

A group of four business professionals (three men and one woman) are gathered in a modern office environment, looking at a tablet held by one of the men. The woman is holding a smartphone. They are all dressed in professional attire. The background shows large windows with a view of a city.

Q3 2020 Activity and Revenues

22 OCTOBER 2020

solocal

Disclaimer

This document contains forward-looking statements. Any forward-looking statement does not constitute forecasts as defined in Commission Delegated Regulation (EU) 2019/980. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. These forward-looking statements are based on Solocal Group's current beliefs, assumptions and expectations of its future performance, taking into account all information currently available. Although Solocal Group's management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Solocal Group, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking statements. These risks and uncertainties include those discussed or identified in the public filings made by Solocal Group with the Autorités des marchés financiers (French Financial Market Authority) including, in particular, those listed under the section "Risk Factors" in Solocal Group's universal registration document (document d'enregistrement universel). Solocal Group, its affiliates, directors, advisors, employees and representatives expressly disclaim any liability whatsoever for such forward-looking statements.

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The quarterly financial statements are not audited.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the total provided



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Q3 Revenues & Business review

Pierre DANON

Chairman of the Board & Chief Executive Officer

Olivier REGNARD

Chief Financial Officer

Q3 2020 revenues : on track

In million euros	Q3 2019 ¹	Q3 2020 ¹	Change
Digital revenues	123.7	106.8	-13.6%
Secured Digital revenues for current year	480	419	-12.8%

→ **Digital revenue decreased** by -13.6% on Q3 2020 vs. Q3 2019 because of the Covid crisis impact converting into revenues. On a year-to-date basis, revenues decreased by -12.5% to **332m€**

→ **€ 419 million Digital revenues** are already secured, in line with our post-covid reforecast – more than 95% of the revenues secured

In million euros	June 2020	Sept 2020	Change
Digital order backlog	310.8	293.4	-5.6%





→ **Digital order backlog²** decrease by -5.6% due to seasonality (less order intake than revenues on the quarter)



2020 → Guidance secured

2021 → Digital revenues already secured of c. €183 million in line with our business plan assumptions

Overview of Solocal revenues

	 Digital Presence	 Websites	 Digital Advertising	TOTAL Digital	 Print
YTD 2020	€88 m	€52 m	€192 m	€332 m	€25 m
YTD 2019	€98 m	€65 m	€217 m	€379 m	€49 m
<i>Change</i>	-9,5%	-20.1%	-11.5%	-12.5%	-48.9%

Post-lockdown sales dynamics

Uneven speed of recovery

VSEs

- No slowdown observed on this quarter

SMBs

- Ramp up of the transformation from “farmer” to “hunter” mode. Immediate recruiting of 80 new “hunters” in motion

Large Accounts & Networks

- Several advertising campaigns delayed or postponed in this uncertain context

- At this stage, no sign of SMEs bankruptcy yet

→ **Debit rejection rates remain stable compared to the pre-covid period**

What if lockdown measures are put back in place ?

- A well diversified customer base...
- ... in subscription mode

Customer base in subscription mode¹

Beginning of Q1

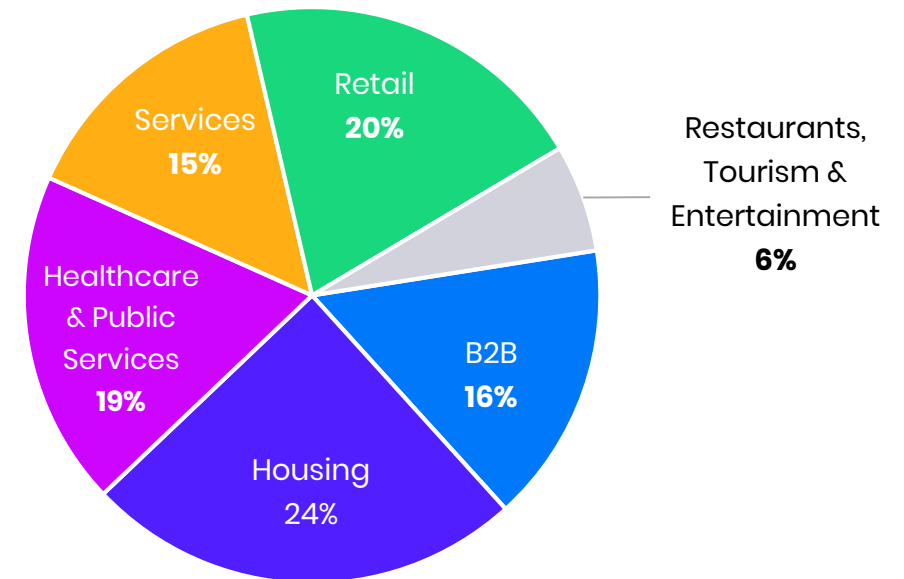
31%



End of Q3

77%

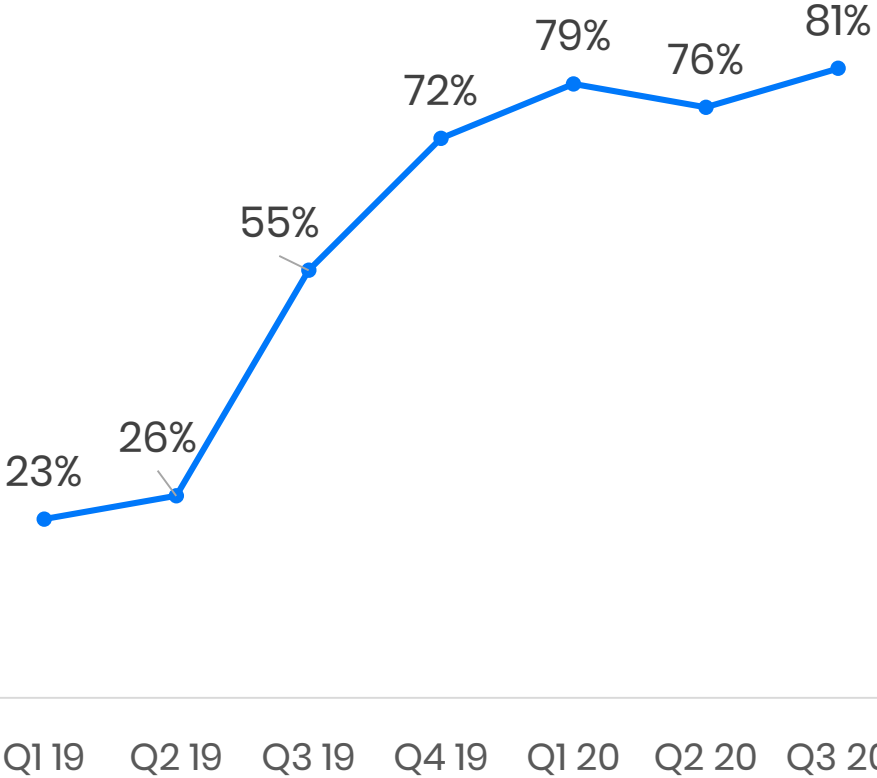
- All staff equipped & ready to work from home when needed



77% of customer base already in subscription mode

A strong adoption of the subscription model

(% of subscription mode Digital products sold¹)



A more secure visibility on our customer base

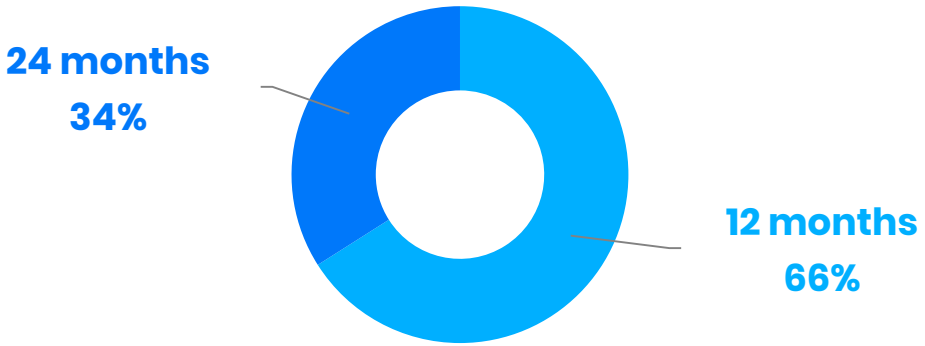
Customer base in subscription mode²
At end of Q3 2020

77%

Migration rate³
Q3 2020 for VSE/SMEs

90%

Breakdown of the subscription mode products sold



¹ % calculated in value terms on Digital order intake
² customers with at least one product in subscription mode
³ Migration Rate: number of clients migrated to the new Presence and Priority Ranking offer vs. relevant customer base (excluding Large Accounts)

Loss of customer base almost divided by two on Q3 YoY

Q3 2020 customer base overview

Beginning of Period

336k
customers

+

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

-

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

=

329k
customers

End of Period

Q3 2019 → - 16 k customers

Q3 2020 → - 7 k customers

ARPA

Average ARPA¹
FY 2019
c. € 1,460

Average ARPA¹
Q3 2020 – LTM
c. € 1,520

¹ Based on order intake, Solocal SA

Focus on customer retention

	Strategic initiatives	Q3 achievements
1	Subscription model	<ul style="list-style-type: none">• 77% of our customer base is in subscription mode¹ at end of Q3 2020
2	Improved value for money of our products	<ul style="list-style-type: none">• Connect offer launched• Website offer strengthened
3	Creation of a retention squad	<ul style="list-style-type: none">• 60 dedicated people²• 38 % retention rate
4	Improve customer satisfaction	<ul style="list-style-type: none">• Appointment of Deputy CEO, Eric Klipfel• Creation of the Customer Satisfaction & Operational Efficiency Committee

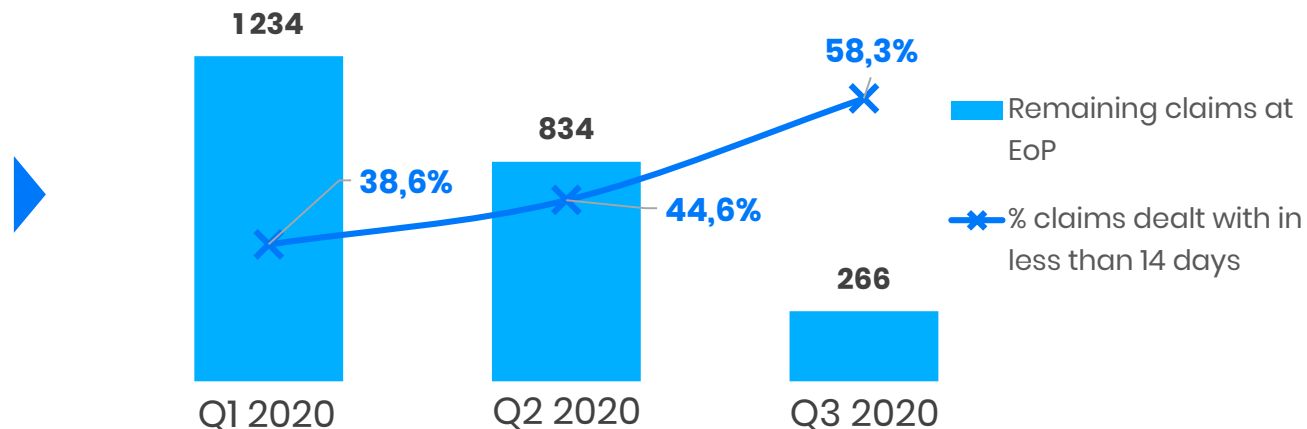
¹ customers with at least one product in subscription mode

² As at the beginning of October 2020

Customer satisfaction : our initial achievements

Improvement in service claim management – in Q3 2020 vs Q1 2020

- Average claim resolution time almost divided by 2
- Stocks of claims¹ reduced by **-78%**
- More than half of the claims dealt with in less than 2 weeks



Focus on product performance

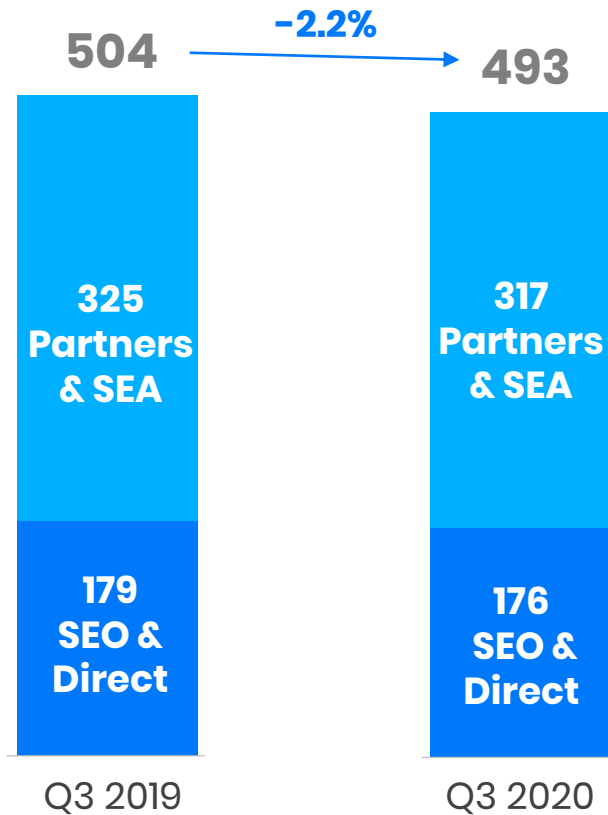
▶ **88.3%** Delivery rate of our Booster product performance
i.e. : + 9.1pts in Q3 2020 vs. Q1 2020

Average website production time reduced² with further room for improvement

▶ **Essentiel** ↘ - **67%** in production time : delivered within 6 days
Premium ↘ - **24%** in production time : delivered within 22 days
Privilege ↘ - **6%** in production time : delivered within 67 days

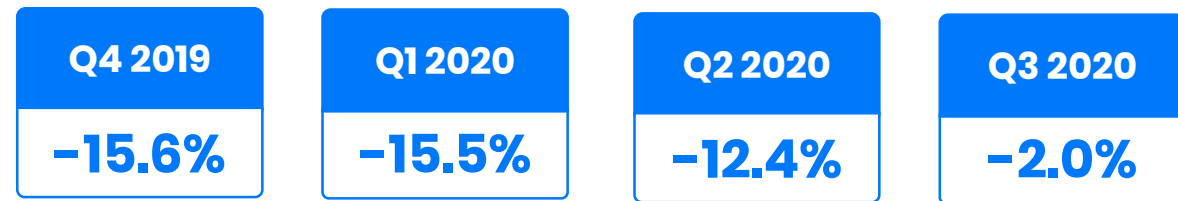
Q3 2020 : reduction in PagesJaunes traffic slowdown

Million visits on PagesJaunes



- PJ SEO & Direct traffic : in recovery compared to previous 2020 quarters :

Quarter-on-quarter SEO & Direct traffic growth rate¹



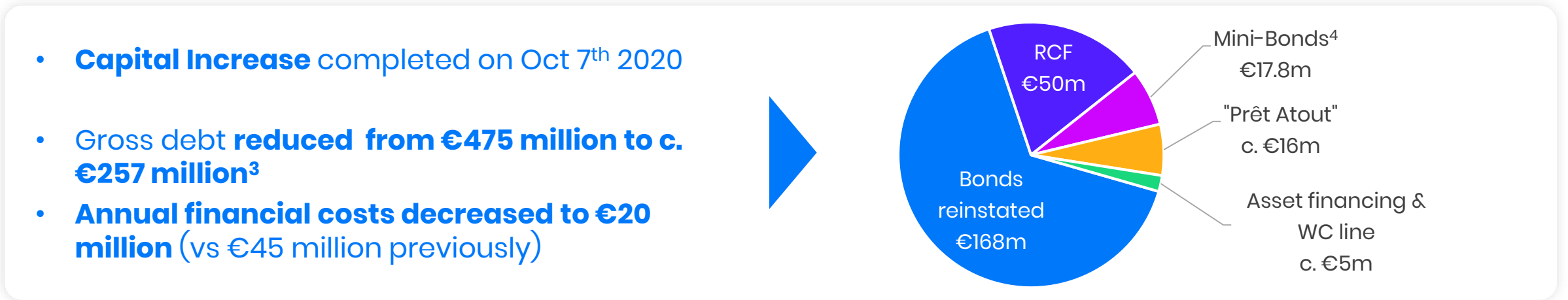
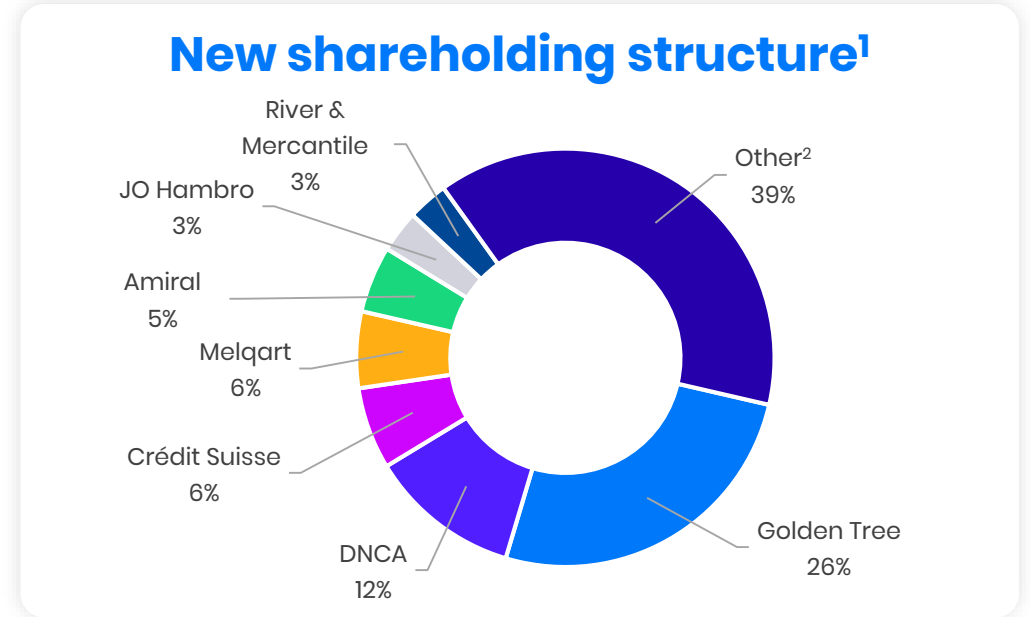
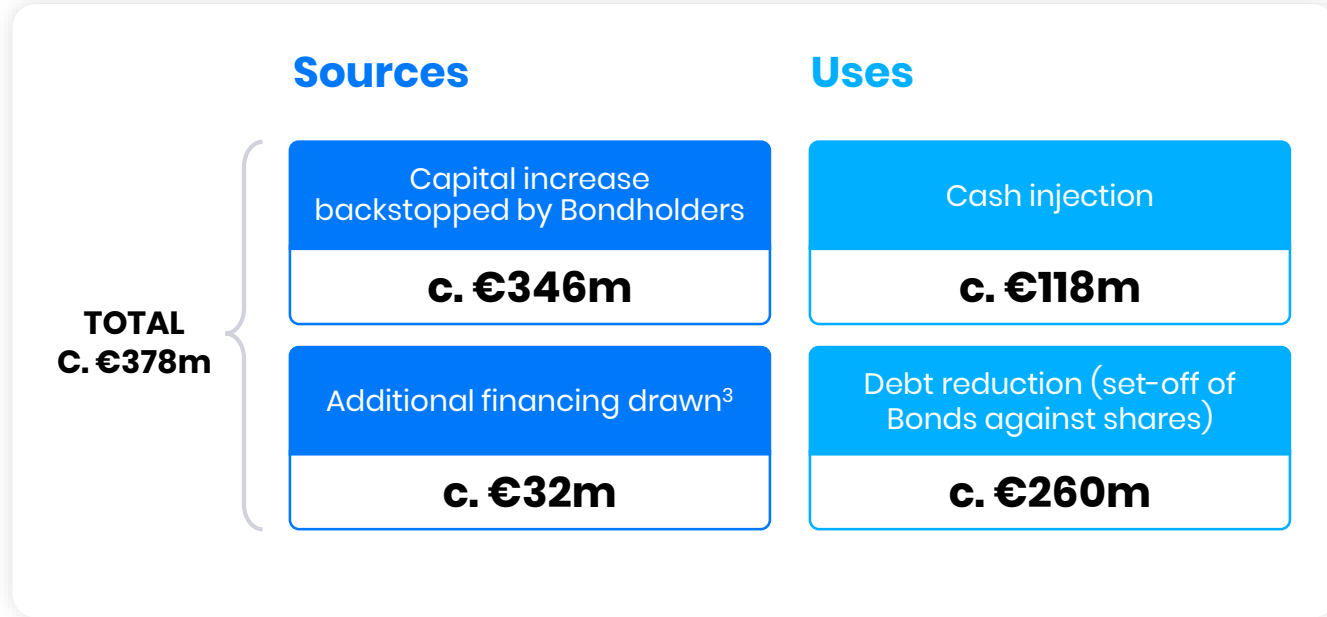
Drivers :

- free update of the PJ media and boost of usage for customers
- search engine optimization generates more user satisfaction
- new features on the PJ app (map)
- favourable Covid impact on traffic in Q3, which should not be as significant in Q4 2020

- Partnerships traffic decreased by -2.3%

¹ % of growth of quarterly SEO & Direct Traffic year n vs. quarterly SEO & Direct Traffic year n-1

A strengthened financial structure





Wrap up

Guidance confirmed

2020 guidance confirmed
despite the current crisis

- More than 95% of revenues already secured
- Group EBITDA above €130 million

2021 is on track,
underpinned by a
strengthened financial
structure



Appendix

Breakdown of Bonds (ISIN FR0013237484) value after the capital increase in million euros

