

# SOLUTIONS 30 SE

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European company with a management board and supervisory board  
share capital of 13,267,317.48 euros  
Registered office: 6, rue Dicks L 1417 Luxembourg  
RCS Luxembourg B 179097

## **Management report on the individual and consolidated financial statements**

**Year ended December 31, 2018**

Ladies,  
Gentlemen,

In accordance with the legal obligations imposed on the company SOLUTIONS 30 SE, including the law of August 10, 1915 on commercial companies, the law of December 19, 2002 concerning the trade and companies register, company accounting and accounts as well as its own statutes, we report to you on the situation of SOLUTIONS 30 SE and its activity during the financial year ended December 31, 2018 and will submit to your approval the individual and consolidated financial statements for this accounting period.

You will find annexed to this management report the balance sheet, the income statement and the notes thereto and the consolidated financial statements.

No changes in accounting methods or estimates have been applied in the 2018 financial statements.

## 1. The SOLUTIONS 30 SE Group

### 1.1 Main consolidated figures for the SOLUTIONS 30 SE group

	12.31.2018	12.31.2017	Change
	€M	€M	%
<b>Revenue</b>	441.8	274.5	61%
<b>Adjusted EBITDA <sup>(1)</sup></b>	41.1	25.5	61%
As a % of revenue	9.3%	9.3%	
<b>Current pretax income - Adjusted EBIT <sup>(2)</sup></b>	33.2	20.7	61%
As a % of revenue	7.5%	7.5%	
<b>Net income before tax <sup>(3)</sup></b>	29.3	15.8	85%
As a % of revenue	6.6%	5.8%	
<b>Adjusted consolidated net income <sup>(3)</sup></b>	28.5	18	58%
As a % of revenue	6.4%	6.6%	
<b>Net income from consolidated companies</b>	23.7	14.1	68%
As a % of revenue	5.4%	5.1%	
<b>Net income – group share</b>	20.0	12.5	60%
As a % of revenue	4.5%	4.6%	
<b>FINANCIAL STRUCTURE FIGURES</b>			
Equity <sup>(4)</sup>	91.6	66.5	
Net debt	12.4	20.8	
Interest coverage ratio <sup>(5)</sup>	19.6x	8x	

(1) Operating income from recurring operations(\*) before depreciation, amortization, and provisions, net of reversals.

(2) Operating income from recurring operations(\*) before amortization of intangible assets, including customer relationships.

(3) Before amortization of goodwill and customer relationships.

(4) Including minority interests.

(5) Interest coverage ratio by EBIT: EBIT/net financial expense

(6) (\*) Income and expenses that are infrequent, unusual in nature, and significant in amount—including restructuring costs that result from acquiring and consolidating companies—are considered non-recurring transactions (cf. note 8.15).

### 1.2 2018 Results of the SOLUTIONS 30 SE Group

The Solutions 30 SE group's consolidated revenue for 2018 was €441.8 million, up 60.9% compared to 2017 (+27.6% like-for-like).

Revenue from France increased by 56.9% compared with 2017 and represents 63.2% of total revenue (64.8% in 2017).

Revenue from other countries (Italy, Benelux, Germany, and Spain) increased by 68.4% compared with 2017 and represents 36.8% of total revenue (35.2% in 2017).

### 1.3 Revenue by quarter

In millions of euros	2018	2017	Change €M	Change %
Q1	85.2	56.1	29.1	+51.9%
Q2	91.4	61.1	30.3	+49.6%
Q3	114.5	71.8	42.7	+59.4%
Q4	150.7	85.5	65.2	+76.3%
<b>Year</b>	<b>441,8</b>	<b>274,5</b>	<b>167.3</b>	<b>+60.9%</b>
From France	279.1	177.9	101.2	+56.9%
From international operations	162.7	96.6	66.1	+68.4%

### 1.4 Revenue by region and activities

#### Operations in France

In France, the Solutions 30 SE group reported revenue of €279.1 million, a 56.9% increase (34.5% like-for-like).

Organic momentum is still being driven by the fiber-optic and smart meter sectors. The integration of CPCP as of August 1st and the acquisition of Sotranasa in December 2018 also helped the group strengthen its market share in these sectors.

#### International operations

Revenue in other countries is up by 68.4% (14.9% like-for-like) and reached €162.7 million, representing 37% of the group's consolidated revenue.

The creation of Unit-T—a company 70% owned by Solutions 30 SE and 30% owned by the Belgian cable operator Telenet—in July 2018 and the signing of an outsourcing contract worth approximately €500 million over 7 years with the latter notably bolstered performance in the 2nd half of the year. In addition to this strategic deal enabling the group to reach critical mass in Benelux, new markets were tapped, outsourcing transactions were completed in Italy, and an acquisition was made in Spain.

### 1.5 Operating profitability

Adjusted EBITDA (see note 8.15 in the notes to the consolidated financial statements) came in at €41.1 million, up 62% compared to 2017, or 9.3% of revenue, an increase of 10 basis points year-on-year due to reining in structural costs.

Adjusted EBIT was €33.2 million. It includes €7.9 million in operating amortization (compared to €4.7 million the previous year), an increase in line with revenue growth. Customer relationship amortization amounted to (€4.8) million as of December 31, 2018, compared to (€3.9) million at the end of 2017.

Income tax expense was €5.6 million, compared to €1.9 million in 2017, revealing a tax rate (excluding corporate value-added levy) of 13%. This increase mainly came from the tax burden reported in Belgium during the creation of Unit-T and the consequent reorganization of the other legal entities in the country. Non-recurring items of €2.5 million compared to €0.7 million a year earlier resulted from the recognition of negative goodwill related to the increase in shareholdings in ABM and CPCP.

Net financial income at December 31, 2018 was (€1.7) million, compared with (€1.6) million in 2017. Net financial income was stable, thanks in particular to improved financing conditions under the group's new financing programs in 2017 and 2018.

After these items were factored in, net income from consolidated companies reached €23.7 million, compared to the €14.1 million recorded the previous year. Consolidated net income, including €3.3 million in goodwill amortization, amounted to €20.4 million, an increase of 65%.

The adjusted consolidated net income amounted to €28.5 million, or 6.4% of revenue.

## **1.6 Solid financial structure**

As of December 31, 2018, the SOLUTIONS 30 SE group's equity amounted to €91.6 million, compared with €66.5 million on December 31, 2017. Gross financial liabilities amounted to €82.2 million, compared with €49.1 million on December 31, 2017, while cash equivalents totaled €69.9 million, compared with €28.3 million at the end of December 2017. Net debt was €12.4 million compared with €20.8 million the previous year.

The deconsolidating factoring program that was implemented across all the group's subsidiaries reduced working capital requirements (WCR), which were a negative €31.9 million in 2018, compared to positive WCR of €27.4 million in 2017. The total amount of transferred, and therefore deconsolidated, receivables amounted to €51 million as of December 31, 2018.

With a gearing ratio (net debt to equity) of 13.5%, an adjusted net debt-to-EBITDA ratio of 30%, and an interest coverage ratio (adjusted EBIT to net financial expenses) of 20, the SOLUTIONS 30 SE group is in a stronger position to pursue its growth strategy.

## **1.7 Consolidation scope of the SOLUTIONS 30 SE group**

To meet the growth of its activities in various business segments, Solutions 30 SE has created the following companies:

- BUSINESS SOLUTIONS ITALIA SRL, January 11, 2018 (Italy)
- BUSINESS REMOTE SOLUTIONS ITALIA SRL, January 11, 2018 (Italy)
- UNIT-T FIELD SERVICES BVBA, May 4, 2018 (Belgium)
- ICT FIELD SERVICES BVBA, May 4, 2018 (Belgium)
- JANSSENS FIELD SERVICES BVBA, May 4, 2018 (Belgium)
- TELIMA EURO ENERGY, June 18, 2018 (France)
- Solutions 30 Portugal SA, July 27, 2018 (Portugal)
- FREDEV ENERGY CENTRE, August 30, 2018 (France)
- SOLUTIONS 30 GUYANE, September 24, 2018 (France)
- SOLUTIONS 30 MARTINIQUE, September 24, 2018 (France)

### Acquisitions:

In order to support the growth of its activities, the SOLUTIONS 30 SE group carried out the following transactions during 2018 for a total amount of €47 million:

- Integrated DXC field service operations into the IT support sector in Italy on March 1, 2018
- Acquired an additional 48.8% of the share capital of the German company ABM Communication GmbH (now Solutions 30 Operations GmbH), enabling the group to increase its stake to 99.8% of the share capital on June 30, 2018
- Increased its stake in its Belgian subsidiary, the Janssens Group, from 50% to 100% on June 1, 2018
- Acquired a 20% minority stake in Worldlink GmbH in Germany on July 13, 2018
- Increased its stake in CPCP Telecom from 48% to 76% on August 1, 2018, making Solutions 30 the majority shareholder
- Acquired the business of Painhas France—a company specializing in the energy sector—on September 1, 2018
- Acquired two Spanish companies specializing in the telecom sector—Telecom Saltó and Magaez Telecomunicaciones—on September 20, 2018
- Acquired Sotranasa—a company specializing in the installation of fiber optic cables and having solid expertise in the installation and maintenance of solar and wind power equipment—on December 6, 2018.

#### Restructuring operations:

In order to prepare the merger with Telenet, several restructuring operations were carried out in Belgium related to the legal organizational chart:

- Merger by absorption of Wild Cats Consulting BVBA by Janssens Group BVBA
- Merger by absorption of Janssens Investment Services BVBA by Janssens Group BVBA
- Partial spin-off by absorption of Janssens Field Services BVBA by Solutions 30 Field Services BVBA
- Contribution of a branch of activity by Telima Belgique to ICT Field Services
- Sale of shares in Janssens Business Solutions held by Janssens Group BVBA to Telima Belgique BVBA
- Sale of shares in ICT Field Services held by Telima Belgique BVBA to Janssens Group BVBA
- Sale of shares in Janssens Field Services held by Janssens Group to Telima Belgique

In Germany, all of the shares in Solutions 30 Field Services Süd GmbH held by Solutions 30 Field Services GmbH were transferred to Solutions 30 Holding GmbH

The following entities were not consolidated because of their insignificance:

Companies	Reasons for exclusion
<b>Telima Poland</b>	Insignificant activity (also in 2017)
<b>Connectica</b>	Insignificant activity (also in 2017)
<b>GNS</b>	No significant influence
<b>Rimiflu</b>	No significant influence
<b>VoCo Single Member PC</b>	Insignificant activity (also in 2017)
<b>Solutions 30 Eastern Europe</b>	Insignificant activity (also in 2017)

**Worldlink GmbH**

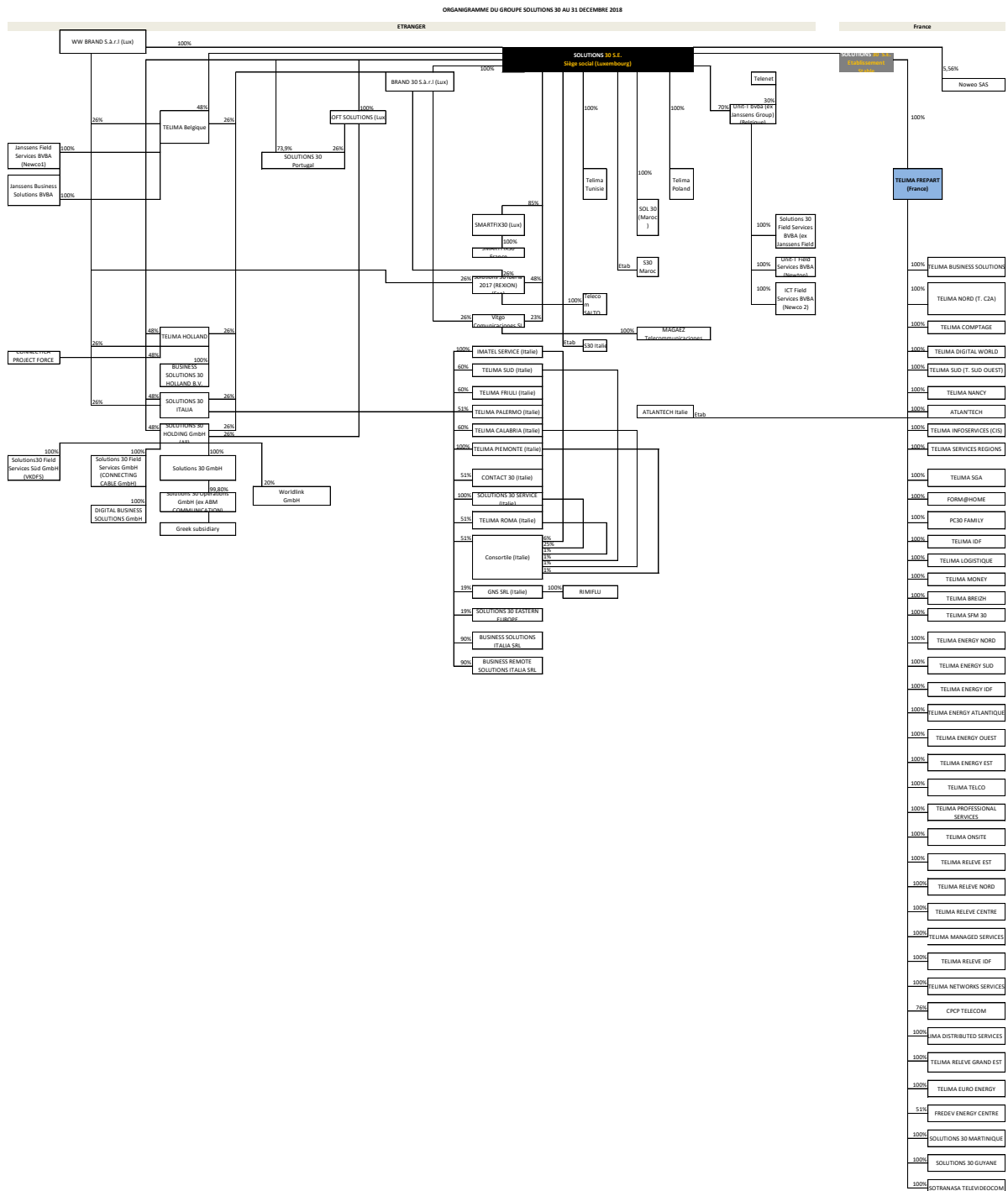
No significant influence

**Magaez Telecomunicaciones**

No significant influence

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## 2 Legal organization chart as of December 31, 2018 (see 4.2.1)



### **3 Corporate governance**

#### **3.1 Changes in the management and control bodies during the 2018 financial year**

On April 18, 2018, the supervisory board:

- Appointed Jean-Paul Cottet and Paul Raguin to replace Emmanuel Journe, deceased, and the company OS CONSEIL, which resigned
- Appointed Alexander Sator as vice chairman of the supervisory board, for the duration of his term as member of the supervisory board.

On May 18, 2018, shareholders at the general meeting:

- Recognized the death of Emmanuel Journe, member of the supervisory board, and the resignation of the company OS CONSEIL from their duties as a member of the supervisory board
- Ratified the appointment of Jean-Paul Cottet and Paul Raguin as members of the supervisory board, for a period ending at the end of the annual general meeting called to approve the accounts closed on December 31, 2020
- Nominated of Laurence Vanhee as member of the supervisory board, for a period ending at the end of the annual general meeting called to approve the accounts closed on December 31, 2020

During the summer of 2018, the supervisory board formally noted the resignation of Jean-Marie Descarpentries from his duties as chairman and member of the supervisory board. Following his resignation, Alexander Sator was appointed chairman of the supervisory board for the duration of his term as a member of the supervisory board, i.e. for a period ending at the end of the annual general meeting called to approve the accounts closed on December 31, 2018. Francesco Serafini was appointed as vice chairman of the supervisory board.

On December 14, 2018, the supervisory board formally noted the resignation of Laurence Vanhee and Jean Morisson de la Bassetiere from their positions as members of the supervisory board.

In April 2019, Olivier Raguin resigned as a member of the management board for personal reasons.

#### **3.2 Appointments and renewals of mandates of members of the supervisory board proposed to shareholders at the annual general meeting**

Alexander Sator's mandate as a member of the supervisory board expires at the end of the annual general meeting called to approve the financial statements for the 2018 financial year.

Accordingly, the management board will propose to shareholders at the annual general meeting to renew the mandate of Alexander Sator, as a member of the supervisory board for a period ending at the end of the annual general meeting called to approve the accounts for the year ended December 31, 2022.

In addition, following the resignations of members of the Supervisory Board, the Management Board will propose to shareholders at the annual general meeting the appointment of Yves Kerveillant as a member of the Supervisory Board, for a period ending at the end of the annual general meeting called to approve the financial statements for the year ending December 31, 2022.



### **3.3 New governance: establishment of committees within the supervisory and management boards**

In order to improve and take an additional step in terms of better governance practices as well as to develop a more efficient organizational structure to manage SOLUTIONS 30 SE, a new and more structured governance was adopted at the meeting of the Supervisory Board on April 23, 2019.

More specifically, the new governance is reflected in the implementation of:

- three working committees within the Supervisory Board, namely: (I) the Strategy Committee, (ii) the Audit Committee and (iii) the Remuneration Committee; as well as
- two executive committees within the Management Board, namely: (I) the Group Executive Committee and (ii) the Country Executive Committee.

These committees are intended to assist the Supervisory Board and the Management Board respectively in carrying out their duties, within the limits of the powers and functions assigned to them.

The main functions of the Supervisory Board committees include the following:

- 1) Strategic Committee: monitor the company's strategic developments, participate in the development of the long-term strategy, analyze investment projects
- 2) Audit Committee: assist the Supervisory Board with compliance, financial reporting, internal control procedures and risk management
- 3) Remuneration Committee: assist the Supervisory Board and formulate proposals on the composition and remuneration of members of the Supervisory Board and of the Management Board.

At the management board level, the main functions of the executive committees include the following:

- 1) Group Executive Committee:
  - participate in the implementation of internal policies on ethics, security, and human resources;
  - make recommendations to improve these policies;
  - advise the Management Board on best practices implemented locally, as well as on investments, general organization of the group; promote the convergence and centralization of certain activities at the group level in order to reduce associated costs;
- 2) Country Executive Committee:
  - participate in the preparation of the annual budget by country;
  - assist the Management Board in setting up the annual budget and monitor major investments, acquisitions, cash flows and financial activities at the local level;
  - verify compliance with local regulations, particularly in terms of safety, security, and social responsibility.

### **3.4 List of mandates held in all companies by any corporate officer during the financial year ended December 31, 2018**

Nom et prénom	Fonction	Mandat(s)	Sociétés
<b>Supervisory Board</b>			
Alexander Sator	Chairman of the Supervisory Board	Chairman Non-Executive Board Member Chairman Managing Director Managing Director CEO	SendR SE Satkirit Ltd  Reverse retail GmbH Sapfi Kapital Management GmbH Norbit SA / GmbH 1nce GmbH
Jean-Paul Cottet	Member of the Supervisory Board	CEO Advisor Advisor Advisor	PENTEKAITECH QUICKSIGN Assia ARMOR
Paul Raguin	Member of the Supervisory Board	Chairman Chairman of the Supervisory Board Chairman Director	SGR Electro Holding  AEROLANE KOALA
Francesco Serafini	Member of the Supervisory Board	Chairman of the Board	HarbourSpot Ltd
Caroline TISSOT	Member of the Supervisory Board		
<b>Management Board</b>			
Gianbeppi Fortis	Chairman of the Management Board	General Manager Chairman Representative of Telima Frépart which chairs Geschäftsführer Director General Manager General Manager Director, Chairman of the Board of Directors Co-Manager Representative of SOLUTIONS 30 which is a member of the Board Representative of SOLUTIONS 30 which is a member of the Board Director	GIAS TELIMA BUSINESS SOLUTIONS SAS TELIMA PROFESSIONAL SERVICES  SOLUTIONS30 HOLDING GMBH SOLUTIONS 30 IBERIA 2017 BRAND 30 WWBRAND SMARTFIX30  TELIMA FREPART TELIMA HOLLAND  BUSINESS SOLUTIONS 30 HOLLAND B.V.  SOLUTIONS 30 ITALIA SRL

		Representative of SOLUTIONS 30 which is a general manager Director and Chairman Director and Chairman Director and Chairman of the Board of Directors General Manager General Manager Director	TELIMA BELGIQUE  Unit-T Unit-T Field Services  IMMCONCEPT MANAGEMENT SOFT SOLUTIONS TELIMA POLAND RETELIT spa
Karim Rachedi	Chief executive and member of the management board	Director Director Director Director Member of the Supervisory Board Chairman	Unit-T Unit-T Field Services SMARTFIX30 IMMCONCEPT MANAGEMENT ELECTRO HOLDING  SMART ADVICE
Amaury Boilot	Member of the Management Board	Director Director Director	Unit-T Unit-T Field Services IMMCONCEPT MANAGEMENT

### 3.5 Remuneration for management and supervisory boards

Remuneration paid in 2018 to members of the management and supervisory bodies for their role as directors and officers in accordance with their employment contracts amounted to €964,300.

There are no pension commitments for the management and supervisory boards.

### 3.6 Statutory auditor

Statutory auditor: GRANT THORNTON LUX AUDIT SA having its registered office at 89A Pafelbruch - L-8303 Capellen Luxembourg.

The mandate of Grant Thornton Lux Audit SA was renewed by shareholders at the annual general meeting of May 18, 2018, for a period ending at the end of the general meeting called to approve the accounts for the year ended December 31, 2018.

Accordingly, shareholders at the annual general meeting called to approve the accounts for the year ended December 31, 2018 will be required to decide on the mandate of the statutory auditor.

## 4 Activity and results for the company SOLUTIONS 30 SE in 2018

### 4.1 Activity of the SOLUTIONS 30 SE company

SOLUTIONS 30 SE acts as the parent company of the SOLUTIONS 30 SE group. It serves the other companies of the group. In fact, it designs and develops the new services and procedures offered to its customers and provides all the group's support functions, in particular IT, finance, control, legal, operational management (development of the tools and systems for managing and optimizing interventions).

SOLUTIONS 30 SE determines and implements the business strategy in the different countries where the group operates in order to promote organic growth, manages the indispensable technology watch in a constantly changing environment, and examines acquisition opportunities for itself or for its subsidiaries.

#### **4.1.1 Significant events for the SOLUTIONS 30 SE group in 2018**

##### **Changes in capital**

Capital transactions are described in section 7.3 below.

##### **Companies created**

Companies created during the year are listed in section 1.7 above.

##### **Acquisitions:**

Acquisitions are described in section 1.7 above.

#### **4.1.2 Research and development activity**

The SOLUTIONS 30 SE group continuously invests in improving its IT tools in order to enhance its service offering for its customers.

In 2018, the SOLUTIONS 30 SE group invested in its IT platform in order to offer innovative services to its new customers, such as Telenet in Belgium. It also improved the algorithm used to optimize technicians' schedules.

In 2018, these investments represented 2.2% of revenue.

#### **4.1.3 Branches**

Solutions 30 SE has three established branches in France, Italy, and Morocco.

#### **4.1.4 Significant events since the end of 2018**

No significant events have occurred since December 31, 2018.

#### 4.1.5 Outlook

In the short and medium term, the SOLUTIONS 30 SE group will continue to prioritize growth in order to reach critical mass in all the geographical regions it operates in, while maintaining stringent cost management. The group's strategy is based on a virtuous, easily reproducible business model that allows it to pursue both sector-specific and geographical growth and to leverage a targeted acquisition strategy to reach its goals faster.

Solutions 30 expects growth to remain strong and profitable in 2019. In addition to growth resulting from recent transactions and signed agreements, the SOLUTIONS 30 SE group should continue to expand its activities, especially in the energy sector where it has already begun signing contracts to deploy electric vehicle charging stations. At the same time, the group is considering plans to expand into new regions and is sizing up new acquisition opportunities.

After a strong showing in 2018, the SOLUTIONS 30 SE group is heading into 2019 ideally positioned to harness growth in markets that are structurally buoyant because of their direct ties to the economy's digital transformation across Europe.

### 4.2 Activities of subsidiaries and affiliates

SOLUTIONS 30 SE operates through a network of subsidiaries in France and in 7 other European countries.

These companies were created or acquired over a 13-year period and are almost all fully owned.

#### 4.2.1 Details of holdings

As of December 31, 2018, SOLUTIONS 30 SE controls, directly or indirectly, the following subsidiaries:

France	
	TELIMA FREPART (100%)
	FORM@HOME (100%)
	TELIMA TELCO (100%)
	TELIMA BUSINESS SOLUTIONS (100%)
	TELIMA BREIZH (100%)
	TELIMA COMPTAGE (100%)
	TELIMA NORD (100%)
	TELIMA DIGITAL WORLD (100%)
	TELIMA ENERGY NORD (100%)
	TELIMA ENERGY SUD (100%)
	TELIMA ENERGY IDF (100%)
	TELIMA ENERGY ATLANTIQUE (100%)
	TELIMA ENERGY OUEST (100%)
	TELIMA ENERGY EST (100%)
	TELIMA ILE DE FRANCE (100%)
	TELIMA INFOSERVICES (100%)
	TELIMA LOGISTIQUE (100%)
	TELIMA MONEY (100%)
	TELIMA NANCY (100%)
	TELIMA ONSITE (100%)
	TELIMA PROFESSIONAL SERVICES (100%)
	TELIMA SERVICES REGIONS (100%)

TELIMA SGA (100%)  
TELIMA SUD (100%)  
PC30 FAMILY (100%)  
TELIMA SFM 30 (100%)  
ATLAN'TECH (100%)  
TELIMA RELEVÉ CENTRE (100%)  
TELIMA RELEVÉ EST (100%)  
TELIMA RELEVÉ NORD (100%)  
TELIMA RELEVÉ IDF (100%)  
TELIMA NETWORKS & SERVICES (100%)  
TELIMA DISTRIBUTED SERVICES (100%)  
TELIMA RELEVÉ GRAND EST (100%)  
CPCP TELECOM (76%)  
TELIMA MANAGED SERVICES (100%)  
SMARTFIX30 FRANCE (85%)  
TELIMA EURO ENERGY (100%)  
FREDEV ENERGY CENTRE (51%)  
SOLUTIONS 30 MARTINIQUE (100%)  
SOLUTIONS 30 GUYANE (100%)  
SOTRANASA TELEVIDEOCOM (100%)

## International

TELIMA BELGIQUE (100%)  
JANSSENS FIELD SERVICES (100%)  
JANSSENS BUSINESS SOLUTIONS (100%)  
UNIT-T (70%)  
SOLUTIONS 30 FIELD SERVICES (70%)  
UNIT-T FIELD SERVICES (70%)  
ICT FIELD SERVICES (70%)  
TELIMA TUNISIE (99.99%)  
SOL 30 MAROC (100%)  
TELIMA POLAND (100%)  
SMARTFIX 30 (85%)  
SOFT SOLUTIONS (100%)  
BRAND 30 (100%)  
WW BRAND (100%)  
SOLUTIONS 30 HOLDING GmbH (100%)  
SOLUTIONS 30 FIELD SERVICES GMBH (100%)  
SOLUTIONS 30 FIELD SERVICES SÜD (100%)  
SOLUTIONS 30 GmbH (100%)  
SOLUTIONS 30 OPERATIONS GmbH (99.8%)  
DIGITAL BUSINESS SOLUTIONS GmbH (100%)  
VoCo I.K.E. (100%)  
WORLDLINK (20%)  
SOLUTIONS 30 IBERIA 2017 (100%)  
TELECOM SALTO (100%)  
VITGO COMUNICACIONES (49%)  
MAGAEZ TELECOMUNICACIONES (49%)  
TELIMA HOLLAND B.V (100%)  
BUSINESS SOLUTIONS 30 HOLLAND B.V. (100%)  
CONNECTICA PROJECT FORCE (48%)  
SOLUTIONS30 ITALIA (100%)  
IMATEL SERVICE (100%)

TELIMA SUD (60%)  
TELIMA FRIULI (60%)  
TELIMA PALERMO (51%)  
TELIMA CALABRIA (60%)  
TELIMA PIEMONTE (100%)  
GNS SRL (19%)  
SOLUTIONS30 SERVICE (100%)  
TELIMA ROMA (51%)  
CONSORTILE (51%)  
CONTACT 30 (51%)  
RIMIFLU (19%)  
SOLUTIONS 30 EASTERN EUROPE (19%)  
BUSINESS SOLUTIONS ITALIA (90%)  
BUSINESS REMOTE SOLUTIONS ITALIA (90%)  
SOLUTIONS 30 PORTUGAL (99.9%)

#### **4.2.2 Activity and results of subsidiaries**

The results of subsidiaries are presented in section 5.1.2 of this report.

#### **4.2.3 Results and allocation for SOLUTIONS 30 SE**

The 2018 financial year is the company's 15<sup>th</sup> year.

#### **4.2.4 Balance sheet**

- ASSETS

##### Fixed assets:

Fixed assets amounted to 46,145,133 euros, compared to 29,204,703 euros in net value for the previous year.

Intangible assets amounted to 14,260,199 euros compared to 7,545,160 euros for the previous year.

Property, plant and equipment amounted to 1,305,088 Euro compared to 1,330,413 euros for the previous year.

Financial assets amounted to 30,759,847 euros compared to 20,329,130 for the previous year.

##### Current assets:

Current assets amount to 780,490,385 euros compared to 341,503,574 for the previous year and includes in particular:

- The item "Goods purchased for resale" representing 85,965 euros compared to 648,266 euros for the previous year.
- The "Trade receivables and related accounts" item representing 99,730,048 euros net compared to 27,544,355 euros for the previous year.

- The item ‘Receivables from related companies’ amounting to 538,213,799 euros compared to 253,358,317 euros for the previous year.
- The “Other receivables” item amounting to 32,799,768 euros compared to 22,014,991 euros for the previous year.
- The item “Cash and cash equivalents and marketable securities” amounting to 36,999,245 euros compared to 35,969,319 euros for the previous year.
- The “Accruals” item representing 348,951 euros compared to 290,815 euros for the previous year.

- **EQUITY & LIABILITIES**

The company’s equity at December 31, 2018 amounted to 74,244,634 euros compared to 49,786,764 euros at December 31, 2017.

Provisions amounted to 128,800 euros compared to 549,010 euros in 2017: they correspond to the risks identified by management and the valuation made at the closing date of the financial statements.

Total debts amounted to 680,622,655 euros compared to 320,665,733 euros for the previous year.

Loans and debts with credit institutions amounted to 79,196,217 euros compared to 48,130,389 euros for the previous year.

Trade payables amounted to 3,503,894 euros compared to 7,834,423 euros for the previous year.

Debts owed to related companies amounted to 527,221,198 euros compared to 262,183,776 euros for the previous year.

Tax and social security liabilities amounted to 2,128,753 euros compared to 1,132,230 the previous year.

#### **4.2.5 Income statement**

The income statement includes the following figures for the financial year:

##### Revenue:

Revenue amounted to 285,181,087 euros compared to 190,630,626 euros for the previous year. Revenues consist mainly of services provided.

##### Expenses:

Purchases and external expenses adjusted for changes in inventories, amounted to 256,735,971 euros compared to 178,176,796 euros for the previous fiscal year.

Salaries and wages amounted to 6,740,808 euros compared to 6,525,393 euros.

Social security contributions amounted to 1,932,991 euros compared to 1,737,119 euros.



Other operating expenses amounted to 5,676,508 euros compared to 4,737,351 euros.

The income statement shows a net profit of 21,456,784 euros compared to 7,300,179 euros.

#### **4.2.6 Proposal to allocate earnings**

We propose that you approve the annual accounts (balance sheet, income statement and notes) as presented to you, which show a profit of 21,456,783.80 euros.

We propose to assign the result of the financial year, i.e. 21,456,783.80 euros, to the legal reserve for 93,561.34 euros and to the account "deferred results" for the balance or 21,363,222.46 euros.

This proposed allocation of earnings will be submitted to shareholders for a vote at the annual general meeting.

#### **4.2.7 Dividend distributions**

It should be noted that no dividend has been distributed for the last three financial years.

#### **4.2.8 Non-deductible expenses**

As regards the accounts of the permanent establishment, located in France, the reinstatement of 357,576 euros of expenses was carried out. This amount is broken down as follows:

- C3S: 209,741 euros
- Participation in the construction effort: 20,837 euros
- TVS: 23,216 euros
- Miscellaneous fines: 41,871 euros
- Non-deductible provisions: 10,458 euros
- Excess depreciation: 35,278 euros

#### **4.2.9 Information on payment terms**

As far as SOLUTIONS 30 SE is concerned, at the end of the 2017 financial year, debts to external suppliers amounted to €3,504k compared to €7,834k during the previous financial year.

The breakdown of the payables balance with respect to suppliers by due date is as follows:

€k	Balance as at December 31	Debts due within 1 month	Debts due within 2 months	D Debts due at 3 months or more
Fiscal 2018	€3,504k	€3,419k	€37k	€48k
Fiscal 2017	€7,834k	€3,486k	€899k	€3,449k

The payment terms for suppliers is 45 days compared to 112 days for the previous year and that of customers is 119 days compared to 52 days for the previous year.

Due dates do not contain intragroup transactions recognized in the line item debts owed to related companies.

### 4.3 – Table of the last 5 years

#### Results and other elements of SOLUTIONS 30 SE company during the last 5 years

NATURE OF INDICATIONS	FINANCIAL YEAR 12/31/2014	FINANCIAL YEAR 12/31/2015	FINANCIAL YEAR 12/31/2016	FINANCIAL YEAR 12/31/2017	FINANCIAL YEAR 12/31/2018
<b>1. Capital at year-end</b>					
Share capital.....	4,971,808	7,645,467	10,424,663	12,155,220	13,267,317
Number of existing ordinary shares.....	4,971,808	10,113,956	20,440,516	23,833,764	104,057,392
Number of existing preferred shares (non-voting) .....					
Maximum number of future shares to be created:					
By converting bonds	635,052	1,657,724	3,520,710	346,048	3,070,592
By exercising subscription rights .....					
<b>2. Operations and results of the year</b>					
Revenue excluding taxes	53,053,770	69,996,567	137,196,260	190,630,626	285,181,087
Earnings before tax, employee profit-sharing and depreciation, amortization and provisions ....	-643,705	3,434,166		4,051,099	20,343,942
Income tax.....	-2,786,975	-1,892,388	9,996,738	5,138,611	1,112,841
Employee profit-sharing due for the year.....			2,194,944		
Earnings after tax, employee profit-sharing and depreciation, amortization and provisions .....	1,695,141	4,800,238		7,300,179	21,456,784
Distributed earnings.....			6,555,416		
<b>3. Earnings per share</b>					
Earnings before tax, employee profit-sharing but before depreciation, amortization and provisions .....					
Earnings after tax, employee profit-sharing and depreciation, amortization and provisions .....	-0.12947	0.33955		0.16997	0.19550
Dividend per share (a)	0.34095	0.47462	0.48906	0.30630	0.20620
	0	0	0.31826	0	0
<b>4. Personnel</b>					
Average number of employees employed during the year.....					
Amount of payroll for the year .....	34	39		58	62
Amount of sums paid for social benefits for the year (social security, employee benefit programs, etc.) .....	2,310,372	3,381,420	47	6,525,393	6,740,808
			4,398,191		
	841,563	1,085,414	1,391,965	1,737,119	1,958,991

## 5. Consolidated accounts

### 5.1 Activity of the SOLUTIONS 30 SE group

#### 5.1.1 Situation and evolution of the activity of the SOLUTIONS 30 SE group

Sections 1 and 5.4 provide the information.

#### 5.1.2 Results of the main subsidiaries and affiliated companies of the SOLUTIONS 30 SE group

The simplified income statements of the main subsidiaries are as follows:

##### ➤ MAIN FRENCH SUBSIDIARIES

<b>FORM@HOME</b>				
	(in euros)	<b>2 018</b>	<b>2 017</b>	<b>Change %</b>
Revenue		1,306,252	1,471,908	-11.3
Net income		-869,796	-126,432	-588.0
<b>PC30 FAMILY</b>				
	(in euros)	<b>2 018</b>	<b>2 017</b>	<b>Change %</b>
Revenue		1,002,354	1,816,868	-44.8
Net income		-746,570	-277,465	-169.1
<b>SFM30</b>				
	(in euros)	<b>2 018</b>	<b>2 017</b>	<b>Change %</b>
Revenue		4,096,782	2,691,832	52.2
Net income		111,467	149,802	-25.6
<b>TELIMA BREIZH</b>				
	(in euros)	<b>2 018</b>	<b>2 017</b>	<b>Change %</b>
Revenue		837,169	949,449	-11.8
Net income		104,418	-210,318	149.6
<b>TELIMA BUSINESS SOLUTIONS</b>				
	(in euros)	<b>2 018</b>	<b>2 017</b>	<b>Change %</b>
Revenue		9,065,007	8,406,084	7.8
Net income		-1,468,270	-1,170,306	-25.5
<b>TELIMA COMPTAGE</b>				
	(in euros)	<b>2 018</b>	<b>2 017</b>	<b>Change %</b>
Revenue		2,165,543	2,509,223	-13.7
Net income		254,414	399,091	-36.3

#### TELIMA NORD

	(in euros)	2 018	2 017	Change %
Revenue		8,802,996	4,867,672	80.8
Net income		-952,250	-2,657,349	64.2

#### TELIMA DIGITAL WORLD

	(in euros)	2 018	2 017	Change %
Revenue		969,412	948,679	2.2
Net income		-320,775	574,110	-155.9

#### FREPART

	(in euros)	2 018	2 017	Change %
Revenue		0	0	0.0
Net income		-253,444	-90,274	-180.7

#### TELIMA ILE DE France

	(in euros)	2 018	2 017	Change %
Revenue		6,217,930	4,439,539	40.1
Net income		-281,194	37,849	-842.9

#### TELIMA INFOSERVICES

	(in euros)	2 018	2 017	Change %
Revenue		6,809,629	7,449,505	-8.6
Net income		-2,215,531	-1,988,716	-11.4

#### TELIMA LOGISTIQUE

	(in euros)	2 018	2 017	Change %
Revenue		5,046,537	4,509,020	11.9
Net income		-1,382,520	-1,467,888	5.8

#### TELIMA MONEY

	(in euros)	2 018	2 017	Change %
Revenue		10,432,702	9,479,662	10.1
Net income		764,430	461,141	65.8

#### TELIMA NANCY

	(in euros)	2 018	2 017	Change %
Revenue		1,090,714	1,210,238	-9.9
Net income		127,450	85,395	49.2

#### TELIMA ONSITE

	(in euros)	2 018	2 017	Change %
Revenue		1,308,365	1,272,945	2.8
Net income		-764,606	-796,758	4.0

#### TELIMA TELCO

	(in euros)	2 018	2 017	Change %
Revenue		114,345,472	64,488,825	77.3
Net income		2,154,257	3,672,990	-41.3

#### TELIMA SERVICES REGIONS

	(in euros)	2 018	2 017	Change %
Revenue		1,058,314	1,563,855	-32.3
Net income		-346,956	-62,290	-457.0

#### TELIMA SGA

	(in euros)	2 018	2 017	Change %
Revenue		1,628,319	1,919,247	-15.2
Net income		92,134	172,082	-46.5

#### TELIMA SUD

	(in euros)	2 018	2 017	Change %
Revenue		5,295,837	4,846,890	9.3
Net income		-1,045,095	-1,114,985	6.3

#### TELIMA ENERGY NORD

	(in euros)	2 018	2 017	Change %
Revenue		5,024,087	4,250,116	18.2
Net income		110,819	499,232	-77.8

#### TELIMA ENERGY SUD

	(in euros)	2 018	2 017	Change %
Revenue		10,306,834	5,557,678	85.5
Net income		34,685	497,722	-93.0

#### TELIMA ENERGY OUEST

	(in euros)	2 018	2 017	Change %
Revenue		5,191,107	3,466,671	49.7
Net income		115,029	147,898	-22.2

#### TELIMA ENERGY EST

	(in euros)	2 018	2 017	Change %
Revenue		3,562,038	2,705,146	31.7
Net income		87,008	154,969	-43.9

#### TELIMA ENERGY ATLANTIQUE

	(in euros)	2 018	2 017	Change %
Revenue		3,494,055	4,318,411	-19.1
Net income		96,050	294,732	-67.4

#### TELIMA ENERGY IDF

	(in euros)	2 018	2 017	Change %
Revenue		7,937,914	5,251,468	51.2
Net income		36,441	-151,362	124.1

#### TELIMA RELEVÉ NORD

	(in euros)	2 018	2 017	Change %
Revenue		1,791,423	2,080,434	-13.9
Net income		192,464	355,347	-45.8

#### ATLANTECH

	(in euros)	2 018	2 017	Change %
Revenue		8,686,193	6,466,425	34.3
Net income		203,343	1,076,488	-81.1

#### CPCP

	(in euros)	2 018	2 017	Change %
Revenue		60,212,062	53,003,391	0.1
Net income		-3,065,624	-1,609,587	0.9

#### TELIMA DISTRIBUTED SERVICES

	(in euros)	2 018	2 017	Change %
Revenue		21,525	16,605	29.6
Net income		-23,457	-7,344	-219.4

#### TELIMA MANAGED SERVICES

	(in euros)	2 018	2 017	Change %
Revenue		8,922,596	3,799,905	134.8
Net income		-934,338	198,345	-571.1

#### TELIMA PROFESSIONNAL SERVICES

	(in euros)	2 018	2 017	Change %
Revenue		2,713,369	1,228,375	120.9
Net income		-779,514	3,005,667	-125.9

#### TELIMA RELEVÉ CENTRE

	(in euros)	2 018	2 017	Change %
Revenue		1,146,932	1,142,383	0.4
Net income		146,541	81,961	78.8

#### TELIMA RELEVÉ EST

	(in euros)	2 018	2 017	Change %
Revenue		1,693,295	1,761,917	-3.9
Net income		102,693	131,932	-22.2

#### TELIMA RELEVÉ GRAND EST

	(in euros)	2 018	2 017	Change %
Revenue		1,651,235	428,282	285.5
Net income		253,598	116,247	118.2

#### TELIMA RELEVÉ IDF

	(in euros)	2 018	2 017	Change %
Revenue		1,158,492	933,123	24.2
Net income		122,995	-14 258	962.6

#### TELIMA NETWORKS & SERVICES

	(in euros)	2 018	2 017	Change %
Revenue		0	0	0.0
Net income		-28,780	-282,865	89.8

#### FREDEV

	(in euros)	2 018	2 017	Change %
Revenue		0	0	N/A
Net income		-13 361	0	N/A

#### SOTRANASA

	(in euros)	2 018	2 017	Change %
Revenue		5,280,113	0	N/A
Net income		208,800	0	N/A

### ➤ INTERNATIONAL SUBSIDIARIES

#### INTERNATIONAL

	(in euros)	2 018	2 017	Change %
Revenue		236,540,598	163,251,870	45%
Net income		26,402,016	13,397,543	97%

International activities experienced strong growth over the year, driven by acquisitions during the year and organic growth.

## 5.2. Consolidated balance sheet (figures in €k)

### 5.2.1 Assets

#### Fixed assets:

In total, net fixed assets amounted to €154,359k compared to €70,260k during the previous financial year.



Net goodwill amounted to €53,682k at December 31, 2018 compared with €17,910k at the end of the previous financial year.

Intangible assets excluding advance payments and goodwill amounted to €78,663k compared to €38,909k for the previous year.

Property, plant and equipment amounted to €14,045k compared to €6,539k the previous year.

Financial assets amounted to €3,563k compared to €2,697k for the previous year.

#### Current assets:

Current assets amounted to €374,223k compared to €253,052k, up 47.9%. The increase in the volume of current asset is related to the increase in the group's activity.

Current assets include:

- the item "inventories and down payments" amounting to €14,590k compared to €5,859k;
- The item "Receivables from sales and services" amounting to €123,280k compared to €103,385k for the previous financial year;
- The "Other receivables" item, which amounted to €162,863k compared to €113,344k for the previous financial year;
- the item "Cash and cash equivalents and marketable securities" amounting to €69,898k compared to €28,319k for the previous year, up 146.8%.

### **5.2.2 Liabilities**

Equity (Group share) represents €83,139k compared to €59,759k.

Minority interests amounted to €8,399k compared to €6,708k for the previous year.

Provisions for risks amounted to €18,498k compared to €10,597k for the previous year.

Debts amounted to €417,092k compared to €224,438k for the previous year.

Loans and long-term debt from credit institutions and bank overdrafts amounted to €82,268k compared to €49,166k for the previous year.

Debts on purchases and provision of services amounted to €73,307k compared to €35,311k for the previous year.

Tax and social security liabilities amounted to €196,527k compared to €111,329k for the previous year.

### **5.2.3 Consolidated income statement**

The income statement includes the following figures for the financial year:

#### Income:

Revenue amounted to €441,815k compared to €274,531k for the previous year, up 60.1%.

Capitalized production carried as assets amounted to €4,947k compared to €3,853k in 2017.

Other operating income amounted to €28,954k compared to €18,636k in 2017.

Purchases and other purchases and external charges amounted to €260,814k in 2018 compared to €163,565k in 2017, up 59.2%.

Personnel expenses amounted to €170,773k compared to €104,229k for the previous year, up 63.8%.

Depreciation, amortization and provisions net of reversals amounted to €15,988k compared to €10,303k.

Other operating expenses of €3,391k compared to €5,720k the previous year.

The income statement shows a net profit attributable to the group of €19,966k compared to €12,458k for the previous financial year (+60.3%).

This result took into account:

- a negative financial result of €1,956k compared to €1,839k in the previous financial year;
- a non-operating result of €4,773k compared to €3,857k;
- income tax of €5,554k compared to €1,927k in the previous year.

We remind you that there has been no dividend distribution for the previous three years.

**5.3 Consolidated income and other elements of the SOLUTIONS 30 SE group during the last 5 years.**

NATURE OF INDICATIONS	FINANCIAL YEAR 12/31/2014	FINANCIAL YEAR 12/31/2015	FINANCIAL YEAR 12/31/2016	FINANCIAL YEAR 12/31/2017	FINANCIAL YEAR 12/31/2018
<b>1. Capital at year-end</b>					
Share capital.....	4,971,808	7,585,467	10,424,663	12,155,220	13,267,317
Number of existing ordinary shares.....	4,971,808	10,113,956	20,440,516	23,833,764	104,057,392
Number of existing preferred shares (non-voting) .....	0	0	0	0	0
Maximum number of future shares to be created:	0	0	0	0	0
By converting bonds	635,052	1,657,724	3,520,710	346,048	3,070,592
By exercising subscription rights .....					
<b>2. Operations and results of the year</b>					
	111,748,922	125,282,810	191,802,297	274,531,136	441,815,013
Revenue excluding taxes					
Earnings before tax, employee profit-sharing and depreciation, amortization and provisions	8,413,845	9,402,784	19,411,082	24,687,883	41,064,739
Income tax.....	924,520	-121,213	-1,616,886	-1,927,131	-1,553,841
Employee profit-sharing due for the year.....	0			0	0
Earnings after tax, employee profit-sharing and depreciation, amortization and provisions .....	4,023,034	0	0	12,458,127	19,966,449
Distributed earnings.....	0	6,118,954	8,378,676	0	0
		0	0		
<b>3. Earnings per share</b>					
Earnings before tax, employee profit-sharing but before depreciation, amortization and provisions .....	1.69231			1.03584	0.39464
Earnings after tax, employee profit-sharing and depreciation, amortization and provisions	0.80917	0.92968	0.94964	0.52271	0.19188
Dividend per share (a)	0	0.60500	0.40990	0	0
		0	0		
<b>4. Personnel</b>					
Average number of employees employed during the year.....	850			2 763	5,061
Amount of payroll for the year .....	27,605,149	959	2 517	76,844,290	128,650,719
Amount of sums paid for social benefits for the year (social security, employee benefit programs, etc.) .....	9,950,459	30,351,391	49,042,992	27,385,027	39,9136,138
		9,687,627	17,537,001		

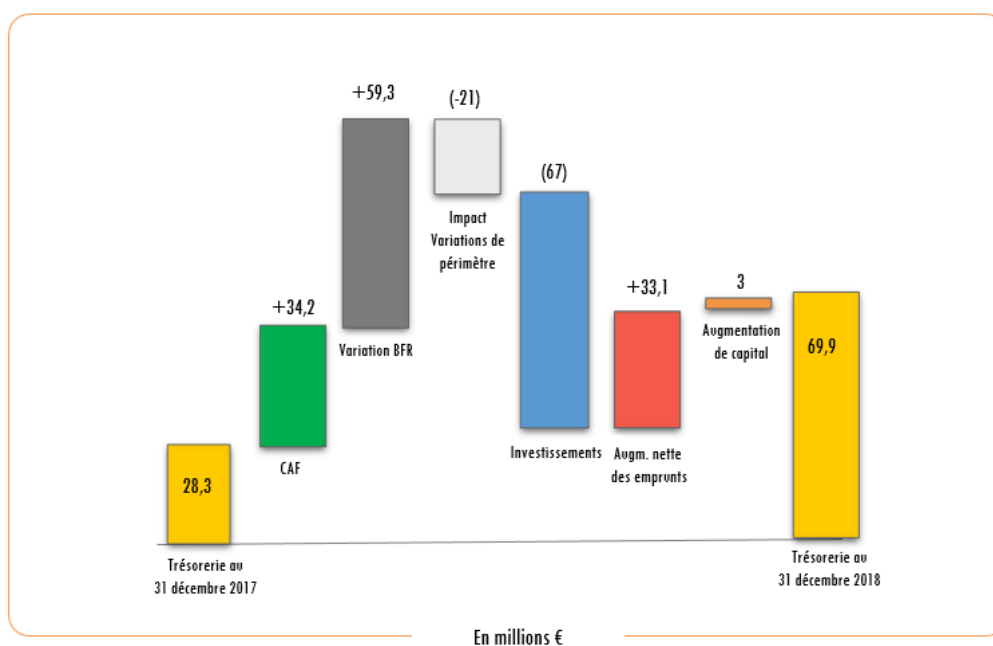
#### 5.4 2018, a year of profitable growth

In millions of euros	2018	2017	% change
<b>Revenue</b>	441.8	274.5	60.9%
<b>Adjusted EBITDA</b>	41.1	25.5	61.2%
<i>As a % of revenue</i>	9.3%	9.3%	
<b>Adjusted EBIT</b>	33.2	20.7	60.4%
<i>As a % of revenue</i>	7.5%	7.5%	

#### 5.5 Financial structure

In millions of euros	2018	2017
<b>Non-current assets</b>	154.6	70.3
Working capital requirements	-31,9	27.4
Cash generated	69.9	28.3
<b>Equity</b>	<b>91.6</b>	<b>66,5</b>
Provisions	18.5	10.3
Financial debts MT/LT	65.5	36.8
Bank overdrafts	16.8	12.3

#### 5.6 Cash flow



## **5.7 Increased leeway**

With equity of 91.6 million up 37.7% compared to the previous year, the group is approaching the current year with strengthened leeway.

## **6. Risk factors**

### **6.1 Business risks**

#### **6.1.1 Customer risks**

The majority of revenue comes from major corporations that all have strong reputations in the European market.

Losing one of these customers could impact the revenue, income, and outlook for the Solutions 30 SE group. Nevertheless, the group believes that it is managing this risk through the quality of its services and control of its customer satisfaction rate.

#### **6.1.2 Supplier risk**

The service activities of the Solutions 30 SE group require the use of external service providers. The group believes there are no significant risks related to suppliers.

The main suppliers are call center service providers, logistics service providers, long-term rental companies for service vehicles, and external IT-maintenance service providers.

The risk of economic dependence is low, even nonexistent, because the Solutions 30 SE group has alternatives for each purchasing segment.

As far as service providers directly connected to the SOLUTIONS 30 SE group's business—such as call centers and local sub-contractors—are concerned, the contracts binding these service providers and the group include operating performance indicators which guarantee the group a certain level of security.

#### **6.1.3 Acquisition risk**

In 2018, the SOLUTIONS 30 SE group made acquisitions in order to strengthen its service offering and continue its expansion.

Acquisitions present potential risks: difficulties with consolidation, the departure of key individuals from the acquired entity, loss of customers, discovery of legal disputes, etc.

The SOLUTIONS 30 SE group remains extremely vigilant and performs comprehensive due diligence for each potential acquisition.

#### **6.1.4 Competition risk**

As the digital support market remains highly fragmented, the European players in the SOLUTIONS 30 SE group's line of work are relatively numerous but small.

In all the European markets that the Solutions 30 SE Group operates in, the competition mainly consists of small structures and a few service providers with structured networks. These organizations struggle to meet the needs of major corporations.

### **6.1.5 Recruitment risks**

A certain number of technicians need to be recruited and subsequently managed for the SOLUTIONS 30 SE group's business lines. These technicians also need to be trained in the operations of the group and its subsidiaries. To this end, the Solutions 30 SE group benefits from proven recruitment processes and its reputation. Consequently, the group has not encountered any particular difficulties recruiting in 2018.

## **6.2 Financial risks**

### **6.2.1 Liquidity risk – Financing working capital requirements**

#### Banking covenants, default and early repayment clauses

The SOLUTIONS 30 SE Group has short, medium and long-term loans whose outstanding amount of capital at December 31, 2018 is €82.3 million compared with €49.2 million at the end of 2017.

In 2018, the SOLUTIONS 30 SE group took out a new structured loan of €130 million, of which €76.5 million was used to close its historical positions and finance new acquisitions.

As of December 31, 2018, Solutions 30 SE has abided by all of its bank covenants. In light of the group's sound financial health, it is highly unlikely that the group will default on its loans or be required to repay them before they are due.

#### Working capital requirements and ability to access credit

During the year, the Solutions 30 SE group reduced its working capital requirements by €50.8 million by implementing its deconsolidating factoring programs in its subsidiaries throughout Europe.

With €69.9 million in cash and €12.4 million in net debt as of December 31, 2018, the group does not consider itself to be exposed to liquidity risk in 2019 or in future years.

### **6.2.2 Interest rate risks**

As of December 31, 2018, the Solutions 30 SE group does not have any financial assets apart from money market funds where its cash is invested. Accordingly, the group pursues a conservative management strategy: making short-term investments (approximately 3 months and depending on its future liquidity needs) in money market funds and term deposits with top-tier financial institutions. It is not taking any financial risks with its cash investment strategy.

### **6.2.3 Currency risk**

The SOLUTIONS 30 SE group and its subsidiaries all do business in the eurozone, notably with services billed in euros and suppliers largely paid in euros. As far as dealings with call centers based in Morocco, Tunisia, and Poland are concerned, payments are made in dirhams, dinars, or zloties. Nevertheless, in view of the amounts at stake, the currency risk is insignificant.

#### **6.2.4 Equity risks**

As at December 31, 2018, the SOLUTIONS 30 SE Group had no treasury shares other than those mentioned in section 7.2.2.

#### **6.2.5 Off-balance sheet commitments risk**

The SOLUTIONS 30 SE group made a few off-balance sheet commitments in the form of sureties and guarantees totaling €900,000.

As part of its acquisition program and in accordance with the conditions agreed to when acquiring its initial stake, the Solutions 30 SE group acted on its pledge to purchase all or some of the remaining shares of ABM, the Janssens Group, and CPCP Telecom, consequently raising its stake in ABM's capital from 51% to 99.8%, in Janssens's capital from 50% to 70%, and in CPCP Telecom's capital from 48% to 76%.

Likewise, the Solutions 30 SE group has call options to buy the remaining shares held by the long-time shareholders of CPCP Telecom and Vitgo Comunicaciones (formerly Autronic). In accordance with the group's practices, it was agreed that the valuation of these purchases were to be based on a multiple of EBITDA or on revenue. Solutions 30 SE received a reciprocal promise from minority shareholders to sell their shares according to the same valuation method.

### **6.3 Legal, regulatory, and tax risks**

#### **6.3.1 Dependence with regard to patents and licenses**

The SOLUTIONS 30 SE Group is not dependent on any patent or license whose withdrawal or loss would be detrimental to its activities.

Apart from standard software licenses, the SOLUTIONS 30 SE group fully owns the trademarks and licenses it uses in the ordinary course of its operations. Consequently and more particularly, the group continually invests in its own tools and software in order to optimize how it manages and administrates its business activities.

#### **6.3.2 Governmental, economic, fiscal, monetary, or political risks**

The SOLUTIONS 30 SE group has no business with the United Kingdom and will not be affected by England's possible exit from the European Union.

In France, the group has entities that are approved under the Borloo law for in-home IT support (including support, maintenance, installation, and training). This accreditation allows individuals to claim a tax deduction for all in-home services that the Solutions 30 SE group offers, effectively reducing the overall cost of these services.

If these tax provisions are eliminated, the cost of services provided by the Solutions 30 SE group for individuals could increase, which would ultimately lessen the attractiveness of the group's offer. Nevertheless, the risk is extremely limited considering the size of these activities.

Apart from these aspects, the SOLUTIONS 30 SE group has not identified any governmental, economic, fiscal, monetary, or political factors (that are unresolved or threatening the group) able to influence the financial position or profitability of the group.

### 6.3.3 Tax risk

The SOLUTIONS 30 SE group believes that the tax risk is low.

Moreover, to the Solutions 30 SE group's knowledge, there is nothing that is likely to have a significant negative impact on its financial position in the event of an audit to verify that the group's entities have fulfilled their tax obligations.

### 6.4 Review of risks – List of significant risks

After reviewing its risks, the Solutions 30 SE group believes that there are no other significant risks.

The list of the most significant risks described above is as follows:

- Customer risk
- Acquisition risk

## 7. Information about SOLUTIONS 30 SE and its share capital

### 7.1 Information of a general nature concerning SOLUTIONS 30 SE

European company with a management board and supervisory board

Registered office: 6, rue Dicks – L 1417 Luxembourg - LUXEMBOURG

Permanent establishment: 39/47 Boulevard Ornano – 93200 Saint-Denis - FRANCE

### 7.2 Information of a general nature concerning the share capital

#### 7.2.1 Amount of current share capital

The share capital is set at €13,267,317.48 (thirteen million two hundred and sixty-seven thousand three hundred and seventeen euros and forty-eight cents). It is divided into 104,057,392 (one hundred and four million fifty-seven thousand three hundred ninety-two) shares with a nominal value of zero point one two seven five cents euro (€0.1275) each.

#### 7.2.2 Liquidity contract

The company LOUIS CAPITAL MARKETS (LCM) managed the listing during the 2018 financial year.

As part of its liquidity contract with LCM during the financial year 2018, SOLUTIONS 30 SE proceeded to purchase and sell treasury shares as follows:

- Number of shares purchased: 184,847;
- Average purchase price: €9.2348274;
- Number of shares sold: 188,649;
- Average sales price: €9.33097604.

At the closing date of the 2018 financial year, the number of shares acquired and held in the portfolio amounted to 13,854 securities representing approximately 0.01% of the subscribed capital.

SOLUTIONS 30 SE entered into a new liquidity agreement with Exane BNP Paribas on March 25, 2019 in accordance with the Amafi charter with effect from April 1, 2019.



### 7.2.3 Issue of securities giving access to the capital

As part of a program designed to reward the group's operational performance, the Supervisory Board granted share warrants to members of the management board during 2018. The maximum number of future shares to be created in this respect is 3,070,592 shares.

The maximum number of future shares to be created is set out in chapter 5.3 in the table for the last 5 years.

In addition, on November 9, 2018, the Management Board awarded 7,338,144 share subscription warrants to 14 members of SOLUTIONS 30's executive management, which were immediately exercisable, resulting in the creation of the same number of shares.

### 7.3 Changes during the year

On January 31, 2018, the Management Board decided to increase the share capital by €176,484.48—raising it from €12,155,219.64 to €12,331,704.12—by creating 346,048 new shares at a par value of €0.51 and a share premium of €1,893,577.82.

Shareholders at the general meeting of October 31, 2018 decided to change the par value of the company's shares from €0.51 to €0.1275 each and to increase, correspondingly, the number of shares from 24,179,812 to 96,719,248, all allocated to current and existing shareholders in proportion to their respective shareholdings.

On November 9, 2018, the management board decided to increase the share capital by €935,613.36—raising it from €12,331,704.12 to €13,267,317.48—by creating 7,338,144 new shares at a par value of €0.1275.

### 7.4 Main shareholders

The table below shows the identity of the company's main shareholders.

	% capital
Solutions 30 SE Manageurs	25.8
Dorval Asset Management SA	8.23
Individuals (France)	8.05
Swedbank Robur Fonder AB	4.75
Others < 4%	53.17

### 7.5 Summary statement of operations referred to in article L621-18-2 of the monetary and financial code (acquisitions, disposals, subscriptions or exchanges of shares)

To the knowledge of the company, during the year 2018:

- 7,684,192 shares issued by the company were subscribed as a result of the exercise of share warrants,
- 205,000 shares were sold.

## 7.6 Employee share ownership

The proportion of the share capital representing the shares held by the company's employees and by the employees of the companies affiliated to it under the company savings plan is, as at December 31, 2018, 0.1%.

## 7.7 Pledging of shares, guarantees, collateral

No action has been given as collateral since the company was founded.

## 7.8 Evolution of the share price

- **As of January 2, 2018** : €6.3375 at closing,
- **Lowest of the year 2018** : €6.30 January 2, 2018 in session,
- **Highest of the year 2018** : €13.45 on October 1, 2018 in session,
- **As at December 31, 2018** : €8.92 at closing.

In total, after an increase of 85.1% in 2017, the increase was 40.75% between January 2 and December 31, 2018.

## 7.9 Financial calendar 2018

**January 30, 2018:** 2017 revenue:

**April 23, 2018:** 2017 annual results

**May 14, 2018:** Q1 Revenue 2018

**July 24, 2018:** Q1 and Q2 Revenue 2018

**September 24, 2018:** 2018 half year results

**November 6, 2018:** Q3 revenue 2018:

## 7.10 Press releases 2018

**January 10, 2018:** Solutions 30: Information on the total number of voting rights and shares comprising the capital.

**January 10, 2018:** Solutions 30: Semi-annual review of the liquidity contract contracted by Solutions 30 with Louis Capital Markets.

**January 30, 2018:** Solutions 30: Growth of +43% in 2017 revenue to €273.8 million.

**February 12, 2018:** Solutions 30: Information on the total number of voting rights and shares comprising the capital.

**April 24, 2018:** Solutions 30: Strong performance combining business growth and profitability in 2017.

**April 26th, 2018:** Solutions 30 and Telenet join forces to conquer the rapidly growing Belgian field services market.

**April 26th, 2018:** Solutions 30 provides details on the agreement signed with Telenet.

**May 14th, 2018:** Solutions 30: 52% growth in revenue in the first quarter of 2018

**June 18, 2018:** Solutions 30: SOLUTIONS 30 and DXC sign a strategic partnership in Italy.

**July 9, 2018:** Semi-annual review of the liquidity contract contracted by Solutions 30 with Louis capital markets.

**July 24, 2018:** Solutions 30: 51% growth in revenue in the first half of 2018

**September 11, 2018:** Broadband Internet: Solutions 30 signs two new contracts in France representing more than €80M over 4 years.

**September 24, 2018:** Solutions 30: Excellent operational performance in the first half of 2018.

**October 31, 2018 :** Solutions 30: Nominal share value divided by four

**November 6, 2018:** Solutions 30: Accelerated growth in the third quarter of 2018

**November 13, 2018:** Solutions 30: Extraordinary general meeting of December 5, 2018.

**December 6, 2018:** Solutions 30: Information on the total number of voting rights and shares comprising the capital.

**December 17, 2018:** Solutions 30 SE reinforces its positioning for high-speed Internet and fiber-optic cabling in France and Spain

Press releases can be consulted on the company's website on the press tab.

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