shares to be issued in order to preserve (in accordance with laws and regulations and, as the case may be, contractual provisions providing for other cases of adjustment) the rights of the holders of creditors' Warrants;
- decides that the shares issued upon exercise of the creditors' Warrants shall be fully paid-up upon subscription;

- acknowledges that, in accordance with Article L. 225-132 paragraph 6 of the French Commercial Code, the decision to issue the creditors' Warrants entails the waiver by the shareholders of their preferential subscription right to Company's shares to which the creditors' Warrants give right;
- decides that the shares which would be issued upon exercise of the creditors' Warrants shall bear the right to dividends as from their issue date and shall, upon issue, be completely assimilated to the existing shares and subject to all the provisions of the by-laws and to the decisions of the general meeting;
- decides that the creditors' Warrants shall be freely tradable and, for this purpose, a request for admission to trading on the regulated market of Euronext Paris shall be made;
- decides that in the event of a share capital increase, absorption, merger, spin-off or issue of new shares or securities giving access to the share capital, or other financial transactions with preferential subscription rights or reserving a priority subscription period to the Company's shareholders, the Company shall be entitled to suspend the exercise of the creditors' Warrants for a period of up to three months or any other deadline set by the applicable regulations;
- decides that the issue of creditors' Shares and creditors' Warrants pursuant to this resolution shall be decided only if (i) the issue of Company's shares, with shareholders' preferential subscription rights preserved, pursuant to the second resolution and (ii) the issue and allocation, free of charge, of new shares of the Company, pursuant to the fourth resolution, have been completed;
- grants full powers to the Board of Directors, with the right to sub-delegate under the conditions set by law and by this resolution, to implement this delegation, and in particular to:
 - decide the share capital increase and, as the case may be, to postpone it;
 - determine the total nominal amount of the share capital increase of the Company to be carried out and the number of creditors' Shares to be issued by applying the calculation formula provided for to such effect in this resolution (adjusted, as the case may be, in the event where, on the date of use of this delegation, the total amount in principal of the outstanding financial debt under the Credit Agreement is not equal to 1,164,000,000 euros);
 - determine the subscription price per creditors' Share associated with creditors' Warrants (whether such creditors' Warrants are attached to the creditors' Share or delivered simultaneously), by applying the calculation formula provided to such effect in this resolution;
 - determine the total number of creditors' Warrants to be issued, by applying the calculation formula provided to such effect in this resolution;
 - set the terms of the issue of the creditors' Shares and the creditors' Warrants, as well as the characteristics and conditions of the creditors' Shares and the creditors' Warrants; it being specified that the terms of adjustment in case of transactions on the share capital shall be consistent with those described in the Board of Directors' report to this meeting;
 - determine the list of beneficiaries within the category defined above, and the final number of creditors' Shares and creditors' Warrants to be subscribed by each of them within the limits set forth as indicated above, and determine the final amount of the resulting share capital increase;
 - establish a statement of receivables in accordance with Article R. 225-134 of the French Commercial Code;
 - obtain from the statutory auditors a report certifying as true the statement of receivables established by the Board of Directors, in accordance with Article R. 225-134 of the French Commercial Code;

- determine the dates of opening and closing of the subscription period;
- receive from the final beneficiaries the subscription to the securities issued;
- close, as the case may be in advance, the subscription period or extend its duration;
- acknowledge the full payment of all the securities issued and, accordingly, the final completion of the share capital increase resulting from the issue of the creditors' Shares;
- carry out the corresponding publication and filing formalities relating to the completion of the share capital increase resulting from the issue of the creditors' Shares and amend the Company's by-laws accordingly;
- as the case may be, charge the cost of the issue on the related premiums amount and deduct the sums necessary to fund the legal reserve;
- arrange for the admission to trading of the new shares and creditors' Warrants on the regulated market of Euronext Paris;
- set the conditions under which the Company shall have, as the case may be, the right to purchase or exchange on the stock exchange or otherwise, at any time or during specific periods, the creditors' Warrants, in accordance with legal provisions;
- do whatever may be necessary to carry out the capital increase pursuant to this resolution; and
- carry out all formalities resulting therefrom.

The Board of Directors may perform, as necessary and outside of the above ceilings, a share capital increase for a nominal amount corresponding to the shares to be issued under any potential adjustments in accordance with applicable laws and regulations and, as the case may be, the specific contractual provisions providing for other cases of adjustment, to preserve the rights of the holders of securities or other instruments giving access to the share capital of the Company.

This resolution may not be implemented until after, and subject to, the prior completion of the share capital decrease referred to in the first resolution. The ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease, and are independent from the ceilings set in the other resolutions submitted to this meeting. The Board of Directors may not, without the prior authorisation of the general meeting, make use of this delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

Eighth resolution, unchanged

(Delegation of authority to the Board of Directors to proceed with a share capital increase reserved to the members of the group savings plan of the SoLocal Group)

The extraordinary general meeting, after having reviewed (i) the Board of Directors' report and (ii) the statutory auditors' special report, voting in accordance with Articles L. 225-129-6, L. 225-138 I and L. 225-138-1 of the French Commercial Code and Articles L. 3332-18 et seq. of the French Labour Code,

- grants full powers 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, 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 to the employees and former employees who are members of the savings plan of the SoLocal Group.

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 incorporation of reserves, profits or premiums under the conditions and limits set by the aforementioned Articles of the French Labour Code) shall be 50,000 euros.

The general meeting decides to withdraw in favour of these employees and former employees the shareholders' preferential subscription rights to the shares to be issued pursuant to this delegation.

The general meeting decides to set the discount offered under the company savings plan at 20% of the average opening prices of SoLocal Group's share quoted on the regulated market of Euronext Paris during the 20 trading days preceding the day of the decision setting the opening date of the subscriptions, it being specified that 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, for the purpose of implementing this resolution and in particular to:

- decide that the issues may be made directly to the beneficiaries or through collective bodies;
- 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 which shall be met by the beneficiaries of the new shares issued under the share capital increase made pursuant to this resolution;
- acknowledge the completion of the share capital increase;
- determine, if applicable, the amounts to be incorporated in the share capital within the limit set above, the equity entry/entries from which they shall be drawn and the dividend entitlement date of these shares;
- if necessary, charge the cost of the capital increase on the related premiums amount and deduct the sums necessary to fund the legal reserve;

Draft resolutions submitted by Mr Benjamin Jayet

Resolution A – not approved by the Board of Directors (Share capital decrease by reducing the par value of the shares)

The extraordinary general meeting, after having reviewed the Board of Directors' report and the statutory auditors' special report prepared in accordance with Article L. 225-204 of the French Commercial Code,

- acknowledges that the balance sheet of the Company as at 31 December 2015 after allocation of the earnings for the financial year ended on that date has resulted in "retained earnings" with a debit balance of 552,300,359.33 euros;
- decides to partially reduce the debit balance of the retained earnings account by allocating it as follows on reserves or premium accounts:
 - (i) allocation for an amount of 321,319,232.88 euros to the "share issue premium" account, the amount of which will thus be reduced to 27,500,000 euros;
 - (ii) allocation for an amount of 18,283,923.79 euros to the "other reserves" account, the amount of which will thus be reduced to zero;

the balance of the "retained earnings" account being accordingly reduced from –552,300,359.33 euros to –212,697,202.66 euros;

- take all measures to complete the capital increases, carry out the formalities resulting therefrom, including relating to the listing of the issued securities, and amend the by-laws accordingly to reflect these capital increases, and generally do all that may be necessary.

It is specified that the ceiling set by this resolution has been determined after taking into account the effect of the share capital decrease referred to in the first resolution, and is independent from the ceilings set in the other resolutions submitted to this meeting.

Ninth resolution, unchanged (Amendment to article 12 of the by-laws)

The extraordinary general meeting, after having reviewed the Board of Directors' report, decides to supplement article 12 of the Company's by-laws, in order to allow the possibility for the Board of Directors to appoint one or several censors. Accordingly, it is inserted at the end of article 12 of the by-laws a paragraph reading as follows:

"The Board of Directors may appoint one or several censors who shall participate in the meetings of the Board of Directors and be convened to such meetings, under the same conditions as the members of the Board of Directors. However, the censors shall not have any voting right and, in this respect, shall not participate in the vote of the decisions of the Board of Directors. The censors shall have the right to the same information as the members of the Board of Directors and shall be bound by the same confidentiality obligations. The censors may be natural or legal persons. The censor legal person is represented by its legal representative, except if, at the time of its appointment or at any time during its mandate, it appoints a person specifically designated to represent it as a permanent representative."

Tenth resolution, unchanged (Powers for formalities)

The extraordinary 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 in accordance with the laws in force.

- decides to proceed with a share capital decrease in a total amount of 229,371,727.60 euros, by reducing the par value of each share from six (6) euros (its current amount) to ten euro cents (€0.10);
- decides that the amount of such share capital decrease will be allocated:
 - (i) up to 212,697,202.66 euros to discharge the debit balance of the retained earnings account, which will be thus reduced to zero; and
 - (ii) for the remainder, i.e. 16,674,524.94 euros, to a special reserve account which will be entitled "special reserve from the share capital decrease decided on 15 December 2016";
- decides that the amounts on this special reserve account shall be unavailable and shall not be used for purposes other than discharge of potential losses of the financial year ended 31 December 2016 or of subsequent financial years;
- decides that the completion of this share capital decrease will be conditional upon the absence of objection from creditors of the Company within 20 calendar days as from the filing at the registry of the minutes of this general meeting or, if there is an objection, upon unconditional rejection of the objection(s) by the competent court or upon their waiver, by the repayment of receivables or the provision of sufficient guarantees by the Company, in accordance with Articles L. 225-205 and R. 225-152 of the French Commercial Code;

- acknowledges that, as a result of the share capital decrease under this resolution, the share capital will be reduced from 233,259,384 euros (its current amount) to 3,887,656.40 euros divided into 38,876,564 shares with a par value of ten euro cents (€0.10) each;

- decides, under the condition precedent of the completion of the share capital decrease under this resolution, to amend Article 6 "Share Capital" of the Company's by-laws as follows:

"Article 6 - Share Capital

The share capital amounts to 3,887,656.40 euros.

It is divided into 38,876,564 shares with a par value of ten euro cents (€0.10) each, fully paid-up and all of the same category."

- grants full powers to the Board of Directors, with the right to sub-delegate, under the conditions set by law and by this resolution, in order to:

- acknowledge the completion of the aforementioned condition precedent and do, for this purpose, anything that it deems necessary and appropriate in order to waive any objections that would be made to the aforementioned share capital decrease that is envisaged;
- acknowledge the final completion of the aforementioned share capital decrease and amend the Company's by-laws; and
- more generally, carry out all formalities.

**Resolution B – not approved by the Board of Directors
(Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital)**

The extraordinary general meeting, after having reviewed the Board of Directors' report, voting in accordance with the provisions of Articles L.225-127 *et seq.* of the French Commercial Code, notably with Article L. 225-130, subject to the prior approval by the creditors' committees defined in Articles L.626-29 *et seq.* of the French Commercial Code of the significant amendment to the safeguard plan reflecting this resolution:

- delegates to 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, its authority to decide, in one instalment, the issue and the allocation, free of charge, of shares of the Company in favour of the Company's shareholders;

- decides that the total nominal amount of the Company's share capital increase resulting from the issue carried out pursuant to this resolution shall not exceed a maximum nominal amount of 27,225,000 euros corresponding to the issue of a maximum of 272,250,000 new shares with a nominal value of ten euro cents (€0.10) each (the "**Free Shares**") (on the basis of the number of Company's shares as at 30 September 2016). This ceiling shall be increased, as the case may be, by the nominal amount of the shares that would be issued between 30 September 2016 and the date of issue and allocation of the Free Shares, excluding, however, if any, the shares that would be issued under other delegations submitted to the vote of this general meeting;

- decides that the share capital increase of the Company resulting from the issue carried out pursuant to this resolution shall be carried out by incorporating into the share capital a portion of the amounts appearing on the "issuance premium" account that is equal to the nominal amount of the share capital increase, within the limit of a maximum amount of 27,225,000 euros (subject to adjustments, if any);

- acknowledges that in accordance with law, as a consequence of this share capital increase by incorporation of issuance premium, the Company must undertake an adjustment of the conditions for exercising the options for subscription or purchase of shares (stock options) which it has attributed;

- decides that the Free Shares shall be allocated free of charge to all the Company's shareholders at the latest on the date of completion of the share capital increase with preferential subscription rights preserved referred to in the second resolution above, at the ratio of seven (7) Free Shares per share of the Company; it is specified that the shares that may be issued pursuant to the fifth resolution above, shall not give right to the allocation of Free Shares;

- decides that the Free Shares shall be allocated free of charge to all shareholders justifying an account registration of their securities on the relevant date;

- decides that the right to allocation of new Free Shares shall belong to the bare owner, subject to the rights of the beneficial owner;

- acknowledges that the shares which will be held by the Company as of the relevant date shall retain all of their rights to allocation of Free Shares;

- decides that the Free Shares issued pursuant to this resolution shall bear right to dividends as from their issue date and shall, upon issue, be completely assimilated to the existing shares and subject to all the provisions of the by-laws and to the decisions of the general meeting;

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

- decide the issue and, if necessary, postpone it;
- set, within the above limits, the amount of the issue carried out pursuant to this resolution as well as the number of Free Shares to be issued;
- make any adjustments to take into account the effect of transactions on the share capital of the Company, in particular in case of change of the par value of the share, share capital increase upon exercise of securities giving access to the share capital of the Company or by incorporation of reserves, free allocation of shares, stock split or reverse stock split;
- carry out the corresponding publication and filing formalities relating to the completion of the share capital increase resulting from the issue of the Free Shares and amend the Company's by-laws accordingly;
- arrange for the admission to trading of the new Free Shares on the regulated market of Euronext Paris;
- do whatever may be necessary to carry out the capital increase which is the subject matter of this resolution; and
- carry out all formalities resulting therefrom.

This resolution may not be implemented until after, and subject to, the prior completion of the capital reduction referred to in the aforementioned resolution. The ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease, and are independent from the ceilings set in the other resolutions submitted to this meeting. The Board of Directors may not, without the prior authorisation of the general meeting, make use of this delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

For the avoidance of doubt, it is specified that in the event where the fourth resolution set out in the meeting notice of this general meeting published in the *bulletin des annonces légales obligatoires* dated 9 November 2016 would be approved in its initial version, this resolution shall replace purely and merely the fourth resolution in case it is also approved.

Resolution C – not approved by the Board of Directors (Delegation of authority to the Chairman of the Board of Directors to issue autonomous warrants for shares)

The extraordinary general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having reviewed the Chairman report and the statutory auditors' special report, in accordance with the provisions of Articles L.225-135 and L.228-92 of the French Commercial Code, subject to the prior approval by the creditors' committees defined in Articles L.626-29 et seq. of the French Commercial Code of the significant amendment to the safeguard plan reflecting this resolution:

- delegates to 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, its authority to decide to, in one single time, issue and allocate, free of charge, warrants for Company's shares in favour of the Company's shareholders (the **"Shareholders' Warrants"**);
- decides that the Shareholders' Warrants shall be allocated free of charge to all the Company's shareholders at the latest on the date of completion of the share capital increase with preferential subscription right preserved referred to in the second resolution;
- decides that the Shareholders' Warrants shall be allocated free of charge to all the Company's shareholders at the latest on the date of completion of the share capital increase with preferential subscription right preserved referred to in the second resolution above, at the ratio of two (2) Shareholders' Warrants per share of the Company; it is specified moreover that the shares that may be issued pursuant to the fifth resolution above as well as those allocated free of charge pursuant to resolution B above shall not give right to the allocation of Shareholders' Warrants;
- decides that, in any event, the total number of shares to which all the Shareholders' Warrants issued pursuant to this resolution shall give the right to subscribe shall not exceed 87,500,000;
- decides that each Shareholders' Warrant shall have an exercise period of five (5) years and, until expiry of such period, shall give right to subscribe to one (1) new Company's share for a strike price of two (2) euros (i.e. 10 euro cents of par value and 1.90 euro of share premium after taking into account the share capital decrease which is the subject matter of the aforementioned resolution), without prejudice to any subsequent adjustments, in accordance with laws and regulations and contractual provisions;
- decides that the total nominal amount of additional share capital increase of the Company resulting from the exercise of the Shareholders' Warrants which would be issued pursuant to this resolution shall not exceed 8,750,000 euros. This ceiling shall be increased, as the case may be, by the par value of shares to be issued in order to preserve (in accordance with laws and regulations and, as the case may be, contractual provisions providing for other cases of adjustment) the rights of the holders of Shareholders' Warrants;
- decides that the shares issued upon exercise of the Shareholders' Warrants shall be fully paid-up upon subscription;
- acknowledges that, in accordance with Article L.225-132 paragraph 6 of the French Commercial Code, the decision to issue the Shareholders' Warrants entails the waiver by the shareholders of their preferential subscription right to Company's shares to which the Shareholders' Warrants give right;
- decides that the shares which would be issued upon exercise of the Shareholders' Warrants shall bear the right to dividends as from their issue date and shall, upon issue, be completely assimilated to the existing shares and subject to all the provisions of the by-laws and to the decisions of the general meeting;
- decides that the Shareholders' Warrants shall be freely tradable and, for this purpose, a request for admission to trading on the regulated market of Euronext Paris shall be made;
- decides that in the event of a share capital increase, absorption, merger, spin-off or issue of new shares or securities giving access to the share capital, or other financial transactions with preferential subscription rights or reserving a priority subscription period to the Company's shareholders, the Company shall be entitled to suspend the exercise of the Shareholders' Warrants for a period of up to three months or any other deadline set by the applicable regulations;
- decides that the issue of Shareholders' Warrants pursuant to this resolution shall be carried out only if the issue of Company's shares, with shareholders' preferential subscription rights preserved, subject matter of the second resolution has been completed;
- grants full powers to the Board of Directors, with the right to sub-delegate under the conditions set by law and by this resolution, to implement this delegation, and in particular to:
 - set the characteristics and terms of the Shareholders' Warrants;
 - issue and allocate the Shareholders' Warrants;
 - arrange for the admission to trading of the Shareholders' Warrants on the regulated market of Euronext Paris;
 - collect the subscriptions, acknowledge the number of ordinary shares issued as a consequence of the exercise of the Shareholders' Warrants, carry out the formalities resulting from the corresponding share capital increases, and amend the by-laws accordingly;
 - set the conditions under which the Company shall have, as the case may be, the right to purchase or exchange on the stock exchange or otherwise, at any time or during specific periods, the Shareholders' Warrants, in accordance with legal provisions; and
 - carry out all formalities resulting therefrom.

The Board of Directors may perform, as necessary and outside of the above ceilings, a share capital increase for a nominal amount corresponding to the shares to be issued under any potential adjustments in accordance with applicable laws and regulations and, as the case may be, the specific contractual provisions providing for other cases of adjustment, to preserve the rights of the holders of securities or other instruments giving access to the share capital of the Company.

This resolution may not be implemented until after, and subject to, the prior completion of the share capital decrease referred to in the aforementioned resolution. The ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease, and are independent from the ceilings set in the other resolutions submitted to the vote of this general meeting. The Board of Directors may not, without the prior authorisation of the general meeting, make use of this delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

Resolution D – not approved by the Board of Directors (Appointment of a new Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides to appoint, as a Director of the Company, Mr Benjamin Jayet for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution E – not approved by the Board of Directors (Appointment of a new Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides to appoint, as a Director of the Company, Mr Jérôme Gallot for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution F – not approved by the Board of Directors (Appointment of a new Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides to appoint, as a Director of the Company, Mr Dominique Bernard for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Draft resolutions submitted by D&P Finance (494 124 977 R.C.S. Paris), represented by Mr Didier Calmels, as well as Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff

Resolution J – not approved by the Board of Directors (Removal of Mr Robert de Metz)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Robert de Metz from his functions as Director of the Company with effect as of this general meeting.

Resolution K – not approved by the Board of Directors (Appointment of Mr Didier Calmels as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Didier Calmels, 65 years old, a French citizen, for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution G – not approved by the Board of Directors (Suspension of the payment of attendance fees)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides that, on the basis of the provisions of Article L. 225-45 of the French Commercial Code, as from this general meeting, the Company shall not pay any remuneration as attendance fees to its Directors, up until the next date on which a dividend will be paid to the shareholders.

Resolution H – not approved by the Board of Directors (Capping of the remuneration paid by the Company to its employees)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides that as from this general meeting:

- the greatest aggregate remuneration paid by the Company to any of its corporate officers or employees shall not exceed 25 times the lowest remuneration;
- the Board of Directors shall do whatever may be necessary to ensure the proper implementation of the principle set forth by this resolution within the Company and the companies that it controls within the meaning of Article L. 233-3 I. of the French Commercial Code, and lay down any practical measure useful for this purpose; and
- the Board of Directors shall report every year to the general meeting convened to vote on the financial statements for the previous financial year on the implementation of the principle set forth in this resolution.

Resolution L – not approved by the Board of Directors (Removal of Mr Jean-Pierre Remy)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Jean-Pierre Remy from his functions as Director of the Company with effect as of this general meeting.

Resolution M – not approved by the Board of Directors (Appointment of Mr Philippe Besnard as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Philippe Besnard, 50 years old, a French citizen, for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution N – not approved by the Board of Directors (Removal of Mr Rémy Sautter)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Rémy Sautter from his functions as Director of the Company with effect as of this general meeting.

Resolution O – not approved by the Board of Directors (Appointment of Mr François-Xavier Barbier as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr François-Xavier Barbier, 60 years old, a French citizen, for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution P – not approved by the Board of Directors (Removal of Mrs Cécile Moulard)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present her comments, revokes Mrs Cécile Moulard from her functions as Director of the Company with effect as of this general meeting.

Resolution Q – not approved by the Board of Directors (Appointment of Mr Christophe Deshayes as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Christophe Deshayes, 53 years old, a French citizen, for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution R – not approved by the Board of Directors (Removal of Mr Jean-Marc Tassetto)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Jean-Marc Tassetto from his functions as a Director of the Company with effect as of this general meeting.

Resolution S – not approved by the Board of Directors (Appointment of Mr Gilles Brenier as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Gilles Brenier, 55 years old, a French citizen, for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution T – not approved by the Board of Directors (Removal of Mr Arnaud Marion)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Arnaud Marion from his functions as Director of the Company with effect as of this general meeting.

Resolution U – not approved by the Board of Directors (Appointment of Mr Loïc de la Cochetière as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Loïc de la Cochetière, 65 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution V – not approved by the Board of Directors (Appointment of Mr Christian Louis-Victor as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Christian Louis-Victor, 67 years old, a French citizen, for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution W – not approved by the Board of Directors (Appointment of Mr Baudoin de Pimodan as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Baudoin de Pimodan, 67 years old, a French citizen, for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution X – not approved by the Board of Directors

(Appointment of Mr Benjamin Jayet as Director)

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Benjamin Jayet, 43 years old, a French citizen, for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution Y – not approved by the Board of Directors

(Amendment to article 22 of the by-laws)

The general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to amend the drafting of article 22 of the Company's by-laws as follows:

Old version:

"Article 22 – Remuneration – Prohibition – Liability

It may be allocated to the Board of Directors, as attendance fees, an allowance, the amount of which is set by the general meeting and maintained until contrary decision.

The Board of Directors decides on the allocation of this allowance within the proportions it will deem fit.

The mandate of employee representatives is free.

The Directors shall not incur, by virtue of their mandate and their management, other obligations and liabilities, than those provided for by applicable law".

New version:

"Article 22 – Remuneration – Prohibition – Liability

It may be allocated to the Board of Directors, as attendance fees, an allowance, the amount of which is set by the general meeting and maintained until contrary decision.

The Board of Directors decides on the allocation of this allowance within the proportions it will deem fit.

The Directors shall receive no attendance fee for a financial year during which no dividend is paid, except upon contrary decision at a majority of two thirds of the ordinary general meeting voting on the accounts of such financial year. The Directors may however request the reimbursement of their travel expenses.

The mandate of employee representatives is free.

The Directors shall not incur, by virtue of their mandate and their management, other obligations and liabilities, than those provided for by applicable law".

Resolution Z – not approved by the Board of Directors

(Inclusion of an article 38 to the by-laws)

The general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to add an article 38 to the by-laws of the company reading as follows:

"Article 38 – Remuneration gap

The greatest annual gross remuneration, excluding stock-options, shall not be greater than twenty-five times the lowest gross annual remuneration, excluding stock-options".

BOARD OF DIRECTORS' REPORT TO THE SOLOCAL GROUP'S EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING OF 15 DECEMBER 2016

Important note

This report of the Board of Directors has been drawn up based on the agenda and draft resolutions published in the meeting notice of the Company's extraordinary general shareholders' meeting published in the *Bulletin des Annonces Légales Obligatoires* no. 135 of 9 November 2016. The Company's shareholders' attention is drawn to the fact that amendments have been made to this agenda and to these draft resolutions following (a) requests for inclusion of items and draft resolutions on the agenda that have been submitted by the Company's shareholders in accordance with the law and (b) amendments that have been made by the Company's Board of Directors. A supplement to this report of the Board of Directors has therefore been prepared and is provided on pages 46 *et seq.* of this document

Ladies and Gentlemen,

We have called this extraordinary general shareholders' meeting, in accordance with the law and the provisions of the Company's by-laws, in order notably to ask you to vote on the following:

- the Board of Directors' report and the statutory auditors' reports to this meeting;
- the share capital decrease by reducing the par value of the shares;
- the delegation of authority to the Board of Directors to issue Company's shares, with shareholders' preferential subscription rights preserved;
- the authorisation granted to the Board of Directors to increase the number of shares to be issued in the event of over-subscription to the issue, with shareholders' preferential subscription rights preserved, of Company's shares, pursuant to the second resolution submitted to the vote of the general meeting;
- the delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital;

- the delegation of authority to the Board of Directors to issue new shares, without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria;
- the delegation of authority to the Board of Directors to issue mandatory convertible bonds (*obligations à option de conversion et remboursables en actions*), without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria;
- the delegation of authority to the Board of Directors to issue new shares with warrants for shares attached (ABSA), without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria;
- the delegation of authority to the Board of Directors to proceed with a share capital increase reserved to the members of the group savings plan of the SoLocal Group; and
- the amendment to article 12 of the by-laws.

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

Resolutions falling within the scope of competence of the extraordinary shareholders' meeting

I. Restructuring of the Company's financial debt

The Company has drawn up for several months a restructuring plan of its financial debt aiming at allowing the group to find margins for financial manoeuvre to resume its Internet business provided for in its "Conquer 2018" plan with long-term and steady growth.

A project of financial restructuring plan, resulting from discussions between the Company and a group of creditors with whom an agreement in principle was reached on 1 August 2016 (the "**Initial Plan**"), has been approved by the Company's creditors on 12 October 2016 but rejected by its shareholders during the combined general meeting held on 19 October 2016.

New discussions have taken place between the different stakeholders. Such discussions have resulted in the unanimous adoption by the Company's Board of Directors, the association Regroupement PLocal and a group of three creditors, representing approximately 37% of the outstanding financial debt, of a revised financial restructuring plan, announced on 3 November 2016, that contains improvements for the Company and its shareholders compared to the Initial Plan (the "**Revised Plan**").

This Revised Plan, just as the Initial Plan, provides that, in return for the principal amounts of their receivables, which amounted to €1,164 million (€M) as at 30 June 2016, SoLocal Group's financial creditors would receive:

- a receivable of €400 M (which may be reduced to €340 M in the event of over-subscription to the share capital increase reserved to the shareholders described in the following point, the proceed of the over-subscription being used in this case to reduce the amount of the residual financial debt even further);
- cash (stemming from a share capital increase with shareholders' preferential subscription rights preserved of €405 M that may be increased to €465.75 M in the event of over-subscription and, as the case may be, from share capital increases reserved to third party investors, who are not creditors of the Company, of an aggregate amount of €35 M);
- MCB (*obligations à option de conversion remboursables en actions*) if the total amount of cash subscription to the share capital increase reserved to the shareholders and, as the case may be, to share capital increases reserved to third party investors who are not creditors of the Company, would be less than €300 M;

- Company's shares that may be stemming from the share capital increase with shareholders' preferential subscription rights preserved if the latter is not fully subscribed to by the Company's shareholders (or by the assignees of preferential subscription rights), the financial creditors having to subscribe by way of set-off with receivables to all the shares that would not be subscribed to in cash by the Company's shareholders (or by the assignees of preferential subscription rights);

- for the remainder of the debt, shares with warrants for shares attached (in the event where the total amount of cash subscription to the share capital increase reserved to shareholders and, as the case may be, to share capital increases reserved to third party investors who are not creditors of the Company, would be less than €250 M), stemming from a share capital increase reserved to the financial creditors with a subscription price per share which varies depending notably on the total amount of cash subscription to the share capital increase of €405 M with shareholders' preferential rights preserved: the higher this amount is, the higher the amount of the debt repayment in cash would be (referred to in the second point above), and the higher the subscription price per share in the context of the issue reserved to the financial creditors would be, reflecting a more significant effort on their part.

For the shareholders and for the Company, this Revised Plan provides for improvements compared to the Initial Plan, and notably:

- the granting to the existing shareholders of 3 free shares for every 2 shares held (against one free share per share held in the Initial Plan);
- a substantial decrease in the number of warrants that would be allocated to the creditors: no warrant would be allocated to them if the total amount of subscriptions to the share capital increase with shareholders' preferential subscription right preserved and to the share capital increases reserved to third party investors who are not creditors of the Company, is greater than €250 M (against 45 million warrants in the Initial Plan); 45 million warrants would be allocated to them in the absence of subscription to such share capital increase (against 155 million warrants in the Initial Plan);
- the option for the Company, at any time, to repay the bonds issued at 100% of their par value, without any penalty (against 101% of the par value, i.e. with a penalty of 1%, in the Initial Plan);

- the option for third party investors (who are not creditors of the Company) to participate in one (or several) share capital increase(s) that would be reserved to them, and therefore facilitate the realization of the share capital increase with shareholders' preferential subscription right preserved (this option was not provided for in the Initial Plan).

This restructuring is subject in particular to:

- the approval of your meeting, via the approval of the draft resolutions required to implement it (1st to 7th resolutions);
- the approval of the financial creditors' committee; and
- the decision of the Commercial Court of Nanterre (*Tribunal de Commerce de Nanterre*) to amend the existing financial safeguard plan (*sauvegarde financière accélérée*).

In order to authorise the implementation, by the Company's Board of Directors, of the contemplated restructuring, the following resolutions are submitted to the approval of the general meeting:

- share capital decrease in a total amount of €229.3 M, by reducing the par value of the Company's shares, from €6 to €0.1 per share (1st resolution);
- delegation of authority to proceed with a share capital increase with shareholders' preferential subscription right preserved of a maximum total amount of €405 M (*i.e.* €40.5 M of par value and €364.5 M of share premium), by issuing 405 million new Company's shares at a price of €1 per share (the "**Rights Issue**"), and authorization to the Board of Directors to increase the total nominal amount of this Rights Issue to €46.575 M in the event of over-subscription (2nd and 3rd resolutions);
- delegation of authority to proceed with the issue and attribution, free of charge, of new shares in favour of existing Company's shareholders (4th resolution);
- delegation of authority to issue new shares, without shareholders' preferential subscription rights in favour of a category of persons meeting specific criteria (the "**Investors Reserved Issue**") (5th resolution);
- delegation of authority to issue, in favour of the financial creditors, mandatory convertible bonds (*obligations à option de conversion et remboursables en actions*) (the "**MCB**"), the number of MCB to be issued depending on the rate of cash subscription to the Rights Issue (6th resolution);
- delegation of authority to issue, in favour of the financial creditors, new shares with warrants for shares attached (ABSA) (the "**Creditors Reserved Issue**"), the characteristics of this Creditors Reserved Issue depending on the rate of cash subscription to the Rights Issue (7th resolution); and
- delegation of authority to proceed with a share capital increase reserved to the members of the group savings plan of the SoLocal Group (8th resolution).

These resolutions are set out hereinafter. The 1st to 7th resolutions form a whole and the non-approval of any one of them by the general meeting would prevent the implementation of the financial restructuring plan presented to you.

The firm Didier Kling & Associés has been appointed by the Board of Directors as independent expert responsible for giving an opinion on the fair nature of the subscription price proposed for the issues of securities reserved to third party investors (*i.e.* the Investors Reserved Issue) and to the Company's financial creditors (*i.e.* the issue of the MCB and the Creditors Reserved Issue).

The independent expert's report, as well as all the documents provided for by the regulations, will be made available to the shareholders prior to the general shareholders' meeting in the context of which this report has been drawn up.

In this respect, the Rights Issue, on one hand, and the issues reserved to third party investors (*i.e.* the Investors Reserved Issue) and to the Company's financial creditors (*i.e.* the issue of the MCB and the Creditors Reserved Issue), on the other hand, shall be the

subject matter of securities notes (*notes d'opération*) by subject to the approval of the French Financial Markets Authority (*Autorité des Marchés Financiers*), which will be made available to shareholders and to the market, in accordance with the applicable legal provisions.

In this report, financial creditors means the holders of receivables against the company SoLocal Group under the credit agreement dated 24 October 2006, as amended from time to time (the "**Credit Agreement**").

The Revised Plan is based on the assumption of an outstanding financial debt under the Credit Agreement of a total amount in principal of €1,164 M as at the implementation of the restructuring plan. However, the text of the draft resolutions has been drafted so as to allow adjustment in the event where the outstanding financial debt of the Company under the Credit Agreement would slightly differ (downwards or upwards) from €1,164 M as at the date of implementation of the restructuring operations.

Share capital decrease by reducing the par value of the shares

(1ST RESOLUTION)

In the context of the financial restructuring plan submitted to your approval, it is notably planned to proceed with an increase in the Company's share capital with shareholders' preferential subscription right preserved of a total maximum amount of €405 M, by issuing a maximum number of 405 million new Company's shares at a price of €1 per share (subject matter of the 2nd resolution set out below).

In accordance with the law, the issue price of new shares for this type of share capital increase cannot be lower than the par value of the issued shares. The par value of the Company's shares is currently €6 per share. Accordingly, the share capital increase of €405 M that will be presented to you requires a prior decrease in the par value of the Company's shares.

This share capital decrease by reducing the par value of the shares would not affect the value or the number of the Company's shares held by the shareholders. Moreover, it would allow the Company to discharge all the losses set out in its balance sheet.

Prior to the share capital decrease itself, we propose that your meeting allocates the Company's losses, as set out in the financial statements for the financial year ended 31 December 2015 (after allocation of the income for that financial year), to certain available reserves and premiums, so as to reduce the amount of the negative "retained earnings". These allocations would be made as follows:

- allocation for an amount of €342,819,232.88 to the "share issue premium" account, the amount of which would thus be reduced to €6,000,000; and
- allocation of an amount of €18,283,923.79 to the "other reserves" account, the amount of which would thus be reduced to zero.

The balance of the "retained earnings" account would be accordingly reduced from -€552,300,359.33 (its amount after allocation of the income for the financial year ended 31 December 2015) to -€191,197,202.66.

After completion of these allocations, we propose that you decide a share capital decrease of a total amount of €229,371,727.60, by reducing the par value of each share from €6 (its current amount) to €0.10, and that the amount of the aforesaid share capital decrease will be allocated as follows:

- up to €191,197,202.66 to discharge the debit balance of the retained earnings account (after completion of the aforesaid allocations), which will be thus reduced to zero; and
- for the remainder, *i.e.* €38,174,524.94, to a special reserve account which would be entitled "special reserve from the share capital decrease decided on 15 December 2016"; it being specified that the amounts on this special reserve account would be unavailable and could not be used for purposes other than discharge potential losses of the financial year ending 31 December 2016 or of subsequent financial years.

Considering the foregoing, the share capital decrease that is proposed to you would be partially (*i.e.* up to €191,197,202.66) motivated by losses and, for the remainder (*i.e.* up to €38,174,524.94) not motivated by losses.

In accordance with the law, the Company's creditors benefit from a right to object to any proposed share capital decrease not motivated by losses. Accordingly, we propose that you decide that the contemplated share capital decrease will be conditional upon the absence of objection from creditors of the Company or, if there is an objection, upon unconditional rejection of the objection(s) by the competent court or upon their waiver, by the repayment of receivables or the provision of sufficient guarantees by the Company, in accordance with Articles L.225-205 and R.225-152 of the French Commercial Code.

In the event of completion of this share capital decrease, the Company's share capital would be reduced from an amount of €233,259,384 (its current amount) to an amount of €3,887,656.40 divided into 38,876,564 shares with a par value of €0.10 each, and Article 6 "Share Capital" of the Company's by-laws would be amended accordingly.

Finally, we propose that you grant full powers to the Board of Directors, with the right to sub-delegate, in order to, in particular, carry out this share capital decrease.

Delegation of authority to the Board of Directors to issue Company's shares, with shareholders' preferential subscription rights preserved

(2ND RESOLUTION)

One of the main elements of the financial restructuring plan is the completion of a share capital increase with shareholders' preferential subscription right ("**PSR**") preserved of a total maximum amount (share premium included) of €405 M, by issuing a maximum number of 405 million new Company's shares at a price of €1 per share (the "**Rights Issue**").

The number of PSR received by the shareholders for every share held shall be determined once the definitive characteristics of the Rights Issue would have been fixed. In any case, the shareholders would be responsible for purchasing or selling PSR to avoid holding any fractional shares.

This Rights Issue would be backstopped by all the financial creditors, who have committed to subscribe to all the shares not subscribed by the Company's existing shareholders (or by the assignees of PSR) by way of set-off with a portion of the receivables they hold against the Company.

In addition, this Rights Issue may be partially subscribed to by potential third party investors, who are not creditors of the Company, which would subscribe to the Investors Reserved Issue which is the subject matter of the 5th resolution set out below. These investors would indeed, beforehand, commit to subscribe on a non-reducible basis (*à titre irréductible*) to the Rights Issue by means of the PSR attached to the shares they would subscribe to pursuant to the Investors Reserved Issue. As a result, the participation of such third party investors would:

- reduce the amount of the Rights Issue proportionally to the amount subscribed to in the context of the Investors Reserved Issue; and
- increase the rate of cash subscription to the Rights Issue, thus facilitating its implementation and reducing proportionally the backstop commitment of the Company's financial creditors.

We therefore propose that you grant a delegation of authority to the Board of Directors, for a period of 12 months, in order to decide the Rights Issue.

This Rights Issue would have the following characteristics:

- issue of a maximum number of 405 million new Company's shares, at a price of €1 per new share, corresponding to a par value of €0.10 and a share premium of €0.90 (after taking into account the share capital decrease which is the subject matter of the 1st resolution set out above);

- the subscription price of €1 per new share results from the discussions conducted with the creditors' group with whom an agreement in principle was reached on 1st August 2016. Considering the allocation of the Free Shares (subject matter of the 4th resolution), the effective price to which shareholders would subscribe to the Rights Issue would be actually lesser than €1, as further detailed in Annex 1;

- total nominal amount of the share capital increase of the Company (share premium excluded) resulting from this issue lesser than or equal to €40.5 M (*i.e.* €405 M share premium included taking into account the subscription price of €1 per new share), it being specified that (i) this ceiling does not take into account additional shares to be issued in case of implementation of the option to increase the number of shares to be issued in the event of over-subscription (subject matter of the 3rd resolution set out below) and (ii) this ceiling shall be reduced by the nominal amount of the Investors Reserved Issue (subject matter of the 5th resolution set out below);

- the subscription to the new shares would be paid up in cash or by off-set with certain, due and payable receivables against the Company and the new shares would be paid-up in full upon subscription; and

- shareholders would have, in proportion to the number of shares they hold, a preferential subscription right to shares issued pursuant to the Rights Issue and would be granted a right to subscribe to issued shares on a reducible basis (*à titre réductible*) to the shares issued, which would be exercised in proportion to their subscription right and within the limit of their requests.

Finally, it will be proposed that you grant to the Board of Directors, with the right to sub-delegate, the necessary powers in order to implement the delegation granted, and in particular, to decide on and effect the Rights Issue.

It being specified that:

- this resolution may only be implemented after, and subject to, the prior completion of the share capital decrease proposed to you at the 1st resolution set out above;
- the ceilings set or referred to above have been determined taking into account the effect of the aforesaid share capital decrease and are independent from the ceilings set in the other resolutions that will be submitted to you during the meeting;
- the Board of Directors may not, without the prior authorisation of the general meeting, make use of the aforesaid delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

Authorization granted to the Board of Directors to increase the number of shares to be issued in the event of over-subscription to the issue, with shareholders' preferential subscription rights preserved aforementioned

(3RD RESOLUTION)

In the context of the Rights Issue and in the event that the subscriptions to this Rights Issue would exceed its total initial amount, the Company would like to have the option to increase the size of this Rights Issue, within the limit of a maximum total amount equal to 115% of the total initial amount of the Rights Issue. The Company could therefore, in the event of over-subscription during the initial issue, increase the number of shares to be issued to meet the requests made by the shareholders (and/or assignees of PSR) on a reducible basis (*à titre réductible*).

This would allow the Company to raise additional funds, which would be fully allocated to the repayment in a proportional amount of its bank debt and would therefore reduce the amount of the outstanding financial debt even further.

We therefore propose to you to authorise the Board of Directors, for a period of 12 months, in the event of over-subscription during the initial issue, to increase the number of shares to be issued, under the conditions provided for by Article L. 225-135-1 of the French

Commercial Code, at the same price as that decided for the initial issue and up to a maximum of 15% of the amount of the initial issue.

It is specified that the increase in the number of securities to be issued could only be used to serve the requests made by the shareholders (and/or the assignees of PSR) on a reducible basis (*à titre réductible*), at the time of the initial issue.

In case of implementation of the option to increase the number of shares to be issued, the ceiling of the total nominal amount of the Company's share capital increase (share premium excluded) resulting from the Rights Issue, thus, by 15% and would be accordingly increased from €40.5 M to €46.575 M (i.e. €465.750 M share premium included taking into account the subscription price of €1 per new share), it being specified that (i) this ceiling shall be reduced by the nominal amount of the Investors Reserved Issue (subject matter of the 5th resolution set out above) and (ii) this ceiling takes into account the effect of the share capital decrease proposed to you in the 1st resolution set out above.

The Board of Directors would receive full powers, with the right to sub-delegate, to implement the delegation granted to it.

Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital

(4TH RESOLUTION)

In the context of the contemplated financial restructuring, the Company would allocate for free to the existing shareholders free shares, at a ratio of three new free shares for every two shares held (the "**Free Shares**").

Such Free Shares would allow existing Company's shareholders to benefit from the speed-up in the Internet growth of SoLocal Group, which is the subject matter of the plan "Conquer 2018", and to limit their dilution in the context of the contemplated restructuring plan.

This issue and allocation of Free Shares would have the following characteristics:

- issue of a maximum number of 58.5 million Free Shares (on the basis of the number of existing shares as at 30 September 2016), it being specified that this ceiling would be increased, as the case may be, by the number of shares that would be issued between 30 September 2016 and the date of issue and allocation of the Free Shares (excluding the shares that would be issued under other delegations that are proposed to you);
- share capital increase resulting from the issue of Free Shares carried out by incorporation into the capital of a portion of the amounts on the "issuance premium" account equal to the nominal amount of the share capital increase, within the limit of a maximum amount of €5.85 M (subject to adjustments, as the case may be);
- free allocation of the Free Shares to all the Company's of the shareholders at the ratio of three (3) Free Shares for every two (2) Company's shares. The Free Shares would be allocated at the latest on the date of completion of the Rights Issue, it being specified that (i) the shares held by the Company would retain their rights to allocation of Free Shares, (ii) the shares that may possibly be issued pursuant to the Investors Reserved Issue (subject matter of the 5th resolution set out below) would not give right to the allocation of Free Shares and (iii) the shareholders would be responsible for purchasing or selling shares before the allocation of the Free Shares to avoid holding any fractional shares.

Finally, it will be proposed that you grant to the Board of Directors, with the right to sub-delegate, the necessary powers in order to implement the delegation granted and, in particular to decide on and effect the issue and the allocation, free of charges, of Free Shares in favour of the Company's shareholders.

It being specified that:

- this resolution may only be implemented after, and subject to, the prior completion of the share capital decrease proposed to you at the 1st resolution set out above;
- the ceilings set or referred to above have been determined taking into account the effect of the aforesaid share capital decrease and are independent from the ceilings referred to in the other resolutions that will be submitted to you during the meeting;
- the Board of Directors may not, without the prior authorization of the general meeting, make use of the aforesaid delegation as from the filing by a third party of a tender offer for the Company's securities and until the end of the offer period.

Delegation of authority to the Board of Directors to issue new shares, without shareholders' preferential rights and reserved to a category of persons meeting specific criteria

(5TH RESOLUTION)

In the context of the contemplated financial restructuring, the Company is actively seeking for new investors, who are likely to participate in the strengthening of its equity. As at the date of this report, the Company has not secured any potential investor but actively continues its search.

In this regard, the Revised Plan provides for the issue of new shares reserved to third party investors (who are not creditors of the Company) for a maximum nominal amount of € 3.5 M by issuing a maximum number of 35 million new Company's shares at a price of €1 per share (the "**Investors Reserved Issue**").

The third party investors identified by the Company and willing to subscribe to this Investors Reserved Issue would have beforehand to irrevocably commit towards the Company (i) to subscribe to a reserved share capital increase and (ii) to participate in the Rights Issue (subject matter of the 2nd resolution set out above) by exercising on a non-reducible basis (*à titre irréductible*) the PSR attached to the shares they would subscribe to pursuant to the Investors Reserved Issue. As a result, their participation would:

- reduce the amount of the Rights Issue proportionally to the amount subscribed pursuant to the Investors Reserved Issue; and
- increase the cash subscription rate of the Rights Issue, thus facilitating its implementation and reducing proportionally the backstop commitment of the Company's financial creditors.

As at the date of this report, the Investors Reserved Issue has been structured in the form of a share capital increase reserved to a category of persons meeting specific criteria (as defined below). Depending on the progress of discussions with third party investors that would be identified by the Company and that would irrevocably commit towards the Company to subscribe to the Investors Reserved Issue by the date of publication of the convening notice, this Investors Reserved Issue may be structured in the form of one or several share capital increases reserved to designated persons. The draft of the 5th resolution may thus be replaced or supplemented (in the latter case within the limits of the ceiling set and referred to below) in the convening notice.

We therefore propose that you grant a delegation of authority to the Board of Directors, for a period of 12 months, in order to decide the issue, without shareholders' preferential subscription right, of new shares reserved to investors.

This Investors Reserved Issue would have the following characteristics:

- the subscription price of the newly issued shares would be equal to €1 (i.e. nominal value of €0.10 and a premium of €0.90) (after taking into account the share capital decrease which is the subject matter of the 1st resolution).

This subscription price results from the discussions conducted within the last weeks between the Company, the association RegroupementPPLocal and the three creditors parties to the agreement on the Revised Plan. It shall be equal to the subscription price of the Rights Issue that is of €1, as further detailed in Annex 1;

- the total nominal amount of share capital increase of the Company to be carried out would not exceed €3.5 M corresponding to the issue of a maximum number of 35 million new shares, it being specified that the nominal amount of this Investors Reserved Issue would reduce the ceilings of the Rights Issue set by the 2nd and 3rd resolutions above;
- the subscription to the new shares would be paid in cash and the new shares would be paid-up in full upon subscription;
- the shareholders' preferential subscription right with respect to the issue of the new shares would be withdrawn and the subscription to all the new shares would be reserved to the following categories of persons meeting specific criteria within the meaning of Article L. 225-138 of the French Commercial Code:

- (i) qualified investors, within the meaning of Articles L.411-2, II, 2 and D.411-1 of the French Monetary and Financial Code, investing in companies and firms operating in the field of local digital communication, and
- (ii) qualified investors, within the meaning of Articles L.411-2, II, 2 and D.411-1 of the French Monetary and Financial Code, meeting at least two out of the three criteria set forth in Article D.533-11, 2 of the French Monetary and Financial Code, on the basis of individual financial statements, i.e.:

- the total balance sheet is equal to or greater than €20 M,
- the net turnover or the net revenues are equal to or greater than 40 million euros, and/or
- the net equity is equal to or greater than €2 M,

it being specified that such investors shall not include existing creditors of the Company.

Finally, it will be proposed that you grant to the Board of Directors, with the right to sub-delegate, the necessary powers in order to implement the delegation granted and, in particular, to decide on and effect the Investors Reserved Issue.

It being specified that:

- this resolution may only be implemented after, and subject to, the prior completion of the share capital decrease proposed to you at the 1st resolution set out above;
- the ceiling set or referred to above have been determined taking into account the effect of the aforesaid share capital decrease and are independent from the ceilings referred to in the other resolutions that will be submitted to you during the meeting;
- the Board of Directors may not, without the prior authorization of the general meeting, make use of the aforesaid delegation as from the filing by a third party of a tender offer for the Company's securities and until the end of the offer period.

Delegation of authority to the Board of Directors to issue mandatory convertible bonds (obligations à option de conversion remboursables en actions) without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria

(6TH RESOLUTION)

In the context of the contemplated financial restructuring, a portion of the Company's financial debt would, as the case may be, be cancelled in return for the issue, reserved to the financial creditors, of mandatory convertible bonds (*obligations à option de conversion remboursables en actions*) (the "MCB").

The number of MCB to be issued in favour of the financial creditors would depend directly on the total amount of cash subscriptions raised by the Company in the context of the Rights Issue (subject matter of the 2nd resolution set out above) and the Investors Reserved Issue (subject matter of the 5th resolution set out above): the higher the total amount of cash subscriptions to the Rights Issue and to the Investors Reserved Issue is, the lower the number of MCB to be issued would be. Indeed, for an outstanding financial debt under the Credit Agreement of a total amount in principal of €1,164 M as at the date of the implementation of the restructuring plan:

- if the shareholders (or assignees of PSR) subscribe in cash to the Rights Issue and, as the case may be, to the Investors Reserved Issue, up to an amount greater than or equal to €300 M, no MCB would be issued in favour of the financial creditors;
- if no shareholder (or assignee of PSR) subscribes in cash to the Rights Issue (and thus no Investors Reserved Issue occurs), 100 million MCB would be issued in favour of the financial creditors;
- if the shareholders (or assignees of PSR) subscribe in cash to the Rights Issue and, as the case may be, to the Investors Reserved Issue up to an amount greater than €0 but strictly lower than €300 M, the number of MCB to be issued would be calculated linearly and would be the result of the following formula: $100,000,000 - [\text{total amount of subscriptions in cash to the Rights Issue and, as the case may be, to the Investors Reserved Issue} / 3]$ (rounded up to the nearest unit).

It is specified that, in the event where, as at the date of implementation of the restructuring plan, the total amount in principal of the outstanding financial debt under the Credit Agreement is not equal to €1,164 M, the parameters of the calculation formula referred to above would be adjusted upwards or downwards in proportion to the gap between (i) the total amount of the outstanding financial debt (in principal) as at the date of implementation of the restructuring plan and (ii) €1,164 M.

We therefore propose that you grant a delegation of authority to the Board of Directors, for a period of 12 months, to decide to issue, without shareholders' preferential subscription right, MCB in favour of financial creditors.

The terms and conditions of these MCB would be those described in Annex 2 attached, in particular:

- the par value of each MCB would be €2;

This issue price of the MCB results from the discussions conducted with the creditors' group with whom an agreement in principle was reached on 1st August 2016. It is greater than the theoretical share price of equilibrium after completion of the financial restructuring and the subscription price to the Rights Issue (subject matter of the 2nd resolution), as further detailed in Annex 1;

- the maximum number of MCB issued would be 101 million;
- the MCB would be issued at par, in euros, they would not bear interest and would have a 5 year maturity;
- the shareholders' preferential subscription right with respect to the issue of the MCB would be withdrawn and the subscription of all the MCB would be reserved to the financial creditors, up to a portion of their receivables, said creditors constituting a category of persons meeting specific criteria within the meaning of Article L. 225-138 of the French Commercial Code;
- the MCB would constitute direct subordinated, general, unconditional, lowest rank subordinated and unsecured commitments of the Company, ranking equally among themselves and *pari passu* with all other present or future, lowest rank subordinated commitments of the Company, and would be subordinated to (i) all present or future equity securities and equity loans, issued or granted by the Company, (ii) all ordinary subordinated bonds of the Company, and (iii) all unsubordinated obligations of the Company;
- the MCB would be redeemable:
 - (i) in full on the 5th anniversary of their issue date (i) either by delivery of 1 new share of the Company per MCB (subject to adjustments, as the case may be), (ii) or, at the option of the Company, by payment for each MCB of an amount equal to the par value of the MCB, *i.e.* €2; or
 - (ii) in full, at any time upon request of the majority of the holders of MCB (representing at least 50% of the then outstanding MCB on the date of request), by delivery of 1 new share of the Company per MCB (subject to adjustments, as the case may be); or
 - (iii) at any time upon request of any holders of MCB, up to all or a block of at least 100,000 of MCB that he/she/it owns, by delivery of 1 new share of the Company per MCB (subject to adjustments, as the case may be);
- accordingly, and subject to any adjustments that may be necessary in the event of transactions on the share capital referred to in Articles L.228-98 *et seq.* of the French Commercial Code:
 - (i) the maximum total number of new shares that may be issued upon redemption of the MCB shall be 101 million;
 - (ii) the total nominal amount of share capital increase resulting from the redemption of the MCB shall not exceed €10.1 M (corresponding to 101 million shares with a par value of €0.10 each) (after taking into account the share capital decrease which is the subject matter of the 1st resolution).

Finally, it will be proposed that you grant to the Board of Directors, with the right to sub-delegate, the necessary powers to implement the delegation granted and, in particular, to decide on and effect, in one instalment, the issue of MCB without shareholders' subscription right.

It being specified that:

- this resolution may only be implemented after, and subject to the prior completion of the share capital decrease proposed to you at the 1st resolution set out above;
- the ceilings set or referred to above have been determined taking into account the effect of the aforesaid share capital decrease, and are independent from the ceilings referred to in the other resolutions that will be submitted to you during the meeting;
- the issue of MCB may only be carried out if (i) the Rights Issue which is the subject matter of the 2nd resolution set out above and (ii) the issue and the allocation of the Free Shares which is the subject matter of the 4th resolution set out above, have been completed;

- the Board of Directors may not, without the prior authorization of the general meeting, make use of the aforesaid delegation as from the filing by a third party of a tender offer for the Company's securities and until the end of the offering period.

Delegation of authority to the Board of Directors to issue new shares with warrants for shares attached (ABSA), without shareholders' preferential rights and reserved to a category of persons meeting specific criteria

(7TH RESOLUTION)

In the context of the contemplated financial restructuring, an issue, reserved to the financial creditors, of new shares with warrants for Company's shares attached (the "**ABSA**") (the "**Reserved Creditors Issue**") would aim at organising the conversion into capital of the remainder of the Company's financial debt further to the transactions referred to in the 2nd to 6th resolutions set out above, so that the Company's residual debt following the financial restructuring would be reduced to €400 M (or less in the event of over-subscription to the Rights Issue).

The main characteristics of the Reserved Creditors Issue would vary depending on the total amount of cash subscriptions (i) to the Rights Issue (subject matter of the 2nd resolution set out above) and (ii) to the Investors Reserved Issue (subject matter of the 5th resolution set out above). Indeed, the higher this amount is:

- the higher the subscription price per ABSA would be. In any event, it could not be lower than €2.14 per ABSA (or €2.12 in the event where the outstanding financial debt of the Company under the Credit Agreement would exceed €1,164 M as at the date of the implementation of the restructuring plan);
- the higher the total amount of the share capital increase (share premium included) resulting from the Reserved Creditors Issue would be. In any event, it could not be higher than €384 M (excluding share capital increase upon exercise of the creditors' Warrants);
- the higher the number of ABSA issued to financial creditors would be, without however exceeding 81 million, explaining why the ceiling of share capital increase (in nominal) resulting from the issue of the ABSA proposed in the draft of 7th resolution is €8.2 M.

Each ABSA issued would consist in one share and a number of warrants for shares (the "**creditors' Warrants**"), also calculated on the basis of the total amount of cash subscriptions (i) to the Rights Issue (subject matter of the 2nd resolution set out above) and (ii) to the Investors Reserved Issue (subject matter of the 5th resolution set out above). The higher this amount is, the lower the number of creditors' Warrants attached to each ABSA would be (no creditors' Warrants would be issued if the total amount of subscriptions reaches €250 M). In any event, the maximum total number of creditors' Warrants would be of 46 million.

The exercise period of these creditors' Warrants would be of 5 years. During that period, each creditors' Warrant would grant the right to subscribe to 1 new Company's share for a strike price of €2, this price resulting from the discussions conducted with the creditors' group with whom an agreement in principle was reached on 1st August 2016. Accordingly, the total number of shares that all the creditors' Warrants would grant the right to subscribe to could not exceed 46 million, and the total nominal amount of the Company's share capital increase resulting from the exercise of the creditors' Warrants could not exceed €4.6 M.

We therefore propose that you grant a delegation of authority to the Board of Directors, for a period of 12 months, to decide to issue, without shareholders' preferential subscription right, ABSA in favour of the financial creditors.

This Reserved Creditors Issue would have the following characteristics:

- for an outstanding financial debt under the Credit Agreement of a total amount in principal of €1,164 M, the total amount of the ABSA issue (issue premium included) shall be equal to: A + B

Where

"A" would be equal to €75 M

"B" would be equal to the result of the following calculation:

(a) amount in principal of the outstanding debt under the Credit Agreement on the relevant date (referred to as "Y")

Less

(b) X – €20 M if X is greater than €20 M or zero if X is less than or equal to €20 M

Less

(c) portion of Y used by the Company's financial creditors to subscribe by set-off of receivables to the Rights Issue

Less

(d) €400 M (corresponding to the amount of the anticipated residual debt for an amount "Y" equal to €1,164 M)

Less

(e) the nominal amount of the MCB possibly issued or to be issued pursuant to the 6th resolution

Less

(f) €75 M

Plus

(g) the portion of X exceeding €400 M (as the case may be)

(rounded down to the nearest multiple of the subscription price per ABSA, determined according to the below);

Where "X" is equal to the sum of the cash subscriptions (excluding any subscription by set-off with receivables) raised by the Company in the context of (i) the Rights Issue (subject matter of the 2nd resolution set out above) and (ii) the Investors Reserved Issue (subject matter of the 5th resolution set out above).

It is specified that, in the event where, as at the date of implementation of the restructuring plan, the total amount in principal of the outstanding financial debt under the Credit Agreement is not equal to €1,164 M, the amount of €75 M referred to as A above, the amounts referred to in paragraphs (d) and (f) above and the amount of €400 M referred to in paragraph (g) above shall be adjusted upwards or downwards in proportion to the gap between (i) the total amount of the outstanding financial debt (in principal) as at the date of implementation of the restructuring plan and (ii) €1,164 M.

- the total nominal amount of the Company's share capital increase (share premium excluded) resulting from this issue (excluding the share capital increase resulting from the exercise of the creditors' Warrants) would be lower than or equal to €8.2 M;

- the subscription price of each ABSA would be equal to the result of the following formula (rounded down to the nearest euro cent):

$[A + B] \text{ divided by } [A + (B / 50)]$ (the amounts A and B being as the case may be adjusted as indicated above);

This subscription price could not be less than €2.14 per ABSA (€0.10 of par value and €2.04 of issue premium) (or €2.12 per ABSA (€0.10 of par value and €2.02 of issue premium)), in the event where, as at the date of implementation of the restructuring plan, the total amount in principal of the outstanding financial debt under the Credit Agreement would be greater than €1,164 M) (after taking into account and subject to the completion of the share capital decrease which is the subject matter of the 1st resolution);

The calculation formula of the subscription price referred to above, with a floor price of €2.14 (or, as the case may be, of €2.12) per ABSA, results from the discussions conducted with the creditors' group with whom an agreement in principle was reached on

1st August 2016. Regardless of the amounts A and B referred to above, the subscription price of the ABSA would necessarily be greater than the theoretical share price of equilibrium after completion of the financial restructuring and the subscription price to the Rights Issue (subject matter of the 2nd resolution), as further detailed in Annex 1;

- the shareholders' preferential subscription right with respect to the issue of the ABSA would be withdrawn and the subscription to all the ABSA would be reserved to the financial creditors, up to a portion of their receivables, said creditors constituting a category of persons meeting specific criteria within the meaning of Article L. 225-138 of the French Commercial Code;

- to each new share issued pursuant to this resolution would be attached a total number of creditors' Warrants that would be determined on the basis of the total amount "X" defined above pursuant to the following formula (for a total amount in principal of the outstanding financial debt under the Credit Agreement of €1,164 M as at the date of implementation of the restructuring plan):

(i) if X is greater than or equal to €250 M, the total number of creditors' Warrants attached to each share issued would be equal to zero (in which case no creditors' Warrant would be issued); or

(ii) if X is equal to zero, the total number of creditors' Warrants attached to each share issued is equal to 45 million divided by the total number of ABSA issued (the result of this division being rounded to the nearest tenth); or

(iii) if X is greater than zero and less than €250 M, the total number of creditors' Warrants attached to each share issued is the result of the following calculation formula:

$45,000,000 \times [1 - (X / 250,000,000)] / \text{the total number of ABSA issued (the result of this division being rounded to the nearest tenth);}$

- each creditors' Warrant would have an exercise period of 5 years and would give right to subscribe to 1 new Company's share for a strike price of €2. This subscription price results from the discussions conducted with the creditors' group with whom an agreement in principle was reached on 1st August 2016; it has not been amended in the context of the discussions on the Revised Plan conducted within the last weeks;

- the total number of shares to which all the creditors' Warrants issued pursuant to this resolution shall give the right to subscribe would not exceed 46 million (subject to adjustments, as the case may be);

- the total nominal amount of additional Company's share capital increase resulting from the exercise of the creditors' Warrants would not exceed €4.6 M (subject to adjustments, as the case may be);

- the terms and conditions of the creditors' Warrants would be those described in Annex 3 attached.

Finally, it will be proposed that you grant to the Board of Directors, with the right to sub-delegate, the necessary powers to implement the delegation granted and, in particular, to decide on and effect the Reserved Creditors Issue.

It being specified that:

- this resolution may only be implemented after, and subject to the prior completion of the share capital decrease proposed to you at the 1st resolution set out above;

- the ceilings set or referred to above have been determined taking into account the effect of the aforesaid share capital decrease, and are independent from the ceilings referred to in the other resolutions that will be submitted to you during the meeting;

- the Reserved Creditors Issue may only be carried out if (i) the Rights Issue which is the subject matter of the 2nd resolution set out above and (ii) the issue and the allocation of the Free Shares which is the subject matter of the 4th resolution set out above, have been completed;

- the Board of Directors may perform, as necessary and outside of the above ceilings, a share capital increase for a nominal amount corresponding to the shares to be issued under any potential adjustments in accordance with applicable laws and regulations and, as the case may be, the specific contractual provisions providing for other cases of adjustment, to preserve the rights of the holders of securities or other instruments giving access to the share capital of the Company; and
- the Board of Directors may not, without the prior authorization of the general meeting, make use of the aforesaid delegation as from the filing by a third party of a tender offer for the Company's securities and until the end of the offer period.

Delegation of authority to the Board of Directors to proceed with a share capital increase reserved to the members of the group savings plan of the SoLocal Group

(8TH RESOLUTION)

To comply with the legal obligation that applies when a share capital increase (or a delegation to proceed with a share capital increase) is submitted to the general meeting, we propose that you delegate to the Board of Directors, with the right to sub-delegate under the conditions set by law, for a period of 26 months, your authority to decide to increase the share capital, in one or more instalments, at the time it will deem fit, by issuing shares reserved to the employees and former employees who are members of SoLocal Group's 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 incorporation of reserves, profits or premiums under the conditions and limits set by the Articles L. 3332-18 *et seq.* of the French Labour Code) would be set at €50,000, corresponding to approximately 1% of the Company's share capital further to the achievement of the transactions referred to in the 1st, 2nd, 3rd, 4th and 7th resolutions presented above.

You will be asked 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.

We propose that the discount offered under the company savings plan be set at 20% of the average opening prices of SoLocal Group's share quoted on the regulated market of Euronext Paris during the 20 trading days preceding the day of the decision setting the opening date of the subscriptions, it being specified that the Board of Directors may reduce this discount as it will deem fit.

Finally, it will be proposed that you grant to the Board of Directors, with the right to sub-delegate, the necessary powers to implement the delegation granted and, in particular, to decide on and effect one or more issues of shares reserved to employees and former employees who are members of SoLocal Group's group savings plan.

The Board of Directors specifies that, to date, it has no project of share capital increase reserved to employees.

II. Progress in corporate affairs since the beginning of the current financial year

Pursuant to the provisions of Article R. 225-113 of the French Commercial Code, we present to you below an update on progress in the Company's affairs since the beginning of the current financial year.

General presentation

As European leader in local digital communications, SoLocal Group identifies local expertise and stimulates companies' local activity. SoLocal Group earned consolidated revenues of €405 M in the first six-month period of 2016 (scope of continued activities excluding entities transferred in 2015), with its Internet and Print & Voice activities representing 79% and 21%, respectively. Internet activity is driven by two main digital activities: Local Search and Digital Marketing.

Internet

In the first six-month period of 2016, SoLocal Group posted Internet revenues of €322 M, representing 79% of the Group's consolidated revenues.

SoLocal Group's Internet activities are now centered around two product lines:

- First, we offer digital services and solutions to companies to increase their visibility and develop local contacts: in the first six-month period of 2016, this Local Search activity posted total revenues of €243 M, due to a long-term and very high-quality 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 web users with the best local content, customized by profession: in the first six-month period of 2016, this Digital Marketing activity represented total revenues of €78 M. These technologies, which are highly differentiating, were created over the past five years and have experienced rapid growth (9% in the first six-month period of 2016 compared to the first six-month period of 2015). They include websites and content, local programming and transactional services. We innovated on these product lines in 2015, upgrading our website offerings and the product & store locator, and successfully launched the ADhesive targeting offering, which draws from our database of web users' local buying intentions. Moreover, our transactional services have been renamed PagesJaunes Resto and PagesJaunes Doc, thus enhancing and strengthening the power of the traffic generated on PagesJaunes.

Print & Voice

The Print & Voice business earned €83 M, *i.e.* 21% of the Group's consolidated revenues in the first six-month period of 2016. This segment includes the Group's activities involving the publication, distribution and sale of advertising space in print directories (PagesJaunes, PagesBlanches), as well as other Group activities known as "Voice," including telephone information and reverse directory services.

Comments on results as at 30 June 2016

Consolidated income statement for continued activities as at 30 June 2016 and 30 June 2015

SoLocal Group (In million euros)	Continued activities						
	As at 30 June 2016			As at 30 June 2015			Change recurring 2016/2015
	Total	Recurring	Non recurring	Total	Recurring	Non recurring	
Revenues	404.7	404.7	-	446.2	446.2	-	-9.3%
Net external expenses	(105.5)	(105.5)	-	(98.2)	(98.2)	-	7.4%
Personnel expenses	(187.6)	(187.6)	-	(209.2)	(209.2)	-	-10.3%
Recurring EBITDA	111.6	111.6	-	138.8	138.8	-	-19.6%
<i>As % of revenues</i>	27.6%	27.6%	-	31.1%	31.1%	-	
Non recurring items	(2.0)	-	(2.0)	(2.3)	-	(2.3)	-
EBITDA	109.5	111.6	(2.0)	136.5	138.8	(2.3)	-19.6%
<i>As % of revenues</i>	27.1%	27.6%	-	30.6%	31.1%	-	
Depreciation and amortisation	(28.8)	(28.8)	-	(21.8)	(21.8)	-	32.1%
Operating income	80.7	82.8	(2.0)	114.7	116.9	(2.3)	-29.2%
<i>As % of revenues</i>	19.9%	20.5%	-	25.7%	26.2%	-	
Financial income	0.7	0.7	-	1.0	1.0	-	-30.0%
Financial expenses	(37.6)	(37.6)	-	(44.0)	(44.0)	-	-14.5%
Net financial expense	(36.9)	(36.9)	-	(42.9)	(42.9)	-	-14.0%
Share of profit or loss of an associate	-	-	-	0.1	0.1	-	-100.0%
Income before tax	43.9	45.9	(2.0)	71.9	74.1	(2.3)	-38.1%
Corporate income tax	(18.7)	(19.4)	0.7	(30.2)	(31.1)	0.9	-37.6%
Income for the period	25.2	26.5	(1.3)	41.6	43.0	(1.4)	-38.4%

Consolidated revenues were €405 M in the first six-month period of 2016, down 9% compared to the first six-month period of 2015:

- Internet total revenues of €322 M in the first six-month period of 2016 (representing 79% of total revenues) decreased by 1% compared to the first six-month period of 2015, with the positive trend in Digital Marketing not completely offsetting the decline in the number of Local Search customers (due to restrictions on bank covenants):
 - Growth in audience: website visits increased by 9% in the first six-month period of 2016 compared to the first six-month period of 2015, with growth of 27% for the mobile audience, representing 42% of the total audience.
 - ARPA Search Local: + 3% in the first six-month period of 2016 compared to the first six-month period of 2015, a return to the historic trend.
 - Total customers: - 6% in the first six-month period of 2016 compared to the first six-month period of 2015, still under pressure due to lower investment in customer acquisitions through tele-sales. The decline in customer numbers is expected to continue at a similar rate due to the current constraints on customer acquisition investment.

- Digital Marketing total revenues: + 8% in the first six-month period of 2016 over the first six-month period of 2015, due to accelerated local programming. This positive trend is not reflected in Q2 2016 (decrease by 5% in the Digital Marketing revenues), as a result of the non-recurring impact of the revamping of website offerings in Q2 2015.

- Print & Voice revenues posted a decline of 31% during the period, largely impacted by the marked downward trend in PagesBlanches.

Growth in orders in the first six-month period of 2016 is strong: Internet orders posted growth of 10% in H1 2016 compared to H1 2015, and total orders are again on the rise.

Recurring EBITDA totalled €112 M in the first six-month period of 2016, has decreased by 20% compared to the first six-month period of 2015, mainly due to the decline in Print & Voice EBITDA.

EBITDA / revenue margin was at 28% in the first six-month period of 2016, has decreased by 3 points compared to the first six-month period of 2015, due to the decline in revenues (-9%), which was only partially offset by a disciplined cost management, which yielded a significant reduction in personnel expenses (-10%), as well as limited investment in brand promotion.

Breakdown of revenues and consolidated EBITDA of continued activities, as at 30 June 2016 and 30 June 2015:

SoLocal Group (in million euros)	Continued activities		
	As at 30 June 2016	As at 30 June 2015	Change 2016/2015
Internet	321.7	325.2	-1.1%
Print & Voice	83.0	120.9	-31.3%
Revenues	404.7	446.2	-9.3%
<i>Internet revenues as % of total revenues</i>	<i>79.5%</i>	<i>72.9%</i>	
Internet	89.5	99.0	-9.6%
Print & Voice	22.1	39.8	-44.5%
Recurring EBITDA	111.6	138.8	-19.6%
<i>As % of revenues</i>			
<i>Internet</i>	<i>27.8%</i>	<i>30.4%</i>	
<i>Print & Voice</i>	<i>26.6%</i>	<i>32.9%</i>	

The following table presents the results for the period from the Group's continued activities, as at 30 June 2015 and 30 June 2016:

SoLocal Group (in million euros)	Continued activities						Change recurring 2016/2015
	As at 30 June 2016			As at 30 June 2015			
	Total	Recurring	Non recurring	Total	Recurring	Non recurring	
Operating income	80.7	82.8	(2.0)	114.7	116.9	(2.3)	-29.2%
Financial income	0.7	0.7	-	1.0	1.0	-	-30.0%
Financial expenses	(37.6)	(37.6)	-	(44.0)	(44.0)	-	-14.5%
Net financial expense	(36.9)	(36.9)	-	(42.9)	(42.9)	-	-14.0%
Share of profit or loss of an associate	-	-	-	0.1	0.1	-	-100.0%
Income before tax	43.9	45.9	(2.0)	71.9	74.1	(2.3)	-38.1%
Corporate income tax	(18.7)	(19.4)	0.7	(30.2)	(31.1)	0.9	-37.6%
Income for the period	25.2	26.5	(1.3)	41.6	43.0	(1.4)	-38.4%

The Group's net financial charges represented -€36.9 M as at 30 June 2016, *i.e.* a decrease by 14.0%, mainly due to the September 2015 maturity of hedging instruments.

The corporate income tax charge was at -€19.4 M as at 30 June 2016, *i.e.* a decrease by 37.6% compared to 30 June 2015, in line with pre-tax income.

Recurring income totalled €26.5 M as at 30 June 2016, *i.e.* a decrease by 38.4% compared to recurring income from continued activities as at 30 June 2015.

Outlook

● The Group has confirmed its outlook for 2016 with strong growth in orders:

- Growth in Internet revenues by 0% to + 2% in 2016, compared to 2015
- EBITDA / revenue margin \geq 28%¹⁾

At best, the positive impact of the strong growth in orders in the first six-month period will start to become visible in Q4 2016.

● The Group has drawn up for several months, under the aegis of a *mandataire ad hoc*, a restructuring plan of its financial debt, aiming at allowing the Group to find margins for financial manoeuvre to resume its Internet business provided for in its "Conquer 2018" with long-term and steady growth.

Net income from divested activities was equal to zero as at the first six-month period of 2016, with the divestment of non-growing and non-profitable Internet activities having been completed in 2015.

The Group's net income totalled €25.2 M in the first six-month period of 2016, *i.e.* a decrease by 39.4% compared to the first six-month period of 2015.

A project of financial restructuring plan, resulting from discussions between the Company and a group of creditors with whom an agreement in principle was reached on 1 August 2016, has been approved by the Company's creditors on 12 October 2016 but rejected by its shareholders during the combined general meeting held on 19 October 2016.

New discussions have taken place between the different stakeholders. Such discussions have resulted in the unanimous adoption by the Company's Board of Directors, the association RegroupementPPLocal and a group of three creditors, representing approximately 37% of the outstanding financial debt, of a revised financial restructuring plan, announced on 3 November 2016, that contains improvements for the Company and its shareholders compared to the initial plan.

¹⁾ Recurring EBITDA / revenue margin ratio for the entire Group (Internet + Print & Voice).

This revised financial restructuring plan, the terms of which are described in detail in this report, will be submitted to the approval of (i) the Company's financial creditors' committee, (ii) the shareholders at the extraordinary shareholders' meeting convened for 15 December 2016, and (iii) the Commercial Court of Nanterre. In the event that the contemplated restructuring measures would not be approved or would not succeed *in fine*, SoLocal Group might no longer be capable of realising its assets and of paying off its debts in the normal course of its business.

- As previously announced, the Company has breached its leverage bank covenant as at 30 June 2016 and may not comply with such covenant as at 30 September 2016. This gives creditors acting by a majority of two-thirds (excluding Facility C1 Loan) the ability to vote, at any time (subject to mandatory provisions of the French Commercial Code) for the automatic acceleration of the Company's entire financial debt, *i.e.* €1,164 M (as at 30 June 2016, excluding debt held by the Company).

To date, the Company has no grounds for considering that creditors intend to exercise this option in the short or medium

term. It is specified in this respect that the three creditors that are parties to the agreement on the revised restructuring plan, and representing approximately 37% of the outstanding financial debt of the Company, have agreed, under the resolutive condition of the absence of adoption of this revised plan, to waive their right to vote for the automatic acceleration of the Company's financial debt for breach of the leverage bank covenant as at 30 June 2016 and, as the case may be, as at 30 September 2016.

The approval of the revised financial restructuring plan would extinguish the consequences of this breach of covenant.

- Besides, the Company has obtained from the President of the Commercial Court of Nanterre the opening of a conciliation procedure. Ms. H el ene Bourbouloux has been appointed as conciliator for a four-month-term, which may be renewed for one month.

As a reminder, the summary explanation of SoLocal Group's situation during the financial year ended 31 December 2015 is presented in Chapter 9 of the 2015 reference document, available at www.solocalgroup.com.

III. Amendment to the by-laws

Amendment to article 12 of the by-laws relating to the Board of Directors

(9TH RESOLUTION)

We propose amending Article 12 of the by-laws in order to allow the possibility for the Board of Directors to appoint one or several censors. Accordingly, it would be inserted at the end of article 12 of the by-laws a paragraph reading as follows:

"The Board of Directors may appoint one or several censors who shall participate in the meetings of the Board of Directors and be convened to such meetings, under the same conditions as the members of the Board of Directors. However, the censors shall not have any voting right and, in this respect, shall not participate in the vote of the decisions

of the Board of Directors. The censors shall have the right to the same information as the members of the Board of Directors and shall be bound by the same confidentiality obligations. The censors may be natural or legal persons. The censor legal person is represented by its legal representative, except if, at the time of its appointment or at any time during its mandate, it appoints a person specifically designated to represent it as a permanent representative."

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

Made in Boulogne-Billancourt, on 3 November 2016

The Board of Directors

Annex 1 – Price of the contemplated securities issues

The prices that have been defined for the contemplated securities issues in the context of the plan of financial restructuring result (i) from the discussions conducted with the creditors' group with whom an agreement in principle was reached on 1st August 2016, that have resulted in the Initial Plan, then, (ii) following the rejection of such Initial Plan during the combined general meeting held on 19 October 2016, from discussions conducted with the association Regroupement PPLocal and a group of three creditors, representing approximately 37% of the outstanding financial debt, that have resulted in the Revised Plan announced on 3 November 2016.

This Revised Plan allows reducing the Company's gross indebtedness by approximately €800 M – from €1,200 M prior to the financial restructuring to €400 M after completion of the financial restructuring – thanks to several share capital increases amongst which the two reserved share capital increases (the Investors Reserved Issue and the Creditors Reserved Issue) and the issue of the MCB.

In addition, this Revised Plan allows the existing shareholders to retain¹⁾:

- in case of non-reinvesting: between 14.4% and 16.8% of the Company's share capital, depending on the total amount raised in cash;
- in case they reinvest of €100 M: between 30.7% and 34.1% of the Company's share capital;
- in case they reinvest of €200 M: between 48.7% and 51.4% of the Company's share capital.

The prices of the Investors Reserved Issue, the Creditors Reserved Issue and the issue of the MCB may be assessed based on the share price of the Company, criterion usually retained for the valuation of companies.

The Company's share price has decreased by 75% since mid2015 and the failure of the refinancing of the Company's bonds. It was equal to €3.39 on 29 July 2016, the day before the announcement of the Initial Plan and is equal to approximately €[3.162] today. However, the current share price, thus prior to the financial restructuring, is not a relevant criterion to assess the prices of the contemplated issues given the Company's situation. Indeed:

- the Company's share capital would be deeply modified in the context of the implementation of the Revised Plan, with the creation of a number of new shares representing between 15 and 18 times the number of existing shares; and
- the Company's debts are traded on the markets with a significant discount on their nominal value, leading theoretically to a null market value of the equity (the value of the Company's consolidated equity being in addition negative up to (€)1,310 M) as at 30 June 2016).

The theoretical share price of equilibrium after completion of the financial restructuring appears however as a relevant criterion to assess the prices of the contemplated issues. This share price may be fixed depending on (i) the total amount "X" of cash subscriptions that would be collected by the Company and (ii) the retained enterprise value²⁾.

Assuming that the enterprise value after completion of the financial restructuring is of approximately €1,400 M (i.e. 6 times the EBITDA 2018), the theoretical share price of equilibrium of the Company after completion of the financial restructuring varies as follows, depending on the total amount X of cash subscriptions collected by the Company (the "**Theoretical Share Price**");

Amount raised in cash	0	€100 M	€200 M	€300 M	€400 M
Pro forma number of shares ³⁾	674 M	642 M	610 M	578 M	578 M
Theoretical Share Price	€1.63	€1.71	€1.80	€1.90	€1.90

¹⁾ Considering the MCB on an entirely diluted basis, but excluding the exercise of the creditors' Warrants as long as the share price is less than €2 per share.

A. Subscription price to the share capital increase reserved to investors subscribed to in cash (Investors Reserved Issue, 5th resolution)

The subscription price of the Investors Reserved Issue would be of €1, i.e.:

- a price of less than 39% to 47% of the Theoretical Share Price;
- the same price as the price that would be proposed to existing shareholders in the context of the Rights Issue.

The Initial Plan did not provide for the option for third parties to enter into the Company's share capital via a reserved share capital increase implemented prior to the Rights Issue. This option has been introduced in the Revised Plan. Indeed, one of the criticism raised by the existing shareholders on the Initial Plan was that they would not have been able to subscribe to all of the €400 M targeted in the context of the Rights Issue and that it would have been preferable to allow new investors to enter into the Company's share capital thereby reducing the portion of the Rights Issue subscribed to by the creditors.

The participation of new investors in the financial restructuring plan would be beneficial for shareholders that may not be able to or that may only be able to lowly subscribe to the Rights Issue, but also for all the Company's existing shareholders. By securing a minimum level of cash subscriptions, it allows to truly improve the visibility of small shareholders regarding the number of shares comprising the share capital after completion of the financial restructuring (after taking into account the issue of the MCB and of the creditors' Warrants, as the case may be) and the Theoretical Share Price:

- if the total amount X of cash subscriptions is greater than €250 M, no creditors' Warrant would be issued;
- if the total amount X of cash subscriptions is greater than €300 M, no MCB would be issued;

¹⁾ Considering the MCB on an entirely diluted basis, but excluding the exercise of the creditors' Warrants as long as the share price is less than €2 per share.

²⁾ For a determined amount of debts on a gross basis (€400 M) and on a net basis (€292 M) after completion of the restructuring and assuming that the Company's cash held off balance sheet would amount to €90 M after completion of the financial restructuring.

In addition, the third party investors, as the case may be, would not benefit from the allocation of 3 Free Shares for every 2 shares held, contrary to existing shareholders. This allocation of Free Shares represents a certain value that results in an effective subscription

price of the Rights Issue for existing shareholders much lower than the par value (€1) to which would subscribe the third party investors, as set out below:

Amount raised in cash	€200 M	€300 M	€400 M
amongst whom new investors – hypothesis	€100 M	€200 M	€200 M
amongst whom existing shareholders – hypothesis	€100 M	€100 M	€200 M
Number of Free Shares allocated to existing shareholders	58 M	58 M	58 M
Theoretical Share Price	€1.80	€1.90	€1.90
Value of the Free Shares allocated to existing shareholders (X)	€105 M	€111 M	€111 M
Number of shares subscribed to by the existing shareholders in the context of the Rights Issue (Y)	100 M	100 M	200 M
Proposed value / share (Z) = (X) / (Y)	€1.05	€1.11	€0.55
Resulting effective subscription price of a share in the context of the Rights Issue for an existing shareholder (T) = 1.00 € - (Z)	(€0.05)	(€0.11)	€0.45

In order to attract new investors it seems necessary given the current situation of the Company to propose a subscription price equal to that of the issue with PSR. To be noted that such investors would have beforehand to irrevocably commit towards the Company

to participate in the Rights Issue by exercising on a non-reducible basis (à titre irréductible) the PSR attached to the shares they would subscribe to pursuant to the Investors Reserved Issue.

B. Subscription price of the share capital increase reserved to creditors (shares and creditors' Warrants) subscribed to by way of set-off with receivables (Creditors Reserved Issue, 7th resolution)

The price results from the numerous negotiations with creditors within the last months and must be assessed in light of the restructuring in its globality.

The subscription price of the Creditors Reserved Issue depends on the amount raised in cash in the context of the Investors Reserved Issue and the Rights Issue, used almost entirely to partially repay the indebtedness.

Therefore, the greater the amount of the funds raised in the context of the Investors Reserved Issue and the rights Issue for the repayment of the debt in cash is, the higher the subscription price of the Rights Issue would be, as set out below. In any case, it is greater than the Theoretical Share Price and the subscription price of the Rights Issue; in addition, the strike price of the creditors' Warrants of €2 is greater than the subscription price of the Rights Issue:

Amount Raised in cash	0	€100 M	€200 M	€300 M	€400 M
Price of the Creditors Reserved Issue by way of set-off with receivables	€2.14	€3.19	€3.97	€4.73	€4.73
Theoretical Share Price	€1.63	€1.71	€1.80	€1.90	€1.90
Premium compared to the Theoretical Share Price	31%	86%	121%	149%	149%
Price of the Rights Issue	€1	€1	€1	€1	€1
Premium compared to the Rights Issue	114%	219%	297%	373%	373%

C. Subscription price of the MCB issued in favour of creditors (6th resolution)

The price also results from the negotiations with creditors within the last months and must be similarly assessed in light of the restructuring in its globality.

The subscription of the MCB issued in favour of creditors is of €2, i.e. their nominal value. This price is greater than the Theoretical Share Price and the subscription price of the Rights Issue:

Amount raised in cash	0	100 M€	200 M€	300 M€	400 M€
Quantum of MCB issued	€200 M	€133 M	€67 M	0	0
Subscription price of the MCB	€2	€2	€2	n.a.	n.a.
Theoretical Share Price	€1.63	€1.71	€1.80	€1.90	€1.90
Premium compared to the Theoretical Share Price	23%	17%	11%	n.a.	n.a.
Price of the Rights Issue	€1	€1	€1	€1	€1
Premium compared to the price of the Rights Issue	100%	100%	100%	n.a.	n.a.

The creditors' Warrants have a strike price of €2, same as the subscription price of the MCB.

Annex 2 – Terms and conditions of the MCB

The terms and conditions of MCB shall be the following:

- the par value of each MCB would be €2;
- the maximum number of MCB issued would be of 101,000,000;
- MCB would be issued at par, in euros, bearing no interest and with maturity of 5 years;
- issued MCB must be offset against certain receivables, payable and due against the company, and must be issued in their entirety upon subscription;
- the shareholders' preferential right for the issuance of MCB would be withdrawn and the subscription of all MCB reserved in favour of financial creditors, up to a portion of their receivables, with said creditors constituting a category of persons meeting specific criteria within the meaning of Article L. 225-138 of the French Commercial Code;
- concerning the subordination ranking of the MCB:
 - (i) the MCB would constitute direct subordinated, general, unconditional, lowest rank subordinated and unsecured commitments of the Company, ranking equally among themselves and *pari passu* with all other present or future, lowest rank subordinated commitments of the Company, and would be subordinated to (i) all present or future equity securities and equity loans, issued or granted by the Company, (ii) all ordinary subordinated bonds of the Company, and (iii) all unsubordinated obligations of the Company;
 - (ii) the Company's obligation to repay the principal and other amounts in respect of the MCB would neither be guaranteed nor secured;
 - (iii) if any judgement is rendered by any competent court declaring the compulsory liquidation of the Company, or in the event of a transfer of the whole of the business of the Company subsequent to the opening of a judicial recovery procedure, or if the Company is liquidated for any other reason, the payments of the creditors of the Company would be made in the following order of priority (in each case subject to the payment in full of priority creditors): (a) unsubordinated creditors of the Company, (b) ordinary subordinated creditors of the Company, (c) lenders in relation to subordinated debt granted to the Company and holders of *equity interests* issued by the Company, and (d) deeply subordinated creditors of the Company;
 - (iv) the MCB would rank in priority only to any class of share capital, whether represented by ordinary shares or preference shares, on the understanding, however, that in case of compulsory or voluntary liquidation of the Company, or subject to the applicable legislative and regulatory provisions, bankruptcy proceedings or receivership, in accordance with the provisions of Title IV of Book VI of the French *Commercial Code*, the MCB will be redeemed by allotment of new Company's shares;
- MCB would be redeemed:
 - (i) in their entirety, on the 5th anniversary of their issuance (i) either by allotment of one (1) new Company share per MCB (subject to applicable adjustments), (ii) or, at the Company's discretion, by payment of an amount per MCB corresponding to the par value of one MCB, *i.e.* €2; or
 - (ii) in their entirety, at any time by request of the majority of holders of MCB (representing at least 50% of the then outstanding MCB on the date of request), through the issuance of one (1) new Company share per MCB (subject to any applicable adjustments); or
 - (iii) at any time upon request of any holders of MCB, up to all or a block of at least 100,000 of MCB that he/she/it owns, by delivery of one (1) new share of the Company per MCB (subject to adjustments, as the case may be);

- consequently, and subject to any adjustments as may be required to be made in case of activities involving share capital pursuant to Articles L. 228-98 *et seq.* of the French Commercial Code:
 - (i) the total maximum number of new Company shares which can be issued upon redemption of MCB would be set at 101,000,000 (subject to any applicable adjustments);
 - (ii) the total par value of the capital increase resulting from a redemption of MCB could not exceed 10,100,000 euros (corresponding to 101 million shares with par value of €0.10 each) (given the capital reduction which is the subject matter of the 1st resolution set out above);
- in accordance with the provisions of Article L. 228-98 of the French Commercial Code:
 - the Company could change its corporate form or corporate purpose without requesting the approval of the group of holders of MCB;
 - the Company could, without requesting authorisation from the group of holders of MCB, redeem its share capital, change its profit distribution or issue preferred shares, provided, so long as any MCB are outstanding, that it has taken the necessary measures to preserve the rights of holders of MCB;
 - in the event of a reduction in the Company's capital resulting from losses and realised through the decrease in the par value or in the number of shares comprising the share capital, the rights of the holders of MCB would be reduced accordingly, as if they had exercised their MCB before the date on which the reduction in capital became final. In the event of a reduction in capital by a decrease in the number of shares, the new redemption ratio would be equal to the product of the redemption ratio in effect before the decrease in the number of shares and the following ratio:

Number of shares comprising the share capital after the transaction

Number of shares comprising the share capital before the transaction

- subsequent to each of the following transactions:
 1. financial transactions with listed pre-emptive subscription rights or by the free allotment of listed warrants;
 2. the free allotment of shares to shareholders, reverse stock split or stock split;
 3. the capitalisation of reserves, profits or premiums through an increase in the nominal value of shares;
 4. the allotment of reserves or premiums, in cash or in kind;
 5. the free allotment to the Company's shareholders of any financial instrument other than Company shares;
 6. takeover, merger or demerger;
 7. a repurchase by the Company of its own shares at a price higher than the share price;
 8. depreciation of capital;
 9. a change in profit distribution and/or the creation of preferred shares; and
 10. the distribution of dividends in cash or in kind

which the Company may carry out after the issue date of the MCB, for which the Record Date (as defined below) occurs before the delivery date of Company shares issued or delivered on the date of maturity or early reimbursement of the MCB, the rights of holders of MCB would be maintained until the delivery date (excluded), by means of an adjustment to the redemption ratio of the MCB, in accordance with the terms set forth below.

The **“Record Date”** is the date on which the holding of Company shares is fixed so as to determine which shareholders are beneficial owners of a transaction or may participate in a transaction, and in particular to which shareholders, a distribution, or an allotment, announced or approved on or before such date, should be paid or delivered.

This adjustment would be carried out such that the value of the shares that would have been allocated if the MCB had been exercised immediately before the completion of any of the transactions listed above is equal, to the nearest thousandth of a share, to the value of the shares to be allocated upon reimbursement of the MCB immediately after the completion of such a transaction.

In the event of adjustments carried out in accordance with paragraphs 1 to 10 below, the new redemption ratio would be calculated to three decimal places by rounding to the nearest thousandth (with 0.0005 being rounded upwards to the nearest thousandth, *i.e.* 0.001). Any subsequent adjustments would be carried out on the basis of such newly calculated and rounded redemption ratio. However, because MCB may result only in the allocation of a whole number of shares, fractional entitlements are treated as specified below.

- (a) In the event of a financial transaction conferring listed pre-emptive subscription rights, the new redemption ratio would be equal to the product from the redemption ratio in force prior to the commencement of the relevant transaction and the following ratio:

$$\frac{\text{Value of the share after detachment of the pre-emptive subscription right} + \text{Value of the pre-emptive subscription right}}{\text{Value of the share after detachment of the pre-emptive subscription right}}$$

Value of the share after detachment of the pre-emptive subscription right

For the calculation of this ratio, the values of the shares after detachment of the pre-emptive subscription right and of the pre-emptive subscription right is equal to the arithmetic average of their opening prices quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated market or on a similar market on which the shares or pre-emptive subscription rights are listed) on each trading day included in the subscription period.

- (b) In the event of a financial transaction involving the free distribution of listed warrants to shareholders with the corresponding ability to place the securities resulting from the exercise of warrants that were not exercised by their holders at the end of the subscription period that applies to them, the new redemption ratio would be determined by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of the shares after detachment of the warrant} + \text{Value of the warrant}}{\text{Value of the shares after detachment of the warrant}}$$

Value of the shares after detachment of the warrant

For the calculation of this ratio:

- the value of the share after detachment of the warrant would be equal to the volume-weighted average of (i) the price of the shares quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the shares are listed) on each trading day included in the subscription period, and (ii) (a) the transfer price of the securities sold within the framework of the placement, if such securities are shares fungible with the existing shares, applying the volume

of shares sold within the framework of the placement to the transfer price or (b) the price of the shares quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the shares are listed) on the determination date of the sale price of the securities sold within the framework of the placement if such securities are not shares fungible with the existing shares;

- the value of the warrant would be equal to the volume-weighted average of (i) the price of the warrants on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the warrants are listed) on each trading day included in the subscription period, and, (ii) the default value of the warrants represented by the sale price of the securities sold within the framework of the placement, which would correspond to the difference (if it is positive), adjusted by the warrants' redemption ratio, between the sale price of the securities sold within the framework of the placement and the subscription price of the securities by exercise of the warrants, applying to the price thus determined, the volume corresponding to exercised warrants in order to allocate the securities sold within the framework of the placement.

- In the event of the free allotment of shares to shareholders, and also in the event of stock splits or reverse stock splits, the new redemption ratio would be determined by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Number of shares comprising the share capital after the transaction}}{\text{Number of shares comprising the share capital before the transaction}}$$

Number of shares comprising the share capital before the transaction

- In the event of a capital increase by capitalisation of reserves, profits or premiums carried out by increase in the nominal value of the shares, the nominal value of the shares to be allocated to holders of MCB exercising their MCB would be increased accordingly.
- In the event of a distribution of reserves or premiums in cash or in kind (portfolio securities, etc.), the new redemption ratio would be determined by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the following ratio:

$$\frac{\text{Value of the share before allotment}}{\text{Value of the share before allotment} - \text{Amount distributed per share or value of the securities or assets distributed per share}}$$

Value of the share before allotment – Amount distributed per share or value of the securities or assets distributed per share

For the calculation of this ratio:

- the value of the share before allotment would be equal to the volume-weighted average price of the shares quoted on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three trading days immediately preceding the trading day on which the shares are listed ex-allotment;
- if the allotment is made in kind:
 - in the event of an allotment of securities already listed on a regulated market or similar market, the value of the securities distributed would be determined as indicated above;

- b. in the event of the allotment of securities that are not already listed on a regulated market or similar market, the value of the securities distributed would be equal, if they were expected to be listed on a regulated market or similar market within ten trading days starting on the date on which the shares are listed ex-allotment, to the volume-weighted average price on such market during the first three trading days included in such period during which such securities are listed; and
- c. in other cases (allotment of securities that are not listed on a regulated market or a similar market or are listed for fewer than three trading days within the period of ten trading days referred to above or a distribution of assets), the value of the securities or assets allocated per share would be determined by an internationally renowned independent expert chosen by the Company.
5. In the event of a free allotment to the Company's shareholders of financial instruments other than the shares, and subject to Paragraph 1(b) above, the new redemption ratio would be determined as follows:

- (a) if the right to the free allocation of securities was admitted to trading on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the following ratio:

**Value of the share ex-right to free allocation
+ Value of the free allocation right**

Value of the share ex-right to free allocation

For the calculation of this ratio:

- the value of the share ex-right to free allocation would be equal to the volume-weighted average share price on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share ex-right to free allocation is listed) of the share ex-right to free allocation during the first three trading days on which the Company shares are listed ex-right to free allocation;
 - the value of the free allocation right would be determined as indicated in the paragraph above. If the free allocation right is not listed during each of the three Trading Days, then its value is determined by an internationally renowned independent expert chosen by the Company.
- (b) if the right to free allocation of securities was not admitted to trading on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the following ratio:

**Value of the share ex-right to free allocation +
Value of the security or securities allocated per Share**

Value of the share ex-right to free allocation

For the calculation of this ratio:

- the value of the Share ex-right to free allocation would be determined as indicated in paragraph (a) above;
- if the securities allocated are listed or may become listed on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), within ten trading days beginning on the date on which the shares are listed ex-distribution, then the value of the security or securities allocated per share would be equal to the volume-weighted

average of the price of such financial securities recorded on such market during the first three trading days included within this period during which such securities are listed;

- if the securities allocated are not listed on each of the three trading days, then the value of the security or securities allocated per share would be determined by an internationally renowned independent expert chosen by the Company.

6. In the event of takeover of the Company by another company or of merger with one or more companies with a new company or demerger, the MCB would be exchangeable for shares of the surviving or new company or of the beneficiary companies of the demerger.

The new redemption ratio would be determined by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the exchange ratio of shares for shares of the acquiring or new company or the beneficiary companies of a spin-off. These latter companies would be automatically substituted for the Company with regard to its obligations towards the holders of MCB.

7. In the event of a repurchase by the Company of its own shares at a price higher than the share price, the new redemption ratio would be determined by multiplying the redemption ratio in effect prior to the commencement of the repurchase by the following ratio:

Share value x (1 - Pc%)

Share value – Pc% x Repurchase price

For the calculation of this ratio:

- Share value would be equal to the volume-weighted average price of the shares on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share is listed) during the three trading days immediately preceding such repurchase (or the option to repurchase);
 - Pc% would mean the percentage of repurchased capital; and
 - Repurchase price would mean the actual price at which Shares are repurchased.
8. In the event of redemption of capital, the new redemption ratio would be determined by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of the share before redemption

**Value of the share before redemption – Amount
of redemption per share**

For the calculation of this ratio, the value of the share before redemption would be equal to the volume-weighted average price of the shares on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three trading days immediately preceding the trading day on which the shares are listed ex-redemption.

9. (a) In the event of the modification by the Company of the distribution of its profits and/or the creation of preferred shares resulting in such a change, the new redemption ratio would be determined by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of the share before the change

**Value of the share before the change - Reduction
per share of the right to profits**

For the calculation of this ratio:

- the value of the share before the change would be determined on the basis of the volume-weighted average price of the shares on Euronext Paris (or if the shares are not listed on Euronext Paris, on another regulated or similar market on which the shares are listed) during the three trading days immediately preceding the day of such change;
- the reduction per share of the rights to profits would be determined by an expert.

Notwithstanding the above, if such preferred shares were issued with shareholders' pre-emptive subscription rights or by the free allotment to shareholders of warrants exercisable for such preferred shares, the new redemption ratio would be adjusted in accordance with paragraphs 1 or 5 above.

(b) In the event of the creation of preferred shares that do not lead to a modification of the distribution of profits, the adjustment of the redemption ratio, if necessary, would be determined by an internationally renowned independent expert chosen by the Company;

10. In the event of a distribution of dividends in cash or in kind (portfolio securities, etc.), the new redemption ratio would be determined by multiplying the redemption ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of the share before distribution

Value of the share before distribution – Amount distributed per share or value of the securities or assets distributed per share

For the calculation of this ratio:

- the value of the share before allotment would be equal to the volume-weighted average price of the shares quoted on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three trading days immediately preceding the trading day on which the shares are listed ex-allotment;
- if the allotment is made in kind:
 - a. in the event of a distribution of securities already listed on a regulated market or similar market, the value of the securities distributed would be determined as indicated above;
 - b. in the event of the distribution of securities that are not already listed on a regulated market or similar market, the value of the securities distributed would be equal, if they were expected to be listed on a regulated market or similar market within ten trading days starting on the date on which the shares are listed ex-allotment, to the volume-weighted average price on such market during the first three trading days included in such period during which such securities are listed; and
 - c. in other cases (allotment of securities that are not listed on a regulated market or a similar market or are listed for fewer than three trading days within the period of ten trading days referred to above or a distribution of assets), the value of the securities or assets allocated per share would be determined by an internationally renowned independent expert chosen by the Company;
- treatment of fractional entitlements:
 - (i) each holder of MCB exercising its rights in relation to the MCB may receive a number of Company shares calculated by applying the redemption ratio to the total number of MCB presented by the aforementioned holder of MCB on the date in question, and if the number of shares thus calculated is not a whole number, the holder of MCB may request allocation of:

- a. either the whole number of shares immediately below such number; in this case, the holder of MCB would receive a cash sum equal to the product of the remaining fractional share and the value of the share, equal to the closing price on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share is listed) on the trading day immediately preceding the day on which the exercise request for redemption is filed;
 - b. or the whole number of shares immediately above such number, on the condition that a sum equal to the value of the additional fraction of a share thus requested, valued on the basis provided for in the preceding paragraph, is paid to the Company;
- (ii) all sums payable in this respect would be paid on the MCB maturity date simultaneously with the delivery of the shares;
 - (iii) if a holder of MCB has more than one MCB, its rights with respect to the additional fractional shares would be calculated on the basis of the aggregate number of MCB then held; and
 - (iv) in the event that the holder of MCB does not specify its preferred option, such Holder of MCB would be given the whole number of Company's shares immediately below in addition to a cash supplement as described above;

● with regard to the representation of the holders of MCB:

- (i) In accordance with Article L.228-103 of the French Commercial Code, the holders of MCB, for the protection of their common interests would be grouped into a body, which benefits from legal personality;
- (ii) A general meeting of Holders of MCB would be called to authorise modifications to the terms and conditions of the MCB and to vote on all decisions that require its approval under applicable law;
- (iii) Each MCB would carry the right to one vote. The general meeting of holders of MCB could not deliberate unless the holders present or represented hold at least one-fourth of the MCB carrying voting rights at first calling and at least one-fifth at second calling. Decisions made by the general meeting of holders of MCB would only be valid if approved by a majority of two-thirds of the votes of the holders of MCB present or represented;
- (iv) The representative of the group, in the absence of any contrary resolution adopted by the general meeting of holders of MCB, shall have the power to carry out, on behalf of the group of holders of MCB, all acts of management to protect the common interests of the holders of MCB.

● shares to be issued for redemption of MCB would enjoy all current rights and, as of their creation, shall be fully comparable to existing shares and subject to all stipulations of the bylaws and decisions of the general shareholders' meeting. Pursuant to Article L.225-132, Part 6 of the French Commercial Code, the decision to issue MCB would automatically entail waiver by shareholders of their pre-emptive subscription right to the Company shares to which the MCB entitle them in the event of a redemption in shares;

● MCB could be freely traded and to that end would be subject to a request for a listing for trading on the Euronext Paris regulated market; and

● in the event of a capital increase, takeover, merger, demerger or issuance of new shares or securities giving access to the Company's equity, or other financial transactions involving a pre-emptive subscription right or reserving a priority subscription period to the benefit of Company shareholders, the Company would be entitled to suspend the redemption of MCB for a period of no more than three months or any other period set by applicable regulation.

Annex 3 – Terms and conditions of the creditors' Warrants

The main terms and conditions of the creditors' Warrants are as follows:

- the creditors' Warrants would mature at 5 years;
- each creditors' Warrant would confer the right to subscribe for one (1) new Company share in return for an exercise price of €2 (i.e. €0.10 by way of par value and €1.90 by way of share premium, bearing in mind the reduction in capital forming the subject of the 1st resolution set out above), without prejudice to any further adjustments, in accordance with the legislative and regulatory provisions and the contractual clauses;
- the total number of shares to which all the creditors' Warrants issued under this resolution grant the right to subscribe could not exceed 46,000,000;
- consequently, the total nominal amount of the additional Company's capital increase resulting from exercise of the creditors' Warrants that are issued under this resolution could not exceed €4,600,000. This limit would be increased, where appropriate, by the par value of the shares to be issued in order to maintain (in accordance with the legislative and regulatory provisions and, where appropriate, the contractual clauses providing for other cases of adjustment) the rights of holders of the creditors' Warrants;
- the shares issued on exercise of the creditors' Warrants would be paid up in full on subscription;
- in accordance with the provisions of Article L. 228-98 of the French Commercial Code:
 - the Company could change its corporate form or corporate purpose without requesting the approval of the group of holders of creditors' Warrants;
 - the Company could, without requesting authorisation from the group of holders of creditors' Warrants, redeem its share capital, change its profit distribution or issue preferred shares, provided, so long as any creditors' Warrants are in circulation, that it has taken the necessary measures to preserve the holders of creditors' Warrants' rights (as provided for by this resolution);
 - in the event of a reduction in the Company's capital resulting from losses and realised through the decrease in the par value or in the number of shares comprising the share capital, the rights of the holders of creditors' Warrants are reduced accordingly, as if they had exercised their creditors' Warrants before the date on which the reduction in capital became final;
 - in the event of a reduction in capital caused by losses and realised through the decrease in the number of shares, the new exercise ratio is equal to the product of the exercise ratio in effect before the decrease in the number of shares and the following ratio:

**Number of shares comprising
the share capital after the transaction**

**Number of shares comprising
the share capital before the transaction**

- subsequent to each of the following transactions:
 1. financial transactions with listed pre-emptive subscription rights or by the free allotment of listed warrants;
 2. the free allotment of shares to shareholders, reverse stock split or stock split;
 3. the capitalisation of reserves, profits or premiums through an increase in the par value of shares;

4. the allotment of reserves or premiums, in cash or in kind;
5. the free allotment to the Company's shareholders of any financial instrument other than the Company shares;
6. takeover, merger or demerger;
7. a repurchase by the Company of its own shares at a price higher than the share price;
8. depreciation of share capital;
9. a change in profit distribution and/or the creation of preferred shares; and
10. the distribution of dividend in cash or in kind;

which the Company could carry out after the issue date of the creditors' Warrants, for which the Record Date (as defined below) occurs before the delivery date of Company shares issued upon exercise of the creditors' Warrants, the rights of holders of creditors' Warrants would be maintained until the delivery date (excluded), by means of an adjustment to the exercise ratio, in accordance with the terms set forth below.

The "**Record Date**" is the date on which the holding of Company shares is fixed so as to determine which shareholders are beneficial owners of a transaction or may participate in a transaction, and in particular to which shareholders a distribution, or an allotment, announced or approved on or before such date, should be paid or delivered.

This adjustment would be carried out such that the value of the shares that would have been allocated if the creditors' Warrants had been exercised immediately before the completion of any of the transactions listed above is equal, to the nearest thousandth of a share, to the value of the shares to be allocated upon exercise of the creditors' Warrants immediately after the completion of such a transaction.

In the event of adjustments carried out in accordance with paragraphs 1 to 10 below, the new exercise ratio would be calculated to three decimal places by rounding to the nearest thousandth (with 0.0005 being rounded upwards to the nearest thousandth, i.e. 0.001). Any subsequent adjustments would be carried out on the basis of such newly calculated and rounded exercise ratio. However, because the exercise ratio may result only in the allocation of a whole number of shares, fractional entitlements are treated as specified below.

1. (a) In the event of a financial transaction conferring listed pre-emptive subscription rights, the new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

**Value of the share after detachment
of the pre-emptive subscription right + Value
of the pre-emptive subscription right**

**Value of the share after detachment
of the pre-emptive subscription right**

For the calculation of this ratio, the values of the shares after detachment of the pre-emptive subscription right and of the pre-emptive subscription right is equal to the arithmetic average of their opening prices quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated market or on a similar market on which the shares or pre-emptive subscription rights are listed) on each trading day included in the subscription period.

- (b) In the event of a financial transaction involving the free allotment of listed warrants to shareholders with the corresponding ability to place the securities resulting from the exercise of warrants that were not exercised by their holders at the end of the subscription period that applies to them, the new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

**Value of the shares after detachment of the warrant
+ Value of the warrant**

Value of the shares after detachment of the warrant

For the calculation of this ratio:

- the value of the share after detachment of the warrant would be equal to the volume-weighted average of (i) the price of the shares quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the shares are listed) on each trading day included in the subscription period, and (ii) (a) the transfer price of the securities sold within the framework of the placement, if such securities are shares fungible with the existing shares, applying the volume of shares sold within the framework of the placement to the transfer price or (b) the price of the shares quoted on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the shares are listed) on the determination date of the sale price of the securities sold within the framework of the placement if such securities are not shares fungible with the existing shares;
- the value of the warrant would be equal to the volume-weighted average of (i) the price of the warrants on Euronext Paris (or, in the absence of a listing on Euronext Paris, on any other regulated or similar market on which the warrants are listed) on each trading day included in the subscription period, and, (ii) the default value of the warrants represented by the sale price of the securities sold within the framework of the placement - which would correspond to the difference (if it is positive), adjusted by the warrants' exercise ratio, between the sale price of the securities sold within the framework of the placement and the subscription price of the securities by exercising the warrants by applying the volume of exercised warrants to the price so determined in order to allocate the securities sold within the framework of the placement.

2. In the event of the free allotment of shares to shareholders, share split or reverse share split, the new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

**Number of shares comprising the share capital
after the transaction**

**Number of shares comprising the share capital
before the transaction**

3. In the event of a capital increase by capitalisation of reserves, profits or premiums carried out by increase in the par value of the shares, the par value of the shares to be allocated to holders of creditors' Warrants exercising their creditors' Warrants would be increased accordingly.
4. In the event of a distribution of reserves or premiums in cash or in kind (portfolio securities, etc.), the new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of the share before allotment

**Value of the share before allotment – Amount
distributed per share or value of the securities
or assets distributed per share**

For the calculation of this ratio:

- the value of the share before allotment would be equal to the volume-weighted average price of the shares quoted on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three trading days immediately preceding the trading day on which the shares are listed ex-allotment;
 - if the allotment is made in kind:
 - a. in the event of an allotment of securities already listed on a regulated market or similar market, the value of the securities distributed would be determined as indicated above;
 - b. in the event of the allotment of securities that are not already listed on a regulated market or similar market, the value of the securities distributed would be equal, if they were expected to be listed on a regulated market or similar market within ten trading days starting on the date on which the shares are listed ex-allotment, to the volume-weighted average price on such market during the first three trading days included in such period during which such securities are listed; and
 - c. in other cases (allotment of securities that are not listed on a regulated market or a similar market or are listed for fewer than three trading days within the period of ten trading days referred to above or an allotment of assets), the value of the securities or assets allocated per share would be determined by an expert.
5. In the event of a free allotment to the Company's shareholders of financial instruments other than the shares, and subject to Paragraph 1(b) above, the new exercise ratio would be determined as follows:

- (a) if the right to the free allocation of securities was admitted to trading on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

**Value of the share ex-right to free allocation
+ Value of the free allocation right**

Value of the share ex-right to free allocation

For the calculation of this ratio:

- the value of the share ex-right to free allocation would be equal to the volume-weighted average share price on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share ex-right to free allocation is listed) of the share ex-right to free allocation during the first three trading days on which the Company shares are listed ex-right to free allocation;
 - the value of the free allocation right would be determined as indicated in the paragraph above. If the free allocation right is not listed during each of the three trading days, then its value is determined by an expert.
- (b) if the right to free allocation of securities was not admitted to trading on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

**Value of the share ex-right to free allocation + Value
of the security or securities allocated per Share**

Value of the share ex-right to free allocation

For the calculation of this ratio:

- the value of the share ex-right to free allocation would be determined as indicated in paragraph (a) above;
 - if the securities allocated are listed or may become listed on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market), within ten trading days beginning on the date on which the shares are listed ex-allotment, then the value of the security or securities allocated per share would be equal to the volume-weighted average of the price of such financial securities recorded on such market during the first three trading days included within this period during which such securities are listed;
 - if the securities allocated are not listed on each of the three trading days, then the value of the security or securities allocated per share would be determined by an expert.
6. In the event of takeover of the Company by another company or of merger with one or more companies or demerger, the creditors' Warrants would be exchangeable for shares of the surviving or new company or of the beneficiary companies of the demerger.
- The new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the exchange ratio of shares for shares of the acquiring or new company or the beneficiary companies of a spin-off. These latter companies would be automatically substituted for the Company with regard to its obligations towards the holders of creditors' Warrants.
7. In the event of a repurchase by the Company of its own shares at a price higher than the share price, the new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the repurchase by the following ratio:

Share value x (1 - Pc%)

Share value – Pc% x Repurchase price

For the calculation of this ratio:

- Share value would be equal to the volume-weighted average price of the shares on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the share is listed) during the three trading days immediately preceding such repurchase (or the option to repurchase);
 - Pc% would mean the percentage of repurchased capital; and
 - Repurchase price would mean the actual price at which shares are repurchased.
8. In the event of redemption of capital, the new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of the share before redemption

Value of the share before redemption – Amount of redemption per share

For the calculation of this ratio, the value of the share before redemption would be equal to the volume-weighted average price of the shares on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three trading days immediately preceding the trading day on which the shares are listed ex-redemption.

9. (a) In the event of the modification by the Company of the distribution of its profits and/or the creation of preferred shares resulting in such a change, the new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of the share before the change

Value of the share before the change - Reduction per share in the right to profits

For the calculation of this ratio:

- the value of the share before the change would be determined on the basis of the volume-weighted average price of the shares on Euronext Paris (or if the shares are not listed on Euronext Paris, on another regulated or similar market on which the shares are listed) during the three trading days immediately preceding the day of such change;
- the reduction per share in the rights to profits would be determined by an expert.

Notwithstanding the above, if such preferred shares were issued with shareholders' pre-emptive subscription rights or by the free allotment to shareholders of warrants exercisable for such preferred shares, the new exercise ratio would be adjusted in accordance with paragraphs 1 or 5 above.

- (b) In the event of the creation of preferred shares that do not lead to a modification of the distribution of profits, the adjustment of the exercise ratio, if necessary, would be determined by an independent expert of international reputation selected by the Company;

10. In the event of a distribution of dividend in cash or in kind (portfolio securities, etc.), the new exercise ratio would be determined by multiplying the exercise ratio in effect prior to the commencement of the relevant transaction by the following ratio:

Value of the share before distribution

Value of the share before distribution – Amount distributed per share or value of the securities or assets distributed per share

For the calculation of this ratio:

- the value of the share before allotment would be equal to the volume-weighted average price of the shares quoted on Euronext Paris (or, in the absence of listing on Euronext Paris, on another regulated market or similar market on which the shares are listed) during the three trading days immediately preceding the trading day on which the shares are listed ex-allotment;

- if the allotment is made in kind:
 - a. in the event of an allotment of securities already listed on a regulated market or similar market, the value of the securities distributed would be determined as indicated above;
 - b. in the event of the allotment of securities that are not already listed on a regulated market or similar market, the value of the securities distributed would be equal, if they were expected to be listed on a regulated market or similar market within ten trading days starting on the date on which the shares are listed ex-allotment, to the volume-weighted average price on such market during the first three trading days included in such period during which such securities are listed; and
 - c. in other cases (allotment of securities that are not listed on a regulated market or a similar market or are listed for fewer than three trading days within the period of ten trading days referred to above or a distribution of assets), the value of the securities or assets allocated per share would be determined by an expert;
- with regard to the payment of fractions at the time of exercise of the creditors' Warrants, in accordance with Articles L.225-149 and L.228-94 of the French Commercial Code, in the event of an adjustment to the exercise ratio and when the number of shares thus calculated is not a whole number, (i) the Company should round down the number of shares to be issued to the holder of creditors' Warrants to the nearest whole number of shares and (ii) the holder of creditors' Warrants would receive an amount in cash from the Company equal to the resulting fractional share multiplied by the last price quoted at the stock exchange session preceding the day of filing of the request to exercise its creditors' Warrants. No fractional shares would be issued upon exercise of the creditors' Warrants;
- with regard to the representation of the holders of creditors' Warrants:
 - (i) In accordance with Article L. 228-103 of the French Commercial Code, the holders of creditors' Warrants would be grouped into a body, which would benefit from legal personality and which would be subject to the same provisions as those provided for in Articles L.228-47, L.228-66 and L.228-90 of the French Commercial Code;
 - (ii) The representative of the group would, without restriction or reservations, would have the right to carry out, in the name of the group of holders of creditors' Warrants all management acts to protect the common interest of holders of creditors' Warrants. He would receive annual remuneration while the creditors' Warrants remain in circulation;
- (iii) The Company would pay the representative's remuneration and the cost of the convening and holding of the meetings of the holders of creditors' Warrants, the publication of their decisions and, where applicable, the costs related to the appointment of the representative pursuant to Article L. 228-50 of the French Commercial Code, as well as all justified costs related to the administration and the functioning of the group;
- (iv) The meetings of the group would take place at the Company's registered office or in any other place set out in the notice of meeting. Each holder of creditors' Warrants would be entitled, for a 15-day period prior to the meeting of the group, personally or via an agent, to be provided with a copy of the proposed resolutions and reports that will be presented to the meeting of the group, at the Company's registered office, at the location of the administrative management or where appropriate, in any other place set out in the notice of meeting; and
- (v) Decisions of the group would be taken with the majority of the votes of the holders of creditors' Warrants, present or represented, during meetings of the group. One creditors' Warrant grants the right to one vote at meetings of the group;
- the shares that would be issued on exercise of the creditors' Warrants would carry dividend rights and, as from the time of their creation, would be fully comparable to the existing shares and subject to all the provisions of the by-laws and the decisions of the General Shareholders' Meeting. In accordance with the provisions of Article L. 225-132 section 6 of the French Commercial Code, the decision to issue ABSA would automatically cause the shareholders to waive their pre-emptive subscription rights to the Company shares to which the creditors' Warrants grant rights;
- the creditors' Warrants would be freely negotiable and for that purpose would form the subject of an application for admission to trading on the Euronext Paris regulated market;
- in the event of a capital increase, takeover, merger or demerger or issue of new shares or securities granting access to the capital, or other financial transactions including a pre-emptive subscription right or reserving a priority subscription period in favour of the Company shareholders, the Company would be entitled to suspend exercise of the creditors' Warrants for a period not exceeding three months or any other period fixed by the applicable regulations.

Board of Directors' complementary report to the SoLocal Group's Extraordinary General Shareholders' Meeting dated 15 December 2016

Important note

This report supplements the report dated 3 November 2016 drawn up by the Board of Directors in the context of the shareholders' extraordinary general meeting convened for 15 December 2016. Indeed, given the amendments made to the agenda of such meeting and to the draft resolutions in connection therewith, and in order to allow shareholders to be informed before deciding on the draft resolutions submitted to their vote, the Board of Directors has prepared this complementary report, which has been drawn up on the basis of the agenda and of the draft resolutions as set out in the convening notice of the shareholders' extraordinary general meeting to be published in the Bulletin des Annonces Légales Obligatoires.

Ladies and Gentlemen,

This complementary report has been drawn up in the context of the shareholders' extraordinary general meeting to be held on 15 December 2016, for which you have been convened in accordance with the law and the provisions of the Company's by-laws.

The Board of Directors has amended the agenda and the text of the draft resolutions set out in the meeting notice of the shareholders' extraordinary general meeting of the Company, published in the Bulletin des Annonces Légales Obligatoires number 135 dated 9 November 2016.

These amendments mainly concern:

- the resolutions relating to the contemplated financial restructuring of the Company, the Board of Directors having decided to:
 - (i) delete the draft of the fifth resolution, which becomes without purpose and will not be submitted to the vote of the shareholders during the general meeting; the references to this resolution have been deleted in the text of the drafts of the 2nd, 3rd, 4th, 6th and 7th resolutions; and
 - (ii) amend the text of the drafts of the 4th and 7th resolutions, in particular to facilitate the processing of fractional shares during

the issue of new shares that would be allocated, free of charge, to the Company's existing shareholders and to allow the issue reserved to the creditors to be implemented through an issue of new shares with warrants for shares attached (ABSA) or, alternatively, an issue of new shares with simultaneous delivery of warrants for shares (BSA), in order to facilitate the processing of fractional shares:

- (requests for inclusion on the agenda of items and draft resolutions, that have been sent to the Company by letters dated 17 and 18 November 2016 by shareholders, pursuant to Articles L. 225-105 and R. 225-71 et seq. of the French Commercial Code.

Considering such amendments, the report drawn up by the Board of Directors on 3 November 2016 is supplemented by this report, in order to allow shareholders to be informed before deciding on the draft resolutions submitted to their vote.

The Board of Directors' initial report dated 3 November 2016 shall thus be read in light of the complementary elements set out in this report.

Capitalized terms not otherwise defined in this report shall, unless expressly indicated otherwise, have the meaning ascribed to them in the Board of Directors' report dated 3 November 2016.

Agenda

The agenda on which the shareholders shall decide during the extraordinary general shareholders' meeting convened on 15 December 2016 is now as follows:

Ordinary items

- Board of Directors' reports and statutory auditors' reports;
- Share capital decrease by reducing the par value of the shares;
- Delegation of authority to the Board of Directors to issue shares of the Company, with shareholders' preferential subscription rights preserved;
- Authorisation granted to the Board of Directors to increase the number of shares to be issued in the event of over-subscription to the issue, with shareholders' preferential subscription rights preserved, of Company' shares, pursuant to the second resolution submitted to the vote of the general meeting;
- Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital;
- Delegation of authority to the Board of Directors to issue new shares, without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria;
- Delegation of authority to the Board of Directors to issue mandatory convertible bonds (*obligations à option de conversion et remboursables en actions*), without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria;
- Delegation of authority to the Board of Directors to issue new shares as well as warrants for shares (*BSA*), that may or may not be attached to said shares, without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria;
- Delegation of authority to the Board of Directors to proceed with a share capital increase reserved to the members of the group savings plan of the SoLocal Group;
- Amendment to article 12 of the by-laws;
- Powers for formalities.

Following requests for inclusion on the agenda of the general meeting of draft resolutions submitted by Mr Benjamin Jayet:

- Share capital decrease by reducing the par value of the shares;
- Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital;
- Delegation of authority to the Chairman of the Board of Directors to issue autonomous warrants for shares;
- Appointment of Mr Benjamin Jayet, Mr Jérôme Gallot and Mr Dominique Bernard as Directors;
- Suspension of the payment of attendance fees;
- Capping of the remuneration paid by the Company to its employees;

Following requests for inclusion on the agenda of the general meeting of draft resolutions submitted by the company D&P Finance, represented by Mr Didier Calmels, as well as Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff:

- Removal of Mrs Cécile Moulard and Mr Robert de Metz, Mr Jean-Pierre Remy, Mr Rémy Sautter, Mr Jean-Marc Tassetto and Mr Arnaud Marion from their office as Director;
- Appointment of Mr Didier Calmels, Mr Philippe Besnard, Mr François-Xavier Barbier, Mr Christophe Deshayes, Mr Gilles Brenier, Loïc de la Cochetière, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benjamin Jayet;
- Amendment to article 22 of the by-laws;
- Inclusion of an article 38 to the by-laws.

Following requests for inclusion on the agenda of the general meeting of an item submitted by the Supervisory Board of the Company Mutual Fund (*Fonds Commun de Placement d'Entreprise – FCPE*) SoLocal Actions:

- Update on the follow-up to be given to the negative non-binding vote of the combined general meeting dated 19 October 2016 on the components of the remuneration owed or granted to Mr Robert de Metz, Mr Jean-Pierre Remy and Mr Christophe Pingard for the financial year ended 31 December 2015.

Presentation of the draft resolutions

The amendments made to the agenda and to the draft resolutions published in the Bulletin des Annonces Légales Obligatoires number 135 on 9 November 2016, and set out in the Board of Directors' report dated 3 November 2016, are detailed hereinafter.

I. Restructuring of the Company's financial debt

As indicated in the Board of Directors' report dated 3 November 2016, the Company has drawn up for several months a restructuring plan of its financial debt aiming at allowing the group to find margins for financial manoeuvre to resume its Internet business provided for in its "Conquer 2018" plan with long-term and steady growth.

Following the rejection of the Initial Plan by the Company's shareholders during the combined general meeting held on 19 October 2016, the Company has announced on 3 November 2016 a Revised Plan, approved unanimously by the Company's Board of Directors, the association RegroupementPPLocal and a group of three creditors (representing approximately 37% of the outstanding financial debt) and that contains improvements for the Company and its shareholders compared to the Initial Plan.

In the context of this Revised Plan, it was provided the possibility for third party investors (who are not creditors of the Company) to enter into the share capital of the Company via reserved share capital increases of a total maximum amount of €35 M. Discussions have been conducted with some investors that expressed an interest for a possible acquisition of a stake in the share capital of the Company. However, in the absence of firm subscription commitment from third party investors, the Board of Directors has decided not to submit to the vote of the general meeting the draft of the fifth resolution that would have allowed an issue of shares reserved to such third party investors.

The Company's Board of Directors has also decided, for technical reasons, to amend the text of the draft of the 4th and 7th resolutions, in particular to facilitate the processing of fractional shares during the issue of new shares that would be allocated, free of charge, to the Company's existing shareholders and to allow the issue reserved to creditors to be implemented through an issue of new shares with warrants for shares attached (ABSA) or, alternatively, an issue of new shares with simultaneous delivery of warrants for shares (BSA), in order to facilitate the processing of fractional shares.

The amendments made to the draft resolutions are detailed hereinafter.

It is also recalled that:

- the Board of Directors has appointed an independent expert, the firm Didier Kling & Associés, for giving an opinion on the fair nature of the subscription price proposed for the issues of securities reserved to the Company's financial creditors (i.e. the issue of the MCB and the Creditors Reserved Issue) in the context of the contemplated financial restructuring. Its report will be made available to the shareholders on 30 November 2016 (according to the indicative timeline);
- the 1st to 7th resolutions that are set out hereinafter form a whole: the approval by the general meeting of each of such resolutions is required for implementing the financial restructuring plan presented to you.

Share capital decrease by reducing the par value of the shares

(1ST RESOLUTION)

The text of this draft resolution has not been amended. Please refer to the Board of Directors' report dated 3 November 2016 for further information on this draft resolution.

Delegation of authority to the Board of Directors to issue shares of the Company, with shareholders' preferential subscription rights preserved

(2ND RESOLUTION)

The text of this draft resolution has been amended to take into account the deletion of the 5th resolution.

Therefore, it is no longer contemplated to reduce the nominal amount of the Rights Issue by the nominal amount of the Investors Reserved Issue which was the subject matter of the 5th resolution.

The remainder of the text of this draft resolution has not been amended. Please refer to the Board of Directors' report dated 3 November 2016 for further information on this draft resolution.

Authorization granted to the Board of Directors to increase the number of shares to be issued in the event of over-subscription to the issue, with shareholders' preferential subscription rights preserved aforementioned

(3RD RESOLUTION)

The text of this draft resolution has been amended to take into account the deletion of the 5th resolution, with an amendment similar to the amendment to the 2nd resolution above.

The remainder of the text of this draft resolution has not been amended. Please refer to the Board of Directors' report dated 3 November 2016 for further information on this draft resolution.

Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital

(4TH RESOLUTION)

The text of this draft resolution has been amended by the Board of Directors on the two following items:

- it has been specified that the extraordinary general meeting would vote on this resolution in accordance with the quorum and majority requirements for ordinary general meetings provided for by Article L.225-98 of the French Commercial Code and in accordance with the conditions of Article L.225-130 of the French Commercial Code;

- it is now contemplated that the rights to allocation of Free Shares equivalent to fractional shares shall not be assignable nor tradable and that the relating securities would be sold; the sums stemming from such sale shall be allocated to the holders of such rights in accordance with the applicable regulatory conditions.

The remainder of the text of this draft resolution has not been amended. Please refer to the Board of Directors' report dated 3 November 2016 for further information on this draft resolution.

Delegation of authority to the Board of Directors to issue new shares, without shareholders' preferential rights and reserved to a category of persons meeting specific criteria

(5TH RESOLUTION)

For the reasons mentioned above, this draft resolution has been deleted. The resolution becomes without purpose and will not be submitted to the vote of the shareholders during the general meeting.

Delegation of authority to the Board of Directors to issue mandatory convertible bonds (*obligations à option de conversion remboursables en actions*) without shareholders' preferential subscription rights and reserved to a category of persons meeting specific criteria

(6TH RESOLUTION)

The text of this draft resolution has been amended to take into account the deletion of the 5th resolution.

Therefore, the number of MCB to be issued would now only depend on the cash subscriptions that would be raised by the Company in the context of the Rights Issue (subject matter of the 2nd resolution), the reference to cash subscriptions raised in the context of the Investors Reserved Issue becoming without purpose due to the deletion of the draft 5th resolution.

The remainder of the text of this draft resolution has not been amended. Please refer to the Board of Directors' report dated 3 November 2016 for further information on this draft resolution as well as to the developments below for further precisions relating to the consequences on the shareholders' situation of the issue of the creditors' Shares, the Free Shares, the new shares stemming from the redemption of the MCB and the new shares to be issued upon exercise of the creditors' Warrants.

Delegation of authority to the Board of Directors to issue new shares as well as warrants for shares (BSA), that may or may not be attached to said shares, without shareholders' preferential rights and reserved to a category of persons meeting specific criteria

(7TH RESOLUTION)

The text of this draft resolution has been amended to (i) take into account the deletion of the 5th resolution and (ii) allow the issue reserved to creditors to be implemented through an issue of new shares with warrants for shares attached (ABSA) or, alternatively, an issue of new shares with simultaneous delivery of warrants for shares (BSA).

To facilitate the processing of fractional shares, the Board of Directors does wish, when implementing the restructuring financial plan, to be able to choose between issuing new shares with warrants for shares attached (ABSA) or new Company's shares with simultaneous delivery of warrants for Company's shares (BSA). This amendment is purely technical and has no impact on the economic parameters of the contemplated issue.

It is recalled that, as previously contemplated, this issue would be in favour of the Company's financial creditors, for the amounts referred to in the Board of Directors' report dated 3 November 2016.

To such effect, this draft resolution has been amended as follows:

- it is now provided that the Board of Directors, on the date of use of such delegation, may choose between issuing, in favour of subscribers, (i) new shares with warrants for shares attached (ABSA), and (ii) new Company's shares ("**creditors' Shares**") with simultaneous delivery of warrants for Company's shares ("**creditors' Warrants**");
- the term "ABSA" has been replaced, depending on the case and the context, by the term "creditors' Shares", "creditors' Share associated with creditors' Warrants (whether such creditor's Warrants are attached or delivered simultaneously)", "creditors' shares and creditors' Warrants" or "securities" in the text of the draft resolution;
- the calculation formula of the total number of creditors' Warrants has been amended accordingly, this number being now only determined on the basis of the amount "X", without reference to the number of creditors' Shares that would be issued;
- "X" would be now equal to the sum of the cash subscriptions (excluding any subscription by set-off with receivables) raised by the Company in the context of the Rights Issue (subject matter of the 2nd resolution), the reference to the cash subscriptions raised in the context of the Investors Reserved Issue becoming without purpose due to the deletion of the draft of the 5th resolution;
- it is now provided that the total number of creditors' Warrants that would be delivered to each subscriber would be fixed on a *pro rata* basis of the total amount of its receivable against the Company under the Credit Agreement as at the relevant date over the total amount of the outstanding debt of the Company under the Credit Agreement as at the same date, and rounded down to the nearest whole number of creditors' Warrants.

Based on the foregoing, the delegation of authority that you are requested to grant to the Board of Directors thus relates to a share capital increase having the following characteristics:

- for an outstanding financial debt under the Credit Agreement of a total amount in principal of €1,164 M, the total amount of the issue of the creditors' Shares (issue premium included) would be equal to: $A + B$ where "A" and "B" are as defined previously (it being specified that the result would be rounded down to the nearest multiple of the subscription price of each creditors' Shares – determined as previously provided for);
- total nominal amount of the share capital increase of the Company (issue premium excluded) resulting from the issue of the creditors' Shares (excluding share capital increase resulting from the exercise of the creditors' Warrants) less than or equal to €8.2 M;
- subscription price of each creditors' Share associated with creditors' Warrants (whether such creditor's Warrants are attached or delivered simultaneously), would be equal to the result of the formula defined previously; as previously, this subscription price cannot be less than €2.14 (or €2.12 in the event where as at the date of implementation of the restructuring plan, the amount in principal of the outstanding financial debt under the Credit Agreement would be greater than €1,164 M);

- the shareholders' preferential subscription right with respect to the issue of the creditors' Shares and the creditors' Warrants would be withdrawn and the subscription to all the creditors' Shares and the creditors' Warrants would be reserved to the financial creditors, up to a portion of their receivables, said creditors constituting a category of persons meeting specific criteria within the meaning of Article L. 225-138 of the French Commercial Code;
- the total number of creditors' Warrants that would be issued, whether attached or not to the creditors' Shares, would be determined on the basis of the total amount "X" defined above pursuant to the following formula (for a total amount in principal of the outstanding financial debt under the Credit Agreement of €1,164 M as at the date of implementation of the restructuring plan):
 - (i) if X is greater than or equal to €250 M, the total number of creditors' Warrants to be issued would be equal to zero (in which case no creditors' Warrant would be issued); or
 - (ii) if X is equal to zero, the total number of creditors' Warrants to be issued would be equal to €45 M; or
 - (iii) if X is greater than zero and less than €250 M, the total number of creditors' Warrants to be issued would be the result of the following calculation formula:

$$45,000,000 \times [1 - (X / 250,000,000)]$$
 (the result of this division being rounded to the nearest whole number);

- the total number of creditors' Warrants that would be delivered to each subscriber shall be determined as a pro rata basis of the total amount of its receivable against the Company under the Credit Agreement as at the relevant date over the total amount of the outstanding debt of the Company under the Credit Agreement as at the same date, and rounded down to the nearest whole number of creditors' Warrants.

The remainder of the text of this draft resolution has not been amended. Please refer to the Board of Directors' report dated 3 November 2016 for further information on this draft resolution as well as to the developments below for further precisions relating to the consequences on the shareholders' situation of the issue of the creditors' Shares, the Free Shares, the new shares stemming from the redemption of the MCB and the new shares to be issued upon exercise of the creditors' Warrants.

Delegation of authority to the Board of Directors to proceed with a share capital increase reserved to the members of the group savings plan of the SoLocal Group

(8TH RESOLUTION)

The text of this draft resolution has not been amended. Please refer to the Board of Directors' report dated 3 November 2016 for further information on this draft resolution.

Theoretical impact of the transaction on the consolidated shareholders' equity

For information purposes, for an outstanding financial debt under the Credit Agreement of a total amount in principal of €1,164 M on the date of implementation of the restructuring transactions, the theoretical impact of the issue of the creditors' Shares, of the new shares stemming from the redemption of the MCB in shares, of the allocation of the Free Shares and of the new shares issued upon exercise of the creditors' Warrants on the consolidated shareholder's equity per share (*calculations made on the basis of the Group's share of consolidated shareholder equity as at 30 June 2016 and a number of 38,876,564 shares representing the Company's share capital as at 30 September 2016, including outstanding treasury shares*) would be the following:

	Consolidated shareholders' equity per share (Euros)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case 1: 100% of cash subscription to the Rights Issue</i>		
Prior to the issue of the 399,873,230 Shares with Preferential Subscription Rights, of the Free Shares and of the creditors' Shares	-33.70	-33.55
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares and of the 81,182,535 creditors' Shares	-0.93	-0.93

(1) Assuming a number of 171,425 shares freely allocated by the Company (number determined depending on the probability of achieving the performance conditions and a pro rata temporis to 30 June 2016 in connection with the accounting expense recognized on this date) out of the 1,140,045 free shares granted in total by the Company and excluding exercise of stock options granted by the Company, with a minimum price at €99.39 (after adjustment made following the reverse stock split made on 26 October 2015 of the stock options exercise parity, retaining a new parity equal to the current exercise parity of each stock option multiplied by a ratio of 1/30; it being specified that for the total number of stock options held by each holder under a plan, the net revenue is rounded down to the nearest whole number of new shares).

	Consolidated shareholders' equity per share (Euros)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case 2: 50% of cash subscription to the Rights Issue</i>		
Prior to the issue of the 399,873,230 Shares with Preferential Subscription Rights, of the Free Shares, of the creditors' Shares and the new shares stemming from the redemption of the MCB and of the exercise of the creditors' Warrants.	-33.70	-33.55
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares, and of the 79,849,202 creditors' Shares	-1.05	-1.05
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares, of the 79,849,202 creditors' Shares and of the 42,333,333 new shares all stemming from the redemption of the MCB and the exercise of the creditors' Warrants.	-0.84	-0.84

(1) Id.

	Consolidated shareholders' equity per share (Euros)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case 3: 25% of cash subscription to the Rights Issue</i>		
Prior to the issue of the 399,873,230 Shares with Preferential Subscription Rights, of the Free Shares, of the creditors' Shares and the new shares stemming from the redemption of the MCB and exercise of the creditors' Warrants.	-33.70	-33.55
After issue of 399,873,230 Shares with Preferential Subscription Rights, of 58,314,846 Free Shares and of 78,515,869 creditors' Shares	-1.17	-1.17
After issue of 399,873,230 Shares with Preferential Subscription Rights, of 58,314,846 Free Shares, of 78,515,869 creditors' Shares and of 93,666,667 new shares stemming from the redemption of the MCB and the exercise of the creditors' Warrants.	-0.73	-0.72

(1) Id.

	Consolidated shareholders' equity per share (Euros)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case 4: 0% of cash subscription to the Rights Issue</i>		
Prior to the issue of 399,873,230 Shares with Preferential Subscription Rights, the Free Shares, the creditors' Shares and the new shares stemming from the redemption of the MCB and the exercise of all the creditors' Warrants.	-33.70	-33.55
After issue of 399,873,230 Shares with Preferential Subscription Rights, of 58,314,846 Free Shares, and of 76,782,535 creditors' Shares	-1.32	-1.32
After issue of 399,873,230 Shares with Preferential Subscription Rights, of 58,314,846 Free Shares, of 76,782,535 creditors' Shares and of 145,000,000 new shares stemming from the redemption of the MCB and the exercise of the creditors' Warrants.	-0.65	-0.65

(1) Id.

For information purposes, assuming that a maximum outstanding financial debt of €1,172 M had to be taken into account, the theoretical impact of the issue of the creditors' Shares issue, of the new shares stemming from the redemption of MCB in shares, of the allocation of the Free Shares and the new shares issued upon exercise of the creditors' Warrants on the consolidated shareholder's equity per share (calculations made on the basis of the Group's share of consolidated shareholder equity as at 30 June 2016 – as set out in the consolidated balance sheet as at 30 June 2016 - and a number of 38,876,564 shares representing the Company's share capital as at 30 September 2016 including outstanding treasury shares) would be the following:

	Consolidated shareholders' equity per share (Euros)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case : 0% of cash subscription to the Rights Issue</i>		
After issue of the 403,344,352 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares, of the 77,295,793 creditors' Shares and of 145,687,285 new shares stemming from the exercise of the creditors' Warrants	0.64	0.64

(1) Id.

Theoretical impact on the equity interest of a shareholder

For information purposes, for an outstanding financial debt under the Credit Agreement of a total amount in principal of €1,164 M on the date of implementation of the restructuring transactions, the theoretical impact of the issue of the creditors' Shares, of the Free Shares, of the new shares stemming from the redemption of the MCB in shares and the new shares to be issued upon exercise of the creditors' Warrants on the equity interest of a shareholder of the Company holding 1% of the share capital of the Company prior to the issues and not subscribing to them (calculations made on the basis of a number of 38,876,564 shares, representing the Company's share capital as at 30 September 2016) would be the following:

	Shareholder's Equity Interest (in %)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case 1: 100% of cash subscription to the Rights Issue</i>		
Prior to the issue of the 399,873,230 Shares with Preferential Subscription Rights, of the Free Shares and of the creditors' Shares	1.00	1.00
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares and of the 81,182,535 creditors' Shares.	0.17	0.17

(1) Assuming a number of 171,425 shares freely allocated by the Company (number determined depending on the probability of achieving the performance conditions and a pro rata temporis to 30 June 2016 in connection with the accounting expense recognized on this date) out of the 1,140,045 free shares granted in total by the Company and excluding exercise of stock options granted by the Company, with a minimum price at €99.39 (after adjustment made following the reverse stock split made on 26 October 2015 of the stock options exercise parity, retaining a new parity equal to the current exercise parity of each stock option multiplied by a ratio of 1/30 ; it being specified that for the total number of stock options held by each holder under a plan, the net revenue (per beneficiary and per plan) is rounded down to the nearest whole number of new shares).

	Shareholder's Equity Interest (in %)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case 2 : 50% of cash subscription to the Rights Issue</i>		
Prior to the issue of the 399,873,230 Shares with Preferential Subscription Rights, of the Free Shares, of the creditors' Shares and of the new shares stemming from the redemption of the MCB and exercise of the creditors' Warrants	1.00	1.00
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares and of the 79,849,202 creditors' Shares.	0.17	0.17
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares, of the 79,849,202 creditors' Shares and of the 42,333,333 new shares stemming from the redemption of the MCB and the exercise of the creditors' Warrants.	0.16	0.16

(1) Id.

	Shareholder's Equity Interest (in %)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case 3 : 25% of cash subscription to the Rights Issue</i>		
Prior to the issue of the 399,873,230 Shares with Preferential Subscription Rights, the Free Shares, the creditors' Shares and the new shares stemming from the redemption of the MCB and the exercise of creditors' Warrants	1.00	1.00
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares and of the 78,515,869 creditors' Shares.	0.17	0.17
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares, of the 78,515,869 creditors' Shares and of the 93,666,667 new shares stemming from the redemption of the MCB and the exercise of the creditors' Warrants.	0.15	0.15

(1) Id.

	Shareholder's Equity Interest (in %)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case 4: 0% of cash subscription to the Rights Issue</i>		
Prior to the issue of the 399,873,230 Shares with Preferential Subscription Rights, of the Free Shares, of the creditors' Shares and the new shares stemming from the redemption in shares of the MCB and the exercise of the creditors' Warrants	1.00	1.00
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares and of the 76,782,535 creditors' Shares.	0.17	0.17
After issue of the 399,873,230 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares, of 76,782,535 the creditors' Shares and of 145,000,000 new shares stemming from the redemption of the MCB and the exercise of the creditors' Warrants.	0.14	0.14

(1) Id.

For information purposes, assuming that a maximum outstanding financial debt of a total amount in principal of €1,172 M had to be taken into account, the theoretical impact of the issue of the creditors' Shares, of the Free Shares, of the new shares stemming from the redemption of the MCB in shares and of the new shares issued upon exercise of the creditors' Warrants on the equity interest of a shareholder of the Company holding 1% of the share capital of the Company prior to the issues and not subscribing to them (*calculations made on the basis of a number of 38,876,564 shares representing the Company's share capital as of 30 September 2016*) would be the following:

	Shareholder's Equity Interest (in %)	
	Non-diluted basis	Diluted basis ⁽¹⁾
<i>Case: 0% of cash subscription to the Rights Issue</i>		
After issue of the 403,344,352 Shares with Preferential Subscription Rights, of the 58,314,846 Free Shares, of the 77,285,793 creditors' Shares and of the 145,687,285 new shares stemming from the exercise of the creditors' Warrants.	0.13	0.13

(1) Id.

II. Progress in corporate affairs since the beginning of the current financial year

Pursuant to the provisions of Article R. 225-113 of the French Commercial Code, we present to you below an update on progress in the Company's affairs since the beginning of the current financial year.

General presentation

As European leader in local digital communications, SoLocal Group identifies local expertise and stimulates companies' local activity. SoLocal Group earned consolidated revenues of €602 M as at 30 September 2016 (scope of continued activities excluding entities transferred in 2015), with its Internet and Print & Voice activities representing 79% and 21%, respectively. Internet activity is driven by two main digital activities: Local Search and Digital Marketing.

Internet

As at 30 September 2016, SoLocal Group posted Internet revenues of €478 M, representing 79% of the Group's consolidated revenues.

SoLocal Group's Internet activities are now centered around two product lines:

- First, we offer digital services and solutions to companies to increase their visibility and develop local contacts: as at 30 September 2016, this Local Search activity posted total revenues of €363 M, due to a long-term and very high-quality 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 web users with the best local content, customized by profession: as at 30 September 2016, this Digital Marketing activity represented total revenues of €115 M. These technologies, which are highly differentiating, were created over the past five years and have experienced rapid growth (8% as at 30 September 2016 compared to 30 September 2015). They include websites and content, local programming and transactional services. We innovated on these product lines in 2015, upgrading our website offerings and the product & store locator, and successfully launched the ADhesive targeting offering, which draws from our database of web users' local buying intentions. Moreover, our transactional services have been renamed PagesJaunes Resto and PagesJaunes Doc, thus enhancing and strengthening the power of the traffic generated on PagesJaunes.

Print & Voice

The Print & Voice business earned €124 M, i.e. 21% of the Group's consolidated revenues as at 30 September 2016. This segment includes the Group's activities involving the publication, distribution and sale of advertising space in print directories (PagesJaunes, PagesBlanches), as well as other Group activities known as "Voice," including telephone information and reverse directory services.

Commentary on the results as at 30 September 2016

Consolidated income statement for continued activities as at 30 September 2016 and 30 September 2015

SoLocal Group (in million euros)	Continued activities						
	As at 30 September 2016			As at 30 September 2015			Change recurring 2016/2015
	Total	Recurring	Non recurring	Total	Recurring	Non recurring	
Revenues	601.9	601.9	-	658.4	658.4	-	-8.6%
Net external expenses	(156.4)	(156.4)	-	(149.2)	(149.2)	-	4.8%
Personnel expenses	(274.4)	(274.4)	-	(292.2)	(292.2)	-	-6.1%
Recurring EBITDA	171.1	171.1	-	217.0	217.0	-	-21.2%
As % of revenues	28.4%	28.4%	-	33.0%	33.0%	-	
Non recurring items	(2.5)	-	(2.5)	(4.1)	-	(4.1)	-
EBITDA	168.6	171.1	(2.5)	213.0	217.0	(4.1)	-21.2%
As % of revenues	28.0%	28.4%	-	32.4%	33.0%	-	
Depreciation and amortisation	(44.1)	(44.1)	-	(34.9)	(34.9)	-	26.4%
Operating income	124.6	127.1	(2.5)	178.1	182.2	(4.1)	-30.2%
As % of revenues	20.7%	21.1%	-	27.1%	27.7%	-	
Financial income	0.8	0.8	-	1.6	1.6	-	-50.0%
Financial expenses	(56.6)	(56.6)	-	(65.7)	(65.7)	-	-13.9%
Net financial expense	(55.8)	(55.8)	-	(64.1)	(64.1)	-	-12.9%
Share of profit or loss of an associate	-	-	-	0.1	0.1	-	-100.0%
Income before tax	68.8	71.3	(2.5)	114.1	118.2	(4.1)	-39.7%
Corporate income tax	(30.0)	(30.8)	0.9	(50.1)	(51.6)	1.5	-40.3%
Income for the period	38.8	40.5	(1.6)	64.0	66.5	(2.5)	-39.1%

Consolidated revenues were €601.9 M as at 30 September 2016, down 8.6% compared to 30 September 2015:

- Internet total revenues of €477.8 M as at 30 September 2016 (representing 79.4% of total revenues, i.e. +7.0 points) is stable compared to 30 September 2015, with the positive trend in Digital Marketing offsetting the decline in the Local Search customers:
 - Growth in audience: website visits increased by 9% as at 30 September 2016 compared to 30 September 2015, with growth of 26% for the mobile audience, representing 44% of the total audience (+6 points).
 - ARPA Search Local: +4% as at 30 September 2016 compared to 30 September 2015, consistent with the historic trends since Q3 2016.

- Total customers: -6% as at 30 September 2016 compared to 30 September 2015, still under pressure due to lower investment in customer acquisitions through tele-sales.
- Digital Marketing total revenues: + 8% in the first six-month period of 2016 over the first six-month period of 2015, due to a continuous growth of the local programming, which does not completely reflect the business dynamic yet.
- Print & Voice revenues amounted to €124.1 M posted a decline of 31.6% during the period, largely impacted by the marked downward trend in PagesBlanches.

Recurring EBITDA totaled €171.1 M as at 30 September 2016, has decreased by 21.2% compared to 30 September 2015.

EBITDA / revenue margin was at 28.4% as at 30 September 2016, has decreased by 4.6 points compared to 30 September 2015, mainly due to the decline in revenues which was partially offset by a decrease of personal expenses.

Breakdown of revenues and consolidated EBITDA of continued activities, as at 30 September 2016 and 30 September 2015:

SoLocal Group	Activités poursuivies		
	As at 30 September 2016	As at 30 September 2015	Change 2016/2015
<i>in million euros</i>			
Internet	477.8	477.0	0.2%
Print & Voice	124.1	181.4	-31.6%
Revenues	601.9	658.4	-8.6%
<i>Internet revenues as % of total revenues</i>	<i>79.4%</i>	<i>72.4%</i>	
Internet	136.6	155.3	-12.0%
Print & Voice	34.5	61.8	-44.2%
Recurring EBITDA⁽¹⁾	171.1	217.0	-21.2%
<i>As % of revenues</i>			
Internet	28.6%	32.6%	
Print & Voice	27.8%	34.1%	

(1) Recurring EBITDA has been slightly adjusted regarding the allocation of the Internet EBITDA and the Print & Voice for 2015 compared to the publication of consolidated financial information as at 30 September 2015 to have indicators established on similar methods.

The following table presents the results for the period from the Group's continued activities, as at 30 June 2015 and 30 June 2016:

SoLocal Group	Activités poursuivies						
	As at 30 September 2016			As at 30 September 2015			Change recurring 2016/2015
	Total	Recurring	Non recurring	Total	Recurring	Non recurring	
<i>in million euros</i>							
Operating income	124.6	127.1	(2.5)	178.1	182.2	(4.1)	-30.2%
<i>As % of revenues</i>	<i>20.7%</i>	<i>21.1%</i>	<i>-</i>	<i>27.1%</i>	<i>27.7%</i>	<i>-</i>	
Financial income	0.8	0.8	-	1.6	1.6	-	-50.0%
Financial expenses	(56.6)	(56.6)	-	(65.7)	(65.7)	-	-13.9%
Net financial expense	(55.8)	(55.8)	-	(64.1)	(64.1)	-	-12.9%
Share of profit or loss of an associate	-	-	-	0.1	0.1	-	-100.0%
Income before tax	68.8	71.3	(2.5)	114.1	118.2	(4.1)	-39.7%
<i>Corporate income tax</i>	<i>(30.0)</i>	<i>(30.8)</i>	<i>0.9</i>	<i>(50.1)</i>	<i>(51.6)</i>	<i>1.5</i>	<i>-40.3%</i>
Income for the period	38.8	40.5	(1.6)	64.0	66.5	(2.5)	-39.1%

The Group's net financial charges represented -€55.8 M as at 30 September 2016, i.e. a decrease by 12.9%, mainly due to the September 2015 maturity of hedging instruments.

The corporate income tax charge was at -€30.8 M as at 30 September 2016, i.e. a decrease by 40.3% compared to 30 September 2015, in line with pre-tax income.

Recurring income totaled €40.5 M as at 30 September 2016, i.e. a decrease by 39.1% compared to recurring income from continued activities as at 30 September 2015.

Net income from divested activities was equal to zero as at 30 September 2016, with the divestment of non-growing and non-profitable Internet activities having been completed in 2015.

The Group's net income totaled €38.8 M as at 30 September 2016, i.e. a decrease by 39.4% compared to 30 September 2015.

Outlook

- The Group has confirmed its outlook for 2016 with strong growth in orders:
 - Growth in Internet revenues by 0% to + 2% in 2016, compared to 2015
 - EBITDA / revenue margin \geq 28%⁽¹⁾

- The Group has drawn up for several months, under the aegis of a *mandataire ad hoc*, a restructuring plan of its financial debt, aiming at allowing the Group to find margins for financial manoeuvre to resume its Internet business provided for in its "Conquer 2018" plan with long-term and steady growth.

A project of financial restructuring plan, resulting from discussions between the Company and a group of creditors with whom an agreement in principle was reached on 1 August 2016, has been approved by the Company's creditors on 12 October 2016 but rejected by its shareholders during the combined general meeting held on 19 October 2016.

New discussions have taken place between the different stakeholders. Such discussions have resulted in the unanimous adoption by the Company's Board of Directors, the association Regroupement PLocal and a group of three creditors, representing approximately 37% of the outstanding financial debt, of a revised financial restructuring plan, announced on 3 November 2016, that contains substantial improvements for the Company and its shareholders compared to the initial plan.

This revised financial restructuring plan, the terms of which are described in detail in the Board of Directors' report dated 3 November 2016, as supplemented by this report, will be submitted to the approval of (i) the Company's financial creditors' committee, (ii) the shareholders at the extraordinary shareholders' meeting convened for 15 December 2016, and (iii) the Commercial Court of Nanterre.

- As previously announced, the Company has breached its leverage bank covenant as at 30 June 2016 and as at 30 September 2016. This gives creditors acting by a majority of two-thirds (excluding Facility C1 Loan) the ability to vote, at any time (subject to mandatory provisions of the French Commercial Code) for the automatic acceleration of the Company's entire financial debt, i.e. €1,164 M (as at 30 June 2016, excluding debt held by the Company).

It is specified that the three creditors that are parties to the agreement on the revised restructuring plan, and representing approximately 37% of the outstanding financial debt of the Company, have agreed, under the resolutive condition of the absence of adoption of this revised plan, to waive their right to vote for the automatic acceleration of the Company's financial debt for breach of the leverage bank covenant as at 30 June 2016 and as at 30 September 2016. The approval of the revised financial restructuring plan would extinguish the consequences of this breach of covenant.

Such creditors have however indicated that they will no longer support a restructuring plan that would not be accepted by the shareholders and recommend to all the Company's creditors to exercise all of their rights as creditors to obtain the reimbursement of the amounts owed by the Company, including their pledge.

- The Company will not pay interest due on 1 December 2016 (approximately €15 M). Should the revised plan be adopted, payment of this interest will occur on the date of implementation of the plan.

In the event that this revised plan would not be approved by the shareholders or the creditors according to this timetable, the Company may be insolvent as it could not pay its interests. On their side, the creditors will probably claim, in the very short term, various defaults that have occurred or to occur, and request the immediate acceleration of their debt and the exercise of their pledge. In such case, the Company will have to consider the opening of collective proceedings, whose characteristics have not yet been determined.

- As a reminder, the Company has obtained from the President of the Commercial Court of Nanterre the opening of a conciliation procedure. Ms. H  l  ne Bourbouloux has been appointed as conciliator for a four-month-term, which may be renewed for one month.

At its hearing on 16 December, the Commercial Court of Nanterre will rule on the situation of the Company.

As a reminder, the summary explanation of SoLocal Group's situation during the financial year ended 31 December 2015 is presented in Chapter 9 of the 2015 reference document, available at www.solocalgroup.com.

III. Amendment to the by-laws

Amendment to article 12 of the by-laws relating to the Board of Directors

(22TH RESOLUTION)

The text of this draft resolution has not been amended. Please refer to the Board of Directors' report dated 3 November 2016 for further information on this draft resolution.

Powers for formalities

(23TH RESOLUTION)

The text of this draft resolution has not been amended.

(1) Recurring EBITDA / revenue margin ratio for the entire Group (Internet + Print & Voice).

IV. Draft resolutions and items submitted by shareholders of the Company

Requests for inclusion of draft resolutions and items on the agenda of the general meeting have been sent to the Company by letters dated 17 and 18 November 2016:

- Mr Benjamin Jayet, having justified holding 411,130 shares, i.e. 1.06% of the Company's share capital, has requested the inclusion of eight draft resolutions on the agenda of the general meeting (numbered A to H);
- the company D&P Finance (494 124 977 R.C.S. Paris), represented by Mr Didier Calmels, as well as Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff,

having justified holding together 321,005 shares, i.e. 0.82% of the Company's share capital, have requested the inclusion of seventeen draft resolutions on the agenda of the general meeting (numbered J to Z); and

- the Supervisory Board of the Company Mutual Fund (*Fonds Commun de Placement d'Entreprise – FCPE*) SoLocal Actions, having justified the holding of 234,917 shares, i.e. 0.6% of the Company's share capital, has requested the inclusion of an item on the agenda of the general meeting,

Draft resolutions submitted by the Company's shareholders

- Regarding the draft resolutions submitted by Mr Benjamin Jayet:
 - Three aim at amending and supplementing the financial conditions of the Revised Plan:
 - share capital decrease by reducing the par value of the shares,
 - allocation of 7 free shares per share held to the Company's existing shareholders (instead of 3 Free Shares for every 2 Company's shares held in the context of the Revised Plan and as reflected in the 4th resolution), although it does not specify on which grounds the inclusion of this draft resolution is requested,
 - issue and allocation, free of charge, of autonomous warrants for shares to the existing shareholders allowing them to subscribe to two new shares per existing share at a strike price of €2.

These draft resolutions do not modify the draft resolutions relating to the Rights Issue (subject matter of the 2nd resolution set out above) and the issues of securities reserved to the creditors, i.e. the issue of the MCB (subject matter of the 6th resolution set out above) and the issue of the shares as well as the warrants for shares (BSA), whether attached or not to said shares (subject matter of the 7th resolution set out above).

- Three aim at appointing new Directors:
 - Mr Benjamin Jayet,
 - Mr Jérôme Gallot,
 - Mr Dominique Bernard,
- One aims at suspending the payment of allowance fees until a dividend is paid to shareholders, and
- One aims at capping the gap between the greatest remuneration and the lowest remuneration paid by the Company to its corporate officers and its employees.
- Regarding the draft resolutions submitted by the company D&P Finance, represented by Mr Didier Calmels, as well as Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff:
 - Six aim at removing Directors:
 - Mr Robert de Metz, Chairman of the Board of Directors,
 - Mr Jean-Pierre Remy, Chief Executive Officer and Director,
 - Mrs Cécile Moulard, independant Director,
 - Mr Rémy Sautter, independant Director,
 - Mr Jean-Marc Tassetto, independant Director,
 - Mr Arnaud Marion, Director,
 - Nine aim at appointing new Directors:
 - Mr Didier Calmels,
 - Mr Philippe Besnard,
 - Mr François-Xavier Barbier,

- Mr Christophe Deshayes,
- Mr Gilles Brenier,
- Mr Loïc de la Cochetière,
- Mr Christian Louis-Victor,
- Mr Baudoin de Pimodan,
- Mr Benjamin Jayet.

- One aims at suspending the payment of allowance fees until a dividend is paid to shareholders, and
- One aims at capping the gap between the greatest remuneration and the lowest remuneration paid by the Company to its corporate officers and its employees.

The grounds put forward to support these requests, as well as the information about the proposed candidates to be appointed as Directors, are reproduced hereinafter.

These draft resolutions, taken as a whole, are not supported by the Board of Directors:

Draft resolutions aiming at amending and supplementing the financial conditions of the Revised Plan (draft resolutions A to C submitted by Mr Benjamin Jayet)

The draft resolutions aiming at amending and supplementing the financial conditions of the Revised Plan provide for (i) the allocation of 7 free shares per Company's share held to the existing shareholders (instead of 3 Free Shares for every 2 Company's shares held in the context of the Revised Plan and as reflected in the 4th resolution) and (ii) the allocation to the existing shareholders of warrants allowing them to subscribe for each existing share to two new shares at a strike price of €2.

As indicated above, these draft resolutions submitted by Mr Benjamin Jayet do not modify the draft resolutions relating to the Rights Issue and the issues of securities reserved to the creditors, i.e. the issue of the MCB and the issue of shares as well as warrants for shares (BSA), attached or not to said shares.

The draft resolutions submitted by Mr Benjamin Jayet are not part of the Revised Plan approved by the Board of Directors. It is recalled that the Revised Plan is the subject matter of the resolutions 1 to 7 which are set out in the Board of Directors' report dated 3 November 2016, as supplemented by this report, and that the resolutions form a whole. The approval by the general meeting of each of such resolutions is required for the implementation of the Revised Plan.

The draft resolutions aiming at amending the financial conditions of the Revised Plan proposed by Mr Benjamin Jayet are therefore not approved by the Board of Directors.

Draft resolutions aiming at amending the composition of the Board of Directors (draft resolutions D to F submitted by Mr Benjamin Jayet and J to X submitted by D&P Finance, as well as Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff)

Regarding the draft resolutions relating to the removals or appointments of Directors, the Board of Directors considers that their approval would disrupt the governance of the Company far beyond the real representation of the shareholders who have introduced them and that they might call into question the "Conquer 2018" plan, which is not in the interest of the Company nor of its shareholders.

In addition, the holding of a shareholders' general meeting within three months as from the date of implementation of the Revised plan has been announced. It is during this meeting and given the shareholding post financial restructuring that the shareholders will have to vote on a possible new composition of the Board of Directors.

The Board of Directors recalls that the applications of Mr Benjamin Jayet and Mr Philippe Besnard were rejected by the shareholders' general meeting dated 19 October 2016, i.e. less than two months before the date of the extraordinary general meeting convened to vote again on their application.

Finally, the Board of Directors considers that such draft resolutions, if they were approved, would have significant consequences for the Company and its shareholders in light of the following rules:

● *Change of Control clause relating to the senior secured notes issued in 2011 by PagesJaunes Finance & Co SCA*

It is recalled that this Change of Control clause is set out in the Notes prospectus of the senior secured notes issued in 2011 by PagesJaunes Finance & Co SCA (the "Notes") dated 12 May 2011, which is posted on the website of the Luxembourg Stock-Exchange, (www.bourse.lu).

In particular, the replacement of the majority of the members of the Company's Board of Directors by new members who have not been elected or approved by the Board of Directors constitutes a Change of Control (assessed on a 24-month rolling period).

The changes proposed under the draft resolutions which have been submitted by the aforementioned shareholders, should these resolutions be approved during the general meeting, are likely to lead to the replacement of the majority of the members of the Company's Board of Directors by new members who have not been elected or approved by the Board of Directors (taking into account the three current Directors appointed during the general meeting of the Company on 19 October 2016 without being approved by the Board of Directors) and thus to constitute a Change of Control.

In the event of occurrence of such a Change of Control, it is recalled that:

- (i) the issuer, PagesJaunes Finance & Co SCA, has the obligation to offer to noteholders to repurchase their Notes at a price equal to 101% of the nominal value; and
- (ii) the proportionate share of the Facility C1 Loan (granted by PagesJaunes Finance & Co SCA to the Company) equal to 101% of the nominal amount of the Notes whose redemption is requested by the noteholders becomes due and payable (i.e. a maximum of 101% of €350 M).

As already announced by the Company, the Notes were automatically accelerated as a result of the event of default resulting from the opening of the conciliation procedure, but the corresponding acceleration of the Facility C1 Loan is blocked under French law.

Even though 100% of the principal amount of the Notes is now due and payable, PagesJaunes Finance & Co SCA's obligation to make a Change of Control offer would not be redundant since the offer price would be 101% of principal amount rather than 100%. Noteholders would expect PagesJaunes Finance & Co SCA to offer them the opportunity to be paid out at the higher amount.

The bondholders' exercise of their Change of Control put right towards PagesJaunes Finance & Co SCA would trigger a separate claim by PagesJaunes Finance & Co SCA on the Company under the Facility C1 Loan (in order to finance the Change of Control offer purchase price). This claim would not be blocked by French law. Therefore the exercise of the Change of Control put right would result in an enforceable claim against the Company under the Facility C1 Loan for principal, interests and premium owed, i.e. up to 101% of €350 M.

● *Balanced representation of women and men within the Board of Directors*

The Company, as a listed company, is bound to comply with the gender requirements of the law n°2011-103 dated 27 January 2011 within its Board of Directors. Article L.225-18-1 of the French Commercial Code thus requires that, as from 1st January 2017, the portion of Directors of each sex is not less than 40% as from the first general meeting having to decide on appointments as from such date.

It is also recalled that the corporate governance code AFEP/MEDEF of June 2013 as revised in November 2015, which constitutes the Company's reference code pursuant to Article L.225-37 of the French Commercial Code, recommends to listed companies to reach the threshold of 40% of women within their Board of Directors as from the year 2016.

The Board of Directors' target is to reach and maintain this threshold prior to the entry into effect of the aforementioned provisions, in compliance with the corporate governance code AFEP/MEDEF. On the four Directors appointed during the combined general meeting dated 19 October 2016, the Board of Directors recalls that it approved the appointment to the functions of Director of a woman and did not approved the appointment of three men.

The Board of Directors notes that the candidates the appointment of which is proposed under the draft resolutions submitted by the aforementioned shareholders are exclusively men. The appointment of such persons would make it more difficult to reach this objective of a portion of 40% of Directors of each sex within the Company's Board of Directors.

Draft resolutions aiming at suspending the payment of attendance fees (draft resolutions G submitted by Mr Jayet and Y submitted by D&P Finance, Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff)

Two draft resolutions are related to the suspension of the payment of attendance fees until a dividend is paid to shareholders.

Tying the payment of attendance fees to the payment of a dividend does not appear to be relevant, whereas the amount of work of Directors does not depend on the beneficiary situation or not of the Company.

The corporate governance code AFEP/MEDEF of June 2013 as revised in November 2015, which constitutes the Company's code of reference pursuant to Article L.225-37 of the French Commercial Code, recommends that attendance fees be allocated according to actual attendance at Board of Directors' meetings and that non-executive directors should not be granted variable remuneration.

The Board of Directors has decided not to approve such draft resolutions.

Draft resolutions aiming at capping the remunerations

(draft resolutions H submitted by Mr Jayet and Z submitted by D&P Finance, Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff)

Two draft resolutions relate to the capping of the gap between the greatest remuneration and the lowest remuneration paid by the Company to its corporate officers and employees.

The Board of Directors has decided not to approve such draft resolutions. An update will be made, during the general meeting, on the follow up to be given to the negative non-binding vote on the remuneration of corporate officers

Given the foregoing, the Board of Directors has thus decided not to approve the draft resolutions submitted by the aforementioned shareholders and invites the shareholders either not to approve them or to abstain from voting.

Text of draft resolutions submitted by Mr Benjamin Jayet

Resolution A – not approved by the Board of Directors (Share capital decrease by reducing the par value of the shares)

In his letter of request for inclusion of draft resolutions, Mr Benjamin Jayet indicates that the text of the draft resolution A is the same as the text of the 1st resolution, subject to the adjustment of the ceilings required for the implementation of resolutions B and C.

To allow shareholders to decide on this draft resolution, the Board of Directors has drafted the below text:

Text of draft resolution:

The extraordinary general meeting, after having reviewed the Board of Directors' report and the statutory auditors' special report prepared in accordance with Article L.225-204 of the French Commercial Code,

- acknowledges that the balance sheet of the Company as at 31 December 2015 after allocation of the earnings for the financial year ended on that date has resulted in "retained earnings" with a debit balance of 552,300,359.33 euros;
- decides to partially reduce the debit balance of the retained earnings account by allocating it as follows on reserves or premium accounts:
 - (i) allocation for an amount of 321,319,232.88 euros to the "share issue premium" account, the amount of which will thus be reduced to 27,500,000 euros;
 - (ii) allocation for an amount of 18,283,923.79 euros to the "other reserves" account, the amount of which will thus be reduced to zero;

the balance of the "retained earnings" account being accordingly reduced from -552,300,359.33 euros to -212,697,202.66 euros;

- decides to proceed with a share capital decrease in a total amount of 229,371,727.60 euros, by reducing the par value of each share from six (6) euros (its current amount) to ten euro cents (€0.10);
- decides that the amount of such share capital decrease will be allocated:
 - (i) up to 212,697,202.66 euros to discharge the debit balance of the retained earnings account, which will be thus reduced to zero; and
 - (ii) for the remainder, i.e. 16,674,524.94 euros, to a special reserve account which will be entitled "special reserve from the share capital decrease decided on 15 December 2016";

- decides that the amounts on this special reserve account shall be unavailable and shall not be used for purposes other than discharge of potential losses of the financial year ended 31 December 2016 or of subsequent financial years;
- decides that the completion of this share capital decrease will be conditional upon the absence of objection from creditors of the Company within 20 calendar days as from the filing at the registry of the minutes of this general meeting or, if there is an objection, upon unconditional rejection of the objection(s) by the competent court or upon their waiver, by the repayment of receivables or the provision of sufficient guarantees by the Company, in accordance with Articles L.225-205 and R.225-152 of the French Commercial Code;
- acknowledges that, as a result of the share capital decrease under this resolution, the share capital will be reduced from 233,259,384 euros (its current amount) to 3,887,656.40 euros divided into 38,876,564 shares with a par value of ten euro cents (€0.10) each;
- decides, under the condition precedent of the completion of the share capital decrease under this resolution, to amend Article 6 "Share Capital" of the Company's by-laws as follows:

"Article 6 - Share Capital

The share capital amounts to 3,887,656.40 euros.

It is divided into 38,876,564 shares with a par value of ten euro cents (€0.10) each, fully paid-up and all of the same category."
- grants full powers to the Board of Directors, with the right to sub-delegate, under the conditions set by law and by this resolution, in order to:
 - acknowledge the completion of the aforementioned condition precedent and do, for this purpose, anything that it deems necessary and appropriate in order to waive any objections that would be made to the aforementioned share capital decrease that is envisaged;
 - acknowledge the final completion of the aforementioned share capital decrease and amend the Company's by-laws; and
 - more generally, carry out all formalities.

Resolution B – not approved by the Board of Directors (Delegation of authority to the Board of Directors to proceed with the issue and allocation, free of charge, of new shares in favour of the shareholders of the Company, by way of incorporation of premiums into the share capital)

Text of draft resolution:

The extraordinary general meeting, after having reviewed the Board of Directors' report, voting in accordance with the provisions of Articles L.225-127 et seq. of the French Commercial Code, notably with article L.225-130, subject to the prior approval by the creditors' committees defined in Articles L.626-29 et seq. of the French Commercial Code of the significant amendment to the safeguard plan reflecting this resolution:

- delegates to 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, its authority to decide, in one instalment, the issue and the allocation, free of charge, of shares of the Company in favour of the Company's shareholders;
- decides that the total nominal amount of the Company's share capital increase resulting from the issue carried out pursuant to this resolution shall not exceed a maximum nominal amount of 27,225,000 euros corresponding to the issue of a maximum of 272,250,000 new shares with a nominal value of ten euro cents (€0.10) each (the "**Free Shares**") (on the basis of the number of Company's shares as at 30 September 2016). This ceiling shall be increased, as the case may be, by the nominal amount of the shares that would be issued between 30 September 2016 and the date of issue and allocation of the Free Shares, excluding, however, if any, the shares that would be issued under other delegations submitted to the vote of this general meeting;

- decides that the share capital increase of the Company resulting from the issue carried out pursuant to this resolution shall be carried out by incorporating into the share capital a portion of the amounts appearing on the "issuance premium" account that is equal to the nominal amount of the share capital increase, within the limit of a maximum amount of 27,225,000 euros (subject to adjustments, if any);
- acknowledges that in accordance with law, as a consequence of this share capital increase by incorporation of issuance premium, the Company must undertake an adjustment of the conditions for exercising the options for subscription or purchase of shares (stock options) which it has attributed;
- decides that the Free Shares shall be allocated free of charge to all the Company's shareholders at the latest on the date of completion of the share capital increase with preferential subscription rights preserved referred to in the second resolution above, at the ratio of seven (7) Free Shares per share of the Company; it is specified that the shares that may be issued pursuant to the fifth resolution above, shall not give right to the allocation of Free Shares;
- decides that the Free Shares shall be allocated free of charge to all shareholders justifying an account registration of their securities on the relevant date;
- decides that the right to allocation of new Free Shares shall belong to the bare owner, subject to the rights of the beneficial owner;
- acknowledges that the shares which will be held by the Company as of the relevant date shall retain all of their rights to allocation of Free Shares;
- decides that the Free Shares issued pursuant to this resolution shall bear right to dividends as from their issue date and shall, upon issue, be completely assimilated to the existing shares and subject to all the provisions of the by-laws and to the decisions of the general meeting;
- grants full powers to the Board of Directors, with the right to sub-delegate under the conditions set by law and by this resolution, to implement this delegation, and in particular to:
 - decide the issue and, if necessary, postpone it;
 - set, within the above limits, the amount of the issue carried out pursuant to this resolution as well as the number of Free Shares to be issued;
 - make any adjustments to take into account the effect of transactions on the share capital of the Company, in particular in case of change of the par value of the share, share capital increase upon exercise of securities giving access to the share capital of the Company or by incorporation of reserves, free allocation of shares, stock split or reverse stock split;
 - carry out the corresponding publication and filing formalities relating to the completion of the share capital increase resulting from the issue of the Free Shares and amend the Company's by-laws accordingly;
 - arrange for the admission to trading of the new Free Shares on the regulated market of Euronext Paris;
 - do whatever may be necessary to carry out the capital increase which is the subject matter of this resolution; and
 - carry out all formalities resulting therefrom.

This resolution may not be implemented until after, and subject to, the prior completion of the capital reduction referred to in the aforementioned resolution. The ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease, and are independent from the ceilings set in the other resolutions submitted to this meeting. The Board of Directors may not, without the prior authorisation of the general meeting, make use of this delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

For the avoidance of doubt, it is specified that in the event where the fourth resolution set out in the meeting notice of this general meeting published in the *bulletin des annonces légales obligatoires* dated 9 November 2016 would be approved in its initial version, this resolution shall replace purely and merely the fourth resolution in case it is also approved.

Resolution C – not approved by the Board of Directors (Delegation of authority to the Chairman of the Board of Directors to issue autonomous warrants for shares)

Text of draft resolution:

The extraordinary general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having reviewed the Chairman's report and the statutory auditors' special report, in accordance with the provisions of Articles L.225-135 and L.228-92 of the French Commercial Code, subject to the prior approval by the creditors' committees defined in Articles L.626-29 et seq. of the French Commercial Code of the significant amendment to the safeguard plan reflecting this resolution:

- delegates to 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, its authority to decide to, in one single time, issue and allocate, free of charge, warrants for Company's shares in favour of the Company's shareholders (the "Shareholders' Warrants");
- decides that the Shareholders' Warrants shall be allocated free of charge to all the Company's shareholders at the latest on the date of completion of the share capital increase with preferential subscription right preserved referred to in the second resolution;
- decides that the Shareholders' Warrants shall be allocated free of charge to all the Company's shareholders at the latest on the date of completion of the share capital increase with preferential subscription right preserved referred to in the second resolution above, at the ratio of two (2) Shareholders' Warrants per share of the Company; it is specified moreover that the shares that may be issued pursuant to the fifth resolution above as well as those allocated free of charge pursuant to resolution B above shall not give right to the allocation of Shareholders' Warrants;
- decides that, in any event, the total number of shares to which all the Shareholders' Warrants issued pursuant to this resolution shall give the right to subscribe shall not exceed 87,500,000;
- decides that each Shareholders' Warrant shall have an exercise period of five (5) years and, until expiry of such period, shall give right to subscribe to one (1) new Company's share for a strike price of two (2) euros (i.e. 10 euro cents of par value and 1.90 euro of share premium after taking into account the share capital decrease which is the subject matter of the aforementioned resolution), without prejudice to any subsequent adjustments, in accordance with laws and regulations and contractual provisions;
- decides that the total nominal amount of additional share capital increase of the Company resulting from the exercise of the Shareholders' Warrants which would be issued pursuant to this resolution shall not exceed 8,750,000 euros. This ceiling shall be increased, as the case may be, by the par value of shares to be issued in order to preserve (in accordance with laws and regulations and, as the case may be, contractual provisions providing for other cases of adjustment) the rights of the holders of Shareholders' Warrants;
- decides that the shares issued upon exercise of the Shareholders' Warrants shall be fully paid-up upon subscription;
- acknowledges that, in accordance with Article L.225-132 paragraph 6 of the French Commercial Code, the decision to issue the Shareholders' Warrants entails the waiver by the shareholders of their preferential subscription right to Company's shares to which the Shareholders' Warrants give right;

- decides that the shares which would be issued upon exercise of the Shareholders' Warrants shall bear the right to dividends as from their issue date and shall, upon issue, be completely assimilated to the existing shares and subject to all the provisions of the by-laws and to the decisions of the general meeting;
- decides that the Shareholders' Warrants shall be freely tradable and, for this purpose, a request for admission to trading on the regulated market of Euronext Paris shall be made;
- decides that in the event of a share capital increase, absorption, merger, spin-off or issue of new shares or securities giving access to the share capital, or other financial transactions with preferential subscription rights or reserving a priority subscription period to the Company's shareholders, the Company shall be entitled to suspend the exercise of the Shareholders' Warrants for a period of up to three months or any other deadline set by the applicable regulations;
- decides that the issue of Shareholders' Warrants pursuant to this resolution shall be carried out only if the issue of Company's shares, with shareholders' preferential subscription rights preserved, subject matter of the second resolution has been completed;
- grants full powers to the Board of Directors, with the right to sub-delegate under the conditions set by law and by this resolution, to implement this delegation, and in particular to:
 - set the characteristics and terms of the Shareholders' Warrants;
 - issue and allocate the Shareholders' Warrants;
 - arrange for the admission to trading of the Shareholders' Warrants on the regulated market of Euronext Paris;
 - collect the subscriptions, acknowledge the number of ordinary shares issued as a consequence of the exercise of the Shareholders' Warrants, carry out the formalities resulting from the corresponding share capital increases, and amend by-laws accordingly;
 - set the conditions under which the Company shall have, as the case may be, the right to purchase or exchange on the stock exchange or otherwise, at any time or during specific periods, the Shareholders' Warrants, in accordance with legal provisions; and
 - carry out all formalities resulting therefrom.

The Board of Directors may perform, as necessary and outside of the above ceilings, a share capital increase for a nominal amount corresponding to the shares to be issued under any potential adjustments in accordance with applicable laws and regulations and, as the case may be, the specific contractual provisions providing for other cases of adjustment, to preserve the rights of the holders of securities or other instruments giving access to the share capital of the Company.

This resolution may not be implemented until after, and subject to, the prior completion of the share capital decrease referred to in the aforementioned resolution. The ceilings set or referred to in this resolution have been determined after taking into account the effect of said share capital decrease, and are independent from the ceilings set in the other resolutions submitted to the vote of this general meeting. The Board of Directors may not, without the prior authorisation of the general meeting, make use of this delegation as from the filing by a third party of a tender offer for the securities of the Company and until the end of the offer period.

Resolution D – not approved by the Board of Directors (Appointment of a new Director)

Introduction of the candidate to the position of Director:

Benjamin Jayet is a digital entrepreneur, he founded in 2005 the company Gibmedia, that became leader in the online payment on operator invoice sector.

Thanks to the success of this start-up, Benjamin Jayet created BJ Invest, investment fund dedicated to the digital within which he has gathered, by successive acquisitions, 27 stake holdings, the majority of which are digital companies as well as companies specialized in the acquisition of web audience to performance. These different transactions followed a strategy of vertical integration of the chain of value of the payment on operator invoice.

In addition, Benjamin Jayet has diversified its investments by taking significant stake holdings in specialists of e-commerce solutions and in client-relation management, such as Eloquant. Since 2015, BJ Invest has strengthened itself in the sector of payment services technologies in by investing in HiPay and Treezor.

Text of draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides to appoint, as a Director of the Company, Mr Benjamin Jayet for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution E – not approved by the Board of Directors (Appointment of a new Director)

Introduction of the candidate to the position of Director:

Mr Jérôme Gallot, 57 years old, is an independent Director of Abivax, Nexans and Plastic Omnium.

Graduated from Sciences Po and the ENA (Finance Inspector), he started his career at the Court of Auditors (Cour des Comptes) (1985) before becoming General secretary for the European economic cooperation (1989), then Cabinet director of the Minister for the Industry, the Post and the Telecommunication and the international Trade. He also occupied the functions of Managing director within the General Directorate for Competition, Consumer Affairs and Prevention of Fraud (DGCCRF) (from 1997 to 2003).

Since 2006, Jérôme Gallot occupies executive position within different companies. In particular, he was President of CDC Entreprises, Managing Director of Transdev and Director Icade, Oseo and CNP.

Text of draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides to appoint as a Director of the Company, Mr Jérôme Gallot for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution F – not approved by the Board of Directors

(Appointment of a new Director)

Introduction of the candidate to the position of Director:

Mr Dominique Bernard, 61 years old, is advisor to Maragarita Louis-Dreyfus on the Marseille Olympic (€150 M) and member of the Strategic Committee of Ludendo (French n°1 of toys, €500 M, 3,000 employees).

Graduated from HEC Paris (1981), Sciences Po (1979) and holder of a Master 1 in law (1981) and of the French Bar, he notably was Managing Director of the Hersant Group, advisor to Nice-Matin from 2010 to 2014 and to La Provence from 2011 to 2013.

Text of draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides to appoint, as a Director of the Company, Mr Dominique Bernard for a duration of 4 years that will expire at the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution G – not approved by the Board of Directors

(Suspension of the payment of attendance fees)

Text of draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides that, on the basis of the provisions of Article L.225-45 of the French Commercial Code, as from this general meeting, the Company shall not pay any remuneration as attendance fees to its Directors, up until the next date on which a dividend will be paid to the shareholders.

Resolution H – not approved by the Board of Directors

(Capping of the remuneration paid by the Company to its employees)

Text of draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, decides that as from this general meeting:

- the greatest aggregate remuneration paid by the Company to any of its corporate officers or employees shall not exceed 25 times the lowest remuneration;
- the Board of Directors shall do whatever may be necessary to ensure the proper implementation of the principle set forth by this resolution within the Company and the companies that it controls within the meaning of Article L.233-3 I. of the French Commercial Code, and set any practical modality useful for this purpose; and
- the Board of Directors shall report every year to the general meeting convened to vote on the financial statements for the previous financial year on the implementation of the principle set forth in this resolution.

Explanatory statement:

"Mr Benjamin Jayet, first shareholder of SoLocal Group, wishes to draw the attention of the shareholders on the elements set out below, that motivate the filing of the draft resolutions above.

I. Amendments to the restructuring plan of indebtedness of the group

- A. SoLocal Group is worth €130 M today on the stock market. The facial value of its debt is approximatively of €1,164 M (but its market value is only of €605 M). The enterprise value of the company thus corresponds to $130+1,164 = €1,294$ M.

Given the context, it appears unlikely that the existing shareholders and potential new investors subscribe to more than €100 M during the share capital increases proposed by the company.

On the basis of a valuation determined by application of a multiple of 6 to the EBITDA estimated for 2016 (€220 M), the enterprise value would be of €1,320 M.

The value of the SoLocal Group shares is calculated by reducing the enterprise value by €400 M corresponding to the bond debt. It thus amounts to approximatively €920 M.

- B. The restructuring plan submitted to the creditors and to the shareholders by the Board of Directors of the company is based on the following principles:

- the creditors would hold in fine between 14% and 85% of the share capital of the company. In the event of a share capital increase subscribed to up to €100 M, their portion in the share capital would be of 69%;
- the total valuation of the creditors' investment would vary from €930 M to €1,185 M. In the event of a share capital increase subscribed to up to €100 M, this value would be of €1,138 M;
- the valuation of the investment of existing shareholders would vary between €132 M and €155 M, which would induce a price per share included between €1.32 and €1.59 per new share or between €3.38 and €3.97 per old share. In the event of a share capital increase subscribed to up to €100 M, the value of each old share would be of €3.55;
- the creditors, once shareholders, they will not be subject to any lock-up commitment relating to their shares; and
- the creditors will receive warrants for shares allowing each of them to subscribe to one new share for a strike price of €2.

- C. Mr Benjamin Jayet considers that this plan does not respect the shareholders' interests enough.

While fitting into the structure of the plan proposed by the company, Mr Benjamin Jayet proposes to adjust some parameters to reach a more balanced plan, which better complies with the different parties' interests. Such adjustments, which are the subject matter of the draft resolutions I to III above, would reach the following results:

- the creditors would hold in fine between 10% and 65% of the share capital of the company. In the event of a share capital increase subscribed to up to €100 M, their portion in the share capital would be of 52%;
- the total valuation of the creditors' investment would vary between €893 M and €997 M. In the event of a share capital increase still subscribed to up to €100 M, this value would be of €978 M;
- the valuation of the investment of existing shareholders would vary between €323 M and €361 M, which would induce a price per share between €1.03 and €1.16 per new share or between €8.3 and €9.3 per old share. In the event of a share capital increase subscribed to up to €100 M, the value of each old share would be of €8.5;
- it would be allocated to existing shareholders warrants that would allow them to subscribe for each existing share to two new shares per existing share at a strike price of €2. The exercise of these warrants for shares induces a consolidated EBITDA for the company of €320 M. Such warrants for shares would thus represent a better fortune clause for the existing shareholders; and
- finally, in the context of the adjustment of terms of the restructuring plan, the creditors would be asked to grant a lock-up relating to their SoLocal Group shares subscribed to pursuant to the resolutions submitted to this general meeting, that would be reduced by one third each year. This last element shall result from a discussion to take place with the creditors and is not the subject matter of draft resolution technically speaking.

Mr Benjamin Jayet considers that this new plan is balanced and thus reasonable, for the shareholders as well as for the existing creditors. If the latter obtain €400 M in cash thanks to the subscription of existing shareholders to new shares, and only €130 M in the form of shares thanks to the conversion of their receivables, thus they accept a total value of €930 M. This amount thus corresponds in practice to the minimal value they are keen to accept.

The amendments to the plan proposed by Mr Benjamin Jayet reach a total equity value of €978 M in the event of a share capital increase subscribed to up to €100 M.

The creditors can receive via the plan proposed by the company up to €1,185 M, including €785 M in the form of new shares if the subscription to the share capital increase reserved to existing shareholders is of zero, this induces that they are keen to accept a valuation of €0.92 per new share, which would thus correspond to value the company 4.6 times the 2016 EBITDA (estimated) and 3.75 times the 2015 EBITDA.

D. In such conditions, Mr Benjamin Jayet considers that:

- in the interest of the company, it appears desirable to avoid that its share capital be held up to 85% by creditors, the share investment horizon of which is assumed to be short;
- this remark a fortiori applies since they only value it at 4 times its EBITDA. Their level of trust in the development outlooks of SoLocal Group thus appears weak;
- allowing creditors to hold a majority stake cannot be contemplated without guarantee regarding the stability of the shareholding in order to avoid as far as possible the risks of destabilization. It is the reason for the request for the introduction of a lock-up commitment; and
- it appears unreasonable to wish to crystallize the existing shareholders' loss on the basis of the current market value of SoLocal Group that does not reflect naturely its basics, while granting to the creditors a premium on the facial value of their receivable (€1,185 M compared to €1,164 M), a fortiori taking into account that its current market value is only of €605 M.

As a conclusion, the adjustments to the restructuring plan proposed by Mr Benjamin Jayet, which are the subject matter of the draft resolutions I to III, improves the balance between existing shareholders and creditors while granting to the creditors the minimum value they would require.

II. Amendments to the composition of the Board of Directors

It seems necessary to appoint new Directors within the Board of Directors, the facts having demonstrated that, in spite of the appointment of new Directors during the general meeting of 19 October 2016, the Board of Directors persists in a stance of refusal to discuss with its shareholders.

The candidates proposed by Mr Benjamin Jayet all have a strong legitimacy to occupy the functions of Director.

III. Limitations to be brought to the group's policy in terms of remuneration

Finally, taking into account the current situation of the Company, past abuses that have led to the massive rejection of the "say on pay" resolutions during the general meeting of 19 October 2016 – which constitutes a major disavowal for the management of the company and the Board of Directors (in particular for the members of the remunerations committee) – it appears essential today to reestablish a fair measure regarding the remunerations paid within the SoLocal Group. It is thus proposed that within SoLocal Group and its subsidiaries, the gap between the lowest and the greatest remunerations paid cannot exceed a multiple of 25.

Draft resolutions submitted by the company D&P Finance (494 124 977 R.C.S), as well as Mr Gilles Brenier, Mr Christian Louis-Victor, Mr Baudoin de Pimodan and Mr Benoît Marzloff)

Explanatory statement:

"The resolutions below are set out in order to recompose the governance of the Company to allow the elaboration of a plan that makes the interest of the firm, and not exclusively of speculative creditor funds, the main objective of its restructuring.

Solocal Group must not be manipulated by its creditors that would continue to seize the main part of the wealth created by the Company. To this effect, Solocal Group must avoid falling under the majority capitalistic control of speculative creditors funds, that would additionally benefit from an exemption from filing a tender offer, which is yet reflected in the plan proposed today, even in the context of a subscription from the shareholders up to €200 M.

On the contrary, the operating results of the Group must be dedicated primarily to long-term investment that will allow to comfort its strategic positioning on a mid-term basis.

Moreover, the new plan to be proposed should not be limited to the issue of free shares, which would not be sufficient to relaunch the company to the extent that it would continue to pay €35 M of annual interests.

To serve these objectives, D&P Finance, as well as all the shareholders having initiated these resolutions and those being about to join them, shall support a new governance in order to finally reach a balanced restructuring that would allow the sustainability of the company and the future of its employees."

Resolution J – not approved by the Board of Directors (Removal of Mr Robert de Metz)

Explanatory statement:

"Mr Robert de Metz, in his capacity as Director and Chairman of the Board of Directors of the Company, was involved in the development and supports a Company's financial restructuring plan, which was rejected by the shareholders. He now supports a second plan whose details that have been made public show that it is not very different from the previous one, and still against both the corporate interest of Solocal Group and the interest of its shareholders as the first one.

A significant portion of the shareholders is opposed to this plan that only confirms the loss of confidence from the shareholders vis-à-vis Mr Robert de Metz, which does not allow him to be confirmed as Director of the Company.

The loss of confidence in the current governance of the Company is also strengthened by the fact that the Managing Director of the company has claimed in the press that he contemplated to resign from his functions in order to submit a recovery plan for the social activities.

For their part, the shareholders that have initiated these draft resolutions consider that a new plan must be adopted. This plan shall contain on one hand waivers from the creditors in favour of the Company to a substantial part of their receivables, in capital and / or in interests, in order to strongly reduce the debt's weight and to allow the Company to finance its financing needs with its operating cash flows, and on the other hand a much lesser dilution for the existing shareholders.

This plan shall also involve a deep reflexion on the Group's business model."

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Robert de Metz from his functions as a Director of the Company with effect as of this general meeting.

Resolution K – not approved by the Board of Directors (Appointment of Mr Didier Calmels as Director)

Explanatory statement:

"The appointment of Mr Didier Calmels, who indirectly holds through the company D&P Finance 62 000 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and whose experience in the restructuring area will be a major asset to negotiate a balanced financial restructuring plan that preserves both the corporate interest of Solocal Group and the interests of its shareholders.

The legal information relating to Mr Didier Calmels has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr Didier Calmels states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Mr Didier Calmels, 65 years old, a French citizen, is the majority shareholder and a member of the Supervisory Board of the Doux / Soprat Group. He is also the founder, the majority shareholder and the president of the companies of the financial group Développement et Partenariat "D&P".

Holder of a Bachelor in Law, of the Diplôme d'Etudes Comptables Supérieures des Arts et Métiers, of the French Bar and of the Certificat professionnel de Syndic Judiciaire, he started his professional career as a trustee (syndic judiciaire) in bankruptcy at the Commercial Court of Nanterre, Saint-Denis and Saint-Pierre de l'île de la Réunion (1981). He is the co-author of the book "Le Redressement Judiciaire : guide pratique" (Ed. Juridiques Lefebvre).

Mr Didier Calmels was also President of the company of Conseils Juridiques Calmels Meille Harpillard et Associés (1986), and President of the company Bourgoin Marceau Développement "BMD" (1992).

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Didier Calmels, 65 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution L – not approved by the Board of Directors (Removal of Mr Jean-Pierre Remy)

Explanatory statement:

"Mr Jean-Pierre Remy, in his capacity as Director and Managing director of Directors of the Company, was involved in the development and supports a Company's financial restructuring plan, which was rejected by the shareholders. He now supports a second plan whose details that have been made public show that it is not very different from the previous one, and still against both the corporate interest of Solocal Group and the interest of its shareholders as the first one.

A significant portion of the shareholders is opposed to this plan that only confirms the loss of confidence from the shareholders vis-à-vis Mr Jean-Pierre Remy, which does not allow him to be confirmed as Director of the Company.

The loss of confidence in the current governance of the Company is also strengthened by the fact that he has claimed in the press that he contemplated to resign from his functions in order to submit a recovery plan for the social activities.

For their part, the shareholders that have initiated these draft resolutions consider that a new plan must be adopted. This plan shall contain on one hand waivers from the creditors in favour of the Company to a substantial part of their receivables, in capital and / or in interests, in order to strongly reduce the debt's weight and to allow the Company to finance its financing needs with its operating cash flows, and on the other hand a much lesser dilution for the existing shareholders.

This plan shall also involve a deep reflexion on the Group's business model."

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Jean-Pierre Remy from his functions as Director of the Company with effect as of this general meeting.

Resolution M – not approved by the Board of Directors (Appointment of Mr Philippe Besnard as Director)

Explanatory statement:

"The appointment of Mr Philippe Besnard, who holds directly and indirectly 229,200 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and who has a good knowledge of Solocal Group and its activities.

The professional career of Mr Philippe Besnard has in addition allowed him to acquire experience in the sector of digital activities that will be precious for the redefinition of Solocal Group's business model.

The legal information relating to Mr Philippe Besnard has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr Philippe Besnard states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Mr Philippe Besnard is the co-founder of the company Quantum Advertising, one of the main European actor in the native advertising.

Former student at HEC, Mr Philippe Besnard started his career in finance and strategy consulting, notably in BCG. As from the 2000s, Mr Philippe Besnard managed and developed digital subsidiaries of Anglo-Saxon group involved in the media sector in France and in Europe, notably on behalf of Time Warner and Specific Media, acquired since then by Time Inc. Mr Philippe Besnard also managed in France the Laureate Education Group, specialized in vocational training, superior education and eLearning.

Mr Philippe Besnard is also an active and long-term investor in the sectors of digital technologies and of E-commerce, via its company Pentagram Media.

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Philippe Besnard, 50 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution N – not approved by the Board of Directors (Removal of Mr Rémy Sautter)**Explanatory statement:**

"Mr Rémy Sautter, in his capacity as Director, was involved in the development and supports a Company's financial restructuring plan, which was rejected by the shareholders. He now supports a second plan whose details that have been made public show that it is not very different from the previous one, and still against both the corporate interest of Solocal Group and the interest of its shareholders as the first one.

A significant portion of the shareholders is opposed to this plan that only confirms the loss of confidence from the shareholders vis-à-vis Mr Rémy Sautter, which does not allow him to be confirmed as Director of the Company.

The loss of confidence in the current governance of the Company is also strengthened by the fact that the Managing Director of the company has claimed in the press that he contemplated to resign from his functions in order to submit a recovery plan for the social activities.

For their part, the shareholders that have initiated these draft resolutions consider that a new plan must be adopted. This plan shall contain on one hand waivers from the creditors in favour of the Company to a substantial part of their receivables, in capital and / or in interests, in order to strongly reduce the debt's weight and to allow the Company to finance its financing needs with its operating cash flows, and on the other hand a much lesser dilution for the existing shareholders.

This plan shall also involve a deep reflexion on the Group's business model."

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Rémy Sautter from his functions as a Director of the Company with effect as of this general meeting.

Resolution O – not approved by the Board of Directors (Appointment of Mr François-Xavier Barbier as Director)**Explanatory statement:**

"The appointment of Mr François-Xavier Barbier, who holds 5 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and who has a good knowledge of Solocal group and its activities.

The legal information relating to Mr François-Xavier Barbier has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr François-Xavier Barbier states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Mr François-Xavier Barbier, 60 years old, a French citizen, is a member of the Association Regroupement PLocal which gathers more than one thousand individual shareholders of Solocal Group.

Mr François-Xavier Barbier, an engineer who graduated from Paris Tech & Gestion des Entreprises, former Vice-President of the European division of ENPRO Industries (an American Group) and is the president of its French subsidiary, has thirty years of experience in management in France (Chevron, Air Liquide, US Filter, Emerson, Enpro).

He is a historical and faithful shareholder of Solocal, he holds with his wife 5 shares of Solocal Group.

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr François-Xavier Barbier, 60 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution P – not approved by the Board of Directors (Removal of Mrs Cécile Moulard)**Explanatory statement:**

"Mrs Cécile Moulard, in her capacity as Director, was involved in the development and supports a Company's financial restructuring plan, which was rejected by the shareholders. She now supports a second plan whose details that have been made public show that it is not very different from the previous one, and still against both the corporate interest of Solocal Group and the interest of its shareholders as the first one.

A significant portion of the shareholders is opposed to this plan that only confirms the loss of confidence from the shareholders vis-à-vis Mrs Cécile Moulard, which does not allow her to be confirmed as Director of the Company.

The loss of confidence in the current governance of the Company is also strengthened by the fact that the Managing Director of the company has claimed in the press that he contemplated to resign from his functions in order to submit a recovery plan for the social activities.

For their part, the shareholders that have initiated these draft resolutions consider that a new plan must be adopted. This plan shall contain on one hand waivers from the creditors in favour of the Company to a substantial part of their receivables, in capital and / or in interests, in order to strongly reduce the debt's weight and to allow the Company to finance its financing needs with its operating cash flows, and on the other hand a much lesser dilution for the existing shareholders.

This plan shall also involve a deep reflexion on the Group's business model."

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present her comments, revokes Mrs Cécile Moulard from her functions as a Director of the Company with effect as of this general meeting.

Resolution Q – not approved by the Board of Directors

(Appointment of Mr Christophe Deshayes as Director)

Explanatory statement:

"The appointment of Mr Christophe Deshayes, who holds 6.000 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and who has a good knowledge of Solocal Group and its activities.

The legal information relating to Mr Christophe Deshayes has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr Christophe Deshayes states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Mr Christophe Deshayes, 53 years old, a French citizen, is a member of the Association RegroupementPPLocal which gathers more than one thousand individual shareholders of Solocal Group.

Mr Christophe Deshayes is a lecturer specialized in digital transformation and has written a lot of books on this topic. He is the president of the company Digital Matters. Since 1996, he has acted as an expert for big companies and public organizations in France.

He has been a shareholder of Solocal since 2011 and holds 13.300 shares. He is one of the founding members of RegroupementPPLocal.

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Christophe Deshayes, 53 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution R – not approved by the Board of Directors

(Removal of Mr Jean-Marc Tassetto)

Explanatory statement:

"Mr Jean-Marc Tassetto, in his capacity as Director, was involved in the development and supports a Company's financial restructuring plan, which was rejected by the shareholders. He now supports a second plan whose details that have been made public show that it is not very different from the previous one, and still against both the corporate interest of Solocal Group and the interest of its shareholders as the first one.

A significant portion of the shareholders is opposed to this plan that only confirms the loss of confidence from the shareholders vis-à-vis Mr Jean-Marc Tassetto, which does not allow him to be confirmed as Director of the Company.

The loss of confidence in the current governance of the Company is also strengthened by the fact that the Managing Director of the company has claimed in the press that he contemplated to resign from his functions in order to submit a recovery plan for the social activities.

For their part, the shareholders that have initiated these draft resolutions consider that a new plan must be adopted. This plan shall contain on one hand waivers from the creditors in favour of the Company to a substantial part of their receivables, in capital and / or in interests, in order to strongly reduce the debt's weight and to allow

the Company to finance its financing needs with its operating cash flows, and on the other hand a much lesser dilution for the existing shareholders.

This plan shall also involve a deep reflexion on the Group's business model."

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Jean-Marc Tassetto from his functions as a Director of the Company with effect as of this general meeting.

Resolution S – not approved by the Board of Directors

(Appointment of Mr Gilles Brenier as Director)

Explanatory statement:

"The appointment of Mr Gilles Brenier, who holds 230.000 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and who has a good knowledge of Solocal Group and its activities.

The legal information relating to Mr Gilles Brenier has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr Gilles Brenier states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Mr Gilles Brenier, 62 years old, a French citizen, is a wealth manager in Switzerland (independent status) and a shareholder of different companies in Switzerland operating in the context of insurance and digitalisation.

Previously, Mr Gilles Brenier notably managed an English and French group specialized in the automotive cutting and stamping, the packaging and the office supplies sectors.

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Gilles Brenier, 55 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution T – not approved by the Board of Directors

(Removal of Mr Arnaud Marion)

Explanatory statement:

"Mr Arnaud Marion, in his capacity as Director, was involved in the development and supports the second plan whose details that have been made public show that it is not very different from the previous one, and still against both the corporate interest of Solocal Group and the interest of its shareholders as the first one.

A significant portion of the shareholders is opposed to this plan that only confirms the loss of confidence from the shareholders vis-à-vis Mr Arnaud Marion, which does not allow him to be confirmed as Director of the Company.

The loss of confidence in the current governance of the Company is also strengthened by the fact that the Managing Director of the company has claimed in the press that he contemplated to resign from his functions in order to submit a recovery plan for the social activities.

For their part, the shareholders that have initiated these draft resolutions consider that a new plan must be adopted. This plan shall contain on one hand waivers from the creditors in favour of the Company to a substantial part of their receivables, in capital and / or in interests, in order to strongly reduce the debt's weight and to allow the Company to finance its financing needs with its operating cash flows, and on the other hand a much lesser dilution for the existing shareholders.

This plan shall also involve a deep reflexion on the Group's business model."

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, after consideration of the reasons set out and after providing the interested party the capacity to present his comments, revokes Mr Arnaud Marion.

Resolution U – not approved by the Board of Directors (Appointment of Mr Loïc de la Cochetière as Director)

Explanatory statement:

"The appointment of Mr Loïc de la Cochetière, who holds 5,000 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and who has a good knowledge of Solocal Group and its activities.

The legal information relating to Mr Loïc de la Cochetière has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr Loïc de la Cochetière states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Mr Loïc de La Cochetière, 65 years old, a French citizen, is a member of the Association Regroupement PPLocal which gathers more than one thousand individual shareholders of Solocal Group.

Mr Loïc de La Cochetière graduated from IEP Paris and has a master degree in econometrics. During eighteen years, he had diverse positions in executive management and in the restructuring of industrial and services companies, one of which is the transformation and recovery of Imprimerie Nationale (2003-2009).

He was previously a counselor for the office of Alain Madelin, Minister of Industry (1986-1988), then responsible of the Interministerial Committee on Industrial Restructuring ("CIRI") for more than 3 years (1983-1986).

He holds 5,000 shares of Solocal Group.

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Loïc de la Cochetière, 65 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution V – not approved by the Board of Directors (Appointment of Mr Christian Louis-Victor as Director)

Explanatory statement:

"The appointment of Mr Christian Louis-Victor, who holds 13,905 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and who has a good knowledge of Solocal Group and its activities.

The legal information relating to Mr Christian Louis-Victor has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr Christian Louis-Victor states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Mr Christian Louis-Victor, 67 years old, a French citizen, is an independent Director of the Crédit Foncier Immobilier (BPCE group), of Patrimoine & Commerce (Financière Duval group), of France Confort SA, of Colisée International (Eurazeo group) and of Financière Quarré Holding. He is also co-President, together with Didier Calmels, of the group Développement et Partenariat "D&P". He is also a member of the National Construction Council, President of the Wood Construction Syndicate "AFCOBOIS", and Mediator Judge and President of the 2nd Chamber (construction) of the International Arbitration and Mediation Court.

Holder of a Master 2 in Structural Mechanics Physics, he started his career in the Compagnie Générale des Eaux (1971-1980). He created the Louis-Victor group in 1984, which acquired several companies in the sector of construction and real estate promotion. In 1990, he created the Compagnie Européenne de Garantie Immobilière (G.E.C.I), surety insurance and civil liability company. Following the absorption of G.E.C.I by the Natixis group, he has become the Chairman of the Executive Board of C.E.C.G, subsidiary of the Natixis group (2007), then a member of the Executive Committee of the Natixis group (2010).

Mr Christian Louis-Victor also was President of the professional organization Union des Maisons Françaises (U.M.F) (1989-2015) and Vice-Chairman of the Supervisory Board of the DOUX group (2014-2015).

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Christian Louis-Victor, 67 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution W – not approved by the Board of Directors (Appointment of Mr Baudoin de Pimodan as Director)

Explanatory statement:

"The appointment of Mr Baudoin de Pimodan, who holds directly and indirectly 4,000 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and who has a good knowledge of Solocal Group and its activities.

The legal information relating to Mr Baudoin de Pimodan has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr Baudoin de Pimodan states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Mr Baudoin de Pimodan, 67 years old, a French citizen, is the President of the company Nane Editions.

Holder of a Bachelor in economic sciences and graduated from the INSEAD, Sciences Po Paris and ESC Reims, he started his career as Attaché de direction then as Fondé de pouvoirs at the Banque Française du Commerce Extérieur (1975-1979), before becoming Chargé de mission at the Direction Economique Extérieure du Ministère des Finances (1980-1981) then Rapporteur at the Comité Interministériel de Restructuration Industrielle (1982-1985).

Mr Baudoin de Pimodan then occupied executive positions within several companies, notably as Managing director of the holding of the SOPHA group (1986), Executive Director at the Banque Duménil Leblé (1987), Managing director at EURIS (1988-1992), deputy managing director of Marceau Investissement (1993), Managing director of the investment company Electricité et Eaux de Madagascar (1994-2005) and Manager of the consulting in mergers & acquisitions company PIMCO SARL (2006-2010).

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Baudoin de Pimodan, 67 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution X – not approved by the Board of Directors (Appointment of Mr Benjamin Jayet as Director)

Explanatory statement:

"The appointment of Benjamin Jayet, who holds directly and indirectly 2.525.593 shares of Solocal Group, will allow bringing into the Board of Directors of the Company a member who benefits from the support and the confidence of many shareholders, and who has a good knowledge of Solocal Group and its activities.

The legal information relating to Mr Benjamin Jayet has been disclosed to Solocal Group at the same time as the text of this resolution and its explanatory statement.

In the event he would be elected as Director, Mr Benjamin Jayet states that he accepts these functions and that he complies with all the legal conditions required to perform them. He thanks the general meeting for the confidence that it will grant to him."

Introduction of the candidate to the position of Director:

Benjamin Jayet is a digital entrepreneur, he founded in 2005 the company Gibmedia, that became leader in the online payment on operator invoice sector.

Thanks to the success of this start-up, Benjamin Jayet created BJ Invest, investment fund dedicated to the digital within which he has gathered, by successive acquisitions, 27 stake holdings, the majority of which are digital companies as well as companies specialized

in the acquisition of web audience to performance. These different transactions followed a strategy of vertical integration of the chain of value of the payment on operator invoice.

In addition, Benjamin Jayet has diversified its investments by taking significant stake holdings in specialists of e-commerce solutions and in client-relation management, such as Eloquant. Since 2015, BJ Invest has strengthened itself in the sector of payment services technologies in by investing in HiPay and Trezor.

Text of draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to appoint as a Director of the Company Mr Benjamin Jayet, 43 years old, a French citizen, for a duration of 4 years that will expire at the end of the ordinary general meeting convened to vote on the financial statements for the financial year ending 31 December 2019.

Resolution Y – not approved by the Board of Directors (Amendment to article 22 of the by-laws)

Text of draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to amend the drafting of article 22 of the Company's by-laws as follows:

Old version:

"Article 22 – Remuneration – Prohibition – Liability

It may be allocated to the Board of Directors, as attendance fees, an allowance, the amount of which is set by the general meeting and maintained until contrary decision.

The Board of Directors decides on the allocation of this allowance within the proportions it will deem fit.

The mandate of employee representatives is free.

The Directors shall not incur, by virtue of their mandate and their management, other obligations and liabilities, than those provided for applicable the law".

New version:

"Article 22 – Remuneration – Prohibition – Liability

It may be allocated to the Board of Directors, as attendance fees, an allowance, the amount of which is set by the general meeting and maintained until contrary decision.

The Board of Directors decides on the allocation of this allowance within the proportions it will deem fit.

The Directors shall receive no attendance fee for a financial year during which no dividend is paid, except upon contrary decision at a majority of two thirds of the ordinary general meeting voting on the accounts of such financial year. The Directors may however request the reimbursement of their travel expenses.

The mandate of employee representatives is free.

The Directors shall not incur, by virtue of their mandate and their management, other obligations and liabilities, than those provided for by the applicable law".

Resolution Z – not approved by the Board of Directors

(Addition of an article 38 of the by-laws)

Text of the draft resolution:

The general meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, on the proposal of several shareholders representing the percentage of share capital provided for by Law, decides to add an article 38 to the by-laws of the company reading as follows:

"Article 38 – Remuneration gap

The greatest annual gross remuneration, excluding stock-options, shall not be greater than twenty-five times the lowest gross annual remuneration, excluding stock-options".

Item submitted by a Company's shareholder

Item submitted by the Supervisory Board of the Company Mutual Fund (Fonds Commun de Placement d'Entreprise – FCPE) SoLocal Actions

Update on the follow-up to be given to the non-binding vote of the combined general meeting dated 19 October 2016 on the components of the remuneration owed or granted to Mr Robert de Metz, Mr Jean-Pierre Remy and Mr Christophe Pingard for the financial year ended 31 December 2015.

Explanatory statement:

"During its meeting dated 19 October 2016, the shareholders' combined general meeting of SoLocal Group issued a negative

opinion on the 6th, 7th and 8th resolutions relating to the components of the remuneration owed or granted for the financial year ended 31 December 2016 to Mr Robert de Metz, Mr Jean-Pierre Remy and Mr Christophe Pingard.

The Afep-Medef Code of June 2013, as amended in November 2015, which is the Company's code of reference, indicates that "When the ordinary shareholders' meeting issues a negative opinion, the Board, acting on the advice of the compensation committee, must discuss this matter at another meeting and immediately publish on the company's website a notice detailing how it intends to deal with the opinion expressed by the shareholders at the General Meeting".

The Board of Directors of SoLocal Group has not, to date, informed the shareholders how it intends to follow up with the expectations expressed by the shareholders during the general meeting of last 19 October. It appears desirable that such information is discussed during the general meeting of 15 December 2016 and that the required information is made public."

Board of Directors' comment:

An information point shall be given during the general meeting if 15 December 2016 on the follow-up of the negative consultative opinion issued by the combined general meeting dated 19 October 2016 on the remuneration of Robert de Metz, Jean-Pierre Remy and Christophe Pingard.

The Board of Directors invites you to adopt the resolutions numbered 1 to 10 submitted to your vote, and not to adopt or to abstain from voting the resolutions numbered A to Z, as the Board of Directors has not approved them.

REQUEST FOR DOCUMENTS

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

Extraordinary General Shareholders' Meeting of SoLocal Group to be held on 15 décembre 2016

M. Mrs Miss

First and last names:

Address:

Postcode:Town or City:

E-mail address:

Registered account number:

In accordance with the provisions of Article R. 225-88 of the French Commercial Code, I request SoLocal Group to send me all the documents and information about the Extraordinary General Shareholders' Meeting to be held on 15 December 2016, as 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 Articles 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:

an authorized intermediary, and that the certificate issued by such intermediary certifying that the shares were registered no later than 13 December 2016 at 00:00 (Paris time), was deposited at SoLocal Group, the depositary designated in the Notice of Meeting (Articles R. 225-85 and R. 225-88 of the French Commercial Code).

Executed in on 2016,

Signature:

REQUEST THAT DOCUMENTS BE SENT ELECTRONICALLY

Form to be sent to:

BNP PARIBAS SECURITIES SERVICES, CTS ASSEMBLÉES

GRANDS MOULINS DE PANTIN

9, RUE DU DÉBARCADÈRE – 93761 PANTIN CEDEX

Documents for participating in General Shareholders' Meetings 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.

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

I request that starting with the first General Shareholders' Meeting in 2017 you send me **by e-mail, to my e-mail address** indicated below, my Notice of Meeting and the documents for participating in the SoLocal Group general meetings.

I expressly authorize 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 or City:

E-mail address:

Registered account number:

Executed in on 2016.

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 acknowledgment of receipt.

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

Telephone: 0800 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. Photo credits: © Gettyimages/Musketeer.





Solocal
GROUP

SOLOCAL GROUP

Public limited company
with a capital of 233,259,384 euros
Commercial and Companies
Register Nanterre 552 028 425

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  0 800 81 84 54

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