SRP GROUPE
Public joint stock company (société anonyme) with capital of €4,717,890.72
Registered office:
1, rue des Blés, ZAC Montjoie,
93212 La Plaine Saint-Denis Cedex France
Company registration no.: 524 055 613 R.C.S. Bobigny

UNIVERSAL REGISTRATION DOCUMENT

(including the Annual Financial Report)

The Universal Registration Document was filed on April 29, 2021 with the AMF (*Autorité des Marchés Financiers* — the French Financial Markets Authority), in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of the said regulation.

The Universal Registration Document may be used for the purposes of a public offering of financial securities or for the admission of financial securities to trading on a regulated market if supplemented by a transaction note and, if appropriate, a summary and any amendments made to the Universal Registration Document. The package then formed is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation into English of the universal registration document of the Company issued in French and it is available on the website of the Issuer.

Copies of this Universal Registration Document may be obtained free of charge at SRP Groupe's registered office at 1, rue des Blés, ZAC Montjoie, 93212 La Plaine Saint-Denis Cedex, France, as well as on the websites of SRP Groupe, (www.showroomprivegroup.com) and of the AMF (www.amf-france.org).

GENERAL NOTES

Unless otherwise specified, in this Universal Registration Document:

- the terms the "Company" and "SRP Groupe" mean SRP Groupe S.A. ;
- the term "Group" means SRP Groupe S.A. and its consolidated subsidiaries, collectively;
- the term "Founders" refers to Ancelle Sàrl (controlled by David Dayan), Victoire Investissement Holding Sàrl (controlled by Eric Dayan), Cambon Financière Sàrl (controlled by Michaël Dayan), and TP Invest Holding Sàrl (controlled by Thierry Petit) and David Dayan, Eric Dayan, Michael Dayan and Thierry Petit;
- the term "2018 Registration Document" refers to the registration document filed with the AMF on April 19, 2019 under number D.19-0366;
- the term "2019 Universal Registration Document" refers to the universal registration document filed with the AMF on April 30, 2020 under number D.20-0438;
- the term "Amendment" refers to the amendment to the 2019 Universal Registration Document filed with the AMF on July 16, 2020 under number D.20-0438-A01.

Forward-looking Statements

This Universal Registration Document contains statements regarding the prospects and growth strategies of the Group. These statements are sometimes identified by the use of the future or conditional tense, or by the use of forward-looking terms such as "plans", "will", "considers", "envisages", "thinks", "aims", "expects", "intends", "should", "anticipates", "estimates", "believes", "wishes" and "might", or, if applicable, the negative form of such terms and similar expressions or terminology. Forward-looking statements are not historical in nature and should not be interpreted as a guarantee of future performance. The Group's forward-looking statements are based on data, assumptions, and estimates that the Group considers reasonable. They are subject to change or modification based on uncertainties in the economic, financial, competitive and regulatory environments. Moreover, the occurrence of certain risks described in Chapter 3 "Risk Factors" of this Universal Registration Document is likely to have an impact on the Group's business, financial position and its ability to achieve its objectives. Forward-looking statements are contained in several chapters of this Universal Registration Document and include statements relating to the Group's intentions, estimates and targets with respect to its markets, strategies, growth, results of operations, financial position and liquidity. The forward-looking statements referred to in this Universal Registration Document are only made as of the date of this Universal Registration Document. In the absence of any applicable legal or regulatory requirement, the Group expressly disclaims any obligation to release any updates to any forward-looking statements contained in this Universal Registration Document to reflect any change in its objectives or any change in events, conditions or circumstances, on which any forward-looking statement contained in this Universal Registration Document is based. The Group operates in a competitive and rapidly evolving environment; it is therefore unable to anticipate all risks, uncertainties or other factors that may affect its business, their potential impact on its business or the extent to which the occurrence of a risk or combination of risks could have significantly different results from those set out in any forward-looking statements, it being noted that such forward-looking statements do not constitute a guarantee of actual results.

Information on the Market and Competitive Environment

This Universal Registration Document contains, notably in Chapter 5 "Business", information relating to the Group's markets and to its competitive position. Some of the information contained in this

Universal Registration Document comes from publicly available information that the Group considers relevant, but which has not been verified by an independent expert, including, in particular, information and estimates relating to trends in the online sales sector, sales via mobile devices and tablets as well as trends and characteristics in the event sales industry and the excess inventory sector. The Group believes that this information is helpful in assessing the trends and primary factors affecting its markets. However, given the rapidly evolving and dynamic market in which the Group operates, and the fact that many companies in the market are private and provide limited public information on their financial condition and results of operations, this third-party information may prove to be incorrect or outdated. The Group cannot guarantee that a third party using different methods to collect, analyze or compute market data would arrive at the same results. The Group does not guarantee and can give no assurance as to the accuracy of this information.

Estimation of Mobile Data

Figures relating to the number of visits to the Group's platform from mobile devices and the percentage of overall platform visits generated on mobile devices are determined using a Google Analytics tool which gives an estimation of relevant mobile data based on a large sample of the activity on the Group's platform.

Risk Factors

Investors should carefully consider the risk factors in Chapter 3 "Risk Factors" of this Universal Registration Document. The occurrence of all or any of these risks could have an adverse effect on the Group's business, reputation, results of operation, financial position or prospects. Furthermore, other risks that have not yet been identified or that are not considered material by the Group on the filing date of this Universal Registration Document could produce adverse effects.

Glossary

A glossary defining certain technical terms used in this Universal Registration Document can be found in Annex I.

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1. RESPONSIBLE PERSONS, INFORMATION FROM THIRD PARTIES, EXPERT REPORTS AND APPROVAL BY THE COMPETENT AUTHORITY

1.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

David Dayan, Chairman and CEO of the Company

1.2 CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

"*I declare that the information contained in this Universal Registration Document is in accordance with the facts and that it makes no omission likely to affect its import.*

I certify that, to my knowledge, the financial statements in this document have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets, the financial position, and the results of the Company and of all consolidated companies, and that the management report referred to in the cross-reference table in Annex V of this Universal Registration Document presents a true and fair view of the business trends, results, and financial position of the Company and of all consolidated companies, as well as a description of the principal risks and uncertainties that they face." "

April 29, 2021

David Dayan
Chairman and Chief Executive Officer

1.3 NAME, ADDRESS, QUALIFICATIONS AND POTENTIAL INTERESTS OF PERSONS ACTING AS EXPERTS

None.

1.4 CERTIFICATION RELATING TO INFORMATION FROM A THIRD PARTY

Certain market data included primarily in Chapter 5 "Business" of this Universal Registration Document comes from third-party sources. Certain information contained in this Universal Registration Document on market is from independent market research carried out by Euromonitor International Limited but should not be relied upon in making, or refraining from making, any investment decision. The Company certifies that information from third parties has been accurately reproduced and that, to the Company's knowledge and in the light of public information or information supplied by such sources, no facts have been omitted that would render this information inaccurate or misleading.

1.5 STATEMENT ON THE PRIOR APPROVAL OF THE COMPETENT AUTHORITY

The Universal Registration Document has been filed with the AMF (*Autorité des Marchés Financiers* — the French Financial Markets Authority), in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of the said regulation.

The Universal Registration Document may be used for the purposes of a public offering of financial securities or for the admission of financial securities to trading on a regulated market if it is approved by the AMF. Any amendments, a note relating to the securities and summary approved in accordance with Regulation (EU) 2017/1129 may also be used.

2. STATUTORY AUDITORS

2.1 PRINCIPAL STATUTORY AUDITORS

KPMG Audit IS SAS

Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles (the Regional Association of Auditors of Versailles).

Represented by Jean-Pierre Valensi

KPMG – Tour Eqho – 2 avenue Gambetta, 92066 Paris La Défense, France

Appointed statutory auditor by decision of the general shareholders' meeting of June 26, 2017 for a term of six years, i.e. until the Shareholders' Meeting convened to adopt the financial statements for the fiscal year ended December 31, 2022.

Jérôme Benaïnous

Member of the Compagnie Régionale des Commissaires aux Comptes de Paris (the Regional Association of Auditors of Paris).

80, rue de Prony, 75017 Paris, France

Appointed statutory auditor by a decision of the Annual Shareholders' Meeting of June 26, 2017 for six years, i.e. until the Shareholders' Meeting convened to adopt the financial statements for the fiscal year ended December 31, 2022.

2.2 ALTERNATE STATUTORY AUDITORS

Alain Pater SAS Member of the Compagnie Régionale des Commissaires aux Comptes de Paris (the Regional Association of Auditors of Paris).

Represented by Alain Pater

27*ter* rue Dauviliers – 91290 Arpajon, France

Appointed alternate statutory auditor by decision of the general shareholders' meeting of June 26, 2017 for a six-year term, i.e. until the Shareholders' Meeting convened to adopt the financial statements for the year ended December 31, 2022.

3. RISK FACTORS

Investors should carefully consider all the information set forth in this Universal Registration Document, including the risk factors described in this Chapter. At the filing date of this Universal Registration Document, these are risks that the Company believes could have a material adverse effect on its business, results, financial position and outlook, if they were to occur. Investors should note that there may be other risks that have not yet been identified at the filing date of this Universal Registration Document, or the occurrence of which, at said date, is not considered likely to have a material adverse effect on the Group's business, results, financial position and outlook.

This Chapter presents the main risks that could, as of the date of this Universal Registration Document, affect the Group's business, financial position, reputation, results or outlook, as identified in particular in the context of the Group's major risk mapping, which assesses their criticality, i.e. their severity and probability of occurrence, after taking into account the action plans put in place. Within each of the risk categories mentioned below, the risk factors that the Company considers, as of the date of this Universal Registration Document, to be the most important (marked with an asterisk) are mentioned first.

3.1 RISKS RELATED TO THE BUSINESS AND THE INDUSTRY SECTOR

3.1.1 Risks Associated with the Group's Product Offering and Event Sales Model

3.1.1.1 Risk related to the attractiveness of the online event sales model to consumers or brand partners.

The online event sales model adopted by the Group differs from the traditional online retail model in many respects. If consumers or brand partners are dissatisfied with their experience during the Group's event sales or with event sales offered by competitors, their interest and enthusiasm for event sales in general may decline. This could make it more difficult for the Group to attract new members to its platform, to convert members into buyers, to retain them and encourage repeat sales, or to forge and retain relationships with partner brands. If consumers no longer consider the online event sales to be a shopping experience that is enjoyable, entertaining or a source of value, or if for some other reason they were to lose interest in shopping in this manner, or if brand partners lose interest in selling goods via this channel, the Group may be unable to continue its development or achieve its objectives. If the online event sales sector were to become saturated or decline generally, this could have a material adverse impact on the Group's business, financial position and results.

3.1.1.2 Risks related to the Group's Ability to Offer Products at Consistently Significant Discounts.

The success of the Group's online event sales model is highly dependent on its ability to offer products at significant discounts to retail prices. Consumers, including the Group's members, are increasingly tech-savvy and able to compare prices between various sites. They are also increasingly price conscious and looking for good deals. If the Group is unable to provide compelling discounts to consumers, it may be more difficult for it to recruit them as members and grow its membership base. Additionally, members of the Group could decide not to buy the Group's products and not return to the online sales platform if the prices for merchandise are not perceived by them as competitive. In this case, the Group's membership numbers, website and mobile traffic as well as sales could decline. The Group's reputation could also suffer, making it a less attractive partner for brand partners, which could then reconsider their strategy of selling via the Group's platform.

The Group's ability to offer products at significant discounts depends primarily on its ability to purchase high-quality lots at the best possible price and consequently the effectiveness of its sales teams. A drop in the effectiveness of sales teams during negotiations could limit the offering of products with

significant discounts. Furthermore, the Group could be unable to offer discounts at attractive levels for a variety of reasons which may not be within its control, including reduced availability of excess inventories from brand partners, increased competition for excess inventories, general supply and demand dynamics in this particular market, increases in brand partners' cost of sales or operating costs, or changes in brand partners' preferences regarding the channels they use to distribute inventory. Fashion brands, which are more aware of their environmental and social responsibility, tend to reduce their production and adopt a more circular business model. The climate challenges related to overproduction in the textile industry have also led many international governments to implement laws aimed at reducing surpluses and limiting industrial production. These recent trends are likely to have a bearing on the amount of inventory potentially available for sale through the event sales channel. Moreover, inability to continue to offer attractive prices could have a material adverse effect on the Group's business, financial position and results.

3.1.1.3 Risks Related to the Ability to Achieve an Appropriate Mix Between the Group's Consignment Sales (Including Drop-Shipping) and Firm Sales Models.

The Group sells products through a mix of firm sales and consignment sales. In 2020, 80% of all gross Internet sales were generated by private product consignment sales and 20% of gross Internet sales were generated by private firm sales. The weight of gross Internet sales generated by private firm sales has changed in the last three years, rising from 25% in 2018 and 20% in 2019) to 16% in 2020. Increases in the percentage of the Group's sales that are made on a firm basis will generally increase the Group's inventory risk. In the event such firm sales are not successful or trends change, the Group may be left with excess inventory, which may become obsolete or outdated and thus lose value, and may be forced to liquidate such inventory in a manner that is not cost-effective or may be unable to dispose of it at all, which could affect operating results. Furthermore, a mistake in the anticipation of firm purchases could result in additional logistics costs for the Group (in particular storage and handling), which could reduce its profitability. As an illustration, faced with inventories that had become surplus due to problems in inventory management and unsold Internet items, the Group was led in 2019 to massively sell off its non-marketable stocks on the Internet at knock-down prices in a highly competitive physical clearance market. This strategy aimed to clear inventories in order to eventually reduce the associated logistical costs. Increases in the percentage of sales that are operated on the consignment sales model may reduce the percentage of items that the Group can deliver on an express basis because the Group generally does not order the inventory until the products have been ordered by buyers. Inability to deliver purchases promptly could decrease member satisfaction and the perceived value of the Group's service. If the Group fails to properly manage the risks of the different sales models offered on its platform, it could have a material adverse effect on the Group's business, financial position and results.

3.1.1.4 Risks Related to Delivery Times for Products Sold on a Consignment Basis (including dropshipping).

For consignment sales, which make up the majority of the Group's sales by volume and revenue, the Group usually does not order inventory from its brand partners until after the products have been ordered by its buyers. As a result, the time from when an order is placed on its sales platform to when the product is delivered to the buyer is longer than for many other traditional e-commerce retailers who carry significant inventory that is immediately available and who are able to offer faster deliveries. The slower delivery times inherent in consignment sales may limit consumer enthusiasm for online private sales retailers relying on such consignment sales. If the Group is obliged to reduce its delivery times to meet consumers' demands, it may need to increase the number of its purchases that are made on a firm basis, which could increase its working capital requirements, its exposure to unsold inventory, and require larger facilities to house the additional inventory and could adversely affect its business, financial position and results, in general. Likewise, Showroomprivé does not directly manage delivery for drop-shipping sales. This is managed directly by the partner brand. A problem that occurs during a delivery under this sales model could also have a negative impact on the Group's reputation and customer satisfaction.

3.1.1.5 Risks related to the ability of brand partners to supply the Group with quality goods in a timely manner.

The Group sources products from numerous domestic and international manufacturers, distributors and resellers. The Group's brand partners are subject to various risks that could limit their ability to provide the Group with high-quality merchandise on a timely basis, and on the agreed terms. These risks include, among others, labor disputes, boycotts, natural disasters, health crises linked to epidemics or pandemics, trade restrictions or disruptions, currency fluctuations and general supply and demand dynamics in this particular market and the political environment. The coronavirus (Covid-19) health crisis currently gripping Europe has particularly impacted all of the Group's activities, especially given disruptions in the supply chain, since the Group's activity is closely linked to delivery and supply conditions in the countries where it operates. The Group could also become subject to legal or regulatory prosecution if suppliers provide it with products that do not comply with applicable laws or regulations, including laws and regulations relating to product safety, embargoes, environmental protection, and standards relating to employment and factory conditions, geographical selling restrictions or distribution channel restrictions of brands. If the Group's suppliers provide it with products on terms that the manufacturers or other retailers of these products consider to be in violation of distribution contract restrictions, the sale by the Group of such products could damage the Group's reputation with such manufacturers, with other of the Group's brand partners or with its customers. Suppliers also may supply the Group with counterfeit products or products that are unsafe or do not comply with consumer protection regulations. If the public thought that unsafe, non-authentic or counterfeit goods were being sold on the Group's website, this could damage the Group's reputation, reduce the Group's ability to attract new members or retain the Group's current members, and diminish the value of the Group's brand. Failure by brand partners to provide products that meet the Group's quality standards or the quality standards of its members, or late delivery of products, could damage the brand and reputation of the Group and oblige it to incur additional costs. The Group also uses solutions and means furnished by certain commercial partners through agreements allowing it to do business on a white label basis. Any one-time or complete default by one of the suppliers with which the Group does business could result in lost revenues and damage to the Group's reputation with its customers.

3.1.1.6 Risks Related to the Group's Ability to Maintain its Current Relationships with Popular Brands or Build Relationships with Additional Popular Brands on Acceptable Terms.*

The success of the Group's online sales platform is highly dependent on its ability to offer an attractive and diversified range of products from quality brands. The ability to do so depends on the Group's relationships with its brand partners. The Group works with a large number of brand partners, which limits its exposure to any specific brand partner (the top ten brands that generated the highest amount of gross Internet sales in 2020 did not account for a substantial percentage of its gross Internet sales). Although the Group has long-term relationships with certain brand partners, it does not have long-term or exclusive supply contracts with its brand partners. Maintaining strong relationships with brand partners and establishing relationships with new brand partners are factors that are important for ensuring that the Group has sufficient continual supply. If popular brands ceased doing business with the Group, stopped supplying it with popular items, or materially changed, negatively for the Group, the terms on which they supply their products, the Group might be unable to offer attractive products to its members, and its popularity and own brand could be negatively affected. Growing awareness of climate issues, not only by customers, but also its partner brands, has led the Group to anticipate how its stakeholders are influenced by the carbon footprint of the products it sells. If the Group does not succeed in anticipating changes in these behaviors and in meeting expectations of its stakeholder on this issue, it may find it difficult to maintain its relationship with its partner brands or establish new relationships. For example, if the number of popular brand products offered on the Group's platform were to fall, the platform could become less attractive for other brand partners and/or consumers and might result in a decrease in membership growth and the loss of active members, platform traffic and sales, which could have a material adverse effect on the Group's business, financial position, results and revenue.

3.1.1.7 Risks Related to the Group's Ability to Convert Existing Members to Buyers or to Generate Member Loyalty and Drive Repeat Purchases.

The Group's revenues also rely heavily on repeat buyers to generate revenues, with sales to such buyers generating 85% of its gross Internet sales in 2020. The Group has historically been successful at converting members into buyers, even long after they first register on the platform. The Group schedules its operations and forecasts business on the basis of the analyses it performs on historical conversion rates. It cannot, however, guarantee that it will be able to continue to convert members to buyers or, if applicable, that it will be able to do so at the current rate. The inability of the Group to convert existing members to buyers could have a material adverse effect on its growth and revenues.

Should the Group be unable to foster the loyalty of its members and to generate repeat purchases for any reason, including its inability to offer its buyers sufficiently attractive products and services, to develop its offering to satisfy the increasingly large proportion of its environmentally conscious consumers with an appropriate selection of brands or to respond to and address the major environmental and social challenges and to contribute to the transition to a low-carbon economy, or its failure to effectively kick start member activity on the platform, this could have a significant adverse impact on its revenues. The Group schedules its operations and strategy on the assumption that it will be able to generate such loyalty among its members. If this assumption proves to be incorrect, the Group may fail to achieve the results expected. In addition, because attracting new members and converting new buyers is more expensive for the Group than converting existing members into buyers and re-engaging with existing buyers, any failure to maintain conversion rates or generate member loyalty may force the Group to incur increased marketing and member acquisition costs. As a result, the Group's business, financial position and results may be materially and adversely affected.

3.1.1.8 Risk Related to the Group's Ability to Anticipate and Respond to Fashion and Other Retail Product Trends.

The Group's products must appeal to a broad range of current and potential members whose preferences are subjective, difficult to predict and subject to change. The Group's growth and financial performance depend on its ability to identify, originate and define retail product trends and to anticipate, gage and react to ever-changing consumer preferences quickly and efficiently. If the Group were unable to offer attractive products that appeal to its target consumer base, it could find it difficult to sell the products it offers, fail to sustain growth in new members or be unable to maintain the loyalty of existing members. The same applies to the Group's ability to respond to environmental and social issues that may be of concern to its consumers. The occurrence of any one of these factors could adversely affect the Group's business, financial position and results.

Consumer trends and expectations change rapidly and are difficult to predict. The Group's presence in numerous countries and multiple product categories may intensify this effect. The fashion industry, in particular, is highly sensitive to changes in consumer preferences, fluctuations in fashion trends, and seasonality. The Group derives a significant portion of its revenues from fashion-related merchandise (see Section 5.6.5 "Product Offering" of this Universal Registration Document), which accounted for 55% of gross Internet sales in 2020. Fashion-related merchandise is a category that is particularly important for the Group's business. Although the Group endeavors to select items with timeless appeal, and well-known partner brands, which are less subject to changing trends in style, and although a portion of its fashion items are sourced from current year collections, the Group also sources some fashion items sold on its sites from prior year collections or prior seasons. If the Group is unable to offer an attractive mix of fashion products for its members, its fashion sales will suffer, which could have a material adverse impact on its business, financial position and results.

The Group also offers other product categories such as beauty products, home decor, furniture, equipment, household and electronic appliances, food & beverages and travel. Each of these categories is subject to its own set of consumer tastes and preferences. The Group's experience and expertise in identifying trends relating to the Group's current product categories may not be applicable to new

product categories into which it might expand. Failure to successfully identify and respond to constantly changing consumer tastes and preferences in each product category that the Group offers could adversely affect the Group's business, financial position and results.

Furthermore, one of the factors for the success of the sales event business model is that it offers members a relevant sales schedule that is in line with current economic, political or sporting events, which can influence the preferences and tastes of consumers, their interest in the product offering proposed by the Group or their level of spending. The incorrect scheduling of the sales calendar could have a negative impact on Group sales, because of their short-lived nature, and this could have an adverse effect on the Group's business, financial position and results.

3.1.2 Risks Related to the Group's Expansion Strategy

3.1.2.1 Risks Related to the Continuation of Strategic Developments.*

Following its "Performance 2018-2020" plan, the Group announced in March 2020 the continuation of its strategic developments, with the aim of continuing the gradual improvement of its EBITDA margin. For further information, see Section 5.4.4 "Continuation of Strategic Developments" and Section 10.2 "Medium-Term Outlook" of this Universal Registration Document.

Nevertheless, the coronavirus epidemic (Covid-19), which spread worldwide in 2020, has disrupted various markets and led to significant uncertainty about the development of the economies affected by the epidemic, including France. In the exceptional circumstances caused by this unprecedented health crisis, the Group's business is also affected; for example, the "pick-up point" network, which is the preferred delivery location of Showroomprivé buyers, was thus suspended throughout the first lockdown in France. Although the Group has tried to adapt its business to this situation (for more information, see Section 10.2 "Medium-Term Outlook"), this health crisis is likely to have a significant negative impact on the implementation of its strategy, as well as its financial position, results and outlook. In view of this uncertain environment, the Group had announced on April 2, 2020 that it was suspending its projection of gradual improvement in the EBITDA margin. Although the successive lockdowns seemed to have contributed to the improvement of the company's profitability, it cannot be ruled out that the impact of the health crisis may continue or even worsen in 2021.

In addition to the impact of Covid-19, the Group could encounter difficulties in implementing its strategy, such as:

- The inability to reduce inventories due to operational difficulties that the Group's logistics providers may experience or the Group's inability to reintegrate returns into inventories so that they can be put back on sale quickly and avoid their depreciation; or

- The inability to obtain a sufficient inventory from partner brands to carry out event sales; or

- The inability to develop the drop shipping offer, due to operational and logistical difficulties that the Group's suppliers may experience; or

- Capital expenditure overruns or operational difficulties resulting from the insourcing of part of the Group's logistics activities.

On 30 April, 2020, the Group has announced the conclusion of a major agreement with its bank partners (BNP Paribas, CAIDF, Société Générale and BpiFrance) to secure and shore up its financial structure over the short and medium term. The funding provided under the agreement will enable the Group to ambitiously pursue its strategy of improving profitability over the coming years besides coping with the current health crisis. This agreement takes the form of a conciliation protocol signed on 29 April, 2020, the terms of which are described in section 18.7 of this universal registration document.

Should the Group be unable to successfully and efficiently implement the roll-out of its strategy, in particular due to the impact of the current health crisis, or if this roll-out did not produce the expected effects, this could have a significant adverse effect on the Group's business, financial position and results.

3.1.2.2 Risks Related to the Acquisitions That the Group May Make.

To accelerate its growth, particularly in international markets, the Group may decide to acquire other companies, businesses or assets. For example, in November 2016, the Group acquired Saldi Privati, an online event sales company in Italy that had 2.7 million members and recorded €44 million in revenues in 2015, making the Group the second largest online event sales company in Italy [2] (for more information, see Section 5.3 "Group History" in this Universal Registration Document).

In March 2017, the Group also acquired a 60% stake in Beautéprivée, the French leader in online private sales in the beauty segment, with an option to acquire the remaining 40%, which it exercised in 2019, allowing it to reinforce its cosmetics and self-care ranges.

The Group may consider expanding its international business through meticulously selected acquisitions.

However, acquisitions involve numerous risks, including but not limited to:

- difficulties in integrating the technologies, operations, existing contracts and personnel of acquired businesses;
- difficulties in supporting and transitioning customers, service providers or suppliers of an acquired company;
- diversion of financial and management resources from existing operations or alternative acquisition opportunities;
- failure to realize the anticipated benefits or synergies of a transaction;
- failure to identify all of the problems, liabilities or other shortcomings or challenges of an acquired company or technology, including issues related to intellectual property, regulatory compliance, accounting practices or employee or member issues;
- occurrence of unexpected events, circumstances, litigation or legal obligations related to companies or customers acquired without the Group being certain that it can be compensated by the vendor(s) pursuant to indemnity warranties or commitments granted as part of the acquisition concerned, where applicable;
- difficulties adapting the Group's services to local market demands or local business practices where the acquired companies operate;
- risks of entering new markets in which the Group has limited or no experience;
- potential loss of key employees, buyers and brand partners from the Group's current business or an acquired company's business;
- inability to generate sufficient net revenue to offset acquisition costs;

2 Company calculation using the Osservatorio eCommerce B2c Netcomm – Politecnico di Milano and Bureau van Dijk databases.

- additional costs or equity dilution associated with funding the acquisition; and

- potential write-offs or impairment charges relating to acquired businesses.

If, in the context of an acquisition, the Group fails to properly assess the merits of the acquisition target, incurs additional costs that are not offset by increased revenues, fails to integrate the target acquisition into its business properly and in a cost-efficient manner, or incurs liabilities that prove to be larger than anticipated, it could have a material and adverse effect on the Group's business, financial position and results.

3.1.2.3 Risks Related to the Group's International Operations and Expansion Strategy.

Targeted international expansion is a key part of the Group's growth strategy. Although the Group's largest market and its registered office are in France, as of December 31, 2020 the Group sells its products in six other countries through dedicated websites. The Group also had a multi-currency website in English to delivery to more than 160 countries, but the site's contribution to the Group's results was marginal. In addition, the Group has been rolling out a multi-location international development strategy since 2016 to adapt the offer to local needs and strengthen local teams. As a result, the Group has opened local offices in Spain, Germany and Italy, notably with the acquisition of Saldi Privati. In the context of its "Performance 2018-2020" plan, the Group announced early in 2019 its intention to streamline its International presence by focusing its efforts on the countries in which the Group has the best commercial positioning (Italy, Spain, Belgium and Portugal) and closing its German, Polish and multi-currency online sites.

The Group had 80 international employees in 2020. The Group also sources its products from international brand partners, and especially from European brands. In 2020, international business accounted for 15.5% of the Group's revenues.

The international scope of its operations exposes the Group to complexities that increase the risks associated with its business, that include in particular:

- the need to localize the Group's product offerings, payment options, delivery options and member care services, including translation of materials into foreign languages, adapting to local practices and cultural standards, as well as to compete against other retailers or competitors who may be more familiar with the local market;

- exposure to different consumer demand dynamics that may impact the success or attractiveness of the online private sales model or require the Group to adopt different strategies that may carry more risk to the Group's business;

- subjecting the Group's operations to different legal and regulatory requirements; and

- the potential for unexpected changes in legal, political or economic conditions in the countries from which the Group sources, or into which it sells, its merchandise.

If the Group fails to adequately manage the risks associated with its international operations, or if one or more of the risks associated with international operations materializes, it could have a material adverse effect on the Group's reputation, business, financial position and results.

3.1.2.4 Risks Related to Potential Expansion into New Product Categories.

The Group may choose to expand its online private sales model into new product categories. Any such expansion would require the Group to select and work with different brand partners and to understand different market dynamics and consumer preferences. The Group's experience and expertise with respect to product selection in its current product categories may not be applicable to the new product

categories into which it expands. Moreover, consumers may be less comfortable purchasing certain product categories through an online or mobile platform. If the Group offers new products or categories that members do not like, it may incur expenses that are not offset by sales, its sales may fall short of expectations, and its reputation may suffer. Furthermore, if the related products were purchased from brand partners on a firm rather than on a consignment basis, the Group may be forced to hold hard-to-sell excess inventory or sell this inventory below cost, which could negatively impact the Group's operating results.

3.1.3 Risks Related to the Group's Industry and Competitive Environment

3.1.3.1 Risks Related to the Image and Reputation of the Showroomprivé Brand.*

In a highly competitive market, the Group relies on the recognition and reputation of its brands, particularly the "showroomprive.com", "Saldi Privati" and "vipsters" brands, to attract new members, distinguish itself from its competitors, sustain the appeal of its online private sales events, as well as attract and retain partner brands. Building and maintaining the showroomprive.com brand depends on effective brand marketing campaigns, reliable delivery of high-quality products, strong service to members, and on providing an effective and financially attractive market for the Group's brand partners. The Group's brand advertising campaigns may require significant investments yet ultimately fail to achieve their objectives.

Showroomprivé's disclosures on its environmental and social commitments could also be ineffective if consumers believe that the measures taken are not in line with their expectations. This could adversely affect the Group's image and reputation through member complaints or negative publicity on websites, mobile applications and social media networks.

Member complaints or negative publicity about the Group's websites, mobile apps, products, delivery times, returns processes, member data handling and security practices, member support or other matters particular to internet platforms, such as blogs, online ratings, review services and social media websites could have a material negative impact on the Group's reputation and on the popularity of its online sales platform. Adverse publicity affecting the brand could require the Group to make substantial investments in an effort to build, support or repair its brand image, and such investments may not be successful. If the Group fails to build the showroomprive.com, Saldi Privati, and "vipsters" brands, or if it incurs excessive or misdirected expenses in this effort, this could have a material adverse effect on its business, financial position and operating results.

3.1.3.2 Risks Related to the Competitive Environment.

The Group operates in a rapidly evolving and intensely competitive industry. The Group faces significant competition from both established and more recent competitors and may face competition from new entrants in the future. The Group competes for consumers in the market on the basis of a number of factors, including price, the convenience, efficiency and reliability of its user experience, brand partner relationships, product quality and selection, variety of product categories and brands, customer service and fulfillment, convenient payment methods and delivery capabilities. The Group also competes to attract brand partners based on a number of factors, including the size, composition and purchasing habits of its consumer base, its reputation and brand strength and its marketing and production values. The Group may fail to establish or maintain a sustainable competitive advantage in any or all of these categories.

The Group's main competitors are other online private event sales retailers. For more information on the Group's competitors, see Section 5.2.3 "Position and Competitive Environment of the Group" of this Universal Registration Document. General e-commerce retailers, traditional offline retailers and online marketplaces may also employ private event sale practices. The Group's competitors may have greater scale, more comprehensive product offerings, more expansive geographic coverage, greater financial, technical, marketing and personnel resources, more developed logistical capabilities, a larger

number of members, greater brand name recognition and/or longer-established relationships with brands and consumers than the Group has. New market entrants may appear with different competitive advantages including new business models, and some competitors that are smaller today may be acquired by, receive investment from, or enter into strategic relationships with well-established and well-financed companies or investors who would enhance their competitive positions. Moreover, many of the Group's brand partners sell their products directly to end-purchasers through other channels. The Group could experience additional competitive pressure if such partners initiate or successfully expand their own retail operations to include their own online private sales channels. These competitive pressures may have a material adverse effect on the Group's business, financial position and results.

3.1.3.3 Risks Related to the Group's Ability to Successfully Adopt New Technologies or to Adapt the Group's Websites and Mobile Apps to Changing Consumer Preferences in a Timely Manner.

The e-commerce and m-commerce markets are characterized by rapid technological change. If the Group fails to adapt to such changes and continually improve its current technological platform, the attractiveness of the Group's sales platform could decline, which could limit its growth or lead to declining revenue. If competitors introduce new technologies or capabilities, including innovations in search and sorting functions, online marketing communications, social networking or other services to enhance users' online experience and the Group is unable to effectively and rapidly offer similar technologies or capabilities, the popularity of the Group's sites and mobile apps may decline. The Group's efforts to develop new, efficient and attractive online interfaces and mobile apps for a variety of devices in a timely and cost-effective manner may entail significant investment and may ultimately fail to meet desired objectives or address the changing preferences of consumers. The Group's international operations also may place additional pressure on it to innovate and tailor its technological platform to adapt to local needs. Failure to successfully respond to changing technology could have a material adverse effect on the Group's business, financial position and results.

To optimize the mobile shopping experience, the Group is dependent on its members downloading its specific mobile apps for their device as opposed to accessing its websites from an Internet browser on their mobile device. Mobile is a quickly-developing market space, and as new mobile devices and platforms are released, the Group may encounter difficulties in developing applications for these devices and platforms. The Group may need to devote significant resources to the creation, support and maintenance of such applications. If problems arise in the Group's relationships with providers of mobile operating systems or mobile app download stores or if the Group's applications receive unfavorable treatment compared to competing applications, the Group could face increased costs to distribute or to have members use its mobile app. The occurrence of any of these risks could negatively affect the Group's mobile growth.

Any development that makes it more difficult or more expensive for consumers to access and use the Group's websites and applications on their mobile devices could adversely affect membership growth, traffic and engagement. Continued growth in the mobile space depends on the Group's various geographic markets continuing to have effective and accessibly-priced mobile telephone and internet networks. Significant increases or changes in rates charged to access internet on mobile devices could adversely affect the use of the Group's mobile apps and mobile sites.

3.1.3.4 Risks Related to Changes in the Proportion of Consumers Buying Goods and Services Online and on Mobile Devices.

Growth in the percentage of consumers that buy goods and services online is important for the Group's business because it increases the Group's pool of potential new members. The health crisis in 2020 led to a surge in the development of e-commerce, with an 8.5% increase in online sales year-on-year. The two lockdowns resulted in unprecedented spikes in online sales of products. Sales remained high in between these two periods. This has led the Federation of E-commerce and Distance Sellers (FEVAD) to conclude that the e-commerce market has gained three to four years of penetration and has created a

lasting change in purchasing habits. However, it is difficult to project the future growth rate and final penetration rates that these online sales channels will achieve. The online or mobile retail markets in Europe may fail to grow at rates experienced in the recent past, at rates projected by industry analysts, or at all. Slowing growth, stagnation or contraction in e-commerce or m-commerce penetration could make it more difficult or more expensive for the Group to achieve its growth objectives, which could have a material adverse effect on the Group's business, financial position and results.

3.1.3.5 Risks Related to the Seasonal Nature of the Group's Business.

The Group experiences seasonal trends in its business, and its mix of product offerings varies from day-to-day. A significant portion of the Group's revenues come from fashion-related products the sales of which are highly seasonal in nature. The fourth quarter of the year typically provides a greater proportion of the Group's revenues than the first three quarters. In 2020, for example, the Group achieved 32% of its gross internet sales during the fourth quarter. The month of November is typically the Group's strongest sales month as members make purchases ahead of the year-end holiday season. Members tend to purchase different types of products, and in different volumes, throughout the year. This variability may make it difficult to predict sales and can result in significant fluctuations in the Group's net sales from period-to-period. It may also make it more difficult for the Group to effectively determine the mix of sales to offer and the quantities of merchandise that it should source from brand partners. The Group bases its investment plans on its estimates of net sales and gross margins, and it may be unable to adjust its spending quickly if net sales or gross margins diverge from expectations.

Moreover, as a result of this seasonality in the Group's business, any factor that negatively affects its operations during periods in which it usually generates more revenue than other periods, particularly in the fourth quarter of the year, could have a disproportionately adverse effect on its revenue for the year. These factors include unfavorable economic conditions in the markets in which it operates at the relevant time, disruptions to the Group's or its partners' logistics or fulfillment platforms, and adverse weather conditions such as unusually warm winters or late summers. If the Group's business growth slows or ceases, the impact of these seasonal fluctuations on its operating results could increase. Seasonal variations could also cause the Group's inventory, working capital requirements and cash flows to vary from quarter to quarter. Any one or more of these factors could have a material adverse effect on the Group's business, financial position and results.

3.1.3.6 Risks Related to the Economic Conditions in the Markets in Which the Group Operates.

The Group's performance depends on global and regional economic conditions affecting its markets. Economic conditions may be affected by numerous factors (including reduced consumer spending, an economic slowdown in the wake of terrorist activity, or related to the fear that such activity will occur, or due to health crises). Certain product categories that the Group sells, including the fashion-related products from which it generates the majority of its revenue, are particularly sensitive to economic downturns. This is also the case for the Group's "travel" activity, which is highly exposed to the international environment and the health crisis resulting from the Covid-19 pandemic. Although it represents a small proportion of the Group's revenues (about 0.4% of revenues in 2020), the "travel" activity was particularly affected by the disruptions associated with the Covid-19 epidemic.

The Group generates a large majority of its revenues in France and substantially all of its revenues in Europe. However, the growth prospects for fiscal year 2021 in the European Union, particularly France, made public by the OECD at the end of 2020, were cautious. With projected growth of 6.0% in France and 3.6% in the Euro zone, the OECD remains cautious and bases its forecasts on the rapid vaccine rollout. If members of the Group reduce the quantity or value of their purchases on the Group's platform due to the deterioration of the economic environment throughout the markets in which the Group operates, it could have a material adverse effect on its business, financial position and results.

3.1.4 Risks Related to the Group's Operations

3.1.4.1 Risks Related to Logistics Management and Order Processing in Line with the Growth of the Group's Business.*

Effective management and growth of the Group's logistics network are important for the Group's business models, activity and growth strategy. The Group currently outsources portions of its logistics and fulfillment processes, particularly packaging and shipping orders, to third-party service providers, and keeps in-house certain core strategic functions, such as inventory sorting and returns management. If the Group does not manage its logistics network successfully and efficiently, it could experience excess or insufficient logistical capacity, increased costs, damage to its member relationships or other harm to its business. In order to support its in-house sorting function, the Group has invested in an automatic sorting machine to automate certain sorting functions, enabling the Group to substantially increase efficiency and sharply reduce the amount of operations outsourced. However, if efforts rolled out by the Group to automate some of its operations do not keep up with the pace of its business growth, the Group could outsource more of its operations. If the automatic sorting function were to malfunction in any way, the Group could be unable to deliver part of the orders, thereby causing potential dissatisfaction among its customers, which could affect the Group's results and reputation. The Group leases various properties to house its logistics infrastructure. If the Group is unable to successfully extend or renew such leases, it may incur significant relocation expenses.

As the Group grows and expands its product offering and geographic coverage, it will require greater logistical processing capacity and its logistical requirements will become increasingly complex. Although the Group has entered into agreements with third-party logistics service providers to secure sufficient fulfillment capacity, additional capacity could be required later to handle future increases in the Group's sales volume or product offering. The majority of the Group's outsourced logistics functions are currently handled by its logistics partners, including Kuehne+Nagel, Dispeo, Deret and ADS. As a result, the performance of the Group's logistics platform depends to a large extent on the effectiveness of Kuehne+Nagel, Dispeo, Deret and ADS (as described in Section 5.6.11.2.1 "The 3PL Logistics Network" of this Universal Registration Document). Any failure or interruption, partial or complete, of the Group's logistics network or the operations of its service providers, particularly Kuehne+Nagel, Dispeo, Deret or ADS, for example, as a result of IT malfunctions, equipment failures, strikes, accidents, natural disasters, health crises linked to epidemics or pandemics (such as the current health crisis linked to Covid-19), acts of terrorism, vandalism or sabotage, theft and product damage, failure to comply with applicable regulations or other interruptions, could impair the Group's ability to process orders or deliver its buyers' purchases in a timely manner, which could harm its reputation. Any damage to, or destruction of, one or more of the Group's warehouses or those of its logistics service providers, or any theft or vandalism affecting said warehouses, could result in the destruction or loss of all or part of the Group's inventory and tangible assets located in such warehouses which could hinder the fulfillment of certain orders and adversely affect the Group's financial position. In addition, if the Group experiences an increase in logistics costs for any reason, it may be unable to pass on the impact of this cost increase to the consumers.

The occurrence of any one or more of these risks could have a material adverse effect on the Group's business, financial position, results or outlook.

3.1.4.2 Risks Related to the Occurrence of Security Breaches Affecting the Group's Websites, Mobile Apps, Databases, Online Security Systems or Logistics Management Systems.

The Group operates websites, networks and other data systems through which it collects, maintains, transmits and stores information about its business, members, brand partners and other parties, including personal information, credit card information, and other confidential and proprietary data. A fundamental requirement for online commerce and communication is the secure transmission of confidential information over public networks. The Group also employs third-party service providers that may store, process and/or transmit proprietary, personal and confidential information on its behalf,

particularly when processing credit card payments. While the Group takes steps to protect the security, integrity and confidentiality of the information it collects, stores and transmits, including utilizing SSL encryption, the Group or its third-party providers could be subject to attempts to break into their respective systems. The Group and its service providers may not have the resources or technical sophistication to anticipate or prevent all types of attacks and techniques used to sabotage or obtain unauthorized access to its systems, particularly because such techniques change frequently and may not be known until launched against its systems or those of its third-party service providers. Advances in computer capabilities, new technological discoveries or other developments could increase the frequency or likelihood of security breaches. In addition, security breaches may occur as a result of other problems, including intentional or inadvertent security breaches by the Group's employees or by persons with whom it has commercial relationships. For example, inadvertent security vulnerabilities may be introduced when updating versions of sites or applications, or a member may choose a less secure password. Any security vulnerability introduced may take time to detect or address and the Group may be unable to detect or determine the existence or scope of any unauthorized use of data accessed by exploiting such vulnerabilities. There can be no assurance that inadvertent or unauthorized use or access to its websites, mobile apps, networks and systems will not occur in the future, or that third parties will not gain unauthorized access to sensitive information despite its efforts. Additionally, the massive use of teleworking, widely encouraged on account of the health crisis, has led to a reduction in employees' physical presence on site, which is likely to increase the risk of a security breach.

Any breaches of the Group's security measures or those of its third-party service providers or other cybersecurity incidents could result in unauthorized access to, and misappropriation of, members' personally identifiable information, including payment details, or other confidential or proprietary information about the Group or third parties. Any unauthorized access to member information could violate applicable privacy, data security and other laws, and cause significant legal and financial risks, adverse publicity, a potentially severe loss of confidence in the Group's security measures among consumers and damage to its brand. The Group may also be required to incur significant expenses or mobilize other significant resources to address such violations. Actual or anticipated attacks may cause the Group to incur increasing costs, including costs to deploy additional personnel and protection technologies, train employees and engage third-party experts and consultants. Any resources devoted to investigating, alleviating and/or preventing such breaches will be diverted from the Group's business purposes. Each of these risks, alone or in combination, could have a material adverse effect on the Group's reputation, business, financial position and results.

3.1.4.3 Risks Related to the Use of Third-Party Service Providers for Certain Functions Important to the Success of the Group's Business.

The Group relies on third-party service providers to perform certain functions important to its business, including the majority its of logistics and fulfillment operations, which the Group has primarily outsources to its partners Kuehne+Nagel, Dispeo, Deret and ADS (as described in Section 5.6.11.2.1 "The Logistics Network and Warehouse Management" of this Universal Registration Document). The Group also outsources delivery to customers, which is handled by various third-party delivery service providers including La Poste, Mondial Relay, Relais Colis and Chronopost (as described in Section 5.6.11.2.2 "Delivery" of this Universal Registration Document). The Group also outsources some of its customer service functions, the management of which is handled by third-party service providers such as ADM Value and Webhelp (as described in Section 5.6.13 "Customer Service" of this Universal Registration Document). The processing of payments is an activity that the Group also outsources, using specialized third-party service providers such as MONEXT. The Group outsources part of the management of certain IT functions, such as server hosting, maintenance and monitoring to third party service providers such as Econocom Group (as described in Section 5.6.12.1.1 "Hardware" of this Universal Registration Document).

These service providers may provide services that are not consistent with the Group's standards of quality or the quality of service that the Group would achieve if it performed such functions in-house. In addition, any one or more of these service providers may experience business difficulties or other

events beyond their control that could make it impossible or commercially impracticable to continue to provide these services, including as a result of work stoppages, increases in the cost of materials or operations, natural disasters, health crises linked to epidemics or pandemics (such as the current health crisis linked to Covid-19), acts of terrorism, failure to comply with applicable regulations, or trade restrictions, which may require the Group to incur additional expenses to locate replacements or may cause the provider to increase its prices. For example, following the travel restrictions imposed by governments during the Covid-19 health crisis, the Group's "pick-up point" network, which is the preferred delivery location of Showroomprivé buyers, has been suspended from March 16, 2020 for France, leading the Group to deploy stringent contactless delivery measures at buyers' homes with all its carriers and to compensate for the absence of other usual delivery options. Any failure by these third parties to consistently deliver high-quality services at acceptable prices, or any termination of such services could negatively impact the Group's operations at various levels, including problems with platform availability, order processing or delivery delays, increases in the Group's prices and damage to the Group's members' or brand partners' loyalty. The Group's members are likely to attribute any such failures to the Group, which could damage its reputation, lead to decreased traffic and sales and have a material adverse effect on the Group's business, financial position and results.

3.1.4.4 Risks Related to Service Interruptions on the Group's Platforms.

The Group's business, its ability to acquire, retain and serve its members, and its reputation, are dependent on the reliable performance of its technology platform and the underlying network infrastructure. Although the Group has designed its systems to be scalable, significant future investments may be needed to allow the Group to keep pace with growth in the number of members and orders or to add new functionality to its existing systems. If the Group experiences interruptions in any of its main *front office* or *back office* systems, whether due to system failures, computer viruses, physical or electronic break-ins, undetected errors, design faults, unexpected spikes in platform traffic (including as a result of distributed denial-of-service attacks) or to other unexpected events or causes, this could affect the availability or functionality of the Group's websites and mobile apps, or prevent its members from accessing its sites or purchasing goods and services.

The Group currently makes use of several data center hosting facilities located in France that are managed by a third-party service provider. Although the Group has installed back-up systems to mitigate the risk of component or system failure, any damage to, or failure of, the Group's servers in these facilities or the systems of the Group's other third-party IT service providers, could result in breakdowns in the availability or functionality of the Group's platform, data or business intelligence and data analytics platform. The occurrence of a natural disaster, an act of terrorism, vandalism or sabotage, or other unanticipated problems could lead to such interruptions and cause the Group to incur additional expenses to put new facilities in place. If any such problem were to occur, it could have a material adverse effect on the Group's business, financial position and results.

3.1.4.5 Risks Related to the Maintenance of the Health and Safety of Employees

The Group's business rests on the work of various employees, who work either at head office or in warehouses. The unprecedented circumstances triggered by the Coronavirus epidemic (Covid-19) has imposed the extensive use of teleworking, which can lead to psychological risks to the Group’s employees related to the loss of social ties and physiological risks related to the fact that employees are stuck in their homes. The Group could in this case, face new unknown consequences such as musculoskeletal, visual and electrical disorders related to poor ergonomics or inadequate equipment and installation, or a loss of the boundaries between professional and private life, stress linked to excessive controls or targets and a weakening of interpersonal relationships. The Group could thus be impacted by a temporary or long-term loss of qualified personnel. It could thus potentially experience a decline in efficiency and activity that would have an impact on the Group's performance and profitability.

3.1.4.6 Risks Related to the Lack of Coverage or Inadequate Coverage of the Risks to Which the Group is Exposed by its Insurance.

The Group's business is exposed to a wide range of risks beyond its control, including, but not limited to, accidents, vandalism, natural disasters, acts of terrorism, damage and loss caused by fire, power failures or other events, that could potentially lead to the interruption of its business operations, personal injuries, or damage to third-party property. Although the Group insures itself against such losses, to a level and at a cost it deems appropriate, its insurance policies are subject to exclusions and limitations, and there can be no guarantee that all material events of damage or loss will be fully or adequately covered by these insurance policies. As a result, the amount of any costs, including fines or damages that the Group might incur in such circumstances, could substantially exceed any insurance taken out to cover such losses. In addition, its insurance providers could become insolvent and unable to pay claims. Any of these events occurring, alone or in combination, could have a material adverse effect on the Group's business, financial position and results. For more details, see Section 3.4.1 "Insurance Policy" of this Universal Registration Document.

3.1.4.7 Risks Related to the Group's Ability to Attract, Retain and Motivate Certain Key Managers and Well-Qualified Employees and to Develop Their Skills

The Group believes that its success has depended, and continues to depend, on the efforts and talents of its founders, David Dayan and Thierry Petit, and other key members of its management team. The loss or temporary incapacity of any member of the Group's senior management could materially and adversely affect its ability to formulate and implement an effective business plan, and it may be unable to find adequate replacements. The Group's success also depends on the performance of the Group's employees across its operations, including its IT, purchasing and marketing functions. Most of the Group's employees are free to terminate their employment contracts at any time, and knowledge of the Group's business and industry may in some cases be difficult or expensive to replace or may be used for the benefit of new or existing competitors. The Group could experience difficulties in implementing its non-discrimination policies, in particular with regard to gender diversity in digital technology professions, balanced pay for men and women or career development based on gender, origin, religion, disability, nationality or sexual orientation. Any failure by the Group to attract, develop, motivate and retain highly qualified personnel may reduce the effectiveness of its organization and its ability to execute its business plans and growth strategy.

3.1.4.8 Risks Related to the Payment Methods Accepted by the Group.

The Group accepts payments using a variety of methods including credit cards, debit cards, PayPal and bank account transfers. Any operational failures in its checkout process could adversely affect its sales conversion rate. The payment options the Group offers to members may subject it to additional regulations, compliance requirements and fraud. The Group outsources credit card processing functions to third-party service providers. If the Group or its service providers fail to comply with the rules or requirements of any provider of a payment method it accepts, the Group may, in particular, incur fines or higher transaction fees, may need to switch service providers, and may lose or face restrictions placed upon its ability to accept credit and debit card payments from members or facilitate other types of online payments. The Group may also incur significant expenses in order to comply with such regulations, and these expenses may increase if there are changes in regulation. Any of these circumstances could have a material and adverse effect on the Group's business, financial position and results.

The Group may also incur significant losses from fraud. It may incur losses because of allegations that the buyer had not authorized the purchase, fraud, erroneous transfers, and buyers who do not have valid bank accounts or have insufficient funds in them to complete the payments. In addition to the direct costs of such losses, if they are related to credit card transactions and become excessive, it could potentially result in the Group losing the right to accept credit cards for payment. Under current credit card practices in the markets in which the Group operates, the Group is liable for fraudulent or contested credit card transactions and some other bank payment methods because it does not obtain the signature

of the cardholder. The Group is not currently insured against this risk. Any failure to adequately control fraudulent transactions could damage the Group's reputation and brand, and result in litigation or regulatory action, causing an increase in legal expenses and fees, and could have a material adverse effect on its business, financial position and results.

3.1.4.9 Risks Related to the Group's Product Return Policy.

Online purchases of apparel, fashion accessories and other items may be subject to a higher return rate than merchandise sold at bricks-and-mortar stores. The Group allows product returns during a limited period in compliance with European Union and applicable local regulations. If product return rates are higher than expected, including because of changes in the habits or behavior of members, the Group's revenues may be negatively impacted. In addition, with respect to certain Group's sales, especially firm sales, the Group may not be able to return some products to its brand partners and if return rates for such products increase significantly, it may experience an increase in its net inventory, which may adversely affect its working capital. The Group may also not be able to dispose of inventory through its wholesale business on attractive commercial terms, or at all. As an illustration, faced with inventories that had become surplus due to problems in inventory management and unsold Internet items, the Group was led in 2019 to massively sell off its non-marketable stocks on the Internet at knock-down prices in a highly competitive physical clearance market. This strategy aimed to clear inventories in order to eventually reduce the associated logistical costs. Finally, in the exceptional circumstances caused by the coronavirus epidemic (Covid-19) that has been raging in Europe since 2020, and taking into account the travel restrictions imposed by governments, particularly in France, the Group was led to temporarily extend its return periods to allow Showroomprivé buyers to continue to benefit from their purchasing conditions. This could make managing returns more complex for the Group and necessitate organizational adjustments throughout the first half of the year. As a result, the Group's business, financial position and results may be materially and adversely affected.

3.1.4.10 Risks Related to the Quality of the Group's Customer Service.

A satisfied and loyal customer base is crucial to the Group's continued growth. Strong customer service is required to ensure that customer complaints are dealt with in a timely manner and to the customer's satisfaction. Because the Group does not have the direct face-to-face contact with customers which is afforded through offline retail, the way that it interacts with members through its customer advice team is a crucial factor in maintaining positive customer relationships and those of its third-party customer service providers. The Group and its service providers respond to customer requests and inquiries through email and a telephone hotline. Any actual or perceived failure or unsatisfactory response to member inquiries or complaints could negatively impact member satisfaction and loyalty, particularly when members share negative reviews on blogs, online ratings, review services and social media websites. Failure to retain and engage members due to a lack of satisfactory customer service could have a material adverse effect on the Group's business, financial position and results.

3.1.4.11 Risks Related to the Profitability of the Group's Marketing Initiatives.

The Group's success and profitability depends on traffic increasing on its websites and mobile apps, on growth in its number of Members, and on converting members into active buyers on its platform and doing so at an acceptable cost.

To determine an efficient strategy, the Group relies on analysis of the net sales generated from members acquired in earlier periods, compared to the cost of acquiring these members. The data thus analyzed inherently reflects a distinct group of brand partners and members and may not be representative of the current or future composition of the Group's brand partners or members, particularly as the Group grows and its number of Members broadens. If the Group's assumptions regarding repeat purchase rates of active buyers, expected order sizes, member loyalty rates or other key performance indicators prove to be incorrect, the cost of acquiring members or converting them into active members may be higher than expected. If the Group's assumptions regarding marketing are inaccurate (due to an unexpected

postponement of sales outside the original schedule, for example), the Group may allocate resources to marketing strategies that ultimately prove to be less effective than expected. The Group's ability to generate net sales from its investments in new member acquisitions may be lower than it has assumed or than it has experienced in the past. In particular, the Group's marketing initiatives could be less effective than planned for two reasons: reduced visibility during periods of intense marketing communication by its competitors at certain periods of the year or as a result of a heavy media agenda that would make customers less receptive to those initiatives. The Group may need to increase expenses or otherwise alter its strategy, which could have a material adverse effect on its business, financial position and results. The Group has made, and expects to continue to make, significant investments relating to member acquisition and conversion, including marketing through a broad range of media channels. These investments include substantial outlays for offline marketing, in particular television advertising, which may not result in the cost-effective acquisition of new members. The Group also engages in significant online marketing such as search engine marketing, marketing on social networks, and online brand partnerships. These partnerships may not result in the success originally expected, and notably may not succeed in generating the amount of traffic expected. Additionally, existing partnerships may not be renewed, and the Group may not be able to forge new and effective partnerships. Moreover, members drawn to the Group's platform by such marketing campaigns might not reach the anticipated volume of purchases. Competitors could also dispute the Group's right to use certain key words in search engine marketing campaigns, which could lead to litigation or otherwise make it more difficult or more expensive to use certain key words. Moreover, changes to search engines' algorithms or terms of use could exclude the Group's websites from, or rank them lower in, search results. In addition, prices for these types of marketing may increase in the future including due to changes in business models or the media used. There can be no assurance that any of the Group's marketing efforts will be effective in increasing brand awareness, contributing to membership growth or increasing sales. Furthermore, some of the Group's marketing initiatives to boost member conversion and loyalty, such as the roll-out in 2015 of Infinity (a subscription-based, free and unlimited delivery service for €20 per year), are likely to have a dilutive effect on the Group's gross margin (for more information, see Section 7.2.2 "Gross Margin" of this Universal Registration Document). Moreover, the Group cannot guarantee that the rollout of these initiatives will necessarily increase member engagement and loyalty, accelerate the conversion of members to buyers, or offset the adverse impact of these marketing initiatives on the Group's gross margin. In particular, net sales from new members acquired through such efforts may not ultimately exceed the cost of acquiring them. In markets where the Group has achieved some level of market penetration, acquiring additional members may become more difficult and costly than it has been in the past. If the Group's marketing efforts are not successful in attracting a sufficient number of new members and converting members into buyers at an acceptable cost, it could materially and adversely affect the Group's business, financial position and results. The Group believes that it acquires many of its new members by word-of-mouth and other non-paid referrals from existing members. The Group must ensure that existing members remain satisfied in order to continue receiving these referrals. If the Group's efforts to satisfy its existing members are not successful, it may not be able to acquire new members in sufficient numbers to continue to grow its business, or it may be required to incur significantly higher marketing expenses in order to acquire new members in line with its projections or historical performance. A significant reduction of growth in the numbers of new members or in the number of visits or time spent on the Group's websites and mobile apps by existing members, would have a material adverse effect on the Group's business, financial position and results.

3.1.4.12 Risks Related to the Group's Ability to Send Emails and Messages Quickly via Mobile Applications and Social Networks.

The Group's business is highly dependent upon email and other messaging services for promoting its websites, applications and products to members. The Group believes its daily emails and mobile alerts to members are an important part of its user experience and help generate a significant portion of its net sales. If the Group is unable to successfully deliver emails or other messages to its members, or if members decline to open the emails or messages, the Group's net sales and profitability may be adversely affected. Changes in how webmail applications organize and prioritize e-mails may reduce

the number of members opening the Group's emails. For example, email services may categorize and sort incoming emails by type or content, which may result in the Group's emails being delivered in a less prominent location in a member's inbox or being labeled as "spam", and may reduce the likelihood of that member opening the emails. Actions by third parties to block, impose restrictions on or charge for the delivery of emails or other messages could also materially and adversely impact the Group's business. From time to time, Internet service providers or other third parties may block bulk email transmissions or otherwise experience technical difficulties that result in the Group's inability to successfully deliver emails or other messages to third parties. Changes in the laws or regulations that limit the Group's ability to send such communications or impose additional requirements upon it in connection with sending such communications could also materially and adversely impact its business. The Group's use of email and other messaging services to send communications about its websites and mobile apps or other matters may also result in legal claims against it, including under laws relating to mass distribution of emails, which may cause it to incur increased expenses. If such legal claims were successful, they could result in fines and orders with potentially costly *reporting* and compliance obligations or could limit the Group's ability to send emails or other messages. The Group also relies on social networking messaging services to send communications and to encourage members to send communications. Changes to the terms of these social networking services that limit or increase the cost of promotional communications, or that limit the Group's ability or its members' ability to send communications through their services, or disruptions or downtime experienced by these social networking services or a decline in members' and consumers' use of, or engagement with, social networking services could reduce the effectiveness of the Group's marketing, increase marketing costs, reduce website and mobile traffic and decrease net sales.

Any restriction on the distribution of the Group's emails or other messages or any increase in the costs associated with its email and other messaging activities could materially and adversely affect its business, financial position and results.

3.1.4.13 Operational Risks Related to Climate Change

The increase in extreme climatic events is due in particular to the increase in global greenhouse gas emissions. Since part of the Group's business consists of delivering goods, it may be exposed to these climatic events, thus creating an operational risk. Natural disasters are likely to cause business disruptions, particularly in relation to logistical processing (packaging in warehouses) and the transportation of packages and other goods by the Group to the end customer.

3.2 REGULATORY AND LEGAL RISKS

3.2.1 Risks Related to the Regulations Governing the Group's Business and its Development

Laws and regulations applicable to the sale of goods and services online and via mobile devices, as well as laws and regulations of broader application that apply to the Group's business - such as product safety, consumer protection and data security laws - are evolving at a rapid pace and can differ, or be subject to differing interpretation, from one jurisdiction to another. The Group currently operates mainly in member States of the European Union and is planning to continue expansion internationally. As a result of its international footprint, the Group is subject to a wide range of laws and regulations, including laws and regulations relating to consumer protection, data protection, product safety, competition, unfair trading, advertising, employment, customs, personal privacy, laws imposing restrictions on sales and other taxes and other laws and regulations that are directly or indirectly related to the Group's business in these jurisdictions. New laws or regulations or unexpected changes in the regulatory requirements in the European Union, or in any of the individual countries in which the Group operates, could increase the Group's cost of doing business, decrease demand for its products and services or reduce the Group's flexibility. For example, the European Union has announced a series of initiatives to promote a "single digital market" in the European Union. Initiatives announced in these fields include initiatives such as harmonization of e-commerce rules relating to information to be provided to consumers, consumer rights to cancel sales and remedies for non-performance, enhancing

the availability of affordable and high-quality cross-border delivery services, limiting unnecessary "geo-blocking" restrictions that impose geographic restrictions on purchasing from websites, potential changes to the ePrivacy Directive, and a range of other initiatives. Many of these initiatives may ultimately prove beneficial to the Group by making it easier to sell merchandise in other countries outside France and harmonizing applicable regulations. Nevertheless, many of these initiatives are only in their preliminary stages, and the specific legal and regulatory provisions that are ultimately adopted will determine their exact impact on the Group's business. It is possible that some of these laws and regulations could impose additional burdens or costs or require the Group to make changes to its practices, which could adversely affect the Group's business. For more information, see Section 9 "Regulatory Environment". If the Group violates or is alleged to have violated applicable laws or regulations or fails to adapt to amended laws or regulations, it could become subject to significant fines, legal fees and related costs, reputational damage and other potential costs or liabilities. Any of these events occurring, alone or in combination, could have a material adverse effect on the Group's business, financial position and results.

3.2.1.1 Risks Related to the Significant Costs of Complying with Changes in Consumer Protection Laws and Laws Governing the Sale of Goods on the Internet.

The Group is subject to general consumer protection and similar laws and regulations relating to the sale of goods, as well as laws specifically governing sales on the Internet and promotional sales. The main regulations to which the Group is subject are presented in Section 9 "Regulatory Environment" of this Universal Registration Document. The Group had to incur and must continue to incur significant costs (both in investment and operating expenses) to meet current legal and regulatory requirements, and it is likely that these costs will increase significantly in the future. For example, as part of the entry into force of the General Data Protection Regulation on May 25, 2018, the Group had to develop IT tools for managing the consents and personal data of its members, which required significant mobilization of the Group's project teams. Any failure or perceived failure to comply with any of these laws and regulations could result in damage to the Group's reputation, a loss in business and proceedings or actions against it. Since 2014, in France, duly authorized associations for the defense of consumers have been permitted to bring consumer class actions in the event of any failure by a company to comply with its legal or contractual obligations in the context of a sale of goods or supply of services, or with respect to anticompetitive practices. If the Group were to become subject to such a class action, it could negatively impact its business and reputation. Any change in the rules and regulations applicable to the Group, or their interpretation, in particular regarding information that must be provided to the consumer, pricing, right of withdrawal, invoicing, unfair terms or restrictions on advertisements may have a significant impact on the Group's business.

3.2.1.2 Risks Related to the Evolution of Privacy and Personal Data Protection Laws.

A variety of national and international laws and regulations govern the collection, use, retention, sharing and security of personal data relating to consumers, employees or other natural persons. The Group endeavors to comply with all applicable laws, regulations and other legal obligations relating to privacy, personal data and consumer protection, including those governing the use of personal data for marketing purposes, the transfer of personal data outside the European Economic Area, or the "opt in" regime applicable in most jurisdictions in which the Group operates, which requires that it obtain the express consent of users to the use of cookies on its websites. However, these obligations may be inconsistent from one jurisdiction to another or may conflict with the Group's practices or other rules applicable to its business and the Group cannot guarantee full compliance with all these requirements. The Group's privacy policies concerning the collection, use and disclosure of users' personal data are posted on the Group's websites. Any failure or perceived failure to comply with posted privacy policies or with any privacy, personal data or consumer protection-related laws, regulations, regulatory guidance or orders to which the Group may be subject could adversely affect its reputation, brand and business. Such failure or perceived failure may also result in (i) claims or proceedings against the Group by governmental entities or concerned individuals; (ii) significant time and expenses in defense of such claims or proceedings; (iii) orders from courts or governmental authorities obliging the Group to change

its business practices; (iv) an increase in the Group's operating costs; (v) a loss of members and brand partners; and (vi) the imposition of monetary penalties, fines or even criminal sanctions.

Various legislative and regulatory bodies in the jurisdictions in which the Group operates may extend the scope of current laws or regulations, enact new laws or regulations or issue revised rules or guidance regarding privacy, personal data and consumer protection. Adverse changes in laws or regulations applicable to the Group could cause it to incur substantial costs or require it to change its business practices, prevent it from performing certain types of data analysis that it believes is important to its business model and compromise its ability to effectively pursue its growth strategy. In addition, the EU parliament adopted a new regulation on personal data on April 14, 2016, which entered into force and effect in May 2018. This regulation introduces substantial changes to the EU personal data protection regime. The weight of the regulations applicable to the Group operations has increased significantly, including a maximum level of fines capped at €10 to 20 million or at 2 to 4% of total annual revenues for legal entities, and also gives users the possibility of obtaining damages for any compliance failures. In that respect, the Group has done work on compliance that has brought it in line with the new regulation.

3.2.1.3 Risks Related to Changes in Laws or Interpretations of Laws Governing Discounts or Sales.

The Group sells products and services with typical savings of 50-70% of retail prices at all times of the year. In some of the markets in which the Group operates, the use of sales and discounts may be limited or regulated. New or amended laws or regulations governing the use of discounts or sales announcements, or unexpected changes in the interpretation of those laws or regulations in any of the countries in which the Group operates may have an adverse effect on its business. For example, in France and in many other markets in which the Group operates (other than the United Kingdom), applicable laws place limitations on "sales periods", i.e. periods during which retailers can advertise that they are holding a sale. While the Group is not directly impacted by these regulations because it sells very small proportions of inventory during the sales periods defined in applicable regulations, the existence of sales period regulations may have an indirect effect on the availability of excess inventory, the normal channels through which such inventory can be sold by the Group's brand partners, and consumer behavior during purchasing. Because sales periods tend to encourage many consumers, including the Group's members, to engage in increased overall shopping and bargain hunting during sales periods, the existence of sales periods can often have a positive effect on the Group's sales. Changes to sales regulations that change the length of sales periods or make it easier for brands to advertise discounts throughout the year could adversely impact the Group's business in many ways, including by making it easier for brands to dispose of discounted merchandise through other sales channels and making sales periods less of a driver of increased shopping activity. In addition, the application of framing for promotions in value and volume resulting of the "Egalim" Act of October 30, 2018 could limit the quantity of products available for sale and/or the amount of the discounts on food products granted to members. Finally, the transposition of EU Directive 2019/2161 of November 27, 2019, known as the Omnibus Directive for a "New Deal for Consumers," and in particular Article 2 thereof, which deals with price reductions, may result in unfavorable changes to the Group's policy of offering its members discounted prices. An adverse change in the laws relating to sales and discount advertisements could have a material adverse effect on the Group's business.

3.2.1.4 Risks Related to Changes in Environmental Protection Laws and Ecological Transition.

The Group may be subject to new regulations in France and in the countries where it operates relating to environmental protection and aimed at stepping up ecological transition. These regulations could have direct impacts on its business in terms of waste management, logistics, transportation of products

or even communication and marketing. If the Group does not anticipate these regulations, it could face difficulties in complying with the law within the given deadlines and thus incur sanctions.

The Group may be subject to new regulations in France and in the countries where it operates relating to environmental protection and aimed at stepping up ecological transition. These regulations could have direct impacts on its activity in terms of waste management, logistics, transportation of products or marketing. If the Group is not able to anticipate these potential new regulations, it could face difficulties in complying with the law within the given deadlines and thus incur sanctions.

3.2.2 Risks Related to Judicial, Administrative and Arbitration Proceedings.

The Group may be involved from time to time in judicial, administrative, arbitration or legal proceedings initiated by employees, brand partners, customers, competitors, government agencies or others. The results of any such proceedings are inherently unpredictable. Any claims against the Group, whether meritorious or not, could be time-consuming, result in costly litigation, damage its reputation, require significant amounts of management time and divert significant resources. In particular, the Group operates in a highly competitive sector in which certain competitors, including Vente Privée, have in the past, and may in future, resort to litigation against the Group. If any legal proceedings were to be determined adversely for the Group, or if the Group were to settle a case, it could be exposed to monetary damages or limits on its ability to operate its business, which could have a material adverse effect on its business, financial position and results. For more information on judicial, administrative, arbitration or legal proceedings see Section 18.6 "Judicial, Administrative and Arbitration Proceedings".

3.2.3 Risks Relating to Intellectual Property Rights

The Group believes that its trademarks, domain names, member databases, copyrights, know-how, proprietary technology and similar intellectual property are critical to its success. No assurance can be given that measures taken in France and abroad to protect the Group's intellectual property rights will be effective, that third parties will not infringe upon or misappropriate the Group's intellectual property rights.

3.2.3.1 Risks Related to Brand Protection, Including the "showroomprive.com" Brand and the Group's Domain Names.

The Group is the owner of several brands, including the "showroomprive.com" brand in several jurisdictions, and has also registered Internet domain names containing the term "showroomprive" and other additional names in those jurisdictions where it is active. If the Group does not have or cannot obtain and maintain its right to use its "showroomprive.com" brand in a particular country, or use or register its associated domain names, it could be forced either to incur significant additional expenses to market its products within that country, including the development of a new brand and the creation of new promotional materials and packaging, or elect not to sell products in that country.

Furthermore, the regulations governing domain names and laws protecting trademarks and similar proprietary rights could change in ways that block or interfere with the Group's ability to use relevant domains or its current brand. Regulatory bodies may establish additional generic or country-code top-level domains or may allow modifications of the requirements for registering, holding or using domain names. As a result, the Group might not be able to register and use the domain names that utilize the name "showroomprive" in all countries in which it currently conducts business or intends to conduct business in the future. In addition, the Group might not be able to prevent third parties from registering, using or retaining domain names that interfere with its consumer communications or infringe or otherwise decrease the value of its trademarks, domain names and other similar proprietary rights.

3.2.3.2 Risks Related to the Protection of the Group's Other Intellectual Property Rights.

The Group has developed, and intends to continue to develop, a substantial number of programs, processes and other know-how on a proprietary basis (but partly based on open source codes) that are of key importance to the successful functioning of its business. The Group might not be able to obtain effective intellectual property protection in every country in which it is active or in which such protection is relevant, and its efforts to protect its intellectual property could require the expenditure of significant financial, managerial and operational resources. Any of its intellectual property rights could be challenged or invalidated through administrative processes or litigation, which may be expensive and time-consuming. The Group cannot be certain that its competitors have not developed or will not independently develop or otherwise acquire equivalent or superior technology. The Group also relies on contracts with certain employees and service providers to develop and protect its intellectual property rights, but these contracts may be challenged or invalidated and may not be effective in preventing damage to the Group's intellectual property rights or unauthorized use of its proprietary confidential information.

In addition, the Group may be obliged to initiate claims or litigation against third parties to defend itself against the infringement, misappropriation or violation of its intellectual property rights or proprietary rights or to establish the validity of such rights. Any litigation, whether or not it is resolved in the Group's favor, could result in significant expense and divert the efforts of the Group's technical and management staff. Despite the Group's efforts, it may be unable to prevent third parties from infringing upon, misappropriating, or otherwise violating its intellectual property rights and other proprietary rights.

3.2.3.3 Risks Related to Third-Party Challenges to Intellectual Property Rights.

The e-commerce industry, and the fashion industry in general, is characterized by the vigorous enforcement of intellectual property rights. The Group might be subject to claims asserting that it has infringed, misappropriated or violated the intellectual property rights and technology of third parties, including as a result of the display, advertisement, distribution and sale of products supplied to it by third parties which allegedly infringe third party rights, such as trademarks, design rights or copyright. It may also be subject to risks from such claims against its suppliers and third-party service providers. The Group may be held liable or jointly liable for such infringement pursuant to Directive 2000/31/EC (Directive on eCommerce) and to the national laws implementing such Directive (including French law no. 2004-575 of June 21, 2004 for "trust in the digital economy").

These claims may raise complex legal questions, cause delays or disruptions, and divert the efforts of the Group's technical and management personnel. The costs of defending against such actions can be high, and there is no guarantee that the Group's defenses will be successful. If successful, a claimant could secure a judgment against the Group for substantial damages or prevent it from conducting its business as it has historically done or may desire to do in the future. The Group could also be required to seek licenses or pay royalties for the use of the intellectual property it needs to conduct its business. These intellectual property rights might not be available or not be available on commercially acceptable terms. In this case, the Group may have to develop its own technology, which could be expensive and/or unsuccessful.

3.2.3.4 Risks Related to the Group's Use of Open Source Software.

The Group makes use of open source software in its systems and it plans to continue to do so in the future. The licenses applicable to *open source* software typically require that the source code subject to the license be made available to the public and that any modifications or derivatives of *open source* software continue to be licensed under *open source* licenses. From time to time, the Group may face claims from third parties demanding the release or license of the *open source* software or derivative elements that it develops using such software (which could include its proprietary source code) or otherwise seeking to enforce the terms of the applicable *open source* license. These claims could result

in litigation and could require the Group to publicly release the affected portions of its source code, be limited in the licensing of its technologies or cease offering the implicated solutions unless and until it can re-engineer them to avoid the use of the implicated *open source* software. In addition, licensing terms applicable to certain *open source* software can lead to greater risks than those associated to third-party commercial software, as *open source* licensors generally do not provide warranties, indemnities or other contractual protections with respect to the software (for example, non-infringement or functionality). The Group's use of open source software may also present additional security risks because the source code for open source software is publicly available, which may make it easier for hackers and other third parties to determine how to breach the Group's systems that rely on open source software. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a material adverse effect on the Group's business, financial position and results.

3.2.4 Tax Risks

Due to the global nature of the Internet, it is possible that various states or foreign countries might attempt to impose new or revised regulations on the business of the Company or levy additional or new sales, income or other taxes relating to its activities. Tax authorities worldwide are currently reviewing the appropriate treatment of companies engaged in e-commerce. New or revised regulations may subject the Company or its customers to additional sales, income and other taxes. The Company cannot predict the effect of such initiatives. New or revised taxes, and in particular sales taxes, eco-contributions, VAT and similar taxes, would likely increase the cost of doing business online and decrease the attractiveness of advertising and selling products over the Internet. New taxes could also create significant increases in the Group's internal costs to capture data and collect and remit taxes. Any of these events could have a material and adverse effect on the business of the Group, its financial position and operating results.

Furthermore, as an international group doing business in several countries, the Group has structured its commercial and financial operations in line with various legal and regulatory requirements as well as its commercial and financial objectives. The Group's structure is also subject to change in light of developments in the Group's business activities, and particularly its international expansion. Since tax laws and regulations in the various countries in which Group companies are located or operate, or may in the future be located or operate, may not provide clear-cut or definitive guidelines, the tax regime applied to the Group's operations, intercompany transactions or reorganizations (past or future) is, or may sometimes be, based on the Group's interpretation of French or foreign tax laws and regulations. The Group cannot guarantee that such interpretations will not be questioned by the relevant tax authorities. More generally, any failure to comply with the tax laws or regulations of the countries in which the Group or the Group's companies are located or operate may result in tax reassessments, or late fees, fines and penalties.

As at December 31, 2019, a provision of €2.3 million for tax risks had been created in the accounts. For further information on tax risks, see Section 18.6 "Legal, Administrative and Arbitration Proceedings" in this Universal Registration Document, which sets out the outlines of ongoing proceedings (and in particular the procedure set out in Article L62A of the Tax Procedure Handbook concerning revenues deemed to be distributed abroad) and Note 5.10 to the "Group's Annual Consolidated Financial Statements" provided in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ended December 31, 2020" in this Universal Registration Document. The Group had received collection notices for these amounts, and the corresponding provisions were reversed in consideration of reported liabilities to the government.

Furthermore, tax laws and regulations may change, and there may be changes in their interpretation and application by the relevant jurisdictions and authorities, especially in the context of international and European initiatives (e.g., OECD, G20, EU). The occurrence of any of the preceding factors may result in an increase in the tax burden of the Group and have a material adverse effect on the Group's business, operating results or financial position.

3.2.5 Risks Related to Business Ethics

The Group carefully ensures that brand partners, as manufacturers or suppliers of products and services marketed by the Group on its platforms, comply with labor law, applicable social protection laws, anti-corruption laws and regulations (including the Sapin II Act), as well as acceptable social and environmental standards. However, the Group cannot guarantee that brand partners and their own suppliers or manufacturers comply with local labor law and environmental and ethical standards in their activities. If it appears that the Group's brand partners have not complied with local labor law or environmental or ethical standards, the Group's reputation and results could be adversely affected. Furthermore, in the event of the discovery of a breach of local labor law or environmental or ethical standards by a brand partner from which the Group makes firm purchases, that brand partner could be forced to withdraw the affected products from its event sales even though they have already been purchased by the Group, which could result in it incurring additional costs. The occurrence of any one or more of these risks could have a material adverse effect on the Group's business, financial position, results, development or outlook.

3.3 FINANCIAL RISKS AND RISKS RELATED TO THE GROUP'S FINANCES

3.3.1 Financial risks

Given its financial structure, the Group is exposed (i) to liquidity risk, (ii) market risks, broken down into exchange rate risk and interest rate risks and (iii) credit risks.

Liquidity Risk

As at December 31, 2019, the Group had made use of medium- and long-term external financing drawn on the closing date. The financing was as follows:

- In 2017 the Group raised a bank loan for €15 million for funding the acquisition of Saldi Privati. The bank loan is subject to a variable interest rate;
- The Group also raised variable-rate financing in 2018 to ensure investment in its future logistics scheme. In 2019, the Group drew all of the funding for a total amount of €12 million.
- As at December 31, 2019, the Group had mobilized all of its short-term lines amounting to €25 million;
- During fiscal year 2019, the Group took out a BPI loan of €3 million.

In the framework of its bank borrowing, SRP Groupe S.A. had committed itself to comply with certain financial ratios:

- The first is calculated on the basis of net financial debt and EBITDA,
- The second is calculated on the basis of financial net debt to net equity.

Since these ratios had not been met at December 31, 2019, the Group had to reclassify the financial debt (excluding IFRS 16) as current debt and it initiated discussions with the bank creditors, which resulted in the agreements presented in Section 2.3 of the Amendment.

The signing of a Conciliation Protocol on April 29, 2020 with its banking partners (described in Section 2.3 above) enabled the Group to secure and reinforce its short- and medium-term financial structure. Its debt now consists of €62 million in term loans or loans repayable at maturity in 2026, as well as a €35 million state-guaranteed loan (up to 90%) concluded on June 10, 2020 with the Caisse de Crédit

Agricole Mutuel de Paris et d'Ile-de-France, maturing in 2026. The Group will also continue to benefit from a €2.8 million bullet loan from BpiFrance.

Based on the Conciliation Protocol, the updated maturity schedule of bank debts is presented as follows:

Bank	Borrower	Amount due before conciliation (€ thousands)	Terms	Amount after conciliation (€ thousands)	Terms	Final post-conciliation maturity
BNP	SRP Groupe	15,000	Euribor 6 months + 0.55% margin	30,000	Euribor 6 months + 1.10% margin	December 31 2026
BNP	SRP Groupe	15,000	Euribor 3 months + 0.40% margin			
Credit Agricole	SRP Groupe	12,000	Euribor 3 months + 0.60% margin	12,000	Euribor 6 months + 1.25% margin	December 31 2026
Société Générale	SRP Groupe	10,000	Euribor 1 months + 0.90% margin	10,000	Euribor 6 months + 1.25% margin	December 31 2026
BPIfrance	SRP Groupe	2,750	Fixed: 0.82%	2,750	Fixed: 0.82%	September 30 2023
Crédit Agricole	Showroomprive.com		Euribor 3 months + 0.60% margin	10,000	Euribor 6 months + 1.25% margin	December 27 2025
non-contractualized authorized overdraft converted into a bullet loan						
LCL	Beauté Privée	128	Fixed: 1.2%	128	Fixed: 1.2%	June 15, 2021
Credit Agricole/State-guaranteed loan	Showroomprive.com			35,000	6-month Euribor + state-guaranteed premium	June 15, 2021
				99,878		

As stated in Section 2.3 of the Amendment, SRP Groupe S.A. and Showroomprive.com have undertaken to comply with certain financial ratios beginning in fiscal year 2021. Should they fail to comply with these ratios or the above repayment schedule, the banking partners may ask for the early repayment of the loans.

Market risks such as exchange rate risks and interest rate risks

The Group is also exposed to market risks such as exchange rate risks and interest rate risks. These risks are set out in Note 6.1 to the Group's consolidated annual financial statements, which can be found in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ended December 31, 2020" of this Universal Registration Document.

Credit Risk

These risks are set out in Note 6.3 to the Group's consolidated annual financial statements, which can be found in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ended December 31, 2020" of the Universal Registration Document.

3.3.2 Risks Related to Inventory, Goodwill and Other Intangible Assets*

At December 31, 2020, Group goodwill amounted to €124 million and €54 million in other intangible non-current assets (which primarily represents the brands). See Notes 5.1 and 5.2 to the Group's consolidated financial statements, which are included in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ended December 31, 2020" of the Universal Registration Document. In accordance with IFRS, the Group periodically reviews goodwill and intangible assets for impairment. If all or part of its goodwill and of its other intangible assets were to become impaired for any reason, the Group would be required to record charges to earnings, which could have a material adverse effect on its business, financial position and results.

In addition, the Group's balance sheet is made up of large inventories resulting from firm sales, which creates an inventory risk for the Group. As at December 31, 2020, the Group had a total of €48 million in inventory and work in progress. See Note 5.5 to the Group's consolidated financial statements, which can be found in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ended December 31, 2020" of Universal Registration Document. In the event that such firm sales were not successful, the Group could encounter difficulties in selling its inventories, which could become obsolete or outdated due to the rapid change in trends, and lose their value. In addition, these excess inventories could cause logistical problems and lead to additional logistics costs for the Group, therefore justifying significant write-downs. In 2019, faced with excess inventories and difficulties affecting their rate of sale and resulting in many additional logistics costs (particularly related to inefficient returns management), the Group made significant write-downs including exceptional stock write-downs of €21 million, which negatively impacted its gross margin. Although these write-downs have enabled the Group to reduce its inventory to a level in line with the current market, and the establishment of new inventories in 2019 has been limited due to the decline in firm purchases and the switch of the model to purchasing on consignment and drop shipment, the Group may in the future face excess inventories that justify write-downs, which could have a material adverse effect on the Group's business, financial position and results for the year in which such charges are recorded.

3.3.3 Risks Related to the Group's Ability to Raise Capital in the Future.

In 2018, the Group carried out a capital increase with preemptive subscription rights maintained, of a gross amount of €39.5 million, including issue premium, to strengthen its presence in the beauty segment and acquire additional financial resources to carry out the 2018-2020 strategic plan. On August 5, 2020, the Group successfully realized a capital increase with shareholder preferential subscription rights, started on 17 July 2020. The proceeds of the capital increase will be used by Showroomprivé to finance the Company’s and its subsidiaries general expenses, as part of the strengthening of its financial

structure under the agreement entered into on 29 April 2020 with the Group's banking partners. In the future, the Group may raise additional capital through public or private financing or other arrangements in order to finance its expansion strategy or strengthen its financial position.

Such financing might not be available on acceptable terms, or at all. Factors that could increase the difficulty of obtaining financing include, but are not necessarily limited to: a deterioration in economic conditions globally, in the Eurozone generally, or in the specific markets in which the Group operates at the date of such financing; higher interest rates; a deterioration in the Group's financial results or position; insufficient competition among banks or other potential sources of financing; and insufficient demand for securities in the debt or equity capital markets. Any inability to raise capital as and when required could prevent the Group from growing its business or responding to competitive pressures and could have a material adverse effect on its business, financial position and results.

3.4 INSURANCE AND RISK MANAGEMENT

3.4.1 Insurance Policy

The Group's policy with respect to insurance is implemented by the Group's Legal department, which is charged with identifying the main insurable risks and quantifying their potential consequences, in order to:

- reduce the relevant risk by recommending preventive measures; or
- choose to cover the relevant risk through insurance, particularly for risks of an exceptional nature, involving strong potential magnitude and low frequency.

The Group's insurance program is designed to protect it from the adverse operational and financial consequences that might result from its activities. Management negotiates with major insurance companies to obtain coverage that it deems appropriate to cover the risks relevant to its operations. The Group's policy is to obtain its insurance policies only from well-known insurers with strong financial ratings.

The Group's main insurance policies cover professional liability, property damage, and operating losses, in addition to transportation and inventory purchases. The Group also carries insurance for the warehouses of certain external logistics services providers as well as the inventory in those warehouses. The Group's multi-risk warehouse insurance policy covers risks such as fire and theft. The Group also carries professional liability insurance in connection with its travel agency business. In addition, the Group carries life insurance for each of its corporate officers.

The Group purchases insurance based on reasonable estimates of probable liability resulting from tort, property-casualty and other risks. The Group does not insure against risks for which there is no coverage available on the insurance market, for which the cost of insurance is disproportionately high compared with the potential benefit, or for which the Group believes the risk does not require insurance coverage.

The Group believes that its existing insurance coverage, including the amounts and terms of coverage, provides reasonable protection against the potential risks faced by the Group in conducting its activities. However, the Group cannot guarantee that no losses will be incurred by the Group or that no claims will be filed against the Group that exceed the type and scope of its existing insurance coverage.

The Group has not filed any claims for significant losses under the insurance policies described above during the last three years. In general, the Group has low losses, which enables it to maintain relatively low premiums and favorable coverage terms.

The Group's insurance policies contain exclusions, caps and deductibles that could expose it to unfavorable consequences in the case of a significant adverse event or legal action against it. Moreover,

the Group may be required to pay significant damages that are not covered by its insurance policies or to incur significant expenses that may not be covered, or may be insufficiently covered, under its insurance policies.

3.4.2 Risk Management

Risk management refers to the measures implemented by the Group to identify, analyze and manage the risks to which it is exposed. The Group's managers regularly monitor risk management procedures and report risks to the Group's executive management team. This team manages and directs risk management. A number of Group's specific risk management initiatives are summarized below.

3.4.2.1 Risk Mapping

In connection with its risk management procedures, the Group prepares a map of its principal risks. The Group's risk mapping and review process, which was initiated in 2015 under the supervision of the Group's senior management, is designed to help the Group identify the main risks to which it is exposed, to evaluate each risk's potential impact on the Group's business, and to determine the Group's action plan and the individuals within the Group responsible for monitoring and controlling the risk.

The risk map was updated in early 2020 and will enable the Group to define and track the various specific action plans put in place to reduce or manage the identified risks. Some examples of action plans and policies put in place to manage identified risks include:

- *Risks related to market downturns or loss of members*. In order to identify market trends and implement appropriate responses, the Group consistently monitors relevant KPIs via its *business intelligence* and data analysis platform, including order sizes, the number of members, sales, buyer conversion, repeat buyer conversion and churn. It conducts monthly financial analysis and *reporting* of these indicators tracks and studies competitors. The Group continuously analyzes its members' purchasing behavior in order to target its offerings.

- *Risks related to supply and price volatility*. The Group has put in place minimum margin requirements for sourcing negotiations and provides buyers with target margin levels in an effort to create a greater cushion against price volatility. The Group uses form contracts with standard provisions as the basis for its negotiations with its brand partners, which provides a framework for managing its relationships with brand partners and allows it to quickly identify any non-standard terms.

- *Risks related to logistics*. The Group ensures that its contracts with logistics service providers and with suppliers contain certain protections, including penalties payable for delays and problems in service, minimum security requirements at warehouses, and certain warranties and guarantees of goods or performance. Furthermore, maintaining relationships with multiple logistics service providers allows the Group to limit its dependence on a single provider and ensure alternative solutions in the event one of its providers experienced a service disruption.

- *Risks related to IT, payments and innovation*. The Group maintains a risk management policy for its information technology. It secures its payments with 3D secure, only enters into contracts with payment service providers that have fraud-detection systems and has internal policies designed to detect and prevent fraud. In order to remain at the forefront of innovation, the Group's marketing team pays particular attention to market changes and analyzes the behavior of members and buyers. It also tracks satisfaction metrics in order to ensure that members of the Group are satisfied with the website.

- *Legal and regulatory risks*. The Group protects itself against intellectual property risks via confidentiality agreements and standard clauses used in its contracts.

- *Risks related to human resources*. The Group has a human resources department charged with management of personnel. It has designed compensation systems with a view towards attracting and retaining talent, including by using incentive pay.

- *environmental and societal risks.* In 2018, the Group created a CSR department responsible for ensuring that environmental and societal challenges are incorporated into the heart of the company's strategy. The CSR and legal departments jointly monitor new regulatory developments.

3.4.2.2 Evaluation and Management of Specific Risks

3.4.2.2.1 Management of Operational Risks

The Group has internally developed or otherwise implemented *business intelligence* tools for *reporting* the principal operational data from the Group's activities. These tools have been deployed across all of the Group's operational entities and enable operational information to be rapidly reported, consolidated at the Group level, analyzed and used in decision making.

These tools help provide a global view of the Group's various activities. The *reporting* system is intended to provide a rapid alert system for any key performance indicators experiencing difficulty or deviating from the Group's objectives.

3.4.2.2.2 Management of Security Risks Within the Group

Due to its online event sales activity, the Group pays particularly close attention to measures needed to minimize security risk such as online payment fraud or third-party theft of personal data.

The Group has put specific procedures in place to deal with these risks, including the following:

- Network: firewall and router configuration standards and procedures are designed and deployed to protect against unauthorized access from untrustworthy networks;

- System security: strict compliance with reinforced measures, which are regularly revised and clearly defined to avoid the use of passwords by third parties;

- Payment security: setting up applications that detect suspicious transactions in real time and using algorithms;

- Protection of member data: data retention and removal policies, strengthened security protocols, deployment of anti-virus software and regular updates of all systems;

- Access protocols: to ensure that critical data is accessed only by authorized personnel, the Group has set up systems and procedures to limit access based on each employee's needs and responsibilities within the Group;

- Security systems and process tests: security testing is carried out on a regular basis. These tests include the detection of unauthorized wireless access points, reports on vulnerabilities in the internal and external network, intrusion detection systems and file integrity surveillance tools;

- Backups: an automatic data backup is performed at least once per day (every 15 minutes for strategic resources), and redundancy and recovery systems following incidents, as well as cloud storage capacity, have been put in place;

- Response plans: incident response plans have been developed and deployed to enable the Group to respond immediately in the event of a breach in the system;

- Training: employees receive training to sensitize them to security issues and make them aware of the importance of information system security.

3.5 INTERNAL CONTROL AND RISK MANAGEMENT

3.5.1 Objectives and principles of internal controls

The Group's internal control system relies in particular on its business intelligence systems which allow for the real-time monitoring of a significant number of performance indicators in the Group's main operational areas. The Group's internal control system relies on the following principles:

- It is intended to guarantee:
    - compliance with laws and regulations;
    - the application of the instructions and guidelines set by the Group's Executive Management;
    - the proper functioning of the internal processes of the Group, in particular those contributing to the protection of its assets; and
    - the reliability of financial information.
- The internal control system includes the following components:
    - continuous monitoring of key performance indicators in each of the Group's operational areas at all levels of the Group, contributing to the improvement of the control environment and a rapid identification of potential anomalies;
    - a formal definition of the powers and responsibilities within the framework of policies and procedures implemented by the Group;
    - a set of policies and procedures relating to the preparation and verification of the Group's financial information;
    - high-performance IT systems in order to analyze the Group's activity in real time;
    - a risk management system.

3.5.2 Organization of Internal Control and Risk Management

3.5.2.1 Executive Management

Pursuant to Article 16 of the Company's bylaws as adopted by the Company following the admission of its shares to trading on Euronext Paris, the Board of Directors sets limits on the powers of the CEO in the terms of its internal regulations by specifying the transactions that require prior authorization from the Board of Directors. Each year, the Board of Directors sets either an overall amount within which the CEO may make commitments on behalf of the Company in the form of sureties, endorsements

and guarantees, or an amount beyond which each one of the above commitments may not be made. Any commitments in excess of the overall limit or the maximum amount set for a commitment, respectively, must be specially authorized by the Board of Directors.

Pursuant to Article 3 of the internal regulations, the Board of Directors must give its prior authorization, by a simple majority of its members present or represented, for any fact, event, act or decision relating to the Company and the other members of the Group concerning:

- the adoption of the annual budget;
- investments or capital expenditures (other than in the ordinary course of business) not provided for in the annual budget which, individually or in the aggregate, would exceed €1,000,000 annually;
- the acquisition, transfer or subscription of units, shares or other form of interest in any other company, group or entity, the establishment of a joint undertaking or subsidiary or the transfer or pledge of its shares or any significant tangible asset not provided for in the budget, representing an investment amount for the Group in excess of €5,000,000;
- option grants and the terms on which such options will be granted to the employees and managers, as well as the implementation of a profit-sharing plan for managers or employees;
- the appointment or removal of a founder who has management duties within the Group or any person, CEO, Deputy CEO, Operations Director or Chief Financial Officer (CFO);
- the appointment or renewal of the Company's statutory auditors;
- any agreement between (directly or indirectly) the Company or any subsidiary and any of its shareholders, officers or founders;
- any material change in the activity and strategic orientation of the Company or of a subsidiary as defined in the business plan and annual budget;
- any financial debt commitment (in particular financial guarantees) of the Group in excess of €5,000,000, as well as any guarantee or any surety granted within this framework; the grant of any mortgage or surety relating to all or substantially all of an asset, and representing in excess of €500,000 individually within the global limit of €1,000,000 a year, and not provided for by the annual budget;
- the appointment or removal of a manager of a Group company;
- any acquisition or disposal or operating lease of the Company's business or the making available or transferring of a significant trademark used by the Group.

Executive Management works in close collaboration with the Finance Department to prepare the financial statements for approval by the Board of Directors. In that regard and as the department responsible for preparing the accounts and implementing the accounting and financial internal controls, Executive Management speaks regularly with the Statutory Auditors during the review meeting and the working sessions on subjects concerning events that are likely to affect the Group's activity.

3.5.2.2 Operational departments grouped within the COMEX

For more information on the operational departments grouped together in the Executive Committee, see Section 12.1.3.1 "Executive Committee" of this Universal Registration Document.

3.5.2.3 Support Departments

3.5.2.3.1 Finance Department

The Group's French and international *corporate* finance activities are centralized within Showroomprivé.com's Finance Department.

The Finance Department relies on the international subsidiaries' operational, administrative and financial directors, who serve as liaisons on a daily basis.

The Finance Department is responsible for preparing the financial statements, consolidating the Group's results for purposes of periodic financial reporting, producing and distributing the indicators and aggregates necessary for running the business to the operational side, and managing the Group's cash flow. This department's activity includes:

- Accounting and closing the accounts: each situation is prepared in cooperation with the operational Directors and is reviewed by the Finance Department;

- Off balance sheet commitments: any new contract or transaction is evaluated and monitored regularly;

- Budgets: the budgets for revenue, operational costs, gross profit and EBITDA, and commercial structure are prepared with applications developed internally following the same approach as that used for the updates on progress prepared using the Group's management tool. The Finance Department uses this data as a basis for developing the objectives defined by Executive Management;

- Sales administration: revenue is recorded in line with the contractual documentation and the accounting standards for recognition of revenue;

- Management control: management control is carried out nationally and internationally by a dedicated team for each of these areas;

- Cash-flow management: cash-flow management is centralized. Daily reports are sent to Executive Management and forecasts are updated monthly. The power to sign banking documents is delegated only to the Chief Financial Officer and the Group Treasurer;

- Operational reporting: the Group has implemented internal weekly activity reporting with respect to relevant indicators and metrics of the Group's business. This periodic reporting is analyzed by the Finance Department and provided to the COMEX and to Executive Management to provide a financial view of how the business is being managed.

3.5.2.3.2 Legal Department

The Legal Department supports all the transactions entered into by the Company and its employees, both in France and abroad. Its areas of involvement include commercial law, consumer law, competition law, intellectual property law, labor law, securities law, corporate law, commercial leases, management of litigation and threatened litigation, and day to day support for the operational departments, both in France and abroad.

The Legal Department reviews the legal security of specific transactions (transactions for strategic development and deployment of the Company, external growth, commercial partnerships, internal restructuring transactions, etc.) and provides daily support for the operational departments.

The Legal Department institutes legal and compliance processes in order to manage the legal risks that the Group may incur.

3.5.2.3.3 Procurement and General Services Department

All of the Group's procurement procedures and all its supplier relations are centralized by the Procurement and General Services Department and are subject to a validation process.

For example, the issuance of purchase orders is subject to a clearly defined process within the Salesforce software, including (i) the signature of the employee making the request, (ii) the approval by the Procurement Department or by the Executive Management in the case of an amount that is greater than the predefined threshold, and (iii) payment made by the Group Treasury after receipt of the order or the service.

3.5.2.4 Committees

3.5.2.4.1 Audit Committee

For more information on the composition, operations and duties of the Audit Committee, see Appendix II "Board of directors' report on corporate governance" of this Universal Registration Document.

3.5.2.4.2 Nomination and Compensation Committee

For more information on the composition, operations and duties of the Nomination and Compensation Committee, see Appendix II "Board of directors' report on corporate governance" of this Universal Registration Document.

3.5.3 Internal Control and Risk Management Processes

In terms of internal control and risk management, the group has chosen to apply the main recommendations proposed in the AMF General Regulation and application guide updated in July 2010.

3.5.3.1 Market risks

Showroomprivé.com faces several market risks that could strongly affect the Company's appeal for its customers. The principal risks are identified below:

- Risks relating to the economic environment in the market and in the e-commerce sector, as well as the degree of competition:
    - If the online private sales event model ceases to be attractive to consumers or brand partners or the market becomes saturated, the Group's business, financial condition and results of operations may suffer.
    - Failure to anticipate and respond to fashion and other retail product trends may materially and adversely affect the Group's business, financial condition and results of operations.
    - The Group's potential expansion into new product categories may not be successful.
    - If the percentage of consumers buying goods and services online and via mobile devices grows at slower than expected rates, fails to grow or declines, the Group may have difficulty meeting its growth objectives.
    - The Group operates in a competitive industry, and competitive pressures could affect the Group's sales and growth.
    - The Group's business is subject to seasonal revenue fluctuations.

- Risks related to acquiring and keeping active members in France and abroad: An inability to offer products at consistently significant discounts could reduce the appeal of the Group's sales platform:
    - The Group's failure to convert existing members to buyers or to generate member loyalty and drive repeat purchases could make it more difficult to generate revenues.
    - Failure to achieve an appropriate mix between the Group's consignment sales and firm sales models may lead to reduced sales or profitability.
    - Failure to develop and maintain a strong brand for Showroomprivé may adversely affect the Group's reputation, business and growth prospects.
- Risks relating to the volatility in purchase prices for products and raw materials used in the logistics chain.

3.5.3.2 Financial risks

Showroomprivé.com faces the risk that the value of its assets (inventory) will decline: The inventory held by Showroomprivé.com in the case of firm sales may lose value if it remains unsold or trends change.

3.5.3.3 Procurement, logistics and delivery risks

Showroomprive.com faces procurement, logistics and delivery risks that may threaten the acquisition of new customers and could lead to a decline in its brand image:

- Inability to procure diversified and quality products that meet customers' expectations. Risks relating to product pricing:
    - The Group may be unable to maintain its current relationships with popular brands or build relationships with additional popular brands on acceptable terms.
    - Failures by brand partners to timely deliver quality goods for sale, in a timely manner, could adversely affect the Group's business, financial condition and results of operations.
- Risk of harm (fire, damages, etc.) to warehouses
- Risks relating to the efficiency or poor management of the logistics chain:
    - The majority of the Group's purchases from brand partners are made on a consignment basis. For these sales, the Group generally does not hold inventory until products have been ordered by buyers, which results in slower delivery time than other e-commerce retailers.

3.5.3.4 Technological / IT risks

Showroomprivé.com faces technological and information system risks that could interrupt the proper functioning of its sales system or damage its brand image:

- Robustness of the IT systems (security, scalability, failure of IT systems, hosting, security of customers' personal data, etc.)
- Technological innovations and obsolescence:

- Failure to successfully adopt new technologies or to adapt the Group's websites and mobile apps to changing consumer preferences in a timely manner may make it more difficult to attract new members or sustain platform traffic and sales.

- If the Group is unable to keep pace with changing mobile technology and effectively respond to consumer preferences for shopping with mobile devices, its business, financial condition and results of operations may be adversely affected.

- Risks relating to payment service providers, fraud and the inability to manage multiple forms of payment.

3.5.3.5 Legal risks

There are regulatory and legal risks that are described in section 3.2 "Regulatory and Legal Risks" of the Universal Registration Document, including reputational risk and a risk of customer disputes related to products, services and terms of sale, as well as a risk of disputes with suppliers (such as use rights, distribution, product safety, compliance, etc.).

3.5.4 Description of key controls on processes and major activities of the Group

3.5.4.1 Market risks

In order to protect itself from the various market risks identified in advance, the Company has several controls in place to respond to these risks.

Executive Management, the members of the COMEX, and management control carry out the following main controls:

- Monitoring the key performance indicators (sales, average basket size, number of members, etc.) as well as analyzing the market and Showroomprivé.com's competitors;

- Monthly analysis of reporting;

- An analysis of market gains and losses;

- An analysis of the cost of acquiring new members.

In addition, in order to recognize revenues, a customer file must be created in the extranet customer-management tool, and once the sale goes online, the customer must pay online. A monthly reconciliation between the extranet management file and revenue recorded on the books is carried out by management control.

Finally, a reconciliation between the revenue recorded and deposits shown on the bank statement is performed daily.

3.5.4.2 Financial risks

In order to protect against financial risk identified in advance, the Finance Department and the Sales Director have implemented regular monitoring of the level and timing of inventory through analysis by date, volume and expediency of resale, for example by internet or through liquidators.

3.5.4.3 Risks of protecting against financial risk identified in advance

In order to protect itself from the various procurement, logistics and delivery risks identified in advance, the Company has several controls in place to respond to these risks.

The Director of Procurement carries out the following principal controls:

- A supplier-identification and control procedure has been established;

- Margin objectives are provided to buyers. In order to guard against the risk of dependence on suppliers, the buyers also have an objective to diversify their product supply sources and to enter into transactions with very well-known brands;

- A minimum margin was defined in connection with the negotiation with suppliers before putting products up for sale;

- The agreements entered into with suppliers include a warranty by the supplier that there is no obstacle to selling the products. Significant penalties are incurred in the event of a failure to comply with delivery terms.

The Director of Logistics carries out the following principal controls:

- Agreements are in place with the logistics service providers that include insurance for the goods held by both companies;

- Controls of security measures and warehouse measures are performed regularly.

In addition, as soon as the sale is complete, a purchase order is sent to the supplier. Sales administration pays the invoice only after the reconciliation between the order and the invoice has been performed and shows no discrepancy.

3.5.4.4 Technological/IT risks

In order to protect itself from the various technology and information system risks identified in advance, the Company has several controls in place to respond to these risks:

- A crisis-management process has been put in place by the Chief Technical Officer;

- A fraud-detection procedure in cooperation with the Group's payment service providers is carried out jointly by the Director of Customer Service and the Chief Technical Officer. For example, Showroomprive.com analyzes atypical sales (large order volumes, the time at which the sale takes place and other criteria), put those sales on hold while the audit takes places, and carries out additional checks, in some cases requesting supporting documentation from its customers;
- An information system is in place to process the various information received.
- In order to manage the risk of payment fraud, the Company has put in place the following systems:
    - 3D Secure,
    - Secure payments by Atos,
    - Algorithms to detect high-risk payment behavior.

3.5.4.5 Legal risks

In order to protect itself from the various legal risks identified in advance, the Company has several controls in place to respond to these risks. The Legal Department and the Director of Customer Service perform the following controls:

- Customer service is provided and its related key performance indicators are monitored on a regular basis;

- Control of contracts and purchasing terms is carried out continually by the Legal Department.

In addition, the Company monitors disputes, reimbursements and various inventory problems and investigates if an anomaly is found.

4. INFORMATION ABOUT THE COMPANY

4.1 COMPANY NAME AND TRADE NAME

The name of the Company is "SRP Groupe".

4.2 PLACE, REGISTRATION NUMBER AND LEGAL ENTITY IDENTIFIER

The Company is registered with the Bobigny Trade and Companies Register under number 524 055 613.

The Company's legal entity identifier is: 969500R79R79EPOYHA40.

4.3 DATE OF INCORPORATION AND TERM

The Company was incorporated on July 29, 2010.

The Company's term is 99 years from the date of its registration with the Trade and Companies Register, or July 29, 2109, except in the event of extension or early liquidation.

4.4 REGISTERED OFFICE, LEGAL FORM AND LEGISLATION GOVERNING ACTIVITIES

Registered office: 1, rue des Blés ZAC Montjoie 93212 La Plaine Saint-Denis Cedex, France.

Telephone: +33 1 49 46 05 67

Website: www.showroomprivegroup.com

Please note that the information appearing on the website does not form part of the Universal Registration Document.

The Company is a French public limited company (société anonyme) with a Board of Directors, governed by French law, and specifically Book II of the French Commercial Code.

5. BUSINESS

5.1 OVERVIEW

Showroomprivé is an innovative European online event sales company specializing in fashion. As of December 31, 2020, the Group operates in France (its primary market) and in six other countries. With roots in both fashion sales and online marketing, Showroomprivé's vision is to re-invent the way women discover and shop for high street fashion. The Group's mobile apps and websites feature a curated selection of well-known and up-and-coming brands. Showroomprivé's sleek sales presentation, together with the excitement of its private sale format – shopping bargains of 50-70% off retail prices while stocks last – help to create a highly engaging user experience. At the same time, the Group's platform is a fashion-conscious, discreet and proven distribution channel for its brand partners' excess inventory. At the end of 2020, 10.6 million members of the Group had already made at least one purchase on the platform, including 3.3 million in 2020 alone. During the fiscal year ending on December 31, 2020, the Group recorded revenues of €697.5 million, and EBITDA of +€42.0 million.

The product mix of the Group's fashion-focused brand portfolio, and its mobile-centric engaging user experience, are consciously designed to appeal to *"digital women"*. This particularly attractive customer segment is characterized by women with a strong interest in fashion, active users of the Internet, used to shopping online with smartphones and tablets, and in charge of a large part of the family budget. The Group's offer responds to the needs of these women, who love fashion and bargains, but whose busy schedules, and need to juggle work, family and other commitments, leave them little time for discovering new brands, at the right price.

Every day, the Group offers 15 to 20 private sales, presenting a carefully researched selection of brands, with special care given to product presentation. The selected brands, mostly fashion goods and fashion accessories, bring together both well-known names and up-and-coming brands. Sales of fashion-related merchandise accounted for 53% of the Group's gross Internet sales in 2020. The Group's sales events are designed to encourage discovery, and impulse purchases. To complement its core fashion-focused offering, the Group also offers a range of carefully selected and presented non-fashion items designed to appeal to its "digital woman" number of Members, such as beauty products, home decoration and other products.

To accommodate its members' busy lifestyles, the Group's mobile-centric user experience features stylish, simple and intuitive mobile apps and websites that make it easy for members to shop wherever and whenever they have a spare moment, whether during their commute, at work, between two meetings or in the evening. The Group was one of the earliest players in the French e-commerce market to launch a dedicated mobile app and mobile version of its website and is currently among the leading e-commerce retailers in France in terms of mobile traffic. In 2015, its mobile apps were awarded first prize in the Grand Prix Stratégies du marketing digital, organized by Stratégies magazine. In March 2017, the Group was also awarded the UX 2017 Prize by Contentsquare for its Group's mobile app, strengthening its image of as a "mobile first" company. Its mobile apps have enabled the Group to attract a large and growing audience: since their launch and until December 31, 2020 they had been downloaded more than 23.7 million times (3.5 million[1] of which were downloaded in 2020). In 2020, 85% of the visits to the Group platform which it recorded in its systems and 75% of its gross Internet sales were made from mobile terminals.

The creation of an attractive platform has enabled the Group to acquire a growing number of particularly loyal members. In 2020, the Group recorded a total of 744 million visits to its platform, an average of 62 million visits per month. In the final quarter of 2020, the Group's systems recorded an average of 2.4 million visits per day, or an average of 74 million visits per month. In 2020, a buyer placed an average of 4.3 orders. More importantly, in 2020, 74.5% of the Group's 3.3 million buyers were repeat buyers who had made at least one purchase on the platform in prior years, and 84.2% of the Group's gross

[1] Figure calculated using a Company internal tracking tool.

Internet sales came from purchases made by these repeat buyers. That same year, 38.2 million items were purchased on the platform. Furthermore, 92% of Showroomprivé's customers responded to a satisfaction survey conducted by the Group in 2020, confirming their intention to buy again on the site[1]. The Showroomprivé brand helps drive member acquisition, buyer conversion and repeat purchase activity.

The size of the Group's membership, the growth in the number of Group members and the success of its sales attract a wide variety of well-known and less well-known brands. Many have become regular partners of the Group and regularly use its platform as a fully-fledged distribution channel. The brands are selected and recruited by the Group's experienced team composed of 138 buyers at December 31, 2020. The Group believes it offers its brand partners a discreet, reliable and image-enhancing sales channel that represents a valuable alternative to traditional channels for selling excess stock. The brands benefit from the Group's sourcing flexibility. Indeed, the Group is able to buy large volumes of stock in bulk and can buy products from brand partners either on a consignment basis (where the Group buys and pays for products only after an order is placed by the consumer on its platform) or on a firm sale basis (where the Group buys and stores products before selling them). Of the Group's total gross Internet sales in 2020, 84% were generated by private sales on a consignment sales or drop shipment basis, and 16% by private sales on a firm sale basis. The Group's ability to reach an audience of several million customers in France and six other countries is particularly attractive for its brand partners, who thus benefit from increased visibility in existing and new markets. Moreover, the Group's mastery of advanced customer relationship management (CRM) and data analytical tools is another strong argument for brands that benefit from detailed quantitative analyses of customer behavior and sales performance.

Attractive for both brands and consumers, the Group's model benefits from a particularly virtuous circle: growth in the number of members and the Group's ability to sell increasing volumes help attract more partner brands, while access to a growing portfolio of brands helps attract new members to the platform and boost the conversion rate of members into buyers. This dynamic has driven the Group's rapid growth in France and internationally. At the end of 2020, the Group in France had 8.4 million cumulative buyers, including 2.7 million who had made at least one purchase in 2020. Building on its success in France, the Group has, since 2010, implemented a targeted international expansion strategy, directed from France, by launching websites in Italy, Spain, Belgium, Portugal, the Netherlands, Poland, Germany and Morocco, as well as an English-language multi-currency website open to members from more than 160 countries, enabling them to make purchases in their local currency. In 2020, the Group generated 15% of its total revenues in international markets. At the end of 2020, in its international markets, the Group had 2.2 million cumulative buyers, 0.6 million of whom had made at least one purchase during that year.

In the context of its "Performance 2018-2020" plan, the Group announced early in 2019 its intention to streamline its International presence by focusing its efforts on its key geographies and by closing its German, Polish and multi-currency online sites. It will continue, however, to invest in campaigns to build brand recognition and continue to seek opportunities for greater adaptation to local markets, including the recruitment of local brands. The Group also relies on rolling out innovations and conversion tools abroad that the Group has already launched in France (such as the Infinity service or the "single basket", both of which were launched in Spain and in Portugal in the first half of 2016, and in Italy and Belgium in 2017), to strengthen member engagement and loyalty and accelerate new buyer conversion.

The Group places a high value on innovation and strives systematically to optimize and adapt its technology and IT tools at all levels of its business, always with the aim of constantly improving its offer to brands and consumers. It has developed an integrated business intelligence system that analyzes large volumes of data and is designed to optimize decision-making at all levels of the Group. This tool

[1] Based on 777,145 of the Group's buyers who responded to a Group survey in 2020 that was sent to each buyer after a purchase on its platform.

helps it select brands and products, plan event sales, optimize buying and selling prices, improve the return on marketing investment, and find the most appropriate means for acquiring and retaining its members. The Group's technology platform also enables it to supply its brand partners with granular reporting on the results of their event sales. This adaptable, reactive, secure and highly extensible technology platform is designed to support the Group's continued growth. In addition to this, its logistics infrastructure is also adapted to support rapid sales growth: if some functions are handled internally (sorting and returns management), storage and order preparation are outsourced. Under the subcontracting agreements with its main logistics providers, the Group has the capacity to process 150,000 orders per day (and can increase this capacity up to 230,000 orders per day). In 2015, Showroomprivé launched new functions and services: "Infinity," a free and unlimited delivery service available by subscription, and "single basket," which allows shoppers to combine purchases from several sales in one basket. At the end of 2020, 146,000 people were subscribed to Infinity. Showroomprivé marketed its own brand #CollectionIRL, a collection of basics for its core target audience, the ″digital woman". In June 2015, Showroomprivé also inaugurated its "Look Forward" incubator, which includes 18 start-ups as of the date of this Universal Registration Document, demonstrating its commitment to supporting innovation at the crossroads of fashion and new technologies.

In February 2016, the Group launched its offer of "Shop It Pocket" coupons (customers who have made a purchase in store can scan their cash register receipt using the ShowroomPrivé app and be refunded the amount of the discount) and "Shop It Coupon" (customers are offered a voucher on the Group's portal to use in store). This enables the Group to capitalize on its database and the large number of daily visits to create an important tool for brands, which, in turn, enables it to recruit new brand partners looking for new ways to acquire customers. In March 2016, Showroomprivé set up a high-performance search engine that enables members to identify sales of their preferred products. The Group also launched the "Android Pay" payment method on its platform in the United Kingdom, enabling members to pay for their purchases quickly and securely, before introducing Apple Pay in France. In 2016, following the success of the initiatives launched in 2015, the Group created a dedicated #CollectionIRL team and launched the second season of its "Look Forward" incubator.

In 2017, the Group continued its efforts aimed at improving service quality. This improvement was reflected in the following initiatives: launch of customization on all purchasing platforms (website and mobile), launch of a *drop shipment* offer, opening of a warehouse dedicated to footwear, and the rollout of digital innovations (new UX, new mobile site, new search engine) in all countries.

Early in 2018, the Group also decided to internalize part of its logistics business through an €13 million investment in a mechanized warehouse that will allow it to directly handle and mechanize some of its flows of consignment sales and in this way significantly reduce the logistics fulfillment costs.

In addition, in June 2018, the Group launched SRP Média, the first media advertising company dedicated to Digital Women. The Group's unique positioning allows it to support the brands in digitalizing the purchasing act by creating a unique, qualitative and enjoyable experience. The Group proposes an offer structured around two types of expertise: data expertise with insights and custom media plan to expand audience outside Showroomprivé and 360 Advertising expertise with custom mechanisms (drive to store, sampling, special operations). With SRP Média, the Group is positioning itself as media and an innovative and peer-based distribution channel since it offers the brands a brand new audience intersection, both by the volume of data processed and by the quality and granularity of that data. In other words, SRP Media is a strategic asset of the brands by meeting their goals to acquire new buyers, grow traffic at their physical and/or digital sale sites, and their visibility.

In 2019, the Group continued its developments through the enrichment of the services and functionality of its commercial Internet platform. The redesign of the homepage, the geolocation of offers, a notification center, a new information system to manage all of the travel activity, and a supplier portal intended for drop shipping were some of the things set up in 2019.

The opening of the Group's new mechanized warehouse in the fourth quarter of 2019 made it possible to increase efficiency in logistics processes with better control of costs per order.

In October 2019, Showroomprivé received the award "Élu Service Client de l'Année 2020" (Best Customer Service of the Year 2020). In a survey conducted by Élu Service Client de l'Année based on 225 mystery shopper tests aimed at evaluating numerous criteria including responsiveness, quality of reception and listening, online user experience and the ability to offer a quick and effective solution, Showroomprivé's customer service qualities stood out. The Group's customer service therefore won first prize. The Group makes a point of offering the best overall experience to its customers. Constantly innovating, the Group offers smooth navigation on its mobile applications and its website, allowing easy access to customer service with an average response time below the average of trading sites.

In 2020, Showroomprivé received the "Élu Service Client de l'Année 2021" (Best Customer Service of the Year 2021) for the second consecutive year. This award reflects the particular attention paid by Showroomprivé's teams to customer satisfaction, especially during the two lockdowns in 2020 due to the public health crisis.

During 2020, the Group continued its business strategy as part of its 2018-2020 performance plan and enjoyed the initial benefits. The offer was expanded with, in particular, the signing of new key and more premium brands, thus responding to the demand of the Group's customers. With more than 3,000 partner brands, the Group continued to shift its business model towards drop shipping, thus decreasing the amount of firm sales.

In terms of logistics, the Group continued to benefit from efficiency gains thanks to its new warehouse and has already exceeded one million processing orders during 2020. An acceleration in mechanization and the number of orders processed makes the platform increasingly scalable.

During the last quarter of 2020, Showroomprivé's communications saw the launch of the new ESG-focused marketing campaign and the Move Forward program, which place ESG at the heart of the company, both internally and externally. The Group is responding to the unanimous demand of its customers who are increasingly committed and responsible in terms of their consumption. The Group is also responding to the needs of its partner brands which are continuously striving to make their production and sales processes more responsible. Lastly, internally, the Group is responding to its employees' determination to find a sense of corporate commitment in their professional environment.

Finally, in December 2020, Showroomprivé launched its Marketplace in partnership with Mirakl. The purpose of the platform is to complement Showroomprivé's comprehensive offering by allowing partner brands to sell their current collection as well as their stock from past collections. This commission-based service will allow Showroomprivé to broaden its offering by continually recommending new products while maintaining the Group's DNA. The Marketplace will also provide the opportunity to offer a wider range of local products and to limit the Group's carbon footprint by reducing the transportation of stock as deliveries will be dispatched directly by the supplier.

5.2 KEY MARKETS AND COMPETITIVE POSITION

5.2.1 Presentation of the E-Commerce Market in Europe

The Group's strong growth since its creation has been supported by favorable market conditions in the European retail market. These conditions include the continuing growth of online retail penetration in fashion merchandizing and the shift in consumer purchases of fashion-related merchandise from offline to online channels. This market has also benefited from consumers' increasing acceptance of the m-commerce model, i.e. purchases made from mobile terminals, and from the growth of mobile commerce.

With 2020 revenues of almost €358 billion, e-commerce has gained several years of growth in Western Europe overall. Online shopping has met the needs of millions of French consumers who have been

able to continue to make purchases while respecting current public health restrictions and limiting their exposure to risks. The value of online sales climbed 26% compared with the previous year, reflecting a marked acceleration in growth rates recorded since 2017, which have more than doubled. Double-digit growth forecasts have been maintained for 2021 and 2022 (source Euromonitor International).

The Group believes that this shift and the growing acceptance of online shopping have been driven in part by certain features of the e-commerce model that are advantageous for both consumers and retailers:

- *An Easily Accessible Product*. E-commerce offers the convenience of browsing for products anytime, anywhere, through multiple devices. Consumers can avoid crowds and queues and still find great products and value.

- *A Variety of Products And Comfort While Shopping*. E-commerce platforms are often able to offer consumers a greater selection of products in a given product category than brick-and-mortar retailers because they are not constrained by limited shelf space or the need to keep stock on site. Consumers are also able to easily find and compare products and prices across platforms. Also, e-commerce often enables consumers to choose convenient delivery options. Thus, consumers can generally choose between delivery of their order directly to their home or to their place of work.

- *Reduced Overhead*. Because by definition and unlike bricks and mortar stores, online retailers do not have to maintain window displays they can often save on overhead expenses. These savings can be passed on to consumers in the form of lower prices, or can help improve profitability.

- *Data Analysis as an Operational Lever*. Online retailers are typically able to gain greater insights into consumer behavior because it is relatively easier to collect data on browsing and purchasing patterns on an online platform. To the extent that online retailers leverage this information to optimize their own sales efforts and engage in more targeted marketing, it can improve the shopping experience for consumers by enabling more personalized offerings.

Market Opportunity

The sustained growth expected in this market is supported by a number of favorable secular trends, including:

- *strong potential for an increase in the penetration rate of purchases made online by consumers in Europe and France*. Online purchasing habits vary widely from one country to another in Western Europe. The average penetration rate of online purchases made by consumers (defined as the percentage of total retail spending online) was 13% in Western Europe in 2020. In comparison, this rate was 20% in the United States. In Showroomprivé's primary markets in France, Italy and Spain, online retail penetration was 10%, 8% and 9%, respectively, in 2020, lower than Germany and the United Kingdom, at 14% and 24%, respectively. The rate is based on a variety of factors, including consumer shopping preferences, differences with respect to the availability of broadband Internet connections, consumer confidence in online sales platforms and online payment systems, the availability of convenient delivery options, and customers' experience with e-commerce predecessors, such as catalog shopping and home-based shopping. According to the Group, the relatively low penetration rate for consumer online purchases in Europe represents a growth opportunity. Indeed, the penetration rate for online purchases in Europe could increase and reach the levels recorded in the United States. The penetration rates for consumer online purchases vary within the European market. The penetration rate in the Group's main market in France and in its markets in Spain and Italy is lower than in other European countries such as Germany and the United Kingdom. According to the Group, these relatively low penetration rates represent significant growth opportunities. Indeed, the

penetration rate could increase in France, in Italy and in Spain, to reach the same level as in Germany and the United Kingdom. The public health crisis has enhanced and accelerated consumer trends that have been emerging in recent years. New habits such as remote working, the use of and improvement in delivery methods, as well as click and collect services (in particular for food) have facilitated online consumption trends (37% of the French population have increased their online purchases since the beginning of the crisis and this percentage climbs to 45% among those working from home, source Fevad March 2021). These habits are set to last according to certain studies based on repeat purchase declarations and the observation that the frequency of purchases increased during the second half of 2020. This also leads to new expectations based on the complementarity between brick-and-mortar stores and online shopping for consumers. In France, online sales penetration therefore reached 13.4% of retail sales, representing a 3.6 percentage point increase compared with 2019, according to the most recent figures published by the FEVAD. According to Médiamétrie's *Observatoire de Usages Internet* (Internet Usage Observatory), in the fourth quarter of 2020, the number of online buyers reached almost 41.6 million, representing an additional 1.5 million online buyers over one year. The last time such an increase was recorded was in 2015 (+3.8%). The number of online product transactions (excluding transport, tourism and leisure) increased by 20% in 2020 compared with 2019 (FEVAD estimate, February 2021), the average basket size was €61 thanks to the increase in the number of large product baskets (food, household equipment click and collect) following eight consecutive years of decline, and despite the decrease in online services sales such as Travel and Leisure.

- *Growth of Online Sales of Fashion-Related Merchandise*. According to Eurostat's January 2021 report on EU countries, the most popular categories of products among online buyers in 2020 were clothing, footwear and accessories, followed by products for the house and garden, then beauty and cultural products. The same was true among French, Spanish and Portuguese buyers, with the predominance of clothing, footwear and accessories, followed by cultural products and high tech and household appliances. The penetration rate of online purchases by consumers in Western Europe for fashion merchandise was 24.7% in 2020, with a marked acceleration in penetration compared with previous years (+6.6 percentage points in one year) (source: Euromonitor International). On this mature Fashion market in France, online sales have also gained customers. 43% of the French population purchased fashion online during the first half of 2020, 9% more than in 2019. And according to Kantar, half of all new customers have already returned to make at least one more purchase. Online sales were an excellent source of growth for the sector, which was hit hard by the COVID-19 crisis. Online retail penetration in Fashion climbed by six percentage points between 2019 and 2020, and currently represents 21% of the sector's sales, with 72% of this traffic from women (source French Institute of Fashion Observatory). In other markets such as Italy, the penetration rate of online fashion retail was 15.8%, representing a significant six percentage point increase. The same was observed in Spain, with a penetration rate of 14.7% (a five percentage point increase). By comparison, this rate was 39.7% in the United Kingdom (Euromonitor international). This suggests excellent growth prospects for online shopping, although the omni-channel challenge is something all brands are facing.

- *Opportunities for m-Commerce*. Purchases made by consumers from mobile terminals continued to rise in 2020, with online product sales in France increasing by 22% (source Fevad, February 2021). The Group believes that fashion-related merchandise is likely to benefit from this trend, as the mobile channel lends itself well to the impulse-driven nature of fashion shopping.

- *Growth of Online Retail Sales of Non-Fashion Merchandise.* The Group is also positioned to benefit from the growth of online retail categories other than fashion-related merchandise and particularly it is these sectors that are the most attractive for "digital women". According to Euromonitor international data, 36% of electronic goods are purchased online by consumers in Western Europe, 28% of games and toys, and 25% of clothing and footwear. In 2020, the Group generated 41% of its gross Internet sales from non-fashion-related categories. The sectors

potentially affected include "Home & Garden", as well as the "Beauty & Personal Care" category[1]. These product categories should also see a rapid increase in online retail penetration.

5.2.2 Presentation of Geographic Markets

The Group is a rapidly-growing online fashion retailer, with operations primarily focused on the lucrative fashion market in Europe. As of December 31, 2020 the Group is present in France, its major market (84.5% of its net Internet revenue in 2020), and in six other countries (Italy, Spain, Belgium, Portugal, the Netherlands and Morocco).

France

France was the Group's first market and is still its largest market. Thus, in 2020 France represented nearly 84.5% of its total revenues. The Group's mobile apps and the attractiveness of its model have helped it to build one of the largest mobile audiences among retail companies in France in the fashion and beauty segment). During the final quarter of 2020, the Group recorded in its systems an average of between 1 and 1.8 million unique visitors per day on its French platform, with an audience in terms of unique visitors of between 250,000 and 313,000 per day between October and November 2020. (Source: Médiamétrie, October and November 2020). At the end of 2020, the Group had 8.4 million cumulative buyers in France. 2.7 millions of those buyers made a purchase in 2020.

International

In 2010, the Group launched a targeted international expansion strategy directed from France by launching several local versions of its website. As of December 31, 2020, the Group had local versions of its platform in six other countries outside France (Italy, Spain, Belgium, Portugal, the Netherlands and Morocco). Sales in Italy were performed through the Saldi Privati platform. In addition, the Group had also opened its platform to members from more than 160 countries who can make purchases in their local currency through the Group's English-language website. In the context of its "Performance 2018-2020" plan, the Group announced early in 2019 its intention to streamline its International presence by focusing its efforts on its key geographies and by closing its German, Polish and multi-currency online sites. It will continue, however, to invest in campaigns to build brand recognition and continue to seek opportunities for greater adaptation to local markets, including the recruitment of local brands. It also involves rolling out conversion innovations and tools abroad that the Group has already launched in France (such as the "Infinity" service or the "single basket", both of which were launched in Spain and Portugal during the first half of 2016), to strengthen member loyalty and retention and to boost new buyer conversion. In 2020, international business accounted for 15.5% of the Group's Internet revenues. Its largest markets by revenue were Italy, Spain, Belgium and Portugal.

5.2.3 Position and Competitive Environment of the Group

As a result of its size and growth potential, online sales of fashion-related merchandise in Europe represents a large and highly attractive market opportunity. Showroomprivé competes with other players in this market. The competitive advantages developed by the Group include the following:

- *Scale*. The size of Group in terms of sales volume and the number of its members, buyers and brand partners mean that it is an attractive sales channel for brand partners with excess stock and provides a varied offer to members based on the discovery of new brands and new products at discounted prices.

- *Brand*. The Group benefits from high brand awareness, which allows it to grow its number of members, generate direct revenues and recruit brand suppliers.

[1] The Beauty & Personal Care category includes beauty and personal care products.

- *A Fashion-Oriented Offer*. The Group's strong fashion focus and expertise enable it to leverage its data insights and experience to improve its recruitment of brand partners, to understand and anticipate consumer preferences and trends, and to optimize sales price settings appropriately. The Group believes this expertise is a key factor differentiating it from more generalist e-commerce platforms.

- *Interface*. The Group believes that its stylish and easy-to-use websites and mobile apps facilitate discovery of new brands or products and provide an appealing user experience.

- *Logistics and Technology*. The Group has built a high-performance, scalable technology platform focused on leveraging data. It has been custom built to meet the needs of its business. Its technology platform allows real-time, data-driven decision-making at all levels of the Group's operations. Added to this is an optimized logistics management infrastructure that is expandable thanks to in-house expertise and external logistics service providers.

- *Marketing*. The Group competes with other retailers through its marketing strategy. It leverages its online marketing expertise and data analytics to execute a growth strategy based on ROI and on constantly testing the latest available digital marketing technology to attract members to its platform, while achieving an optimal volume/cost ratio.

- *An Offer Tailored to Local Characteristics*. According to the Group, providing a customized user experience for different local markets is an important aspect of its international competitiveness. The Group's interfaces are tailored to local preferences, available in the local language, offering payment methods and delivery options adapted for each market, and the Group strives increasingly to recruit local brand partners.

The Group's competitors are primarily online event sales retailers.

These companies have a similar business model to that of the Group. During limited-time event sales, it offers products to members registered on its platform at a price significantly below those available at public sales. The Group believes that several factors enable it to differentiate itself from its competitors, including: its specialization and expertise in the sale of fashion-related merchandise; its core target audience, digital women; its expertise in traditional retail sales of surplus stock; its expertise in technology, "*big data*" and data analysis; its marketing expertise; and its scalable infrastructure. Some competitors in this sector, particularly Veepee, actively seek to secure exclusive agreements with some of their brand partners. Competitors in this sector include Veepee, Brand4friends, Brandalley, Bazarchic and Limango.

Pure-play online retailers and vertically integrated retailers of fashion-related merchandise, general online retailers, and offline stock clearance outlets also put indirect competitive pressure on online private event sales retailers like the Group, but to a lesser extent given their distinct characteristics:

- *pure-play online retailers and vertically integrated retailers of fashion-related merchandise*. There are several retailers in the Group's markets that sell collections of fashion-related merchandise online. These companies have a significantly different business model from that of the Group. Typically, they purchase and buy stock of current season products and keep them to fulfill the orders placed on their platforms. This stock is usually sold at higher prices than the average prices offered by the Group. In Europe, such pure-play retailers include Zalando, Asos, Yoox-Net-A-Porter and Boohoo. Many vertically integrated retailers specializing in offline sales have also begun to expand their online presence. The Group believes that it has an advantage over these retailers because they are often more focused on their core offline sales and may lack the scale and expertise required to expand their online sales businesses. Moreover, these retailers are also usually focused on their own brands and therefore, unlike the Group, do not necessarily offer as varied a selection of brands, or the opportunity to discover new brands. The Group believes that typically these retailers do not offer significant discounts because that could have

a negative impact on their brand value. Examples of such vertically-integrated retailers include H&M, Inditex (which owns Zara and Massimo Dutti, for example) and Uniqlo, among others.

- *General e-Commerce Retailers*. Certain general e-commerce retailers offer a broad range of categories, including fashion-related merchandise. However, the Group believes that these online retailers typically lack a strong fashion focus and expertise, and their websites are not optimized for the sale of fashion-related merchandise. Also, in many cases, their business is not focused on specific markets. Moreover, such retailers have a different business model than the Group, typically selling their products at prices similar to full retail prices. These competitors include Amazon and Cdiscount.

- *Specialist Offline Stock Clearance Outlets*. Specialist offline stock clearance outlets, particularly factory stores for fashion-related merchandise, are a traditional clearance channel for excess stock. These stores also purchase excess inventory from brands. However, the Group believes that the access to a larger number of members and a more precisely identified customer base, the international scope of the Group, better data analysis to allow brands to improve their knowledge of their customers and optimize their sales decisions constitute key factors of differentiation for the partner brands.

The factors presented above also apply more generally to sales of the Group's other product categories. For more information about this shareholders' agreement, see Section 3.1.3.2 "Risks Associated With the Competitive Environment" of this Universal Registration Document.

5.3 GROUP HISTORY

In 2006, David Dayan and Thierry Petit co-founded the website showroomprive.com, the product of a business venture between two entrepreneurs with complementary histories and expertise in the digital and fashion spheres. Their goal was to reinvent the way women discover and shop for high street fashion online. David Dayan, a fashion sales entrepreneur from a family that has specialized in fashion sales for more than 25 years, brought the Group his experience and fashion sales know-how and a network of relationships with brands and wholesalers. Thierry Petit, an engineer, entrepreneur and Internet pioneer who founded one of the first price comparison websites, Toobo.com, in 1999, brought the Group his extensive e-commerce marketing experience and Internet expertise. The convergence of these two worlds to create this dual identity blending fashion and web marketing swiftly established Showroomprivé as an innovative way for women to discover new brands and find great fashion values. The Group initially conducted its online private sales business through France Export S.à r.l., a company owned by the Dayan family. In 2007, it was transferred to a dedicated company, "Showroomprive.com S.à r.l. ".

Every day since the end of 2006 Showroomprivé has conducted event sales on its website. Since its creation, Showroomprivé has focused on fashion products and has been designed to appeal to its core target market of *"digital women"*. This positioning enabled the Group to develop a brand image focused on fashion, innovation, accessibility and closeness and to rapidly attract large numbers of members to its website. In July 2007, a little more than six months after the site's launch, it already had 430,000 members.

In 2008 and 2009, the Group progressively expanded its product offering to include beauty products and household and decorative products. At the same time, Showroomprivé's number of members and cumulative buyers (members having made at least one purchase on the platform since its launch) continued to grow. Showroomprivé recorded its 50,000th cumulative buyer in October 2007, its 100,000th cumulative buyer in March 2008, its 200,000th cumulative buyer in November 2008, and its 500,000th cumulative buyer in November 2009, the date on which Showroomprivé exceeded the threshold of three million registered members.

In July 2010, Showroomprivé opened its first international website with the launch of a website in Spain. The same year, the Dayan family and Thierry Petit decided to create a group including Showroomprive.com S.à.r.l. and several other companies held by the Dayan family or by Thierry Petit. They organized the group under a single holding company, SRP Groupe S.A., created in July 2010. In the same year, the U.S. venture capital fund Accel Partners, which specializes in technology businesses, acquired a 31.25% stake in the Company's share capital from its founders.

From 2010 until 2014, the Group carried out successive reorganization transactions to simplify its organizational chart. Following these reorganization transactions, the Group is now composed of one holding company (SRP Groupe S.A.) and one main operating company (Showroomprive.com S.à.r.l.) in charge of most of the Group's activities, in particular operating all of its websites. The Group also includes four main support companies: SRP Logistique S.àr.l., which handles logistics, and Showroomprivé Germany GmbH, Showroomprivé Italy S.r.L. and Showroomprivé Spain SLU, which hold the Group's international operations in Germany, Italy and Spain. For more information, see Chapter 6 "Organizational Structure" of this Universal Registration Document.

In 2011, the Group continued its international expansion, launching websites in Great Britain and Italy. The same year, the Group launched its first mobile apps for iPhone, iPad and Android and ran its first television advertising campaign in France. Beginning in 2011, the brand's reputation and the popularity of its mobile apps and of its websites' mobile versions contributed strongly to the Group's growth. In 2011, the Group also launched several new categories of products and services on its platform, including its first travel and leisure activities, small equipment and household appliance sales.

In 2012, in an effort to continue to enhance the user experience, the Group introduced its 24-hour delivery option in France, "Demain chez vous", using products purchased from the Group's suppliers on a firm sale basis. This service has been very successful. The same year, the Group continued to expand its offerings by adding furnishings. It also began to increase sales in new and existing product categories like sports products, toys and children's products, in addition to food and beverages. It also continued to pursue its international development, setting up a website in the Netherlands.

In 2013, the Group continued its international expansion, launching websites in Portugal, Belgium and Poland.

In 2014, the Group entered into an agreement with Dispeo to outsource some of the logistics operations supporting its operations. This outsourcing has enabled the Group to increase its logistics flexibility, reduce its delivery costs and improve delivery times, thus contributing to the continuing improvement in the quality of the services offered by the Group.

At the end of 2014, the British version of the Group's website became accessible from more than 160 countries, enabling members to make purchases in their country's local currency. At December 31, 2014, the Group had 20.2 million members and 4.3 million cumulative buyers, of whom 2.4 million had placed at least one order in 2014.

In March and April 2015, individual investors from the Gulf region acquired approximately 9.6% of the Company's share capital from the founders for a total amount of approximately €58.2 million. In September 2015, another investor also acquired approximately 0.3% of the share capital from the founders. In June 2016, the Company's shareholders from the Gulf Region (via Kilwa Investment), sold their entire holding in the Company in an over-the-counter sale of SRP shares.

In June 2015, the Group announced the launch of its incubator, "Look Forward", which was to house and support independent *start-ups* developing innovative services, applications and technologies for the fashion industry, from avant-garde textiles to new marketing techniques.

On October 30, 2015, the Company's shares were admitted to trading on the regulated market of Euronext in Paris ("Euronext Paris"). At the same time the Company was listed, Vipshop Holdings

Limited, a *leader* in online clearance of brand merchandise in China, took an equity stake in the Company through its subsidiary Vipshop International Holdings Limited. On June 22, 2017, Vipshop International Holdings Limited sold its 4.48% holding in the Company's capital over the counter.

During the first half of 2016, the Group launched several innovations. In terms of browsing, the Group introduced an innovative search engine that enabled members to quickly identify sales of their preferred products and has a product recommendation function that suggests items tailored to each member's interests. In terms of payment, after launching Android Pay in the United Kingdom, enabling members to pay for their purchases quickly and securely, the Group launched Apple Pay in France. Finally, in terms of offerings, the Group launched a new Ticket Office in partnership with France Billet, the number 1 ticket provider network for shows, sporting events and cultural events. It also enhanced its Travel Services and rolled out SHOP IT!, which offers exclusive deals in partner brands' stores using a coupon or pay back system based on the *drive-to-store principle.*

During the second half of 2016, the Group successfully launched a new version of its website and mobile apps to offer members and partner brands a more intuitive and appealing interface for the Group's sales.

The Group also continued its expansion in France with the acquisition of 100% of the share capital of ABC Sourcing SAS in late September 2016 for €2.5 million (plus an earnout of €1.25 million payable by third parties over three years). ABC Sourcing SAS specializes in selling overstock products to wholesalers in France. ABC Sourcing SAS was consolidated into the Group's financial statements starting on October 1, 2016.

In November 2016, the Group strengthened its position in Italy, a strategic market for fashion with high growth potential for e-commerce (in which it has been operating since 2011) by acquiring 100% of the share capital of Saldi Privati, a Milanese subsidiary of the Banzai group (largest national e-commerce platform in Italy listed on the STAR Italian stock market) for €28.0 million (excluding net debt), which was supplemented with an amount of €2.25 million paid in 2019, after meeting performance criteria related to 2018 results. This acquisition makes Showroomprivé the second largest player in event sales in Italy[1] and allows the Group to take an important step towards the deployment of its multi-site strategy abroad by relying on Saldi Privati's existing local teams to accelerate its growth in Italy. Saldi Privati was consolidated in the Group's financial statements starting on November 1, 2016. In 2017, the Group finalized the integration of Saldi Privati and completed the full merger of its sales platforms in Italy.

In addition, a new entity was created, SRP Maroc, which is 99.99% held by the Group. SRP Maroc is an Internet-based distance sales company operating under the Group's business. In March 2017, a pilot website was launched in Morocco. Then in April 2017, the mobile application was launched, and the mobile site was finally inaugurated in July 2017.

In March 2017, the Group acquired a 60% stake in Beauté Privée, the French leader in private online beauty sales, valuing the company at €18 million for all its share capital, with an option to acquire the remaining 40% in 2019, which option was exercised in April 2019. The Group therefore currently holds 100% of the share capital of Beauté Privée. With over 7 million members and more than 1,000 partner brands and spas, this company, founded in 2007, recorded 2020 IFRS revenues of €63.4 million (+28.8% compared with 2019) and an EBITDA margin greater than 9%. This merger between the two companies enables Showroomprivé to rely on the expertise of the Beautéprivée employees to strengthen its position in the market for sales of cosmetics and well-being online and enhance its offering for Digital Women.

The year also saw the launch of the first project of the Showroomprivé Foundation, the Showroomprivé E-Commerce School, which provides free e-commerce training that is open to job seekers, without the

[1] Company calculation using the Osservatorio eCommerce B2c Netcomm – Politecnico di Milano and Bureau van Dijk databases.

need for diplomas, resources or job histories. It is located in the Blanchemaille incubator in Roubaix. The first group graduated from the school in September 2017.

The Infinity service was launched in Belgium in January 2017 and in Italy in June 2017.

In July 2017, the Conforama Group, a European leader in household equipment and a subsidiary of Steinhoff, acquired a 17% stake in SRP Groupe and entered into a shareholders' agreement with the Founders. The two companies signed a partnership covering commercial and logistical aspects in particular.

In February 2018, Carrefour, a global leader in retail, acquired Conforama's holding in SRP Groupe, representing around 17% of the capital, and replaced Conforama in the agreement that existed between the founders and Conforama, under a shareholders' agreement whose main terms are identical to those in the agreement that existed at the time between the founders and Conforama, which has become null and void. As of the date of that investment, the founders retained 27.17% of the capital and 40.42% of the voting rights, with Carrefour holding 16.86% of the capital and 13.67% of voting rights and the consortium made up of the Founders and Carrefour held 44.03% of capital and 54.09% of voting rights.

Carrefour and Showroomprivé have entered into a strategic agreement that is line with the strategy of both groups to develop a leading omni-channel offer. It covers commercial, marketing, logistical and data aspects.

In March 2018, the Group announced the rollout of its "Performance 2018-2020" plan which is intended to improve its operational efficiency in the short-term and take full advantage of its opportunities for growth and profitability in the medium term. For further information, see section 5.4.4 "Continuation of Strategic Developments" and section 10.2 "Medium-term outlook" of this Universal Registration Document.

On this occasion, the Group announced its intention to internalize a portion of its logistics business through a €13 million investment in a new warehouse to be able to directly handle and mechanize some of its flows of consignment sales and significantly reduce the logistics fulfillment costs, which were opened in the fourth quarter of 2019.

In June 2018, the Group launched SRP Média, the first media company dedicated to Digital Women. The Group's unique positioning allows it to support the brands in digitalizing the purchasing act by creating a unique, qualitative and enjoyable experience. The Group proposes an offer structured around two types of expertise: data expertise with insights and custom media plans to expand audience outside Showroomprivé and 360 Advertising expertise with custom mechanisms (drive to store, sampling, special operations). With SRP Média, the Group is positioning itself as media and an innovative and peer-based distribution channel since it offers the brands a brand new audience intersection, both by the volume of data processed and by the quality and granularity of that data.

In 2018, the "Look Forward" incubator welcomed its fourth group of start-ups. In 2017, it was designated a "Grand lieu d'innovation" major innovation site by the Ile-de-France region.

In December 2018, the Company carried out a capital increase with preemptive subscription rights maintained, of a gross amount of €39.5 million, including issue premium, through the issue of 15,817,000 new shares at a unit subscription price of €2.50. The proceeds of the capital increase will be used to finance the acquisition of 40% of the capital of the company Beauté Privée not yet held by the Group, for an amount slightly over €20 million and also to finance, for an amount of approximately €5 million, the remaining part of the logistics investment announced in March 2018, which will partially internalize the logistics and thus generate productivity gains and cost savings, with a positive impact on EBITDA of around €4 million by 2020. Lastly, this operation increased the Group's financial flexibility to meet general needs as part of the implementation of the 2018-2020 performance plan.

In 2019, the Group continued its developments through the enrichment of the services and functionality of its commercial Internet platform. The redesign of the homepage, the geolocation of offers, a notification center, a new information system to manage all of the travel activity, and a supplier portal intended for drop shipping were some of the things set up in 2019.

The opening of the Group's new mechanized warehouse in the fourth quarter of 2019 improved efficiency in the logistics processes with increased control of its flows. The efficiency gains generated by this increase in internal capacity will result in a reduction in costs per order and will represent EBITDA savings of around €4 million for the full year.
In October 2019, Showroomprivé received the award "Élu Service Client de l'Année 2020" (Best Customer Service of the Year 2020). In a survey conducted by Élu Service Client de l'Année based on 225 mystery shopper tests aimed at evaluating numerous criteria including responsiveness, quality of reception and listening, online user experience and the ability to offer a quick and effective solution, Showroomprivé's customer service qualities stood out. The Group's customer service therefore won first prize. The Group makes a point of offering the best overall experience to its customers. Constantly innovating, the Group offers smooth navigation on its mobile applications and its website, allowing easy access to customer service with an average response time below the average of trading sites.

During 2020, the Group continued its business strategy as part of its 2018-2020 performance plan and enjoyed the initial benefits. The offer was expanded with, in particular, the signing of new key and more premium brands, thus responding to the demand of the Group's customers. With more than 3,000 partner brands, the Group continued to shift its business model towards drop shipping, thus decreasing the amount of firm sales.

In terms of logistics, the gradual ramp-up of the new warehouse has already generated efficiency gains. During 2020, more than one million orders were processed. The platform, which is largely scalable, will continue to drive productivity gains and an acceleration in mechanization and the number of orders processed is expected.

During the last quarter of 2020, Showroomprivé's communications saw the launch of the new ESG-focused marketing campaign and the Move Forward program, which place ESG at the heart of the company, both internally and externally. The Group is responding to the unanimous demand of its customers who are increasingly committed and responsible in terms of their consumption. The Group is also responding to the needs of its partner brands which are continuously striving to make their production and sales processes more responsible. Lastly, internally, the Group is responding to its employees' determination to find a sense of corporate commitment in their professional environment.

In October 2020, Showroomprivé received the "Élu Service Client de l'Année 2021" (Best Customer Service of the Year 2021) for the second consecutive year. This award reflects the particular attention paid by Showroomprivé's teams to customer satisfaction, especially during the two lockdowns in 2020 due to the public health crisis.

Finally, in December 2020, Showroomprivé launched its Marketplace in partnership with Mirakl. The purpose of the platform is to complement Showroomprivé's comprehensive offering by allowing partner brands to sell their current collection as well as their stock from past collections. This commission-based service will allow Showroomprivé to broaden its offering by continually recommending new products while maintaining the Group's DNA. The Marketplace will also provide the opportunity to offer a wider range of local products and to limit the Group's carbon footprint by reducing the transportation of stock as deliveries will be dispatched directly by the supplier.

5.4 STRATEGY

The key elements of the Group's strategy include:

5.4.1 Continue to Drive Member Engagement and Repeat Purchase Behavior by Continually Enhancing the User Experience and the Quality of the Group's Services

The Group has consciously designed its fashion-focused, mobile-centric user experience, its brand, product offering, marketing strategy, and the look and feel of its mobile apps and websites to appeal to a female audience, and in particular to its core target, "*digital women*". As a result, the Group has built a strong and loyal following in this target demographic. At December 31, 2020, 76% of the members and 77% of the Group's cumulative buyers were women (69% of whom were between the ages of 25 and 50).

In order to continually enhance the customer experience, the Group promotes the very latest technological innovations, such as mobile-driven platform enhancements, "touch ID" ordering, and cutting-edge payment options like Apple Pay launched in France in mid-July 2016 or Android Pay launched in the United Kingdom in early 2016.

Moreover, the start-up incubator launched by the Group in June 2015 demonstrates Showroomprivé's commitment to supporting technological and "impact" innovation in the fashion, retail and beauty sectors. The Look Forward program, aimed to house and support innovative and committed start-ups looking to transform their industry to move toward more responsible, sustainable and ethical practices, supports around twenty committed entrepreneurs in these industries each year.

Among private sales players in France, the Group was also one of the first to offer 24-hour delivery, which now represents around 11% of its private sales.

The Group's marketing strategy is built on three key pillars: buyers, traffic and results. To implement this strategy, the Group will focus on its own media, retaining the loyalty of its members, repurchases and high-margin product categories.

The Group will pursue a customer-centric approach in all aspects of its operations in order to continue to foster member engagement, loyalty, first-time purchase and repurchase rates. The Group counts on its operational excellence to boost member loyalty and plans to continue improving the shopping experience, delivery time-frames and the quality of service offered. It is also focusing on innovation by developing innovative features and services (such as loyalty programs, direct delivery from brand partners) to differentiate the Group from the competition and become an industry-leader. This strategy also involves continuously improving customer experience and client customization by leveraging the Group's *big data* capabilities. For example, in 2016, the Group launched an innovative search engine that enables members to quickly identify sales of their preferred products and developed a product recommendation feature that suggests items that are most likely to match each member's interests.

Once registered on the platform, members regularly browse the Group's mobile apps and websites or click on links from its daily email newsletter, creating traffic without being prompted by direct marketing spending. As a result, 94% of the visits to the Group's platform originated from free sources in 2020. Furthermore, the Group has a strong track record in leveraging its compelling user experience, marketing strategy and user engagement tools to drive a first purchase as well as repeat purchases on the platform. In 2020, 74.5% of the Group's buyers had made a purchase on the Group's platform during a prior period. In the same year, repeat buyers generated 84.2% of the Group's gross Internet sales. The combination of controlled acquisition costs, strong first-time buyer conversion and high repeat purchase rates are driving significant member lifetime value on the platform.

In addition, it plans to use its expertise in CRM and targeted online and mobile advertising to foster user engagement, drive first-time buyer conversion and stimulate repeat buying.

5.4.2 Extend Partnership With Brands and Continue to Broaden Sourcing Portfolio

The Group's daily private sales offer Showroomprivé members a carefully crafted shopping experience, with discovery at its heart, similar to window shopping in the offline world. While the Group features a selection of well-known and already popular brands, members stay engaged with the platform because of the opportunity to discover new brands and products selected by Showroomprivé. "KISS", the Group's blog edited by in-house fashion experts, keeps members abreast of the latest fashion trends and features a selection of current private sales on the platform. The large brand recruitment team, composed of 138 employees at December 31, 2020, is continually scouting the marketplace to add new quality partner brands. The Group has also set up a dedicated planning team, whose core expertise is to optimize the scheduling of sales during the week, the month and the season.

The Group will continue to enhance its value proposition to suppliers in order to expand relationships with existing and attract new brand partners to the platform. The Group will leverage its scale and reach to monetize ever larger volumes of excess stock quickly. The Group will build on its big data analytics and reporting capabilities to improve the success of its sales events and provide valuable consumer insights to brand partners – while strictly maintaining member privacy. In addition, the Group will seek new ways to forge relationships with brands, including through initiatives such as "push to store" promotions which allow members to buy vouchers valid for a limited period and redeemable at brand partners' participating brick-and-mortar stores or online. The Group intends to expand local sourcing in its international markets. Moreover, in order to focus on the shopping patterns and needs of its core member demographics, the Group will continue to explore the creation of partnerships for new product categories, as it did for ticketing with France Billet in 2016, or to expand its offer, as it did in beauty, with the acquisition of Beautéprivée in early 2017. In addition to initiatives with its brand partners, the Group has created products under its own label that reflect the values of its brand. In particular, it launched its own fashion brand #CollectionIRL during the fourth quarter of 2015. This project also enables the Group to take more benefit from the knowledge it has acquired of its members' preferences. In February 2016, the Group launched its coupon programs, "Shop It Pocket" and "Shop It Coupon", to generate traffic for its brand partner. "Shop It Pocket" offers exclusive in store discounts. After purchasing an item, customers can scan their cash register receipt using the ShowroomPrivé app and obtain a refund of the amount of the discount. "Shop It Coupon" enables customers to purchase coupons online that can be used in store. This enables the Group to capitalize on its database and the large number of daily visits to create an important tool for brands, which, in turn, enables it to recruit new brand partners looking for new ways to acquire customers. It is also a new way of promoting customer loyalty for the site.

5.4.3 Achieve Critical Scale in the Group's Key International Markets

Since 2016, the Group has thus deployed a multi-local strategy with experienced sales teams set up in Germany, Spain and Italy to ensure that its entire platform takes advantage of the best purchase opportunities. The Group has grown rapidly outside France through a focused international expansion strategy. In 2020, international business accounted for 15.5% of the Group's Internet revenues. The Group will continue to pursue revenue growth and market share gains in its existing international markets to reach critical scale and achieve profitability. In the context of its "Performance 2018-2020" plan, the Group announced early in 2019 its intention to streamline its International presence by focusing its efforts on the countries in which the Group has the best commercial positioning (Italy, Spain, Belgium and Portugal) and closing its German, Polish and multi-currency online sites. It plans to continue to invest in brand building campaigns and seek opportunities for greater customization to local markets, including local sourcing. The Group also intends to expand its international business through meticulously selected acquisitions in markets where buying a dynamic local company enables the Group to effectively grow its presence. Furthermore, should favorable circumstances arise, it could consider acquiring local leaders, in new markets, with attractive growth prospects and a positive competitive environment. Whether in executing its organic growth strategy or evaluating potential acquisitions, the Group will continue to adopt a disciplined approach to return on investment for the allocation of its resources and capital.

5.4.4 Continuation of Strategic Developments

Extending the rollout of its "Performance 2018-2020" plan, announced in March 2018 and intended to improve its operational efficiency in the short-term and take full advantage of its opportunities for growth and profitability in the medium term, the Group announced the continuation of strategic developments in March 2020. It will continue to roll out this plan during 2021 as well as the development of new strategic focuses.

5.4.4.1 Better Inventory Management for the Group

Logistical problems have strongly affected the Company's inventory in 2018 and 2019 in addition to the pace of its sale. Leftover stocks, particularly linked to an inefficient management of returns, resulted in many additional logistical costs and justified making significant write-downs. The Group also decided to speed up the sale of unsold and return stocks at knock-down prices in a strongly deteriorated wholesale market. As at December 31, 2019, the Group had a total of €48 million in current assets inventory compared to €99 million as at December 31, 2018. The Company's firm purchase policy is applied extremely selectively, allowing it to establish profitability forecasts for this stock upstream and thus minimize the quantity of unsold stock and maximize its residual value before destocking via the wholesale network. The company seized on certain inventory-buying opportunities in the second half of 2020.

5.4.4.2 Transition to a Consignment Purchasing and Drop Shipment Model

In order to reduce inventory risk, the Group continued the transition of its model to a preference for purchasing on consignment and launching direct delivery by supplier ("drop shipment"). The Group posted +7 growth in its dropshipping business to 21%. This transition resulted in lessening the impact of business growth on inventory levels.

5.4.4.3 Internalization of the Logistics Tool

The opening of the Group's new mechanized warehouse in the fourth quarter of 2019 made it possible to increase efficiency in logistics processes with better control of costs per order.

5.4.4.4 Development of the Internet Platform

Throughout the year, the Group continued its developments through the enrichment of the services and functionality of its commercial Internet platform. The redesign of the homepage, the geolocation of offers, a notification center, a new information system to manage all of the travel activity, and a supplier portal intended for drop shipping were some of the things set up.

5.4.4.5 Development of the Move Forward program

During the final quarter of 2020, Showroomprivé launched its Move Forward CSR program structured around three areas which showcase the Group's current commitments: the environment, women's rights and inclusion. The program is a response to the unanimous demand in this field from the Group’s BtoB partners, its customers, the market and its employees. Showroomprivé's approach is legitimate as the purpose of its core business is to give a second life to unsold stock. Innovation and impact entrepreneurship are a major focus for the Group as underlined by its unique and free Look Forward incubator launched in 2016. Finally, inclusion is at the forefront of the Group’s concerns and is addressed through its corporate foundation which finances its e-commerce school in Roubaix and which has, since 2016, helped with the re-employment of close to 120 jobseekers of which 35% were from priority areas and 69% women.

In 2020, the Group introduced specific measures to further drive this strategy. Showromprivé has added an editorial tab to the homepage of its website to showcase specific measures, the most committed brands, impact advice for its customers and content promoting the significant initiatives within the Company's sphere. The Group has created and broadcast a new brand campaign featuring the new positioning and new slogan: responsible for your enjoyment. The campaign features five women faced with five daily dilemmas to which Showroomprivé provides answers thanks to its new positioning. The Group has also introduced differentiating marketing for the dedicated offering of the website's committed brands (anniversary promotions and showcasing the commitments of partner brands). Finally, the class of 2021 at the Look Forward incubator only includes start-ups with strong CSR commitments, in line with its environmentally responsible vision.

5.4.4.6 Development of a 360° platform at the disposal of brands

Showroomprivé has developed and continues to improve its platform to provide a 360° solution for its partner brands. In addition to its main event sale business model, Showroomprivé offers, via SRP Media, the possibility for its partner brands to receive qualified data and redirect traffic to the brands' own websites. This allows the Group to monetize Showroomprivé's audience. With SRP Studios, Showroomprivé offers support to partner brands for the digitization of their digital catalogs thanks to its know-how in digital production and its creation direction. Finally, with the launch of the Marketplace, partner brands enjoy greater visibility with the Group’s customer base while at the same time expanding the range of products available to Showroomprivé members.

5.4.4.7 Development of the Marketplace

In December 2020, Showroomprivé launched its Marketplace in partnership with Mirakl. This project is part of the 360° solution for partner brands. The opening of the Showroomprivé Marketplace will enhance customer experience by permanently offering a wide range of branded products and current collections in a transparent manner. For the brands and suppliers who have placed their trust in the Group, Marketplace offers the guarantee of a simple and efficient sales channel though which they can rapidly sell increasing volumes of unsold stock while enhancing their proximity to their customers. With the launch of the Marketplace, the Group’s aim is to help partner brands boost their revenue and capture markets that are less adapted to event sales, such as furniture.

This Marketplace is also in keeping with the "Move Forward" program, which places Corporate Social Responsibility at the heart of the Group’s corporate strategy. The Group’s aim is to showcase smaller players and help brands with their digital transformation. The Marketplace will also help reduce the carbon footprint by accelerating the use of drop shipping, which is already well developed at Showroomprivé, and by sending products directly from the brands to the end user without transiting via Showroomprivé's warehouses.

The Group's aim is to support brands in their sales and help boost their performance on its target - the "digital woman".

5.4.4.8 Development of a wider and more premium offering

In line with the "Performance 2018-2020" strategy plan, Showroomprivé has opted for a more selective sales strategy by running sales which meet strict criteria in terms of attractiveness and profitability. A dedicated canvassing unit has been set up to recruit new brands to enhance and renew the Group's offering. This canvassing drive helped increase the number of partner brands by almost 2,000 in 2019 and almost 3,000 in 2020. Canvassing has also been focused on the premiumization of the offer by striving to develop long-term relationships with "premium" brands. In 2020, these efforts helped increase the average basket size per buyer.

5.4.4.9 A streamlined international strategy

In 2019, as part of its "Performance 2018-2020" plan, the Group streamlined its international presence to refocus on countries which were profitable and permitted an acceleration in offer and international brand sourcing. The Group currently has three sourcing offices (France, Italy and Spain) which are three key countries in terms of the number of members and international brands. The development of the Marketplace will offer the opportunity to enhance the Group's offering with the addition of more local products.

5.4.4.10 Activity and Consequences of the COVID-19 Crisis

As of the date of this Universal Registration Document, the Group is focusing on adapting its business in the exceptional context caused by the coronavirus health crisis (COVID-19) and in particular France's state of health emergency. These elements may be modified in accordance with developments in the health crisis.

From the very first government announcements, the Group implemented an action plan to enable its business to continue during the current health crisis, while taking the necessary steps to protect the health of its employees and their loved ones.

Thanks to the introduction of digital tools and cloud solutions several years ago, remote working was quickly adopted for all headquarter functions, leading to the initial closure of its sites other than warehouses (Saint-Denis headquarters, Roubaix, Olonne-sur-Mer, Milan and Madrid).

At order storage, preparation and shipping sites, the Group has implemented all recommended distancing measures, while greatly improving precautionary hygiene measures, with reduced team shifts to minimize contact.

However, all activities (including Internet and media activities) are affected by the health crisis, particularly given the disruptions to the supply chain. The Group's business remains closely linked to the delivery and supply conditions in the countries in which the Group operates.

Travel restrictions have had a direct impact on the shipment and delivery of orders. In France, the network of pick-up locations – the preferred delivery point for the Group's buyers – was suspended between March 17, 2020 and May 2020. The Group therefore had to deploy restrictive delivery measures with all its carriers for contactless delivery to buyers' homes and offset the absence of other usual delivery outlets. As a result, delivery times are generally extended.

Return times were also extended to allow the Group's buyers to return products once the state of health emergency was lifted. The extension of these timeframes will complicate both returns management and inventory management until the end of the summer at the earliest. The Group will monitor this point closely (see 5.4.4.1).

The Group's business nevertheless remained strong during the second half of 2020 and the Company introduced specially adapted measures to ensure business continuity. The hard work of the sales team resulted in an ever greater and more premium offering for the Group’s customers. Against this backdrop, the Group continuously adjusted its logistics teams, in particular in the run-up to Christmas, to fulfill the orders placed. The Group was therefore able to avoid the impact of a decline in business on its profitability and continue to follow its projection of a gradual improvement in the EBITDA margin. Nevertheless, with the public health crisis still underway, there is expected to be a lack of visibility regarding the consequences of the COVID-19 pandemic in 2021.

The Group continues to maintain strong ties with its partner brands, for which it constitutes more than ever a significant sales channel.

The Group is closely monitoring the situation and will keep the market informed of any significant changes to its business.

5.5 DEPENDENCY FACTORS

Information relating to the Group's dependency factors can be found in Chapter 3 "Risk factors" of this Universal Registration Document.

5.6 DESCRIPTION OF THE MAIN ACTIVITIES

5.6.1 The Showroomprivé Shopping Experience

The Group's sales model is designed to create an entertaining, engaging and discovery-based shopping experience. The Group launches 15 to 20 online private sales every weekday morning beginning at 8 a.m. and at 9 a.m. on weekends that offer limited quantities of products from well-known and up-and-coming brands at savings usually ranging from 50% to 70% of the retail price. The Group's event sales typically last for up to seven days, a time-frame designed to be flexible enough to accommodate a member's busy schedule, but short enough to generate excitement and drive impulse purchase decisions.

The Group encourages members to visit the platform as part of their daily routine by offering them an intuitive and engaging way to discover a selection of new offers every morning. Every day, the Group offers a careful mix of products from big and small brands at highly attractive prices, as well as products from up-and-coming brands that its members might not otherwise have known about. The daily private sales present a wide range of brands, with many product lines and prices so members can shop for themselves, as well as for their families and their homes. The Group's sales planning team coordinates event sales to ensure maximum impact for these sales by limiting simultaneous private sales of the same product categories. The Group also prominently features travel and leisure offers, which not only help generate travel and leisure sales but also adds to the platform's entertainment value by offering a temporary escape from their daily grind.

The Group sends a personalized daily email newsletter featuring the private event sales starting the next morning, in order to ensure that members remain active and connected to the platform. The newsletter caters to the needs of the busy "digital woman" by offering a quick snapshot of the sales taking place on the following day, including photos and descriptions of the brands and types of products that will be offered for sale. It is a major driver of traffic for the Group since many members click on these links to directly access the Group's mobile apps and websites. The Group's platform typically experiences a surge of traffic every morning as members log on to view the new event sales but traffic remains strong throughout the day and into the evening, particularly as members take advantage of the always-on, always-available nature of browsing on mobile devices. The Group's objective is to enable members to incorporate online shopping into their daily routine and to ensure that the platform responds to the lifestyle and habits of its members, including multi-tasking. The Group's mobile apps and websites therefore include a range of features designed to enable members to return to recently browsed items, to set reminders both for upcoming sales and the end dates of current sales, but also to sort events according to the time remaining. The Group also actively promotes its sales on its KISS blog, on social media, through competitions and seasonal and thematic campaigns, throughout the year, to increase member loyalty. As of December 31, 2020, the Group had 1.3 million followers on Facebook, 13,696 on Twitter and 186,207 on Instagram.

Every private sale is designed and produced by the Group's in-house production team of 215 graphic designers and fashion photographers. This team handles every aspect of production of the Group's event sales, creating sleek and fashion-magazine-inspired banners and landing pages to introduce the brand and feature the products offered in the private sale. The sales production team handles all stages of producing the event sales, from selecting product samples, recruiting fashion models and staging and taking photographs to other phases such as creating descriptions and designing announcements and advertising layouts for the event sales. The Group has a total of 44 studios spread over 3 production

sites based in La Plaine Saint-Denis, Roubaix and Madrid. The production team takes approximately 1 million pictures per year. The Group believes that its attention to high production values and its image-conscious, status-enhancing presentation of brands differentiates it from traditional distribution channels and is a key attraction for brand partners. The Group uses data analytics to program event sales and carefully positions products in its emails and the mobile push notifications it sends to members to enhance their user experience and drive sales conversion. The Group's production activities are mainly conducted at La Plaine Saint-Denis and Roubaix, with assistance from teams in Spain.

The Group's limited-duration private sales model allows it to offer its members a wide range of product styles and brands, while quickly selling excess stock for its brand partners. The Group believes that maintaining and expanding the variety of its offerings adds to the entertainment value of the platform and allows it to offer an effective stock monetization channel for its growing network of brand partners.

5.6.2 Value Proposition

5.6.2.1 Value Proposition to Members

The Group's fashion-centered private sales model is designed to respond to its members' expectations and particularly those of its demographic target, "digital women". To do this, it offers its members an entertaining and engaging user experience every day, facilitating the discovery of new brands and finding great ready-to-wear bargains. The Group believes that its members visit its platform to find products at great prices, typically 50% to 70% off retail prices, both on brands they know and on new brands selected by the Group's experienced team in charge of sourcing brand partners. The Group believes that this contributes to the creation of a loyal customer experience, browsing through the pages dedicated to event sales leading naturally to the discovery of new products. The Group has built its success on an offer of fashion-related merchandise (representing 53% of gross Internet sales in 2020) and a range of other items carefully selected to attract its members, including beauty and home decoration products. The Group's model of rapidly launching new, limited duration events each day enables it to easily and cost-effectively test members' reactions to new product categories. In this way, it can better understand their preferences and expectations for future sales.

The Group's mobile-centric platform features simple and attractive mobile apps and websites with intuitive functionality, accessible anytime anywhere, and convenient payment options for a frictionless user experience. The Group also focuses on the efficiency in its delivery services to get products to its buyers within delivery time-frames that are highly competitive for the online event sales market. For some products, the Group offers a 24-hour delivery option.

5.6.2.2 Value Proposition to Brand Partners

The growth of its membership numbers, of its quality services and of the number of successful private sales have enabled the Group to attract to its platform a diverse and attractive selection of well-known and up-and-coming brands. Over time, many have become regular partners of the Group and regularly use its platform as a fully-fledged distribution channel.

The Group's platform enables its brand partners to promote their image and their products to a large number of particularly loyal members. In the final quarter of 2020, the Group's systems recorded an average of 2.4 million visits per day, or 74 million visits per month. The Group recorded a total of 62 million visits per month during 2020. This traffic allows brand partners to increase their visibility in their existing or new markets, with a public representing strong potential for their brand. In addition, the Group's sophisticated marketing campaigns on mobiles and emails constitute another means of enabling brand partners, without incurring additional costs, to increase awareness of their brand.

The Group's event sales always seek to showcase the brands that it sells. The Group's production studios, using state-of-the-art tools, ensure that each product is presented in a sleek and attractive manner. Unlike traditional offline distribution channels for excess stock, the Group offers brand partners a platform to

manage these stocks, by enabling them to enhance and promote them, in style. The Group also offers its brand partners flexibility concerning the choice of the type of event sales and the audience for sales on its platform, such as selecting specific geographic markets or types of marketing, to ensure the sale is consistent with the brand partner's strategy.

The Group also offers brand partners access to unique insights on consumer preferences and behavior through its data analytics infrastructure. Following each sales event, the Group offers brand partners granular reporting on the appeal of their products and details of buyer demographics and purchasing behaviors. Brand partners may use this analytical information to optimize their future production plans, stock management strategies, and marketing decisions. The Group carries out these analyses and reports in strict respect for the privacy of its members.

5.6.3 Number of Buyers and Markets

5.6.3.1 Number of Buyers

5.6.3.1.1 Target Market

Although the Group's platform draws a diverse audience, the Group has consciously designed its brand, its product line, its marketing strategy as well as the *look and feel* of its mobile apps and websites, to attract a female audience. It stems, in particular, from the demographic target that the Group identifies as that of "*digital women*," which it considers having great potential. They are active on the Internet and were early adopters of the e-commerce model. They manage a significant share of the family's shopping budget, show a high interest for shopping, and typically buy for the entire family.

The large number of female members of the Group reflects this positioning – 76% of Group members at the end of 2020 and 77% of its cumulative buyers were women (69% of whom were 25 to 50 years of age.

5.6.3.1.2 Buyers

The following table summarizes developments in the Group's total number of cumulative buyers and buyers for the periods indicated.

Cumulative Buyers and Buyers
(*in millions*)

	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Cumulative buyers *(at December 31)*	1.5	2.2	3.2	4.3	5.5	6.8	8.0	9.0	9.8	10.6
% growth year over year...	*54%*	*42%*	*45%*	*35%*	*28%*	*22.5%*	*18.1%*	*13.6%*	8.3%	8.7%
Buyers (*by twelve-month year ending on December 31*).....	0.9	1.3	1.8	2.4	2.9	3.2	3.6	3.5	3.2	3.3
% growth year over year...	*46%*	*55%*	*35%*	*30%*	*22%*	*12.8%*	*10.3%*	*-2.1%*	-9.2%	+5.1%

Members register for the platform and gain access to the sales events following a free one-time registration process that requires a name and email address. The Group has achieved significant success in converting newly registered members to buyers and converting buyers to repeat buyers.

5.6.3.1.2.1 Conversion of Members into Buyers

Once the Group has attracted new members to its mobile apps and websites, its goal is to convert them into first-time buyers and then to encourage repeat purchases. In addition to the quality of its service

offering, to drive conversion, the Group uses a 360° approach that includes email, website and mobile "push" messages with an emphasis on curation and personalization. Almost all of the Group's user engagement tools involve very limited incremental cost, and as a result, once a member has been recruited to the platform, the Group does not incur any additional direct marketing expenses to convert a member into a buyer.

5.6.3.1.2.2 Conversion of First-Time Buyers into Repeat Buyers

Once members have made their first purchase, the Group seeks to convert them into repeat buyers. Part of the Group's user engagement effort is specifically targeted at driving the second purchase and fostering loyalty. Examples of such user engagement efforts include, but are not limited to, a set of three successive emails sent to buyers after their first purchase, birthday offers, and vouchers awarded for referrals, and customer satisfaction surveys.

5.6.4 Brand Partners

5.6.4.1 Brand Partner Selection and Procurement Expertise

Brand selection is at the center of the Group's value proposition to its members. According to the Group's survey of its members in 2015, the quality of the brands offered is the second most appreciated feature of the Group. The members interviewed indicated that they liked the brand discovery aspect of shopping at Showroomprivé. The Group believes that providing this carefully selected mix of products and brands is an important aspect of its value proposition to consumers and helps generate free traffic.

The Group's experienced team in charge of recruiting brand partners consisted of 138 buyers at December 31, 2020 and is supervised by senior buyers with five to fifteen years of experience in wholesale procurement. The Group works both directly with brands and in some cases with third-party distributors who manage product distribution for a given brand.

5.6.4.2 Brand Selection and Mix

The Group's team in charge of recruiting brand partners seeks to develop a diversified portfolio of popular and emerging brands covering a range of price points. This enables the Group to offer its members well-known brands at exceptional prices, while offering them the opportunity to discover carefully selected new brand products. The Group's brands may be broadly described as follows:

- *Well-Known Brands*. The Group features sales events with well-known "strategic" brands that generate higher sales and help drive traffic to its platform. As the number of its members and its sales volume have grown, the Group has increasingly become a trusted partner for large brands. It offers them a proven, discreet and image-enhancing sales channel enabling them to sell excess stock, while improving their brand awareness with the Group's core demographic and in local markets. Being featured in a private sale on the Group's platform also gives brand partners exposure to members who may not otherwise have visited the brands' own websites. These event sales also enable the availability of discounted merchandise to be restricted to an identified group of members, thanks to the private sale format. Access to the Group's rich data analytics on purchasing behaviors also helps brands to better understand their consumer appeal, at a granular level, in each market.

- *Up-and-Coming Brands*. The Group also offers a broad range of products from lesser-known, emerging brands identified by the Group's experienced team in charge of brand partner recruitment. Access to these brands enables the Group to introduce to its members new quality brands which they might not otherwise have been aware of. At the same time, the Group offers these brands the opportunity to increase their brand recognition and to expand their international scope across the Group's markets. The Group also enables these brands to benefit from the data it collects, so that they can better adapt their offers to consumer preferences. This is a particularly

important service for relatively new brands that have not yet developed this type of analytical tool in-house.

Most of the Group's private sales are organized around a single brand. However, the Group also offers multi-brand sales focused on particular themes. These events allow the Group to assemble brands around particular themes, such as vacation-themed sales (like "Shoes Week," and "*Mountain Lovers*" during the winter skiing holidays) or seasonal sales such as "La Valise de l'été" and "Vive le Printemps". These sales attract attention to several brands, while offering members a broad selection of merchandise focused on the selected theme. The Group's members also benefit from access to special "*pop-up*" sales that offer, for up to three days, a limited number of selected products. Pop-up sales enable brand partners to quickly sell small batches of surplus stock and enable Group members to benefit from a wider variety of sales on the platform. The Group also offers certain brand partners the opportunity to organize special events centered on their brand, including events at the brand partners' brick-and-mortar stores.

The Group believes that its ability to regularly offer high quality popular brand products helps attract members to its platform. At the same time, the diversity and size of its brand portfolio ensures that it is not overly reliant on one premium brand, or on one brand partner relationship.

5.6.4.2.1 Brand Partner Recruitment

The Group's brand recruitment process begins with the identification of promising brands and target brands from an extensive list of potential partners. Brands are ranked according to an estimate of their expected appeal to the Group's members, particularly in its core target demographic, "*digital women*", of the probable volume of their excess stock, and of their fit with the Group's private sales model. If the Group believes a brand partner represents a strong prospect, the recruitment team initiates discussions to demonstrate the attractiveness of the Group's platform and the benefits of a partnership. If a brand partner wants to hold a private sale, it makes a sales proposal to the Group.

In order to identify the target brands and attract them to its platform, the Group highlights its many strengths, particularly the continuous growth of its audience and its members, its successful track record with other brand partners, the quality of its website and the presentation of the products offered, the experience of its team in charge of recruiting brand partners, its ability to sell big volumes of product, its ability to present the brand positively via its email newsletters, mobile push notifications, social media channels, e-coupons and the KISS blog, as well as its ability to deliver data analyses and buyers' insights from each private sale.

The Group's experienced team responsible for recruiting brands is composed of 138 buyers (at December 31, 2020). The team is segmented by product category and supervised by senior buyers with significant experience in wholesale procurement. The team leverages the Group's connections and experience to attract both large, well-known brands and to discover quality smaller brands that will appeal to its members.

5.6.4.2.2 Procurement

The Group acquires products either on consignment or on a firm basis, depending on the attractiveness of the terms of the sales proposal and its appetite for inventory risk.

- *Purchases on consignment*. In 2020, 84% of the Group's gross Internet sales were generated by private sales where the products were purchased on consignment. One of the possible formats for consignment sales is drop shipment, which represents a quarter of all consignment sales. With purchases on consignment, the Group does not buy any physical stock in advance and only pays its brand partners for the products actually sold during the sale. Sales of products purchased on consignment help it to effectively manage costs and risks associated with its online sales. With purchases on consignment, the Group typically has a contract reserving a certain amount of the brand partner's stock at a price agreed for the private sale. When the private sale is over,

the Group places an order with the brand partner for the products actually ordered by its members. The brand partner then delivers its products to the Group's logistics services providers for packaging and shipping to the buyers. The suppliers then bill the Group. This enables the Group to receive payment for the products bought by the members well before it has to pay its suppliers for the corresponding merchandise. As a result, it benefits from the favorable working capital and cash flow dynamics. In addition, since it does not have to hold large amounts of stock for extended periods, the Group is able to more efficiently use its warehouse space, which helps limit its capital expenditure requirements and its fixed storage costs. Since products are only ordered at the end of the corresponding private sale, the time between order and delivery is considerably longer than for sales of products purchased on a firm basis (typically 2-3 weeks). However, the Group strives to reduce delivery times by using optimized logistics and new processes such as consignment warehousing for products from certain brand partners, which enables certain suppliers to deliver the products before the sale is over and enables the Group to offer 24 hour delivery in France in certain cases. Purchases on consignment also enable the Group to introduce new brands and products while limiting the risks incurred if these new products do not find buyers. They also enable the Group to collect valuable data on the success of the products sold and to direct more precisely the efforts of its team in charge of recruiting partner brands over time.

- *Purchases on a Firm Basis*. In 2020, 16% of the Group's gross Internet sales were generated by private sales of products purchased on a firm basis. With these purchases, the Group directly purchases batches of products and holds them in stock before they are sold. The Group believes that its ability to make purchases on a firm basis is a key differentiating factor enabling it to seize attractive opportunities. One key advantage of purchases made on a firm basis is that these products are rapidly delivered to the buyer, within 24 hours in France or 72 hours elsewhere in Europe. This is a significant differentiating factor in the online private sales sector, where delivery times are typically much longer. In order to optimize their purchases on a firm basis and to limit excess stock, the Group's teams in charge of recruiting brands partners concentrate particularly on the major brands and use their experience and data from previous sales (including those concerning products purchased on consignment). Items purchased on a firm basis that are not sold at private sales may be sold at subsequent private sales or to wholesalers (as described in Section 5.6.9 "Inventory Risk Management" of this Universal Registration Document). The Group's long-standing expertise in the sale of excess stock is a key success factor for running a sustainable business selling products purchased on a firm basis. The Group's willingness to make purchases on a firm sales basis also helps it to source better consignment purchase deals and gain access to brands with which it may not otherwise have had a relationship.

The Group generally enters into contracts with partner brands using one of its two standard contract models. Consignment purchase contracts generally specify: the type and quantity of the brand partner's merchandise that must be set aside for the sale; the timing; the details of the prices at the sale; the quality control obligations; the returns policy; and the Group's responsibility for creating product display and marketing materials. Firm purchase contracts resemble standard stock purchase agreements. They specify the information concerning quantity, price and delivery. The Group does not typically enter into long-term contracts with its suppliers, since most of its agreements relate to only one sale or only one year of sales. Contracts with its suppliers are not exclusive.

5.6.5 Product Offering

The Group seeks to offer an appealing selection of products targeted at its members' preferences, with an emphasis on *digital women* purchasing for themselves, their families, and their homes. The excess inventory that the Group offers on its platform typically includes a mix of excess current-season merchandise and items from prior year collections. Leveraging its knowledge of the buying habits and preferences of its members, the Group selects brand partners and product assortments it believes will appeal to them, with an emphasis on timeless, affordable fashion. Fashion-related products are the Group's largest product category. In 2020, fashion merchandise represented 53 % of the Group's gross

Internet sales. However, the share of product categories other than fashion merchandise in the Group's gross Internet sales increased from 32% in 2012 to 47 % in 2020. They include, in particular, beauty products, kitchen accessories, small appliances, furnishings, toys, children's merchandise, food and beverages. The Group's broad product offering reflects the buying habits of its members. In a survey of its members conducted by the Group in 2015, more than half of them stated that they habitually buy products on the Group's mobile sites for other people, particularly for their children and their family. Many of the Group's members start by purchasing fashion-related items. Over time, however, they discover other products on the Group's platform and diversify their purchases. The Group's mobile apps and sites also promote travel offers, which drive revenues while contributing to the platform's entertainment value, by offering members an escape from their daily routine.

At the date of this Universal Registration Document, the Group's main product categories include:

Category	Offering	Year Launched
Fashion-Related Products	Ready-to-wear apparel, fashion accessories, children's clothes, shoes, underwear	2006
Beauty & Health	Makeup, skincare products, hair care and styling products	2008
Home & Decor	Sheets, tableware, lighting, rugs	2009
Small Electronic Appliances and Other Home Appliances	Power tools, sewing machines, vacuums, small electronic appliances and other home appliances	2011
Travel & Entertainment	Travel and entertainment packages	2011
Furniture	Bedding and other furniture	2012
Others	Sporting goods, toys and children's merchandise, food & beverages, ticketing, etc.	2009-2016

The launching of new event sales in rapid succession enables the Group to experiment with new types of products easily and cost-effectively. Examples of non-apparel product categories that have successfully been promoted by the Group include smartphone accessories, eCigarettes, personal care products, diapers and fragrances. Other products offered by the Group have included intangible or digital goods such as discounted mobile telephone subscriptions. The Group is also offering mobile vouchers to be redeemed at brick-and-mortar stores.

The Group has developed its own online brand of fashion items called #CollectionIRL. This brand is a "Fast Fashion 2.0" concept: the brand leverages the Group's data from past sales to offer items that correspond to the basic fashion pieces (jackets, dresses, etc.) that sell best on the Group's platform. The Group believes that the #CollectionIRL label provides it with an additional source of products for its private sales. It also gives the Group complete control over its inventory and the timing of the sales of products from its #CollectionIRL brand, to ensure that they effectively complement the Group's existing product offerings from brand partners.

In February 2016, the Group launched its coupon programs, "Shop It Pocket" and "Shop It Coupon", to generate traffic for its brand partner.

In April 2016, the Group enhanced its leisure products by launching a ticketing service in partnership with France Billet, France's leading network for tickets to shows, sporting events and leisure activities.

In early 2017, the Group expanded its offer in beauty with the acquisition of Beautéprivée.

In June 2018, the Group launched SRP Média, the first media advertising company dedicated to Digital Women. The Group's unique positioning allows it to support the brands in digitalizing the purchasing act by creating a unique, qualitative and enjoyable experience.

In 2019, the Group continued its developments through the enrichment of the services and functionality of its commercial Internet platform. The redesign of the homepage, the geolocation of offers, a notification center, a new information system to manage all of the travel activity, and a supplier portal intended for drop shipping were some of the things set up in 2019.

In October 2019, Showroomprivé received the award "Élu Service Client de l'Année 2020" (Best Customer Service of the Year 2020). In a survey conducted by Élu Service Client de l'Année based on 225 mystery shopper tests aimed at evaluating numerous criteria including responsiveness, quality of reception and listening, online user experience and the ability to offer a quick and effective solution, Showroomprivé's customer service qualities stood out. The Group's customer service therefore won first prize. The Group makes a point of offering the best overall experience to its customers. Constantly

innovating, the Group offers smooth navigation on its mobile applications and its website, allowing easy access to customer service with an average response time below the average of trading sites.

In 2020, due to the COVID-19 public health crisis, the Travel and Ticketing segment suffered a major slowdown.

In October 2020, Showroomprivé received the "Élu Service Client de l'Année 2021" (Best Customer Service of the Year 2021) for the second consecutive year. This award reflects the particular attention paid by Showroomprivé's teams to customer satisfaction, in particular during the two lockdowns in 2020 due to the public health crisis.

In December 2020, Showroomprivé launched its Marketplace in partnership with Mirakl. The purpose of the platform is to complement Showroomprivé's comprehensive offering by allowing partner brands to sell their current collection as well as their stock from past collections. This commission-based service will allow Showroomprivé to broaden its offering by continually recommending new products while maintaining the Group's DNA. The Marketplace will also provide the opportunity to offer a wider range of local products and to limit the Group's carbon footprint by reducing the transportation of stock as deliveries will be dispatched directly by the supplier.

5.6.6 Pricing

The Group offers products on its platform at significant discounts, typically ranging from 50% to 70% off the official retail price quoted by the Group's brand partner. The Group's pricing team benchmarks prices to ensure they are appealing compared to European competitors. In a 2015 internal member survey, competitive prices and savings were cited as one of the most attractive aspects of the Group's value proposition. The Group believes that its continued ability to offer great value on high-quality products is a key aspect of its success. The attractive pricing is made possible by the nature of the goods as excess inventory but also by attractive terms secured through the Group's strong relationships with brand partners and the large volumes sold through its platform.

5.6.7 Online and Mobile e-Commerce Platforms

The Group's mobile apps and websites are designed to make shopping with Showroomprivé an entertaining, convenient and efficient way to discover popular and emerging brands at discounted prices. With these objectives in mind, the Group has aimed to create a platform that is easy-to-use for its members and that can be seamlessly accessed across all devices, anytime and anywhere. The website subscription process is user-friendly, free and immediate, and it only requires users to provide basic personal information. Members log in using the same information on the mobile apps and the websites. The Group can thus ensure a consistent user experience for its members across each platform. For example, an order started on one device can be completed on another. Moreover, by sending daily newsletters to its members at the email addresses they provided, the Group is able to maintain a continuous marketing relationship. This enables the Group to increase member loyalty and convert more members into buyers over time. To make ordering quick and easy, members can also store shipping and payment data. The Group's websites and apps are also designed to load quickly. The quality of the Group's services and its appealing platform have enabled it to generate strong traffic on its platform that has grown progressively over the years.

5.6.7.1 Mobile Apps and Mobile Websites

A major portion of the Group's traffic is currently generated by the mobile apps for tablets and smartphones and by the mobile versions of the Group's websites. Local versions of these mobile versions are available in each of the Group's geographic markets. Showroomprivé offers a mobile app for a range of popular devices including the iPhone and iPad, Android-based tablets and phones, and Windows-based tablets and phones. The Group also offers mobile-optimized versions of its website

that are designed to offer members the convenience of accessing the Group's daily event sales anywhere, anytime and on-the-go.

Mobile apps have driven significant growth in the Group's business. Because mobile apps can be accessed ubiquitously, they drive user engagement and provide increased opportunities for members to interact with the platform. The Group believes that its members are looking for shopping that fits the rhythms of their daily schedule and allows them to multi-task. There is generally higher traffic during the morning hours when members are commuting and using the Group's shopping platform on mobile devices as entertainment while in transit. There is also generally a spike in tablet use during the evening hours, when the Group believes members shop while relaxing at the end of the day. Mobile apps also enable the Group to provide more targeted marketing efforts via "push" notifications and alerts that in many cases are more likely to be read by members than traditional email newsletters.

Traffic and Usage. The Group launched its first dedicated iOS mobile apps in October 2011. At December 31, 2020, these mobile applications had been downloaded more than 23.7 million times since their launch (including 3.5 million downloads in 2020). They have become a major driver of traffic, user loyalty, inaugural sales and a key factor in encouraging members to make their first purchase and regular repeat purchases. Based on the Group's analysis of its platform traffic:

- mobile users have now overtaken traffic from the Group's desktop websites, accounting for 84 % of the visits to the Group's platform that the Group recorded in its systems across all regions in 2019.

- mobile users are more active than desktop users; in 2020, mobile customers visited the Group's platform on average 2 times more often than desktop users;

- mobile users, on average, place five times more orders per buyer than customers placing orders via their desktop;

- taken together, these factors have helped drive a significant increase in the Group's mobile sales: 75% of its gross Internet sales in 2020 were placed through the Group's mobile apps or mobile versions of the websites.

Features, look and feel. The Group's mobile apps are designed to mirror the clean look and feel of its websites, while adapting them to the mobile format and building in a range of features designed with mobile shopping in mind. Its mobile apps offer easy browsing of sales events, with drop-down filters that allow a user to focus in on new, upcoming or about-to-end sales events or particular categories or sizes. They also include features such as the ability to set reminders for upcoming private sales and buttons to invite friends to specific private sales by email, SMS, Twitter or Facebook message. Members are also able, on mobile, to review account information, order and delivery status, and frequently asked questions. The Group's mobile apps also offer an innovative search engine that enables members to quickly identify their preferred products and has a product recommendation function that suggests items tailored to each member's interests.

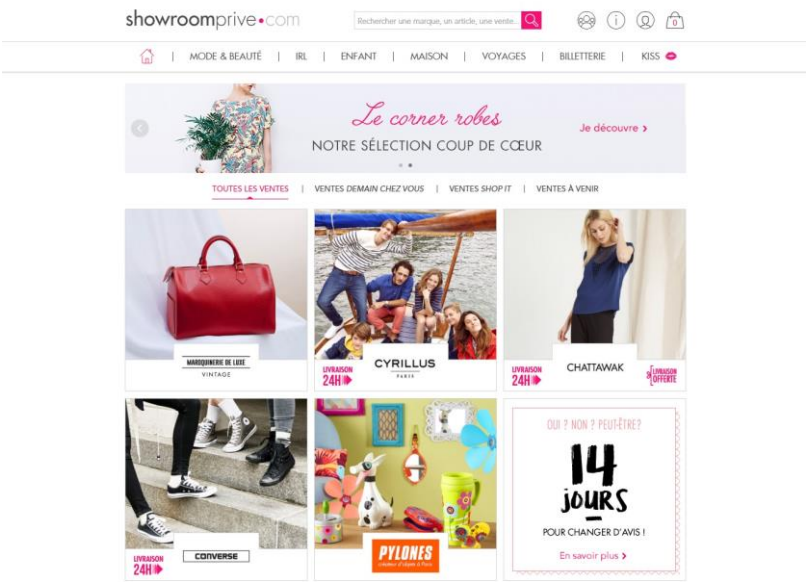


Mobile Checkout. The Group has designed its mobile checkout process to be easy and convenient, with an interface that allows checkout with a few clicks and features, such as pre-populated delivery addresses and the ability to save payment card information for future purchases, which limits the need to enter lengthy details on the mobile device.

New Services. Sales made from mobile terminals form a growing proportion of the Group's business. Mobile allows the Group to innovate and offer new services adapted to its members. For example, the Group is planning to launch a mobile application that would allow members to browse offers in physical stores located nearby and use the app to access additional discounts. This application would enable the Group to provide an additional service to its brand partners with physical retail locations, and to further strengthen its relationships with them.

5.6.7.2 Websites

In addition to its mobile apps, the Group currently operates separate websites for each of its nine different geographic markets, including its multi-currency English-language website. The *look and feel* and the functionalities of the different sites are similar. However, the Group adapts each site to the language and preferences of local consumers.



The Group pays special attention to product presentation and its platform emphasizes a clean, elegant and streamlined *look and feel* that is optimized for easy browsing. Each of the Group's websites features a home page that offers the ability to login or to sign up for membership for free. After logging in, members are directed to the main page of the website, which features banners for each of the ongoing event sales and gives members the option to sort event sales by different categories (e.g., women, children, home, travel). Since March 2016, the Group's websites have been offering an innovative search engine that enables members to quickly identify their preferred products and has a product recommendation function that suggests items tailored to each member's interests.

The Internet site's home page also includes easy links for friend referrals while each sale features buttons that allow members to share by email or flag interesting sales on social networks such as Facebook or Twitter. Clicking on a banner for an event sale takes members to a specific mini-website for this sale. The presentation and organization of each event sale on the Group's websites is carefully planned and prepared by the Group's production team. Almost all products are photographed by the Group's in-house photography team. The graphics team works to ensure the websites feature an appealing layout and that all online materials are presented in a sleek and stylish format that will appeal to the Group's members and contribute to an engaging user experience.

5.6.7.3 Payment Options

The Group provides its members with the option to choose from a total of 13 payment options, including local payment options that are tailored to certain markets in which it operates. In the French market, the Group accepts major credit cards (Visa, MasterCard, American Express and Carte Bleue), as well as other major online payment options (CPay, Paylib and PayPal). For certain sites the Group accepts payments using certain touch ID systems for mobile devices, including Apple Pay and Google Pay. In France, Spain, Italy and Belgium, the Group also offers its members the ability to pay for items on an installment basis through Oney, an installment payment service affiliated with Banque Accord.

While debit and credit cards are the preferred payment method in France, payment methods differ across the Group's international markets. The Group accepts a wide variety of payment methods on its various local mobile apps and websites to ensure that payment options address local specificities, and that its international members can make payments in their local currencies.

5.6.8 Marketing Strategy

The Group's marketing strategy is built on three key pillars: buyers, traffic and results. To implement this strategy, the Group focuses on its own media, retaining the loyalty of its members, repurchases and high-margin product categories.

The Group encourages members, through emails and targeted communications, to connect to the platform and made regular purchases. Some members of the Group become buyers when they join. Others make their first purchase after a longer period of time, during which they also receive the daily emails and marketing solicitations from the Group. When members are satisfied with their first purchase, it generally leads them to come back to the platform to make other purchases and become repeat buyers. In 2020, 74.5% of the Group's buyers who made a purchase during the year were repeat buyers who had already made a purchase on the Group's platform in the past.

The Group's marketing strategy is designed and implemented by its marketing team and its in-house marketing agency, which use data analytics and case studies to focus the Group's marketing efforts around the three main pillars listed above.

5.6.9 Inventory Risk Management

When a consignment sale arrangement stipulates that the Group must bear financial responsibility for product returns, or when the Group enters into a firm sale arrangement, some of these products may remain unsold after an event sale and the Group may be unable to sell it during subsequent event sales. The Group manages this risk by using its offline wholesale distribution channels.

The Group maintains a limited offline wholesale distribution channel through which it offloads any unsold stock to third-party wholesale distributors. This stock is mainly composed of returned products, products purchased on a firm basis as well as products unsold on the platform and incomplete merchandise batches. While the wholesale distribution business is not a major contributor to revenue, generating only €9.4 million in revenue in 2020 (or 1.3% of revenue), the Group views it as strategically important to successful stock management. The Group acquired ABC Sourcing in September 2016 to enhance its expertise in selling stock via its wholesaler network and to expand services offered to brands. As a result, the Group believes its extensive experience in offline wholesale and its strong wholesale network are key differentiating factors compared to other private event sale operators. Leveraging these advantages, along with its in-house expertise in processing returns and stock sorting, helps the Group enhance the value created from its inventory of unsold or returned merchandise. This expertise also helps to minimize risk on the Group's firm sales, enabling the Group to be agile and opportunistic when compelling firm sale prospects arise.

5.6.10 Quality Control

The Group intends to conclude partnerships only with brands that share its commitment to quality. The Group's process to recruit brands fully integrates this objective. In addition, it has implemented quality control on the products of the partner brands. The Group and its logistics service providers inspect products delivered to logistics centers and the Group's contracts generally allow it to return or be compensated for non-conforming goods. The Group believes that its careful brand selection process and quality control procedures help to maintain high product quality levels and ensure buyer satisfaction.

5.6.11 Operations: order processing from click to customer delivery

The Group believes that operations are among the essential functions of the organization. These operations encompass several hundred business lines covering 5 main areas:

- logistics: these are business lines existing in an internal or external warehouse that processes an item and adds value for the customer;
- supply chain: this refers to all business lines that manage supplier relationships in addition to managing the overall network in terms of forecasting, allocating and managing deadlines and promises;
- delivery: these business lines handle deliveries of both B2B and B2C goods;
- operational excellence: this refers to all business lines committed to continuous improvement to offer customers the best service at the fairest price, in addition to spearheading transformation projects like site openings and overall network optimization; and
- customer service: the department that responds to customers in the event of a dispute or request for information; it also anticipates needs and serves as a link to other parts of the chain to avoid recurrence.

This organization is designed to anticipate the most important deadlines while remaining flexible and focused on the customer and costs, making every effort to absorb the variability inherent in e-commerce and event sales.

5.6.11.1 Logistics functions

The Group has decided that by the end of 2022 it will balance internal and external operations, while developing versatile solutions between internal and external sites to absorb the variability of orders, ensure back-up in the event of a major incident, and secure internal know-how and optimize costs during low and average season.

5.6.11.1.1 Internal logistics

The Group has 5 in-house buildings on the Saint-Witz site in the val d'Oise with a surface area of 40,000m², 4 buildings on the historic site with 30,000m² and 1 in the Guepelle industrial zone with approximately10.000m².

As of December 31, 2020, the Group's internal logistics team was made up of 187 employees with a permanent contract (186 full-time equivalent) in addition to 305 temporary staff (193 full-time equivalent).

Business processed internally includes:

- *Inventory sorting and clean-up*. The Group has developed strong in-house expertise in terms of sorting mixed batches of merchandise from partner brands. Its expertise allows it to transform these mixed batches into organized batches, that can be sold via its online platform or its wholesale network. Some of the Group's key sorting managers have more than 25 years' experience in this field. The Group has successfully turned this expertise into a major competitive advantage. The sorting of unsold batches can be difficult and require a significant amount of labor and time for several partner brands. The Group considers that its ability to purchase and efficiently manage firm sale mixed batches is a service which allows partner brands to sell their stock to the Group more easily, thus allowing it to take advantage of more varied procurement opportunities, often at better prices. The Group continues to improve this expertise and has notably invested in and optimized a custom-made sorting machine. In 2021 however, the Group is transitioning toward a multi-SKU process, which will greatly streamline this process in addition to saving significant storage space in the main firm warehouse.

- *Returns management*. Returns management is also a strategic function which is managed internally by the Group. Efficient returns management, particularly in the online fashion retail sector where returns are comparatively more frequent than for other product categories, is, in the Group's view, a key factor to maintain high customer satisfaction, encourage regular purchases and improve gains made on returned products. Thanks to its internal returns management, the Group is in a position to efficiently coordinate its logistics functions with those of its customer services and thus provide an efficient service to buyers. At the same time, this function allows the Group to control the quality of returned items and to more efficiently prepare the resale of these items during future online sales or through its offline wholesale network. Through the use of Lean initiatives, the Group significantly improved its management of delivery times and, in turn, the reliability of returns to suppliers and their reimbursement rates, in addition to a consignment buy-back function for merchandise addressed to the e-shop boutique. These two initiatives have significantly improve the costs of returns

  This process is currently being overhauled in 2021 to incorporate more robust computer tracking that will further reduce delivery times and improve productivity.

- *Order preparation*: This will represent the major business in terms of surface area in 2021. In fact, over and above the mechanized warehouse in the Guepelle industrial zone, which has ramped up and will absorb 20% of the volumes in 2021 (3 million orders), another business will be launched in mid-2021 at the historic site. In fact, optimization of the operations at 4 Saint-Witz buildings will free up two buildings so they can be reused by internalizing a portion of the order preparation to respond to the very rapid growth of certain categories. The Group also has a B2B sales operation at Saint-Witz.

  Over time the two internal sites will be capable of processing between 6 and 7 million orders, i.e., 40% of the global network.

5.6.11.1.2 External Logistics Functions

Outsourced logistics essentially handles order preparation. Some non-strategic inventory sorting operations are performed in this network. This network comprises 3PL partner warehouses that generate some 60% of orders and a dropshipping component currently accounting for over 18% of the Group's orders

5.6.11.1.3 The 3PL logistics network

This network relies on 6 partners and as many sites: Dispeo, Deret, ADS, XPO and Kuehne&Nagel (KN) in France, in addition to Jevaso in Spain.

All sites are capable of handling sales order preparation without so-called consignment storage, and DERET, ADS, and KN are capable of managing sales with inventory either purchased by the Group (so-called firm sales) or merely carried (so-called pre-delivery sales). Each of the partners has know-how in several item categories or types of sales, and offers flexibility in other categories. In this way the network (internal and external) is able to offer rather broad flexibility during peak ordering or if an incident occurs in any item category. This allows the Group to manage and offset its fixed costs and optimize variable costs by using the most optimized solution at all times all the while improving its customer experience.

5.6.11.1.4 Dropshipping

As of late December 2020, the Group relied on a pool of 194 dropshippers accounting for some 18% of volumes in the fourth quarter.

The Group has made it a major priority to develop a dropshipping program when profitable. This will shorten the logistics circuit thereby reducing logistical contact and in turn the carbon footprint in addition to shortening delivery times for customers.

5.6.11.2 Supply chain

In 2020 the Group executed a major overhaul on its processes to create a new department capable of anticipating storage, delivery, receiving, and shipping capacity along the entire logistics chain over a one-year period. This effort to anticipate will enable the Group to implement suitable action plans to optimize the use of existing resources.

As a result, this department will be in charge of ensuring customer satisfaction by managing order allocation and each entity's capacity on a granular level.

5.6.11.3 Operational excellence

The Group wanted to have a team in change or continuous improvement and transformation. This department was started in 2020 using project-based staff and external individuals with training and expertise in Lean 6 Sigma.

In addition to launching new sites and projects involving transforming existing sites. These individuals are working on improving customer satisfaction and reducing overall costs with a roadmap for the end of 2022.

This roadmap features several work strategies:

- optimizing the logistics blueprint by streamlining the number of logistics sites and maximizing how they are used to offset fixed costs as much as possible.

- improving the customer experience via quality management initiatives and projects to improve Click to Delivery (time between orders and delivery)

- streamlining packaging and how it is managed, also as it relates to move forward, reducing non-recyclable waste and the carbon footprint

- improving variable costs internally based on the Lean 6 Sigma and by training key individuals in these methodologies

- improving the customer experience for everything related to product support and customer service

5.6.11.4 Delivery

The Group continues to develop its delivery partnerships to offer its customers as many delivery choices as possible. In coordination with the most comprehensive, or at home. In addition to fast 24-hour or the more affordable 48 to 72-hour standard delivery.

As of the end of 2020, the Group was working with 14 carriers deploying 39 different delivery methods throughout France, Spain, Italy, Belgium, the Netherlands, Portugal and Morocco, as well as France's overseas departments and territories.

5.6.11.5 Returned Goods

The Group believes it offers quality goods and services and strives to achieve buyer satisfaction with every order. In accordance with applicable regulations, the Group permits returns of merchandise and refunds provided that buyers notify the Group of their intention to return the product, which must be unused, within a specified period (14 days after the date of receipt in France). After notifying the Group, the buyer then is given a further period (14 days in France) to arrange delivery of the returned items (at the buyer's cost). The Group believes that hassle-free returns help increase member spending and loyalty. The Group seeks to minimize the financial impact of returns, both by negotiating terms in its consignment sale contracts that allow it to recoup some or all of its outlay from suppliers and by reselling returned stock through its wholesale business. The rate of returns in 2020 was not significantly different than the previous year.

5.6.12 Information Technology

Since its creation, the Group has fostered a strong tech-centric culture and strongly believes that technology helps drive innovation that can help deliver more efficient services to its members and brand partners.

The Group's in-house technology team includes its Chief Information Officer and approximately 100 analysts, developers, architects, administrators, technicians and project managers. Three quarters of these employees, who develop and maintain the front-end and back-end software and the platforms which host it, are base in Vendée, France, some in Italy, and the rest of the team, which specifically provides decision-making and artificial intelligence applications, user interfaces, as well as desktop and application support, is based at the Group's registered office.

The Group's technology strategy focuses on the integrated in-house development of its business' core applications and platforms that run on reliable third-party software frameworks such as .NET and Qlikview, using best-in-class software developed by third parties for other technological or operational functions, such as warehouse management software (WMS), customer relationship management software (CRM) and financial functions. The Group believes this approach provides it with the ability to efficiently build a tailored, adaptive and scalable technology platform while maintaining a lean and efficient organization.

The Group's technology team has extensive shared experience and many team members have been with the Group for many years. Their in-house development efforts and the team's familiarity with the technology platform allow the Group to respond efficiently to meet the company's current needs, and also to quickly innovate to meet new needs and implement new strategies. The Group's lean and efficient IT structure means that it generates more average orders per IT and technology employee than certain competitors. This is due in large part to the number of internal dedicated tools and automated applications that permit Group employees to create and launch sales events without using the IT team.

5.6.12.1 Technology Architecture

5.6.12.1.1 Hardware

The infrastructure which supports the Group's e-commerce and production platform is maintained and supervised by a subsidiary of the Econocom Group service provider. The servers are located in two separate data centers, where they store most of the data collected by the Group, as well as hosting its front-end and back-end systems. The Group's platform features industry-standard automatic data backup, redundancy and disaster business continuity systems, as well as cloud storage and calculation capabilities. Several third-party software products are subscribed to in SaaS mode and are also hosted on other external infrastructure. The Group maintains the hardware related to sales production and office support in-house, primarily at its registered office in La Plaine St-Denis, France.

5.6.12.1.2 Software

The Group's modular and scalable technology platform is structured around a *Database Management System* which involves many key software components developed in-house or adapted by the in-house technology team from commercially available software to create a version customized for the Group's operations. These systems connect with the Group's network to create an integrated and powerful enterprise-wide technology platform. The platform is open-architecture and adaptable, consisting of front-end and back-end systems designed to handle a data volume greatly in excess of the Group's current needs in order to accommodate the Group's future growth and expansion. Projects to adapt resources to changing needs ("scalability") are continuously introduced, and include maintaining all infrastructure in operational condition, using the latest technologies.

Front-End Systems

The Group's front-end systems comprise an international web gateway tailored for each of the seven countries in which it operates and an international mobile gateway supporting its mobile apps and mobile versions of its websites. The Group developed all of its front-end systems in-house, including its APIs, several dedicated mobile apps and its websites, based on a Microsoft .NET software framework, and on the native languages of the android and iOS mobile systems. These front-end gateways comprise all of the Group's consumer-facing functions and are analyzed by its front-end business intelligence and support systems to support optimal decision-making.

Back-End Systems

The Group's principal back-end systems were designed in-house by its technology team for the specific needs of the business. These include secure interfaces with all of the external systems used by the Group and are based on the same technology foundation as the front-end systems.

The advanced business intelligence and data analytics platform is adapted from a Qlikview and QlikSense framework from which the Group has developed applications and modules to tailor the capabilities of this architecture for each of its business lines.

This intuitive and accessible approach to its technology platform and data analysis allows employees to easily and efficiently access key information and practice data-driven decision-making in the Group's operations. The applications designed by the Group's technology team allow extensive and relevant internal reporting with easy data segmentation to allow more independent and effective decision-making. The Group uses the system to analyze many types of data, including data segmented by geography, by segment, by private sale and by member type, as well as in-depth analysis of logistics performance, of performance by the sourcing and brand relations team, of customer satisfaction levels, and of in-depth cohort analyses.

The Group believes that this approach contributes to the overall efficiency and agility of the organization. In order to ensure access to a sufficient set of relevant information, the Group collects browsing and purchasing activity data and archives it on an anonymous basis. The Group's *back-end* modules also include data-driven analytics capabilities so the Group can provide brand partners with extensive reporting on the efficiency and results of specific private sales, enabling brand partners to tailor their offerings and better know their members' purchasing behaviors. The Group has also developed proprietary enterprise resource planning (ERP) software that allows it to automate many operational functions and decisions, including certain aspects of: private sales production; billing and ordering processes through its in-house developed Gesco system; real-time order transfers for its logistics chain; coordination of sales and stock; delivery announcements; shipping confirmations; and back office administrative services.

The Group also occasionally uses open source technology in its back-end systems: mainly software that permits collaboration on support activities, in technology projects, and for the data warehouse that populates decision-making and monitoring applications.

5.6.12.2 Innovation

The Group is committed to innovation through technology across its business and constantly strives to improve its operations and service offerings through improvements to its technology platform.

5.6.13 Customer Service

The Group considers that the attention paid to its members is a key factor in helping to increase their loyalty. With this in mind, the Group strives to provide quick and reliable customer service and to make regular improvements in all aspects of its members' experience. The Group handles all customer questions and requests for assistance (help with the order, questions about products, order status, deliveries, payments, and so on). Member feedback is regularly monitored using a business analytics platform to identify areas for improvement. The Group continues to work on all aspects of its supply chain to continue to improve its performance.

The Group has an in-house team of 40 as of December 31, 2020. It also uses the services of professional customer relations service providers, notably ADM Value.

5.7 INVESTMENTS

5.7.1 Principal Investments Over the Past Three Fiscal Years

Over the 2018-2020 period, the Group's capital expenditures (acquisitions of tangible and intangible fixed assets) totaled €50.6 million, of which €5.9 million was in rights to use in accordance with IFRS 16.

Over the course of the last three years, the Group's capital expenditures were primarily composed of the following:

- *Capitalized Research and Development Costs.* Over the 2018-2020 period, the Group invested €20.8 million in research and development. These expenses were primarily to improve and enhance the website itself and the mobile version, develop new types of offers, and improve and develop the customer order processing systems, including optimization of logistics and customer service.

- *Software*. Between 2018 and 2020, the Group invested €4.1 million in software used in its business, particularly for its logistics processes and information, accounting and financial management.

- buildings and refurbishment, technical facilities, plant and equipment, intangible assets in progress, other tangible assets. Over the 2018-2020 period, the Group invested €25.7 million (including €5.9 million in rights to use in accordance with IFRS 16) primarily in its project to internalize a portion of its logistics activities (see Section 5.4.4 "Continuation of Strategic Developments" of this Universal Registration Document), in improvement work, furnishing, computer equipment, and production and industrial equipment for its registered office in La Plaine Saint-Denis, the headquarters and sales production workshop of its subsidiary in Spain, its warehouse at Saint-Witz and in its development center in Vendée.

In June 2018, the Group signed an agreement with Eprice on the recovery of a portion of the purchase price of Saldi Privati, a company wholly acquired in November 2016, and on unwinding the logistics contract signed with Eprice at the time of the Saldi Privati acquisition. Under this agreement, the Group obtained a reimbursement of €2.5 million on the purchase price from Eprice for failure to achieve performance criteria, and agreed on early unwinding, as of June 30, 2018, of the logistics contract signed with Eprice in return for the payment of an indemnity of €2 million for early termination. The unwinding of the logistics contract resulted in the recovery of the balance of the unfavorable contract provision (€+4.9 million) recognized in the allocation of the acquisition price in 2017.

In addition, after acquiring 60% of the capital of Beautéprivée (a leading French online seller of specialized beauty lines) on March 15, 2017, the Group exercised the purchase option it held in April 2019 and acquired the remaining 40% of the capital at slightly over €20 million. The total amount of this investment is €34.7 million. The acquisition price includes the cash price paid for 60% (€11.4 million) and a variable price component ("Earn-Out") of €2.0 million paid in 2018 and the slightly more than €20 million for the remaining 40% of the capital.

The following table shows gross capital expenditures (acquisition of tangible and intangible fixed assets) by type of expense for the periods indicated.

	Year ending on December 31		
	2020	**2019**	**2018**
		(€ thousands)	
Research and Development Expenditure.....	5,867	7,331	7,607
Software	230	1,892	1,931
Other Intangible Assets	30	16	-
Total Gross Investment in Intangible Assets	**6,127**	**9,239**	**9,538**
Buildings and Refurbishment.....		6,453	-
Facilities, Plant and Equipment.....	2,074	4,243	1,832
Tangible Assets in Progress	268	528	5,300
Advances and Payments for Fixed Assets	-	-	-
Other Tangible Assets	1,202	2,204	1,634
Total Gross Investment in Fixed Assets	**3,544**	**13,428**	**8,766**
Of Which, Finance Leases.....	-	-	-
Right to use under IFRS 16		5,947	
Acquisition of Tangible and Intangible Assets	**9,671**	**22,667**	**18,304**

5.7.2 Principal Investments in Progress/Future

5.7.2.1 Principal Investments in Progress

None

5.7.2.2 Principal Planned Investments

In 2021, the Group will continue its research and development efforts with the aim of improving and developing the website itself and the mobile version, developing new types of offers, and improving and developing customer order processing systems, including optimizing logistics and customer service.

5.7.3 Information on Equity Investments

Information concerning joint ventures and entities in which the Company holds a share of the capital likely to have a material impact on the valuation of its assets and liabilities, financial position or results of operations (namely, the companies listed in Section 6.2 "Significant Subsidiaries"), is included in Chapter 6 "Organizational Structure" and in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ending on December 31, 2020" in this Universal Registration Document.

5.7.4 Environmental Factors Likely to Affect the Use of the Group's Tangible Fixed Assets

Information on the environmental aspects that may affect the use of the Group's tangible fixed assets is provided in Section 5.9 "Environmental policy and sustainable development" of this Universal Registration Document.

5.8 RESEARCH AND DEVELOPMENT, PATENTS, AND LICENSES

5.8.1 Research and Development

The Group believes that enterprise-wide innovation is key to its success and continued growth. It therefore strives to maintain a culture of innovation that leverages insights from data analytics to improve every aspect of its service and operations. Group research and development expenditure totaled €5.9 million in 2020 and was mainly related to the development of a Market Place offer, improving its mobile apps and websites, and efficiency improvements in its logistics and fulfillment systems. For more details, please see section 5.7 "Investments" of this Universal Registration Document.

5.8.1.1 Technological Development

Since the Group's creation, its strategy has been based on managing its own tools, which are built in an integrated manner on reliable frameworks, and on constant innovation to better understand and meet its needs. The Group's technology platform, which was for the most part designed in-house by an experienced team, is at the heart of this strategy.

The Group employs a data-driven decision making model across all of its business units, including technological services. Its advanced business intelligence and data analytics platform, adapted in-house from a Qlikview framework, allows the Group to easily generate relevant data to support and evaluate its development efforts. For example, analysis of members' shopping behaviors and customer feedback can guide the Group to opportunities for potential technological platform optimization, and analysis of back-end systems can identify potential areas for platform efficiency developments. Once developments are implemented, the Group is able to evaluate their effectiveness and impact using its business intelligence and data analytics platform and to refine and improve its platform on a continuous basis and guide future development spending.

5.8.1.2 Development of Front-End Systems

The Group has been able to efficiently build and improve its front-end web and mobile interfaces:

- *Mobile Development*. The Group strives to make mobile apps available on all major mobile devices, including iPhone and iPad as well as Android-based phones and tablets, and continually enhances its applications through periodic updates. For example, in 2015, the Group updated its Android and iOS mobile apps with additional sales filters and ergonomic optimizations. In 2017, the Group deployed the search engine on its mobile apps. In 2019, geo-localized offers were introduced. In 2021, "dark mode" versions of the Group's apps will be available.

- *Website Development*. The Group's in-house technology and design teams work closely together to ensure that its websites provide an attractive, uniform, reliable and universal sales platform (which is independent of the hardware and browsers).

5.8.1.3 Development of Back-End Systems

The Group has developed a significant portion of its back-end systems and software in-house, namely its operational and production systems, and related interfaces when they need to communicate with third-party systems, as well as its business intelligence systems. A number of customized applications and modules thus allow the Group to tailor the information provided to its various business lines and efficiently deliver usable information. It has also developed proprietary enterprise resource planning software that allows it to automate many operational functions and decisions. The Group continually upgrades its back-end systems.

5.8.1.4 Ongoing Technology Development

The 2021 in-house technology roadmap includes more than 100 projects currently being considered or developed, including the technical integration of the Beauté Privée subsidiary, support for new businesses (drop shipment, market places), the implementation of new predictive analysis algorithms, support for logistics projects (automated warehouse, returns management, new carriers, etc.), and the consideration to launch of a customer chatbot.

Please refer to Section 5.6.12 "Information Technology" of this Universal Registration Document for more information on the Group's technological platform.

5.8.2 Logistical Operations Development

The Group continually seeks to enhance the efficiency of its logistical operations. For example, in 2014 the Group invested in a product sorting machine that has allowed it to begin automating certain aspects of the sorting of inventory received from suppliers that were previously done by hand and increase the efficiency of its inventory sorting operations. The Group also made updates to its in-house returns systems to improve accuracy and processing time. The Group believes that through investments in research and development for its logistics and fulfillment process it will continue to improve the quality of its service to buyers and increase satisfaction and loyalty.

Ongoing Logistics Development

The Group continues to invest in improvements to its logistics operations to enhance effectiveness and efficiency for both its in-house and outsourced logistics operations. Key ongoing projects include work process, system integration and warehouse organization projects to improve its product sorting operations and improvements to the integration of its returns-processing functions and its outsourcing order preparation and packaging function.

In addition, at the beginning of 2018, the Group also decided to internalize part of its logistics business through an €13 million investment in a mechanized warehouse that will allow it to directly handle and mechanize some of its flows of consignment sales and in this way significantly reduce the logistics fulfillment costs. The investment was spread over 2018 and 2019 and the site has been operational since the end of 2019.

Readers are encouraged to review Section 5.6.11 "Operations: Order processing from click to customer delivery" of this Universal Registration Document for more details on the Group's logistics system.

5.8.3 Intellectual Property

Given the importance of intellectual property in its sector, the Group maintains a policy of vigilantly protecting its four main types of intellectual property rights – know-how, trademarks, software and databases – in the six foreign countries where it does business.

The intellectual property rights held by the Group primarily comprise the following:

(i) rights to distinctive marks, such as trademarks, logos or domain names, in particular those including the name "showroomprive". These intellectual property rights are registered or are in the process of being registered in most of the countries where the Group does business, in order to protect them appropriately;

(ii) its know-how in terms of marketing and customer relations management;

(iii) rights relating to application software and integrated management software developed by the Group; and

(iv) rights relating to customer databases.

5.8.3.1 Intellectual Property Rights

Trademarks and Domain Names

The Group holds a portfolio of registered trademarks in the principal countries where it does business, at a national, European Community and international level, as the case may be. These trademarks relate principally to signs including the names "showroomprivé" and "showroomprive.com", as well as to certain other signs such as "*Brandinvites*" and "*Crazy Days"*.

The Group has registered numerous domain names both in France and internationally that include the name "showroomprivé" in various extensions and forms, in order to secure its rights to the name in all of the countries where it does business.

5.8.3.2 Know-how

The Group's marketing and customer-relations strategies rely on the development and use of significant know-how with respect to data collection and processing and to database analysis, based on which specific procedures are put in place to drive sales and create customer loyalty.

This confidential know-how is developed internally and maintained within the Marketing & Business Development teams.

5.8.3.3 Software

Using open-source software tools, the Group has internally developed its own enterprise resource planning systems ("ERP") to manage each stage of its sales cycle.

These software solutions are operated under the supervision of the Information Systems Department and cover, in particular, back-office functions and management of user interfaces, orders, the sorting system, distribution solutions and sales production.

5.8.3.4 Databases

The Group has made substantial financial, material and human resources investments to create, verify and use databases containing information about its customers and members who are registered on its websites. showroomprive.com holds all of the rights relating to these databases.

5.8.4 Licenses

5.8.4.1 Licenses Granted to the Group

In connection with its supplier agreements, the Group holds authorizations to use its suppliers' brands for purposes of distribution, marketing and product promotion. Depending on the type of agreement, the authorization may relate to the use of these brands for the Group's Internet sales or in connection with the distribution of merchandise to consumers or businesses in France, or, sometimes, abroad.

In addition, licenses have been granted to the Group in connection with various collaborations entered into as part of the Group's marketing strategy.

For example, the Group works on a white label basis with certain commercial partners that integrate spaces to sell products marketed by the Group on their own websites. This business model requires a license to permit the Group to use its partners' brands.

In addition, the Group enters into one-off co-branding operations in which the brands of the commercial partner and the Group's brands are used jointly. Co-branding agreements rely on reciprocal brand licensing agreements between the Group and the partners in question.

Other than software licenses used in connection with database management, email processing, and the operation, development and maintenance of the Group's technology platforms and information system, the Group holds no other licenses to third-party intellectual property.

5.8.4.2 Licenses Granted by the Group

Other than the licenses granted by the Group in connection with its co-branding agreements, as discussed above, as well as certain payment system implementation agreements pursuant to which the Group grants its service providers licenses to enable them to provide the services in question, the Group has not granted any material licenses to its intellectual property

5.9 ENVIRONMENTAL POLICY AND SUSTAINABLE DEVELOPMENT

The Group considers that it is not exposed to material environmental risks likely to have a significant impact on the use of its current property, plant and equipment.

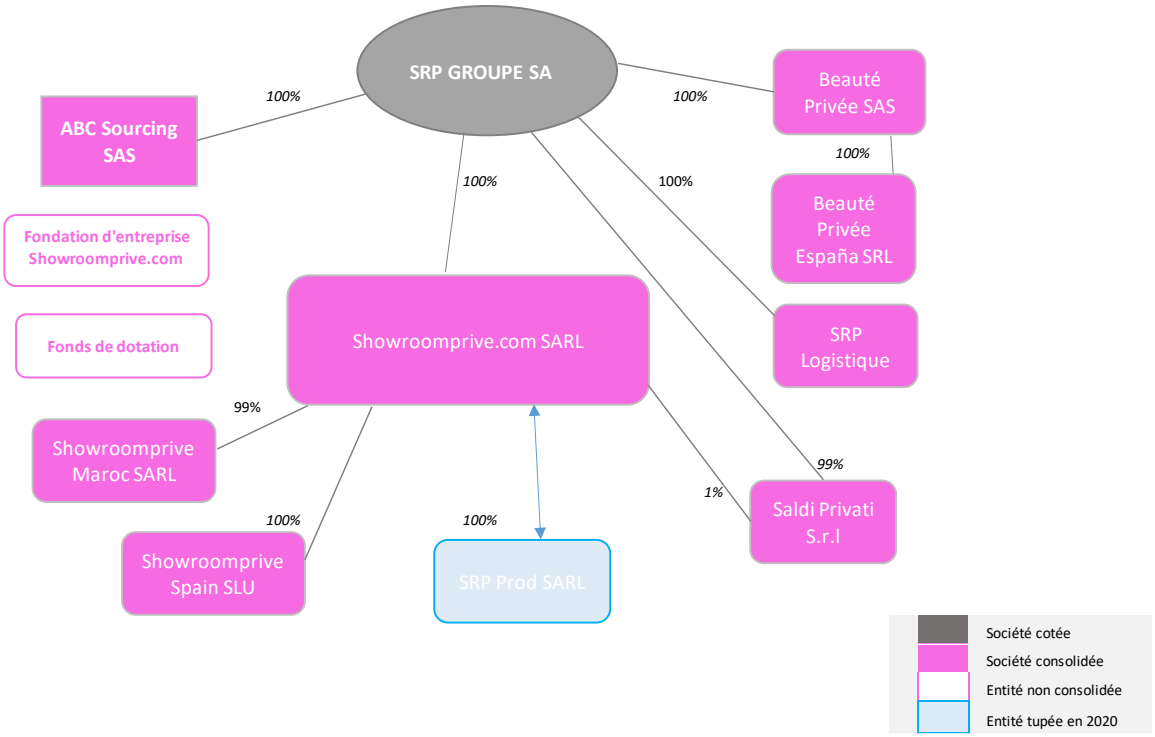
Nonetheless, the Group pays particular attention to the environmental footprint of its activities and of the products it distributes, and aims to continue implementing a policy of profitable, sustainable and responsible development in terms of labor relations, the environment and society at large.

The Company prepared a report for fiscal year 2020 containing the social and environmental information required by Article L. 225-102-1 of the French Commercial Code. For more detailed information about this report, see Appendix III "Declaration of Non-Financial Performance" to this Universal Registration Document.

6. ORGANIZATIONAL STRUCTURE

6.1 GROUP ORGANIZATIONAL CHART

The organizational chart below shows the Group's legal structure at December 31, 2020.



6.2 SIGNIFICANT SUBSIDIARIES

SRP Groupe S.A. is the Group's parent company and is the principal company in terms of the Group's French tax consolidation structure (see Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ending on December 31, 2020" of this Universal Registration Document for a list of the consolidated subsidiaries).

The Company's main direct subsidiaries are described below. None of the Company's subsidiaries is a listed company.

Showroomprive.com S.à.r.l. is a limited liability company with a single shareholder (société à responsabilité limitée à associé unique) under French law and with share capital of €145,810,290 and its registered office at 1 rue des Blés, ZAC Montjoie, 93212 La Plaine Saint-Denis Cedex, France. It is entered in the Trade and Companies Register of Bobigny under number 538 811 837. The Company directly holds 100% of the share capital and voting rights of Showroomprive.com S.à.r.l., whose primary business is the management and operation of a website, and online distance purchasing and selling in connection with event sales of branded products.

SRP Logistique S.à.r.l. is a French limited liability company with a single shareholder (société à responsabilité limitée à associé unique) with share capital of €25,900 and its registered office at 1 rue des Blés, ZAC Montjoie, 93212 La Plaine Saint-Denis Cedex, France. It is entered in the Trade and Companies Register of Bobigny under number 538 791 872. The Company directly holds 100% of the share capital and voting rights of SRP Logistique S.à.r.l., whose primary business is logistics and logistical support, product sorting, stock monitoring and returns management.

ABC Sourcing SAS is a simplified limited liability company (société par actions simplifiée) under French law, with share capital of €20,000 and its registered office at 1 rue des Blés, ZAC Montjoie, 93212 La Plaine Saint-Denis Cedex, France. It is registered with the Trade and Companies Register of Bobigny under number 420 189 516. The Company directly holds 100% of the share capital and voting rights of ABC Sourcing SAS. ABC Sourcing SAS was brought into the scope of consolidation on October 1, 2016. ABC Sourcing SAS specializes in major sporting good brand clearance sales exclusively for retailers.

Saldi Privati S.r.l. is an Italian limited liability company, with share capital of €303,030.30 and registered office at via Vincenzo Forcella 13, 20121 Milan, Italy. The Company directly holds 99% of the share capital and voting rights of Saldi Privati. The balance of Saldi Privati's capital is held directly by Showroomprive.com S.à.r.l., a Group subsidiary that acquired this stake in the spin-off of the assets of the business of Showroomprive Italy S.r.L., which was wholly owned by Showroomprivé.com S.à.r.l. and which was liquidated on October 31, 2018. Saldi Privati has been included in the scope of consolidation since November 1, 2016, and specializes in event sales in Italy, focusing specifically on fashion-related products.

Beauté Privée SAS is a simplified limited liability company (société par actions simplifiée) under French law, with share capital of €100,000 and its registered office at 1 rue des Blés, ZAC Montjoie, 93212 La Plaine Saint-Denis Cedex, France. It is registered with the Trade and Companies Register of Bobigny under number 500 209 150. The Company directly holds 100% of the share capital and voting rights of Beauté Privée SAS. Beauté Privée SAS has been included in the scope of consolidation since March 15, 2017, the date of the 60% takeover, under an agreement that also provided an option to acquire the remaining 40% in 2019. In April 2019, the Group exercised the purchase option and acquired the remaining 40% of the share capital. Beauté Privée SAS specializes in event sales of beauty products. Furthermore, Beauté Privée SAS holds 100% of the share capital of Beauté Privée España SLU.

The Group's remaining subsidiaries shown in the chart above include four companies (held viaShowroomprive.com S.à.r.l.), which manage most of the Group's businesses in Italy, Spain, Germany and Morocco. SRP Prod was the subject of a universal transmission of assets to its parent company, Showroomprivé.com S.à.r.l by decision of the sole shareholder of February 6, 2020.

The German subsidiary of the Group, Showroomprivé GmbH, i.L. was dissolved by decision of the sole shareholder of March 13, 2019 and is currently in liquidation.

For a description of the main agreements entered into between the Group's various entities, please refer to Chapter 17 "Related Party Transactions" of this Universal Registration Document.

7. OPERATING AND FINANCIAL REVIEW

The following discussion of the Group's financial position and results of operations for the fiscal years ending on December 31, 2020 and 2019 should be read together with the Group's annual consolidated financial statements for the year ending on December 31, 2020 as shown in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ending on December 31, 2020" in this Universal Registration Document.

The Group's annual consolidated financial statements for the fiscal year ending on December 31, 2020 have been prepared in accordance with IFRS as published by the IASB and adopted by the European Union. The audited consolidated financial statements for the fiscal year ending on December 31, 2019 include comparative information for the fiscal year ending on December 31, 2018. The Company statutory auditors' audit report on the Group's consolidated financial statements for the fiscal year ending on December 31, 2020 is included in Section 18.1.2 "Statutory Auditors' Report on the Financial Statements of SRP Groupe for the Fiscal Year Ending on December 31, 2020" of this Universal Registration Document.

In accordance with Article 19 of EU Regulation 2017/1129, a comparison of the Group's results of operations for the years ending on December 31, 2019 and 2018 is shown in Chapter 9 "Operating and Financial Review" in the 2019 Universal Registration Document and are incorporated by reference in this Universal Registration Document.

7.1 OVERVIEW

7.1.1 Introduction

Showroomprivé is an innovative European online event sales company specializing in fashion. As of December 31, 2020, the Group operates in France (its primary market) and in six other countries. With roots in both fashion sales and online marketing, Showroomprivé's vision is to re-invent the way women discover and shop for high street fashion. The Group's mobile apps and websites feature a curated selection of well-known and up-and-coming brands. Showroomprivé's sleek sales presentation, together with the excitement of its private sale format – shopping bargains of 50-70% off retail prices while stocks last – help to create a highly engaging user experience. At the same time, the Group's platform is a fashion-conscious, discreet and proven distribution channel for its brand partners' excess inventory.

The Group's net revenues increased by 13.3% in 2020 compared to fiscal year 2019. Group EBITDA reached €42 million for the period. Greater selectiveness and changes to the purchasing model (in particular towards drop shipment) have a positive effect in terms of inventory management. This improvement, coupled with growth leverage and the effects of the 2018-2020 performance plan (process optimization, streamlining logistics, cost cutting), have allowed the Group to restore its EBITDA margin to 6.0% over the 2020 fiscal year versus -5.1% in 2019.

The EBITDA margin was 2.3% in the first half of the year and 8.9% in the second half of the year. It therefore showed a marked improvement during the second half of the year thanks to an acceleration in growth and the full impact of the above-mentioned factors.

In accordance with IFRS 8, the Group has determined that it has a single operating segment. The Group separately tracks the evolution of net revenues and EBITDA in France and in its international markets.

The following table provides a breakdown of the Group's net revenues and EBITDA for the "France" and "International" markets for the years ending on December 31, 2020 and 2019.

	Year Ending on December 31		% change
	2020	2019	2019 vs 2020
	(€ thousands)		
Internet Revenues[1]			
France	581,688	504,138	15.4%
International	106,436	98,975	7.5%
Total Internet Revenues	**688,124**	**603,113**	**14.1%**
Other revenues [2]	9,384	12,449	-24.6%
Total Revenues	**697,508**	**615,562**	**13.3%**
EBITDA[3]			
France	40,138	-24,577	-263.3%
International	1,877	-6,863	-127.3%
Total EBITDA	**42,015**	**-31,440**	**-233.6%**

(1) Net Internet revenues is defined as the revenues generated by the Group's sales through its online and mobile platforms, and digital revenues generated through its Internet activity. The breakdown of 2019 revenue was restated to take into account the reclassification of the resale of Internet returns on the wholesale market as "other revenue", and of revenue from advertising inserts in mail-order parcels and the sale of certain coupons as "Internet revenue".

(2) Other revenues consist primarily of sales that the Group makes through its offline wholesale channel.

(3) The Group calculates "EBITDA" as net income for the period before expenses for amortization, stock option expenses, non-recurring items, cost of financial debt, other financing income and expenses as well as income taxes. See Section 7.2.16, "EBITDA", for a reconciliation of EBITDA to net income. EBITDA is not a measure of financial performance under IFRS and the definition of the term used by the Group may not be comparable to similar terms used by other companies.

7.1.2 Key Factors Affecting Results of Operations

7.1.2.1 European Online Retail Industry Dynamics

The Group's business is affected by developments in the online retail sector in Europe. Key trends affecting this sector in recent periods include:

- *Growth of e-commerce market penetration.* Driven notably by growth in the availability and affordability of Internet access and the ease, convenience and broader variety of online shopping offers and improvements in fulfillment and shipping logistics, the percentage of European retail consumers who buy products online has increased rapidly over the past few years, thanks in particular to the development of the Internet (more accessible and cheaper), the advantages of online purchases (easier, customized, with varied offers) and improvement of delivery services. This trend is expected to continue. According to Euromonitor International, online retail spending by consumers in Western Europe grew from around €200 billion in 2014 to €323 billion in 2019. According to Euromonitor International, these sales must reach €450 billion by 2024. Growth in online retail penetration rates in the Group's European markets has a positive impact on the Group's business by increasing the potential pool of consumers that can be recruited as members and the associated revenue potential. The public health crisis and the Spring 2020 and November 2020 lockdowns helped accelerate trends, including the growing importance of e-commerce according to Kantar. E-commerce has seen sales soar, which has allowed this sales path to gain the equivalent of almost three years of growth. New online purchasing habits also seem to be an established part of daily life for around 40% of new users.

- *Rapid growth in m-commerce market penetration*. Driven by the increasing availability of smartphones and tablets, and improvements in the availability and affordability of access to high speed mobile data networks, the percentage of European retail consumers purchasing via

their mobile devices has grown rapidly over the past few years, and this trend is expected to continue. According to Euromonitor International, purchases made by western European consumers online via mobile devices is expected to increase from €99 billion in 2018 to €156 billion in 2021. In addition, in the western European online retail market, the percentage of purchases made from mobile devices is expected to increase from 34.81% in 2018 to 40.9% by 2021 (Source: Euromonitor International).

The Group has been one of the largest players in the online private event sales sector in France to have developed mobile applications to such an extent that today it is one of the leaders of e-commerce in France in terms of mobile traffic. As of December 31, 2020, the Group's mobile applications were downloaded more than 3.5 million times for 2020 alone. The Group's mobile website is a key component in the Group's business, accounting for approximately 85% of traffic and 75% of gross Internet sales in 2020. Growth in the percentage of members using the Group's mobile apps is a significant driver of average net revenue per buyer. Mobile users typically visit the Group's platform more frequently on average and place five times the number of orders per user than members connecting the platform via a computer. At the same time, the increase in the number of members using the Group's mobile applications also has a positive impact on marketing expenses, because these applications generally allow the Group to use a broad range of customer loyalty tools, such as notifications and alerts. These tools minimize costs and mean that the Group does not have to use outside service providers for advertising campaigns.

7.1.2.2 Customer Activation and Repeat Purchase Behavior

In order to generate net revenues, the Group must attract members to its platform, convert them into buyers and then encourage member loyalty and repeat purchases. The Group does this through a combination of strategies based on the quality of its service offering, direct marketing, commercial partnerships, broad-based advertising campaigns, personalized e-mail messages through its *Customer Relationship Management* (CRM) system, which includes e-mail and mobile *"push"* communications. The Group monitors and analyzes purchase behavior over time in order to evaluate trends in purchasing behavior and the success of its marketing expenditures and its efforts to improve the customer experience. The purchasing patterns of the Group's members, buyers and repeat buyers have a significant impact on the Group's revenues and operating results.

7.1.2.3 Relationships with Brand Partners

The Group's results of operations are affected by its success in forging and maintaining mutually beneficial relationships with its brand partners. In fact, the Group relies on its relationships with brand partners to offer its members a wide variety of high-quality products and services from well-known and up-and-coming brands. The Group's ability to source such products and services, as well as its ability to offer them at attractive prices, depends on its ability to entice new brand partners and strengthen existing brand partner relationships by providing an image-conscious, brand-enhancing and efficient channel through which brand partners can monetize significant amounts of excess inventory quickly. In 2020, the Group continued to attract new partner brands to its platform and, at the same time, maintained good relationships with existing brand partners. 65% of the Group's gross Internet sales in 2020, for example, were generated by private sales of partner brands having already featured in sales on the Group's platform in the past.

The Group's business model depends on the availability and price of the excess inventory it purchases from its brand partners. The amount of unsold inventory available at any given time and the price at which the Group can secure the inventory can be affected by a wide range of factors, including general economic conditions, changing consumer preferences, and general supply and demand dynamics in the particular market.

7.1.2.4 International Expansion and Acquisitions

Building on the success of its showroomprive.com website in France, the Group has pursued a targeted expansion strategy since 2010 by launching several local versions of its website overseas, managed from France.

As of December 31, 2020, the Group thus offered local versions of its mobile apps and regular website in six countries other than France (Italy, Spain, Belgium, Portugal, the Netherlands and Morocco). In addition, the Group had also opened its platform to members from more than 160 countries who can make purchases in their local currency through the Group's English-language website.

In the context of its "Performance 2018-2020" plan, the Group announced early in 2019 its intention to streamline its International presence by focusing its efforts on its key geographies and by closing its German, Polish and multi-currency online sites. It will continue, however, to invest in campaigns to build brand recognition and continue to seek opportunities for greater adaptation to local markets, including the recruitment of local brands. The Group also relies on rolling out innovations and conversion tools abroad that the Group has already launched in France (such as the Infinity service or the "single basket", both of which were launched in Spain and in Portugal in the first half of 2016, and in Italy and Belgium in 2017), to strengthen member engagement and loyalty and accelerate new buyer conversion.

In 2016, the Group decided to make an acquisition in Italy, where it had already been operating since 2011, since this country is a strategic market because of the importance of its fashion industry and the high growth potential, given that the e-commerce penetration rate in Italy is lower than the European average. In November 2016, the Group therefore acquired 100% of the share capital of Saldi Privati (a benchmark player in Italy with 2.7 million members and €44 million in revenue in 2015) for €28 million (excluding net debt), making the Group the second largest player in the sales event market in Italy[1].

This acquisition, which was finalized in November 2016, has also allowed the Group to take an important step towards the deployment of its multi-site strategy abroad by relying on Saldi Privati's existing local teams to accelerate its growth in Italy.

In 2017, the Group finalized the integration of Saldi Privati and completed the full merger of its sales platforms in Italy.

With respect to the "Items Related to the Integration of Saldi Privati", the Group signed an agreement with Eprice on June 29, 2018 for the recovery of a portion of the Saldi Privati purchase price and on unwinding the logistics contract signed with Eprice at the time of the Saldi Privati acquisition. Under this agreement, the Group obtained a reimbursement of €2.5 million on the purchase price from Eprice for failure to achieve performance criteria, and agreed on early unwinding, as of June 30, 2018, of the logistics contract signed with Eprice in return for the payment of an indemnity of €2 million for early termination. The unwinding of the logistics contract resulted in the recovery of the balance of the unfavorable contract provision (€+4.9 million) recognized in the allocation of the acquisition price in 2017.

The purchase agreement also provides for a €10 million earnout if Saldi Privati meets a certain number of criteria regarding the 2018 financial statements. €2.5 million of this amount was paid as a precautionary measure. In November 2019, an amount of 2.25 million of these €2.5 million was paid to Eprice as earnout following the achievement of certain criteria regarding the 2018 financial statements, the balance of €2.25 million was paid to the Group.

[1] Company calculation using the Osservatorio eCommerce B2c Netcomm – Politecnico di Milano and Bureau van Dijk databases.

The Group recorded €106 million in international Internet revenues in 2020, representing more than 15% of total revenues.

7.1.2.5 Overall Cost Structure

The Group's overall cost structure has a significant impact on the Group's profitability. The Group's expenses are primarily composed of:

- *Cost of Goods Sold*. The Group's cost of goods sold is primarily driven by the volume of inventory and types of products it purchases, as well as by the terms of its agreements with brand partners. For more information about this shareholders' agreement, see Section 7.1.4.1 "Cost of Goods Sold" of this Universal Registration Document.

- *Marketing Expenses*. The Group's marketing expenses are driven primarily by the Group's strategic decisions regarding the appropriate level of spending in each market to increase brand awareness and drive member acquisition, by its choice of media and average media costs in the relevant markets, as well as the Group's success in attracting new members through free channels such as direct navigation to the Group's websites or referrals. For more information about this shareholders' agreement, see Section 7.1.4.3 "Marketing Expenses" of this Universal Registration Document.

- *Logistics Order Fulfillment*. Logistics and fulfillment costs can have a significant impact on the Group's profitability. The Group outsources a portion of its logistics operations to third-party logistics providers, allowing it to significantly expand its logistics capacity with limited capital expenditure and on attractive terms. The percentage of net revenues represented by logistics and fulfillment costs depends, in particular, on the Group's pricing strategy for shipping costs and the portion of such costs that is billed to purchasers. For more information, see Section 7.1.4.4 "Logistics & Fulfillment Costs" of this Universal Registration Document.

- *General and Administrative Expenses*. The Group's profitability is also affected by its general and administrative expenses, which primarily include the cost of its management teams, back office support and other corporate overhead costs. For more information, see Section 7.1.4.5 "General and Administrative Expenses" of this Universal Registration Document.

The Group's profitability is also influenced by the relative proportion of fixed costs and variable costs in marketing, logistics & fulfillment and general & administrative expenses. Greater relative amounts of fixed costs enable the Group to benefit from operating leverage as its net revenues increase.

7.1.2.6 Product Categories

The Group's net revenues, profitability and cash flow are affected by the mix of products and services sold on its platform. The Group mainly sells products in the fashion category. However, the percentage of revenue generated by other product categories has sharply increased over the past few years. Non-fashion products generated 47% of the Group's gross Internet sales in 2020. Non-fashion product categories such as furniture, electronics and travel packages tend to have higher average prices than the Group's core fashion product category, which has a positive impact on average order sizes. Margins on non-fashion related product categories vary from category to category, with some product categories, such as consumer electronics and furniture, carrying lower average margins than the Group's core fashion product category. The nature of the Group's net revenues can also vary from category to category.

7.1.2.7 Consignment Versus Firm Sales

The Group's results of operations are affected by the mix of methods the Group uses to source inventory. Most of the goods sold on the Group's platform are sourced on a consignment basis, for which the Group

typically does not purchase inventory in advance and pays its brand partners only for the products it sells. The remainder of the goods the Group sells are sourced on a firm sale basis, in which the Group purchases the inventory prior to sale. The ratio of firm sales to consignment sales decreased in 2020 from 2019. In 2020, 84% of the Group's gross Internet sales were generated from private consignment sales, compared with 80% in 2019. For more information on the recognition of revenues in connection with firm and consignment sales, see Section 7.1.3.1 "Revenue Composition and Recognition" of this Universal Registration Document. The percentage of goods sourced on a firm sales basis affects the Group's operating revenue in a number of ways. The Group's average gross margins on firm sales are typically higher than on consignment sales, since suppliers are typically willing to offer greater discounts for firm sales because they are less risky for them, are paid more quickly, and have lower associated inventory costs. At the same time, the Group's average storage, logistics and fulfillment costs for goods sourced on a firm sale basis are generally higher than for consignment sales, primarily reflecting the additional logistics cost associated with sorting and storing the associated inventory. The Group endeavors to manage its operations to ensure that the additional gross margin on products purchased on a firm basis offsets the additional logistics and storage costs for products purchased on a firm basis compared to products purchased on a consignment basis. However, consignment sales generally have a significant positive impact on the Group's working capital on an annual basis. For more information, see Chapter 8 "Group Liquidity and Equity Capital" of this Universal Registration Document.

7.1.2.8 General Economic Conditions

Demand for the products and services sold by the Group can be heavily affected, either positively or negatively, by general economic conditions in Europe, and particularly in France. Consumer retail spending on discretionary items, particularly on certain product categories like the fashion-related products from which the Group generates the majority of its revenue, can be particularly sensitive to economic conditions. At the same time, while overall retail spending on fashion usually declines during economic downturns, adverse economic conditions usually also lead to higher levels of unsold inventory and make it easier to attract customers seeking discounted prices, which could have a positive impact on the Group's business. In October 2020, the IMF reviewed its growth forecasts and projected that Eurozone GDP would contract by 8.3% in 2020 and grow by 5.2% in 2021 and, in France, would decline by 9.8% in 2020 and 6% in 2021 (Source: IMF World Economic Outlook, October 2020).

7.1.2.9 Seasonality

The Group's business is significantly affected by seasonality in the retail consumer markets in Europe. Performance during the second half of the year is typically stronger than the first half of the year because of the seasonal nature of the business, with demand hitting a peak during the fourth quarter, before Christmas. The Group typically generates its highest sales volume and recruits the largest number of its new members during this period. The Group plans its advertising spending each year to capitalize on these trends, which typically generates higher marketing expenses during the third and fourth quarters of the year. This seasonality has an impact on the Group's cash and working capital requirement during the first half of the year, since it has to pay marketing expenses for the fourth quarter of the previous year during this period. For more information, see Chapter 8 "Group Liquidity and Equity Capital" of this Universal Registration Document.

7.1.3 Composition and Key Drivers of Revenue

7.1.3.1 Revenue Composition and Recognition

7.1.3.1.1 Composition of Net Revenues

The Group primarily earns net revenues through the sale of consumer products through its mobile apps and websites, which it refers to as "Net Internet Revenues" and which accounted for 98.7% of the Group's total net revenues in 2020. Net Internet revenues are computed as determined by the value

received from the buyer, including associated shipping fees, and net of value-added taxes and customer discounts. The Group provides members with vouchers for a discount on a future purchase as a reward for recruiting a new member who makes a purchase on the platform. When these vouchers are used, the Group's revenue from that sale is accounted for net of the value of the discount. The Group recognizes returns of merchandise as a cancellation of the initial sale and net revenues are reduced accordingly.

In addition to its net Internet sales, the Group also receives a small portion (1.3% in 2020) of its net revenues through offline channels, primarily consisting of sales of inventory via its wholesale network. Net revenues from wholesale are computed as the value received from wholesale partners, including any related shipping and delivery costs charged to the wholesale partners, net of value-added taxes.

7.1.3.1.2 Revenue Recognition

The Group recognizes net revenues on sales of goods when the risks and principal advantages inherent in ownership of the goods have been transferred to the buyer. For sales of goods, the Group generally recognizes revenue on delivery of the relevant stock to the customer (based on average delivery times).

7.1.3.2 Key Drivers of Revenue

The Group's net revenues are primarily a function of the number of buyers on its sales platform during a given period and the average revenue it receives per buyer in such period.

7.1.3.2.1 Buyers

The Group defines a "buyer" as a member who has made at least one purchase on the Group's platform during the applicable period (in the case of annual figures, the 12 months preceding the measurement date; in the case of half-year figures, the six months preceding the measurement date, etc.). A member is defined as an account registered on the Group's platform. The number of buyers at any given date is primarily driven by the total number of members on the Group's platform and on the rate at which it converts members into buyers. The Group also tracks the number of cumulative buyers, defined as the total number of registered members who have made at least one purchase on the Group's platform since the launch of showroomprive.com's website in 2006. The following table sets out the total number of the Group's buyers and cumulative buyers for the years ending on December 31, 2020 and 2019.

	December 31 2020	December 31 2019	% Growth
Cumulative Buyers[2] *(as of the date indicated) (in thousands)*			
France	8,396	7,749	8.3%
International	2,235	2,035	9.8%
Total Cumulative Buyers	**10,632**	**9,785**	**8.7%**
Buyers[3] *(for the year ending on the date indicated)(in thousands)*			
France	2,693	2,533	6.3%
International	629	629	-0.1%
Total Buyers	**3,322**	**3,162**	**5.1%**

- *Conversion of members to buyers and repeat buyers*. Once the Group has attracted members to its platform, it seeks to convert them into buyers and to encourage buyers who have previously purchased on the platform to make repeat purchases and become "repeat buyers". Once the Group has succeeded in converting a member into a buyer, i.e. has got him to make his first purchase, the Group has generally been successful, based on

historic conversion rates, in encouraging that member to make further purchases. A majority of the Group's revenues is generated by repeat buyers: 74.5% of the Group's buyers in 2020 had already made at least one purchase in a prior period and 84% of its gross Internet sales in 2020 were generated by repeat buyers. The activity and loyalty of its members is critical for the Group. It therefore devotes considerable effort and resources to converting them into buyers. The Group generally converts a certain percentage of new members to buyers in the first year of registration. The Group generally succeeds, based on historic conversion rates, in converting members to buyers more than one year after registration. In 2020, the Group recorded an average of 62 million visits per month, and 3.3 million members were buyers in 2020. The Group believes that its targeted direct marketing efforts help it to secure first time purchases both from new members acquired through advertising in the current year and existing members acquired during prior periods. To encourage the loyalty of members and to convert them into repeat purchasers, the Group uses its *Customer Relationship Management* (CRM) tools, which enable it to tailor its user engagement efforts based on the member's past purchasing behavior. The Group believes that this enhances its ability to revive the interest of past buyers on the platform.

Average Net Internet Revenue per Buyer.

The Group's average Internet revenue per buyer (which we refer to as the "Average Revenue Per Buyer") for a given period primarily depends on the average number of orders per buyer during that period and the average revenue per order (which we refer to as the "Average Basket Size") for these orders. This figure is typically higher in the second half of the year than the first because of the Group's repeat purchase dynamics. The following table summarizes the Group's average revenue per buyer, average number of orders per buyer and average basket size for the years ending on December 31, 2020 and 2019.

	Year ending on December 31		(% change)
	2020	**2019**	**2020 vs. 2019**
Average revenue per buyer (in euros)			
France	193.0	180.1	7.2%
International	167.1	155.3	7.6%
Total	**188.1**	**175.2**	**7.4%**
Average Number of Orders Per Buyer			
France	4.3	4.3	0.4%
International	4.1	4.0	1.4%
Total	**4.3**	**4.2**	**0.6%**
Average Basket Size (In Euros)			
France	44.9	42.1	6.7%
International	40.9	38.6	6.1%
Total	**44.2**	**41.4**	**6.7%**

- *Average Number of Orders Per Buyer*. The average number of orders per buyer depends on various factors, particularly its service quality and the quality of the Group's offering, its customers' satisfaction with their previous orders, the Group's use of CRM and customer loyalty tools, the activity of members and the level of traffic that the Group is able to achieve. The average number of orders per buyer also depends on the sales channel

used by members to access the Group's platform. Mobile users tend to be more active and access the Internet site more often than users logging on via desktop or laptop. This high level of activity by users of the mobile site drives favorable purchasing behavior. In 2020, the Group's mobile users placed 3.1 times as many orders as members using the desktop site. The Group's mobile website is a key component in the Group's business, accounting for approximately 85% of traffic and 75.1% of gross Internet sales in 2020.

- *Average Basket Size*. The average basket size for orders on the Group's platform is affected by a number of factors, including the product mix offered, the pricing strategy applied by the Group, the percentage of orders placed from mobile devices, and practical considerations such as, for certain sales, restrictions on customers combining in one transaction products from several event sales.

- *Product Mix*. The product category to which an ordered product belongs has an impact on average basket size. In fact, some product categories include more expensive products, while others have less expensive products. The Group sells goods and services in a variety of product and service categories, particularly fashion-related products and non-fashion related products such as consumer electronics, home furnishings, leisure, entertainment, and travel services. Depending on the proportion of the Group's orders that are placed in more expensive product categories, such as consumer electronics and furnishings, the average basket size could increase or decrease. Fashion sales account for most of the Group's revenues and contributed 53% of gross Internet sales in 2020 (55% in 2019).

- *Pricing.* The Group's pricing strategy is to offer its products typically at discounts of between 50 and 70% of the retail price. The Group's average order size is affected by changes in general discount levels as well as the distribution of discounts within its typical 50-70% range. Discount levels can be affected by a variety of factors, including changes in the availability of stock, the price of products in the overstock wholesale sector, the prices offered by competitors for similar items, and the Group's pricing strategy, which may be more aggressive in markets where it seeks to enhance its brand and acquire new members.

- *Mobile Order Share*. The percentage of the Group's orders placed from mobile devices may affect the average basket size. Indeed, while users accessing the Group's platform on the mobile site have historically placed a greater average number of orders than users accessing the Group's desktop site, the average size of orders placed on mobile devices is generally lower than the size of orders placed on the desktop site. The Group believes that this is primarily a result of the more spontaneous nature of mobile shopping, which lends itself more easily to fashion-related items than to product categories with higher average prices, such as furniture.

7.1.4 Composition and Key Drivers of Other Line Items in the Income Statement

7.1.4.1 Cost of Goods Sold

The Group's cost of goods sold is the cost of purchasing, from its brand partners, the goods and services sold by the Group through its Internet and offline channels. It is recognized at the total price paid by the Group, after deducting any product returns for which the Group is reimbursed.

The cost of goods sold primarily depends on the volume of products sold by the Group and the prices at which the brand partners are willing to sell. Changes in prices due to volume discounts, market forces or other reasons will affect the Group's cost of goods sold. As noted above, the type of sale (consignment vs. firm sale) has a significant impact on the prices at which brand partners are willing to sell products to the Group. Brand partners typically offer more attractive pricing when the Group purchases goods on a firm sales basis.

7.1.4.2 Gross Margin

The Group's gross margin is determined by subtracting the Group's cost of goods sold from its revenue. Its gross profit margin is determined by dividing the gross margin by the revenue for the period. The principal drivers of the Group's gross margin are the Group's sourcing terms and pricing strategy in each of its markets, its product mix, and the mix of consignment sales and firm sales.

7.1.4.3 Expenditure on Marketing

The Group's marketing expenses are primarily composed of salaries and benefits paid to the Group's marketing team, costs incurred in producing advertising and publicity materials and the amounts paid to marketing channels such as search engines, social networks, television and radio networks. Marketing expenses are driven primarily by the Group's marketing budget and strategy, and the market prices charged by the channels used by the Group. Historically, the Group has always sought to have a marketing budget in its core market in France that represents a relatively stable percentage of its revenue. The Group's international expansion also affects the Group's marketing expenses. The Group incurs marketing expenses relating to market performance by following an investment profitability strategy. For the design and implementation of its marketing strategy, the Group has centralized its entire marketing team at its French offices, including for international markets. The maturity of the Group's operations in a market also affects the average marketing spend required to recruit a new member or to convert a member into a repeat buyer.

7.1.4.4 Logistics & Fulfillment Costs

The Group's logistics & fulfillment costs include various costs that are mostly variable and relate to the processing of orders from buyers. The key components of logistics & fulfillment costs include:

- *Logistics and Shipping of Orders*. The Group's expenditure on logistics and shipping represent a major part of the Group's logistics & fulfillment costs and include all the costs related to product sorting and order preparation, processing and delivery. These costs primarily include payments to the Group's third-party logistics service providers (Dispeo, Deret and other providers), which comprise the majority of logistics expenses, along with personnel expenses for the Group's logistics team, rental charges on warehouses, and payments to delivery companies for shipping. The cost of logistics and shipping is primarily driven by the Group's sales volume. It is also affected by the organization of the Group's logistics operations and the terms of the outsourcing arrangements that the Group is able to negotiate. Logistics costs are also affected by the mix of product types, since certain items are more expensive to prepare and ship. The proportion of consignment sales to firm sales also affects these costs because the Group must store stock for firm purchases, which increases logistics costs. Finally, expenditure on shipping is affected by the mix between French and international sales, since, for certain countries (such as Portugal) shipping costs are higher because of their distance from the Group's warehouses, which are located in France. The percentage of shipping costs relative to net revenues is affected in part by the portion of the shipping cost that is passed on to buyers.

- *Cost of Production.* The cost of the Group's production activity is composed primarily of the personnel costs of its production team, the cost of production equipment including computers and cameras, and payments to third-parties including production companies, models, directors and photographers. The number of private sales produced by the Group in a given period is the main factor affecting these costs, because every event sale is created and produced by the Group's team. The number of international markets also affects these costs because of the need to hire local staff to produce both the content and the private sales in these new markets.

- *Customer Service*. The Group's customer service costs are primarily composed of the personnel costs paid to the Group's in-house customer service team, which depend primarily on the size of the Group's in-house customer service team, and payments to its third-party service

providers. Third-party service providers handle first contact with customers before certain contacts are forwarded to the Group's in-house customer service team. The third-party cost is primarily driven by the volume of customer inquiries and complaints, which is affected by the volume of sales and the quality of the Group's products and logistics services.

- *Financial Transaction Costs*. These costs are primarily fees associated with processing card payments and payments to third-party payment processors. The cost is primarily affected by the volume of sales and the average commissions charged, which typically include volume discounts and depend on the payment methods used.

- *Related Amortization and Depreciation*. In this line item, the Group recognizes the cost of amortization and depreciation of the fixed assets used in its logistics & fulfillment and order processing activities. These costs are primarily composed of amortization and depreciation of leasehold improvements to the Group's warehouses, equipment and tools used in the Group's warehouses, technology used in production functions and the software used to support these functions. This is primarily driven by the amount of the Group's investments in the fixed assets that the Group uses to perform these functions and the mix of the types of assets. The Group uses straight-line depreciation, based on the estimated useful life of the assets.

7.1.4.5 General & Administrative Expenses

The Group's general & administrative expenses are primarily composed of the costs associated with managing its business, sourcing goods and the IT costs associated with its platform. Most of these expenses are relatively stable over time. The primary components of this line item are:

- *Costs of the sourcing and brand relations team*. The costs related to the sourcing of products and services to be sold through the Group's platform are recognized in this line item, which is the largest component of the Group's general & administrative expenses. These costs primarily consist of personnel costs relating to the Group's sourcing and brand relations team. The size of this team is primarily driven by the Group's efforts to attract new brands and to expand its international recruitment efforts. To a lesser extent, it is driven by the volume of the Group's event sales.

- *Office Costs*. The cost of rental charges for the Group's registered office, office improvements and general office equipment are the main components of office costs. Rents are fixed for the term of the leases and, when the leases are renegotiated, they will depend on market conditions and the Group's need for space. Office equipment costs are relatively stable, but will be affected by any increase or reduction in the number of the Group's employees.

- *Registered Office Costs.* This expense comprises the cost of the salaries and bonuses paid to senior management and to the Group's administrative team.

- *IT Costs*. This expense includes personnel costs for the Group's in-house IT team, the costs of outsourced IT functions and the cost of maintenance of the Group's IT platform. The Group's IT costs are affected primarily by the size of the Group's business, by decisions to develop and introduce new functionality, new applications, new services or capabilities, and, to a lesser extent, by the volume of traffic on the Group's platform.

- *Related Amortization and Depreciation Costs*. The main components of this line item are the amortization and depreciation of the software and hardware supporting the Group's technology platform, the leasehold improvements to its registered office, and office equipment. It is affected by the Group's decision to invest in improvements to its facilities and the development and maintenance of its technology platform. It is also affected by the volume of office equipment that the Group's operations require, which is driven by the number of employees.

- *Other Costs.* This line item includes travel costs, local taxes on the Group's properties, and professional fees paid primarily to the Group's auditors and legal counsel.

7.1.4.6 Current Operating Income

The Group's current operating income is calculated by subtracting from its revenue the Group's cost of goods sold, marketing expenses, logistics & fulfillment costs and general & administrative expenses.

7.1.4.7 Depreciation of Intangible Assets Recognized at the Time of a Merger

This line item comprises the depreciation expense recognized against the value of the members' file and of the technology treated as acquired by SRP Groupe S.A. at the time of its reorganization in 2010. See Note 5.2 to the Group's consolidated annual financial statements for the year ending on December 31, 2020. The Group amortizes these intangible assets using straight-line depreciation based on their estimated useful life: seven years, both for the members' file and for the technology. The value of the Group's brand, recognized as an intangible asset at the time of this same reorganization, is not amortized because it has an unlimited useful life and therefore does not lose value. The Group tests the recoverable value of these assets whenever there are signs of impairment and at least once each year. The impairment test consists in assessing their value in use by applying, in particular, the *discounted cash flow* method (discounted net future cash flows). Estimated cash flows are determined in the course of the Group's three-year budgeting and strategic planning process, using assumptions for growth rates that the Group believes are reasonable. See Notes 2.9 and 5.2 to the Group's consolidated financial statements for the year ending on December 31, 2020.

7.1.4.8 Other Operating Income and Expenses

This line item includes non-recurrent income and expenses, such as capital gains or losses from the disposal of tangible and intangible assets, restructuring costs approved by management, litigations costs, costs relating to business combinations, donations to foundations or various charities, and goodwill impairment. This item is affected by a number of factors, including the volume and significance of litigation to which the Group is a party that the Group considers non-recurring, and the nature of any strategic transactions considered in the given period. Cost of share-based payments primarily depends on the expenditure resulting from awarding bonus shares, including social contributions.

7.1.4.9 Operating Income

The Group's operating profit is determined by subtracting expenses related to the depreciation of intangible assets recognized upon business organization and any non-recurring expenses from the Group's current income and adding any non-recurring income. The Group believes this figure is a useful indicator of the overall performance of its business for the year before accounting for financing costs or taxes.

7.1.4.10 Net Finance Cost

Net finance cost is a function of the sums borrowed and the average rates of interest incurred. The Group's debt (excluding IFRS 16) consists of external debt of €62 million, including financing of €12 million to fund its logistics plan investments, a French state guaranteed loan of €35 million, as well as a €2.8 million bullet loan from BPI.

As of December 31, 2018, the Group had a lease agreement on equipment used in its warehouses. The monthly rents under each of these finance leases are fixed and unchanged for the term of the contract. All of these leases expired during 2019, and when they expired, the Group became the owner of this equipment.

7.1.4.11 Other Financial Income and Expense

This line item is composed primarily of the interest earned on the Group's bank accounts and short-term demand deposits, less any interest expense relating to short-term borrowing.

7.1.4.12 Profit Before Tax

This line item is calculated by subtracting the expenses related to the Group's leases from its operating profit and by making an adjustment to its other financial income and expenses.

7.1.4.13 Income Tax

Tax on income comprises the income tax and value-added tax imposed on companies. It does not include the local taxes paid by the Group, which are recorded under the line item "General & Administrative Expenses" presented above. This line item primarily depends on the Group's ability to generate profits, the size of this profit, and the tax regime of the countries in which this profit is generated. It may also be affected by tax deferrals and tax loss carry-forwards.

7.1.4.14 Net Income

The Group's net income for the period is calculated by subtracting the expenses recognized by the Group as tax on income from the "Profit Before Tax" presented above.

7.1.4.15 EBITDA

EBITDA (*Earnings before interest, tax, depreciation and amortization*) is one of the main indicators used by the Group to manage its operations and assess its performance. It includes the net income before amortization of intangible assets recognized at the time of business combinations, the amortization of tangible and intangible assets, the non-recurring items, the cost of shares based payments, net financial cost and other financial income and expenses as well as income taxes. EBITDA is not a measure of financial performance under IFRS standards and the definition of the term used by the Group may not be comparable to similar terms used by other companies.

The Group considers that this measure is useful for readers of its financial statements because it provides a measure of the operating income which excludes non-cash components such as depreciation and amortization, items that are not within its control such as income tax, and items that are not expected to recur in future *reporting periods*.

EBITDA should not be considered as a substitute for operating income because depreciation, amortization, impairment, income tax and non-recurring items, which are excluded from it, do ultimately have an effect on operating income, net income and the Group's financial position. Section 7.2.16 "EBITDA" of this Universal Registration Document provides a reconciliation of EBITDA with Group net income.

7.1.5 Gross Internet Sales

One of main performance indicators monitored by the Group in managing its business is "Gross Internet Sales". Gross Internet sales is the total amount billed to buyers on the Group's platform during a given period. The Group tracks changes in gross Internet sales through its *business intelligence* and data analytics platform and uses it to manage its business and allocate resources. In particular, the Group uses gross Internet sales to monitor the return on marketing investments by cohort, to analyze sales by product category, and to track traffic and the percentage of sales made using mobile devices.

Gross Internet sales is not an IFRS financial measure, and the definition used by the Group may differ from similarly titled indicators used by other companies. This measure should not be used as a substitute

for net Internet sales as presented in the Group's IFRS consolidated financial statements. The Group believes gross Internet sales is a useful supplemental measure because it corresponds to the total amount billed and collected on the Group's platform during a given period.

Gross Internet sales corresponds to the gross amount of sales on the Group's Internet platform:

- before deducting value added taxes;
- before accounting adjustments for the recognition of revenue as described in Note 4 to the Group's consolidated financial statements, including:
    - timing differences linked to the deferred revenue recognition (due to the fact that certain criteria must be fulfilled before recognizing revenue, in particular delivery of the product to the buyer);
    - the impact of reimbursements granted for cancellations and returns, which are recognized as a cancellation of the initial sale; and
    - the effect of presenting certain sales of travel offers on a net basis where the Group acts as an agent. In addition, gross Internet sales only includes sales that are made on its Internet platform.
- Gross Internet sales reached €940 million in 2020 compared with €822 million in 2019, representing growth of +14.3%.
- Gross Internet sales does not include revenue generated through other channels, such as offline sales to wholesale distributors.
- The following table sets forth a reconciliation of gross Internet sales with IFRS net Internet sales for the years ending on December 31, 2020 and 2019.

	Year ending on December 31	
	2020	**2019**
Total Gross Internet Sales[(1)]	**939,796**	**821,896**
VAT[(2)]	**(149,146)**	**(128,284)**
Revenue Recognition Impacts[(3)]	(112,117)	(102,398)
Non-Internet and Other Revenue[(4)]	18,975	24,349
Net Revenues (IFRS)	**697,508**	**615,562**

(1) Corresponds to the total amount billed to buyers during a given period.

(2) Value added tax is applied to every sale. The applicable value-added tax rate depends on the country where the buyer is located.

(3) Accounting adjustments for revenue recognition as described in Note 4 of the Group's annual consolidated financial statements, including: (i) timing differences due to the fact that certain criteria (*e.g.* delivery) must be fulfilled before recognizing revenue; (ii) the impact of reimbursements granted for cancellations and returns, which are recognized as a reduction in revenue; and (iii) the effect of presenting certain sales of travel offers on a net basis where the Group acts as an agent.

(4) "Non-Internet and Other Revenue" corresponds primarily to revenues generated from offline sales to wholesalers, including offline re-sales of returned Internet sales items.

7.2 COMPARISON OF THE GROUP'S ANNUAL RESULTS FOR THE YEARS ENDING DECEMBER 31, 2020 AND 2019

The table below shows the Group's consolidated statement of income for the years ended December 31, 2020 and 2019, in thousands of euros.

Line Items in the Consolidated Income Statement

	Year ending on December 31		(% change)
	2020	**2019**	**2020 vs 2019**
	(€ thousands)		
Internet Revenues			
France	581,688	504,138	15.4%
International	106,436	98,975	7.5%
Total Internet Revenues	**688,124**	**603,113**	**14.1**%
Other Revenue [1]	9,384	12,449	-24.6%
Total Revenues	**697,508**	**615,562**	**13.3**%
Cost of Goods Sold	(424,497)	(428,018)	-0.8%
Gross Margin	**273,011**	**187,544**	**45.6%**
Marketing [2]	(22,840)	(24,706)	-7.6%
Logistics & Order Fulfillment	(162,603)	(152,373)	6.7%
General and Administrative Expenses	(62,145)	(57,247)	+8.6%
Current Operating Income	**(25,423)**	**(46,782)**	**-154.3**%
Cost of Share-based Payments	(1,424)	(388)	559.1%
Other Operating Income and Expenses	(2,315)	(21,250)	-89.2%
Operating Income	**21,685**	**(68,420)**	**-131.7**%
Net Finance Cost	(905)	(591)	53.1%
Other Financial Income and Expense	31	(122)	-125.1%
Profit Before Tax	**20,811**	**(69,133)**	**-130.1**%
Income Tax	(6,900)	(1,329)	419.2%
Net Income	**13,911**	**(70,462)**	**-119.7**%

[1] "Other" revenues consist primarily of revenue generated by the Group through its offline sales to wholesalers.

[2] In accordance with the recommendations of the AMF, amortization of intangible assets recognized at the time of a business combination is presented through "Current Operating Income" within marketing expenses.

The table below shows selected financial data from the Group's consolidated statement of income and consolidated financial statements for the years ending on December 31, 2020 and 2019 as a percentage of net revenues.

Financial information selected from the Group's consolidated income statement as a percentage of revenue

	Year ending on December 31	
	2020	**2019**
	(*as a % of revenues*)	
Internet Revenues		
France	83.4%	81.9%
International	15.3%	16.1%
Total Internet Revenues	**98.7%**	**98.0%**
Other Revenues	1.3%	2.0%
Total Revenues	**100%**	**100%**
Cost of Goods Sold	(60.9)%	(69.5)%
Gross Margin	**39.1%**	**30.5%**
Marketing	(3.3)%	(4.0)%
Logistics & Order Fulfillment	(23.3)%	(24.8)%
General and Administrative Expenses	(8.9)%	(9.3)%
Current Operating Income	**3.6%**	**(7.6)%**
Cost of Share-based Payments	(0.2)%	(0.1)%
Other Operating Income and Expenses	(0.3)%	(3.5)%
Operating Income	**3.1%**	**(11.1)%**
Net Finance Cost	(0.1)%	(0.1)%
Other Financial Income and Expense	(0.0)%	(0.0)%
Profit Before Tax	**3.0%**	**(11.2)%**
Income Tax	(1.0)%	(0.2)%
Net Income	**2.0%**	**(11.4)%**

The table below shows selected information on the results of the Group's operations for the years ending on December 31, 2020 and 2019.

Selected Operating Information

	December 31, 2020	December 31, 2019	% Growth
CUSTOMER INDICATORS			
Cumulative Buyers[(1)]			
(as of the date indicated) (in thousands)			
France	8,396	7,749	8.3%
International	2,235	2,035	9.8%
Total Cumulative Buyers	**10,632**	**9,785**	**8.7%**
Buyers[(2)]			
(for the year ending on the date indicated)(in thousands)			
France	2,693	2,533	6.3%
International	629	629	-0.1%
Total Buyers	**3,322**	**3,162**	**5.1%**
Internet Revenue Per Buyer[(3)]			
(for the year ending at the date indicated)(in euros)			
France	193.0	180.1	7.2%
International	167.1	155.3	7.6%
Total Group	**188.1**	**175.2**	**7.4%**
ORDERS			
Orders[(4)]			
(for the year ending on the date indicated)(in thousands)			
France	11,568	10,837	6.7%
International	2,564	2,530	1.3%
Total Orders	**14,132**	**13,368**	**5.7%**
Average Number of Orders Per Buyer[(5)]			
(for the year ending at the date indicated)			
France	4.3	4.3	0.4%
International	4.1	4.0	1.4%
Total Group	**4.3**	**4.2**	**0.6%**
Average Basket Size [(6)]			
(for the year ending at the date indicated)(in euros)			
France	44.9	42.1	6.7%
International	40.9	38.6	6.1%
Total Group	**44.2**	**41.4**	**6.7%**

(1) "Cumulative Buyers" is defined as the cumulative number of buyers who have made at least one purchase on the Group's platform at any time since its launch.

(2) "Buyers" is defined as the number of buyers who have made at least one purchase on the Group's platform during a given year.

(3) "Internet Revenue Per Buyer" is calculated as the Group's total net Internet sales in the applicable period divided by the number of buyers during the applicable period.

(4) "Orders" is defined as the total number of orders placed on the Group's platform during the given year.

(5) "Average Orders Per Buyer" is calculated as the total orders placed on the Group's platform during the applicable year divided by the total number of buyers during that year.

(6) "Average Basket Size" is calculated as the Group's total net Internet revenues recorded on the Group's platform during the given year divided by the total number of orders placed on the Group's platform during the given year.

7.2.1 Revenues

The Group's revenue for 2020 was up 13.3% to €697.5 million, with an acceleration of this trend during the second half of the year. The Group was able to take advantage of the favorable trend in e-commerce

and is reaping the benefits of its actions, which have helped boost the appeal of its offer with the arrival of new benchmark brands, in particular in the Fashion, Home and Beauty segments. The success of the targeted advertising campaign also helped attract several new buyers and strengthen the loyal buyer base which drives the Group's growth.

The Group's Internet revenue increased by 14.1% in 2020 (from €603.1 million in 2019 to €688.1 million in 2020), representing an increase in France (15.4%) and in international markets (7.5%).

France. In 2020, the Group's Internet revenue in France was up €77.6 million (representing an increase of 15.4%), from €504.1 million in 2019 to €581.7 million in 2020. The increase in revenue was driven by the above-mentioned factors, which more than offset the decline in the Travel business which was negatively impacted by the COVID-19 crisis.

International. In 2020, Internet revenue in the Group's international markets increased by €7.5 million (an improvement of 7.5%), from €99.0 million in 2019 to €106.4 million in 2020.

Buyers. The number of buyers during the year was up 5% compared with 2019 (at 3.3 million buyers), which represents an almost mechanical increase of 6% in the number of orders. At the same time, the base of loyal buyers increased by 3% (to 2.5 million), whereas the base of one-time buyers climbed by 0.8 million new buyers in 2020. This performance is due to the favorable development of e-commerce, an increasingly attractive offering and the success of the targeted advertising campaign.

Average Revenue Per Buyer. Average revenue per buyer reached €188 in 2020, representing an increase of +7.4% compared with 2019, mainly due to the increase in the average basket. This increase in the average basket was driven by the combined increase in the number of products per order and delivery costs invoiced to customers, due to changes to the Group's pricing policy and to the forms of transport favored by customers during fiscal year 2020.

As in 2019, the Group's Internet revenue remained strong in 2020 due to the growing importance of mobile devices, which generated 85.3% of traffic and 75% of gross Internet sales in 2020. For a discussion on increasing market penetration of mobile commerce in the Group's international markets, and on traffic and the use of apps and mobile websites, see Sections 7.1.2.1 "European Online Retail Industry Dynamics" and 5.6.7.1 "Mobile Apps and Mobile Websites" of this Universal Registration Document.

7.2.2 Gross Margin

The Group's gross margin improved by +€85.5 million in 2020, an increase of 46%, climbing from €187.5 million in 2019 to €273.0 million in 2020.

Gross margin improved significantly to 39.1% of revenue in 2020 (+8.7 points compared to 2019) including:

- inventory operations (-€34 million) were carried out in 2019, incorporating exceptional stock write-downs (-€21 million, including €8 million in the second half of the year) and a massive clearance in the second half of the year of unsold products and Internet returns in a deteriorated BtoB market to drastically reduce inventory volume. This had a negative impact on the Group's gross margin in 2019. There was no element of this scale in 2020 with, to the contrary, a replenishment in firm stock.

- strong revenue growth leading to an increase in gross margin (including supplier rebates), coupled with a strong recovery in gross margins on Internet sales (>+5pt versus 2019). This facilitated the commercial reorganization which was refocused on profitability and the

streamlining and premiumization of the offer. The replenishment in firm stock also led to higher margins, in particular during the second half of the year.

The acceleration in gross margin growth, in terms of both rate and volume, during the second half of the year was driven by the full effect in the second half of 2020 of measures implemented during 2019 and the first half of 2020.

7.2.3 Marketing

The Group's absolute marketing costs decreased -7.6% in 2020, from €24.7 million in 2019 to €22.8 million in 2020 (representing a decrease of €1.9 million). Nonetheless, the Group increased its number of buyers compared with the previous fiscal year (+5%), and continued to strengthen its base of loyal buyers (+3%) and of one-time buyers (+0.8 million). As a percentage of revenues, marketing costs thus fell -0.7 basis points, from 4.0% of revenue in 2019 to 3.3% in 2020.

This performance was due to a significant reduction in marketing investments of €4.4 million during the first half of 2020 compared with the first half of 2019, due to lower marketing pressure at the beginning of the fiscal year and access to attractive advertising rates during the second half of the year. During the second half, the Group stepped up its marketing investments, with the success of the targeted advertising campaigns also helping attract several new buyers and strengthen the loyal buyer base which drives the Group's growth. The Group's business momentum and the success of these campaigns helped contain marketing spending pressure at 3.8% of revenue during the second half of 2020 compared with 4.0% during the second half of 2019.

7.2.4 Logistics & Order Fulfillment

Logistics and order fulfillment costs as a percentage of revenue were down -1.4 basis points, at 23.3% in 2020. The Group is beginning to see the results of the gradual streamlining of its logistics chain (warehouses and subcontractors). The reduction was offset by an increase in home delivery during periods of lockdown.

7.2.5 General and Administrative Expenses

General and administrative expenses were up €4.9 million compared with 2019. They were nonetheless down as a percentage of revenue, at 8.9% of revenue in 2020 versus 9.3% in 2019, thanks to structure-related action plans and an improved absorption of fixed costs driven by growth in the Group's business. Their increase in value was mainly due to targeted improvements to the Group's management structure and its team of buyers, the €0.9 million increase in R&D depreciation relating to expenditure during previous fiscal years, the impact of sales growth on certain taxes and on the cost of IT tools for managing sales and order taking, and the cost of mainly sales-related risks.

7.2.6 Current Operating Income

Reflecting the trends described above, the Group's current operating income went from €(46.8) million in 2019 to €25.4 million in 2020, representing an increase of €72.2 million.

7.2.7 Depreciation of Intangible Assets Recognized at the Time of a Business Combination

The amortization of intangible assets recognized at the time of a business combination is primarily related to the straight-line depreciation of the value of member files and the technology considered to have been acquired by the Group as part of the corporate reorganization resulting in the Group's creation in 2010, or other acquisitions made since that date. It amounted to €1.1 million for the year ending on December 31, 2020, compared to €1.1 million for the year ending on December 31, 2019. In accordance with the recommendations of the AMF, the corresponding amount is presented through "Current Operating Income" within marketing expenses.

7.2.8 Cost of Share-based Payments

The Group's cost of share-based payments went from €0.3 million in 2019 to €1.4 million in 2020. This increase was mainly due to the impact of the total annual expense relating to bonus share award plan number 18, but also to the fact that, in 2019, the cancellation of the rights of some beneficiaries related to the failure to achieve the employment condition as employee or corporate officer of the Group or the performance conditions stipulated in the regulations of the bonus share allocation plans, represented an exceptionally major impact on said fiscal year.

7.2.9 Other Operating Income and Expenses

Other operating income and expenses represented a net expense of €(2.3) million in 2020 (versus €(21.4) million in 2019), primarily consisting of consultancy fees and provisions for risks (€1.6 million), and costs relating to the discontinuation of a project that has become non-strategic (€1.5 million).

7.2.10 Operating Income

In line with the factors described above, the Group's operating income was up €90.1 million over the period, reaching €21.7 million in 2020, compared with €(68.4) million in 2019.

7.2.11 Net Finance Cost

The Group's net finance cost rose from €0.6 million in 2019 to €0.9 million in fiscal year 2020.

7.2.12 Other Financial Income and Expense

Other financial income and expenses represented net income, which was close to zero in 2020 versus €(0.1) million in 2019.

7.2.13 Profit Before Tax

The Group's profit before tax went from €(69.1) million in 2019 to +€20.8 million in 2020. This improvement was due to a significant increase in operating income (described below), but also to a gross margin ratio that was almost 10 points higher than during the previous fiscal year. The Group's profit before tax as a percentage of revenue went from (11)% in 2019 to +3% in 2020, reflecting the increase in operating income as a percentage of revenue.

7.2.14 Income Tax

The Group's tax expense went from €(1.3) million in 2019 to €(6.9) million in 2020. This tax expense was mainly due to the tax expense relating to the scope of tax consolidation in the amount of €3.3 million and to subsidiaries for €0.5 million, an €1.7 million tax adjustment in France, as well as the Group's charge related to the "Corporate Value Added Tax" ("Contribution sur la Valeur Ajoutée des Entreprises"/CVAE, a tax on value added by companies) for €1.3 million.

7.2.15 Adjusted Net Income

Reflecting the factors described above, the Group's net income, adjusted for expenses related to the award of the bonus share plans in the context of the listing of the Company's shares for trading on Euronext Paris amounted to €15.3 million in 2020 compared to €(70.2) million in 2019.

The table below provides a reconciliation between the Group's adjusted net income and its net income.

	For the Year Ending on December 31,	
(€ thousands)	**2020**	**2019**
Net Income.....	13,911	(70,462)
Cost of Share-based Payments	1,424	216
Adjusted Net Income[(1)]	**15,335**	**(70,246)**

(1) The Group's adjusted net income corresponds to the line item "Net Income" in the Group's income statement less cost of share-based payments.

7.2.16 EBITDA

The table below shows the calculation of the Group's EBITDA in thousands of euros and as a percentage of net revenues for the years ending on December 31, 2020 and 2019.

	Year ending on December 31				
	2020		2019		2020 vs 2019
	(in € thousands)	*as a % of net revenue*	*(in € thousands)*	*as a % of net revenue*	*% change*
Net Income	**13,911**	**2.0%**	**(70,462)**	**(11.4)%**	**(120.4) %**
Depreciation of Intangible Assets Recognized at the Time of a Business Combination	1,134	0.2%	1,134	0.2%	0.0%
Amortization and depreciation of capital assets	15,457	2.2%	14,265	2.3%	+8.4%
Of which, amortization associated with logistics and order processing	5,101	0.7%	4,267	0.7%	+19.5%
Of which, amortization associated with general & administrative expenses	10,356	1.5%	9,998	1.6%	+3.6%
Cost of Share-based Payments	1,424	0.2%	216	0.0%	559.1%
Non-Recurring Items[(1)]	2,315	0.3%	21,365	3.5%	(-89.2)%
Net Finance Cost	905	0.1%	591	0.1%	+53.2%
Other Financial Income and Expense	-31	0.0%	122	0.0%	(-125.1)%
Income Tax	6,900	1.0%	1,329	0.2%	419.2%
EBITDA	**42,015**	**(6.0)%**	**(31,440)**	**(5.1)%**	**(-233.6)%**
France	40,138	6.8%	(24,577)	(4.8)%	(263.3)%
International	1,877	1.8%[(2)]	(6,863)	(6.8)%[(2)]	(127.4)%

(1) This line item primarily comprises non-recurring items recognized in "Other Operating Income and Expenses." For more details, please refer to Section 7.2.9 "Other Operating Income and Expenses" of this Universal Registration Document.

(2) As a percentage of net revenues in the relevant geographic region (France or International).

EBITDA reached €42.0 million in 2020, an increase of €73.5 million compared to 2019, representing an EBITDA margin of 6.0% of revenue in 2020, an improvement of 11.1 percentage points over 2019. EBITDA benefited from an increase in the gross margin in 2020 of +45.6% compared with 2019, driven by revenue growth of +13.3% and a gross margin of +8.7 points, combined with a controlled increase

in operating expenses and limited to +5.7%. Please refer to the various items in Section 7.2 for further details.

EBITDA amounted to €7.0 million in the first half of the year and €35.0 million in the second half. It therefore showed a marked improvement during the second half of the year thanks to an acceleration in growth and the full impact of the above-mentioned factors.

France. In 2020, the Group's EBITDA in France increased by €64.7 million from €(24.6) million in 2019 to €40.1 million in 2020, with profitability reaching 6.8% in 2020.

International. In 2020, the Group's EBITDA in France increased by €8.7 million from €(6.9) million in 2019 to €1.9 million in 2020, with profitability reaching 1.8% in 2020.

8. LIQUIDITY AND EQUITY CAPITAL

Pursuant to Article 19 of EU Regulation no. 2017/1129, the information relating to Group's cash and equity information for the year ending on December 31, 2019 appearing in Chapter 8 "Review of the Group's Financial Position and Results" of the 2019 Universal Registration Document are included herein by reference.

8.1 OVERVIEW

The Group's main need for liquidity has historically consisted of cash used for its working capital requirements and capital expenditure. In the past, the Group met these needs mainly from its cash in hand and its operating cash flows. In meeting its liquidity needs, the Group benefits significantly from the positive working capital dynamics associated with consignment sales. These enable the Group to collect funds from customers before placing firm orders for the associated stock. The Group has not paid any dividends, focusing instead on investments to grow the business and maintaining a strong cash position giving it the flexibility to pursue future strategic investments.

On April 30, 2020, the Group announced a plan to strengthen its financial structure in the short and medium term, structured around (i) the renewal and extension of the maturity of its existing bank debt by €65 million, (ii) a new additional financing line of €35 million in the form of a loan guaranteed by the State and (iii) a capital increase in the amount of €8 to €10 million (see paragraph 18.7 of this Universal Registration Document).

8.2 FINANCIAL RESOURCES

The Group's positive working capital dynamics have historically enabled it to generate strong operating cash flows to meet its recurrent cash needs, without recourse to borrowing or to the issuance of equity instruments. The Group has historically relied on the following sources of financing:

- *Cash Flow from Operating Activities Before Tax*. The Group generated positive net cash flows related to operating activities before tax for the year ending on December 31, 2020 of €41.7 million compared with negative net cash flows of €(21.8) million in 2019. For more information, see Section 8.5.1 "Net Cash Flow from Operating Activities" of this Universal Registration Document. In 2020, taxes paid by the Group totaled €1.4 million, versus €4.2 million for 2019.

- *Cash and cash equivalents*. Cash and cash equivalents recorded on the Group's balance sheet at December 31, 2020 and 2019 amounted to €130.8 million and €49 million, respectively, a net increase in cash of €81.8 million over 2020. The net change in cash is mainly due to the credit line drawdown of €41.7 million, the activation of research and development costs and the acquisition of fixed assets in the amount of €9.7 million, as well as the capital increase of €9.1 million.

- *Finance Leases.* The total amount outstanding under these finance leases was €0.1 million at December 31, 2020 and €0.2 million at December 31, 2019.

- *Financing.* The discussions previously announced with bank partners have culminated in an agreement to refinance and extend the maturity of the Group's existing lines of credit, including overdraft facilities, representing a total financing amount of €62 million. This bank debt now consists of term loans repayable in gradually increasing three-month and six-month installments from 2022 until December 31, 2026. The overall additional cost of this debt compared to the previous terms is limited, around 30 to 60 basis points depending on the financing line.

The Group will also continue to benefit from a €2.8 million bullet loan from BpiFrance repayable at maturity in 2023.

- CAIDF (Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France) has granted the Group a €35 million guaranteed loan of which 90% is guaranteed by the state, repayable with final maturity at the discretion of the company up to 2026.

Debt related to IFRS 16 totaled €19.9 million compared with €20.5 million in 2019.

8.3 CAPITAL EXPENDITURE

Since its creation, the Group's capital expenditure has consisted primarily of investments in sorting machine equipment, improvements to its technology platform, and renovations and improvements to its warehouses and offices. In 2020, the Group also capitalized a portion of its development expenditures, consisting primarily of investments in IT development. Development expenditure has been focused principally on the expansion of the mobile, on improvements to the Group's websites and on improvements to the Group's order processing system, including its logistics management. The Group's investment expenditure for the years ending on December 31, 2019 and 2020 amounted to €16.7 million and €9.7 million, respectively.

8.4 THE DYNAMICS OF WORKING CAPITAL REQUIREMENTS

In accordance with Group practice, most of its sales are sales of products bought on a consignment basis. This trend generally enables the Group to create favorable dynamics for its working capital requirements. When it makes sales of products bought on a consignment basis, the Group does not place a firm order or pay the supplier until the products have been ordered and paid for by the member. As a result, on average, the cash that the Group collects from buyers on an annual basis for consignment sales is greater than the cash paid to suppliers for consignment sales in the same period. In contrast, when the Group makes a sale on a firm sale basis, it orders and pays for the underlying stock in advance of the related event sale, generating a working capital requirement to fund the purchase of the products.

In 2020, the Group primarily (84%) engaged in sales of products purchased on a consignment basis. As a result, the Group's working capital requirement is negative, i.e., the circulating assets are lower than the circulating liabilities. In 2020, firm sales represented 16% of the year's revenues.

The Group generated €2.7 million in cash by reducing its working capital needs.

8.5 ANALYSIS OF CASH FLOW

The Group's cash flows are primarily generated by the large flows of cash from its operating activities, which result from its retail sales with payment on placing the order, from the favorable working capital requirement dynamic relating to sales of products purchased on a consignment basis, and from its strong sales revenue. The following table summarizes the Group's cash flows for the years ending on December 31, 2020 and 2019.

	Year ending on December 31	
	2020	**2019**
	(€ thousands)	
Net Cash Flow from Operating Activities	40,275	(26,022)
Net Cash Flow from Investment Activity	(8,835)	(36,187)
Cash Flow from Financing Activity	50,384	30,839
Exchange Rate Fluctuation	(39)	14

Changes in Cash and Cash Equivalents	81,785	(31,356)

8.5.1 Net Cash Flow from Operating Activities

The following table breaks down certain key components determining the Group's operating cash flow:

	Year ending on December 31	
	2020	**2019**
	(€ thousands)	
Consolidated Net Income for The Period	13,911	(70,462)
Elimination of Depreciation, Amortization and Provisions and Other Eliminations	17,299	20,361
Cash Flow from Operations After Tax and Net Finance Costs	31,210	(50,101)
Tax for The Period	6,900	1,329
Net Finance Costs	905	591
Impact of Changes in Working Capital Requirement	2,706	26,385
Including Impact of Change in Stock	(12,551)	50,688
Including Impact of Change in Customer Accounts Payable and Receivable	(9,916)	7,431
Including Impact of Change in Trade Accounts Payable and Receivable	25,173	(31,734)
Cash Flow from Operating Activities Before Tax	41,721	(21,796)
Current Income, Net of Tax	(1,446)	(4,226)
Net Cash Flow from Operating Activities	40,275	(26,022)

The Group's net cash flow from operating activities amounted to €40 million in 2020 and €(26) million in 2019. In 2020, this excess came from €31 million in cash flow from operations to which was added €2.7 million and €5.4 million in tax expense, less paid taxes. In 2019, the positive €26 million change in working capital did not offset the negative cash flow from operations of -€50.1 million.

Change in Working Capital

Changes in working capital requirement generated positive cash in the amount of €26 million in 2019, however these changes were close to zero in 2020. In 2019, the Group sold older returned inventory from customers reducing the gross value of this type of inventory by €21.5 million. However, in 2020 the Group seized opportunities to buy inventory during the second half. The net value of the inventory was €60.9 million as of the 2020 close vs. €48.4 million at the close of the prior fiscal year.

As described above in Section 8.4 "The Dynamics of Working Capital Requirements" of this Universal Registration Document, the dynamics of the Group's working capital requirement is generally positive on cash flow from operating activities to the extent that most of the goods sold on the Group's platform are sourced on a consignment basis – cyclical firm inventory purchasing may require us to refine this dynamic.

In 2020, therefore, the nearly stable working capital requirements can be explained by the firm purchasing in the second half and the shorter supplier payment terms, which do not offset the increased volumes of consignment sales. In 2019, the improvement in working capital requirements was mainly due to lower inventory volume.

The cash flows generated by changes in working capital requirements were 0.04% and 4.3% of revenue in 2020 and 2019, respectively.

8.5.2 Net Cash Flow from Investment Activity

The following table summarizes the key components of the Group's investment cash flows for the periods indicated.

	Year ending on December 31	
	2020	**2019**
	(€ thousands)	
Impact from Changes in Scope	--	(22,317)
Acquisitions of Intangible and Tangible Assets	(9,671)	(16,720)
Acquisition of Stakes in Associate Companies	--	--
Net Change in Non-Current Financial Assets	120	(48)
Proceeds from Sale of Intangible and Tangible Assets	716	2,898
Other Flows from Investment Activity	--	--
Net Cash Flow from Investment Activity	(8,835)	(36,187)

In 2020, the Group generated negative cash flow from investment activity of €(8.8) million, versus €(36.2) million in 2019. Investments in tangible and intangible non-current assets fell from €16.7 million in 2019 to €9.7 million in 2020. For more details regarding the composition of the Group's capital expenditures and capitalized research and development expenditures, see Section 8.3 "Capital Expenditure" of this Universal Registration Document.

8.5.3 Cash Flow from Financing Activity

The following table summarizes the Group's cash flows from financing activity for the periods indicated:

	Year ending on December 31	
	2020	**2019**
	(€ thousands)	
Capital Increase and Share Premium	9,099	(44)
Net Sales (Purchases) Of Treasury Shares	284	7
New Financial Liabilities	85,000	35,827
Repayment of Financial Liabilities	(43,212)	(4,339)
Financial Costs Paid	(787)	(613)
Cash Flow from Financing Activity	50,953	30,839

In 2020, the Group generated positive cash flow from financing activities of €51 million, primarily due to a short-term loan of €35 million less repayments of the IFRS 16 leasing debt in the amount of €3 million.

9. REGULATORY ENVIRONMENT

Because its primary business activity is online distribution and sales, the Group is subject to various regulations, and particularly French regulations, since the majority of its revenue (85% in 2020) is generated in France. The principal regulations governing the Group's business are summarized below.

As a result of its presence in several European Union countries, the Group is subject to the European regulatory framework, including with respect to consumer protection, the protection of personal data, distribution law, and competition law. This European framework is mainly composed of directives to be transposed by each of the Member States. The Group's Legal Department ensures that the Group complies with applicable European and national legislation in all of the countries where it operates.

9.1 CONSUMER PROTECTION REGULATIONS

9.1.1 Consumer Protection Law and e-Commerce

9.1.1.1 Obligation to Inform Consumers

French law generally strengthens consumer protection. For example, Law No. 2014-344 of March 17, 2014 on consumption (the "Hamon Act") transposes the Consumer Rights Directive into French law. Non-compliance with the Hamon Act can result in financial penalties.

In particular, under Articles L. 221-5 et seq. of the French Consumer Code resulting from the Hamon Act and Law No. 2004-575 dated June 21, 2004 on confidence in the digital economy ("loi pour la confiance dans l'économie numérique" or "LCEN"), service providers and sellers of goods are required to provide detailed information to consumers when they enter into distance contracts by electronic means. The required information includes the main characteristics of the good or service; the price (including taxes and delivery charges); the seller; the payment, delivery or processing method; the terms and conditions, time limit and process for exercising the consumer's right of withdrawal; the length of the offer's validity; the date by which the seller undertakes to deliver the good or perform the service; information about warranties and how to exercise them; and how to settle disputes.

Professional sellers have an obligation to inform consumers at several stages of the contractual process: before the order is placed, at the time the consumer places the order (to enable the consumer to verify the details), and after the contract is entered into, at the latest when the good or service is delivered.

The LCEN established a uniform Internet purchasing procedure called "double click" in the French Civil Code, which is intended to protect consumers. Buyers must first be able to check the detail of their orders and the total price and correct any errors. This is the "first click". Then, if the buyer decides to place the order, he or she must have the opportunity to confirm his order with a "second click". Moreover, the French Consumer Code provides for certain mechanisms to ensure that consumers have the opportunity for informed consent at the time of payment. The online sales site must describe the accepted payment methods and any delivery restrictions at the beginning of the order process.

9.1.1.2 Right of Withdrawal

In accordance with Articles L. 221-18 et seq. of the French Consumer Code (resulting from the Hamon Act and amended by Law No. 2015-990 of August 6, 2015 for Growth, Activity and Equal Economic Opportunities (the Macron Act), consumers have, with certain exceptions, a right of withdrawal in respect of distance contracts.

Consumers have a period of 14 clear days to exercise their withdrawal rights without explanation, and up to 12 months after expiration of the initial period if the seller did not provide the information required by law at the time of delivery. For contracts for the sale of goods and contracts to provide services

including the delivery of goods, the deadline begins to run from the date of receipt of the goods by the consumer or a third party, other than the carrier, designated by the consumer.

Exercise of the right of withdrawal terminates the parties' obligations to perform the contract entered into at a distance. If the consumer withdraws from the sale of all of the goods, the professional seller must refund all amounts paid by the consumer, including delivery fees, as soon as possible and at the latest within fourteen days following the date on which the seller is informed of the consumer's decision to withdraw. This time period may be lengthened depending how long it takes the consumer to return the goods.

Professionals must provide these refunds using the same payment method used by the consumer for the initial transaction, unless the consumer expressly consents to a different payment method and to the extent that the reimbursement does not result in fees to the consumer. However, the professional is not required to refund additional costs if the consumer expressly chose a more expensive delivery method than the standard delivery offered by the professional.

9.1.1.3 Seller's Liability in Distance Contracts

Article L. 221-15 of the French Consumer Code (resulting from the Hamon Act) and Article 15 of Law No. 2004-575 of June 21, 2004 on Confidence in the Digital Economy also provide that the seller is automatically responsible to the buyer for correct performance of its obligations under a distance contract, whether these obligations are performed by the professional seller or by other service providers, without prejudice to the seller's recourse against such other service providers. However, the seller may be exempt from all or part of its liability by proving that the breach of contract was caused by the buyer, by the unforeseeable and unavoidable act of a third party, or by an event of force majeure.

9.1.1.4 Class Actions

Created by the Hamon Act and provided for in Article L. 623-1 of the French Consumer Code, class actions enable consumers to obtain compensation for monetary damages resulting from property damage in connection with the sale of goods or services. The products sold by the Group could thus be the subject of class actions by consumers represented by consumer rights associations at the national level and approved pursuant to Article L. 811-1 of the French Consumer Code.

9.1.1.5 Ethics Code

The Group is a member of the French Fédération des Entreprises de Vente à Distance (the Federation of E-commerce and Distance Sellers) ("FEVAD"), which has published a Code of Ethics for e-commerce and distance sales that member businesses have undertaken to respect.

9.1.2 Payment Fraud

Pursuant to Directive 2007/64/EC of November 13, 2007, as amended, on payment services in the internal market, which was transposed into French law primarily in Article L. 133-18 of the French Monetary and Financial Code, holders of payment cards are protected in the event of fraudulent use of their cards. If a cardholder reports an unauthorized payment transaction, the cardholder's payment services provider (in other words, the institution that issued the card) must immediately reimburse the cardholder for the amount of the unauthorized payment transaction. The provider must also return the debited account to the balance it would have had if the transaction had not taken place. In the event of an unauthorized payment transaction following the loss or theft of a payment instrument, the holder's payment services provider may, under certain circumstances, demand that the seller repay the amounts charged following the loss or theft of the payment instrument.

9.1.3 Misleading and Unfair Commercial Practices

General Framework

The Group is subject to the prohibition of misleading and unfair commercial practices contained in Directive 2005/29/EC of May 11, 2005 on unfair business-to-consumer commercial practices in the internal market.

Law No. 2008-3 of January 3, 2008, for the Development of Competition to Benefit Consumers and Law No. 2008-776 of August 4, 2008, on Modernization of the Economy transposed this directive by adding provisions to the French Consumer Code on misleading commercial practices (Articles L.121-2 to L.121-5) and by creating the offense of aggressive commercial practices (Articles L.121-6 to L. 121-7).

In particular, Article L. 121-2 of the French Consumer Code prohibits misleading commercial practices that create confusion between two goods or services or that rely on statements or presentations that are false or likely to cause the consumer to make a mistake, for example regarding the availability and essential characteristics of a good or service, the price and its promotional nature, or the terms of sale, payment, and delivery of a good or service. Article L. 121-3 of the French Consumer Code prohibits misleading omissions that consist of failing to provide, hiding, or providing in an unintelligible manner material information that a consumer needs in order to make an informed decision. Misleading commercial practices are punishable by two years in prison and a maximum fine of €300,000. Legal entities convicted of this offence incur a fine of €1,500,000. The fine may be increased to 10% of annual revenues or 50% of expenses incurred in order to carry out the prohibited practices.

The Group is also subject to the prohibition against aggressive commercial practices. In particular, repeated and insistent solicitations that vitiate or could vitiate the consumer's consent are prohibited, including undesired email solicitations. Aggressive commercial practices are punishable by two years in prison and a maximum fine of €300,000. Legal entities convicted of this offence incur a fine of €1,500,000. The fine may be increased to 10% of average annual revenue.

Legal Framework Governing Promotional Sales

The Group's primary business is the commercial practice known as "event sales". Since the passage of Law No. 2008-776 of August 4, 2008 on the Modernization of the Economy, event sales may be conducted outside legally regulated sales periods. Unlike sales governed by Articles L. 310-3 and L. 310-5 of the French Commercial Code, event sales may not result in selling at a loss and may not legally be called "sales".

The Group must also comply with legislation applicable to sales with price-reduction announcements, including Directive 2005/29/EC of May 11, 2005 on unfair business-to-consumer commercial practices in the internal market. In France, the Decree of March 11, 2015 addresses price-reduction announcements to consumers. Price-reduction announcements must not constitute unfair competitive practices as defined by Article L. 120-1 of the French Consumer Code. When the Group announces a reduced price on its website, it must also include the registration price, which is determined by the Group's supplier and on the basis of which the price reduction is announced. The Group must also state the amount of the reduction on its website. The Group's supplier must be able to prove that the registration price, on which the reduction is based, is real.

The Group is also to be subject to the provisions of EU Directive 2019/2161 of November 27, 2019, known as the Omnibus Directive for a "New Deal for Consumers" and in particular to Article 2 which deals with price reductions. This Directive must be transposed into French law no later than November 28, 2021 for application from May 28, 2022.

The Group is also to be subject, to a certain extent, to the "Egalim" law no. 2018-938 of October 30, 2018 for the balance of trade relations in the agricultural and food sector and healthy, sustainable and accessible food for all, which governs promotions on foodstuffs and certain food products.

9.1.4 General Product Safety Obligation

Directive 2001/95/EC of December 3, 2001 on general product safety created a general obligation of safety for all products put on the market and intended for, or liable to be used by, consumers. Order No. 2004-670 of July 9, 2004 transposed this directive and conformed French law to European Union law on product safety and compliance.

Under Article L. 421-3 of the French Consumer Code, *"products and services, must, under normal conditions of use or conditions that are reasonably foreseeable to the professional, present the level of safety that may be reasonably expected and must not harm human health*".

This general product safety obligation is the responsibility of the producer and the distributor. The definition of producer includes: (i) where he or she is established in the European Union, the product manufacturer and any other person who presents himself or herself as the manufacturer by affixing his or her name, trademark or other distinctive mark to the product, or who reconditions the product; (ii) where he or she is not established in the European Union, such manufacturer's representative, or in the absence of a representative established in the European Union, the importer of the product; and (iii) other professionals in the supply chain to the extent that their activities may affect the safety properties of the product. The definition of a distributor is any professional in the supply chain whose activity does not affect the safety properties of the product.

This regulation applies only in the alternative, and thus concerns only those products and services that are not already subject to specific legislative provisions or European standards for the protection of consumer health or safety. Thus, certain types of products that the Group sells or distributes are subject to specific standards as a result of their nature.

The Group must take all appropriate measures to comply with all safety obligations and obligations not to harm human health provided for in laws and regulations. Three obligations result from the general product safety obligation: an obligation to inform, an obligation to monitor products, and an obligation to report risks.

9.1.5 Product Liability

As a seller and distributor, the Group is liable for the damage caused by the products that it sells or distributes. This liability may be both civil and criminal, on the basis of several rules, some of which are summarized below. In addition, the contracts between the Group and its suppliers generally include provisions requiring compliance with applicable standards and regulations, as well as "product return" provisions pursuant to which the supplier undertakes to take the products back under certain conditions.

9.1.5.1 Liability for Defective Products

Council Directive 85/374/EEC of July 25, 1985 on the approximation of the laws, regulations and administrative provisions of the Member States concerning liability for defective products, as modified by Directive 1999/34/EC, establishes the principle of strict liability (liability without fault) applicable to European producers. Where a defective product causes harm to a consumer, the producer is liable.

Codified in Articles 1245-1 et seq. of the French Civil Code, the defective products liability rules create strict liability for damage caused by a product safety defect when it harms a person or property other than the defective product itself and the damage caused is more than €500. Furthermore, if the producer cannot be identified, the seller, lessor or any other professional provider is liable for the product's safety

defect to the same extent as the producer, unless he or she identifies his or her own supplier or the producer within three months after being served with the victim's complaint. Warranties

Directive 1999/44/EC of May 25, 1999 on certain aspects of the sale of consumer goods and associated guarantees, as modified by Directive 2011/83/EU, is intended to harmonize European legislation on consumer contracts relating to the legal warranty of conformity of goods and, to a lesser extent, to contractual warranties.

The directive was transposed into French law through the Order of February 17, 2005 on the warranty of conformity of goods owed by the seller to the consumer, which amended the French Consumer Code. Moreover, French consumers have the benefit of the legal warranty against latent defects provided for in the French Civil Code.

The Regulation of December 18, 2014, which entered into effect on March 1, 2015, defines rules for the presentation of information about legal warranties. The general terms and conditions of sales included in consumer contracts must mention the existence, the conditions, and the content of the legal warranty of conformity and the legal warranty against latent defects.

9.1.5.2 Legal Warranty of Conformity

Pursuant to Article L.211-4 of the French Consumer Code, when a professional and a consumer enter into a contract for the sale of merchandise, "*the seller is required to deliver merchandise that conforms to the contractual specifications, and is liable for any failure to conform that exists at the time of the delivery*. He is also liable for failure to conform caused by the packaging or by the assembly or installation instructions where he has been made responsible for installation or where the installation is carried out on his responsibility". If there is a lack of conformity, the consumer has the right to choose between replacement and repair. If that is impossible, the buyer may return the goods and receive a full refund or keep the goods and receive a partial refund. In addition, if the consumer has suffered harm, he or she may make a claim for damages. Under Article 217-12 of the French Consumer Code, an action for failure to conform must be brought within two years after delivery of the goods.

9.1.5.3 Legal Warranty Against Latent Defects

Pursuant to Article 1641 of the French Civil Code, the legal warranty against latent defects applies to hidden defects *"that render the item sold unfit for its intended use or that so impair that use that the buyer would not have acquired it, or would have acquired it only at a lower price, had he known of them"*. The buyer has the right to choose either to return the item and receive a full refund or keep the item and receive a partial refund, to be assessed by an expert. Under certain circumstances, he or she may also make a claim for damages from the seller. The action for damages must be brought within two years after discovery of the defect, in accordance with Article 1648, paragraph 1, of the French Civil Code.

9.1.5.4 Contractual Warranties

Contractual warranties refer to any contractual undertaking by a professional to a consumer promising a refund of the sale price or replacement or repair of the item. This contractual obligation is in addition to the legal obligations guaranteeing the conformity of the item. Some of the products distributed by the Group are the subject of contractual warranties by the supplier. In those cases, the warranty is required to be stated clearly on the product's packing slip. If the defendant is a merchant, the action for damages must be brought within five years after discovery of the defect, in accordance with Article L. 110-4 of the French Commercial Code.

9.1.5.5 Mediation of Consumer Disputes

Order No. 2015-1033 of August 20, 2015 transposes Directive 2013/11/EU of May 21, 2013 on alternative dispute resolution for consumer disputes and is meant to facilitate alternative dispute resolution for consumers in disputes with professionals resulting from the performance or non-performance, in whole or in part, of sales contracts or service contracts. Since January 1, 2016, every consumer has had the right to use a consumer mediator free of charge to resolve a dispute with a professional, whose job it is to guarantee the effectiveness of the remedy and to bear the cost of it. The professional informs the consumer of the contact information of the consumer mediator(s) with jurisdiction, by providing this information in a visible, legible manner on its website, in its general terms of sale or service, on its order forms, or in any other appropriate media. The professional must also indicate the web address of the mediator(s).

9.2 REGULATIONS ON THE PROTECTION OF PERSONAL DATA

In the course of its business, the Group gathers and processes information that is subject to laws and regulations on the protection of personal data in the countries where the Group does business.

Personal data about customers and registered members of the Group's websites is collected primarily at the time of member registration and at the time of each sale made on the Group's websites. The Group works to ensure the strictest confidentiality of the personal information provided by its customers.

The collection and processing of personal data is performed both on behalf of the Group's companies and on behalf of its suppliers, in order, first, to enable the Group or its service providers to perform commercial services (such as delivery of the products) and, second, for statistical, marketing, and customer-relations objectives.

9.2.1 Processing Performed within the European Economic Area

On April 14, 2016, the General Data Protection Regulation (hereinafter the "Regulation") was adopted by the European Parliament. This Regulation provides the framework for processing personal data throughout the countries of the European Economic Area (the "EEA"), which includes the European Union, Iceland, Norway and Lichtenstein. The Regulation entered into full force and effect on May 24, 2016 and was applicable as of May 25, 2018. Certain provisions of the Regulation were already incorporated into French law before that date in the Law for a Digital Republic of October 7, 2016, and other provisions were included in Law 2018-493 of June 20, 2018. The legal framework for the protection of personal data in the European Union gives a prominent position to the rights of individuals and guarantees them greater control over their personal data and, more generally, the right to privacy. These rules are designed to ensure that people's personal information is protected – no matter where it is sent, processed or stored – even outside the European Union.

The Regulation applies to both automated and non-automated processing of personal data if such data are contained or intended to be contained in a file. The directive defines "personal data" broadly to include any information concerning an identified or identifiable natural person, whether identifiable directly or indirectly, whatever the country of residence or nationality of that person. It requires controllers of personal data established in a Member State of the EEA or using means of processing located on the territory of a Member State to take certain measures upstream of the data collection, during its preservation and until its deletion. Pursuant to the Regulation, a "controller" (as opposed to a mere data processor working for a third party) means the person or entity which, alone or jointly with others, determines the purposes and the method of processing the personal data.

The Group acts mainly as a data controller for each of its activities that involve personal data processing, from the collection of customer data to the monitoring of commercial relations.

In its capacity as a data controller, the Group is subject to the following obligations:

- to satisfy one of the legal bases set forth in the Regulation for processing personal data, including the consent of the person concerned or the necessity of processing data to permit the data controller to achieve a legitimate interest or perform an agreement with the person in question;

- to ensure that the personal data (i) is processed honestly and legally, for specific, clear and legitimate purposes, and proportionately to those purposes, and (ii) is accurate and, if necessary, updated;

- to take particular precautions before processing sensitive data (for example, data on racial or ethnic origins; political, philosophical or religious opinions; union membership; or health or sexual preferences), such as ensuring that the persons concerned have given their express consent or that the processing is based on one of the exceptions provided for by the Regulation to permit such processing (for example, when the processing is necessary to permit the defense of the vital interests of the person concerned or those of another person, or when it relates to data that has clearly been made public by the person concerned, or is necessary in order to assert, exercise, or defend a right in court);

- to implement appropriate technical and organizational measures to protect the personal data from accidental or illegal destruction, loss, alteration, disclosure or unauthorized access;

- except in certain situations listed in the Regulation, to inform the persons concerned, particularly when their personal data is being processed, of the recipients of the data; the identity of the data controller and its intentions, the duration for which the data will be stored; their rights to access, correct, and to draft instructions relating their personal data after their death; and, in certain cases, to object to this processing and, if applicable, to permit them to exercise these rights;

- to retain personal data for a period not exceeding the period of time necessary to achieve the purpose of the processing;

- not to transfer personal data outside of the EEA unless the recipient country has been deemed by the European Commission to provide an adequate level of protection or the transfer is covered by standard contractual clauses established by the European Commission Binding Corporate Rules or the Privacy Shield; and

- to carry out the required formalities with the national authorities in charge of the protection of personal data in their respective countries (such as the National Commission on Computers and Freedom in France) prior to processing the data. These formalities vary from country to country, from a simple declaration to a governmental authority or maintenance of an internal ledger to a requirement to obtain authorization or approval prior to conducting certain types of processing.

The Group uses external service providers to host its data, manage its logistics and shipments, and implement its payment systems. These service providers are "data processors" (as defined by the Regulation) of the personal data entrusted to them by the Group, but the Group remains the sole data controller. All of the obligations described above are, therefore, the sole responsibility of the Group. However, the Group ensures that its service providers (i) provide sufficient guarantees to ensure that the required security and confidentiality measures are implemented, and in particular that all precautions are taken, given the nature of the data and the risks presented by the processing, to ensure the security of the data and to prevent the data from being misrepresented, damaged, or accessed by unauthorized third parties, and (ii) process the data solely in accordance with the Group's instructions and for no purposes other than those defined by the Group. However, this responsibility may be shared with the data processor since the Regulation of May 25, 2018 became applicable. The Regulation imposes certain obligations on subcontractors, in particular as regards notification of infringements of personal data rights and expressly stipulates that subcontractors may be held liable. The Regulation provides that the processing of data by a subcontractor shall be governed by a contract or other legal document, which creates a link between the subcontractor and the person responsible for the processing, which contains

certain data (e.g. purpose and duration of the processing, type and objective of the processing, type of personal data), and which requires the subcontractor to comply with certain obligations (e.g. processing only on the instructions of the person responsible for the processing).

In addition, website operators must comply with applicable regulations with respect to the use of cookies and similar technology. Among these rules are those arising under Directive 2002/58/EC, as amended by Directive 2009/136/EC, on the processing of personal data and the protection of privacy in the electronic communications sector. These rules were transposed in France by Order No. 2011-1012 of August 24, 2011, which imposes a requirement to inform and obtain consent from Internet users before installing certain cookies on their terminals, in particular in connection with targeted advertising.

To clarify the applicable law pertaining to this matter, the National Commission on Computers and Liberties (CNIL) has adopted guidelines as well as a recommendation on the use of cookies and other trackers specifying in particular the practical procedures for obtaining user consent. They were published in the Official Journal on October 2, 2020. The companies have up till March 2021 to comply with these new rules.

Since passage of the Hamon Act, the National Commission on Computers and Liberties (Commission Nationale Informatique et Libertés, or "CNIL") has had the power to conduct online audits to verify that the data controllers are complying with their obligations with respect to cookies.

The violation of these obligations by a data controller may be subject, depending on the country, to administrative, civil or criminal sanctions and, particularly in France, to finds that may be as high as €20 million or, for companies, 4% of global annual revenues (the higher amount is used), with the possibility for users also to obtain reparations since the entry into force of the Regulation.

On May 6, 2015, the European Commission, during the presentation of its strategy for a European digital single market, indicated that it wished to reinforce confidence in the security of digital services, in particular with respect to the processing of personal data. Based on the new EU rules on data protection, the European Commission intends to revise the Privacy and Electronic Communications Directive.

9.2.2 Transfer of Personal Data Outside of the European Economic Area

In the course of its activities, the Group sometimes transfers personal data to its service providers located in countries that do not provide the same level of personal data protection as the EEA. When it does so, the Group ensures that contracts entered into with these third parties include standard contractual clauses established by the European Commission to permit the exporting of personal data while providing data subjects with contractual protections substantially equivalent to the protections they enjoy in the EEA.

9.2.3 Email Canvassing

Direct canvassing through email is regulated by Articles L. 121-34-1-1 of the French Consumer Code and L. 34-5 of the French Postal and Electronic Communications Code.

Direct email canvassing using the email address of an individual, subscriber, or user who has not given prior consent to receiving direct email canvassing is prohibited. However, direct canvassing by email is permitted for similar products provided by the same entity where the recipient's email address was obtained directly from that recipient at the time of sale and where the recipient may object to the use of his email address easily and at no cost, both at the time it is obtained and each time a canvassing email is sent to him. Illegal direct email canvassing infractions are punishable by fines of up to €15,000 for legal entities.

9.3 REGULATIONS RELATING TO DISTRIBUTION AND COMPETITION LAW

In its capacity as a seller and distributor, the Group is subject to regulation of its supplier relations.

In France, the Group's activity is subject to the French Commercial Code, in particular the provisions added by Law No. 2008-776 of August 4, 2008 on the Modernization of the Economy, by the Hamon Act and the Macron Act. In particular, the Group is subject to Article L. 441-10 of the French Commercial Code, which sets a maximum period for payment of amounts due by distributors to suppliers at 30 days from the date of receipt of the merchandise, except as otherwise agreed in the terms of sale or between the parties. The deadline agreed between the parties for payment of the amounts due may not exceed 60 days from the date on which the invoice is issued. By way of exception, the parties may agree to a maximum deadline of 45 days from the date on which the invoice is issued, provided that this deadline is expressly stipulated in the contract and that it is not grossly unfair to the creditor. In addition, Article L. 442-1 of the French Commercial Code penalizes certain unfair commercial practices such as abruptly terminating established business relationships, subjecting commercial partners to obligations that create a significant imbalance between the parties. Article L.442-2 of the French Commercial Code also provides for penalties relating to the offense of participating in the violation of the ban on resale outside the network when the distributor has signed a selective or exclusive distribution agreement.

The regulation prohibiting unfair competition also applies to the Group's activity. Thus, the Group may be liable in tort to a competitor for intentional or unintentional acts of unfair competition or parasitic practices. In particular, disparagement, the use of distinctive marks or imitation of advertising, wrongful hiring of a competitor's employees and poaching a competitor's customers are all considered torts under these regulations. Some of these acts may also constitute criminal offences. In particular, Article L. 442-5 of the French Commercial Code provides that a merchant who resells or advertises the resale of a product that has not been reconditioned at below cost shall incur a fine of €75,000.

Moreover, the Group is subject to Article 101 of the Treaty on the Functioning of the European Union, as implemented by Council Regulation (EC) No. 1/2003 of December 16, 2002, and to Article L. 420-1 of the French Commercial Code. These provisions prohibit agreements, action by concert parties, and exchanges of information when these tend: to limit access to the market or the free exercise of competition by other businesses; to prevent prices from being determined freely by the market by artificially encouraging price increases or decreases; to limit or control production, outlets, investments or technical development; or to control access to markets or supply sources. The Group is responsible for the legality of its sales contracts with its suppliers with regard to these provisions.

The Group is also subject to Law No. 2020-105 of February 10, 2020 relating to the circular economy and the fight against waste, which in particular provides for waste reduction routes and information mechanisms for businesses.

9.4 REGULATORY FRAMEWORK RELATING TO TRAVEL AGENTS

The Group offers travel packages to its members on its website. Directive 90/314/EEC of June 13, 1990 on package travel, package holidays and package tours was transposed into French law by Law No. 92-645 of June 13, 1990, setting the conditions for performing activities relating to the organization and sale of travel and accommodation. This law was repealed, and its provisions are now, for the most part, contained in Title I of Book II of the French Tourism Code.

Under Article L. 211-1 I of the French Tourism Code, the Group is a travel agent. In compliance with Articles L. 211-18 et seq. of the French Tourism Code, it holds travel agent license No. IM093110007, issued by the prefecture of Seine-Saint-Denis, and holds a financial guarantee from the Association Professionnelle de Solidarité du Tourisme (APST).

Travel agents are subject to special regulations including, in particular, a specific disclosure obligation (Articles L. 211-8 and R. 211-4 of the French Tourism Code) and certain formalities required for travel sales (Articles L. 211-10 and R. 211-6 of the French Tourism Code).

Pursuant to Article L. 211-16 of the French Tourism Code, the Group (as a seller of tourism packages) and the organizer of the travel are both automatically liable to the buyer for correct performance of the obligations under the contract, unless the damage is caused by the buyer's wrongdoing, the actions of a third party, or an event of force majeure.

9.5 REGULATIONS RELATING TO THE MARKET PLACE

The Group must first of all comply with the provisions of Article 6 of Law No. 2004-575 of June 21, 2004 (law on confidence in the digital economy - LCEN) if it wishes to benefit from the reduced liability of hosting providers in respect of its market place activities and the content stored on this market place.

Under its marketplace activity, the Group is also subject to a certain number of regulations applicable to online platforms. Article L.111-7 of the French Consumer Code and Decree No. 2017-1434 of September 29, 2017 provide for obligations of transparency and loyalty and require platforms to provide consumers with a certain amount of information relating in particular to the methods of referencing, dereferencing and classification of the content and offers published on its site, under penalty of administrative sanctions.

In its relations with sellers, the Group must also comply with EU regulation 2019/1150 on promoting fairness and transparency for user companies of intermediation services which became applicable on July 12, 2020. The law on various provisions for adapting to European Union law on economic and financial matters (DDADUE), published in the Official Journal of December 4, 2020, provides that non-compliance with the provisions of this Regulation constitutes a practice restricting competition punishable by a civil fine that may not exceed the highest of the three amounts below: €5 million, triple the number of benefits unduly received or 5% of pre-tax revenue generated in France by the party engaging in the practices during the last financial year preceding the year in which the practices were implemented.

Lastly, the Group must comply with Directive 2015/2366 on payment services, which was transposed into French law by Order No. 2017-1252 of August 9, 2017 and ensure the security of transactions in accordance with the French supervisory authority, Autorité de Contrôle Prudentiel et de Résolutions (ACPR).

10. TREND INFORMATION

10.1 BUSINESS TRENDS

For a detailed description of the Group's results in 2019 and 2020, see Chapter 7 "Operating and Financial Review" of this Universal Registration Document.

10.2 MEDIUM-TERM OUTLOOK

The objectives presented below do not constitute forecasts or estimates of the Group's profits but represent its strategic targets and action plan. These objectives are based on data, assumptions, and estimates that the Group considers reasonable as of the date of this Universal registration Document. The figures, data, assumptions, estimates and objectives are subject to unpredictable change or modification, depending on, among other things, the changing economic, financial, competitive, regulatory and tax environment.

Moreover, the occurrence of one or more of the risks described in Chapter 3 "Risk Factors" of this Universal Registration Document could have an impact on the Group's business, results, financial position or prospects and therefore jeopardize its ability to achieve the objectives presented below. This is the case for the COVID-19 health crisis in particular.

In addition, the achievement of these objectives presupposes the success of the Group's strategy and its implementation.

Therefore, the Group does not guarantee and can give no assurance that the objectives described in this section will be achieved.

Outlook for the Group's Activities and Financial Objectives

The Group starts fiscal year 2021 with the ambition of continuing the progressive improvement of its EBITDA margin.

The Group will pursue its strategy of selectiveness in purchasing for the most profitable business and will continue to favor purchasing on consignment and drop shipment over firm purchases. To offset the mechanical decline in revenues brought about by this strategy, the Group is taking action to strengthen its offering and expand its number of brand partners by using its positions of strength and its strike force of more than 10 million buyers. The Group also plans to speed up the development of SRP Media with new data offers and to build on the development of its Marketplace. It will also rely on high-margin segments such as the Beauty segment, in particular though its subsidiary BeautéPrivée and its Travel and Ticketing arm when the health crisis eases.

This strategy should continue to have a favorable impact on gross margin, which should no longer be affected, as it was in 2019, by major non-recurring inventory transactions, subject to the consequences of the COVID-19 health crisis.

Regarding operating expenses, optimization actions will be pursued. In 2021, the Group will continue to enjoy the full-year effect of the reduction in general and administrative expenses, thus lowering its break-even point. The focus in 2021 will mainly be on prospecting for new and increasingly premium brands and on streamlining logistics and warehousing, with a gradual reduction in the number of sites and partners and the ramp-up of the Group's new logistics warehouse.

Thus, implementation of this strategy starting in 2020 enables the next phase of the Group's development from 2021 to be tackled from a sound basis.

As of the date of this Universal Registration Document, the Group is focusing on adapting its business in the exceptional context caused by the coronavirus health crisis (COVID-19), in particular France's state of health emergency (see 5.4.4.10).

11. PROFIT FORECASTS OR ESTIMATES

None.

12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

12.1 COMPOSITION OF ADMINISTRATIVE AND MANAGEMENT BODIES

The Company is a corporation (société anonyme) with a board of directors. A description of the main provisions of the Company's bylaws relating to the Board of Directors, particularly its operations and powers, as well as a summary description of the main provisions of the internal regulations of the Board of Directors and of the special committees of the Board, is included in Appendix II "Report of the Board of Directors on Corporate Governance" and in Section 19.2 "Articles of Incorporation and Bylaws" of this Universal Registration Document.

12.1.1 Board of Directors

12.1.1.1 Composition of the Board of Directors

The table showing the members of the Board of Directors at December 31, 2020 and the principal offices and positions held by Board members in the Company and outside the Group during the last five years is provide in Appendix II "Report of the Board of Directors on Corporate Governance" to this Universal Registration Document.

For details on the number of shares held by the directors, see Section 15.2.2 "Shareholdings of Members of the Board of Directors and Senior Management" in this Universal Registration Document.

12.1.1.2 Biographical Information about the Members of the Board of Directors at December 31, 2020

Biographical Information about the Members of the Board of Directors is provided in Appendix II "Report of the Board of Directors on Corporate Governance" to this Universal Registration Document.

12.1.1.3 General rules and guiding principles for the composition of the Board of Directors.

The general rules and guiding principles relating to the composition of the Board of Directors are described in Appendix II "Report of the Board of Directors on Corporate Governance" to this Universal Registration Document.

12.1.2 CEO and Deputy CEO of the Company

The positions of Chairman of the Board of Directors and CEO have been combined since the inception of the Company.

Since December 19, 2019, the positions of Chairman of the Board of Directors and CEO have been held by David Dayan[1].

The general rules and guiding principles relating to the composition of the Board of Directors are described in Appendix II "Report of the Board of Directors on Corporate Governance" to this Universal Registration Document.

[1] In accordance with the principle of a two-year rotation of the chairmanship of the Board of Directors resulting from the provisions of the above-mentioned shareholders' agreement, Thierry Petit and David Dayan resigned as Chairman and CEO and Deputy CEO respectively with effect from December 19, 2019 and were appointed by the Board of Directors on December 19, 2019, with immediate effect from that date, Deputy CEO and Chairman and CEO respectively, for the remainder of their terms of office as directors, i.e. until the Annual Shareholders' Meeting called to approve the financial statements for the year ending on December 31, 2022.

12.1.3 Other Management Bodies

12.1.3.1 Executive Committee

The Group has established an Executive Committee consisting of seven members at December 31, 2020, whose role is to coordinate the Group's operational management. This Executive Committee meets weekly and analyzes the Group's financial and operational performance, determining and monitoring strategic projects and proposing action plans to attain the Group's short- and medium-term objectives. The Executive Committee, co-chaired by Thierry Petit and David Dayan, includes the Company's principal operational managers:

- Hakim Benmakhlouf, Chief Operating Officer;
- Brian Beunet, Sales Factory & Production Director and Director, SRP Studios;
- Aurélie Bouvart, Chief Marketing Officer;
- François de Castelnau, Chief Financial Officer;
- Frédéric Delalé, Chief Information Officer;
- Sarah Dupond, General Counsel and HR Director;
- Stéphane Ploujoux, Chief Strategy and Marketing Officer

Biographical Information about the Members of the Executive Committee:

Hakim Benmakhlouf joined the Group in February 2020 to direct Operations through its supply, logistics and transport components. A graduate of SUPMECA Paris and ENS Cachan, he has 15 years of industrial experience in several industrial sectors such as the automotive industry (PSA and WABCO), the medical industry (Sorin) as well as e-commerce. Before he joined SRP, Hakim had been External Fulfillment Director for Continental Europe at Amazon since 2016.

Brian Beunet joined the Group in December 2014. He has been in charge of visual and editorial production of the Group's daily event sales since November 2019 and of SRP Studios since it was created in September 2019. This is an agency dedicated to the marketing of visual and editorial products for brands and is affiliated with Showroomprivé. After studying humanities and visual production, Brian began his career in event and advertising production, and then moved to digital content production for television before switching to e-commerce in 2010 (Tati.fr, Elle.fr, Tally-Weijl.com, etc.). He has been managing e-commerce content production teams for 10 years now.

Aurélie Bouvart joined the Group in February 2018 as Chief Marketing Officer. With a rather unconventional route (veterinary school & DEUG in biology) and largely self-taught, Aurélie began her career in New York as a project manager in the advertising publishing house Assouline for clients such as Chanel, Bergdorf & Goodman or the Galeries Lafayette Group. She then joined the ranks of advertising agencies and learned the ropes at BDDP&Fils (OMNICOM Group) as Account Manager for accounts such as the Morocco Tourism Office, Apec and Maisons du Monde. After more than 15 years at the agency, she became Communications Manager at Belambra Clubs. Since March 2019, she has also been in charge of brand management and the Group's integrated agency. In September 2019, she took over the integrated media advertising company SRP Media.

François de Castelnau is Chief Financial Officer. A graduate of the Paris Dauphine and Paris Descartes universities, François de Castelnau began his career in 1995 in auditing at the firm Deloitte. He then became Director of Internal Audit and then Chief Financial Officer for almost 7 years at ERMEWA Group, the world leader in tank container and wagon rental. In 2013, he joined the Philippe Ginestet

Group, which notably owns the Gifi, Tati and Besson brands, as the Group's Chief Administrative and Financial Officer. With extensive experience in distribution companies where logistics is one of the main challenges, François de Castelnau joined Showroomprivé in June 2019.

Frédéric Delalé has been Chief Information Officer since 2007. As an engineer specialized in software development at the Neurones group, he was responsible for internet/intranet projects for major accounts prior to creating Toobo.com in 1999.

Sarah Dupond, General Counsel, joined the Group in 2016. A graduate of Sciences-Po Rennes with a DESS in European business law from Université Panthéon-Assas, Sarah began her career with the Nomos legal firm where she developed strong expertise in economic law. She was seconded as an attorney to the legal department of Amazon France. She then spent nearly three years in the France subsidiary of the Henkel group, where she was responsible for all legal issues for two business units (Laundry & Home Care and Beauty Care Pro). She also serves in the role of Data Protection Officer and Compliance Officer for the Group. She has also held the position of Director of Human Resources since March 2019.

Stéphane Ploujoux, Chief Commercial Officer since January 2020, joined the Group in May 2017. He is responsible for structuring and supporting sales teams through the management of activities such as planning, merchandising, pricing, stock management, B2B marketing and business excellence. A Masters graduate of EDHEC Business School, Stéphane began his career in strategy and digital transformation consulting at the firm BearingPoint. He then joined the Showroomprivé Group and more specifically the Customer Service department to create an analysis and project management team to improve the customer experience.

For biographical information on Thierry Petit and David Dayan, see Section 12.1.1.2 "Biographical Information about the Members of the Board of Directors at December 31, 2020" of this Universal Registration Document.

12.1.4 Statement Regarding the Board of Directors and Senior Management

At the date of this Universal Registration Document, to the Company's knowledge and except for the family relationship between David Dayan (Chairman and CEO), Éric Dayan (director) and Michaël Dayan (director), who are brothers, there are no family relationships between members of the Company's Board of Directors and Senior Management (CEO and Deputy CEOs).

To the Company's knowledge, over the course of the past five years: (i) none of the members of the Board of Directors, the Chairman and CEO or the Deputy CEO has been convicted of fraud; (ii) except as indicated below, none of the members of the Board of Directors, nor the Chairman and CEO or the Deputy CEO has been associated with any bankruptcy, receivership or liquidation; (iii) no accusations or official public sanctions have been brought against any of the members of the Board of Directors, the Chairman and CEO or the Deputy CEO by statutory or regulatory authorities (including designated professional bodies); and (iv) none of the members of the Board of Directors, nor the Chairman and CEO or the Deputy CEO has been disqualified by a court from acting as a member of the administrative, management or supervisory body of any company, or from being involved in the management or performance of business of any company.

12.2 CONFLICTS OF INTEREST

At the date of this Universal Registration Document, to the Company's knowledge, and except for the information described in Section 12.1.4 "Statement Regarding the Board of Directors and Senior Management" and in Chapter 17 "Related-Party Transactions" of this Universal Registration Document, there are no potential conflicts of interest between the duties of the members of the Board of Directors and of Senior Management (Chairman and CEO and Deputy CEO) of the Company and their private interests.

At the date of this Universal Registration Document, to the Company's knowledge, there are no contracts or agreements of any kind with the principal shareholders, clients, suppliers or others pursuant to which any of the members of the Company's Board of Directors or Senior Management (Chairman and CEO and Deputy CEO) of the Company is or will be appointed to such office or position.

However, it is specified that:

- under the shareholders' agreement between the Founders, which entered into force on the date on which the Company's shares were admitted for trading on Euronext Paris, and outlined in Section 16.4 "Agreements Likely to Lead to a Change in Control" of this Universal Registration Document, the Founders have agreed to vote in favor of the appointment of at least half the directors selected by them and to ensure that David Dayan and Thierry Petit will take turns as Chairman of the Board of Directors and that David Dayan and Thierry Petit will be appointed as CEO and Deputy CEO, respectively;

- under the shareholders' agreement entered into on February 7, 2018, between the Founders and Carrefour, establishing a concerted action between them with regard to the Company and outlined in Section 16.4 "Agreements Likely to Lead to a Change in Control" of this Universal Registration Document, it is stipulated that the Company's Board of Directors shall be comprised of 11 directors, including (i) 5 appointed on the recommendation of the Founders, including the chairman who will have a casting vote, (ii) one director and one non-voting observer appointed upon a proposal by Carrefour, and (iii) four or five independent directors and that the members of the concert party undertake to ensure that Thierry Petit and David Dayan continue to be Chairman and Chief Executive Officer and Deputy Chief Executive Officer, respectively, and will rotate the chairmanship between them;

- Brigitte Tambosi was appointed on the proposal of Carrefour to replace Amélie Oudéa Castera. She holds the position of Corporate Development Legal Director at Carrefour, which owns approximately 8.83% of the Company's share capital on the date of registration of this Universal Registration Document.

On the date of this Universal Registration Document and to the Company's knowledge, the members of the Board of Directors have not agreed to any restrictions concerning the sale of their investment in the Company's share capital, with the exception of the rules relating to the prevention of insider trading and the recommendations of the AFEP-MEDEF Code imposing a requirement to hold shares, and subject to:

- the provisions of the internal regulations according to which each member of the Board of Directors must own (directly or indirectly) at least 200 of the Company's shares throughout his or her term of office, and in any event no later than six months following his or her appointment;

- the provisions of the shareholders' agreements outlined in Section 16.4 "Agreements Likely to Lead to a Change in Control" of this Universal Registration Document;

- the agreement for orderly sale described in Section 16.4 "Agreements Likely to Lead to a Change in Control" of this Universal Registration Document;

- the lock-up commitments relating to the stock warrants and bonus shares described respectively in Appendix II "Report of the Board of Directors on Corporate Governance" of this Universal Registration Document.

13. COMPENSATION AND BENEFITS

13.1 COMPENSATION AND BENEFITS OF EXECUTIVES AND CORPORATE OFFICERS

The elements relating to compensation and benefits paid to executives and corporate officers are shown in the Corporate Governance Report provided for in Article L.22537 of the French Commercial Code and included in Appendix II "Report of the Board of Directors on Corporate Governance" of this Universal Registration Document.

13.2 AMOUNT OF PROVISIONS MADE OR RECORDED BY THE COMPANY OR ITS SUBSIDIARIES FOR THE PAYMENT OF PENSIONS OR OTHER RETIREMENT BENEFITS

Neither the Company nor its subsidiaries have set aside any provisions for the payment of pensions or other retirement benefits for its executive corporate officers.

14. OPERATION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

14.1 EXPIRATION DATE OF TERMS OF OFFICE

The information concerning the expiration dates of the terms of office of the members of the Company's Board of Directors and Executive Management appear in Section 12.1 of this Universal Registration Document, entitled "Composition of Administrative and Management Bodies."

14.2 INFORMATION ON THE SERVICE CONTRACTS BETWEEN MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES AND THE COMPANY OR ANY OF ITS SUBSIDIARIES

To the Company's knowledge at the date of this Universal Registration Document, there are no service agreements between members of the Company's Board of Directors, or the CEO or the Deputy CEO and the Company, or any of its subsidiaries that provide for the granting of benefits.

14.3 INFORMATION ON BOARD COMMITTEES

At its meeting on August 28, 2015 and pursuant to Article 17 of the Company's bylaws and Article 8 of the Board of Directors' internal regulations, the Board of Directors decided to create two committees within the Board of Directors: the Audit Committee and the Nomination and Compensation Committee.

The rules governing the operation and missions of the Board Committees, as provided for in the internal regulations of the Board of Directors are described in Appendix II "Report of the Board of Directors on Corporate Governance" to this Universal Registration Document.

14.4 STATEMENT RELATING TO CORPORATE GOVERNANCE

The Company's statements on corporate governance and the Code of Corporate Governance to which the company refers are presented in Appendix II "Report of the Board of Directors on Corporate Governance" to this Universal Registration Document.

15. SALARIES

15.1 HUMAN RESOURCE MANAGEMENT

15.1.1 Employees

At December 31, 2020, the Group had 1,047 employees worldwide, compared with 1,048 employees at December 31, 2019, a reduction of 0.1%.

The table below shows the changes in the number of Group employees over the last three years:

Total Workforce	**2018**	**2019**	**2020**
Worldwide	**1,060**	**1,048**	**1,047**
France	**957**	**964**	**967**

The Group's employees are employed by various subsidiaries of the Company located in Europe. Most of the Group's employees are located in France.

Some of the Group's employees work in operations that specifically target countries other than France.

The table below shows the allocation of the Group's 1,047 employees at December 31, 2019 and 2020 by legal entity:

Workforce by Legal Entity	**December 31, 2019**	**December 31, 2020**
SRP Groupe S.A.	2	2
Showroomprive.com S.a.r.l.	723	744
SRP Logistique S.a.r.l.	194	182
Showroomprivé Germany GmbH	0	0
Showroomprivé Spain SLU	38	39
SALDI PRIVATI SRL	40	36
ABC SOURCING	3	0
BEAUTE PRIVEE	43	39
SRP MAROC	5	5
TOTAL	**1,048**	**1,047**

Nearly the entire workforce is employed by Group subsidiaries located in France.

15.1.1.1 Hires

The table below shows the number of new hires during the fiscal years ending on December 31, 2018, 2019 and 2020:

	December 31		
Number of Hires	**2018**	**2019**	**2020**
Worldwide	481	454	310
France	417	426	297

New hires represented 43.3% and 29.6% of the total workforce as of December 31, 2019 and 2020, respectively.

15.1.1.2 Departures

The table below shows the number of departures (resignations, contract terminations and dismissals) during the years ending on December 31, 2018, 2019 and 2020:

	December 31		
Number of Departures	**2018**	**2019**	**2020**
Worldwide	259	283	179
France	219	243	141

Departures represented 27% and 17.1% of the total workforce as of December 31, 2019 and 2020, respectively.

The breakdown of the 141 departures from the Group's French companies in 2020 is as follows:

- 75 resignations;
- 29 contract terminations;
- 37 dismissals.

15.1.2 Workforce Distribution

15.1.2.1 Workforce Distribution by Activity

The table below shows the distribution of the Group's employees by activity at December 31, 2020:

	12/31/2020
Accounting	26
Flows & Procurement	31
B2B	4
Customer Service	40
Project	34
Management	9
Foundation	6
Internal Agency	20
International Management	2
IRL	11
IT Support	6
IT Department	93
Legal	3
Logistics	218
Management Control	15
Marketing	29
B2B Marketing	4
Office	7
Planning	14
Production	215
Procurement	108
HR	18
Transport	6
SRP Media	20
Travel	28
SALDI PRIVATI SRL	36
BEAUTE PRIVEE	39
SRP MAROC	5
Total	1,047

15.1.2.2 Workforce Distribution by Type of Employment Agreement

The table below shows the distribution of the Group's workforce by type of employment agreement at December 31, 2018, 2019 and 2020:

	December 31		
Workforce Distribution by Type of Employment Agreement	**2018**	**2019**	**2020**
Permanent employment contracts	965	922	982
Fixed-term contracts and others (professional training contracts, apprenticeship contracts, etc.)	95	126	65
TOTAL	**1,060**	**1,048**	**1,047**

15.1.2.3 Workforce Breakdown by Age Bracket

The table below shows a breakdown of the Group's workforce by age bracket at December 31, 2018, 2019 and 2020:

	December 31		
Workforce Breakdown by Age Bracket	**2018**	**2019**	**2020**
25 and younger	181	114	129
26-35 years old	597	641	600
36-45 years old	204	201	208
46 and older	78	92	110
TOTAL	**1,060**	**1,048**	**1,047**

15.1.2.4 Workforce Distribution by Gender

The table below shows the distribution of the Group's workforce by gender at December 31, 2018, 2019 and 2020:

	December 31		
Workforce Distribution by Gender	**2018**	**2019**	**2020**
Women	647	638	660
Men	413	410	387
TOTAL	**1,060**	**1,048**	**1,047**

15.1.3 Human Resources Policy

The Group's policy in human resources is described in Appendix III "Declaration of non-financial performance" to this Universal Registration Document.

15.2 SHAREHOLDINGS AND STOCK OPTIONS

15.2.1 Shareholdings of Certain Group Employees

In connection with the admission of the Company's shares to trading on Euronext Paris in the fourth quarter of 2015, the Company implemented a capital increase reserved for employees in France, Spain and Italy who are members of a company savings plan or an international group savings plan for a total amount of €325,275.60 (issue premium included), representing 20,851 shares.

Furthermore, since the Company's shares were admitted for trading on Euronext Paris, the Group has applied a compensation policy that aims to reward and retain key talent within the Group while providing managers and employees with an opportunity to share in the success of the Group's business, including through the grant of bonus shares, which are connected to the Group's long-term strategy. Performance shares are granted to Company's Corporate Officers and to managers, expatriates and employees in recognition of their commitment and achievements for the Group.

On September 25, 2015, the Company's Extraordinary Shareholders' Meeting, in its Fifth Resolution, authorized the Board of Directors, under certain conditions, to award bonus shares from existing or future shares to corporate officers or employees of the Company, or companies or groupings affiliated with it under the conditions stipulated in Article L.225-197-2 of the French Commercial Code, up to a limit of 3.72% of the share capital on the date of the Board of Directors' decision.

Based on the authorization granted by the Shareholders' Meeting on September 25, 2015, on October 29, 2015, the Board of Directors set up a performance share allocation plan (bonus shares) for employees of the Company and its subsidiaries. This plan involves 498 employees who will receive a total of 400,000 Company bonus shares, accounting for approximately 13% of the Company's share capital at October 29, 2015. This plan does not require meeting performance conditions. The plan provides for (i) a two-year vesting period, provided that a continuous employment requirement is met (for both employees and corporate officers), subject to the usual exemptions (death or disability or if certain capital transactions on the Company's share capital take place), and (ii) a one-year holding period for bonus shares awarded following the vesting period, subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place). At its meeting on November 8, 2017, the Board of Directors noted that the two-year vesting period had expired and that 316 beneficiaries had been in continuous uninterrupted employment as employees or corporate officers of the Company or one of its subsidiaries during the vesting period and that the conditions of the regulations of the employee Bonus Share plan had consequently been met for the 316 beneficiaries, representing a total of 188,975 employee bonus shares.

Based on the authorization granted by the Shareholders' Meeting on September 25, 2015, on May 30, 2016, the Board of Directors set up two performance share allocation plans (bonus shares) for employees of the Company and its subsidiaries. These two plans involve 50 employees who will receive a total of 76,503 Company bonus shares, accounting for approximately 0.2% of the Company's share capital at May 30, 2016. One of the plans requires meeting performance conditions (two employees) and the other does not require meeting performance conditions (48 employees).

The Board of Directors has created a list of beneficiaries divided between the two plans and has approved the terms and conditions for payment of the plans as follows:

- a bonus share award not subject to performance conditions covering 24,003 existing or future common shares of the Company reserved for employees of the Company or of one of its affiliated companies or groupings as defined in Article L. 225-197-2 of the French Commercial Code, which provides for (i) a two-year vesting period, provided that a continuous employment requirement is met (for both employees and corporate officers), subject to the usual exemptions (death or disability or if certain capital transactions on the Company's share capital take place), and (ii) a one-year holding period for bonus shares awarded after the vesting period, subject to

the usual exemptions (death or disability or if certain capital transactions on the Company's share capital take place); and

- a bonus share award subject to performance conditions covering 52,500 existing or future common shares of the Company reserved for employees of the Company or of one of its affiliated companies or groupings as defined in Article L. 225-197-2 of the French Commercial Code, which provides for (i) a two-year vesting period, provided that a continuous employment requirement is met (for both employees and corporate officers), subject to the usual exemptions (death or disability or if certain capital transactions on the Company's share capital take place), (ii) the satisfaction of two performance conditions (described below) and (iii) a one-year lock-up period for bonus shares awarded after the vesting period, subject to the usual exemptions (death or disability or if certain capital transactions on the Company's share capital take place). The number of awarded bonus shares transferred in full to each beneficiary after the vesting period will vary:

    - for 50%: between the level of achievement of the Group's consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2017 versus the fiscal year ending on December 31, 2015 compared to the target consolidated revenue growth objective for the same period; and

    - for 50%: between the level of achievement of the consolidated EBITDA margin for 2016-2017 (expressed as a percentage) compared to the weighted average target of revenue from the consolidated EBITDA margin.

In order to be able to continue motivating its employees and its subsidiaries' employees and to retain employees by offering a medium-term incentive, the Extraordinary Shareholders' Meeting of May 30, 2016 resolved to renew the financial authority of the Board of Directors to award bonus shares to employees and corporate officers of the Group for 38 months from the date of the meeting, and resolved that:

- the total amount of bonus shares that can be awarded to employees and corporate officers of the Group may not exceed three percent (3%) of the share capital as of the date of the resolution by the Board of Directors;

- the total number of bonus shares that can be awarded to executive corporate officers may not entitle the beneficiary to more than one and a half percent (1.5%) of the share capital on the date of the resolution by the Board of Directors;

- the awarding of shares to executive corporate officers should be subject to meeting serious and demanding performance criteria for several consecutive years which will be fixed by the Board of Directors on the proposal of the Committee;

- executive corporate officers of the Company should make a formal commitment not to proceed with any transactions to hedge their risk;

- executive corporate officers of the Company may not have their performance shares awarded to them when they leave the company;

- share awards may be spread out between fiscal years 2016 to 2018;

- the award of said shares to their beneficiaries should become final after a minimum vesting period of at least one year from the date of the resolution by the Board of Directors, and the beneficiaries should retain these shares for a maximum of one year after the shares are awarded;

- executive corporate officers of the Company will be obliged to keep a portion of their vested shares registered in their name until the termination of their position.

Based on the authorization granted by the Shareholders' Meeting of May 30, 2016, the Board of Directors set up two new performance share allocation plans (bonus shares) on February 14, 2017 for employees of the Company and its subsidiaries. These two plans involve 197 employees who will receive a total of 104,643 Company bonus shares, accounting for approximately 0.3% of the Company's share capital at February 14, 2017. One of the plans requires meeting performance conditions (two employees) and the other does not require meeting performance conditions (193 employees).

The Board of Directors has created a list of beneficiaries divided between the two plans and has approved the terms and conditions for payment of the plans as follows:

- a bonus share award plan that is not subject to performance conditions, covering 57,990 existing or future shares of common stock in the Company, reserved for employees of the Company or of one of its affiliated companies or groupings under the terms and conditions set forth in Article L. 225-197-2 of the French Commercial Code, providing for (i) a two-year vesting period, subject to a continued employment condition (as employee or corporate officer), subject to the usual exceptions (death or disability, or the occurrence of certain transactions on the Company's capital), and (ii) no holding period for the bonus shares awarded; and

- a bonus share award plan subject to performance conditions, covering 46,653 existing or future common shares of the Company, reserved for employees of the Company or of one of its affiliated companies or groupings under the terms and conditions set forth in Article L. 225-197-2 of the French Commercial Code, and providing for (i) a two-year vesting period, subject to a continued employment condition (as employee or corporate officer), subject to the usual exceptions (death or disability or the occurrence of certain transactions on the Company's share capital), and (ii) the satisfaction of two performance conditions (as described below) and (iii) no holding period for bonus shares awarded. The number of awarded bonus shares transferred in full to each beneficiary after the vesting period will vary:

    - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2018 versus the fiscal year ending on December 31, 2016 compared to the target consolidated revenue growth objective for the same period; and

    - for 50%: between the level of achievement of the consolidated EBITDA margin for 2017-2018 (expressed as a percentage) compared to the weighted average target of revenue from the consolidated EBITDA margin.

Based on the authorization granted by the Shareholders' Meeting of May 30, 2016, the Board of Directors set up two new performance share allocation plans (bonus shares) on June 26, 2017 for employees of the Company and its subsidiaries. These two plans involve 97 employees who will receive a total of 113,125 Company bonus shares, accounting for approximately 0.3% of the Company's share capital at February 14, 2017. One of the plans requires meeting performance conditions (39 employees) and the other does not require meeting performance conditions (58 employees). Of the employees who will receive these awards some are employees of SaldiPrivati, and others are key managers.

The Board of Directors has created a list of beneficiaries divided between the two plans and has approved the terms and conditions for payment of the plans as follows:

- a bonus share award plan that is not subject to performance conditions, covering 17,675 existing or future shares of common stock in the Company, reserved for employees of the Company or of one of its affiliated companies or groupings under the terms and conditions set forth in Article L. 225-197-2 of the French Commercial Code, providing for (i) a two-year vesting period,

subject to a continued employment condition (as employee or corporate officer), subject to the usual exceptions (death or disability, or the occurrence of certain transactions on the Company's capital), and (ii) no holding period for the bonus shares awarded; and

- a bonus share award plan subject to performance conditions, covering 95,450 existing or future common shares of the Company, reserved for employees of the Company or of one of its affiliated companies or groupings under the terms and conditions set forth in Article L. 225-197-2 of the French Commercial Code, and providing for (i) a two-year vesting period, subject to a continued employment condition (as employee or corporate officer), subject to the usual exceptions (death or disability or the occurrence of certain transactions on the Company's share capital), and (ii) the satisfaction of two performance conditions (as described below) and (iii) no holding period for bonus shares awarded. The number of awarded bonus shares transferred in full to each beneficiary after the vesting period will vary:
    - for 75%: quantitative performance criteria, of which:
        - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2018 versus the fiscal year ending on December 31, 2016 compared to the target consolidated revenue growth objective for the same period; and
        - for 50%: between the level of achievement of the consolidated EBITDA margin for 2017-2018 (expressed as a percentage) compared to the weighted average target of revenue from the consolidated EBITDA margin.
    - for 25%: individual qualitative criteria defined by the Company's Executive Management following a resolution voted by the Board of Directors, with the option of delegating, based on the performance of each Beneficiary during 2017 and 2018.

In line with the Company's policy of establishing a system of motivating its employee shareholders and/or offering its corporate officers an incentive in addition to the present employee savings plan, the Extraordinary Shareholders' Meeting of June 26, 2017 resolved to renew the financial authority of the Board of Directors to award bonus shares to employees and corporate officers of the Group for 38 months from the date of the meeting, and resolved that:

- the total amount of bonus shares that can be awarded to employees and corporate officers of the Group may not exceed three percent (3%) of the share capital as of the date of the resolution by the Board of Directors;
- the total number of bonus shares that can be awarded to executive corporate officers may not entitle the beneficiary to more than one and a half percent (1.5%) of the share capital on the date of the resolution by the Board of Directors;
- the awarding of shares to executive corporate officers should be subject to meeting serious and demanding performance criteria for several consecutive years which will be fixed by the Board of Directors on the proposal of the Committee;
- the award of said shares to their beneficiaries should become final after a minimum vesting period of at least one year from the date of the resolution by the Board of Directors, and the beneficiaries should retain these shares for a maximum of one year after the shares are awarded;
- executive corporate officers of the Company will be required to keep a portion of their vested shares in registered form until the termination of their position.

Based on the authorization granted by the Shareholders' Meeting of June 26, 2017, the Board of Directors set up three new performance share allocation plans (bonus shares) on December 4, 2017 for employees of the Company and its subsidiaries. These three plans involve 64 employees who will receive a total of 579,800 Company bonus shares, accounting for approximately 1.67% of the Company's share capital at December 4, 2017.

These three plans concern three categories of persons:

- The first plan is for members of the Group's Executive Committee (Comex) whose long-term retention the Group wishes to ensure, and is partially subject to performance conditions (8 employees) (hereafter "Plan no. 10"),

- The second plan is for managers and key executives of the Group whose long-term retention the Group wishes to ensure, and is not subject to performance conditions (53 employees) (hereafter "Plan no. 11"),

- The third plan is for managers and key executives who recently joined the Group and with whom the Group had agreed in the hiring process to award bonus shares and is not subject to performance conditions (3 employees) (hereafter "Plan no. 12").

The Board of Directors created a list of beneficiaries divided among the three plans and approved the terms and conditions for payment of the plans as follows:

- Plan no. 10, which is subject to performance conditions concerns 330,000 existing or future common shares of the Company, reserved for employees of the Company or of one of its affiliated companies or groupings under the terms and conditions stated in Article L. 225-197-2 of the French Commercial Code, and provides for the shares to be gradually awarded over three (3) years as follows:

    - a number of shares awarded representing 33% of the total number of shares awarded under Plan No. 10 with a one (1)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), and a one (1)-year holding period. The shares awarded in this first tranche are not subject to performance conditions;

    - a number of shares awarded representing 33% of the total number of shares awarded under Plan no. 10 with a two (2)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), with no holding period. 50% of the shares awarded under this second tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

        - for 50%: between the level of achievement of the Group's consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2018 versus the fiscal year ending on December 31, 2017 compared to the target consolidated revenue growth objective for 2018 (the "**Condition of Consolidated Revenue for 2018**"); and

        - for 50%: between the level of achievement of the consolidated EBITDA margin for 2018 (expressed as a percentage) compared to the consolidated EBITDA margin target for 2018 (the "**Condition of Consolidated EBITDA for 2018**").

- a number of shares awarded representing 34% of the total number of shares awarded under Plan 10 with a three (3)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place). 50% of the shares awarded under this third tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:
  - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2019 versus the fiscal year ending on December 31, 2018 compared to the target consolidated revenue growth objective for 2019 (the "**Condition of Consolidated Revenue for 2019**"); and
  - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2019 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2019 ("**Condition of Consolidated EBITDA for 2019**").

- Plan no. 11 which is not subject to performance conditions concerns 243,800 existing or future common shares of the Company, reserved for employees of the Company or of one of its affiliated companies or groupings under the terms and conditions provided in Article L. 225-197-2 of the French Commercial Code, and provides for the shares to be progressively awarded over three (3) years as follows:
  - a number of shares awarded representing 33% of the total number of shares awarded under Plan 11 with a one (1)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), and a one (1)-year holding period;
  - a number of shares awarded representing 33% of the total number of shares awarded under Plan 11 with a two (2)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), and with no holding period;
  - a number of shares awarded representing 34% of the total number of shares awarded under Plan 11 with a three (3)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), and with no holding period.
- Plan no. 12, which is not subject to performance conditions, concerns 6,000 existing or future common stock of the Company, reserved for employees of the Company or of one of its affiliated companies or groupings as per the terms and conditions provided set forth in Article L. 225-197-2 of the French Commercial Code, and provides for (i) a two-year vesting period, provided that a continuous employment requirement is met (for both employees and corporate officers), subject to the usual exemptions (death or disability, or if certain transactions on the Company's share capital take place), and (ii) no holding period for bonus shares awarded.

On June 14, 2018, the Board of Directors, on the basis of the authority granted by the Shareholders' Meeting of June 26, 2017, set up two new bonus share allocation plans for employees of the Company and its subsidiaries. These two plans cover 4 employees who will receive a total of 24,000 Company bonus shares, representing approximately 0.07% of the Company's share capital at June 14, 2018.

These two plans concern two categories of persons:

- The first plan is for members of the Group's Executive Committee (Comex) whose long-term retention the Group wishes to ensure, and would be partially subject to performance conditions (one employees) (hereinafter "Plan No. 13");
- A second plan is for managers and key executives who recently joined the Group and with whom the Group had agreed in the hiring process to award bonus shares and is not subject to performance conditions (3 employees) (hereinafter "Plan No. 14").

The Board of Directors has created a list of beneficiaries divided between the two plans and has approved the terms and conditions for payment of the plans as follows:

- Plan No. 13, which is subject to performance conditions, covers 10,000 existing or future common shares of the Company's stock, reserved for employees of the Company or of one of the companies or groupings affiliated with the Company under the conditions stipulated in Article L. 225-197-2 of the French Commercial Code, and provides for a progressive allotment over three (3) years as follows:

    - a number of shares awarded representing 33% of the total number of shares awarded under Plan 13 with a one (1)-year vesting period, provided that a continuous employment requirement is met (as employees or corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), and a one (1)-year holding period. The shares awarded in this first tranche are not subject to performance conditions;

    - a number of shares awarded representing 33% of the total number of shares awarded under Plan no. 13 with a two (2)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), with no holding period. 50% of the shares awarded under this second tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

        - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2019 versus the fiscal year ending on December 31, 2018 compared to the target consolidated revenue growth objective for 2019 (the "**Condition of Consolidated Revenue for 2019**"); and

        - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2019 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2019 ("**Condition of Consolidated EBITDA for 2019**").

    - a number of shares awarded representing 34% of the total number of shares awarded under Plan 13 with a three (3)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place). 50% of the shares awarded under this third tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

- for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2020 compared with the year ending on December 31, 2019 compared to the target consolidated revenue growth objective for 2020 (the "**Condition of Consolidated Revenue for 2020**"); and

- for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2020 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2020 ("**Condition of Consolidated EBITDA for 2019**").

- Plan No. 14, which is not subject to performance conditions, covers 14,000 existing or future common shares of the Company's stock, reserved for employees of the Company or of one of the companies or groupings affiliated with the Company under the conditions stipulated in Article L. 225-197-2 of the French Commercial Code, and provides for a progressive award over three (3) years as follows:

    - a number of shares awarded representing 33% of the total number of shares awarded under Plan 14 with a one (1)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), and a one (1)-year holding period;

    - a number of shares awarded representing 33% of the total number of shares awarded under Plan 11 with a two (2)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), and with no holding period;

    - a number of shares awarded representing 34% of the total number of shares awarded under Plan 11 with a three (3)-year vesting period, provided that a continuous employment requirement is met (both for employees and corporate officers), subject to the usual exemptions (death or disability or if certain transactions on the Company's share capital take place), and with no holding period.

In order to be able to continue motivating its employees and its subsidiaries' employees and to retain employees by offering a medium-term incentive, the Extraordinary Shareholders' Meeting of June 14, 2018 renewed the financial authority of the Board of Directors to award bonus shares to employees and corporate officers of the Group for thirty-eight months from the date of the meeting, and approved the following:

- the total package of bonus shares that can be awarded to employees and corporate officers of the Group may not exceed three percent (3%) of the share capital as of the date of the resolution by the Board of Directors;

- the total number of bonus shares that can be awarded to executive corporate officers may not give rights to more than one and a half percent (1.5%) of the share capital on the date of the resolution of the Board of Directors;

- the awarding of shares to executive corporate officers would be subject to meeting serious and demanding performance criteria for several consecutive years, which will be fixed by the Board of Directors on the proposal of the Nomination and Compensation Committee;

- executive corporate officers of the Company should make a formal commitment not to proceed with any transactions to hedge their risk;

- executive corporate officers of the Company may not have their performance shares awarded to them when they leave the company;

- share awards may be spread out between fiscal years 2018 to 2020;

- the award of said shares to their beneficiaries should become final after a minimum vesting period of at least one year from the date of the resolution by the Board of Directors, and the beneficiaries should retain these shares for a maximum of one year after the shares are awarded;

- executive corporate officers of the Company will be obliged to keep a portion of their vested shares registered in their name until the termination of their position.

On February 15, 2019, the Board of Directors, on the basis of the authority granted by the Shareholders' Meeting of June 14, 2018, set up three new bonus share allocation plans for employees of the Company and its subsidiaries. These three plans involve 25 employees who will receive a total of 622,302 Company bonus shares, accounting for approximately 1.23% of the Company's share capital at February 15, 2019.

These three plans concern three categories of persons:

- A first plan is for managers and key personnel of the Group whom it wishes to retain, and members of the Group Executive Committee who recently joined the Group and to whom the Group awarded bonus shares when they were hired, and would be partially subject to performance conditions (22 employees) (hereinafter "**Plan 15"**);
- The second plan is for members of the Group's Executive Committee (Comex) whom the Group wises to retain over the long term, and would be partially subject to performance conditions (2 employees) (hereinafter "**Plan16**");
- The third plan is for Deputy Chief Executive Officer Anil Benard-Dende, whom the Group wises to retain over the long term, and would be partially subject to performance conditions (1 employee) (hereinafter "**Plan 17**");

The Board of Directors created a list of beneficiaries divided among the three plans and approved the terms and conditions for payment of the plans as follows:

- Plan No. 15, which is subject to performance conditions, covers 307,102 existing or future common shares of the Company's stock, reserved for employees of the Company or of one of the companies or groupings affiliated with the Company under the conditions stipulated in Article L. 225-197-2 of the French Commercial Code, and provides for a progressive allotment over three (3) years as follows:

    - a number of shares awarded representing 50% of the total number of shares awarded under Plan 15 with a one (1)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, and a one (1)-year holding period. The shares awarded in this first tranche are not subject to performance conditions;

    - a number of shares awarded representing 25% of the total number of shares awarded under Plan 15 with a one two (2)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, with no holding period. 50% of the shares awarded under this second tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

        - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2019 versus the fiscal year ending on December 31, 2018 compared to the target consolidated revenue growth objective for 2019 (the "**Condition of Consolidated Revenue for 2019**"); and
        - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2019 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2019 ("**Condition of Consolidated EBITDA for 2019**").
        - these performance conditions are detailed in the plan regulations.

    - a number of shares awarded representing 25% of the total number of shares awarded under Plan 15 with a one three (3)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, with no holding period. 50% of the shares awarded under this third tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

        - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2020 versus the fiscal year ending on December 31, 2019 compared to the target consolidated revenue growth objective for 2020 (the "**Condition of Consolidated Revenue for 2020**"); and
        - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2020 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2020 ("**Condition of Consolidated EBITDA for 2020**").
        - these performance conditions are detailed in the plan regulations.

- Plan No. 16, which is subject to performance conditions, covers 15,200 existing or future common shares of the Company's stock, reserved for employees of the Company or of one of the companies or groupings affiliated with the Company under the conditions stipulated in Article L. 225-197-2 of the French Commercial Code, and provides for:

    - a one (1)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place), detailed in the plan regulations;

    - the bonus shares allotted under Plan 16 are subject to a holding period of one year;

    - the shares awarded under this Plan 16 are subject to performance conditions (50%); the other 50% are not subject to such conditions. The 50% subject to performance conditions would change based on the following two performance conditions:

        - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2019 versus the fiscal year ending on December 31, 2018 compared to the target consolidated revenue growth objective for 2019 (the "**Condition of Consolidated Revenue for 2019**"); and
        - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2019 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2019 ("**Condition of**

Consolidated EBITDA for 2019").
    - these performance conditions are detailed in the plan regulations.

- Plan No. 17, which is subject to performance conditions, covers 300,000 existing or future common shares of the Company's stock, reserved for employees of the Company or of one of the companies or groupings affiliated with the Company under the conditions stipulated in Article L. 225-197-2 of the French Commercial Code, and provides for a progressive allotment over three (3) years as follows:

    - a number of shares awarded representing 33% of the total number of shares awarded under Plan 17 with a one (1)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, and a one (1)-year holding period. 50% of the shares awarded for this first tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

        - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2019 versus the fiscal year ending on December 31, 2018 compared to the target consolidated revenue growth objective for 2019 (the "**Condition of Consolidated Revenue for 2019**"); and
        - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2019 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2019 ("**Condition of Consolidated EBITDA for 2019**").
        - these performance conditions are detailed in the plan regulations.

    - a number of shares awarded representing 33% of the total number of shares awarded under Plan 17 with a one (2)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, with no holding period. 50% of the shares awarded under this second tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

        - for 50%: between the level of achievement of the Group's objective for Consolidated Revenue growth (expressed as a percentage) for the year ending on December 31, 2020 versus the fiscal year ending on December 31, 2019, compared to the Target Consolidated Revenue Growth Objective for 2020 (the "**Condition of Consolidated Revenue for 2020**"); and
        - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2020 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2020 ("**Condition of Consolidated EBITDA for 2020**").
        - these performance conditions are detailed in the plan regulations.

    - a number of shares awarded representing 34% of the total number of shares awarded under Plan 17 with a one three (3)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, with no holding period. 50% of the shares awarded under this third tranche are subject to performance conditions (the other 50% are not subject to

such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

- for 50%: between the level of achievement of the Group's objective for Consolidated Revenue growth (expressed as a percentage) for the year ending on December 31, 2021 versus the fiscal year ending on December 31, 2020 compared to the Target Consolidated Revenue Growth Objective for 2021 (the "**Condition of Consolidated Revenue for 2021**"); and
- for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2021 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2021 ("**Condition of Consolidated EBITDA for 2021**").
- these performance conditions are detailed in the plan regulations.

On June 26, 2019, the Board of Directors, on the basis of the authority granted by the Shareholders' Meeting of June 14, 2018, set up a new bonus share award plan for employees of the Company and its subsidiaries. This plan involves 89 employees who will receive a total of 1,177,704 Company bonus shares, accounting for approximately 2.32% of the Company's share capital at June 26, 2019.

The Board of Directors has created a list of beneficiaries and has approved the terms and conditions for payment of the plan as follows:

- the beneficiaries of the grant of bonus shares are employees of SRP Group or of one of its affiliated companies or groupings as defined in Article L. 225-197-2 of the French Commercial Code on the date of adoption of the plan;
- a progressive award over three (3) years as follows:
    - a number of shares awarded representing 33% of the total number of shares awarded under Plan 18 with a one (1)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, and a one (1)-year holding period. The shares awarded in this first tranche are not subject to performance conditions;
    - a number of shares awarded representing 33% of the total number of shares awarded under Plan 18 with a one (2)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, with no holding period. 50% of the shares awarded under this second tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:
        - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2020 versus the fiscal year ending on December 31, 2019 compared to the target consolidated revenue growth objective for 2020 (the "**Condition of Consolidated Revenue for 2020**"); and
        - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2020 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2020 ("**Condition of Consolidated EBITDA for 2020**").
        - these performance conditions are detailed in the plan regulations.
    - a number of shares awarded representing 34% of the total number of shares awarded under the First plan with a one three (3)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital

take place) detailed in the plan regulations, with no holding period. 50% of the shares awarded under this third tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:

- for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2021 versus the fiscal year ending on December 31, 2020 compared to the target consolidated revenue growth objective for 2021 (the "**Condition of Consolidated Revenue for 2021**"); and
- for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2021 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2021 ("**Condition of Consolidated EBITDA for 2021**").
- these performance conditions are detailed in the plan regulations.

On March 12, 2020, the Board of Directors, on the basis of the authority granted by the Shareholders' Meeting of June 27, 2019, set up a new bonus share award plan for employees of the Company and its subsidiaries. This plan involves a total of 3 employees who will receive 330,667 bonus common shares of SRP Group (approximately 0.65% of the Company's share capital to date) at March 12, 2020.

The Board of Directors has created a list of beneficiaries and has approved the terms and conditions for payment of the plan as follows:

- the beneficiaries of the grant of bonus shares would be employees of SRP Group or of one of its affiliated companies or groupings as defined in Article L. 225-197-2 of the French Commercial Code on the date of adoption of the plan, the list of which would be approved by the Board of Directors on the same day;
- a progressive award over two (2) years as follows:
    - a number of shares awarded representing 50% of the total number of shares awarded under Plan 19 with a one (1)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, and a one (1)-year holding period. 50% of the shares awarded for this first tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:
        - for 50%: between the level of achievement of the Group's objective for consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2020 versus the fiscal year ending on December 31, 2019 compared to the target consolidated revenue growth objective for 2020 (the "**Condition of Consolidated Revenue for 2020**"); and
        - for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2020 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2020 ("**Condition of Consolidated EBITDA for 2020**").
        - these performance conditions are detailed in the plan regulations;
    - a number of shares awarded representing 50% of the total number of shares awarded under Plan 19 with a two (2)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, with no holding period. 50% of the shares awarded under this second tranche are subject to performance conditions (the other 50% are not subject to such conditions). The 50% subject to performance conditions would change based on the following two performance conditions:
        - for 50%: between the level of achievement of the Group's objective for

consolidated revenue growth (expressed as a percentage) for the year ending on December 31, 2021 versus the fiscal year ending on December 31, 2020 compared to the target consolidated revenue growth objective for 2021 (the "**Condition of Consolidated Revenue for 2021**"); and

- for 50%: between the level of achievement of the Group's objective for Consolidated EBITDA Margin for 2021 (expressed as a percentage) compared to the Target Consolidated EBITDA Margin for 2021 ("**Condition of Consolidated EBITDA for 2021**").
- these performance conditions are detailed in the plan regulations.

In order to be able to continue motivating its employees and its subsidiaries' employees and to retain employees by offering a medium-term incentive, the Extraordinary Shareholders' Meeting of June 8, 2020 resolved to renew the financial authority of the Board of Directors to award bonus shares to employees and corporate officers of the Group for 38 months from the date of the meeting, and resolved that:

- the total amount of bonus shares that can be awarded to employees and corporate officers of the Group may not exceed three percent (3%) of the share capital as of the date of the resolution by the Board of Directors;

- the total number of bonus shares that can be awarded to executive corporate officers may not entitle the beneficiary to more than one and a half percent (1.5%) of the share capital on the date of the resolution by the Board of Directors;

- the awarding of shares to executive corporate officers should be entirely subject to meeting performance criteria which will be fixed by the Board of Directors;

- the award of said shares to their beneficiaries should become final after a minimum vesting period of at least one year from the date of the resolution by the Board of Directors, and the beneficiaries should retain these shares for a maximum of one year after the shares are awarded. Nonetheless, this requirement to hold shares may be canceled by the Board of Directors for bonus shares for which the vesting period would have been set at least two years;

- executive corporate officers of the Company may be obliged to keep a portion of their vested shares registered in their name until the termination of their position.

On December 16, 2020, the Board of Directors, on the basis of the authority granted by the Shareholders' Meeting of June 8, 2020, set up a new bonus share award plan for employees of the Company and its subsidiaries. This plan involves a total of 9 employees who will receive 918,824 bonus common shares of SRP Group (approximately 0.78% of the Company's share capital to date) at December 16, 2020 (hereinafter "**Plan 20**").

The Board of Directors has created a list of beneficiaries and has approved the terms and conditions for payment of the plan as follows:

- the beneficiaries of the grant of bonus shares would be employees of SRP Group or of one of its affiliated companies or groupings as defined in Article L. 225-197-2 of the French Commercial Code on the date of adoption of the plan, the list of which would be approved by the Board of Directors on the same day;
- a progressive award over three (3) years as follows:
    - a number of shares awarded representing 25% of the total number of shares awarded under Plan 20 with a one (1)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, and a one (1)-year holding period. The

shares awarded in this first tranche are subject to performance conditions. The number of shares awarded would change based on the following two performance conditions:

- the level of achievement by the Group of the change in Gross Merchandise Value (expressed as a percentage) for the year ending on December 31, 2021 versus the fiscal year ending on December 31, 2020 compared to the Target GMV Objective for 2021; and
- the level of achievement of 2021 EBITDA compared with the Target EBITDA Objective for 2021,

(together the "**2021 Target Objectives**")

If all of these 2021 Target Objectives are achieved, the number of fully-vested shares granted shall be determined according to the change in Gross Merchandise Value (expressed as a percentage) for the year ending on December 31, 2021 versus the fiscal year ending on December 31, 2020, and may be 50%, 80% or 100% of the total attributable shares. These performance conditions are detailed in the plan regulations.

- a number of shares awarded representing 35% of the total number of shares awarded under Plan 20 with a two (2)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, and a one (1)-year holding period. The shares awarded in this second tranche are subject to performance conditions. The number of shares awarded would change based on the following two performance conditions:
  - the level of achievement by the Group of the change in Gross Merchandise Value (expressed as a percentage) for the year ending on December 31, 2022 versus the fiscal year ending on December 31, 2021 compared to the Target GMV Objective for 2022; and
  - the level of achievement of 2022 EBITDA compared with the Target EBITDA Objective for 2022,

  (together the "**2022 Target Objectives**")

  If all of these 2022 Target Objectives are achieved, the number of fully-vested shares granted shall be determined according to the change in Gross Merchandise Value (expressed as a percentage) for the year ending on December 31, 2022 versus the fiscal year ending on December 31, 2021, and may be 50%, 80% or 100% of the total attributable shares. These performance conditions are detailed in the plan regulations.
- a number of shares awarded representing 40% of the total number of shares awarded under Plan 20 with a three (3)-year vesting period, provided that a continued employment requirement is met (as employee or corporate officer), subject to the usual exceptions (death or disability or if certain transactions on the Company's share capital take place) detailed in the plan regulations, and a one (1)-year holding period. The shares awarded in this first tranche are subject to performance conditions. The number of shares awarded would change based on the following two performance conditions:
  - the level of achievement by the Group of the change in Gross Merchandise Value (expressed as a percentage) for the year ending on December 31, 2023 versus the fiscal year ending on December 31, 2022 compared to the Target GMV Objective for 2022; and
  - the level of achievement of 2023 EBITDA compared with the Target EBITDA Objective for 2023,

  (together the "**2023 Target Objectives**")

  If all of these 2023 Target Objectives are achieved, the number of fully-vested shares granted shall be determined according to the change in Gross Merchandise Value (expressed as a percentage) for the year ending on December 31, 2023 versus the fiscal year ending on December 31, 2022, and may be 50%, 80% or 100% of the total attributable shares. These performance conditions are detailed in the plan regulations.

- A catch-up facility is also in place that takes into account the cumulative change between the fiscal year ended December 31, 2020 and the fiscal year ending December 31, 2023 of the

objectives set out in the performance conditions, for which additional bonus shares may be allocated to beneficiaries in cases in which the shares awarded under Plan 20 have not all already been vested.

For more information on stock warrants or options as well as bonus shares held by certain Group employees, see Section 2.2.4 "Standardized presentation of the compensation of the executive corporate officers" in Appendix II "Report of the Board of Directors on Corporate Governance" of this Universal Registration Document.

15.2.2 Shareholdings of Members of the Board of Directors and Executive Management

The table below shows the number of shares held by the members of the SRP Board mentioned below in the Company's share capital at April 29, 2021:

Directors	Number of Shares
Marie Ekeland	200
Melissa Reiter Birge	200
Olivier Marcheteau	442
Cyril Vermeulen	103,180
Amélie Oudéa Castera	200
Irache Martinez Abasolo	505
Brigitte Tambosi	200

For more information on the shares held indirectly by the Founders, see Section 16.1 "Shareholders" of this Universal Registration Document.

For more information on stock warrants or options as well as bonus shares held by members of the Board of Directors and Executive Management, see Section 2.2.4 "Standardized presentation of the compensation for executive corporate officers" in Appendix II "Report of the Board of Directors on Corporate Governance" of this Universal Registration Document.

15.3 AGREEMENTS PROVIDING FOR EMPLOYEE PARTICIPATION IN THE ISSUER'S SHARE CAPITAL

In September 2015, the Group implemented company savings plans in the operating companies located in France, including Showroomprive.com.

Under the terms of these plans, employees can make voluntary payments invested directly in Company shares.

In 2015, the Group also implemented a similar system open to the employees of its participating foreign subsidiaries through an international group savings plan, limited to payments invested in Company shares in the context of capital increases.

16. MAIN SHAREHOLDERS

16.1 SHAREHOLDERS

16.1.1 Shareholding Structure

The table below shows the shareholders holding at least 5% of the share capital and the voting rights of the Company at December 31, 2020.

	As of December 31, 2020		
Shareholders	**Number of Shares**	**% of share capital**	**% of voting rights[8]**
Ancelle Sàrl[1] [2]	29,087,705	24.74%	27.47%
Victoire Investissement Holding Sàrl[3]	2,335,460	1.99%	3.47%
Cambon Financière Sàrl[4].	2,079,930	1.77%	3.09%
Thierry Petit [5].....	20,932,963	17.81%	18.74%
Total Founders.....	**54,436,058**	**46.30%**	**52.77%**
CRFP 20 [6]	10,386,255	8.83%	7.72%
Total Group acting in concert	**64,822,313**	**55.14%**	**60.49%**
Other shareholders[7].....	52,737,885	44.86%	39.51%
Total.....	**117,560,198**	**100%**	**100%**

(1) Entity controlled by David Dayan.

(2) This number does not include 52,707 shares held by Aurélie Dayan, the wife of David Dayan. These shares are included under "*Other shareholders*."

(3) Entity controlled by Eric Dayan.

(4) Entity controlled by Michaël Dayan.

(5) Including TP Invest Holding Sàrl (Company controlled by Thierry Petit).

(6) Entity controlled by entity Carrefour Nederland B. V., itself controlled by Carrefour.

(7) The shares held by Group employees are also included. At December 31, 2020, Group employees, as defined in Article 225-102 of the French Commercial Code, held 1,515,573 shares, i.e. 1.29% of the share capital and 1.33% of the voting rights.

(8) Since November 2, 2015, pursuant to the bylaws, double voting rights are attached to fully paid-up shares that have been continuously held in registered form by the same shareholder for a minimum of two consecutive (2) years. To calculate this holding period, the holding period of the Company's shares preceding the listing date of the Company's shares on Euronext Paris is taken into account.

16.1.2 Disclosures of Threshold Crossings

In letters dated August 13, 2020, the French financial markets authority received the following disclosures of threshold crossings, which occurred on August 7, 2020:

- the sub-concert comprised of limited liability companies under Luxembourg law Ancelle S.à r.l.[1], Victoire Investissement Holding S.à r.l.[2], Cambon Financière S.à r.l.[3] and TP Invest Holding S.à r.l.[4] and David Dayan, Eric Dayan, Michaël Dayan and Thierry Petit declared that it exceeded the threshold of one third of the share capital of SRP GROUPE and that it held 54,436,058 shares, representing 62,715,812 voting rights, i.e. 46.34% of the capital and 49.74% of the voting rights of this company;

- Ancelle S.à r.l. declared that it had individually exceeded the thresholds of 20% of share capital and voting rights and 25% of voting rights of SRP GROUPE and that it individually owned 29,087,705 SRP GROUPE shares representing 32,517,507 voting rights, i.e. 24.76% of the capital and 25.79% of the voting rights of this company;

- Victoire Investissement Holding S.à r.l. declared that it had individually fallen below the threshold of 5% of voting rights of SRP GROUPE and that it individually owned 2,335,460 SRP GROUPE shares representing 4,670,920 voting rights, i.e. 1.99% of the capital and 3.70% of the voting rights of this company;

- Cambon Financière S.à r.l. declared that it had individually fallen below the threshold of 5% of voting rights of SRP GROUPE and that it individually owned 2,079,930 SRP GROUPE shares representing 4,159,860 voting rights, i.e. 1.77% of the capital and 3.30% of the voting rights of this company;

- Thierry Petit declared that he had exceeded, directly and indirectly through TP Invest Holding S.à r.l. which he controls, the thresholds of 10% and 15% of the share capital and voting rights of SRP GROUPE and directly and indirectly owned 20,932,963 SRP GROUPE shares representing 21,367,555 voting rights, i.e. 17.82% of the capital and 16.95% of the voting rights of this company; and

- the simplified joint stock company CRFP 20[5] (93 avenue de Paris, 91300 Massy, France) declared that it had individually fallen below, on August 7, 2020, the thresholds of 20% of share capital and 15% and 10% of share capital and voting rights of SRP GROUPE and that it individually owned 10,386,255 SRP GROUPE shares representing the same number of voting rights, i.e. 8.84% of the capital and 8.24% of the voting rights of this company.

These thresholds were crossed due to a capital increase of SRP GROUPE[6].

On that occasion, the concert, comprised of limited liability companies under Luxembourg law Ancelle S.à r.l., Victoire Investissement Holding S.à r.l., Cambon Financière S.à r.l. and TP Invest Holding S.à r.l. of David Dayan, Eric Dayan, Michaël Dayan and Thierry Petit (the Founders) on one hand, and the simplified joint stock company CRFP 20 on the other, did not exceed any thresholds and held, on August 7, 2020, 64,822,313 SRP GROUPE shares representing 73,102,097 voting rights, i.e. 55.19% of the share capital and 57.98% of the voting rights of this company, broken down as follows:

1 Controlled by David Dayan.
2 Controlled by Eric Dayan.
3 Controlled by Michaël Dayan.
4 Controlled by Thierry Petit.
5 Controlled by Carrefour Nederland B.V., which is itself controlled by Carrefour.
6 See, in particular, the prospectus that received AMF Authorization No. 20-351 on July 16, 2020 and the prospectus supplement that received AMF Authorization No. 20-369 on July 27, 2020 and the SRP GROUPE press release dated August 5, 2020.

	Shares	% of share capital	Voting rights	% voting rights
Ancelle S.à r.l.	29.087.705	24.76	32.517.507	25.79
Victoire Investissement Holding S.à r.l.	2.335.460	1.99	4.670.920	3.70
Cambon Financière S.à r.l.	2.079.930	1.77	4.159.860	3.30
Thierry Petit[1]	20.932.963	17.82	21.367.555	16.95
Total Founders	**54.436.058**	**46.34**	**62.715.842**	**49.74**
CRFP 20	10,386,255	8.84	10,386,255	8.24
Total Group acting in concert	**64.882.313**	**55.19**	**73.102.097**	**57.98**

In a letter received on August 13, 2020, Ancelle S.à r.l. made the following declaration of intention:

"*Pursuant to the provisions of Article L. 233-7 VII of the French Commercial Code and Article 223-17 of the General Regulations of the Autorité des Marchés Financiers, Ancelle Sàrl states that:*

- *the transaction has been financed with Ancelle S.à r.l's own resources ;*

- *it is acting in concert with Carrefour, Victoire Investissement Holding S.à r.l., Cambon Financière S.à r.l., TP Invest Holding S.à r.l., and David Dayan, Eric Dayan, Michael Dayan and Thierry Petit;*

- *it plans to increase its holding in SRP GROUPE when opportunities to do so arise, but does not plan, on its own, to acquire control of SRP GROUPE, on the understanding that the concert in which it is party (in which the founders' sub-concert, in which it also participates, is predominant and owns 49.74% of the company's voting rights) already has the majority control of SRP GROUPE;*

- *it is not planning any change in the current strategy of SRP GROUPE and, consequently, is not planning to perform any of the transactions specified in Article 223-17 I, 6° of the General Regulation of the Autorité des Marchés Financiers;*

- *it does not hold any instrument, nor is it a party to any agreement, which is referred to in Article L. 233-9 (I) 4 and 4-bis of the French Commercial Code;*

- *it is not party to any temporary sale agreement for the shares and/or voting rights of SRP GROUPE;*

- *it does not plan to request the appointment to the board of directors of new members related to it.* "

In the same letter, TP Invest Holding S.à r.l. made the following declaration of intention:

"*Pursuant to the provisions of Article L. 233-7 VII of the French Commercial Code and Article 223-17 of the General Regulations of the Autorité des Marchés Financiers, TP Invest Holding S.à r.l. states that:*

- *the transaction has been financed with TP Invest Holding S.à r.l.'s own resources ;*

- *it is acting in concert with Carrefour, Victoire Investissement Holding S.à r.l., Cambon Financière S.à r.l., Ancelle S.à r.l., and David Dayan, Eric Dayan, Michael Dayan and Thierry Petit;*

- *it plans to increase its holding in SRP GROUPE when opportunities to do so arise, but does not plan, on its own, to acquire control of SRP GROUPE, on the understanding that the concert in which*

[1] For the SRP GROUPE shares held by TP Invest Holding S.à r.l. which he controls.

it is party (in which the founders' sub-concert, in which it also participates, is predominant and owns 49.74% of the company's voting rights) already has the majority control of SRP GROUPE;

- *it is not planning any change in the current strategy of SRP GROUPE and, consequently, is not planning to perform any of the transactions specified in Article 223-17 I, 6° of the General Regulation of the Autorité des Marchés Financiers;*

- *it does not hold any instrument, nor is it a party to any agreement, which is referred to in Article L. 233-9 (I) 4 and 4-bis of the French Commercial Code;*

- *it is not party to any temporary sale agreement for the shares and/or voting rights of SRP GROUPE;*

- *it does not plan to request the appointment to the board of directors of new members related to it.* "

The increase by the sub-concert comprised of the Founders of its holding in voting rights and by the concert of its holding in share capital and voting rights, which were initially between 30% and 50%, by more than 1% over less than 12 consecutive months, resulted in a decision by the French financial markets authority to make an exception from the obligation to file a proposed tender offer, which was republished in D&I 220C2134, which was published on its website on June 24, 2020.

In a letter received on December 24, 2020, which was supplemented by a letter received on December 30, 2020, the sub-concert, comprised of limited liability companies under Luxembourg law Ancelle S.à r.l.[1], Victoire Investissement Holding S.à r.l.[2], Cambon Financière S.à r.l.[3] and TP Invest Holding S.à r.l.[4] and David Dayan, Eric Dayan, Michaël Dayan et Thierry Petit Cambon Financière S.à r.l. declared, for regularization purposes, that it had exceeded, on September 12, 2020, the threshold of 50% of voting rights of SRP GROUPE and that it owned, on that date and at this time, 54,436,058 SRP GROUPE shares representing 63,639,116 voting rights, i.e. 46.34% of the capital and 50.15% of the voting rights of this company[5].

This threshold crossing resulted from the allocation of double voting rights to TP Invest Holding S.à r.l.

On that occasion, the concert, comprised of limited liability companies under Luxembourg law Ancelle S.à r.l., Victoire Investissement Holding S.à r.l., Cambon Financière S.à r.l. and TP Invest Holding S.à r.l. of David Dayan, Eric Dayan, Michaël Dayan and Thierry Petit (the Founders) on one hand, and the simplified joint stock company CRFP 20[6] on the other, did not exceed any thresholds as at September 12, 2020 and held, at this date, 64,822,313 SRP GROUPE shares representing 74,025,371 voting rights, i.e. 55.19% of the capital and 58.28% of the voting rights of this company, broken down as follows:

	Shares	**% of share capital**	**Voting rights**	**% voting rights**
Ancelle S.à r.l.	29.087.705	24.76	32.517.507	25.60
Victoire Investissement Holding S.à r.l.	2.335.460	1.99	4.670.920	3.68
Cambon Financière S.à r.l.	2.079.930	1.77	4.159.860	3.28

1 Controlled by David Dayan.
2 Controlled by Eric Dayan.
3 Controlled by Michaël Dayan.
4 Controlled by Thierry Petit.
5 Based on share capital consisting of 117,461,769 shares representing 127,014,580 voting rights pursuant to the 2nd paragraph of Article 223-11 of the General Regulation.
6 Controlled by Carrefour Nederland B.V., which is itself controlled by Carrefour.

Thierry Petit[1]	20.932.963	17.82	22.290.829	17.57
Total Founders	**54.436.058**	**46.34**	**62.715.842**	**50.10**[2]
CRFP 20	10.386.255	8.84	10.386.255	8.18
Total Group acting in concert	**64.882.313**	**55.19**	**74.025.371**	**58.28**

16.2 EXISTENCE OF DIFFERENT VOTING RIGHTS

Each of the Company's shares carries one voting right.

In addition, the bylaws of the Company, as amended with effect from the listing date of the Company's shares for trading on Euronext Paris, provide for double voting rights for fully paid-up shares that have been continuously held in registered form by the same shareholder for a minimum of two consecutive (2) years. To calculate this holding period, the holding period of the Company's shares preceding the listing date of the Company's shares on Euronext Paris is taken into account.

Pursuant to paragraph 2 of Article L. 225-123 of the French Commercial Code, in the event of a capital increase by capitalization of reserves, profits or issue premiums, double voting rights shall be attached to the new shares allocated at no cost to a shareholder in respect of existing shares under which he is already entitled to such right.

This double voting right may be exercised at any shareholders' meeting.

Any share converted to bearer form, or the ownership of which is transferred, loses its double voting right. However, a transfer of ownership due to inheritance, to liquidation of community of property between spouses or to a donation inter vivos to a spouse or relative entitled to inherit, does not result in the loss of vested rights nor interrupt the qualifying period mentioned in the second paragraph of this section.

16.3 DECLARATION RELATING TO THE CONTROL OF THE COMPANY

At April 29, 2021, the Founders[3] collectively held 46.34% of the share capital and 50.10% of the voting rights of the Company and CRFP 20 (controlled by Carrefour) held 8.84% of the share capital and 8.18% of the voting rights of the Company, such that the group in concert comprised of the Founders and Carrefour held 55.19% of the capital and 58.28% of the voting rights.

The Company is controlled by the Founders within the meaning of Article L.233-16 of the French Commercial Code.

A shareholders' agreement was entered into between the Founders, David Dayan, Thierry Petit, Éric Dayan and Michaël Dayan on October 29, 2015 and constitutes an agreement to act in concert. For more information about the Founders' shareholders' agreement, see Section 16.4 "Agreements Likely to Lead to a Change in Control" of this Universal Registration Document.

A shareholders' agreement was entered into on January 10, 2018 between the concert already existing between the Founders and Carrefour, constituting a concerted action between them. The shareholders´ agreement entered into between Carrefour and the Founders came into effect on February 7, 2018, the date on which Carrefour's purchase of the SRP GROUPE shares held by Conforama was implemented.

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1 For the SRP GROUPE shares held by TP Invest Holding S.à r.l. which he controls.

2 See D&I 220C3044 dated August 14, 2020 for the concert's holding before the allocation of double voting rights.

3 To recall, the "Founders" refer to Ancelle Sàrl (controlled by David Dayan), Victoire Investissement Holding Sàrl (controlled by Eric Dayan), Cambon Financière Sàrl (controlled by Michaël Dayan), TP Invest Holding Sàrl (controlled by Thierry Petit) and David Dayan, Eric Dayan, Michael Dayan and Thierry Petit.

For more information about the Carrefour shareholders' agreement, see Section 16.4 "Agreements Likely to Lead to a Change in Control" of this Universal Registration Document.

At the date of this Universal Registration Document, the Company applies a system of governance to ensure that the Founders' control is not exercised abusively. In this regard, please note that four of the ten directors who comprise the Board of Directors at December 31, 2020 are independent members, i.e. more than one-third of the Board, as recommended by the AFEP-MEDEF Code. Moreover, each of the Board's two Special Committees includes at least two independent members and is chaired by an independent member of the Board. For more information about the composition of the Board of Directors, see Appendix II "Report of the Board of Directors on Corporate Governance" of this Universal Registration Document.

16.4 AGREEMENTS LIKELY TO LEAD TO A CHANGE IN CONTROL

At the date of this Universal Registration Document and to the Company's knowledge, there is no agreement the performance of which could entail a change in control at a future date, except for the agreements described below.

16.4.1 Shareholders' Agreement between the Founders and their Holding Companies

On October 29, 2015 a shareholders' agreement (the "Agreement") was entered into between Ancelle S.à.r.l., Victoire Investissement Holding S.à.r.l., Cambon Financière S.à.r.l., TP Invest Holding S.à.r.l. (together, the "Holding Companies") and Thierry Petit, David Dayan, Éric Dayan and Michaël Dayan (together, the "Founders"); the Holding Companies and the Parties being referred to together as the "Parties", and individually as a "Party". The Shareholders' agreement was amended on May 12, 2017 and January 10, 2018, to take into account the respective acquisitions of the Company's shares by Conforama and Carrefour.

The Agreement constitutes an agreement to act in concert, and in particular provides for the following:

- the principles of good governance, including:
    - the principle of a two-year rotation of the Chairmanship of the Board of Directors between David Dayan and Thierry Petit, with the Chairman also acting as Chief Executive Officer and the other acting as Deputy CEO, which will continue, provided that David Dayan and Thierry Petit both have operational roles in the Group;
    - an agreement to submit certain important decisions to the Board of Directors for prior approval (i.e. those listed in the Company's internal regulations);
    - as long as David Dayan and Thierry Petit directly or indirectly remain shareholders: (i) each of them will be among the directors whose appointment will be proposed by members of the group acting in concert at the shareholders' general meeting; and (ii) the other directors, whose appointment will be proposed by the members of the group acting in concert, will be selected jointly by David Dayan and Thierry Petit, it being specified that, if they do not agree, the members of the group acting in concert shall freely exercise their right to vote at general meetings for the appointment of other directors;
    - the principle of appointing the Chairman and the Chief Executive Officer from among the directors;
- the obligation to consult each other, and particularly:

- before each meeting of the Company's Board of Directors or shareholders and provided that the members of the group acting in concert have operational roles within the Group, the principle of consultation between David Dayan and Thierry Petit to adopt a joint position for each item on the agenda;

- a commitment by each Party in favor of the joint position thus adopted, or, if applicable, to ensure that the directors of the Company, appointed on the proposal of the members of the group acting in concert, vote in favor of such position;

- restrictions regarding the transfer of securities, and particularly:

  - except with the prior consent of the other Parties or in the event of a tender offer or exchange offer (or mixed offer) supported by the Chairman and Chief Executive Officer and the Deputy CEO, each Party undertakes as follows:

    - not to transfer more than 60% of the total number of shares it owns at the date of admission of the Company's shares for trading on Euronext Paris (on a fully-diluted basis and taking into account the bonus shares granted and not yet fully vested) before the third anniversary of such date of admission;

    - not to transfer more than 25% of the shares it owns on the date when the Company's shares were admitted for trading on Euronext Paris (on a fully-diluted basis and taking into account the bonus shares granted and not yet fully vested) for a period of twelve (12) consecutive months; and

    - not to transfer securities to a third party (or its affiliates) which directly or indirectly controls a competing business;

  - an undertaking to maintain 100% family control of their holdings of assets;

  - each Party undertakes not to acquire, without the consent of the other Parties, securities that would result in such Party holding more than 30% of the Company's voting rights.

- the introduction of a joint preemptive right and of a right to sell jointly, except in the event of a transfer of securities on the market to one or more undetermined purchasers.

With the amendments to the Shareholders' Agreement of May 12, 2017 and January 10, 2018, the Parties agreed, in particular, to acquisitions of Company shares by Conforama and Carrefour respectively. For further details on these operations, see Section 5.3 "Group History" in this Universal Registration Document.

The Agreement was entered into for a term of ten (10) years from the date of signature by all the Parties. At the end of this period, the Agreement will be renewed by tacit renewal for successive periods of three (3) years, except in the case of termination by any one of the Parties with a notice of at least three (3) months before the end of the current term. Exceptionally, the Agreement shall be terminated before that date if the Parties collectively own less than 10% of the Company's voting rights. In addition, a Party shall automatically cease to be bound by the provisions of the Agreement from the date on which it owns (directly or indirectly) less than 20% of the Company's share capital and voting rights which it owned on the date when the Company's shares were admitted for trading on Euronext Paris (on a fully-diluted basis and taking into account the bonus shares granted and not yet fully vested).

16.4.2 Shareholders' Agreement between the Founders and Carrefour

In a strategic partnership announced in January 2018[1] between Carrefour, a global leader in retail, and SRP GROUPE, Carrefour promised to acquire around 17% of the share capital of SRP GROUPE from Conforama (a Steinhoff Group subsidiary and to replace the latter within the concert formed with the Founders.

On January 10, 2018, Carrefour and the Founders therefore entered into a shareholders´ agreement constituting a concerted action between them in relation to SRP GROUPE, which was virtually identical to the terms of the shareholders' agreement that existed between Conforama and the Founders, which became null and void following the substitution. The shareholders´ agreement entered into between Carrefour and the Founders came into effect on February 7, 2018, the date on which Carrefour's purchase of the SRP GROUPE shares held by Conforama was implemented

The main stipulations in the shareholders´ agreement are as follows:

Agreement to consult with each other: the Founders and Carrefour agree to consult with each other in good faith prior to any decision that is to be taken at the Board of Directors' meeting or general shareholders' meeting, with the aim of finding a joint position and voting the same way as each other. Carrefour agrees not to put draft resolutions to the general shareholders' meeting without the prior agreement of the Founders.

Governance: the Board of Directors will consist of 11 members including (i) 5 appointed on the recommendation of the Founders, including the chairman who will have a casting vote, (ii) 1 member and a non-voting member (censor) appointed on the recommendation of Carrefour, and (iii) 4 or independent 5 members.

In addition, the members of the group acting in concert undertake to ensure that Thierry Petit and David Dayan remain Chief Executive Officer and deputy Chief Executive Officer respectively, with the office of chairman alternating between them. In the event of termination of their positions, the members of the concert undertake to vote in favor of the candidates presented by the Founders after first consulting Carrefour, who may only turn down one candidate for each position.

Strategic decisions: the group acting in concert will be terminated after an amicable resolution period not exceeding 60 days in the event of disagreement between the members of the group acting in concert concerning one of the following subjects:

- budget, if it reveals less than 15% growth in revenues or EBITDA compared to the budget for the previous fiscal year;
- an acquisition that is not provided for in the budget in excess of €25 million;
- a sale of assets that is not provided for in the budget in excess of €25 million;
- a commitment (capital expenditure) that is not provided for in the budget resulting in an expense greater than 3% of the budget;
- a grant or acceptance of a loan that is not provided for in the budget in excess of 1x EBITDA;
- a distribution of dividend, reserve or premium;

[1] See press release issued by Carrefour and SRP GROUPE on January 11, 2018. For more information, see Section 4.1.5 "Group History" in this Universal Registration Document.

- an agreement between SRP Groupe and the Founders;

- a capital increase, decrease (not due to losses) or depreciation, with the exception of capital increases resulting from bonus share plans up to 1% of the share capital per year on a 2-year rolling basis (the limit does not apply to awards made as part of an acquisition) and a contribution in kind of an asset not exceeding €25 million;

- a merger or demerger of the company with a non-group company;

- a significant change in the strategy of SRP GROUPE following a change of CEO or deputy CEO.

It should be noted that the thresholds set above have been set with regard to the current financial aggregates of the Company, with the aim of protecting the financial interests of Carrefour without allowing it to interfere in the day-to-day management of SRP GROUPE.

The parties have therefore agreed to review these thresholds in good faith at least once every three years, in the light of any change in these financial aggregates, and, where necessary, to modify them as a result.

In the event of an unresolved disagreement regarding any of the strategic decisions, the concert between the Founders and Carrefour will be terminated, and the director and non-voting member who were appointed on the recommendation of Carrefour shall resign immediately. Carrefour must, in addition, launch a tender offer on the shares of the Company within a period of three months at a price that is at least considered fair by an independent expert exercising his mission as in relation to a tender offer with a mandatory squeeze-out, or sell its SRP GROUPE shares with no time constraint; in this case the Founders shall have the benefit of a call option and a right of forced sale (drag-along) the conditions of which are set forth below.

Throughout the remaining term of the agreement, the clauses relating to the Company's governance, except concerning the prohibition against Carrefour filing draft resolutions without the prior agreement of the Founders (see above) and those relating to the right of first offer (see below) shall cease to apply.

***Standstill*:** the parties agree not to increase their respective holdings for a period of two years except in the event of (i) an irrevocable increase in the share capital of the Company, (ii) a sale of shares of SRP GROUPE by Victoire Investissement Holding Sàrl (or Eric Dayan) or Cambon Financière Sàrl (or Michaël Dayan) in favor of David Dayan, Thierry Petit or companies controlled by them, (iii) an award of bonus shares or an award of stock warrants or share purchase options, (iv) the acquisition of double voting rights, (v) a tender offer on the shares of the Company, and (vi) a mutual agreement.

Carrefour also undertakes throughout the term of the agreement not to increase its holding in the share capital to more than 4% below the holding of the Founders.

***Lock-up*:** the parties agree not to reduce their respective holdings for a two-year period except for the benefit of a company controlled by them or with regard to Victoire Investissement Holding Sàrl or Cambon Financière Sàrl for the benefit of David Dayan, Thierry Petit or companies controlled by them.

Tender offer filed on the initiative of Carrefour: Carrefour may at any time, as long as the action in concert continues, file a proposed tender or exchange offer on the shares of SRP GROUPE. The Founders shall be under no obligation to contribute their shares to this offer.

Right of forced sale for the benefit of the Founders (*drag-along*): as of the expiration of the two-year lock-up period or the expiration of the three-month period during which Carrefour may file a proposed tender offer in the event of disagreement concerning the strategic decisions, the founders shall have the option of forcing Carrefour to sell to them, or to sell to any person designated by them, or to

contribute to a tender offer filed by any person, the SRP GROUPE shares held by Carrefour at a price of €13.50 per share or at any higher price that is considered fair by an independent expert exercising his mission in relation to a tender offer followed by a mandatory squeeze-out. In the event of a sale followed by an improved bid, Carrefour shall be entitled to an earnout.

However, as long as the action in concert continues, Carrefour may block the drag along by filing a competing offer at a higher price; in this event, the parties shall in good faith negotiate the terms of any contribution of Founder shares to Carrefour's competing offer.

Carrefour's sale agreement for the benefit of the founders (*call*): as of the expiration of the three-month period during which Carrefour may file a proposed tender offer in the event of disagreement concerning the strategic decisions, the founders shall have the option of forcing Carrefour to sell to them, or to contribute to a tender offer filed by any person, the SRP GROUPE shares held by Carrefour at a price of €13.50 per share or at any higher price that is considered fair by an independent expert exercising his mission in relation to a tender offer followed by a mandatory squeeze-out. In the event of a sale, followed by a tender offer at a higher price within 12 months following the sale, Carrefour shall be entitled to an earnout.

Reciprocal right of first offer (preemption): the Founders have a right of first offer in the event that Carrefour sells its shares. David Dayan and Thierry Petit have a first-ranking right of first offer and Carrefour has a second-ranking right of first offer in the event that other Founders (or companies controlled by them) sell their shares. Carrefour has a right of first offer in the event that David Dayan and Thierry Petit (or companies controlled by them) sell their shares.

Orderly sale of shares: Any sale of shares by members of the concert must be performed under terms that are not likely to have a material impact on the trading price.

Sale of shares to a competitor: Carrefour agrees not to sell shares of the Company to a competitor of SRP GROUPE and the Founders agree not to sell their shares to a competitor of Carrefour. It is specified that the Founders shall be released from this undertaking in the event of a sale resulting from exercise of the call that is granted to them or in the event of the exercise of their right of forced sale and, in all cases, upon expiry of a 12-month period following an ongoing disagreement regarding a strategic decision that results in termination of the overall concert group.

Obligations in the event of a tender offer: Each of the parties undertakes to make or perform within the due time limits the declarations and obligations incumbent upon them, to have sole responsibility for any penalties and for any failure to implement same, and to file on its own the tender offer that has become mandatory due to any share acquisitions or sale, or due to any of its acts, or to any failure to perform its obligations.

Term of agreement: the shareholders' agreement came into effect on the date on which Carrefour's purchase of the 5,833,679 shares held by Conforama in the share capital of SRP GROUPE is implemented, and shall be for a seven-year term renewable for three-year terms by tacit consent, unless terminated by notice of at least six months.

In contrast, the agreement shall automatically be terminated early if Carrefour ends up holding less than 5% of the share capital of the Company and if the Founders' holding ceases to be at least 1% greater than that of Carrefour, unless this is the result of Carrefour breaching any of its obligations under the shareholders' agreement.

16.5 FACTORS THAT MIGHT HAVE AN IMPACT IN THE EVENT OF A TENDER OFFER

In accordance with Article L. 22-10-11 of the French Commercial Code, the factors that could have an impact in the event of a tender offer are discussed below.

16.5.1 Structure of the Company's Share Capital

See Section 16.1 "Shareholders" of this Universal Registration Document.

16.5.2 Restrictions on the exercise of voting rights and transfers of shares stipulated in the Company's Bylaws or agreements brought to the Company's attention pursuant to Article L. 233-11 of the French Commercial Code

See sections 16.4 "Agreements Likely to Lead to a Change in Control" and 16.5 "Factors That Might Have an Impact in the Event of a Tender Offer" of this Universal Registration Document.

16.5.3 Direct or Indirect Holdings in the Company's Share Capital of Which the Company Is Aware Pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code

See Section 16.1 "Shareholders" of this Universal Registration Document.

16.5.4 List of Holders of Securities Providing Special Control Rights Over the Company and Description of Such Rights

None.

16.5.5 Control Mechanisms Provided for Any Employee Shareholding Program, When Such Control Rights Are Not Exercised by Employees

None.

16.5.6 Agreements Between Shareholders of Which the Company Is Aware and Which Could Result in Restrictions on the Transfer of Shares and in the Exercise of Voting Rights

See Section 16.4 "Agreements Likely to Lead to a Change in Control" of this Universal Registration Document.

16.5.7 Rules Applicable to the Appointment and Replacement of Members of the Board of Directors or to Amendments of the Company's Bylaws

See Section 16.4 "Agreements Likely to Lead to a Change in Control" of this Universal Registration Document.

16.5.8 Powers of the Board of Directors, in Particular Concerning Share Issuance and Buybacks

The financial resolutions in force on the date of this Universal Registration Document and approved at the annual combined shareholders' meeting on June 27, 2019 as well as the financial resolutions, the adoption of which will be proposed at the annual shareholders' meeting on June 8, 2020, are shown in Section 19.1.1 "Subscribed Share Capital and Share Capital Authorized but Not Issued" of this Universal Registration Document.

16.5.9 Agreements Signed by the Company That Are Amended or Terminated in the Event of a Change of Control of the Company

None.

16.5.10 Agreements Providing Compensation for Members of the Board of Directors or Employees If They Resign or Are Dismissed Without Real and Serious Cause or If Their Employment Is Terminated Because of a Tender Offer

None.

16.6 SUMMARY OF THE TRANSACTIONS MENTIONED IN ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE CARRIED OUT IN FISCAL YEAR 2020

The table below presents a summary (Article 223-26 of the General Regulation of the AMF) of the transactions mentioned in Article L. 621-18-2 of the French Monetary and Finance Code carried out in fiscal year 2020:

Person concerned	Financial instrument	Nature of the transaction	Transaction date	Place of transaction	Unit price (in euros)	Transaction amount (in euros)
TP Invest S.à r.l.[1]	Preferential subscription rights	Acquisition	July 27, 2020	Outside a trading platform	0.47	634.592
Thierry Petit	Preferential subscription rights	Sale	July 27, 2020	Outside a trading platform	0.47	634.592
TP Invest S.à r.l.[2]	Shares	Acquisition	July 27, 2020	Outside a trading platform	0.601	459.956
Thierry Petit	Shares	Sale	July 27, 2020	Outside a trading platform	0.601	459.956
Ancelle S.à r.l.[3]	Preferential subscription rights	Acquisition	July 27, 2020	Outside a trading platform	0.47	52.707
Aurélie Dayan[4]	Preferential subscription rights	Sale	July 27, 2020	Outside a trading platform	0.47	52.707
Ancelle S.à r.l.[5]	Shares	Subscription	August 7, 2020	Euronext Paris	0.15	21.227.627
TP Invest S.à r.l.[6]	Shares	Subscription	August 7, 2020	Euronext Paris	0.15	16.459.730

1 Controlled by Thierry Petit
2 Controlled by Thierry Petit
3 Controlled by David Dayan
4 David Dayan's wife
5 Controlled by David Dayan
6 Controlled by Thierry Petit

17. RELATED PARTY TRANSACTIONS

17.1 RELATED PARTY TRANSACTIONS

In the ordinary course of the Group's business, a number of the Group's wholly-owned subsidiaries have entered into intragroup service agreements for the purpose of re-invoicing shared services such as management, administrative and financial services and logistics costs within the Group. Some of the Group's wholly-owned subsidiaries have also entered into cash management agreements to optimize cash management within the Group. The Company and its French subsidiaries have formed a tax consolidation group since January 1, 2012. These subsidiaries have entered into a tax consolidation agreement with the Company governing their contribution to the various taxes for which the Company is the sole taxpayer in its capacity as the parent company.

In the ordinary course of its business, the Group carries out transactions with entities collectively controlled by Thierry Petit, David Dayan, Eric Dayan and Michaël Dayan. In 2020, 2018 and 2018, these transactions consisted primarily of rent paid on leases entered under normal market conditions for the warehouse at Saint-Witz (which was assigned to a third party in May 2018), for premises in Vendée, for the Company's registered office at La Plaine Saint-Denis and for the registered office of the Company's Spanish subsidiary in Madrid (for which the lease was signed in February 2018). The sums paid to these related-party entities totaled €1.9 million, €2.6 million and €2.0 million in 2020, 2019 and 2018 respectively. For further information, see Note 7.2 to the Consolidated Financial Statements set forth in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ending on December 31, 2020" of this Universal Registration Document.

The special report by the statutory auditors on related-party agreements and commitments provided in Section 18.2 "Statutory Auditors' special report on related-party agreements and commitments for the year ending on December 31, 2020" of this Universal Registration Document describes the reported transactions.

In accordance with Article 19 of EU Regulation 2017/1129, the special reports of the Company's Statutory Auditors on regulated agreements for the years ending on December 31, 2019 and 2018 appearing respectively in Chapter 17 "Related Party Transactions" of the 2019 Universal Registration Document and in Chapter 19 "Related Party Transactions" of the 2018 Registration Document, are included in this Universal Registration Document for reference purposes.

17.2 SPECIAL REPORT OF THE STATUTORY AUDITORS ON RELATED-PARTY AGREEMENTS AND COMMITMENTS FOR THE FISCAL YEAR ENDING ON DECEMBER 31, 2020

This is a translation into English of the Statutory Auditors' Special Report on Regulated Agreements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

SRP Groupe S.A.

Registered office: ZAC Montjoie - 1 rue des Blés - 93212 La Plaine Saint-Denis Cedex
Share capital: €.4 717 890,72

Statutory Auditors' Special Report on Regulated Agreements

Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2020

To the General Meeting of Shareholders of SRP Groupe S.A.,

As Statutory Auditors of your company, we present below our report on regulated agreements.

It is our responsibility to communicate to you, based on information provided to us, the principal terms and conditions of these agreements that have been brought to our attention or which we may have identified as part of our assignment, without expressing an opinion on their usefulness or merit, or identifying any other agreements. It is the responsibility of the shareholders to determine whether these agreements are appropriate and should be approved in accordance with the terms of Article R.225-31 of the French Commercial Code.

We are also required to report to you the information set out in Article R.225-31 of the French Commercial Code relating to the implementation of agreements during the fiscal year that have already been approved by the shareholders' meeting.

We worked with the due care and attention that we deemed necessary in accordance with the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes (the French Institute of Statutory Auditors) for this type of assignment. Those procedures involved ensuring that the information disclosed to us was consistent with the source documents from which it was taken.

AGREEMENTS SUBJECT TO APPROVAL BY THE SHAREHOLDERS' MEETING

Agreements authorized and signed during the year in review

Pursuant to Article L.225-40 of the French Commercial Code, we have been informed of the following agreements authorized during the year in review, which have been subject to prior authorization of your Board of Directors.

Conditional purchase agreement concluded between Sonia Rykiel Création Paris S.A.S. and Showroomprivé.com S.A.R.L.

Persons concerned:

- Eric Dayan, Director of SRP Groupe S.A.
- Michael Dayan, Director of SRP Groupe S.A.

Nature and subject:

A conditional purchase agreement for goods of the Sonya Rykiel brand has been concluded between Showroomprivé.com S.A.R.L. and Sonia Rykiel Création Paris S.A.S. The shareholders and general managers of Sonia Rykiel Création Paris S.A.S are Eric Dayan and Michaël Dayan, Directors and Shareholders of SRP Groupe S.A., sole partner of Showroomprivé.com S.A.R.L.

Reasons justifying the company's interest:

This agreement, approved by the Board of Directors on June 8, 2020 pursuant to Article L.225-38 of the French Commercial Code, is justified by economic and strategic interests. It concerns the acquisition of a stock of goods of a prestige brand in order to resell it on the sites and applications of the group.

Terms and conditions:

This contract is effective on June 11, 2020.

AGREEMENTS APPROVED BY ANNUAL GENERAL MEETINGS IN PREVIOUS YEARS

Agreements authorized in previous years that continued during the past year

In accordance with Article R.225-30 of the French Commercial Code, we have been informed that the following agreements, already approved by the shareholders' meeting in previous years, have continued during the year just ended.

Shareholders' agreement entered between the founders of SRP Groupe and Carrefour

Persons concerned:

- David Dayan, Chairman of the Board of Directors and Chief Executive Officer of SRP Groupe S.A.
- Thierry Petit, Deputy Chief Executive Officer of SRP Groupe S.A.
- Eric Dayan, Director of SRP Groupe S.A.
- Michael Dayan, Director of SRP Groupe S.A.

Nature and subject:

The shareholders' agreement contains clauses relating to:

- Cooperation commitment;
- Rules of governance;
- Rules for implementing strategic decisions;
- "Standstill" and "lock-up" commitments;
- Terms and obligations in a takeover bid;
- Reciprocal transfer rights and promises of sale.

Reasons justifying the company's interest:

This agreement, approved by the Board of Directors on January 10, 2018, is justified by the strategic importance to your company of the strategic agreement with Carrefour Group.

Terms and conditions:

This shareholders' agreement entered into effect on February 7, 2018 for a period of seven (7) years, automatically renewable in periods of three years, unless rescinded at least six months in advance.

Paris La Défense, April 12, 2021	Paris, April 12, 2021
KPMG Audit IS	Jérôme BENAINOUS
Jean-Pierre Valensi *Partner*	Jérôme Benaïnous *Partner*

18. FINANCIAL INFORMATION CONCERNING THE ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES OF THE ISSUER

Pursuant to Article 19 of EU Regulation 2017/1129, the following financial statements are included by reference in this Universal Registration Document:

- the consolidated financial statements for the year ended December 31, 2019 and the Company's statutory auditors' audit report as shown in Chapter 18 "Financial Information Concerning the Assets and Liabilities, Financial Position and Profits and Losses of the Issuer" in the 2019 Universal Registration Document.

- the consolidated financial statements for the year ended December 31, 2018 and the Company's statutory auditors' audit report as shown in Chapter 20 "Financial Information Concerning the Group's Assets and Liabilities, Financial Position and Profits and Losses" in the 2018 Registration Document;

18.1 GROUP FINANCIAL INFORMATION

18.1.1 Group Consolidated Financial Statements for The Fiscal Year Ended December 31, 2020

CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2020

showroomprive•com

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1. FINANCIAL STATEMENTS

1.1 Statement of Profit Or Loss

in K€	Notes	2020	2019
Net revenues	4.2	697 508	615 562
Cost of goods sold		- 424 497	- 428 018
Gross margin		**273 011**	**187 544**
Gross margin as a percentage of revenue		39,1%	30,5%
Marketing		- 22 840	- 24 706
Logistics & Fulfillment		- 162 603	- 152 373
General & Administrative expenses		- 62 145	- 57 247
Current operating profit		**25 423**	**- 46 782**
Cost of share based payments		- 1 424	- 388
Other operating income and expenses	4.4	- 2 315	- 21 250
Operating profit		**21 685**	**- 68 420**
Income from cash and cash equivalents			
Cost of financial debt		- 905	- 591
Net finance costs		**- 905**	**- 591**
Other financial income and expenses		**31**	**- 122**
Profit before tax		**20 811**	**- 69 133**
Income taxes	4.5	- 6 900	- 1 329
Net income for the period		**13 911**	**- 70 462**
Attributable to owners of the Parent		**13 911**	**- 70 462**
Attributable to third parties			
Earnings per share (in €)			
Basic earnings per share	5.17	0,17	**- 1,39**
Diluted earnings per share	5.17	0,16	**- 1,39**

1.2 Statement of Total Comprehensive Income

in K€	Notes	2020	2019
Net income for the period		**13 911**	**- 70 462**
Income and expense recognized in equity		- 19	14
Total comprehensive net income for the period		**13 892**	**- 70 448**

1.3 Consolidated Balance Sheet

in K€	Notes	31/12/2020	31/12/2019
Goodwill	5.1	123 685	123 685
Other intangible assets	5.2	51 341	54 466
Tangible assets	5.3	38 805	44 849
Financial assets	5.4	1 214	1 347
Deferred tax assets	5.11	55	0
		2	1
Non current assets		**215 102**	**224 348**
Inventories	5.5	60 924	48 373
Accounts receivables and similar accounts	5.6	20 307	20 548
Income tax receivables		1 873	4 657
Other receivables	5.7	51 772	41 443
Cash and cash equivalent	5.8	130 833	49 049
Current assets		**265 708**	**164 070**
Total Assets		**480 811**	**388 418**
Share capital		4 702	2 030
Share premium reserves		217 779	211 109
Treasury shares		- 1 472	- 1 756
Other reserves		- 57 897	11 254
Net income		13 911	- 70 462
Total shareholders' equity		**177 023**	**152 175**
Non-controlling interests		-	-
Total equity	1.5	**177 023**	**152 175**
Long term financial liabilities	5.12	80 289	20 349
Employee benefits	5.9	147	65
Provisions (long-term)	5.10	439	347
Deferred tax liabilities		0	77
Total non current liabilities		**80 876**	**20 838**
Short term financial liabilities	5.12	39 593	58 064
Provisions (short-term)	5.10	4 205	4 778
Accounts payables	5.13	132 205	110 470
Income tax liabitity	5.13	1 513	12
Other current payables	5.13	45 397	42 080
Total current liabilities		**222 913**	**215 405**
Total Liabilities		**303 788**	**236 243**
Total Equity and Liabilities		**480 811**	**388 418**

1.4 Consolidated Cash-Flow Statement

in K€	Notes	2020	2019
Net income for the period		13 911	- 70 462
Depreciation & Amortization	4.1	14 503	18 256
Elim. revaluation gains / losses (fair value)		-	- 534
Gain / Loss on sale of assets		1 383	-
Earn out Saldi		-	2 250
Fair value measurement of stock options	5.15	1 413	388
Cash flows from operations before finance costs and income tax		**31 210**	**- 50 101**
Income taxes for the period	4.5.1	6 900	1 329
Net finance costs		905	591
Change in working capital	5.18	2 706	26 385
Cash flow from operating activities before tax		**41 721**	**- 21 796**
Current income tax paid		- 1 446	- 4 226
Net cash from operating activities		**40 275**	**- 26 022**
Change in consolidation scope		-	- 22 317
Acquisition of intangible and tangible assets	5.2	- 9 671	- 16 720
Acquisition of stakes in associate companies		-	-
Net change in non current financial assets		120	- 48
Proceeds from sale of intangible and tangible assets		716	2 898
Other flows from investing activities			-
Net cash from investing activities		**- 8 835**	**- 36 187**
Increase in share capital and share premium reserves	1.5	9 099	- 44
Net disposal (acquisition) of treasury shares		284	7
New financial liabilities	5.12	85 000	35 827
Repayment of financial liabilities	5.12	- 43 212	- 4 339
Finance costs paid		- 787	- 613
Net cash from financing activities		**50 384**	**30 839**
Impact of exchange rate changes		- 39	14
Total cash flow for the period		**81 785**	**- 31 356**
Cash and cash equivalent at the beginning of the period	**5.8**	**49 049**	**80 406**
Cash and cash equivalent at the end of the period	**5.8**	**130 833**	**49 049**

(1) In 2020, €3.1 million related to the amortization of the right to use real estate assets under IFRS 16.
(2) In 2020, €3.3 million related to the amortization of the right to use leased assets under IFRS 16.

Details of the composition of the closing cash position are provided in Note 5.8.

1.5 Statement of Changes In Consolidated Equity

in K€		Share capital	Additional paid-in capital	Treasury shares	Other reserves Group			Consolidated retained earnings	Total Equity attributable to owners of the Company	Non-controlling interests	Total equity
					Translation reserves	Other reserves	Total				
At December 31, 2018		**2 025**	**211 158**	**- 1 764**	**4**	**9 553**	**9 557**	**2 275**	**223 251**	**-**	**223 251**
Net income for the period				-	-	-	-	- 70 462	- 70 462		- 70 462
Income and expense recognized in equity				-	14	-	**14**		14		14
Comprehensive net income		-	-	-	**14**	-	14	**- 70 462**	**- 70 448**	-	**- 70 448**
Capital increase			- 44				-		- 44		- 44
Proceeds from stock-options		5	- 5	-	-	-	-		-		-
Changes in free shares				8	-	-	-		8		8
Charges related to free shares and share options				-	-	388	388		388		388
Other changes						- 980	- 980		- 980		- 980
At December 31, 2019		**2 030**	**211 109**	**- 1 756**	**18**	**8 961**	**8 979**	**- 68 187**	**152 175**	**-**	**152 175**
Net income for the period							-	13 911	13 911		13 911
Income and expense recognized in equity					- 19		- 19		- 19		- 19
Comprehensive net income		-	-	-	**- 19**	-	- 19	**13 911**	**13 892**	-	**13 892**
Capital increase	2.2.3	2 672	6 670				9 342		9 342		9 342
Proceeds from stock-options							-		-		-
Changes in free shares				284			284		284		284
Charges related to free shares and share options	5.16					1 413	1 413		1 413		1 413
Other changes						- 83	- 83		- 83		- 83
At December 31, 2020		**4 702**	**217 779**	**- 1 472**	**- 1**	**10 291**	**19 916**	**- 54 276**	**177 023**	**-**	**177 023**

As at December 31, 2020, the share capital of SRP Groupe S.A. was made up of 117,560,198 shares with a nominal value of €0.04 per share (50,744,030 shares of the same nominal value as at December 31, 2019).

2. ACCOUNTING STANDARDS, CONSOLIDATION METHODS, VALUATION METHODS & PRINCIPLES

2.1 The Group

SRP Groupe S.A. is the parent company of Showroomprivé Group (subsequently referred to in this report as "the Group"). The shares of SRP Groupe S.A. are traded on the Euronext stock exchange in Paris since 2015.

The Company's consolidated financial statements as at December 31, 2020 include SRP Groupe S.A. and its subsidiaries (see Note 3.1). The year ended December 31, 2020 covers a period of 12 months.

The consolidated financial statements were approved by the Board of Directors of SRP Groupe S.A. at its meeting on March 11, 2021 and will be submitted for approval to the General Meeting of Shareholders on June 28, 2021, called to approve the financial statements for the fiscal year ended December 31, 2020.

The Group's business consists of the private sale of consumer goods and services on the Internet.

2.2 Main Events of The Financial Year

2.2.1 Renewal and extension of existing bank debt

Discussions with bank partners culminated in an agreement to renew and extend the maturity of the Group's existing lines of credit, including overdraft facilities, representing a total financing amount of €62 million. This bank debt now consists of term loans repayable in gradually increasing three-month and six-month installments from 2022 until December 31, 2026.

The Group will also continue to benefit from a €2.8 million bullet loan from BpiFrance repayable at maturity in 2023.

The classification in the balance sheet as current and non-current liabilities will therefore take into account the impact of the conciliation protocol approved on May 28, 2020.

2.2.2 New €35 million line of credit

CAIDF (Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France) granted the Group a €35 million guaranteed loan of which 90% is guaranteed by the state, repayable with final maturity at the discretion of the company up to 2026.

As part of the overall plan, bank creditors agreed to waive the application of commitments relating to compliance with financial ratios as of December 31, 2019 for the year 2020.

From December 31, 2021 onwards, the above-mentioned facilities are subject to compliance with a declining R2 leverage ratio (net debt /EBITDA), which will decrease from a maximum value of 6, applicable exceptionally to 2021, to 2.5 for 2025.

The R4 ratio designating the ratio between consolidated net financial debt and consolidated equity must remain strictly below 1.

2.2.3 SRP Group capital increase

The company carried out a capital increase with preemptive subscription rights maintained, that closed on July 31, 2020 (Note 1.5).
The capital increase of a gross amount of €9.9 million, including issue premium, led to the issue of 66,260,485 new shares at a unit subscription price of €0.15. The costs related to this transaction amount to 0.6 million euros, net of tax.

Showroomprivé will use the proceeds from the capital increase to finance the general needs of the Company and its subsidiaries as part of the strengthening of its financial structure in association with the implementation of the

protocol signed with the Group's banking partners on April 29, 2020. This transaction is the final stage of the implementation of refinancing transactions provided for in this protocol.

2.2.4 SRP Prod universal transfer of assets and liabilities

The subsidiary SRP Prod was dissolved and was subject to the universal transfer of assets and liabilities to the Showroomprivé.com entity following a decision dated February 6, 2020 effective as of May 29, 2020.

2.2.5 Covid-19

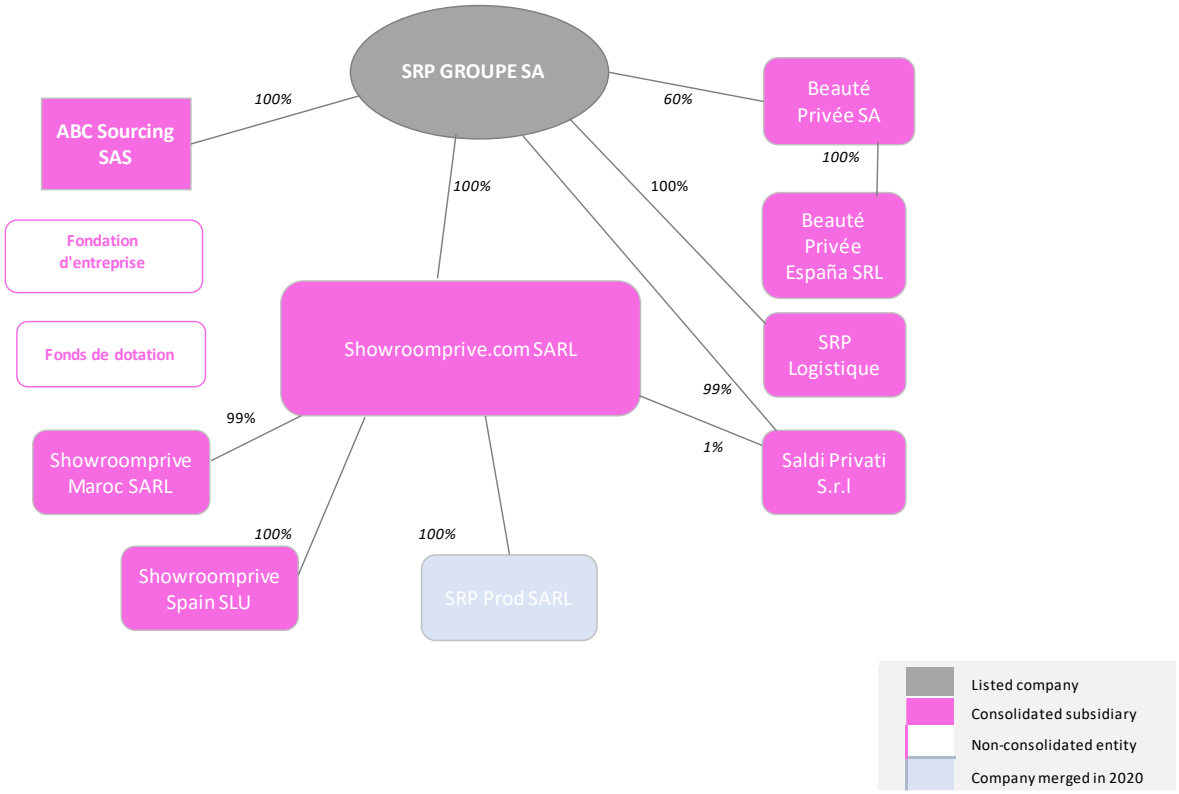
Since the beginning of the public health crisis and the related restrictive measures, Showroomprivé has continued its operations, while taking all the necessary measures to protect the health of its employees and their families. The Group is continuously adapting its operations and workforce to its business, making use where necessary of partial unemployment.

All of its business (including internet and media) was impacted during the two weeks following the introduction of lockdown, due mainly to the disruptions and necessary adjustments to the supply chain. The Group's business remains closely linked to the delivery and supply conditions in the countries in which the Group operates. Return times have also been extended to allow Showroomprivé buyers to continue to benefit from their purchase terms, which will make return management more complex throughout the first half and even the second half if the state of health emergency is extended.

Nevertheless, since April 2020, the Group has seen a marked recovery in sales, which were up significantly compared with April 2019 and exceeded those set out in the business plan. The Group is notably enjoying a favorable context for e-commerce and is also starting to see a return on its efforts to strengthen relationships with brands illustrated by the signing of new partnerships with major groups with an extensive catalog of brands.

2.3 Group Organization

As a result, the Group's organizational structure as at December 31, 2020 is as follows:



2.4 Accounting Standards

▪ Statement of Compliance and IFRS Used

Pursuant to Regulation No. 1606/2002 adopted on July 19, 2002 by the European Parliament and the European Council, the Group's consolidated financial statements published on December 31, 2020 are drawn up in accordance with IFRS (International Financial Reporting Standards) as published by the IASB (International Accounting Standards Board) and adopted by the European Union (publication in the Official Journal of the European Union) on December 31, 2020.

International accounting standards include

- the IFRS (International Financial Reporting Standards),
- the IAS (International Accounting Standards)
- their interpretation by the SIC (Standing Interpretations Committee) and IFRS IC (IFRS Interpretations Committee) interpretations.

All the standards adopted by the European Union are available on the European Commission's website at the following address: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

▪ New standards, amendments and interpretations in force or with mandatory application or that may be adopted early for fiscal years beginning on or after January 1, 2020

The following interpretations and amendments have been applicable since January 1, 2020 and have not had a material effect on the Group's consolidated financial statements. The Group is not affected by other publications of the International Accounting Standards Committee (IASB) and the Interpretation Committee of International Financial Reporting Standards (IFRIC).

- Amendments to IFRS 3 "Business combinations": definition of a business.

In October 2018, the IASB published amendments to IFRS 3 "Business Combinations" that are intended to help entities distinguish between the acquisition of a business and a group of assets. They clarify the criteria required to qualify a business, remove the assessment of the ability of market players to replace missing items, add details to help entities determine if the activity is significant, refine the definition of a business and its purpose and introduces an optional fair value concentration test.

These amendments are applicable prospectively to acquisitions that take place from January 1, 2020, with early application authorized. As the amendments apply prospectively to transactions or other events that occur from the date of first application, the Group will not be affected by these amendments at the date of transition.

- Amendments to IAS 1 "Presentation of financial statements" and to IAS 8 "Accounting policies, changes in complete estimates and errors": modification of the definition of the term "significant".
  This amendment aims to improve the definition of materiality and generally harmonize IFRS standards.
- Amendment to IFRS 16 “Leases” relating to rental concessions - Covid 19.
- Amendments to IFRS 9, IAS 39 and IFRS 7 Reform of reference rates (Phase 1): measures to relax the criteria for applying hedge accounting in order to allow entities to maintain their hedging relationships during the transition period at the new rates.
- Amendments to IFRS standards to update references to the Conceptual Framework.

▪ Main standards, amendments and interpretations approved by the IASB but not yet approved by the European Union

The following standards and interpretations have been issued by the IASB, but are not yet approved by the European Union. Their possible effect on the Group is being analyzed:

- Amendment to IAS 37, which clarifies the costs to be retained when analyzing onerous contracts;
- Amendment to IAS 1, which clarifies the principles for classifying a liability on the balance sheet as current or non-current;
- Amendment to IFRS 3 following the publication of the new Conceptual Framework;
- Annual improvements to IFRS - Cycle 2018/2020 and in particular minor amendments to standards:
  - IFRS 9: Clarification on the costs to be included in the 10% test;
  - IFRS 41: Fair value measurement of biological assets;
  - IFRS 16: Deletion of illustrative example 13 from the standard.

▪ New standards and interpretations of subsequent application approved by the European Union applicable for subsequent periods

- IFRS 17 "Insurance contracts", covering financial years beginning on or after January 1, 2021.
- Amendment to IAS 16: income from the sale of manufactured items (to bring the asset to its place of operation and its rehabilitation to allow its operation in the manner intended by management) may come as a deduction from the fixed asset.

The Group is currently examining the amendments listed above in order to determine the impacts on its financial statements.

▪ Changes in the accounting framework applicable to Showroomprivé

The amendment to IFRS 16 relating to the accounting treatment of lease concessions granted by lessors due to the Covid-19 pandemic issued by the IASB in May 2020 was adopted by the European Union in October 2020 and has been applied by the Group as of January 1, 2020. This amendment facilitates the analysis to be carried out by lessees and allows, under certain conditions, for these concessions to be immediately recognized in the income statement as negative variable rents.

The application of other standards, amendments and interpretations which came into effect on January 1, 2020 had no material impact on the Group's financial statements.

2.5 Consolidation Methods

2.5.1 Subsidiaries

A subsidiary is an entity controlled by the Group. The Group exercises control over another entity where it has power over that entity, exposure to variable returns from the entity and, due to its power over that entity, has the ability to affect the returns that it draws from it.

In assessing control, the Group takes into account the substantive voting rights, i.e. those currently exercisable or exercisable at the time when decisions will be taken in relation to relevant activities.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is obtained until the date on which control ceases.

2.5.2 Transactions Eliminated from the Financial Statements

Balance sheet amounts, income and expenditure resulting from intra-group transactions are eliminated when preparing the consolidated financial statements.

The accounting methods used by subsidiaries are standardized and aligned on those adopted by the Group.

Companies consolidated by the Group as at December 31, 2020 and 2019 drew up their financial statements in accordance with the accounting principles applied by the Group.

The consolidation scope is detailed in Note 3.

2.6 Valuation Base

The financial statements are prepared on the basis of historical cost, except for some categories of assets and liabilities which are valued at fair value in accordance with IFRS.

The concerned categories are:

- Liabilities resulting from share-based payment transactions;
- Financial assets and liabilities valued at fair value.

2.7 Reporting currency and transactions denominated in foreign currencies

The consolidated financial statements of the SRP Group are drawn up in Euros.

Income, expenditure, receivables or payables resulting from transactions denominated in foreign currencies are converted into Euros at the transaction date.

Receivables or payables denominated in foreign currencies existing at the year-end are converted at the year-end exchange rate. Translation differences resulting from the application of different exchange rates are recognized in

the income statement of the period and included in operating income or financial income depending on the nature of the underlying transaction.

2.8 Use of Estimates And Assumptions

The preparation of the financial statements in accordance with the IFRS requires Management to exercise judgments, make estimates and assumptions which may have an impact on the application of accounting methods and on the amounts of assets and liabilities, income and expenditure.
These estimates take into account economic data and assumptions that may over time and contain elements of uncertainty. They mainly concern the valuation methods and assumptions used for the purposes of identification of intangible assets in relation to business combinations, monitoring of the Goodwill value, valuation of intangible assets, stock valuation, estimates of provisions and deferred tax assets.

2.9 Accounting Principles and Valuation Methods

The accounting principles and valuation methods applied by the Group are detailed in the sections 4 (notes to the income statement) and 5 (notes to the balance sheet).

3. SCOPE OF CONSOLIDATION

3.1 Scope at The End Of The Financial Year

The following entities are part of the scope of consolidation at the closing date:

Legal entities		Conso. method	2020 Share-holding	2020 Controlling interest	2019 Share-holding	2019 Controlling interest
SRP Groupe	France	Full	100,00 %	100,00 %	100,00 %	100,00 %
Showroomprivé.com S.à r.l.	France	Full	100,00 %	100,00 %	100,00 %	100,00 %
SRP Logistique S.à r.l.	France	Full	100,00 %	100,00 %	100,00 %	100,00 %
Beauté Privée SAS	France	Full	100,00 %	100,00 %	100,00 %	100,00 %
Beauté Privée Espana, S.L.U.	Spain	Full	100,00 %	100,00 %	100,00 %	100,00 %
SRP Spain	Spain	Full	100,00 %	100,00 %	100,00 %	100,00 %
SRP GmbH	Germany	Full	-	-	100,00 %	100,00 %
SRP Prod (*)	France	Full	-	-	100,00 %	100,00 %
Saldi Privati S.r.l.	Italy	Full	100,00 %	100,00 %	100,00 %	100,00 %
ABC Sourcing SAS	France	Full	100,00 %	100,00 %	100,00 %	100,00 %
SRP Maroc	Morocco	Full	99,99 %	100,00 %	99,99 %	100,00 %

**) merged with its parent company during the first semester 2020*

Full = Fully consolidated

NC = Not consolidated

3.2 Change to The Consolidation Scope During The Year

3.2.1 SRP Prod universal transfer of assets and liabilities

The subsidiary SRP Prod was dissolved and was subject to the universal transfer of assets and liabilities to the Showroomprivé.com entity following a decision dated February 6, 2020 effective as of May 29, 2020.

3.2.2 Tax consolidation

As of January 1, 2020, the scope of tax consolidation takes the Beauté Privée France entity into account.

No other acquisition or disposal took place in fiscal year 2020.

4. NOTES TO THE INCOME STATEMENT

Accounting Principles

Income

Sale of Goods And Services

The Group recognizes revenue in accordance with IFRS 15.

Income from ordinary activities is equal to the fair value of the consideration received or to be received in respect of goods and services sold in the Group's normal course of business.

Income from ordinary activities are stated net of value added tax, returned goods, discounts and rebates, and after deduction of intra-group sales.

Income from ordinary activities are recognized as follows:

Revenue from the sale of goods (sales based on fixed or conditional purchases) is recorded as revenue when goods are delivered and therefore the buyer obtains the control over the goods and services purchased. It is stated at the fair value of the consideration received or to be received net of benefits granted to buyers and net of discounts.

The Group records revenue from the sale of travel services on a net basis.

Customer Loyalty Scheme (Referral Coupons or Vouchers)

The Group has implemented a customer loyalty scheme whereby the site gives Internet users, upon the first purchase made by a new member that they have referred to the site, a purchase coupon of a fixed amount that can be used as from that date. This coupon gives them a discount on their purchases of products from the site during the coupon's validity period. These referral vouchers meet the definition of IFRIC 13, and their fair value is deducted from the turnover when the new referred member makes a purchase.

Likewise, the Group may occasionally attribute free vouchers to its customers (members) in order to further stimulate their attachment to its brand.

Returned Goods

Goods returned by clients are recognized as the cancellation of an initial sale. At the year-end, a provision is recognized to take into account goods not yet returned at that date but relating to transactions for the year ended.

Current Operating Expenses

In order to better understand the specificities of its business, the Group presents an income statement by function, which highlights the following operating expenses:

- Cost of Goods Sold
- Marketing
- Logistics and fulfillment (processing of orders), relating to:
  - expenditure directly attributable to goods sold,
  - logistics costs
- General Administrative Costs (Overheads)

Current operating expenses include amortization and depreciation charges on intangible assets (including the amortization charges on assets recognized as part of a business combination) and depreciation charges on tangible assets.

Recurring operating income and operating profit

All current operating expenses are deducted from revenue to obtain the recurring operating income which is one of the main performance indicators of the Group's business.

The operating profit is obtained by deducting the following items from the operating profit:

- Expenses from the issue of free shares and share options allocated to employees,
- other income and expenses or non-recurring operating income

Net Income

Net income is calculated by deducting the following elements from the operating profit:

- the cost of net financial debt, which includes interest on borrowings calculated using the effective interest rate, interest paid under finance leases less cash and cash equivalents,
- other financial income and expenses;
- the current and deferred tax charge.

4.1 EBITDA

Accounting Principles

In addition to the operating result the Group presents its performance also in the shape of an adjusted earnings before interest, tax, depreciation and amortization ("EBITDA").

The EBITDA is another key performance indicator of the Group's activity. It is obtained by eliminating from net income (see Note 4.1):

- amortization of assets recognized in the course of a business combination;
- the amortization charges on intangible assets and the depreciation charges on tangible assets.
- expenses from the issue of free shares and share options allocated to employees,
- other expenses or non-recurring operating income
- the net finance cost and other financial income and expenses,
- the income tax charge of the financial year

in K€		Notes	2020	2019
Net income for the period			**13 911**	**- 70 462**
Amortisation of assets recognized through business combination			1 134	1 134
Deprec. & Am. of tangible and intangible assets			15 457	14 265
o/w amort. in Logistics & Fulfillment			5 101	4 267
o/w amort. in G&A			10 356	9 998
Cost of share-based payments	5.9	5.16	1 424	388
Non recurring items	4.4	4.4	2 315	21 193
Net finance costs			905	591
Other financial income and expenses			- 31	122
Income taxes			6 900	1 329
EBITDA			**42 015**	**- 31 440**
EBITDA in % of revenue			*6,02%*	*-5,11%*

4.2 Segment Reporting by Geographic Area

Accounting Principles

Segment Reporting

An operating segment is a distinct component of the entity, which generates revenue and related costs and is exposed to risks and profitability that are different from other operating segments. An operating segment is monitored and analyzed regularly by the Company's principal decision makers in order to measure the segment's performance and allocate distinct resources.

In accordance with IFRS 8 criteria, Group management considered that Showroomprivé.com consists of a single operating segment: sale of products and services on the Internet.

The Group deploys its offer in France and in 8 other countries from its single platform based in France.

Depending on the geographic location of its clients the Group assembles them in the following two areas to present its revenue and EBITDA:

France	International
Mainland France and Overseas Territories	Belgium, Spain, Italy, Portugal, Netherlands, Morocco

Group revenue and EBITDA present themselves as follows:

in K€	2020			2019		
	Total consolidé	France	Internat.	Total consolidé	France	Internat.
Internet sales	688 124	581 688	106 436	603 113	504 138	98 975
Other	9 384	9 111	274	12 449	10 726	1 723
Total net revenue	**697 508**	**590 798**	**106 710**	**615 562**	**514 864**	**100 698**
Growth	13,3%	14,7%	6,0%	-8,4%	-8,0%	-10,3%
EBITDA in % of net revenue	6,0%	6,8%	1,8%	-5,1%	-4,8%	-6,8%

The breakdown of 2019 revenue was restated to take into account the reclassification of the resale of Internet returns on the wholesale market as "other revenue", and of revenue from advertising inserts in mail-order parcels and the sale of certain coupons as “Internet revenue”. The impact on the France scope of this restatement is 2.7 million euros.

EBITDA by geographic area includes an allocation of overheads in relation to the share in revenue.

4.3 Operating Expenses by Type

Details by nature of expenditure indicated in the profit and loss account are as follows:

In €k	2020	2019
Cost of Goods Sold	-424,497	-428,018
External charges	-175,381	-144,600
Personnel expenses	-58,869	-58,483
Tax expenses	-3,499	-4,426
Depreciation and amortization of tangible and intangible assets	-15,468	-13,970
Other provisions and depreciations	5,271	-9,058
Other operating income and expense	359	-3,788
Current Operating Expenses	**-672,084**	**-662,344**

4.4 Other non-recurring operating income and expenditure and cost of share based payments

Accounting Principles

Other non-recurring operating income and expenditure include items that are judged non-representative by the Group for a proper understanding of its Group's business activity, such as

- gains and losses on disposals of tangible and intangible assets,
- restructuring costs approved by management,
- litigation costs,
- costs related to business combinations,
- goodwill impairment.

In respect of the 2020 fiscal year, the cost of share based payments and other non-recurring operating income and expenditure mainly include the following items:

- the expense resulting from the issue of free shares including the related social contributions of -€1.4 million;
- costs relating to the discontinuation of a logistics project that has become non strategic (-€1.5 million), of which an exceptional amortization of -€1.1 million relating to the disposal of robotic assets and -€0.4 million in other related expenses (dismantlement, restoration of the site);
- donations to the Showroomprivé Foundation, to a charitable foundation and to various charities for -€0.4 million;
- non-recurring consultancy fees for -€1.1 million;
- a provision for contingencies relating to a trade-related and non-current dispute for -€0.6 million;
- tax-related penalties and reversals of provisions for +€1.3 million. This income is offset by an income tax expense relating to previous fiscal years for -€1.7 million.

In respect of the 2019 fiscal year, the cost of share based payments and other operating income and expenditure mainly include the following items:

- expenses resulting from the issue of free shares including the related social contributions of -€0.4 million
- restructuring expenses of -€2.9 million
- consultancy fees and provisions for risks of -€2.7 million
- costs relating to the discontinuation of a project that had become non-strategic of -€3.5 million
- an earnout relating to the acquisition of Saldi Privati of -€2.3 million
- various provisions with no impact on cash of around -€10 million

4.5 Income tax

Accounting Principles

The tax expense for the year results from the impact of income tax due in the various jurisdictions in which the Group is active, as well as the impact of deferred taxes.

Tax Liabilities

The tax liability is the estimated amount of tax payable in respect of taxable profit for the year, determined using the applicable tax rate, and by adjusting the tax liability amount in respect of previous years. The tax liability also induces any tax payable due to dividend declaration.

A tax consolidation agreement has been implemented since January 1, 2012 among all French entities of the Group. By virtue of this agreement, each entity records its tax expense as if it was liable separately, and the parent company records its profit, if any, separately.

Deferred Tax

The Group may recognize deferred tax in the event of:

- temporary differences between the tax values and the book values of assets and liabilities in the consolidated balance sheet,
- tax credits and tax loss carry-forwards.

Deferred tax is calculated using the liability method, using the last tax rate applicable for each company.

Deferred tax assets are taken into account only:

- if their recovery does not depend on future earnings, or
- if their recovery is likely due to the existence of a taxable profit expected during their settlement period.

4.5.1 Income Tax

Tax income for the 2020 fiscal year can be broken down as follows:

in K€	**2020**	**2019**
Deferred taxes	67	1 893
Current income taxes	- 6 967	- 3 222
Income tax expense	**- 6 900**	**- 1 329**

In respect of the 2020 fiscal year current effective tax expenses include:

- tax on income from SRP Maroc and SRP Spain of -€0.5 million;
- charges related to the "Corporate Value Added Tax" ("Contribution sur la Valeur Ajoutée des Entreprises"/CVAE, a tax on value added by companies) in France of -€1.3 million;
- the tax charge on companies within the scope of tax consolidation amounts to 3.3 million euros (the income from tax consolidation is +0.9 million euros);
- a tax expense relating to tax audits of -€1.7 million (see 5.10 Provisions).

The deferred tax in 2020 expense is minimal for the period.

In respect of the 2019 fiscal year current effective tax expenses include:

- Tax on income mainly from Beauté Privée and SRP Maroc of -€1.2 million
- charges related to the "Corporate Value Added Tax" ("Contribution sur la Valeur Ajoutée des Entreprises"/CVAE, a tax on value added by companies) in France of

  €-0.5 million
- tax credits of €1.4 million;

The deferred tax in 2019 expense is mainly due to the following factors:

- the recognition of a tax asset for part of the loss in the French tax group to the amount of €5 million
- €1.5 million euros in miscellaneous deferred tax charges;
- €3.2 million relating to the depreciation of the deferred tax capitalized at Saldi Privati.

4.5.2 Tax proof

The difference between the effective tax rate and the theoretical tax rate is broken down as follows:

	2020	2019
Total comprehensive net income for the period	**13 911**	**-70 462**
Income tax expense	-6 900	-1 339
Profit before tax	**20 811**	**-69 133**
Standard tax rate in France	32,02%	32,02%
Theoritical tax expense	6 664	-22 136
Impact of:		
Non recognition of deferred tax losses incurred over the period in Italy	38	15 958
Permanent differences	1 817	3 530
CVAE reclassification as income tax	927	365
Free shares impact	452	124
Tax rate impact	-508	1 176
Corporate sponsorship	-931	-322
Depreciated deferred tax related to previous periods		3 190
Impact of previous deficits used over the period	-2 337	
Other	778	-556
Actual tax expense	**6 900**	**1 339**
Effective tax rate	*33%*	*-2%*

The permanent differences mainly consist of the tax charge related to the 2015-2016 tax adjustment for € 1.7 million.

5. NOTES TO THE BALANCE SHEET

5.1 Goodwill

Accounting principles

Business combinations are recognized using the acquisition method at the acquisition date (in accordance with the IFRS 3 revised), which is the date on which control is transferred to the Group (see note 2.5). The difference between the consideration paid or to be paid for the acquisition and the net assets acquired is recognized as goodwill.

The Group values goodwill at the acquisition date as:

- the fair value of the consideration transferred plus, if applicable, the value of shareholdings held by minority shareholders; plus
- if the business combination is carried out in phases, the fair value of any previous investment in the acquired company; less
- the fair value of identifiable assets acquired, and liabilities taken over.

Within 12 months following the acquisition, the acquisition price must be allocated to the identifiable assets acquired. This allocation may give rise to the recognition of intangible assets such as brand, members file, technology, etc.

When the difference between the net assets and the total consideration is negative, the gain from a bargain purchase is immediately recognized in profit.

The consideration transferred excludes the amounts relating to the settlement of pre-existing relationships. These amounts are generally recognized in profit or loss.

The costs relating to the acquisition, other than those relating to an issue of debt or equity securities, that the Group bears due to a business combination are recognized as expenditure when they are incurred.

The consideration transferred (which includes the price paid) to acquire the target is valued at fair value. It is equal to the total of fair values of assets given to sellers, the buyer's debts to sellers, and equity instruments issued by the buyer.

The goodwill is subject to an annual impairment test at the annual closing date or more frequently, if any sign of loss in value are detected (see Note 5.1).

During the fiscal year, the goodwill did not change:

in K€	31/12/2019	Scope entries	Scope exists	Depreciation	Other changes	31/12/2020
Goodwill	123 685	-	-	-	-	123 685
Goodwill depreciation	-	-	-	-	-	-
Net book value	**123 685**	**-**	**-**	**-**	**-**	**123 685**

▪ Impairment Test

Accounting Principles

The recoverable value of intangible and tangible assets is tested if an indication of a loss of value is apparent and at least once per year for goodwill and trademarks which are not subject to amortization.

Within the framework of the control of the value of goodwill, as well as all other tangible and intangible assets as detailed in notes 5.2 and 5.3, an impairment test is performed at 31 December of each year. This test compares the recoverable value of the cash-generating units with its recoverable amount, which is the higher of fair value less costs to sell and value in use. The value in use is determined following the method of the discounted future cash flow method.

Value in use is estimated using cash flow projections based on existing operating forecasts, including growth and profitability rates deemed reasonable. Discount rates (based on the weighted average cost of capital) were assessed based on analyzes of the sector in which the Group operates. Existing forecasts are based on past experience as well as market prospects.

Cash-Generating Units

Recoverable value is tested at the level of a cash-generating unit (CGU). Considering its online sale business and its organization structure, the Group has identified only one cash generating unit.

Valuation Method

The impairment test consists in assessing the value in use of each unit generating its own cash flow (cash generating units).

Using the discounted cash-flow method in particular, the assessment of the recoverable value of the cash generating unit is based on factors taken from the budgetary process and the five-year strategic plan, which includes growth rates and rates of return deemed to be reasonable. Discount rates (based on the weighted-average cost of capital) and long-term growth rates over the period beyond three years, based on analyses of the industry in which the Group operates, are applied when valuing the cash generating unit.

Impairment Losses

Where the recoverable value of a cash generating unit is less than its net book value, the corresponding impairment loss is allocated primarily to goodwill and recognized in operating profit as “Other Operating Income and Expenditure”.

➢ Main Assumptions

As at December 31, 2020, the main assumptions used to determine the value of this cash generating unit were as follows:

- Valuation method of the cash generating unit: value in use
- Number of years over which the cash flow is estimated then projected to infinity: 5 years (the fifth year is projected to infinity),
- Long-term growth rate: 2.0% (2019: 2.0%),
- Discount rate: 9.39% (2019: 8.98%).

As part of the underlying forecasts, the Group assumed a logical continuation of its growth path converging gradually towards the perpetual growth rate of the terminal value period. In this context, the underlying profitability (on EBITDA basis) trend assumes an improvement above the average rate realized in previous years.

➢ Result of The Impairment Test

The result of the impairment did not give rise to any recognition of a loss in value as at December 31, 2020.

Furthermore, an analysis of the sensitivity of the calculation to the variation of key parameters, as conducted for each financial year, did not show any likely scenario where the recoverable value of the cash generating unit would become lower than its book value of the assets that it employs:

- An increase of 500 basis points in the discount rate
- A fall of 100 basis points in the long-term growth rate
- A 100 basis point decrease in the operating margin (EBITDA) over all periods included in the impairment test;
- A fall in the revenue growth rate of 500 points (excluding the perpetual growth rate).

5.2 Other Intangible Assets

Accounting Principles

Intangible assets are initially valued at their acquisition or production cost.

Intangible assets may be amortized, where applicable, over periods corresponding to their legal protection or their expected useful life.

Amortization is calculated on a straight-line basis based on the estimated useful life of the different categories of assets.

Research and Development Costs

Research costs are recognized as expenditure when they are incurred.
In accordance with IAS 38 development costs, i.e. costs arising from the application of the results of research in view of the production of computer developments and projects (applications, application software, etc.) and new or substantially improved processes, are recognized as assets where the Group can demonstrate:

- Its technical feasibility, its intention to complete the intangible asset and its ability to use or sell it;
- The availability of adequate technical, financial and other resources to complete the development and use or sell the intangible asset;
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development;
- The intangible asset will generate probable future economic benefits (existence of a market or its usefulness to the Group).

The costs thus recognized in assets include direct labor costs. Development costs are recognized in assets at their cost less accumulated depreciation and accumulated impairment losses.

Useful Life and Amortization Period

The main amortization periods used are as follows:

- Software: 1 to 3 years
- Members file: 7 years
- Technology: 7 years
- Brand: not amortized
- Development expenditure: 4 years

The impairment principles are detailed in Note 5.1 (“Goodwill”).

Acquisitions over the year concern mainly the capitalization of part of the development costs incurred over the period. These costs concern mainly the improvement of the mobile version of the website, the development of the website itself and customer order processing systems, including the streamlining of logistics and the implementation of a new ERP system.

in K€	31/12/2019	Acquisitions	Disposals	Amortization	Reclassification	31/12/2020
Development expenses capitalized	29 314	5 867				35 181
Licenses and software	11 643	230	- 37		97	11 933
Brand	32 419					32 419
Cohort of members	13 258					13 258
Other intangible assets	260	30			- 213	77
Intangible assets	**86 894**	**6 127**	**- 37**	**-**	**- 116**	**92 868**
Amort./Dep. of capitalized dev. Expenses	- 15 190			- 6 606		- 21 796
Amort./dep. Of licenses and software	- 8 246		8	- 1 604	105	- 9 737
Amort./Dep of cohort of members	- 8 992			- 1 172	170	- 9 994
Am./Dep. of intangible assets	**- 32 428**	**-**	**8**	**- 9 382**	**275**	**- 41 527**
Total net value	**54 466**	**6 127**	**- 29**	**- 9 382**	**159**	**51 341**

	31/12/2018	Acquisitions	Cessions	Dotations de l'exercice	Reclassements et mises au rebut	31/12/2019
Development expenses capitalized	21 983	7 331	-	-	-	29 314
Licenses and software	11 113	1 892	-	-	- 1 362	11 643
Brand	32 419	-	-	-	-	32 419
Cohort of members	13 258	-	-	-	-	13 258
Other intangible assets	244	16	-	-	-	260
Intangible assets	**79 017**	**9 239**	**-**	**-**	**- 1 362**	**86 894**
Amort./Dep. of capitalized dev. Expenses	- 9 479	-	-	- 5 711	-	- 15 190
Amort./dep. Of licenses and software	- 8 509	-	-	- 1 148	1 411	- 8 246
Amort./Dep of cohort of members	- 7 758	-		- 1 221	- 13	- 8 992
Am./Dep. of intangible assets	**- 25 746**	**-**	**-**	**- 8 080**	**1 398**	**- 32 428**
Total net value	**53 271**	**9 239**	**-**	**- 8 080**	**36**	**54 466**

5.3 Tangible Assets

Accounting Principles

Tangible Assets

Valuation at Entry Into Scope Of Consolidation

Tangible assets are initially stated in the balance sheet at their acquisition or production cost.

Useful Life and Amortization Period

Tangible assets are depreciated as from the time that they are installed and ready for use, or for assets produced internally, as from the time when the asset is completed and ready for use.

Amortization is calculated on a straight-line basis based on the estimated useful life of the different categories of assets.

The impairment principles are detailed in Note 5.1 ("Goodwill"). The main useful lives used are as follows:

- Fixtures and fittings: 5 to 10 years
- Industrial plant and equipment: 3 to 10 years
- Office equipment: 3 years
- Computer and photographic equipment: 3 years
- Furniture: 3 to 7 years
- Motor vehicles: 5 years

Lease Contracts

In accordance with the new IFRS 16 regulatory standard, the Group's lease contracts include real estate contracts (offices and storages) in all countries in which the Group operates.

From January 1, 2019, the Group will apply IFRS 16 "Leases":

Under IFRS 16, all lease contracts (with the exception of the contracts described below) are recognized in the Group's balance sheet by the inclusion of a fixed asset corresponding to the right to use the property which will be amortized over the lease period selected and a debt for future rent.

On the transition date, the Group chose to apply the simplified retrospective transition method, which consists of recognizing a right-of-use asset as being equal to the amount of the lease obligations, adjusted if necessary for prepaid rent or incentive benefits to be received from the lessor. In addition, comparative information during the first year of application is not restated. The discount rates applied to real estate contracts are based on the Group's incremental borrowing rate, to which a spread is added to take into account the country-specific economic environments.

The lease periods used include the firm periods of the contract and any planned renewal periods that the Group is reasonably certain to exercise, as well as the renewal options that the Group is reasonably certain not to exercise. In France, a period of 9 years has most often been used for real estate leases.

The Group has chosen to apply the following simplification measure: rents from real estate and equipment contracts corresponding to an asset of low unit value or to a short-term lease (less than 12 months) are recognized directly as expenses.

The following major contracts have not been included in the Group's balance sheet:

- Contracts affected by the above exemptions;
- Contracts considered as service contracts for which the rental expense is recognized directly in the Group's income statement as operating income;

- Contracts considered to be substitutable assets when the lessor has the possibility to change the location of the lessee without payment of a significant financial consideration. Several contracts within airports are affected.

The main changes in property, plant and equipment over the 2020 fiscal year can be explained by the following main factors: the disposal of certain robotics-related assets (€2.9 million) and the acquisition of the means necessary to implement home working due to public health conditions (€0.6 million), as presented below.

➢ **Assets owned by the Group**

in K€	31/12/2019	1st Application IFRS16	Acquisitions	Disposals / Scrapping	Depreciation	Reclassification	31/12/2020
Right of use under IFRS16	26 504					- 756	25 748
Land	-						-
Buildings and refurbishment	-						-
Facilities, plant & equipment	18 170		2 074	- 2 991			17 253
Tangible assets in progress	609		268			- 160	717
Advances payments for fixed assets	-						-
Other tangible assets	22 359		1 202	- 120		1	23 442
Tangible assets	**67 642**		**3 544**	**- 3 111**	**-**	**- 915**	**67 160**
	- 3 334				- 3 259	447	- 6 146
Amort/ Dep. of buildings and refurbishment	-						-
Amort./Dep. of tech facilities, plant & equipment	- 7 243			1 102	- 1 644		- 7 785
Amort./Dep. of other tangible assets	- 12 216			109	- 2 317		- 14 424
Amort./Dep. of tangible assets	**- 22 793**		**-**	**1 211**	**- 7 220**	**447**	**- 28 355**
Total net value	**44 849**		**3 544**	**- 1 900**	**- 7 220**	**- 468**	**38 805**

in K€	31/12/2018	1st Application IFRS16	Acquisitions	Disposals / Scrapping	Depreciation	Reclassification	31/12/2019
Right of use under IFRS16		20 557	5 947				26 504
Land	1 223			- 1 223		-	-
Buildings and refurbishment	1 612		506	- 2 118			-
Facilities, plant & equipment	8 755		4 243			5 172	18 170
Tangible assets in progress	5 462		528	- 83		- 5 298	609
Advances payments for fixed assets	-						-
Other tangible assets	20 887		2 204	- 703		- 29	22 359
Tangible assets	**37 939**	**20 557**	**13 428**	**- 4 127**	**-**	**- 155**	**67 642**
					- 3 334		- 3 334
Amort/ Dep. of buildings and refurbishment	- 826			850	- 24		-
Amort./Dep. of tech facilities, plant & equipment	- 5 827		-		- 1 416		- 7 243
Amort./Dep. of other tangible assets	- 10 526			558	- 2 248		- 12 216
Amort./Dep. of tangible assets	**- 17 179**	**-**	**-**	**1 408**	**- 7 022**	**-**	**- 22 793**
Total net value	**20 760**	**20 557**	**13 428**	**- 2 719**	**- 7 022**	**- 155**	**44 849**

Acquisitions and activations for fiscal year 2019 mainly include ongoing expenses to improve the productivity of the services and to optimize deliveries and processing of customer orders in the amount of €9 million. During the first half of 2019, the Group disposed of a real estate asset financed through a finance lease, the net value of which at the disposal date was €1.9 million.

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➢ **Right to use under IFRS 16**

The rights to use break down as follows:

in K€	31/12/2019	Acquisitions	Cessions	Fin de contrat	Dotations	31/12/2020
Right of use	26 504			- 756		25 748
Tangible assets	**26 504**			**- 756**		**25 748**
Amort./Dep. of righ of use	- 3 334			447	- 3 259	- 6 146
Amort./Dep. of tangible assets	**- 3 334**			**447**	**- 3 259**	**- 6 146**
Total net value	**23 170**			**- 309**	**- 3 259**	**19 602**

During the 2020 fiscal year, no new contract within the meaning of IFRS 16 was signed, however, certain contracts were suspended or expired without renewal during this period.

in K€	31/12/2018	1er Application IFRS 16	Acquisitions	Cessions	Dotations	31/12/2019
Right of use		20 557	5 947			26 504
Tangible assets	**-**	**20 557**	**5 947**			**26 504**
Amort./Dep. of righ of use					- 3 334	- 3 334
Amort./Dep. of tangible assets	**-**				**- 3 334**	**- 3 334**
Total net value	**-**	**20 557**	**5 947**		**- 3 334**	**23 170**

5.4 Financial assets

In K€	31/12/2019	Acquisitions	Cessions	Reclass.	31/12/2020
Loans, guarantees and other receivables	1 347	6	- 126	- 13	1 214
Financial assets	**1 347**	**6**	**- 126**	**- 13**	**1 214**
Dep. of loans, guarantees and other receivables	-	-	-	-	-
Financial assets depreciation	**-**	**-**	**-**	**-**	**-**
Total net value	**1 347**	**6**	**- 126**	**- 13**	**1 214**

In K€	31/12/2018	Acquisitions	Cessions	Reclass.	31/12/2019
Loans, guarantees and other receivables	3 599	309	- 2 561		1 347
Financial assets	**3 599**	**309**	**- 2 561**	**-**	**1 347**
Dep. of loans, guarantees and other receivables	-	-	-	-	-
Financial assets depreciation	**-**	**-**	**-**	**-**	**-**
Total net value	**3 599**	**309**	**- 2 561**	**-**	**1 347**

5.5 Inventory

Accounting Principles

Inventories are stated at the lower of cost and the estimated realizable value.

Inventories include acquisition costs and costs incurred in bringing them to their present location and condition. This value is net of discounts and rebates obtained from suppliers.

Depreciation is recognized based on an analysis of the age and rotation of inventories to take into account the associated impairment, if the estimated realizable value is lower than the book value.

The realizable value is the estimated selling price in the ordinary course of business and by taking into account the sales channels available to the Group, such as sales via Internet and B2B sales via its subsidiary ABC Sourcing.

in K€	31/12/2020			31/12/2019		
	Gross book value	Allowance	Net book value	Gross book value	Allowance	Net book value
Packaging and supplies inventory	893		893	669		669
Goods inventory	70 603	- 10 572	60 031	66 819	- 19 115	47 704
Total Inventories	**71 496**	**- 10 572**	**60 924**	**67 488**	**- 19 115**	**48 373**

Inventories have experienced a significant refresh in 2020 due to the following factors:
- a very good flow on the existing stock in a context of strong demand and an increased appetite of the consumer for e-commerce;
- access to fresh stocks at good economic conditions linked to the health situation in Europe leading to the closure of shops and stores;
- the opening of an outlet universe in the second half of the year to promote the sale of older stocks on the internet;
- intensification of measures to reduce return stock (optimization of supplier referrals / reintegration into firm stock / B2B as a last resort);
- the pursuit of B2B sales.

Together, all these elements induce a reduction in the old stock that may be depreciated and an increase in the fresh stock, more particularly at the end of the year, in order to support the growth ambitions of the company over 2021.

5.6 Trade Receivables and Similar Accounts

Accounting Principles

Trade and other receivables are valued at fair value at the initial recognition, then at the amortized cost less impairment losses.

	31/12/2020			31/12/2019		
in K€	Gross book value	Provisions for doubtful accounts	Net book value	Gross book value	Provisions for doubtful accounts	Net book value
Accrued income			-		-	-
Accounts receivable	8 355	- 1 145	7 210	13 562	- 505	13 057
Advances and prepayments	15 196	- 2 099	13 097	9 293	- 1 803	7 490
Total receivables and related accounts	**23 551**	**- 3 244**	**20 307**	**22 855**	**- 2 308**	**20 547**

5.7 Age Analysis of Financial Instruments

in K€	31/12/2020	< 1 year	2 years	3 years	4 years	5 years & more
Loans, guarantees and other receivables	1 214		150			1 064
Total Financial fixed assets	**1 214**	-	**150**	-		**1 064**
Accounts receivable	7 210	7 210				
Advances and prepayments	13 097	13 097				
Total receivables and related accounts	**20 307**	**20 307**				
Current income taxes	1 873	1 873				
Total Current income taxes	**1 873**	**1 873**	-	-	-	-
Employee advances and prepaid payroll taxes	30	30				
Tax-related receivable - other than income tax	31 205	31 205				
Other receivables	223	223				
Prepaid expenses	20 314	20 314				
Total other receivables	**51 772**	**51 772**				
Total Receivables	**75 166**	**73 951**	**150**	**-**	**-**	**1 064**

in K€	31/12/2019	< 1 year	2 years	3 years	4 years	5 years & more
Loans, guarantees and other receivables	1 347			150		1 197
Total Financial fixed assets	**1 347**	-	-	**150**		**1 197**
Accounts receivable	13 057	13 057				
Advances and prepayments	7 490	7 490				
Total receivables and related accounts	**20 548**	**20 548**				
Current income taxes	4 657	1 161	28	1 465	1 169	834
Total Current income taxes	**4 657**	**1 161**	**28**	**1 465**	**1 169**	**834**
Employee advances and prepaid payroll taxes	29	29				
Tax-related receivable - other than income tax	22 800	22 800				
Other receivables	646	646				
Prepaid expenses	17 969	17 969				
Total other receivables	**41 444**	**41 444**				
Total Receivables	**67 996**	**63 153**	**28**	**1 615**	**1 169**	**2 031**

5.8 Cash and Cash Equivalents

Accounting Principles

Cash and cash equivalents are made up of cash on hand and call deposits. They also include UCITS that meet the definition of cash equivalents as per IAS 7. UCITS that do not meet the definition of cash and cash equivalents are classified as other current assets.

Bank overdrafts repayable on demand and which form an integral part of the Group's cash management are also considered as cash and cash equivalents for the purposes of the cash flow statement.

in K€	31/12/2020	31/12/2019
Short-term investments	1 768	
Cash at bank	129 065	49 049
Net cash	**130 833**	**49 049**

For fiscal year 2020, the net change in cash of +€81.8 million is mainly explained by the following factors:

- The credit line draw down of €41.7 million net of reimbursement
- The activation of research and development costs, as well as the acquisition of fixed assets in the amount of €9.7 million
- The capital increase at the beginning of the second half for €9.1 million.

5.9 Employee Benefits

Accounting Principles

Defined Contribution Plans

The Group is primarily concerned by defined contribution pension plans.

Defined contribution pension plans are subject to payments by employees and by companies of the Group to institutions authorized to manage such pension funds. The Group's obligations are limited to the payment of these contributions which are therefore recorded in the income statement as they are incurred.

Defined Benefit Plans

The Group is also concerned by defined benefit pension plans, in particular for retirement indemnities paid to employees.

The obligation amount is determined using the projected unit credit method. The discount rate is the rate, at the balance sheet date, on first-class bonds that have maturity dates close to those of the group's obligations. This rate was -0.21% on December 31, 2020, compared with -0.02% on December 31, 2019.

in K€	31/12/2019	Additions	Reversals of provisions (used)	Reversals of provisions (unused)	Other changes	Change in consolidation scope	31/12/2020
Provisions for pensions and post-employment benefits	65			86		- 4	147
Total	**65**	**-**	**-**	**86**	**-**	**- 4**	**147**

in K€	31/12/2018	Additions	Reversals of provisions (used)	Reversals of provisions (unused)	Other changes	Change in consolidation scope	31/12/2019
Provisions for pensions and post-employment benefits	101			- 36			65
Total	**101**	**-**	**-**	**- 36**	**-**	**-**	**65**

5.10 Provisions

Accounting Principles

A provision is recognized in the consolidated financial statements at the year-end if, and only if, there is a current obligation (legal or constructive) resulting from a past event, it is likely that an outflow of funds will be necessary to settle the obligation and if the obligation amount can be reliably estimated.

Provisions are discounted where the effect of the time value of money is material.

in K€	Dec 31, 2019	Provisions	Reversals of provisions (used)	Reversals of provisions (unused)	Other changes	Dec 31, 2020
Provision linked to Saldi Privati	-					-
Provision for litigation (< 1 year)					4	4
Total Provision for risks	**-**	**-**	**-**	**-**	**4**	**4**
Provision for litigation (< 1 year)	4 778	3 860	- 4 286		- 151	4 201
Total Provision for risks	**4 778**	**3 860**	**- 4 286**	**-**	**- 151**	**4 201**
Miscelleaneous	347	92				439
Total Provisions for charges	**347**	**92**	**-**	**-**		**439**

The allocations to provisions, net of reversals, mainly relate to restructuring costs (€0.4 million), trade-related disputes (€1,5 million) and industrial tribunal disputes (€0.6 million). The provision recognized at December 31, 2019 to cover the risk relating to the early termination of the lease in future state of completion for an amount of €1 million was reversed in 2020 following its payment during the first half of the year.

Moreover, at the end of the 2019 fiscal year, Showroomprivé.com was subject to two tax audits relating to the 2013 and 2014 fiscal years and the 2015 and 2016 fiscal years. As the company received the collection notices during the 2020 fiscal year, the provision recognized at December 31, 2019 for an amount of €2 million was reversed.

Miscellaneous provisions chiefly relate to the social contribution charges linked to the issue of free share.

5.11 Deferred Tax

in k€	31/12/2019	Incidence résultat	Variations des cours de change	Variations de périmètre	Autres	31/12/2020
Deferred tax liabilities	-	- 5			59	55
Net balance for deferred taxes	77	- 77				-
	- 77	**72**	**-**	**-**	**59**	**55**
Breakdown of deferred tax						
Def. tax on temporary differences	529	- 862			19	- 314
Def. tax on other restatements	32	583			40	655
Def. tax on elimination of intercompany transactions	-					-
Recognition of tax loss carry-forwards	13 566	- 1 034				12 532
Def. tax on depreciation of assets recognized through business combination	- 10 437	1 113				- 9 324
Def. tax on elimination of start-up expenses	- 2	2				-
Def. tax on provisions for pensions and other post-employment benefits	-					-
Def. tax impact on finance lease restatement	- 8	- 10				- 18
Def. tax on capitalisation of research and development costs	- 3 758	280				- 3 478
Net balance for deferred taxes by nature	**- 77**	**72**	**-**	**-**	**59**	**55**

At December 31, 2020, changes in deferred taxes by results are not meaningful, and are mainly due to the write-back of the liabilities balance recognized for the previous fiscal year.

In view of the Group's situation, fiscal year 2020 was the first year of turnaround in which the group has recorded a profit for many years. It was decided not to activate deferred taxes relating to tax loss carryforwards beyond deferred tax liabilities. This decision will be reviewed for the fiscal year ending December 31, 2021, in the light of future results. The amount of non-activated tax loss carryforwards amounted to 103.4 million euros as of December 31, 2020.

in k€	31/12/2018	Deferred tax expense recognized in the Income Statement	Variations des cours de change	Scope changes	Def. tax expense recognized in Equity	31/12/2019
Deferred tax liabilities	3 214	- 3 212	-	- 2		-
Net balance for deferred taxes	5 182	- 5 105	-	-		77
	- 1 968	**1 893**	**-**	**- 2**	**-**	**- 77**
Breakdown of deferred tax						
Def. tax on temporary differences	390	139				529
Def. tax on other restatements	223	- 189		- 2		32
Def. tax on elimination of intercompany transactions	-					-
Recognition of tax loss carry-forwards	11 107	2 459				13 566
Def. tax on depreciation of assets recognized through business combination	- 9 881	- 556				- 10 437
Def. tax on elimination of start-up expenses	- 2					- 2
Def. tax on provisions for pensions and other post-employment benefits	-					-
Def. tax impact on finance lease restatement	- 450	442				- 8
Def. tax on capitalisation of research and development costs	- 3 356	- 402				- 3 758
Net balance for deferred taxes by nature	**- 1 968**	**1 893**	**-**	**- 2**	**-**	**- 77**

As of December 31, 2019, changes in deferred taxes are mainly from:

- The amortization of intangible assets recognized as part of business combinations including those that led to the creation of the Group as well as Saldi Privati, ABC Sourcing et Beauté Privée which engender a release of deferred tax provisions over time,

- The recognition of development expenses as intangible assets and the subsequent amortization of these assets
- The recognition of tax assets from tax losses carried forward generated as part of the tax group in France (€5.6 million)
- The depreciation of the deferred tax asset at Saldi Privati of €3.2 million which had previously been recorded and related to loss carry-forwards.

5.12 Borrowings and Financial Liabilities

Accounting Principles

All debts are initially recognized at fair value. After their initial recognition, the Group values at amortized cost all financial liabilities other than those held for trading.

in K€	**31/12/2019**	Loans raised	Loans repaid	Other	**31/12/2020**
Bank borrowings	-	9 000		53 832	62 832
Non-current lease liabilities	20 349		- 472	- 2 420	17 457
Mid- and long-term financial liabilities	**20 349**	**9 000**	**- 472**	**51 412**	**80 289**
Bank borrowings due in less than 1 year	55 066	75 996	- 40 210	- 53 832	37 020
Current lease liabilities	2 966		- 2 966	2 420	2 420
Other borrowings due in less than 1 year	-				-
Bank overdrafts	-				-
	32	152	- 32		152
Short-term financial liabilities	**58 064**	**76 148**	**- 43 208**	**- 51 412**	**39 592**
o/w finance lease	*163*		*- 111*		*52*
Total Loans and financial debts	**78 413**	**85 148**	**- 43 680**	**0**	**119 882**

At December 31, 2020, the change in financial debts excluding leasing debts is mainly due to the obtaining of a €35 million state-guaranteed loan and a credit facility of €10 million with CADIF.

The presentation of short-term/long-term debt was reviewed at December 31, 2020 and takes into account the impact of the conciliation protocol approved on May 28, 2020.

These ratios were met as at December 31, 2020.

in K€	**31/12/2018**	Effect of changes in the standard (*)	Loans raised	Loans repaid	Other	**31/12/2019**
Bank borrowings	19 505		35 550		- 55 055	-
Non-current lease liabilities	-	17 368	5 947		- 2 966	20 349
Mid- and long-term financial liabilities	**19 505**	**17 368**	**41 497**	**-**	**- 58 021**	**20 349**
Bank borrowings due in less than 1 year	1 334		250	- 1 573	55 055	55 066
Current lease liabilities		3 189		- 3 189	2 966	2 966
Other borrowings due in less than 1 year	21 364			- 21 364		-
Bank overdrafts	25			- 25		-
			32			32
Short-term financial liabilities	**22 723**	**3 189**	**282**	**- 26 151**	**58 021**	**58 064**
o/w finance lease	*1 385*			*- 1 222*		*163*
Total Loans and financial debts	**42 228**	**20 557**	**41 779**	**- 26 151**	**-**	**78 413**

5.13 Age Analysis of Debt

in K€	**31/12/2020**	**Less than 1 year**	**2 years**	**3 years**	**4 years**	**5 years or more**
Long term financial liabilities (finance lease)	-					
Short term financial liabilities (finance lease)	52	52				
Other long-term financial liabilities (1)	19 878	2 420	2 521	2 657	2 430	9 850
Other short-term financial liabilities (1)	99 952	37 120	8 117	10 716	12 400	31 599
Total Payable and related accounts	**119 882**	**39 592**	**10 638**	**13 373**	**14 830**	**41 449**
Accounts payable	43 306	43 306				
Accrued invoices	77 404	77 404				
Advances from customers and billed in advance	11 495	11 495				
Total Payable and related accounts	**132 205**	**132 205**	**-**	**-**	**-**	**-**
Income tax liabilities	1 513	1 513				
Total Income Tax Liabilities	**1 513**	**1 513**	**-**	**-**	**-**	**-**
Amounts due to social security agencies	10 490	10 490				
Employee-related liabilities	-	-				
Accrued taxes other than income tax	11 306	11 306				
Other liabilities	5	5				
Deferred revenues	23 596	23 596	-	-	-	-
Total other liabilities	**45 397**	**45 397**				
TOTAL	**298 996**	**218 707**	**10 638**	**13 373**	**14 830**	**41 449**

(1) In 2020, 19.9 millions of euros are link with IFRS16 application

	31/12/2019	< 1 an	2 ans	3 ans	4 ans	5 ans ou plus
Short term financial liabilities (finance lease)	163	163				
Other long-term financial liabilities (1)	23 314	2 966	2 562	2 095	2 657	13 035
Other short-term financial liabilities (1)	54 935	54 935				
Total Payable and related accounts	**78 412**	**58 064**	**2 562**	**2 095**	**2 657**	**13 035**
Accounts payable	32 859	32 859				
Accrued invoices	70 507	70 507				
Advances from customers and billed in advance	7 104	7 104				
Total Payable and related accounts	**110 470**	**110 470**	-	-	-	-
Income tax liabilities	12	12				
Total Income Tax Liabilities	**12**	**12**	-	-	-	-
Amounts due to social security agencies	10 363	10 363				
Employee-related liabilities	-	-				
Accrued taxes other than income tax	9 323	9 323				
Other liabilities	1 195	1 195				
Deferred revenues	21 200	21 200	-	-	-	-
Total other liabilities	**42 080**	**42 080**				
TOTAL	**230 975**	**210 626**	**2 562**	**2 095**	**2 657**	**13 035**

(1) In 2019, 23.3 millions of euros are link with IFRS16 application

5.14 Definition of classes of financial assets and liabilities by accounting category

in K€			31/12/2020		
Categories of financial assets and liabilities	**Financial assets/ Liabilities measured at fair value through profit or loss**	**Financial assets/ Liabilities measured at amortized cost**	**Financial assets/ Liabilities measured at fair value through equity**	**Total carrying amount**	**Fair value of the category**
Financial assets		1 214		1 214	1 214
Operating receivables and other current receivables		72 078		72 078	72 078
Derivative instruments				0	0
Receivables related to intermediation activity				0	0
Other non current assets				0	0
Funds related to intermediation activity				0	0
Cash and Cash equivalents	130 833			130 833	130 833
TOTAL ASSETS	**130 833**	**73 293**	**0**	**204 126**	**204 126**
Long term financial liabilities		80 289		80 289	80 289
Other non-current liabilities			147	147	147
Short term financial liabilities		39 593		39 593	39 593
Operating liabilities and other current liabilities		177 602		177 602	177 602
Payables related to intermediation activity				0	0
Derivative instruments				0	0
TOTAL LIABILITIES	**0**	**297 484**	**147**	**297 631**	**297 631**

in K€			31/12/2019		
Categories of financial assets and liabilities	**Financial assets/ Liabilities measured at fair value through profit or loss**	**Financial assets/ Liabilities measured at amortized cost**	**Financial assets/ Liabilities measured at fair value**	**Total carrying amount**	**Fair value of the category**
Financial assets		1 347		1 347	1 347
Operating receivables and other current receivables		61 991		61 991	61 991
Derivative instruments				0	0
Other non current assets				0	0
Cash and Cash equivalents	49 049			49 049	49 049
TOTAL ASSETS	**49 049**	**63 338**	**0**	**112 387**	**112 387**
Long term financial liabilities		20 349		20 349	20 349
Other non-current liabilities			65	65	65
Short term financial liabilities		58 064		58 064	58 064
Operating liabilities and other current liabilities		152 551		152 551	152 551
Derivative instruments				0	0
TOTAL LIABILITIES	**0**	**230 964**	**65**	**231 029**	**231 029**

5.15 Share Option Schemes

Accounting principles

Share option and share purchase schemes have been granted to a given number of employees and senior executives of the Group. They give the right to subscribe for SRP Groupe S.A. shares over a period of 10 years, subject to fulfilment of specific conditions, at a fixed exercise price determined at their allocation.

The options are valued at an amount equivalent to the fair value of the benefit granted to the employee or the senior executive at the date of allocation. The expenditure relating to these options is recognized as other operating income and expenditure, over the period of acquisition of the option rights, with a corresponding entry to equity.

The fair value of the option is determined by applying the "Black and Scholes" model, where the factors include in particular the exercise price of the options, their life, the reference share price at the allocation date, the implicit volatility of the share price, and the risk-free interest rate. The expenditure recognized also takes into account assumptions about the turnover rate among employees who have benefited from the share allocation.

On August 5, 2010, the General Meeting of Shareholders authorized the Board of Directors to grant stock options to a certain number of Group employees, on one or more occasions, for a period of 38 months.

On October 27, 2014, the General Meeting of Shareholders authorized the Board of Directors to grant stock options to a certain number of Group employees, on one or more occasions, for a period of 38 months.

The main features of these schemes and their calculation basis are summarised in the table below:

	Plan n°1	Plan n°2	Plan n°3	Plan n°4	Plan n°5	Plan n°6	Plan n°7	Plan n°8	Plan n°9
Date of the General Meeting	05/08/10	05/08/10	05/08/10	05/08/10	05/08/10	05/08/10	05/08/10	05/08/10	27/10/14
Date of the executive board	05/08/10	05/08/10	31/01/11	30/11/11	15/10/12	15/01/13	15/04/13	04/10/13	27/10/14
Total number of options authorized	544 320	1 260 000							84 500
Total number of options attributed over the previous periods	544 320	315 000	295 087	38 750	345 242	50 000	169 712	50 363	70 902
Total number of options exercised over the previous periods	- 544 320	- 315 000	- 166 813	-	- 160 812	- 43 570	- 74 506	- 40 355	- 36 258
Total number of options exercised over the current year	-	-	-	-	-	-	-	-	-
Total number of options cancelled	-	-	- 100 000	- 38 750	- 126 406	- 6 430	- 48 438	- 2 343	- 15 624
Total number of remaining options at 31st December 2019	-	-	28 274	-	58 024	-	46 769	7 665	19 020
Total number of options attributed over the current year	-	-	27 088	-	55 588	-	44 807	7 345	18 225
Total number of remaining options at 31st December 2020	-	-	55 362	-	113 612	-	91 576	15 010	37 245
Weighted average vesting period (in year)	-	2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0
Share price at the granting date / considering as equal to the exercise price	4,00	4,00	4,00	4,60	5,20	5,20	5,20	5,60	7,20
Exercice price (€)	4,00	4,00	4,00	4,60	5,20	5,20	5,20	5,60	7,20
Expected volatility	32%	32%	32%	32%	35%	35%	35%	35%	35%
Weighted average fair value at grant date	-	0,29	0,32	0,37	0,42	0,38	0,37	0,77	1,24

It is specified that plans 1 and 2 are intended for corporate officers. As for plan 1, the vesting of rights was immediate as of the date of incorporation of the SRP Group and completion of the contributions.

Depending on the parameters used in determining the fair value based on the Black & Scholes model, and on the basis of an updated assumption of the turnover rate of beneficiary employees, no expense was recognized in "Other operating expenditure" as of December 31, 2020, as was the case during the previous fiscal year.

5.16 Free Share Schemes

Accounting Principles

Free issue of shares was granted to a given number of employees and senior executives of the Group. In accordance with IFRS 2 free issue shares are subject to a valuation based on the benefit granted to beneficiaries at the grant date. The expense related to these free issue shares and related social contributions, are recognized in "Cost of share-based payments" over the period of acquisition.

In order to estimate the fair value of free shares the calculation takes into account hypotheses as to the turnover rate of the beneficiaries of the free share allocation.

On September 25, 2015, May 30, 2016, and June 26, 2017, the General Meeting of Shareholders authorized the Board of Directors to grant bonus shares to a given number of employees of the Group, on one or more occasions, and over a period of 38 months. These schemes were put in place as part of the IPO on the Euronext regulated market.

The main features of these schemes and their calculation basis are summarized in the table below:

	Date of the General Meeting	Date of the executive board	Total number of free shares authorized	Total number of free shares attributed over the previous periods	Total number of free shares attributed over the current year	Total number of free shares exercised	Total number of free shares cancelled	Total number of remaining free shares at 31st December 2020	Weighted average vesting period (in year)	Share price at the granting date	Weighted average fair value at grant date
Plan n°1	25/09/15	25/09/15	625 000	625 000	-	- 625 000	-	-	1,0	17,62	16,94
Plan n°2	25/09/15	29/10/15	100 000	100 000	-	- 73 546	- 26 454	-	2,0	17,62	16,94
Plan n°3	25/09/15	29/10/15	400 000	400 000	-	- 188 975	- 211 025	-	2,0	17,62	15,24
Plan n°4	30/05/16	30/05/16	52 500	52 500	-	-	- 52 500	-	2,0	19,19	13,83
Plan n°5	30/05/16	30/05/16	24 003	24 003	-	- 15 950	- 8 053	-	2,0	19,19	13,83
Plan n°6	30/05/16	14/02/17	60 956	59 836		- 37 738	- 22 098	-	2,0	22,69	17,02
Plan n°7	30/05/16	14/02/17	48 969	47 004			- 47 004	-	2,0	22,69	17,02
Plan n°8	30/05/16	26/06/17	18 133	18 133		- 6 988	- 11 145	-	2,0	23,50	17,63
Plan n°9	30/05/16	26/06/17	100 199	98 857		- 9 310	- 89 547	-	2,0	23,50	17,63
Plan n°10	26/06/17	04/12/17	340 975	340 309		- 116 155	- 224 154	-	2,0	10,00	7,40
Plan n°11	26/06/17	04/12/17	251 952	250 314		- 112 791	- 137 523	-	2,0	10,00	7,40
Plan n°12	26/06/17	04/12/17	6 302	6 302		- 6 302	-	-	2,0	10,00	7,50
Plan n°13	26/06/17	14/06/18	10 497	10 497		- 6 928	3 516	7 085	2,0	6,44	4,08
Plan n°14	26/06/17	14/06/18	14 698	14 698		- 6 928	- 685	7 085	2,0	6,44	4,45
Plan n°15	26/06/18	15/02/19	307 102	307 102		- 106 307	- 134 746	66 049	2,0	2,60	1,82
Plan n°16	26/06/18	15/02/19	15 200	15 200		- 15 200	-	-	2,0	2,60	1,82
Plan n°17	26/06/18	15/02/19	300 000	300 000		-	- 300 000	-	2,0	2,60	1,82
Plan n°18	26/06/18	26/06/19	1 177 704	1 177 704		- 328 819	401 726	1 250 611	2,0	2,60	1,82
Plan n°19	12/03/20	12/03/20	656 375	-	656 375	-	-	656 375	2,0	0,68	0,68
Plan n°20	16/12/20	16/12/20	918 824	-	918 824	-	-	918 824	2,0	1,75	1,75

Plan terminé

Depending on the parameters used in determining the fair value, and on the basis of an updated assumption of the turnover rate of beneficiary employees, the expense recognized as "Other operating expenditure" amounted to €1,4 million for 2020 (excluding flat-rate social security charges).

The total amount to be amortized between 2021 and 2023 in respect of these schemes is €1.9 million.

5.17 Earnings Per Share

Accounting Principles

The information stated is calculated on the basis of the following principles:

Basic Earnings Per Share

This is calculated by dividing the net income attributable to the Group by the weighted average number of ordinary shares outstanding during the year after deducting treasury shares held over the period. The average number of ordinary shares outstanding is an adjusted weighted annual average of the number of ordinary shares redeemed or issues over the period and calculated on the basis of the date of issue of the shares during the year.

Diluted Earnings Per Share

The net income attributable to the Group and the weighted average number of shares outstanding, taken into account for calculating the basic earnings per share, are adjusted for the effects of all potentially dilutive ordinary shares: share options and free shares issued (Notes 5.15 “Share Option Schemes” and 5.16 “Bonus Share Plans”).

5.17.1 Basic Earnings Per Share

	2020	2019
Net income for the period - part attributable to Group	13 911	- 70 462
Average number of ordinary shares	81 710 510	50 661 936
Basic earnings per share (in €)	0,170	- 1,391

5.17.2 Diluted Earnings Per Share

in K€	2020
Net income for the period - part attributable to Group	13 911
Average number of diluted ordinary shares	84 355 693
Diluted earnings per share (in €)	0,165

Given the negative net result of the Group in 2019, diluted earnings per share are capped by the basic earnings per share.

5.18 Analysis of changes in operating working capital items

in K€	31/12/2019 Gross book value	Variations with an impact on cash	Changes in the consolidation scope & others	31/12/2020 Gross book value
Inventory	48 373	12 551		60 924
Accounts receivable	20 548	- 157	- 84	20 307
Prepaid expenses	17 969	2 345		20 314
Other current assets	23 474	7 729	255	31 458
Subtotals Assets (1)	110 364	**22 467**	**171**	133 003
Accounts payable	110 470	21 741	- 7	132 204
Deferred revenues	21 200	2 396		23 596
Other current liabilities	20 880	1 036	- 115	21 801
Subtotals Liabilities (2)	152 550	**25 173**	**- 122**	177 602
Working capital requirement (1)-(2)	- 42 186	**- 2 706**	**293**	- 44 599
Change in Working Capital		- 2 413		

in K€	31/12/2018 Gross book value	Variations with an impact on cash	Changes in the consolidation scope & others	31/12/2019 Gross book value
Inventory	99 061	- 50 688		48 373
Accounts receivable	32 005	- 11 457		20 548
Prepaid expenses	18 190	- 221		17 969
Other current assets	19 135	4 339		23 474
Subtotals Assets (1)	168 391	**- 58 027**	-	110 364
	-	-		
Accounts payable	140 316	- 29 846		110 470
Deferred revenues	23 576	- 2 376		21 200
Other current liabilities	20 380	500		20 880
Subtotals Liabilities (2)	184 272	**- 31 722**	-	152 550
	-	-		
Working capital requirement (1)-(2)	- 15 881	**- 26 305**	-	- 42 186
Change in Working Capital		- 26 305		

6. THE GROUP'S EXPOSURE TO FINANCIAL RISKS

6.1 Market Risk

6.1.1 Foreign Exchange Risk

The Group is not exposed to a significant extent to foreign-exchange risk in its operations. The bulk of transactions undertaken by its customers (via Internet) are invoiced or paid in Euros. Most purchases from suppliers are invoiced or paid in Euros.

If the Euro appreciates (or depreciates) against another currency, the value in Euro of items of assets and liabilities, revenues and expenses initially recognized in this other currency will decrease (or increase). Hence, fluctuations in the value of the Euro can have an impact on the value in Euro of items of assets and liabilities, revenues and expenses not denominated in Euros, even if the value of these items have not changed in the original currency.

A 10% variation in the exchange rate parity of currencies other than the functional currencies of the subsidiaries would not have a significant impact on the Group's net income for the 2020 fiscal year, as was the case in previous years.

6.1.2 Interest Rate Risk

- **Investments**

The Group is exposed to an interest rate risk in respect of its short-term investments.

In 2020 as in 2019, the Group makes very few investments in the short term. The impact of a 1-point interest rate decrease applied to short-term rates would therefore have had a non-significant impact on the Group's net income.

- **Bank Debt**

The Group is exposed to an interest rate risk in respect of its medium and long-term external financing drawn on the closing date. This is the following financing:

- As part of the agreement with its banks in April 2020, the Group renewed its lines of credit in the amount of €62 million. These lines of credit are subject to a variable interest rate.
- In June 2020, the Group obtained a variable rate state-guaranteed loan of €35 million from CAIDF (Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Ile-de-France).

The impact of a 1-point increase in interest rates applied to short-term rates would have resulted in an annualized impact of €66 K on the Group's pre-tax earnings.

6.2 Liquidity Risk

To manage the liquidity risk that may arise from the eligibility of financial liabilities, either at their contractual maturity or in advance, the Group applies a prudent financing policy based in particular on the investment of its available excess cash in risk-free financial investments.

The Group contracted a bank guarantee to cover the signing of a lease in future state of completion (see Note 8.2).

6.3 Credit Risk

The financial assets which may, by their nature, expose the Group to a credit or counterparty risk concern mainly:

- Trade receivables: this risk is monitored on a daily basis through the collection and recovery processes. Furthermore, the high number of individual customers minimize credit concentration risk in respect of trade receivables;
- Financial investments: the Group's policy is to spread its investments over monetary instruments of short-term maturity, in general for a period of less than 1 month, in compliance with the rules on counterparty diversification and quality.

The book value of financial assets recognized in the financial statements, which is stated after deduction of impairment losses, represents the Group's maximum exposure to credit risk.

The Group does not hold significant financial assets past due date and not amortized.

Trade receivables as at December 31, 2020 by maturity are as follows:

in K€	< 3 months	> 3 months and < 6 months	> 6 months and < 1 year	> 1 year	Total
Accounts receivable at 31st December 2020	6 768	551	517	519	8 355

7. RELATED PARTIES

7.1 Related Parties Having Control Over the Group

As at December 31, 2020 the SRP Group had not granted any loans or borrowing to members of the Group's management, and no significant transactions had been carried out with shareholders or members of the management bodies.

The compensation of senior executives is detailed in the table below:

in K€	2020	2019
Fixed salaries	576	528
Variable salaries		225
Total	**576**	**753**

Subsidiaries in the Group's consolidation scope carry out transactions among them, which are eliminated for the purposes of the consolidated financial statements.

7.2 Other Related Parties

As part of its ordinary business, the Group carries out transactions with entities partly owned by some executives of the Group. These transactions, conducted at market prices, relate mainly to the rental of the following real properties:

- The Sables d'Olonne site,
- Saint-Denis headquarters,
- Spain headquarters.

in K€	2020	2019
Accounts receivable / payable		
Purchase of goods and services	888	682

8. OTHER INFORMATION

8.1 Commitments Received

There are no commitments received at the last three annual closing dates.

8.2 Commitments Given

There are no commitments given at the last three annual closing dates.

8.3 Headcount at year-end

No. of employees	31/12/2020	31/12/2019
Officials	576	538
Employees	471	510
Total Staff	**1 047**	**1 048**

8.4 Post-Balance Sheet Events

None

8.5 Audit Fees

For the financial year ended December 31, 2020, the total amount of audit fees for the Group amounted to €0.5 million and can be broken down as follows:

In K€	KPMG AUDIT IS	Autre membre du réseau KPMG	Jérôme Benaïnous	Total
Legal audit	331	36	145	512
Other services	21			21
Total	**352**	**36**	**145**	**533**

18.1.2 Statutory auditors' report on the group's consolidated financial statements for the fiscal year ended December 31, 2020

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

SRP Groupe S.A.

Registered office: ZAC Montjoie - 1 rue des Blés - 93212 La Plaine Saint-Denis Cedex

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December 2020

To the General Meeting of the Shareholders of SRP Groupe S.A.

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of SRP Groupe S.A. for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Key audit matter	**Answers given during our audit**
Valuation of goodwill As part of its development, the Group has had to make external growth transactions and to recognize several goodwill items. These goodwill items, with a book value of €123.7 million at December 31, 2020, correspond to the variance between the fair value of the transferred consideration and the fair value of the purchased assets and liabilities, and were allocated to the only cash generating unit (CGU). However, any unfavorable change in the returns expected from the business of SRP Groupe may have a significant impact on recoverable value and require the recognition of an impairment. Such a change implies reassessment of the relevance of all assumptions used to determine this value and the reasonable and consistent nature of the inputs used for the calculation. Consequently, management ensures, at each annual reporting date, or more frequently if there is any sign of impairment, that the book value of these goodwill items is not higher than their recoverable value and does not present an impairment risk.	Our audit entailed: - obtaining an understanding of the procedures used to implement the impairment test carried out by management; - reviewing the compliance of the methodology applied by the company with the applicable accounting standards; - analyzing the reasonable nature of the cash flow projections over a period of five years established by management, with regard to our knowledge of the economic environment in which the company operates; - assessing whether the long-term growth rate and the discount rate applied are consistent with market analyses, with the support of our appraisal specialists; - testing the sensitivity of the value in use determined by management to a change in the main assumptions adopted;

The procedures for the impairment test implemented and the details of the assumptions used are presented in Note 5.1 to the consolidated financial statements. The determination of the recoverable value of goodwill items is largely based on management's opinion, concerning in particular, the growth and profitability rates used for cash flow projections and the discount rate applied to them. We therefore considered the evaluation of goodwill as a key audit matter.	- assessing the appropriate nature of the financial information provided in Note 5.1 to the consolidated financial statements.
Valuation of inventories Inventories of goods are reported on the consolidated balance sheet at December 31, 2020 for a net amount of €61 million and constitute one of the most significant items on the consolidated balance sheet. As indicated in Note 5.5, inventories are stated at the lower of cost and the estimated realizable value. Inventory costs include acquisition costs, delivery costs, but also discounts and rebates obtained from suppliers. Impairment is recognized based on an analysis of the age, nature and rotation of inventories to take into account the associated impairment, if the estimated realizable value is lower than the book value. The realizable value corresponds to the estimated selling price in the normal course of business and taking into account the Group's different distribution channels. With respect to the weighting of inventories on the consolidated balance sheet, there is a risk that the net realizable value of certain items will be less than their book value, and therefore a risk of over-evaluation of the inventories, which we considered to be a key audit matter.	Concerning inventory costs, our audit entailed: - obtaining information about the procedures for determining the inventory costs of goods; - cross-checking, based on a sample, the inventory costs of goods with the purchase invoices; - cross-checking the coherence of the delivery costs incorporated into the value of inventories with the methodology for determining these costs and comparing them with their accounting calculation bases; Concerning the depreciation of inventories, our audit entailed: - assessing the relevance of the inventory depreciation rules applied with respect to the Group's activity; - obtaining an understanding of the methods used to identify old, slow-rotation items, and for determining their net realizable value; - assessing the estimate of the net realizable value of old, slow-rotation articles on the basis of a retrospective analysis of the profitability of sales of comparable inventories and by taking into account the different distribution channels specific to the SRP Groupe.

Revenue recognition (cut-off) At SRP Groupe, revenue is booked in the management software called Extranet on a "pay-per-click" basis and is registered as such in the accounting software. However, as indicated in Note 4 to the consolidated financial statements, revenue from the sale of goods (sales made on a firm basis or on a conditional basis) must be recorded when goods are delivered, and when the customer obtains control of goods and services purchased. Consequently, SRP Groupe carries out a restatement aimed at taking into account the time between the purchase on the Extranet and the control of goods and services purchased by customers. Considering the impact of this restatement, there is a risk of error which we considered to be a key audit matter.	Our audit entailed: - obtaining information about the procedures for determining the separation of accounting periods; - reviewing the conformity of the methodology applied by the company with the applicable accounting standards; - assessing the relevance of the methodology adopted by the company; - cross-checking the relevance of the data used in the calculations by comparing them with the data pulled out from the management software.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (Code de commerce), is included in the Group's management report, it being specified that, in accordance with the provisions of Article L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein and this information must be reported by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the consolidated financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation N° 2019/815 of 17 Decembre 2018 to years beginning on or after January 1, 2021. Therefore, this report does not include a conclusion on the compliance

with this format of the presentation of the consolidated financial statements intended to be included in the annual financial report mentionnedin Article L.451-1-2,I of the French Monetary and Financial Code (code monétaire et financier).

Appointment of the Statutory Auditors

We were appointed as statutory auditors of SRP Groupe S.A. by the General Shareholders' Meeting of August 5, 2010 for the firm KPMG Audit IS and in the articles of incorporation and bylaws dated July 29, 2010 for Mr. Jérôme Benaïnous.

At December 31, 2020, KPMG Audit IS and Mr. Jérôme Benaïnous were in the tenth year of their uninterrupted mission, i.e., their sixth year since the company's shares were admitted for trading on a regulated market

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive

to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, on the 31 mars 2021

Paris, on the 31 March 2021

The statutory auditors

French original signed by

Jean-Pierre Valensi
Partner

Jérôme Benaïnous
Partner

18.1.3 SRP Groupe's Corporate Financial Statements for the Fiscal Year Ended December 31, 2020

FINANCIAL STATEMENTS
AS OF DECEMBER, 31 2020

SRP GROUPE S.A.

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1. FINANCIAL STATEMENTS

1.1. Balance Sheet

en K€	31/12/2020	31/12/2019
Financial assets	251 131	233 314
Non current assets	**251 131**	**233 314**
Accounts receivables and similar accounts	1 815	789
Other receivables	16 140	6 121
Cash and cash equivalent	10 658	18 209
Current assets	**28 613**	**25 119**
Total Assets	**279 744**	**258 433**
Share capital	4 702	2 029
Share premium reserves	217 779	211 109
Treasury shares	38	38
Other reserves	- 20 909	- 2 565
Net income	20 511	- 18 343
Total equity	**222 122**	**192 268**
Long-term financial debt	53 833	
Long-term financial liabilities		
Total non current liabilities	**53 833**	**-**
Short term financial liabilities	955	54 771
Accounts payables	737	886
Income tax liabitity	2 097	157
Other current payables		10 352
Total current liabilities	**3 789**	**66 166**
Total Liabilities	**57 622**	**66 166**
Total Equity and Liabilities	**279 744**	**258 433**

1.2. Income Statement

en K€	2020	2019
Net revenues	936	717
Gross margin	**936**	**717**
Purchases and subcontracting expenses	2 326	1 355
Tax expenses	5	4
Personnel expenses	157	182
Depreciation and amortization charges		-
Other operating expenses	166	136
Current operating profit	**2 654**	**1 677**
Profit before tax	**- 1 718**	**- 960**
Income from cash and cash equivalents	22 169	411
Cost of financial debt	567	17 748
Net finance costs	**21 602**	**- 17 337**
Non-recurring income		2
Non-recurring expenses		36
Net finance costs	**-**	**- 34**
Profit before tax	**19 884**	**- 18 331**
Income taxes	- 627	13
Net income for the period	**20 511**	**- 18 343**

2. APPENDIX TO BALANCE SHEET AND INCOME STATEMENT

The notes and tables below are an integral part of the annual financial statements.

2.1. SUMMARY OF THE YEAR

The year ended 12/31/2020:

- The balance sheet total, presented prior to the allocation of net income, was €279,743,629;
- The income statement, presented as a list, totaled €23,105,135, showing a profit of €20,511,363.

The fiscal year had a duration of 12 months, covering the period from 01/01/2020 to 12/31/2020.

2.2. EVENTS OF THE FINANCIAL YEAR

2.2.1. Renewal and Extension of Existing Bank Debt

Discussions with bank partners culminated in an agreement to renew and extend the maturity of the Group's existing lines of credit, including overdraft facilities, representing a total financing amount of €62 million. This bank debt now consists of term loans repayable in gradually increasing three-month and six-month installments from 2022 until December 31, 2026.

The Group will also continue to benefit from a €2.8 million bullet loan from BpiFrance repayable at maturity in 2023.

The classification in the balance sheet as current and non-current liabilities will therefore take into account the impact of the conciliation protocol approved on May 28, 2020.

2.2.2. SRP Group Capital Increase

The company carried out a capital increase with preemptive subscription rights maintained, that closed on July 31, 2020.
The capital increase of a gross amount of €9.9 million, including issue premium, led to the issue of 66,260,485 new shares at a unit subscription price of €0.15.

Showroomprivé will use the proceeds from the capital increase to finance the general needs of the Company and its subsidiaries as part of the strengthening of its financial structure in association with the implementation of the protocol signed with the Group's banking partners on April 29, 2020. This transaction is the final stage of the implementation of refinancing transactions provided for in this protocol.

2.2.3. Covid-19

Since the beginning of the public health crisis and the related restrictive measures, Showroomprivé has continued its operations, while taking all the necessary measures to protect the health of its employees and their families. The Group is continuously adapting its operations and workforce to its business, making use where necessary of partial unemployment.
All of its business (including internet and media) was impacted during the two weeks following the introduction of lockdown, due mainly to the disruptions and necessary adjustments to the supply chain. The Group's business remains closely linked to the delivery and supply conditions in the countries in which the Group operates. Return times have also been extended to allow Showroomprivé buyers to continue to benefit from their purchase terms, which will make return management more complex throughout the first half and even the second half if the state of health emergency is extended.

Nevertheless, since April 2020, the Group has seen a marked recovery in sales, which were up significantly compared with April 2019 and exceeded those set out in the business plan. The Group is notably enjoying a favorable context

for e-commerce and is also starting to see a return on its efforts to strengthen relationships with brands illustrated by the signing of new partnerships with major groups with an extensive catalog of brands.

2.3. ACCOUNTING POLICIES

Accounting Standards

The annual financial statements were prepared in accordance with French accounting standards, in particular the provisions of Regulation 2014-03 of the French Accounting Standards Authority;

The general accounting principles were applied in good faith in accordance with the principle of prudence, in line with the following basic assumptions:

- Going concern,
- Consistent accounting methods from one financial year to the next,
- Independence of financial years.
- True and fair picture, and
- Regularity and sincerity.

The basic method adopted for the valuation of the items recognized in the accounts is the historical cost method.

Intangible Assets

Intangible fixed assets are valued at their acquisition cost (purchase price and ancillary expenses, excluding capital acquisition costs).

- **Financial Assets**

The gross value of equity investments on the balance sheet consists of their acquisition cost, including the costs directly attributable to the asset. The purchase price of the equity investments takes into account the price paid at the time of the acquisition and any variable earnouts based on the activity and future results of the acquired company.

As of December 31, 2020 financial assets consisted of equity holdings in the following companies:

Name	Book value (Gross)	% capital held	Equity	Equity other than capital	Pretax revenue of the last financial year	Net income of the last fiscal year	Loans and Advances	Other deposits and guarantees provided	Dividends of the last financial year
					En k€				
SHOWROOMPRIVE.COM	170 169	100%	145 810	-4 667	628 348	12 737	-	-	-
SRP LOGISTIQUE	4 219	100%	26	551	15 451	399	-	-	-
ABC SOURCING	3 580	100%	20	-18 862	8 435	1 351	-	-	-
SALDI PRIVATI	40 847	100%	303	407	42 355	2	-	-	-
BEAUTÉ PRIVÉE	35 745	100%	100	4 181	65 001	4 017	-	-	8 457
Total brute	**254 561**								

▪ Impairment Test of the Equity Investments

Impairment is recognized if, at year end, the valuation of the securities held, based on their value in use, is lower than their net book value. The value in use of the investments is determined according to their estimated discounted future cash flow, reduced or increased by the net debt or net cash position.

As of December 31, 2020, the value in use of all equity investments of the Showroomprive Group was estimated based on their net future cash flow discounted over a five-year period, then projected to infinity. This method is also described in detail in Note 5.1 in the annex to the Group's consolidated financial statements. The discount rate used for this impairment test was 9.39% and the long-term growth rate used was 2.0%.

The impairment test led to an impairment reversal of the Saldi Privati securities (€13,317K).

▪ Provisions for Risks and Charges

The company applies the CRC 2000-06 regulation on liabilities. In this context, provisions for risks and charges are put in place to account for possible resource outflows to the benefit of third parties, without expectation of revenue for the company. These provisions are estimated taking into account the most probable assumptions as of the balance sheet date.

▪ Receivables

Receivables are measured at their nominal value. A provision for impairment is recognized if the inventory value is less than the book value.

2.4. NOTES TO THE BALANCE SHEET

▪ Fixed Assets

en K€	31/12/2019	Acquisitions	Cessions	Autres variations	31/12/2020
Development expenses capitalized	247				247
Licenses and software					-
Brand					-
Cohort of members					-
Other intangible assets					-
Intangible assets	**247**	-	-	-	**247**
Land					-
Buildings and refurbishment					-
Facilities, plant & equipment					-
Tangible assets in progress					-
Advances payments for fixed assets					-
Other tangible assets					-
Tangible assets	-				-
Financial investments in shares	250 061	4 500			254 561
Loans and other financial assets	150				150
Financial assets	**250 211**	**4 500**	-	-	**254 711**
Total net value	**250 458**	**4 500**	**-**	**-**	**254 958**

in K€	31/12/2019	Acquisitions	Disposals	Reclassification	31/12/2020
Amort./Dep. of capitalized dev. Expenses	247				247
Amort./dep. Of licenses and software	-				-
Amort./Dep of cohort of members	16 897		- 13 317		3 580
Am./Dep. of intangible assets	**17 144**	**-**	**- 13 317**	**-**	**3 827**

The change in the gross value of equity investments relates to the subscription in the capital reserves of the subsidiary Saldi Privati with a view to restoring its net equity.

▪ Receivables by Maturity

in K€	31/12/2020	< 1 year	2 years	3 years	4 years	5 years & more
Loans, guarantees and other receivables	-			-	-	-
Total Financial fixed assets	**-**	**-**	**-**	**-**	**-**	**-**
Accounts receivable	1 815	1 815	-	-	-	-
Accrued income	-	-	-	-	-	-
Advances and prepayments	-	-	-	-	-	-
Total receivables and related accounts	**1 815**	**1 815**	**-**	**-**	**-**	**-**
Current income taxes	1 873	1 638			6	229
Employee advances and prepaid payroll taxes	-	-	-	-	-	-
Tax-related receivable - other than income tax	609	609	-	-	-	-
Related parties	13 511	13 511	-	-	-	-
Other receivables	148	148	-	-	-	-
Total other receivables	**16 140**	**15 905**	**-**	**-**	**6**	**229**
Total Receivables	**17 955**	**17 720**	**-**	**-**	**6**	**229**

▪ Debt by Maturity

in K€	31/12/2020	Less than 1 year	2 years	3 years	4 years	5 years or more
Other financial liabilities > 1 year	53 833		6 117	8 716	10 400	28 600
Total Payable and related accounts	**53 833**		**6 117**	**8 716**	**10 400**	**28 600**
Accounts payable	177	177				
Accrued invoices	560	560				
Related parties						
Advances from customers and billed in advance						
Total Payable and related accounts	**737**	**737**				
Other financial liabilities < 1 year	955	955				
Employee-related liabilities	212	212				
Accrued taxes other than income tax	1 885	1 885				
Other liabilities		-				
Deferred revenues						
Total other liabilities	**3 052**	**3 052**				
TOTAL	**57 622**	**3 789**	**6 117**	**8 716**	**10 400**	**28 600**

As part of its banking contracts, the company is committed to respecting certain financial ratios. These ratios were met as at December 31, 2020.

▪ Accrued Liabilities

As at December 31, 2020, the balance sheet comprised €643K accrued liabilities, of which €559K consists of invoices not yet received and €84K of tax and social expenses.

▪ Deferred Expenses

As at December 31, 2020 the balance sheet comprised €70K in deferred expenses, of which €41K are linked to insurance, €9K are linked to loan fees and €20K other miscellaneous fees.

▪ Cash and Cash Equivalents

As at December 31, 2020, this balance sheet item comprised 53,582 own shares related to a liquidity contract with a third-party service provider for a total amount valued at €109K.

2.5. NOTES TO THE INCOME STATEMENT

▪ Revenue

SRP Group S.A. is the lead holding company of all entities of the Showroomprive.com Group. Revenue stems from the invoicing for administrative and financial services provided by the SRP Group SA on behalf of its subsidiaries.

▪ Operational Expenses

Company operating expenses over the 12 months of the 2020 financial year amounted to €2,654K, consisting mainly of fees of €1,759K and staff costs of €157K.

▪ Financial Income

Financial expenses for the financial year of €567K relate primarily to loan interests for €407K, as well as losses on the disposal of marketable securities for €137K.

Financial income for the 2020 financial year was €22,169K, including €13,317K from the impairment reversal of the Saldi Privati securities, €8,457K in dividends paid by its subsidiary Beauté Privée, €334K corresponding to disposals of marketable securities and €30K from current account interest earned.

▪ Remuneration

During the financial year, executive compensation came to €80K. The remuneration paid to members of the Board of Directors amounted to €165K.

2.6. ADDITIONAL INFORMATION

▪ Tax Consolidation

A tax consolidation agreement was implemented starting on January 1, 2012 between the SRP Group SA, the parent company of the group and all of its French subsidiaries including the following entities in 2020:

- SHOWROOMPRIVE.COM
- SHOWROOMPRIVE LOGISTIQUE
- ABC Sourcing
- BEAUTE PRIVEE
- SHOWROOMPRIVE Prod (held by its subsidiaries SHOWROOMPRIVE.COM)

Beauté Privée was included within the tax consolidation group as of the financial year beginning January 1, 2020. The company SRP Prod was the subject of a universal transmission of assets (*Transmission universelle de patrimoine* — TUP) in the financial statements of its parent company, Showroomprive.com, during the 2020 financial year. The company was therefore removed from the tax consolidation group.

Under this convention, only SRP Group S.A. is liable to pay the tax due on the overall results and accounts of tax payable by the Group's overall debt.

▪ Stock Options

On August 5, 2010, the General Meeting of Shareholders authorized the Board of Directors to grant stock options to a certain number of Group employees, on one or more occasions, for a period of 38 months.

On October 27, 2014, the General Meeting of Shareholders authorized the Board of Directors to grant stock options to a certain number of Group employees, on one or more occasions, for a period of 38 months.

The main features of these schemes and their calculation basis are summarized in the table below:

	Plan n°1	Plan n°2	Plan n°3	Plan n°4	Plan n°5	Plan n°6	Plan n°7	Plan n°8	Plan n°9
Date of the General Meeting	05/08/10	05/08/10	05/08/10	05/08/10	05/08/10	05/08/10	05/08/10	05/08/10	27/10/14
Date of the executive board	05/08/10	05/08/10	31/01/11	30/11/11	15/10/12	15/01/13	15/04/13	04/10/13	27/10/14
Total number of options authorized	544 320	1 260 000							84 500
Total number of options attributed over the previous periods	544 320	315 000	295 087	38 750	345 242	50 000	169 712	50 363	70 902
Total number of options exercised over the previous periods	- 544 320	- 315 000	- 166 813	-	- 160 812	- 43 570	- 74 506	- 40 355	- 36 258
Total number of options exercised over the current year	-	-	-	-	-	-	-	-	-
Total number of options cancelled	-	-	- 100 000	- 38 750	- 126 406	- 6 430	- 48 438	- 2 343	- 15 624
Total number of remaining options at 31st December 2019	-	-	28 274	-	58 024	-	46 769	7 665	19 020
Total number of options attributed over the current year	-	-	27 088	-	55 588	-	44 807	7 345	18 225
Total number of remaining options at 31st December 2020	-	-	55 362	-	113 612	-	91 576	15 010	37 245
Weighted average vesting period (in year)	-	2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0
Share price at the granting date / considering as equal to the exercise price	4,00	4,00	4,00	4,60	5,20	5,20	5,20	5,60	7,20
Exercice price (€)	4,00	4,00	4,00	4,60	5,20	5,20	5,20	5,60	7,20
Expected volatility	32%	32%	32%	32%	35%	35%	35%	35%	35%
Weighted average fair value at grant date	-	0,29	0,32	0,37	0,42	0,38	0,37	0,77	1,24

It is specified that plans 1 and 2 are intended for corporate officers. As for plan 1, the vesting of rights was immediate as of the date of incorporation of the SRP Group and completion of the contributions.

▪ Bonus Share Plans

On September 25, 2015, May 30, 2016, June 26, 2017 and June 26, 2018, the General Meeting of Shareholders authorized the Board of Directors to grant bonus shares to a given number of employees of the Group, on one or more occasions, and over a period of 38 months.

The main features of these schemes and their calculation basis are summarized in the table below:

	Date of the General Meeting	Date of the executive board	Total number of free shares authorized	Total number of free shares attributed over the previous periods	Total number of free shares attributed over the current year	Total number of free shares exercised	Total number of free shares cancelled	Total number of remaining free shares at 31st December 2020	Weighted average vesting period (in year)	Share price at the granting date	Weighted average fair value at grant date
Plan n°1	25/09/15	25/09/15	625 000	625 000	-	- 625 000	-	-	1,0	17,62	16,94
Plan n°2	25/09/15	29/10/15	100 000	100 000	-	- 73 546	- 26 454	-	2,0	17,62	16,94
Plan n°3	25/09/15	29/10/15	400 000	400 000	-	- 188 975	- 211 025	-	2,0	17,62	15,24
Plan n°4	30/05/16	30/05/16	52 500	52 500	-	-	- 52 500	-	2,0	19,19	13,83
Plan n°5	30/05/16	30/05/16	24 003	24 003	-	- 15 950	- 8 053	-	2,0	19,19	13,83
Plan n°6	30/05/16	14/02/17	60 956	59 836		- 37 738	- 22 098	-	2,0	22,69	17,02
Plan n°7	30/05/16	14/02/17	48 969	47 004			- 47 004	-	2,0	22,69	17,02
Plan n°8	30/05/16	26/06/17	18 133	18 133		- 6 988	- 11 145	-	2,0	23,50	17,63
Plan n°9	30/05/16	26/06/17	100 199	98 857		- 9 310	- 89 547	-	2,0	23,50	17,63
Plan n°10	26/06/17	04/12/17	340 975	340 309		- 116 155	- 224 154	-	2,0	10,00	7,40
Plan n°11	26/06/17	04/12/17	251 952	250 314		- 112 791	- 137 523	-	2,0	10,00	7,40
Plan n°12	26/06/17	04/12/17	6 302	6 302		- 6 302	-	-	2,0	10,00	7,50
Plan n°13	26/06/17	14/06/18	10 497	10 497		- 6 928	3 516	7 085	2,0	6,44	4,08
Plan n°14	26/06/17	14/06/18	14 698	14 698		- 6 928	- 685	7 085	2,0	6,44	4,45
Plan n°15	26/06/18	15/02/19	307 102	307 102		- 106 307	- 134 746	66 049	2,0	2,60	1,82
Plan n°16	26/06/18	15/02/19	15 200	15 200		- 15 200	-	-	2,0	2,60	1,82
Plan n°17	26/06/18	15/02/19	300 000	300 000		-	- 300 000	-	2,0	2,60	1,82
Plan n°18	26/06/18	26/06/19	1 177 704	1 177 704		- 328 819	401 726	1 250 611	2,0	2,60	1,82
Plan n°19	12/03/20	12/03/20	656 375	-	656 375	-	-	656 375	2,0	0,68	0,68
Plan n°20	16/12/20	16/12/20	918 824	-	918 824	-	-	918 824	2,0	1,75	1,75

Plan terminé

▪ Composition of the Share Capital

On 12/31/2020, the share capital consists of 117,560,198 shares at a par of €0.04.

in €	**Number**	*Nominal value*	**Value in €**
No. of shares issued at the beginning of the financial year	**50 744 030**	**0,04**	**2 029 761**
No. of shares issued during the year	66 816 168	0,04	2 672 647
No. of shares purchased back during the year	-	0,04	-
No. of shares issued at the close of the financial year	**117 560 198**	**0,04**	**4 702 408**

The variation of share capital results from the exercise of new shares related to the bonus share allocation.

Variation of Shareholders' Equity

in K€	31/12/2019	Capital increase	Other changes	Allocation of previous year's result	31/12/2020
Share capital	2 029	2 673			4 702
Share premium reserve	211 109	6 670			217 779
Legal reservce	38				38
Profit & loss carried forward	- 2 565			- 18 343	- 20 908
Net result of the year	- 18 343		20 511	18 343	20 511
Total net equity	**192 268**	**9 343**	**20 511**	**-**	**222 122**

The increase in the item "Share premiums" in 2020 is related to the share capital increase carried out in July 2020 net of expenses (€0.6 million) less the issue premium.

Off-Balance Sheet Commitments

In the framework of the conciliation protocol, SRP Group has undertaken to sell its Beauté Privée equity interests to its subsidiary SRP.COM, no later than May 22, 2022, subject to a non-group sale in the meantime.

Identity of the Parent Company Consolidating the Company's Accounts

SRP Group SA is head of the consolidation group applying the full consolidation method for subsidiaries listed under the title "financial assets" and other companies held by its subsidiaries.

Related Parties

As of December 31, 2020, the SRP Group did not grant any loans to Company officers.

In the normal course of its business activity, the SRP Group carries out transactions with its subsidiaries under arm's length market conditions.

Post-Balance Sheet Events

None.

Personnel

Average staff for the year 2020 was 2 employees.

Audit Fees

For the financial year ended December, 31 2020, the total amount of audit fees for SRP Groupe amounts to €325K and can be broken down as follows:

In K€	KPMG SA	Jérôme Benaïnous	Other service providers	31/12/2019
Legal audit	240	53		293
Other services	32			32
Total	**272**	**53**		**325**

18.1.4 Statutory auditors' report on the financial statements of SRP Groupe for the fiscal year ended December 31, 2020

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

SRP Groupe S.A.

Registered office: ZAC Montjoie - 1 rue des Blés - 93212 La Plaine Saint-Denis Cedex
Share capital: €.4 717 890,72

Statutory auditors' report on the financial statements

For the year ended 31 December 2020

To the General Meeting of the Shareholders of SRP Groupe S.A.,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of SRP Groupe S.A. for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Key audit matter	Answer given during our audit
Evaluation of equity interests At December 31, 2020, the equity interests are reported on the balance sheet for a net amount of €251 million. Equity interests are recorded at their acquisition cost on their entry date. An impairment loss may be recorded based on their value in use. As indicated in paragraph "Impairment test for equity interests in the notes" of Note 2.3. "Accounting rules and methods" of the notes, a provision for impairment is established when the net accounting value of the equity interests is greater than their value in use. This value in use is estimated by management according to the discounted net future cash flows, adjusted for net debt or net cash. Given the significant amount of equity interests in the financial statements, and the uncertainties inherent to certain elements, including forecasts contributing to the assessment of value in use, we considered the evaluation of equity interests to be a key audit matter.	Our audit entailed: - examining the methods used by Management to estimate the value in use, - verifying that the model used for calculating values in use is appropriate, - assessing the reasonable nature of the cash flow projections over a period of five years and established by management, with regard to our knowledge of the economic environment in which the group operates; - assessing the coherence of the long-term growth rate and the discount rate applied with market analyses, with the support of our appraisal specialists, - verifying that the financial information provided in the notes to the financial statements is appropriate.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given [in the management report and] in the [other] documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors approved on March 11, 2021 and in the other documents with respect to the financial position and the financial statements provided to Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (*Code de commerce*).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favour, we have verified the consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the Annual Financial Report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No 2019/815 of 17 December 2018 to years beginning on or after January 1, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier).

Appointment of the Statutory Auditors

We were appointed as statutory auditors of SRP Groupe S.A. by the General Shareholders' Meeting of August 5, 2010 for the firm KPMG Audit IS and in the articles of incorporation and bylaws dated July 29, 2010 for Mr. Jérôme Benaïnous.

At December 31, 2020, KPMG Audit IS and Mr. Jérôme Benaïnous were in the tenth year of their uninterrupted mission, i.e., their sixth year since the company's shares were admitted for trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, on the 12 avril 2021

Paris, on the 12 April 2021

The statutory auditors

Jean-Pierre Valensi
Partner

Jérôme Benaïnous
Partner

18.2 DATE OF THE LATEST FINANCIAL INFORMATION

The date of the latest financial information is December 31, 2020.

18.3 STATUTORY AUDITORS' FEES

The fees paid to the statutory auditors for fiscal years 2020, 2019 and 2018 are set forth below:

	KPMG AUDIT IS			JÉRÔME BENAÏNOUS		
(in € thousands)	***2020***	***2019***	***2018***	***2020***	***2019***	***2018***
Statutory audit, certification, audit of the individual company and consolidated financial statements	302	242	291	99	141	161
of which, SRP	*209*	*127*	*147*	*49*	*89*	*103*
of which, fully consolidated subsidiaries	*93*	*114*	*144*	*50*	*52*	*58*
Services other than the certification of the financial statements	162	84	149	61	2	8
of which, SRP	*155*	*84*	*149*	*61*	*2*	*8*
of which, fully consolidated subsidiaries	*8*	*0*	*0*		*0*	*0*
Sub-total	**464**	**326**	**440**	**160**	**143**	**169**
Other services rendered by the networks to fully consolidated subsidiaries	0	0	0	0	0	0
TOTAL	**464**	**326**	**440**	**160**	**143**	**169**

18.4 DIVIDEND POLICY

The Company did not distribute any dividends during the past three fiscal years ending on December 31, 2020, 2019 and 2018.

Furthermore, the Company does not intend to distribute dividends in the foreseeable future.

18.5 RESULTS OF THE COMPANY IN THE PAST FIVE FISCAL YEARS

Date Approved *Length of the fiscal year (months)* *In €*	12/31/2020 12	12/31/2019 12	12/31/2018 12	12/31/2017 12	12/31/2016 12	12/31/2015 12
CAPITAL AT YEAR END						
Share Capital	4,702,408	2,029,761	2,024,576	1,384,198	1,367,659	1,315,612
Number of Shares						
- common stock	117,560,198	50,744,030	50,614,402	34,604,953	34,191,469	32,890,321
- preferred stock	0	0	0	0	0	0
Maximum number of shares to be created						
- by conversion of bonds						
- by warrants	2,943,274	1,550,304	639,407	1,014,379	728,954	1,926,578
OPERATIONS AND RESULTS						
Revenue excl. taxes	935,742	716,258	2,108,591	2,670,973	4,566,347	4,051,968
Income before tax, profit-sharing depreciation, amort. and provisions	6,559,413	-1,785,740	-566,452	-760,892	-1,211,941	68,758
Income Tax	627,089	0	0	0	386,106	203,126
Employee profit share	0	0	0	0	0	0
Net Income	20,511,363	-18,343,499	-1,066,435	-760,892	-845,835	226,484
Distributed Income		0	0	0	0	0
EARNINGS PER SHARE						
Income after tax, profit-sharing before depreciation, amort. and provisions	0.0611	-0.004	-0.021	-0.0220	-0.0242	0.0083
Income after tax, profit-sharing depreciation, amort. and provisions	0.1745	-0.361	-0.021	-0.0220	-0.0247	0.0069
Dividend paid						
PERSONNEL						
Average number of employees	2	2	2	3	4	4
Total payroll	80,000	96,000	96,000	118,500	156,000	220,847
Benefits Paid (health insurance, other benefits, etc.)						

18.6 JUDICIAL, ADMINISTRATIVE AND ARBITRATION PROCEEDINGS

Significant Judicial, Administrative and Arbitration Proceedings

The Group is involved in legal, administrative and regulatory proceedings in the ordinary course of business, which may include disputes with customers, suppliers or the Group's brand partners or other partners. A provision is recorded by the Group whenever there is a sufficient probability that such disputes will result in costs to be borne by the Company or one of its subsidiaries and that the amount of such costs can be reasonably estimated.

At the date of this Universal Registration Document, the Group is not aware of any governmental, legal or arbitration proceedings (including any threatened or pending proceedings of which the Group is aware) other that those mentioned below, that could have, or have had in the past twelve months, a material effect on the financial position or profitability of the Company or the Group.

At December 31, 2020, total provisions for litigation recorded by the Group was around €4.20 million. For further information, see Note 5.10 to the Consolidated Financial Statements set forth in Section 18.1.1 "Group Consolidated Financial Statements for the Fiscal Year Ending on December 31, 2020" of this Universal Registration Document.

Proceedings between the Group and Vente-privee.com

The Group operates in the online event sales sector where competition is fierce, particularly with the historically dominant operator. As part of its business activity, it has been involved in several disputes with Vente-privee.com, some of which are described below.

Action to declare the trademark "vente-privée" invalid for lack of a distinctive nature. On July 19, 2016, Showroomprive.com commenced an action against Vente-Privee.com in the Regional Court of Paris seeking to declare the French word mark "vente-privee.com" invalid. By a judgment of October 3, 2019, the Regional Court of Paris ruled in favor of Showroomprive.com, declaring the French word mark no. 4055655 invalid on the basis of fraudulent filing. Vente-Privée.com appealed this decision on November 18, 2019. The appeal procedure is still pending at the date of this Universal Registration Document.

Proceedings before the Commercial Court of Paris. On November 15, 2012, Showroomprive.com initiated proceedings against Vente-privee.com in the Commercial Court of Paris, asking the Court to order Vente-privee.com to cease certain unfair competitive practices and to pay damages to Showroomprive.com for abuse of its dominant position on the online private event sales market. In support of its claim, Showroomprive.com described in particular Vente-privee.com's practices with respect to exclusivity clauses. On May 20, 2014, the Commercial Court of Paris stayed these proceedings pending the Competition Authority's decision in the Brandalley case against Vente-Privee.com for abuse of a dominant position by the latter on the private online sales event market for the 2005 to 2011 period. In January 2017, Vente-privee.com requested the resumption of proceedings following the decision of the Court of Appeal on May 12, 2016. Showroomprive.com requested that the stay of proceedings be maintained pending the decision of the Court of Cassation in this case. The Paris Commercial Court confirmed the stay of proceedings in a ruling in June 2017. Since the expiration date of the proceeding was reached on December 9, 2019.

Inquiry by the French Competition Authority on the Registration Prices Used to Announce Reductions in Prices

In 2016, the French Competition Authority (the "DGCCRF") assisted by the Departmental Directorate for the Protection of Populations ("DDPP") conducted investigations into several e-commerce sites, including the site operated by the Group, on the standard prices used to announce price reductions to consumers. As part of these investigations, the Group was the subject of a free criminal hearing by the DDPP of Seine-Saint-Denis on February 26, 2020. At the date of this Universal Registration Document, the Group is not aware of any transmission of the findings of its Showroomprive.com investigation to the judicial authority.

Tax Procedures

Moreover, Showroomprive.com is subject to a tax audit for fiscal years 2015 and 2016 and on December 24, 2018 received a proposed assessment of corporate tax and value added tax.

As part of this tax assessment proceeding, Showroomprive.com disputed the majority of the increases dated December 24, 2018 in a response dated February 22, 2019. On May 2, 2019, Showroomprive.com filed a request for a hierarchical appeal. On November 27, 2019, following the hierarchical appeal meeting held on June 14, 2019, during which Showroomprive.com requested a comprehensive settlement, the DVNI sent modified financial consequences. On this basis, on December 10, 2019, Showroomprive.com requested the benefit of the provisions of Article L62A of the Tax Procedure Handbook. As the company received the collection notices during the 2020 fiscal year, the provision recognized at December 31, 2019 for an amount of €2 million was reversed.

In January 2021, a collection notice in the amount of €1,789,532 was addressed to Showroomprive.com, which the company paid immediately.

18.7 SIGNIFICANT CHANGE IN THE GROUP'S FINANCIAL SITUATION

As of the date of this Universal Registration Document, the Group is focusing on adapting its business in the exceptional context caused by the coronavirus health crisis (COVID-19), in particular France's state of health emergency (see 5.4.4.10).

In addition, the Group announced on April 30, 2020 that it had signed a major agreement with its bank partners (BNP Paribas, CAIDF, Société Générale and BpiFrance) to secure and shore up its financial structure over the short and medium term. The funding provided under the agreement will enable the Group to ambitiously pursue its strategy of improving profitability over the coming years besides coping with the current health crisis. This agreement takes the form of a conciliation protocol signed on 29 April 2020. It covers three arrangements:

1. Renewal and extension of existing bank debt

The discussions previously announced with bank partners have culminated in an agreement to refinance and extend the maturity of the Group's existing lines of credit, including overdraft facilities, representing a total financing amount of €62 million. This bank debt now consists of term loans repayable in gradually increasing three-month and six-month installments from 2022 until December 31, 2026. The overall additional cost of this debt compared to the previous terms is limited, around 30 to 60 basis points depending on the financing line.

The Group will also continue to benefit from a €2.8 million bullet loan from BpiFrance repayable at maturity in 2023.

2. New €35 million line of credit

CAIDF (Caisse Régionale de Crédit Agricole Mutuel de Paris et d'Île-de-France) has granted the Group a €35 million guaranteed loan of which 90% is guaranteed by the state, repayable with final maturity at the discretion of the company up to 2026.

This new line of credit is part of a set of measures adopted by the French government as part of its €110 billion national business assistance program, in accordance with ministerial orders of March 23, 2020 and April 17, 2020 awarding the state guarantee to credit institutions and financing companies, pursuant to Article 6 of Act no. 2020-289 of March 23, 2020.

As part of the overall plan, bank creditors have agreed to waive the application of commitments relating to compliance with financial ratios as of December 31, 2019 for the year 2020 and in June 2021.

From December 31, 2021 onwards, facilities 1 and 2 are subject to compliance with a declining leverage ratio R2 (net debt /EBITDA), which will decrease from a maximum value of 6, applicable exceptionally to 2021, to 2.5 for 2025.

3. Share issue and undertaking by founding directors

In addition, the Group committed to make its best efforts to achieve a €8-10 million capital increase, with preemptive subscription rights maintained, open to all shareholders at a price of €0.15 per share.

The capital increase with shareholder preferential subscription rights was successfully realized on August 5, 2020. The proceeds of the capital increase will be used by Showroomprivé to finance the Company's and its subsidiaries general expenses, as part of the strengthening of its financial structure under the agreement entered into on 29 April 2020 with the Group's banking partners.

19. SUPPLEMENTAL DISCLOSURES

19.1 SHARE CAPITAL

19.1.1 Share Capital Subscribed and Share Capital Authorized but not Issued

On the date of registration of this Universal Registration Document, the Company's share capital amounted to €4,717,890.72 divided into 117,947,268 shares with a par value of €0.04 each, entirely paid up and all of the same class.

The table below presents the financial resolutions in effect on the date of this Universal Registration Document that were approved at the Combined Shareholders' Meeting of June 8, 2020 and also shows their utilization during fiscal year 2020.

Subject of The Resolution	Maximum Nominal Amount	Term of The Authorization	Utilization of The Authorization During the Fiscal Year Ending On December 31, 2020
Authorization Given to The Board of Directors To Trade In The Company Shares (13th Resolution)	See Section 19.1.3	18 months	None
Delegation of authority to the Board of Directors to decide an increase in the share capital of the Company or another company by issuing shares and/or securities giving immediate or future rights to equity, with preemptive subscription rights maintained (14th Resolution)	€2,800,000 for capital increases(2) €150 million for debt securities	26 months	None
Delegation of authority to the Board of Directors to decide to increase the share capital of the Company or another company by issuing shares and/or securities giving immediate or future rights to equity, with a waiver of preemptive rights, through tender offers other than tender offers cited in Article L.411-2, 1 of the Monetary and Financial Code (15th Resolution)	€400,000 for capital increases(2) €150 million for debt securities	26 months	None

Subject of The Resolution	Maximum Nominal Amount	Term of The Authorization	Utilization of The Authorization During the Fiscal Year Ending On December 31, 2020
Delegation of authority to the Board of Directors to decide to increase the share capital of the Company or another company by issuing shares and/or securities giving immediate or future rights to equity, with a waiver of preemptive subscription rights, through tender offers cited in Article L. 411-2, of the Monetary and Financial Code (16th Resolution)	€200,000 for capital increases(2) €150 million for debt securities	26 months	None
Possibility of issuing shares and/or other equity securities giving immediate or future rights to shares to be issued by the Company in consideration for contributions in kind composed of equity securities or other securities giving rights to equity (17th Resolution)	up to a limit of 10% of the share capital for capital increases(2)	26 months	None
Delegation of authority to the Board of Directors to decide to increase the share capital by capitalization of premiums, reserves, profits or any other amounts (18th Resolution)	€50 million	26 months	None
Delegation of authority to the Board of Directors to increase the number of shares to be issued in the event of a capital increase with or without preemptive subscriptions rights (19th Resolution)	Limit stipulated by the regulations applicable on the date of the issue (currently 15% of the initial issue)(1)(2)	26 months	None
Delegation of authority to the Board of Directors to decide to increase the Company's share capital by issuing shares and/or other securities giving immediate or future rights to equity, with a waiver of preemptive subscription rights, reserved for participants in company savings plans (20th Resolution)	1% of the share capital on the date of the decision of the Board of Directors(2)	26 months	None
Delegation of authority to the Board of Directors to make allotments of bonus shares, using existing or future shares, to the salaried personnel and to all or some of the Group's corporate offices (21st Resolution)	3% of the share capital on the date of the annual shareholders' meeting (with a sub-limit of 1.5% of the shares allotted to senior management)(2)	38 months	None

Subject of The Resolution	Maximum Nominal Amount	Term of The Authorization	Utilization of The Authorization During the Fiscal Year Ending On December 31, 2020
Authorization given to the Board of Directors to reduce the share capital by canceling treasury shares held by the Company (22nd Resolution)	Up to a limit of 10% of the share capital per 24-month period	26 months	None

(1) The additional issue will count towards the cap for the resolution in question, with or without preemptive rights.

(2) The total maximum par amount of capital increases that can be realized pursuant to this delegation counts towards the global limit of the 14th resolution (€3.5 million).

The table below shows the financial resolutions proposed to be adopted at the annual shareholders' meeting to be held on June 28, 2021:

Subject of The Resolution	Maximum nominal amount	Percentage of current capital at April 29, 2021	Term of the authorization
Annual Shareholders' Meeting of June 28, 2021			
Authorization given to the Board of Directors to trade in the Company shares	See Section 19.1.3	NA	18 months
Delegation of authority to the Board of Directors to decide on the increase in the share capital of the Company or another company by issuing shares and/or securities giving immediate or future rights to equity, with preemptive subscription rights maintained	€2.3 million for capital increases(2) €150 million for debt securities	49%	26 months
Delegation of authority to the Board of Directors to decide to increase the share capital of the Company or another company by issuing shares and/or securities giving immediate or future rights to equity, with a waiver of preemptive rights, through tender offers other than tender offers cited in Article L.411-2, 1 of the Monetary and Financial Code.	€400,000 for capital increases(2) €150 million for debt securities	8.5%	26 months
Delegation of authority to the Board of Directors to decide to increase the share capital of the Company or another company by issuing shares and/or securities giving immediate or future rights to equity, with a waiver of preemptive subscription rights, through tender offers cited in Article L. 411-2 of the French Monetary and Financial Code	€200,000 for capital increases(2) €150 million for debt securities	4.2%	26 months
Possibility of issuing shares and/or other equity securities giving immediate or future rights to shares to be issued by the Company in consideration for contributions in kind composed of equity securities or other securities giving rights to equity	up to a limit of 10% of the share capital for capital increases(2)	10%	26 months
Delegation of authority to the Board of Directors to decide to increase the share capital by capitalization of premiums, reserves, profits or any other sums	€50 million	NA	26 months
Delegation of authority to the Board of Directors to increase the number of shares to be issued in the event of a capital increase with or without elimination of preemptive subscription rights	Limit stipulated by the regulations applicable on the date of the issue (currently 15% of the initial issue)(1)(2)	15%	26 months
Delegation of authority to the Board of Directors to decide to increase the Company's share capital by issuing shares and/or other securities giving immediate or future rights to equity, eliminating preemptive subscription rights, reserved for participants in company savings plans	1% of the share capital on the date of the decision of the Board of Directors(2)	1%	26 months

Subject of The Resolution	Maximum nominal amount	Percentage of current capital at April 29, 2021	Term of the authorization
Delegation of authority to the Board of Directors to allot bonus shares, from existing or new shares, to salaried personnel and to all or some of the Group's corporate officers	3% of the share capital on the date of the annual shareholders' meeting (with a sub-limit of 1.5% of the shares allotted to senior management)(2)	3% of the share capital on the date of the annual shareholders' meeting (with a sub-limit of 1.5% of the shares allotted to senior management)(2)	38 months
Authorization given to the Board of Directors to reduce the share capital by canceling treasury shares held by the Company	Up to a limit of 10% of the share capital per 24-month period	Up to a limit of 10% of the share capital per 24-month period	26 months

(1) The additional issue will count towards the cap for the resolution in question, with or without preemptive rights.

(2) The total maximum par amount of capital increases that can be realized pursuant to this delegation counts towards the global limit of the 17th resolution (€2.3 million).

19.1.2 Securities Not Representing Equity

At the date of this Universal Registration Document, the Company has not issued any securities not representing equity.

19.1.3 Control, Holding and Purchase by the Company of its Own Shares

19.1.3.1 Share Buyback Program

The 15th resolution of the Company's annual meeting of shareholders on June 8, 2020 authorized the Board of Directors, for an 18-month period starting on June 8, 2020, to implement a program to buyback the Company's shares, in accordance with Article L. 22-10-62 of the French Commercial Code, on the following terms:

Transaction	Term of the authorization	Maximum nominal amount	Maximum Number of Shares
Share Buyback Program	18 months	€50 million	10% of the Company's share capital

These shares may be purchased at any time within the limits authorized by current laws and regulations, by any means, particularly in order to:

- grant bonus shares in accordance with Article L. 225-197-1 et seq. of the French Commercial Code; or
- implement any stock option plan of the Company in accordance with Article L. 225-177 et seq. of the French Commercial Code or any similar plan; or
- grant or sell shares to employees as part of their profit sharing, or to implement any company or group savings plan (or similar plan) under the terms and conditions provided for by law, including Article L. 3332-1 et seq. of the French Labor Code; or

- in general, to honor obligations related to stock option plans or other awards of shares to the employees or corporate officers of the issuer or an affiliate; or

- deliver shares on the exercise of rights attached to securities giving rights to equity through redemption, conversion, swap, presentation of a warrant or in any manner; or

- cancel all or some of the shares so purchased; or

- deliver shares (for exchange, payment or otherwise) in connection with external growth transactions, mergers, spin-offs or contributions; or

- stimulate activity or liquidity of the Company's shares on the secondary market by an investment services provider in connection with a liquidity agreement that complies with market practices recognized by the AMF on July 2, 2018.

This program is also intended to allow implementation of any market practice accepted by the AMF and, more generally, the execution of any other transaction in compliance with the regulations in force. In such a case, the Company will inform its shareholders through a press release.

The maximum purchase price for shares may not exceed €40 per share.

As at December 31, 2020, the Company held 53,583 treasury shares.

It was proposed to the annual meeting of shareholders held on June 28, 2021, to authorize the Board of Directors, for an 18-month period starting on June 28, 2021, to implement a share buyback program for Company shares, in accordance with Article L. 22-10-62 of the French Commercial Code, on the following terms:

Transaction	Term of the authorization	Maximum nominal amount	Maximum Number of Shares
Share Buyback Program	18 months	€50 million	10% of the Company's share capital

These shares may be purchased at any time within the limits authorized by current laws and regulations, by any means, particularly in order to:

- grant bonus shares in accordance with Article L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French Commercial Code; or

- implement any stock option plan of the Company in accordance with Article L. 225-177 et seq. and L. 22-10-56 et seq. of the French Commercial Code or any similar plan; or

- grant or sell shares to employees as part of their profit sharing, or to implement any company or group savings plan (or similar plan) under the terms and conditions provided for by law, including Article L. 3332-1 et seq. of the French Labor Code; or

- in general, to honor obligations related to stock option plans or other awards of shares to the employees or corporate officers of the issuer or an affiliate; or

- deliver shares on the exercise of rights attached to securities giving rights to equity through redemption, conversion, swap, presentation of a warrant or in any manner; or

- cancel all or some of the shares so purchased; or

- deliver shares (for exchange, payment or otherwise) in connection with external growth transactions, mergers, spin-offs or contributions; or

- stimulate activity or liquidity of the Company's shares on the secondary market by an investment services provider in connection with a liquidity agreement that complies with the Code of Ethics recognized by the AMF.

This program is also intended to allow implementation of any market practice accepted by the AMF and, more generally, the execution of any other transaction in compliance with the regulations in force. In such a case, the Company will inform its shareholders through a press release.

The maximum purchase price for shares under this resolution will be €40 per share.

19.1.3.2 **Liquidity Agreement**

On January 5, 2016, the Company entrusted Oddo Corporate Finance with the implementation of a liquidity agreement in keeping with the AMF Code of Ethics of March 8, 2011 and approved by the AMF by a decision of March 21, 2011. For the implementation of this agreement, the following amounts were assigned to the liquidity account: the amount of €1 million and 0 shares of SRP. In October 2016, the Company decided to contribute an additional €1 million, bringing to €2 million the sum allocated to the liquidity agreement.

19.1.4 Other Securities Providing Rights to Equity

At the date of this Universal Registration Document, the Company's shareholders have authorized stock option plans. For more information, see Appendix II "Report of the Board of Directors on Corporate Governance" to this Universal Registration Document.

19.1.5 Terms Governing Any Acquisition Rights and/or Obligations Over Authorized but Unissued Capital

None.

19.1.6 Capital of any Company of the Group that is under Option or an agreement to place it under Option

None.

19.1.7 Changes to the Share Capital Over the Past Three Fiscal Years

At its meeting on June 14, 2018, the Board of Directors recorded an increase in the share capital following (i) the exercise of stock options for which the Board of Directors had not yet recorded an increase in the share capital for the period from November 1, 2017 to May 31, 2018, i.e. two thousand six hundred (2,600) stock warrants exercised giving the right to two thousand six hundred (2,600) shares and (ii) full vesting of fifteen thousand nine hundred fifty (15,950) common shares and the issuance of those shares; this increased the share capital of the Company to €1,384,940.12.

At its meeting on November 30, 2018, the Board of Directors recorded an increase in the share capital following the exercise of stock options for which the Board of Directors had not yet recorded an increase in the share capital over the period from June 1, 2018 to November 29, 2018, i.e. seven thousand three hundred fifteen (7,315) stock options exercised giving the right to seven thousand three hundred fifteen (7,315) shares; this increased the share capital of the Company to €1,385,232.72.

At its meeting on December 4, 2018, the Board of Directors recorded an increase in the share capital following the full vesting of the allotment of one hundred sixty-six thousand five hundred eighty four (166,584) common shares and the issuance of those shares; this increased the share capital of the Company to €1,391,896.08.

By decisions of the Chief Executive Officer of the Company, on December 28, 2018, acting pursuant to:

- the delegation of authority given to the Board of Directors by the Combined Shareholders' Meeting of the Company in June 14, 2018, in its Fifteenth Resolution, and

- the sub-delegation by the Board of Directors, at its meeting of November 30, 2018, during which the Board approved the execution of a capital increase in cash (the **"Capital Increase"**) for a total of €39,542,500 (including issue premium) (composed of a nominal amount of €632,680 euros and €38,909,820 in share premium); this amount could be increased to €39,715,450 (including share premium) (nominal amount of €635,447.20 and share premium of €39,080,002.80) in the event of the exercise of all stock options in the current exercise period, at a price of €2.50 per share (including share premium), to be subscribed and paid for in cash, maintaining the preemptive subscription rights of shareholders, with all powers necessary for the Chief Executive Officer to (i) record the definitive completion of the capital increase, amend the Company's bylaws accordingly and perform all formalities for the purpose of making it final, (ii) charge the costs of the capital increase to the related premiums and withdraw from this amount the sums necessary to raise the legal reserve to one-tenth of the new capital, and (iii) adjust the rights of the stock option holders, as a result of the aforementioned issue, pursuant to the laws and regulations applicable;

the Chief Executive Officer noted that the total increase of the share capital resulting from the Capital Increase is a total of €39,542,500 euros, including premium, and total nominal amount of €632,680 through the issue of 15,817,000 with a par value of €0.04 euro, each with an issue premium of €2.46 per share; the capital of the Company was therefore increased to €2,024,576.08.

At its meeting on February 15, 2019, the Board of Directors recorded an increase in the share capital following the full vesting of the award of thirty-seven thousand seven hundred thirty-eight (37,738) common shares and the issuance of those shares; this increased the share capital of the Company to €2,026,085.60.

At its meeting on June 26, 2019, the Board of Directors recorded an increase in the share capital following the full vesting of the award of twenty-three thousand two hundred twenty-six (23,226) common shares and the issuance of those shares; this increased the share capital of the Company to €2,027,014.64.

At its meeting on December 19, 2019, the Board of Directors recorded an increase in the share capital following the full vesting of the award of sixty-eight thousand six hundred sixty-four (68,664) common shares and the issuance of those shares; this increased the share capital of the Company to €2,029,761.20.

At its meeting on February 6, 2020, the Board of Directors recorded an increase in the share capital following the full vesting of the award of one hundred and six thousand three hundred and seven (106,307) common shares and the issuance of those shares; this increased the share capital of the Company to €2,034,013.48.

At its meeting on March 12, 2020, the Board of Directors recorded an increase in the share capital following the full vesting of the award of fifteen thousand two hundred (15,200) common shares and the issuance of those shares; this increased the share capital of the Company to €2,034,621.48.

By decisions of the Chief Executive Officer of the Company, on June 15, 2020, acting pursuant to:

- the delegation of authority given to the Board of Directors by the Combined Shareholders' Meeting of the Company on June 26, 2017 in its Twenty-Seventh Resolution (Delegation of authority to the Board of Directors to allot bonus shares, from existing or new shares, to salaried personnel and to all or some of the Group's corporate officers), and of

- the sub-delegation by the Board of Directors at its meeting on June 8, 2020;

the Company's Chief Executive Officer noted an increase in the share capital following the full vesting of the award of six thousand nine hundred twenty-eight (6,928) common shares and the issuance of those shares; this increased the share capital of the Company to €2,034,898.60.

By decisions of the Chief Executive Officer of the Company, on June 26, 2020, acting pursuant to:

- the delegation of authority given to the Board of Directors by the Combined Shareholders' Meeting of the Company on June 14, 2018 in its Twenty-Fourth Resolution (Delegation of authority to the Board of Directors to allot bonus shares, from existing or new shares, to salaried personnel and to all or some of the Group's executive corporate officers), and of the sub delegation by the Board of Directors at its meeting on June 8, 2020;

the Company's Chief Executive Officer noted an increase in the share capital following the full vesting of the award of three hundred and twenty-eight thousand eight hundred nineteen (328,819) common shares and the issuance of those shares; this increased the share capital of the Company to €2,048,051.36.

By decisions of the Chief Executive Officer of the Company, on August 7, 2020, acting pursuant to:

- the delegation of authority given to the Board of Directors by the Combined Shareholders' Meeting of the Company in June 8, 2020, in its Fourteenth Resolution, and

- the sub-delegation by the Board of Directors at its meeting on July 15, 2020, during which it decided on the principle of a capital increase with preemptive subscription rights maintained, based on the Fourteenth Resolution adopted by the Shareholders' Meeting of June 8, 2020, of a total amount of €9,939,072.75 by issuing 66,260,485 new ordinary shares with a par value of €0.04 each at the price of €0.15 each and with an exchange ratio of 22 new shares for 17 existing shares (the "**Capital Increase**") and delegated to the Chairman and CEO the powers to, notably, (i) approve the execution of a Capital Increase with the maintaining of the preemptive subscription rights, (ii) record the definitive completion of the Capital Increase, amend the Company's bylaws accordingly and perform all formalities for the purpose of making it final, (iii) charge the costs of the Capital Increase to the related premiums and withdraw from this amount the sums necessary to raise the legal reserve to one-tenth of the new capital, (iv) adjust the rights of holders of stock options and of bonus shares granted in accordance with Articles L. 225-197-1 et seq. of the French Commercial Code and which will be in their vesting period following the end of Capital Increase subscription period, due to the completion of the Capital Increase, in accordance with legal and regulatory provisions and the applicable contractual provisions.

the Chief Executive Officer noted that the total increase of the share capital resulting from the Capital Increase is a total of €9,939,072.75, including premium, and total nominal amount of €2,650,419.40 through the issue of sixty six million two hundred and sixty thousand four hundred and eighty five (66,260,485) shares with a par value of €0.04 euro, each with an issue premium of €0.11 per share; the capital of the Company was therefore increased to €4,698,470.76.

By decisions of the Chief Executive Officer of the Company, on December 4, 2020, acting pursuant to:

- the delegation of authority given to the Board of Directors by the Shareholders' Meeting of the Company on June 26, 2017 in its Twenty-Seventh Resolution (Delegation of authority to the Board of Directors to allot bonus shares, from existing or new shares, to salaried personnel and to all or some of the Group's executive corporate officers), and of

- the sub delegation by the Board of Directors at its meeting on October 28, 2020

the Company's Chief Executive Officer noted an increase in the share capital following the full vesting of the award of ninety-eight thousand four hundred twenty nine (98,429) common shares and the issuance of those shares; this increased the share capital of the Company to €4,702,407.92.

19.2 ARTICLES OF INCORPORATION AND BYLAWS

The Company's bylaws were prepared in accordance with the laws and regulations applicable to public limited companies (sociétés anonymes) with a board of directors, under French law.

19.2.1 Corporate Purpose (Article 2 of the Bylaws)

Pursuant to Article 2 of the bylaws, the purpose of the Company is to do the following, directly or indirectly, both in France and abroad:

- to buy, subscribe, hold, manage, sell or contribute shares or other securities in all companies;

- to provide services and counsel in matters involving human resources, information technology, management, communication, finance, legal, marketing and procurement to its subsidiaries and direct or indirect investees;

- to finance the Group, and as such to provide any type of financial assistance to the companies that are part of the group of companies to which the Company belongs;

- and in general, to engage in any transactions, whether financial, commercial, civil, or related to real or personal property related directly or indirectly to the corporate purpose above and all similar or related purposes, as well as to promote directly or indirectly the goal pursued by the Company, its extension, development and capital.

19.2.2 Administrative, Management and Supervisory Bodies

19.2.2.1 Board of Directors (Articles 15 to 17 of the Bylaws)

19.2.2.1.1 Composition

The Company is administered by a Board of Directors consisting of at least three and no more than eighteen members, subject to the exceptions provided for by law.

19.2.2.1.2 Election

Throughout the life of the Company, directors are named, renewed or removed under the conditions provided for by current law and regulations and these bylaws.

19.2.2.1.3 Term of office

The term of office for directors is four (4) years.

As an exception, the General Shareholders' Meeting may appoint certain directors for a term of less than four (4) years, or if applicable, shorten the term of office of one or more directors, in order to stagger the terms of office of the members of the Board of Directors.

The Board of Directors will be renewed by regular rotation every year.

Directors may be reelected. They may be removed at any time by the annual shareholders' meeting.

The number of directors who have reached their 70th birthday may not exceed one-third of the directors in office. When this age limit is exceeded in mid-term, the oldest director is deemed to have automatically resigned at the end of the next shareholders' meeting.

The directors are subject to the laws and regulations applicable to the accumulation of directorships.

19.2.2.1.4 Identity of the directors

Directors may be individuals or legal entities. When they are appointed, the latter must designate a permanent representative subject to the same conditions and obligations, and incurring the same liabilities, as if they were a director in their own name, without prejudice to the joint and several liability of the legal entity they represent.

The permanent representative's term of office is the same as that of the legal entity that he or she represents.

If the legal entity revokes the appointment of its permanent representative, it must, without delay, notify the Company by registered letter of such revocation, and of the identity of its new permanent representative. The same rule shall apply in the event of death, resignation or prolonged impairment of the permanent representative.

The shareholders may grant an annual fixed sum to the directors as a directors' fee, the amount of which will remain in effect until a new decision is made. How this fee is shared among the directors will be determined by the Board of Directors.

Directors may not receive from the Company any compensation, permanent or not, other than the compensation provided for by law.

19.2.2.1.5 Director representing employee shareholders

When the report, submitted annually by the Board of Directors at the general shareholders' meeting pursuant to Article L. 225-102 of the French Commercial Code, provides that the employees of the Company and its associated companies, as defined by Article L. 225-180 of the French Commercial Code, represent more than 3% of the share capital of the Company, a director representing employee shareholders is appointed by the general shareholders' meeting on the terms and conditions established by the regulations in force and by these bylaws.

The term of office of the director representing employee shareholders is three years. The duties of the director representing employee shareholders will terminate at the end of the annual shareholders' meeting convened to adopt the financial statements for the past fiscal year and held in the year during which that director's term of office expires.

However, if this person is no longer an employee of the Company or a related company as defined by Article L. 225-180 of the French Commercial Code or is no longer a shareholder (or member of a company savings fund holding Company shares), the director representing employee shareholders is deemed to have resigned from office and his/her term as a director ends automatically and with

immediate effect. Until the date when the director representing employee shareholders is replaced, the Board of Directors may validly meet and take decisions.

Candidates for the position of director representing employee shareholders are appointed in the following manner:

a) When voting rights attached to the shares held by the employees are exercised by the members of the supervisory board of a company savings fund, the supervisory board may appoint at most two candidates selected from among its members to represent the employees. When there is more than one company savings plan, the supervisory boards may agree, by identical deliberations, to submit at least two joint candidates, chosen from among all of their members to represent the employees.

b) When voting rights attached to the shares held by the employees are directly exercised by them, the candidates are designated by a vote of the employee shareholders in the manner described below.

The employees may be consulted by any technical means that ensures reliability of the vote, including electronic or postal voting. Every employee shareholder has a number of votes equal to the number of shares he/she holds, either directly or indirectly through shares in a company savings plan where voting rights are exercised individually.

Only employees who have received at least 5% of votes cast when the employee shareholders are consulted may be candidates for election at the general shareholders' meeting. If no candidate has met the 5% threshold, the two candidates who obtained the highest number of votes will be presented for election at the general shareholders' meeting.

For the purposes of paragraph a), the Chairman of the Board of Directors shall give notice to the supervisory board of the company savings plans to designate no more than two candidates.

The supervisory boards must notify the Chairman of the Board of Directors of identity of the candidate or candidates elected from among their members at least 45 days before the general shareholders' meeting is held. Only candidates reported within this deadline may serve.

For purposes of paragraph b), and prior to the general shareholders' meeting, the Board of Directors will establish the method for consulting the employee shareholders directly exercising their voting rights in order to appoint one or more candidates.

Methods for designating candidates that are not defined in these bylaws will be determined by the Board of Directors, particularly regarding the timetable for the designation of candidates. The same applies to the methods for appointing employee shareholder representatives at general shareholders' meetings.

Each of the procedures referred to in a) and b) above will be recorded in minutes showing the number of votes won by each candidate. A list of all candidates validly appointed will be established. This list must contain at least two candidates.

The general shareholders' meeting will vote for any valid candidate: the candidate who obtains the highest number of votes held by the shareholders present or represented at this meeting will be appointed as the director representing employee shareholders.

The director representing employee shareholders will not be taken into account when determining the minimum and maximum numbers of directors provided for by these bylaws.

If a vacancy occurs, for whatever reason, for the position of director representing employee shareholders appointed in the manner provided for above, his/her replacement will be appointed in the same manner

by the next general shareholders' meeting, or if such meeting is held less than four months after the position becomes vacant, before the next general shareholders' meeting.

Until the date when the director representing employee shareholders is replaced, the Board of Directors may validly meet and take decisions.

If, during his/her term of office, the report submitted annually by the Board of Directors at the general shareholders' meeting pursuant to Article L. 225-102 of the French Commercial Code, establishes that the shares, held for the purposes of said article, represent less than 3% of the Company's share capital, the term of office of the director representing employee shareholders shall terminate at the end of the general shareholders' meeting at which the Board's report noting this fact is presented.

19.2.2.1.6 Non-voting observer

On the recommendation of the Board of Directors, the general shareholders' meeting may appoint a non-voting observer to the Board. The Board of Directors may also appoint the non-voting observer directly, subject to ratification by the next shareholders' meeting.

The observer may be freely chosen on the basis of his or her skills.

The observer is appointed for a four (4)-year term, except as otherwise decided at the annual shareholders' meeting preceding his or her appointment, which may be revoked at any time. The observer's term of office shall terminate at the end of the annual shareholders' meeting called to approve the financial statements for the past fiscal year. The observer may be reelected.

The observer will examine the questions that the Board of Directors or its Chairman submits to him or her for advice. The observer will attend Board meetings and take part in discussions, but may not vote, and his or her absence will not affect the validity of deliberations.

The observer will be given notice of Board meetings on the same terms as directors.

There is no compensation for serving as a non-voting observer.

19.2.2.1.7 Board deliberations

The Board of Directors meets whenever a meeting is convened by the Chairman or one of its members, as often as required in the best interests of the Company, provided, however, that the frequency and length of Board meetings must be such that they permit a thorough examination and discussion of matters within the Board's jurisdiction.

Meetings shall be held at the registered office or at any other place indicated in the notice of meeting.

Notice may be given in any manner, including orally. The Board may transact business even if no notice of the meeting was given, provided all members are present or represented.

The Board may not transact business at a meeting unless at least half its members are present.

Resolutions are adopted by a simple majority of the members present or represented.

If the vote is tied, the Chairman casts the deciding vote.

Pursuant to its internal regulations, the Board of Directors fixes the limits to the CEO's authority, if applicable, indicating the transactions for which prior authorization of the Board of Directors is required. The Board of Directors may set a global amount each year within which the CEO may make commitments on behalf of the Company in the form of sureties, endorsements and guarantees, or an

amount beyond which each of these commitments may not be made; to exceed the overall limit or the maximum amount set for a commitment, the CEO must have a special authorization from the Board of Directors.

In accordance with the laws and regulations, the internal regulations may stipulate that directors are deemed to be present for the purpose of calculating the quorum and the majority of directors when they attend a meeting by videoconferencing or telephone with the technical features provided for by the law and regulations in force.

Any director may give another director a proxy to represent him or her at the Board meeting, but each director may not hold more than one proxy per meeting.

An attendance sheet will be kept and will be signed by the members of the Board participating in a meeting, whether in their own name or by proxy.

The Board's deliberations will be recorded in minutes signed by the chairman of the meeting and by at least one director who attended the meeting. If the chairman of the meeting is absent, the minutes will be signed by at least two directors.

The Board of Directors will establish internal regulations for its operations in accordance with the law and the bylaws. It may decide to create committees to study issues submitted to them by the Board or its Chairman for examination. The composition and powers of each of these Committees, which will conduct their business on its responsibility, are set by the Board of Directors by internal regulations.

Any person invited to be present at meetings of the Board of Directors must keep secret all confidential information and information indicated as such by the Chairman and shall also have a general obligation of confidentiality.

19.2.2.2 Chairman of the Board of Directors (Article 18 of the Bylaws)

The Board of Directors shall elect a Chairman from among its members who are individuals.

The Chairman will be appointed for a term not exceeding his or her term of office as director. He may be re-elected.

The Chairman of the Board must not be older than 65. If the Chairman reaches this age limit during the course of his or her term as Chairman, he or she is deemed to have resigned. However, his or her term shall be extended until the next Board meeting, at which his or her successor shall be appointed. This resignation from the position of Chairman does not constitute resignation from the position of director.

If the Chairman is temporarily indisposed or dies, the Board of Directors may appoint another director to act as Chairman.

If the Chairman is temporarily unable to serve, this delegation is given for a limited period. It may be renewed. If the Chairman dies, it shall remain in effect until a new Chairman is elected.

The Chairman of the Board of Directors organizes and directs the Board's work, and reports on this work to the general shareholders' meeting. He or she shall ensure that Company's governing bodies operate correctly and, in particular, shall ensure that directors are able to perform their duties.

Except when they are not material to any of the parties because of their subject matter or financial implications, the Chairman will receive lists of agreements relating to current transactions entered into at arm's length. The Chairman will forward this list and the purpose of said agreements to the members of the Board and to the statutory auditors.

19.2.2.3 General Management (Article 19 of the Bylaws)

19.2.2.3.1 Chief Executive Officer and Deputy Chief Executive Officer

The management of the Company shall be conducted, on his or her responsibility, either by the Chairman of the Board of Directors or by another person appointed by the Board of Directors from among its members or not, and such person shall have the title of Chief Executive Officer (CEO).

The Board of Directors may decide between these two types of general management at any time, and at least upon expiration of each term of office of the CEO, or of the Chairman of the Board if the Chairman also assumes the general management of the Company.

The shareholders and third parties shall be informed of this choice in the manner set forth in the regulations.

When the general management of the Company is conducted by the Chairman of the Board of Directors, the provisions below regarding the CEO shall be applicable to the Chairman. In such case, the Chairman's title will be Chairman and CEO.

On the recommendation of the CEO, the Board of Directors may appoint one or more individuals to assist the CEO, with the title of Deputy CEO.

There may not be more than five Deputy CEOs.

The CEO and the Deputy CEOs must not be older than 65. If the CEO or one of the Deputy CEOs reaches this age limit, he or she shall be deemed to have resigned from office. However, his or her term of office will be extended until the next Board meeting, at which the new CEO or Deputy CEO will be appointed.

The term of office of the CEO or the Deputy CEOs will be decided when they are appointed, but this term may not exceed their term of office as directors.

The CEO may be removed at any time by the Board of Directors. The same rule applies to Deputy CEOs, on the recommendation of the CEO. If removal from office is decided without good cause, it may result in an award of damages, except when the CEO is also the Chairman of the Board.

When the CEO stops performing his duties or is unable to do so, the Deputy CEOs shall retain their duties and authority until the new CEO is appointed, except as otherwise decided by the Board.

The Board of Directors will determine the compensation of the CEO and the Deputy CEOs.

19.2.2.3.2 Powers of the CEO and the Deputy CEOs

The Chief Executive Officer is granted the most extensive powers to act in all circumstances on behalf of the Company. These powers are to be exercised within the limits resulting from the Company's corporate purpose and the powers expressly reserved by law for general shareholders' meetings and for the Board of Directors. In addition, the Board's internal regulations include a list of decisions that must obtain the prior authorization of the Board.

The Chief Executive Officer represents the Company in its dealings with third parties. The Company is bound even by actions of the Chief Executive Officer that are outside the purpose of the Company, unless the Company can prove that the third party was aware that the action was outside the purpose of the Company, or that the third party could not be unaware of this in view of the circumstances; however, the mere publication of the bylaws does not constitute such proof.

Decisions of the Board of Directors limiting the powers of the CEO are not binding on third parties.

In agreement with the CEO, the Board of Directors will decide the extent and duration of the powers conferred on the Deputy CEOs. In dealings with third parties, the Deputy CEOs will have the same powers as the CEO.

The CEO or the Deputy CEOs may, within the limits set by the laws in force, delegate the powers that they deem appropriate for one or more specific items, to any agents, even those outside the Company, taken individually or grouped in a committee or commission, with or without powers of substitution, subject to the limits established by law. These powers may be permanent or temporary, and may or may not include powers of substitution. These delegations shall retain all their effects despite the expiration of the duties of the person who conferred them.

19.2.3 Rights and Obligations Attached to Shares (Articles 10, 11, 12 and 13 of the Bylaws)

Fully paid-up shares are either in registered or bearer form, at the shareholder's choosing, on the terms provided for by current regulations.

Provided that the shares are admitted to trading on a regulated market, the Company is entitled to request the identification of holders of securities conferring an immediate or future right to vote at shareholders' meetings, and the amounts of securities held, in accordance with the laws and regulations in force.

Subject to the rights that would be granted to shares of different classes if such should be created, each share entitles its holder to a share of the profits and assets in proportion to the fraction of capital such share represents. Furthermore, it entitles the holder to vote and be represented at shareholders' meetings, on the terms set forth by law and in the bylaws.

A double voting right is granted to fully paid shares that have been continuously held in registered form by the same shareholder for a minimum consecutive period of at least two (2) years. To calculate this holding period, the holding period of the Company's shares preceding the listing date of the Company's shares on Euronext Paris is taken into account.

Pursuant to paragraph 2 of Article L. 225-123 of the French Commercial Code, in the event of a capital increase by capitalization of reserves, profits or issue premiums, double voting rights shall be attached to the new shares allocated at no cost to a shareholder in respect of existing shares under which he or she is already entitled to such right.

This double voting right may be exercised at any shareholders' meeting.

Any share converted to bearer form, or the ownership of which is transferred, loses its double voting right. Nevertheless, the transfer of ownership by inheritance, liquidation of community of property between spouses or by donation inter vivos to a spouse or relative entitled to inherit, does not cause the transferee to forfeit the right and does not interrupt the period provided for in the fourth paragraph above.

Shareholders are only liable for losses up to the amount of their contributions.

The rights and obligations attached to a share follow the share when it changes hands. Ownership of a share automatically entails compliance with the bylaws and the resolutions of shareholders' meetings.

Whenever it is necessary to hold more than one share to exercise a particular right, single shares or a number of shares that is lower than the number required give the owners no rights against the Company. In this case, shareholders are personally responsible for assembling the number of shares required.

The shares are indivisible vis-à-vis the Company.

Co-owners of undivided shares are represented at general shareholders' meetings by one of them or by a single proxy. If they cannot agree, the proxy will be appointed by the court at the request of the most diligent co-owner.

If the shares are encumbered with a beneficial owner, such ownership must be indicated when they are recorded in the register of shareholders. Except as otherwise notified to the Company by registered letter with acknowledgment of receipt, the voting right belongs to the beneficial owner at ordinary shareholders' meetings and to the bare owner at extraordinary shareholders' meetings.

The shares - whether registered or bearer - are freely negotiable except as otherwise provided by law or regulations. They will be recorded in accounts and are assigned, vis-à-vis the Company and third parties, by transfer from account to account, on the terms defined by the laws and regulations in force.

19.2.4 Modification of Shareholder Rights

The rights of the shareholders may be modified on the terms provided for by law and regulations. There is no particular stipulation governing the shareholders' rights that is stricter than the law.

19.2.5 Shareholders' Meetings (Article 20 of the Bylaws)

19.2.5.1 Notice, Place of Meeting

Notice of shareholders' meetings shall be given on the terms, in the forms and within the deadlines established by law.

They shall be held at the registered office or at any other location indicated in the notice of meeting.

19.2.5.2 Agenda

The agenda of the meeting shall appear in the notice of meeting and accompanying letters; it shall be drafted by the person convening the meeting.

At the meeting, shareholders may only deliberate on the matters set forth in the agenda. However, they may remove one or more directors and replace them at any time.

One or more shareholders representing at least the percentage of the share capital provided for by law, and acting on the terms and within the statutory deadlines, are authorized to require that draft resolutions be added to the agenda.

19.2.5.3 Access to Shareholders' Meetings

Every shareholder is entitled to attend shareholders' meetings and to participate in deliberations in person or by proxy.

Every shareholder may participate in shareholders' meetings, personally or by proxy, in the manner established by the regulations in force, upon furnishing proof of their identity and their ownership of their shares in the form of a book entry of the shares in the manner provided for by the laws and regulations in force.

On the decision of the Board of Directors published in the notice of meeting or notice of use of telecommunications, shareholders who participate in the meeting by videoconference or by telephone or broadcasting, including the internet, allowing them to be identified on the terms provided for by the regulations in force are deemed present for purposes of calculating the quorum and the majority.

Any shareholder may vote remotely or give a proxy in accordance with the regulations in force, using a form established by the Company and sent to the Company on the terms provided for by the regulations in force, including by e-mail or teletransmission, on the decision of the Board of Directors. To be taken into account, this form must be received by the Company on the terms indicated in the regulations.

Minutes shall be taken of meetings and copies of such minutes shall be certified and issued in accord with the regulations in force.

The legal representatives of shareholders lacking legal capacity and individuals representing legal entities may take part in shareholders' meetings regardless of whether they are shareholders themselves.

19.2.5.4 Attendance Sheet, Presiding Officers, Minutes

An attendance sheet shall be kept at every meeting, containing the information required by law.

Shareholders' meetings shall be presided by the Chairman of the Board of Directors or, in his or her absence or if there is no such Chairman, by a director appointed to do so by the Board. Failing this, the meeting itself shall elect its chairman.

The duties of tellers shall be performed by the two members of the meeting who are present, agree to perform these duties and hold the largest number of votes, either by themselves or as proxies.

The presiding officers will appoint the secretary, who does not have to be a shareholder.

The presiding officers must verify, certify and sign the attendance sheet, ensure that the discussions run smoothly, deal with any incidents that occur during the meeting, verify the votes cast, ensure that they were cast correctly and make sure that the minutes are drawn up.

Minutes are drawn up and copies or extracts delivered and certified in accordance with the law.

19.2.5.5 General Shareholders' Meetings

General shareholders' meetings are those which take all decisions that do not amend the bylaws. They are held at least once a year, within six months of the end of each fiscal year, to approve the financial statements for that year and the consolidated financial statements.

On first call, business may only be transacted at an ordinary general meeting if the shareholders present or represented or who voted by mail or online and hold at least one fifth of the shares with voting rights. No quorum is required for a meeting called pursuant to a second notice.

Resolutions are adopted at ordinary general meetings by a majority of the votes of the shareholders presented, represented, or who voted by mail or online.

19.2.5.6 Extraordinary Shareholders' Meetings

Extraordinary general meetings are held to amend any of the provisions of the bylaws. However, they may not increase the commitments of the shareholders, subject to transactions resulting from a regularly effected reserve stock split.

Business may be transacted at an extraordinary general meeting only if the shareholders present or represented or who voted by mail or online and own at least one quarter of the shares with voting rights on the first notice, and one fifth of the shares with voting rights on the second notice. If this second

quorum is not present, the second meeting may be postponed to a date two months later than the date for which it was called.

Resolutions are adopted at extraordinary general meetings by a two-thirds majority of the votes of the shareholders present, represented, or who voted by mail or online.

However, extraordinary shareholders' meetings may not increase the shareholders' commitments or violate the equality of their rights, except by a unanimous vote of the shareholders.

19.2.6 Bylaws Provisions That Could Have an Effect on a Change in Control

None.

19.2.7 Crossing of Thresholds (Article 14 of the Bylaws)

As long as the Company's shares are admitted to trading on a regulated market, in addition to the declarations of threshold crossing expressly provided for by the laws and regulations in force, any person or entity that owns:

- directly or indirectly through companies that it controls as defined by Article L. 233-3 of the French Commercial Code,

- alone or acting in concert, as defined by Article L. 233-10 of the French Commercial Code,

  a fraction of the capital or voting rights, calculated in accordance with Articles L.233-7 and L. 233-9 of the French Commercial Code and the General Regulation of the AMF, greater than or equal to:

- 3% of the share capital or the voting rights, or

- beyond this threshold, any additional fraction of 3% of the share capital or the voting rights of the Company, including beyond the thresholds for statutory declarations,

  must inform the Company of the total number:

- of shares and voting rights that such person or entity owns, directly or indirectly, alone or acting in concert,

- of securities providing access to the equity of the Company that such person or entity owns, directly or indirectly, alone or acting in concert, and of any voting rights potentially attached thereto, and

- of the shares already issued that such person or entity may acquire pursuant to an agreement or a financial instrument mentioned in Article L. 211-1 of the Monetary and Financial Code,

  by registered letter, with return receipt requested, within four trading days of crossing the threshold in question.

  This obligation to inform the Company shall also apply in the cases referred to in paragraph VI bis of Article L. 233-7 of the French Commercial Code, which are deemed applicable *mutatis mutandis* to the thresholds set forth in paragraph 14.1 of these bylaws.

The obligation to inform the Company also applies, within the same deadlines and on the same terms, when the shareholder's stake in the capital or in voting rights becomes less than one of the thresholds mentioned in paragraph 14.1 of the bylaws.

The sanctions provided for by law for failure to comply with the obligation to declare crossing of thresholds will only apply to the thresholds set forth in the bylaws upon a request recorded in the minutes of the shareholders' meeting by one or more shareholders holding at least 3% of the share capital or voting rights of the Company.

The Company reserves the right to inform the public and the shareholders either of the information reported to the Company or the failure to comply with the foregoing obligation by the person in question.

19.2.8 Modification of the Share Capital

To the extent that the bylaws contain no specific provision, the share capital may be increased, reduced or amortized, by any method, by any of the means authorized by law.

19.2.9 Fiscal year (Article 6 of the Bylaws)

The fiscal year lasts for twelve months; it begins on January 1 and ends on December 31 of each year.

19.2.10 Appropriation of Earnings (Article 22 of the Bylaws)

The result of each fiscal year is determined in accordance with the laws and regulations in force.

At least 5% of the profits for the year, less any prior losses, will be set aside to form the reserve fund prescribed by law. This rule will no longer be mandatory once the reserve fund reaches one tenth of the share capital.

The general shareholders' meeting, or any other shareholders' meeting, may decide to distribute amounts and/or values in cash or in kind from the reserves available to it, indicating precisely the reserve items from which the payments will be made. In any event, dividends are to be paid first from the distributable profits of the fiscal year.

The general shareholders' meeting is entitled to grant to the shareholders, for all or part of the dividend distributed, or interim dividends, an option between payment in cash or payment in shares, on the terms established by the regulations in force. Moreover, the general shareholders' meeting may decide, for all or part of the dividend, interim dividends, reserves or premiums distributed, or for any capital reduction, that the dividend, reserves or premiums or capital reduction will be distributed in kind using assets of the Company.

Each shareholder's percentage of the profits and contribution to the losses is proportional to his or her percentage of the share capital.

20. MATERIAL CONTRACTS

The reader can refer to the description of the contracts signed by the Company with its principal logistics service provider as part of the outsourcing of part of the Group's logistics functions (see Section 5.6.11.2.1 "Logistics Network and Warehouse Management" in this Universal Registration Document), as well as the description of the shareholders' agreement signed by the Company and Carrefour (see Section 16.4.2 "Shareholders' agreement between the Founders and Carrefour" in this Universal Registration Document).

21. AVAILABLE DOCUMENTS

Copies of this Universal Registration Document are available free of charge at the Company's registered office (1, rue des Blés ZAC Montjoie 93212 La Plaine Saint-Denis Cedex, France), as well as on its website (www.showroomprive.com) and the AMF's website (www.amf-france.org).

While this Universal Registration Document remains valid, the following documents (or a copy of these documents) may be viewed:

- the Company's bylaws;
- all reports, correspondence and other documents, historical financial information or assessments and statements prepared by an expert upon the Company's request, of which a part is included or referred to in this Universal Registration Document; and
- the historical financial information included in this Universal Registration Document.

All such legal and financial documents relating to the Company and required to be made available to shareholders under applicable regulations may be consulted at the Company's registered office.

The regulated information (as defined by the General Regulation of the AMF) is also available on the Company's website.

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APPENDIX I
GLOSSARY

Buyer	A member who has made at least one purchase on the Group's platform during the applicable time period.
Cumulative buyers	The cumulative number of members that have made at least one purchase on the Group's platform at any time since its launch.
Repeat buyer	For any time period, a member who makes a purchase during that period and has made another purchase on the Group's platform during a prior period.
Average net Internet revenue per buyer/ Average revenue per buyer	The Group's total net Internet sales in the applicable period divided by the number of buyers during the applicable period.
Average Internet revenue per order/ Average basket size	The Group's total net Internet sales in the applicable period divided by total number of orders in the applicable period.
Order	An order placed on the Group's mobile apps or websites during the applicable period.
M-commerce	Commerce conducted on mobile terminals
Member	A registered account on the Group's platform.
Mobile/ Mobile terminals	*Smartphones* and tablets
Average number of orders per buyer	The total orders in the applicable period divided by the number of buyers during the applicable period

APPENDIX II
BOARD OF DIRECTORS' REPORT ON CORPORATE GOVERNANCE (ARTICLES L. 225-37 ET SEQ. OF THE FRENCH COMMERCIAL CODE)

This report has been prepared pursuant to the provisions of Articles L. 225-37 et seq. of the French Commercial Code, in addition to the management report. It was approved by the Board of Directors at its meeting on April 28, 2021. Moreover, this report has been sent to the Company's Statutory Auditors for the preparation of their report on this report, as required by Article L. 225-235 of the French Commercial Code.

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1. CORPORATE GOVERNANCE

1.1 Corporate Governance Code

Since the shares of the Company were listed for trading on the Euronext regulated market in Paris ("Euronext Paris") in October 2015, the Company refers to, and, except as set forth below, complies with the Corporate Governance Code for listed companies published by AFEP and MEDEF in its updated version of January 2020 (the "AFEP-MEDEF Code"), as interpreted by the High Committee for Corporate Governance (the AFEP-MEDEF Code application guide; Activity report of the High Committee for Corporate Governance of November 2020).

Under the "Apply or Explain" rule in Article L. 22-10-10 of the French Commercial Code and referred to in Article 27.1 of the AFEP-MEDEF Code, the Company considers that, on the date of the preparation of this report, its practices comply with all the recommendations of the AFEP-MEDEF Code in its updated version in January 2020.

1.2 Board of Directors

1.2.1 Composition of the Board of Directors

The Company's bylaws provide that the Board of Directors will include between three and eighteen members, subject to the exceptions provided for by law.

In accordance with Article 15 of the bylaws, directors serve terms of four years and may be reappointed. This duration complies with the recommendations of the AFEP-MEDEF Code. As an exception, the ordinary shareholders' meeting may appoint certain directors for a term of less than four years, or if applicable, shorten the term of office of one or more directors, in order to stagger the terms of office of the members of the Board of Directors. The number of directors who have reached their 70th birthday may not exceed one-third of the directors in office. When this age limit is exceeded in mid-term, the oldest director is deemed to have automatically resigned at the end of the next shareholders' meeting.

Directors are appointed by the annual shareholders' meeting on the recommendation of the Board of Directors, based in turn on the recommendation of the Nomination and Compensation Committee. They may be removed at any time by the annual shareholders' meeting. The term of each director expires at the close of the ordinary shareholders' meeting called to approve the financial statements for the previous fiscal year and held in the year in which such director's term expires.

In order to permit staggered renewals of directors' terms on the Board of Directors while ensuring the continuity of the Board's work, in accordance with the recommendations of the AFEP-MEDEF Code, the Company's bylaws provide for the rolling renewal of directors each year.

(a) Composition of the Board of Directors at December 31, 2020

At December 31, 2020, the Company's Board of Directors consisted of ten members, including four independent directors (in accordance with the independence criteria of the AFEP-MEDEF Code), representing 40% of the directors, and four women, representing 40% of the directors, in accordance with the provisions of Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code.

It is specified that as the number of employees of the Company and its subsidiaries is below the thresholds set by Article L. 225-27-1 of the French Commercial Code, the Board of Directors does not include a director representing employees.

David Dayan, Director, serves as Chairman and Chief Executive Officer and Thierry Petit, Director, serves as Deputy CEO1. (For more details on the Executive Management structure, see Section 1.4.1 "*Executive Management structure – Chairmanship of the Board of Directors*" of this report.)

The composition of the Board of Directors at December 31, 2020 reflects the commitments made in the shareholders' agreement signed on January 10, 2018, between the Founders and Carrefour. This shareholders' agreement entered into between the Founders and Carrefour, constituting an action in concert between them vis-à-vis the Company, stipulates that the Board of Directors will be composed of 10 or 11 members, (i) 4 or 5 of whom appointed on the recommendation of the Founders, including the Chairman, who casts a deciding vote, (ii) 1 member and a non-voting observer appointed on the recommendation of Carrefour, and (iii) 4 or 5 independent members. For more details, see Section 16.4 "*Agreements that may result in a change of control*" of the Universal Registration Document).

The table below reflects the composition of the Board of Directors as of December 31, 2020:

1 In accordance with the principle of a two-year rotation of the chairmanship of the Board of Directors resulting from the provisions of the above-mentioned shareholders' agreement, Thierry Petit and David Dayan resigned as Chairman & CEO and Deputy CEO respectively with effect from December 19, 2019 and were appointed by the Board of Directors on December 19, 2019, with immediate effect from that date, Deputy CEO and Chairman & CEO respectively, for the remainder of their terms of office as directors, i.e. until the Annual Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2022.

PERSONAL INFORMATION					EXPERIENCE		POSITION ON THE BOARD				PARTICIPATION IN BOARD COMMITTEES	
Name	**Principal Position Held in The Company**	**Age[1]**	**Gender**	**Nationality**	**Number of Shares**	**Number of Offices Held in Listed Companies**	**Independence**	**Date First Appointed**	**Expiration Date of Term of Office**	**Seniority on the Board**	**Nomination and Compensation Committee**	**Audit Committee**
David Dayan	Chairman and CEO	47 years	M	French	29,087,705	1	No	Annual Shareholders' Meeting of July 29, 2010	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2022	10 years	No	No
Thierry Petit	Deputy CEO	47 years	M	French	20,932,963	1	No	Annual Shareholders' Meeting of July 29, 2010	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2022	10 years	No	No
Eric Dayan	Director	40 years	M	French	2,335,460	1	No	Annual Shareholders' Meeting of October 16, 2015	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2023	5 years	No	No

PERSONAL INFORMATION					EXPERIENCE		POSITION ON THE BOARD				PARTICIPATION IN BOARD COMMITTEES	
Name	**Principal Position Held in The Company**	**Age[1]**	**Gender**	**Nationality**	**Number of Shares**	**Number of Offices Held in Listed Companies**	**Independence**	**Date First Appointed**	**Expiration Date of Term of Office**	**Seniority on the Board**	**Nomination and Compensation Committee**	**Audit Committee**
Michaël Dayan	Director	39 years	M	French	2,079,930	1	No	Annual Shareholders' Meeting of October 16, 2015	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2023	5 years	Yes	No
Marie Ekeland	Director	45 years	F	French	200	2	Yes	Annual Shareholders' Meeting of October 16, 2015	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2021	5 years	No	No
Melissa Reiter Birge	Director	51 years	F	American	200	1	Yes	Annual Shareholders' Meeting of October 16, 2015	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2022	5 years	No	Yes

PERSONAL INFORMATION					EXPERIENCE		POSITION ON THE BOARD				PARTICIPATION IN BOARD COMMITTEES	
Name	**Principal Position Held in The Company**	**Age[1]**	**Gender**	**Nationality**	**Number of Shares**	**Number of Offices Held in Listed Companies**	**Independence**	**Date First Appointed**	**Expiration Date of Term of Office**	**Seniority on the Board**	**Nomination and Compensation Committee**	**Audit Committee**
Olivier Marcheteau	Director	50 years	M	French	442	1	Yes	Annual Shareholders' Meeting of October 16, 2015	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2020[3]	5 years	Yes	Yes
Irache Martinez Abasolo	Director	44 years	F	Spanish	505	1	No	Board of Directors' meeting of April 17, 2019 [4]	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2020[3]	2 years	No	No
Cyril Vermeulen	Director	51 years	M	French	103,180	1	Yes	Board of Directors' meeting of July 26, 2018 [5]	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2021	2 years	Yes	Yes

PERSONAL INFORMATION					EXPERIENCE		POSITION ON THE BOARD				PARTICIPATION IN BOARD COMMITTEES	
Name	**Principal Position Held in The Company**	**Age[1]**	**Gender**	**Nationality**	**Number of Shares**	**Number of Offices Held in Listed Companies**	**Independence**	**Date First Appointed**	**Expiration Date of Term of Office**	**Seniority on the Board**	**Nomination and Compensation Committee**	**Audit Committee**
Brigitte Tambosi	Director	40 years	F	French	200	1	No	Board of Directors' meeting of October 28, 2020 [6]	Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2020[3]	1 year	No	No

(1) Number of full years as at December 31, 2020.

(2) Approval of the annual financial statements.

(3) Reappointment proposed at the annual Shareholders' Meeting to be held on June 28, 2021.

(4) Irache Martinez Abasolo was coopted by a decision of the Board of Directors on April 17, 2019, to replace Alix Laine, who resigned effective April 17, 2019. This appointment was ratified by the Company's Annual Shareholders' Meeting held on June 27, 2019.

(5) Cyril Vermeulen was coopted by the Board of Directors at its meeting of July 26, 2018 to replace Luciana Lixandru, who resigned effective July 26, 2018. This appointment was ratified by the Company's Annual Shareholders' Meeting held on June 27, 2019.

(6) Brigitte Tambosi was coopted by a decision of the Board of Directors on October 28, 2020, to replace Amélie Oudéa Castera, who resigned effective October 28, 2020. The ratification of this co-optation will be subject to the approval of the Shareholders' Meeting of the Company on June 28, 2021.

(b) Biographical Information about the Members of the Board of Directors at December 31, 2020

David Dayan

Chairman and CEO

Age: 47 years

Nationality: French

Domiciled: 1, rue des Pés ZAC Montjoie 93212 La Plaine Saint-Denis Cedex, France

Date of 1st appointment: July 29, 2010

Start of current mandate: June 27, 2019

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2022

Number of shares held at December 31, 2020: 29,087,705

Summary of key areas of expertise and experience:

David Dayan is a co-founder, along with Thierry Petit, of showroomprive.com, created in 2006. He has been a Director as well as Chairman and CEO of the Group since December 19, 2019. Before the creation of showroomprive.com, he worked in the inventory clearance sector for 15 years, during which he developed significant experience, know-how and a network of relationships with brands and wholesalers.

Key activities outside the Company:

Current mandates as of December 31, 2020:	***Mandates that have expired in the last five years:***
- ***Mandates and functions in the Group's companies***	-
- Chairman and CEO of SRP Group	
- Co-manager of Showroomprivé.com SARL	
- Manager of SRP Logistics SARL	
- Co-manager of SRP Prod SARL	
- President of Saldi Privati SRL	
- ***Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)***	
- Managing Director of Ancelle SARL - Manager of ELA Invest SRL - Director of WADE P. S.A. - Manager of JENA Invest Ltd - President of NELJEN FINANCES SAS - President of Nel Finance SAS - Manager of SCI de la Plaine	

- Co-Manager of SCI Développement - Manager of SCI WAB1 - Managing partner of SCI SR30 - Manager of DD Promenade Davie LLC - Manager of M.N.C.A SARL	

Thierry Petit

Deputy CEO

Age: 47 years

Nationality: French

Domiciled: 1, rue des Pés ZAC Montjoie 93212 La Plaine Saint-Denis Cedex, France

Date of 1 st appointment: July 29, 2010

Start of current mandate: June 27, 2019

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2022

Number of shares held at December 31, 2020: 20,932,963

Summary of key areas of expertise and experience:

Thierry Petit is a co-founder, along with David Dayan, of showroomprive.com, which was created in 2006. He has been a Director and Deputy CEO of the Group since December 19, 2019. Thierry Petit began his career in digital agencies in 1995 and, at the age of 25, created the first price comparison site in France (toobo.com), which was sold to Libertysurf in July 2000. Thierry Petit has nearly 20 years of experience in the creation of start-ups. He is also vice-chairman of the Board of France Digitale. Thierry Petit studied telecommunications engineering.

Key activities outside the Company:

Current mandates as of December 31, 2020:	***Mandates that have expired in the last five years:***
- Mandates and functions in the Group's companies - Deputy CEO of SRP Group - Co-manager of Showroomprivé.com SARL - Co-manager of SRP Prod SARL - Co-manager of the company Showroomprivé Maroc SARL - Sole director of Showroomprivé Spain SLU - Director of Saldi Privati SRL ***- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)***	-

- Managing Director of TP Invest Holding SARL - President of Pérée Investissements SAS - President of Financière Saint Ambroise SAS - Sole director of Prive Fashion Investments SL	

Eric Dayan

Director

Age: 40 years

Nationality: French

Domiciled: 1, rue des Pés ZAC Montjoie 93212 La Plaine Saint-Denis Cedex, France

Date of 1 st appointment: October 16, 2015

Start of current mandate: June 8, 2020

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2023

Number of shares held at December 31, 2020: 2,335,460

Summary of key areas of expertise and experience:

Éric Dayan served as head of inventory management and sales director from 2000 to 2006 for FRANCE EXPORT, a company specializing in the distribution of clothing and footwear. In 2006, he helped create the company showroomprivé.com as associate director and was responsible for BtB operations at Showroomprivé until the end of 2016.

Key activities outside the Company:

Current mandates as of December 31, 2020:	***Mandates that have expired in the last five years:***
- Mandates and functions in the Group's companies Director of SRP Group ***- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)*** - Managing Director of Victoire Investissement Holding SARL - Director of WADE P. S.A. - President of Victoire France SAS - Managing Director of Victoire Barrès SCI - President of EDC Invest SAS - Co-Manager of SCI Développement - Chairman of Sonia Rykiel Création Paris SAS - Manager of ED Victoire Tel Aviv Ltd.	- Managing Director of Victoire Real Estate Investment SARL

Michaël Dayan

Director - Member of the Nomination and Compensation Committee

Age: 39 years

Nationality: French

Domiciled: 1, rue des Pés ZAC Montjoie 93212 La Plaine Saint-Denis Cedex, France

Date of 1 st appointment: October 16, 2015

Start of current mandate: June 8, 2020

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2023

Number of shares held at December 31, 2020: 2,079,930

Summary of key areas of expertise and experience:

Michaël Dayan is part of the showroomprivé.com adventure. An entrepreneur by nature, he assisted Showroomprive.com in commercial and legal issues, while ensuring the implementation of its Business Plan until 2017. Michaël Dayan holds a Lawyers' Professional Practice Diploma (Certificat d'Aptitude à la Profession d'Avocat -CAPA) from the École de Formation Professionnelle des Barreaux (Paris Court of Appeal Law School - EFB) as well as a master's degree in business law (Paris Assas University) and a DESS in European business law (Paris Descartes University).

Key activities outside the Company:

Current mandates as of December 31, 2020:	***Mandates that have expired in the last five years:***
- Mandates and functions in the Group's companies Director and member of the Nomination and Compensation Committee of SRP Group ***- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)*** - Managing Director of Cambon Financière SARL - President of CAMPHI SAS - President of MD Capital SAS - Co-Manager of SCI Développement - CEO of Sonia Rykiel Création Paris SAS	-

Marie Ekeland

Independent Director

Age: 45 years

Nationality: French

Domiciled: 2050 - 10bis, bd de la Bastille, 75012 Paris, France

Date of 1 st appointment: October 16, 2015

Start of current mandate: June 14, 2018

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2021

Number of shares held at December 31, 2020: 200

Summary of key areas of expertise and experience:

Marie Ekeland is the founder of 2050.do. As the former co-founder off Daphni, she also sits on the Board of Directors of Butterfly.ai, Holberton School, Keakr, Lifen, Shine (acquired by Société Générale), Parrot, Swile and Zoe. She began her career in 1997 as an IT specialist at the investment bank JP Morgan, first in New York and then in Paris. En 2000, Marie Ekeland joined the world of risk captal at Crédit Agricole Private Equity. She joined Elaia Partners in 2005 where she invested in Criteo and Sigfox. Marie is also a co-founder of the France Digitale association, linking digital entrepreneurs and investors, and from 2013 to 2017 a member, and briefly the Chair, of the National Digital Council. Marie Ekeland holds an engineering degree in mathematics and information technology from Paris IX Dauphine University and a master's degree in analysis and economic policy from the Paris School of Economics (PSE).

Key activities outside the Company:

Current mandates as of December 31, 2020:	***Mandates that have expired in the last five years:***
- Mandates and functions in the Group's companies	- President of Daphni SAS
Director of SRP Group	Member of the Board of Directors of the Institut Louis Bachelier
- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)	Member of the Board of Directors of Elaia Partners SAS,
Member of the Board of Directors of Parrot SA	Non-voting observer on the Board of Directors of Teads-Ebuzzing SAS,
- President of Bibicheri SARL	Member of the Board of Directors of Criteo SA(3)
Member of the Board of Trustees of Harvey Mudd College	Representative of Elaia Partners SAS on the board of directors or supervisory board of Wyplay SAS, Scoop.it SAS, Ykone SAS, Allmyapps SAS, Seven Academy SAS, Mobirider SAS, Pandacraft SAS, Teads SAS
Representative of Daphni SAS on the Boards of the following companies: Butterfly.ai, Holberton School, Keakr, Lifen, Shine, Swile and Zoe.	President of the National Digital Council
- President of 2050.do SAS, 2050.starter SAS, 2050.W2.Coinvest SAS	- Vice President of the association France Digitale
- Director of the INRIA Fondation, Holberton School, Keakr, Lifen, Lunchr, Shine and Zoe.	

Melissa Reiter Birge

Independent Director - Chair of the Audit Committee

Age: 51 years

Nationality: American

Domiciled: 141 Gloucester Ave, London NW1 8LA

Date of 1 st appointment: October 16, 2015

Start of current mandate: June 27, 2019

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2022

Number of shares held at December 31, 2020: 200

Summary of key areas of expertise and experience:

Melissa Reiter Birge has been a member of the Board of Directors of SRP Group since 2015. She is the founder and Chairman & CEO of Mia Tango, Inc. (USA), incorporated in 2016. From 2009 to 2016, she was the CFO of KAYAK Software Corporation, a US e-commerce company. From 2002 to 2009, she held various positions, including controller at Orbitz, Inc., and Vice President of Finance at Potbelly Sandwich Works, LLC, a chain of restaurants. From 1991 to 2002, Melissa Reiter Birge held several positions, including senior manager in the Audit Department at Arthur Andersen LLP. Melissa Reiter Birge holds a B.S. in business administration from the University of Miami (Ohio).

Key activities outside the Company:

Current mandates as of December 31, 2020:	***Mandates that have expired in the last five years:***
- Mandates and functions in the Group's companies Independent Director and Chairperson of the Audit Committee ***- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)***	- CFO of Kayak Software Corporation, a subsidiary of Priceline Group, Inc. (USA) - Founder and Chairman & CEO of Mia Tango, Inc. (USA) - Director and Chairman of the Audit Committee of Freshly, Inc. (USA)

Olivier Marcheteau

Independent Director – Member of the Audit Committee and Chairman of the Nomination and Compensation Committee

Age: 50 years

Nationality: French

Domiciled: 134 avenue de Wagram, 75017 Paris, France

Date of 1 st appointment: October 16, 2015

Start of current mandate: June 26, 2017

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2020

Number of shares held at December 31, 2020: 442

Summary of key areas of expertise and experience:

Since January 2020 Olivier Marcheteau has been the Chief Executive Officer of the Acolad Group, the European leader in professional translation. Prior to that he was the Chief Executive Officer of the French start-up Vestiaire Collective, an online pre-owned fashion and luxury product sales company, operating in France and in the United Kingdom, from 2014 to February 2019. From 2010 to 2014, he was Chairman of the Board of Directors of Casino Entreprises and Cdiscount and held the position of non-food e-commerce director of the Casino group. He began his career in consumer marketing, first at Procter & Gamble France, where he held the position of product manager, and then at Nike France, where he held the position of marketing manager for the brands of the French subsidiary. Olivier Marcheteau moved into e-commerce by joining the online auction start-up Aucland in 2000, where he held the position of marketing manager for Europe, before joining Microsoft, where he held several positions. Initially head of marketing and communication at MSN France, Olivier Marcheteau later became head of the communication services business unit at MSN/Windows Live for Europe, and then CEO of Internet services for the Group in France, before becoming the CEO of the Group's consumer and Internet company in France. Olivier Marcheteau has also served on the boards of MonShowroom and Banque Casino. He is an HEC graduate and holds a degree in applied economics from the Institut d'Études Politiques in Paris.

Key activities outside the Company:

Current mandates as of December 31, 2020:	***Mandates that have expired in the last five years:***
- Mandates and functions in the Group's companies Independent Director – Member of the Audit Committee and Chair of the Nomination and Compensation Committee of SRP Group ***- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)*** - Chief Executive Officer of the company ACOGROUP - Censor in the Strategic Committee of the company VC Technology	- Member of the supervisory board of the company Société Financière Intergroupe - Chief Executive Officer of Vestiaire Collective (France) - Chairman of the Board of Directors of Casino Entreprises (France) - Chairman of the Board of Directors of Cdiscount (France) - Director of MonShowroom (France) - Director of Banque Casino (France)

Irache Martinez Abasolo

Director

Age: 44 years

Nationality: Spanish

Domiciled: 1 rue Beautreillis 75004 Paris, France

Date of 1 st appointment: April 17, 2019

Start of current mandate: April 17, 2019

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2020

Number of shares held at December 31, 2020: 505

Summary of key areas of expertise and experience:

Irache Martinez joined the Group in 2014 as Brand Director before being name Marketing Director in October 2017. Following a master's degree in economics at San Pablo University in Madrid and a postgraduate degree in marketing management at Essec, Irache Martinez climbed the ranks from advertising manager to Associate Director in the largest international advertising agencies (Lowe, Ogilvy, JWT, Bddp/TBWA) where, for over 15 years, she managed international brands from every angle in fashion, luxury, mass market, as well as banking and institutions. Irache Martinez left the Group in March 2019 to join LVMH as Marketing and Communications Director of Clos19.com

Key activities outside the Company:

Current mandates as of December 31, 2020:	***Mandates that have expired in the last five years:***
- Mandates and functions in the Group's companies Director of SRP Group ***- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)*** -	-

Cyril Vermeulen

Independent Director - Member of the Audit Committee and the Nomination and Compensation Committee

Age: 51 years

Nationality: French

Domiciled: 23, avenue Charles Floquet, 75007 Paris, France

Date of 1 st appointment: July 26, 2018

Start of current mandate: July 26, 2018

End date of mandate: Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2021

Number of shares held at December 31, 2020: 103,180

Summary of key areas of expertise and experience:

Cyril Vermeulen in 1999 co-founded auFeminin.com, an online media group sold to Axel Springer after his education in engineering and HEC-Entrepreneurs, followed by several years with the inspectorate of Société Générale and McKinsey. He then pursued new adventures as

<table>
<tr><td colspan="2">an entrepreneur and educator in Shanghai for six years. For the last fifteen years, he has been an active investor and a member of the Board of Directors of digital start-ups.</td></tr>
<tr><td colspan="2">Key activities outside the Company:</td></tr>
<tr><td>Current mandates as of December 31, 2020:

- Mandates and functions in the Group's companies

Independent Director - Member of the Audit Committee and the Nomination and Compensation Committee of SRP Group

- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)

- Director of the companies Captain Contrat, Assoconnect, Gymlib, Wavy, Sporteasy, Studapart and Filae.

- Manager of SAS ALIQUINI and SCI ALIQUINI</td><td>Mandates that have expired in the last five years:

Director of the companies StickyadsTV, Teemo, JAM and Little Corner</td></tr>
</table>

Brigitte Tambosi **Director**	
Age: 40 years ***Nationality:*** French ***Domiciled:*** 93 avenue de Paris, 91300 Massy, France ***Date of 1 st appointment:*** October 28, 2020 ***Start of current mandate:*** October 28, 2020 ***End date of mandate:*** Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2020 ***Number of shares held as of February 1, 20211:*** 200	
Summary of key areas of expertise and experience: Brigitte Tambosi is an HEC graduate and holds a Master 1 from the Paris II Panthéon-Assas University and a Master 2 from the Paris I Panthéon-Sorbonne University in tax and business law. She practiced as a lawyer at the Paris office of a major British law firm for seven years and was involved in several M&A and capital market transactions supporting major French and international companies. In January 2014, she joined the Carrefour Group, where she held the position of Corporate Development Legal Director. She was responsible for the legal aspects of various acquisition, disposal, initial public offering and strategic partnership transactions for the Group, in particular in the e-commerce sector.	
Key activities outside the Company:	
Current mandates as of December 31, 2020: ***- Mandates and functions in the Group's companies*** Director of SRP Group ***- Mandates and functions in companies outside the Group: (French listed companies, French unlisted companies, Foreign listed companies, Foreign unlisted companies)*** - Carrefour Corporate Development Legal Director	***Mandates that have expired in the last five years:***

(c) Diversity, parity and complementarity of the members of the Board of Directors

The Board of Directors includes an objective to diversify its composition in terms of representation of women and men, nationalities, age, qualification and professional experience, in accordance with the recommendation of the AFEP-MEDEF Code and its rules of procedure (Article 1.4), which states that "*The Board of Directors examines the desirable balance of its composition and that of the committees it sets up, particularly in terms of diversity*

[1] Brigitte Tambosi held no shares as of December 31, 2020 and acquired the number of required shares following her co-optation by the Board of Directors on February 1, 2021.

(representation of women and men, nationalities, age, qualifications and professional experience, etc.). "

The Board of Directors thus ensures that each change in its composition and that of the Committees it sets up is in line with this objective so that it can carry out its duties under the best possible conditions. Based on recommendations from the Nomination and Compensation Committee, the Board names directors on the basis of their qualifications, professional expertise and independence of mind at Shareholders' Meetings or by appointment. The Company's directors have different perspectives and have varied experiences and skills, reflecting the Board's objectives.

As of December 31, 2020, the members of the Board of Directors:

- are of three different nationalities (French, Spanish and American);
- respect gender equality with women comprising 40% of the Board;
- 40% of the directors are independent in accordance with the independence criteria of the AFEP-MEDEF Code; and
- have a variety of complementary skills, including finance, accounting, management, risk management and new technologies. These competencies are detailed in the biographies outlined above that describe the functions and mandates of directors, as well as the experience and expertise of each.

The composition of the Board of Directors reflects the willingness of the Board of Directors to comply with the recommendations of the AFEP-MEDEF Code and the AMF in terms of the diversity of its members and, in particular, in terms of independent directors, complementarity of skills, experience of directors, and balanced representation of men and women in the proportions required by applicable legislation, and by the AFEP-MEDEF Code, which the Company uses as reference.

In addition, a balanced representation of women and men is also sought within the Executive Committee, within 10% of positions with higher responsibility and more generally within the Company and its Group. For many years, the company has been implementing a human resources management policy that is dedicated to attracting and retaining all talent in their diversity, taking into account their specific needs. The diversity policy applied to the Company's governing bodies seeks to increase female representation. On this basis, the Executive Committee includes two women, including an Director of Marketing hired in 2018 and a Legal Director, who is also Director of Human Resources appointed since March 2019.

This commitment to a balanced representation of women and men translates into a 40% percentage of women on the Board of Directors, 33% on the Executive Committee (excluding corporate officers) and 52.22% of the 10% of positions that are considered to exercise "higher responsibility".

(d) Independence of The Members of The Board of Directors

In accordance with the AFEP-MEDEF Code to which the company refers, under Article 1 of the Board of Directors' internal regulations, the Board of Directors assesses the independence of each of its members (or candidates) whenever a board member's term of office is renewed or a member is appointed to the Board, and at least once a year, before the Company's annual report is published. During this assessment, the Board, with the advice of the Nomination and Compensation Committee, examines the qualifications of each of its members (or candidates) one by one in terms of the criteria in the AFEP-MEDEF Code, their personal circumstances and the position of the individual in question vis-à-vis the Company.

Incorporating the independence criteria set out in the AFEP-MEDEF Code, the Company's rules of procedure indicate that the evaluation of the independence of each member of the Board of Directors takes into account the following criteria:

Criterion 1: Corporate officer employee during the previous 5 years

Not being or not having been in the previous five years:
- employee or executive corporate officer of the company;
- employee, executive corporate officer or director of an entity that the company consolidates;
- employee, executive corporate officer or director of the parent company of the entity, or of an entity consolidated by that parent company.

Criterion 2: Cross Mandates

Not being an executive corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such or an executive corporate officer of the Company (currently or in the past five years) holds a directorship.

Criterion 3: Significant Business Relationships

Not being a customer, supplier, investment bank, lending bank, adviser:
- that is material for the Company or its Group;
- or for which the Company or its Group represents a significant share of the business.

The assessment of the significance or non-significance of the relationship maintained with the Company or its Group is discussed by the Board and the quantitative and qualitative criteria that led to this assessment (continuity, economic dependence, exclusivity, etc.) which led to this assessment as explained in the Universal Registration Document.

Criterion 4: Family Connection

Not being related by close family ties to a corporate officer of the Company;

Criterion 5: Statutory Auditor

Not being a statutory auditor of the Company within the past five years;

Criterion 6: Term of office longer than 12 years

Not being a director of the Company for more than twelve years. The loss of independent director status occurs on the twelve-year anniversary date.

Criterion 7: Status of Non-Executive Corporate Officer

A non-executive corporate officer may not be considered independent if he/she receives variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group.

Criterion 8: Significant Shareholder Status

Directors representing significant shareholders of the Company or its parent company may be considered independent where such shareholders do not participate in the control of the Company. However, beyond a threshold of 10% of capital or voting rights, the Board of Directors, on the report of the Nomination and Compensation Committee, systematically questions the status of independent, taking into account the composition of the company's capital and the existence of a potential conflict of interest. The Board of Directors may determine that, although a particular member meets all of the above criteria, he/she cannot qualify as independent taking into account his or her particular situation or that of the Company, due to its shareholding

structure or for any other reason. Conversely, the Board of Directors may determine that a member who does not meet the above criteria is nevertheless independent.

The Nomination and Compensation Committee, at its meeting of March 9, 2021, and the Board of Directors, at its meeting of March 11, 2021, carried out the annual assessment of the independence of the members of the Board of Directors.

In light of this analysis, the Board of Directors concluded, based on the opinion of the Nomination and Compensation Committee, that four directors (Marie Ekeland, Melissa Reiter Birge, Olivier Marcheteau and Cyril Vermeulen) were independent. Concerning Marie Ekeland, it was pointed out that Thierry Petit, David Dayan, and Michaël Dayan had invested in an investment fund managed by Daphni, a company that Marie Ekeland co-founded. In this regard, after hearing the opinion of the Nomination and Compensation Committee, the Board confirmed that this investment was not material and therefore did not affect Marie Ekeland's independence as a director of the Company. Concerning Olivier Marcheteau, it was noted that he had become the Chief Executive Officer of the company ACOGROUP, and two of its subsidiaries have carried out translation services for the Company during the past four years. In this regard, after hearing the opinion of the Nomination and Compensation Committee, the Board confirmed that this customer-supplier relationship was not material and therefore did not affect Olivier Marcheteau's independence as a director of the Company.

The following table shows the status of each administrator in relation to the independence criteria set out above.

Criteria	Thierry Petit	David Dayan	Eric Dayan	Michaël Dayan	Brigitte Tambosi	Marie Ekeland[1]	Melissa Reiter Birge	Olivier Marcheteau[2]	Cyril Vermeulen	Irache Martinez Abasolo
Criterion 1: Corporate officer employee during the previous 5 years	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes
Criterion 2: Cross Mandates	Yes	Yes	No	No	No	No	No	No	No	No
Criterion 3: Significant Business Relationships	No	No	No	No	No	No	No	No	No	No
Criterion 4: Family Connection	No	Yes	Yes	Yes	No	No	No	No	No	No
Criterion 5: Statutory Auditor	No	No	No	No	No	No	No	No	No	No
Criterion 6: Term of office longer than 12 years	No	No	No	No	No	No	No	No	No	No
Criterion 7: Status of Non-Executive Corporate Officer	No	No	No	No	No	No	No	No	No	No
Criterion 8: Significant Shareholder Status	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No
Qualification Retained by The Board of Directors	Not independent	Not independent	Not independent	Not independent	Not independent	Independent	Independent	Independent	Independent	Not independent

(1) Concerning Marie Ekeland, it was pointed out that Thierry Petit, David Dayan, and Michaël Dayan had invested in an investment fund managed by Daphni, a company that Marie Ekeland co-founded. In this regard, after hearing the opinion of the Nomination and Compensation Committee, the Board confirmed that this investment was not material and therefore did not affect Marie Ekeland's independence as a director of the Company.

(2) Concerning Olivier Marcheteau, it was noted that he had become the Chief Executive Officer of the company ACOGROUP, and two of its subsidiaries have carried out translation services for the Company during the past four years. In this regard, after hearing the opinion of the Nomination and Compensation Committee, the Board confirmed that this customer-supplier relationship was not material and therefore did not affect Olivier Marcheteau's independence as a director of the Company.

(e) Change in the Composition of the Board of Directors and Its Committees

(i) Changes in the Composition of the Board of Directors and its Committees during the Year Ended December 31, 2020

The following table presents the changes in the composition of the Board of Directors and its Committees during the year ended December 31, 2020

	Departure	**Appointment/Co-optation**	**Reappointment**
Board of Directors	Amélie Oudéa Castera October 28, 2020	Brigitte Tambosi October 28, 2020	Eric Dayan June 8, 2020 Michaël Dayan June 8, 2020
Audit Committee	-	-	-
Nomination and Compensation Committee	-	-	-

(ii) Planned Changes in the Composition of the Board of Directors In 2021

Appointment of directors

NA

Ratification of co-optation

Brigitte Tambosi was coopted by the Company's Board of Directors to replace Amélie Oudéa Castera, who resigned. This co-optation will be submitted for ratification by the Company's Shareholders' Meeting scheduled for June 28, 2021.

Renewal of directors' mandates

The terms of Irache Martinez Abasolo, Brigitte Tambosi and Olivier Marcheteau will expire at the end of the Annual Shareholders' Meeting scheduled for June 28, 2021. In this regard, at its meeting on April 28, 2021, on the recommendation of the Nomination and Compensation Committee, the Board of Directors decided to recommend to the Annual Shareholders' Meeting to be held on June 28, 2021, that it reappoint Irache Martinez Abasolo, Brigitte Tambosi and Olivier Marcheteau to the Board for a four-year term, which is until the end of the Annual Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2024.

(f) Non-voting observer

Pursuant to Article 16 of the bylaws, the annual shareholders' meeting may, on the recommendation of the Board of Directors, appoint a non-voting observer. The Board of Directors may also appoint the non-voting observer directly, subject to ratification by the next shareholders' meeting. The observer may be freely chosen on the basis of his or her skills. The non-voting observer is appointed for a term of four years, except as otherwise decided at the ordinary shareholders' meeting preceding his or her appointment, which may be revoked at any time. The observer's term of office shall terminate at the end of the annual shareholders' meeting called to approve the financial statements for the past fiscal year. The observer may be reelected.

The observer will examine the questions that the Board of Directors or its Chairman submits to him or her for advice. The observer will attend Board meetings and take part in discussions, but may not vote, and his or her absence will not affect the validity of deliberations. The observer will be given notice of Board meetings on the same terms as directors. There is no compensation for serving as a non-voting observer.

Benoit Camps[1], Director of Mergers-Acquisitions of Carrefour, was appointed non-voting observer by the Board of Directors at its meeting of July 25, 2019, for a four-year term, i.e. until the end of the Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2023. This appointment will be submitted for ratification by the Company's Shareholders' Meeting scheduled for June 28, 2021.

Benoit Camps is a graduate of the ESCP. In 2007, he joined HSBC where he was involved in a number of financing operations and mergers-acquisitions to support major French and European companies. He joined Carrefour in 2014 as Director of Mergers-Acquisitions and was responsible in particular for the Group's e-commerce operations and partnerships, as well as the sale of Carrefour China in June 2019.

(g) Shares Held by Directors

Pursuant to Article 2.10 of the internal rules of the Company's Board of Directors, each member of the Board must own (directly or indirectly) at least 200 shares of Company stock throughout his or her term of office and, in all cases, no later than six months following his or her election to the Board. Share loans made by the Company to members of the Board of Directors are not permitted for the purpose of satisfying this obligation. This obligation does not apply to employee shareholders who are appointed to the Board of Directors.

The number of shares held by directors is detailed in Section 1.2.1.2 "*Biographical Information about the Members of the Board of Directors*" of this report and Section 15.2.2 "*Participation of Members of the Board of Directors and of Executive Management*" of the Universal Registration Document.

1.2.2 Rules governing the preparation and organization of the work of the Board of Directors

The arrangements for the organization and operation of the Board of Directors shall be governed by the statutes of the Company and by the internal rules of the Board of Directors.

The Company's bylaws and internal rules are available on the Company's website (http://www.showroomprivegroup.com/).

(a) Internal Rules

The Board of Directors has internal rules intended to specify the operating procedures of the Board of Directors, in addition to the applicable legal and regulatory provisions and the articles of association of the Company. The annexes to the Board of Directors' internal rules include the internal rules of the Audit Committee as well as those of the Nomination and Compensation Committee.

These internal rules were initially adopted by the Board of Directors on August 28, 2015 and are subject to regular review by the Board of Directors. It and its appendices have been amended whenever necessary to adapt to the regulatory context, marketplace recommendations, and changes in the Company's governance. The latest review of the internal rules and its appendices was approved by the Executive Board on February 15, 2019.

1 Benoit Camps was appointed as a non-voting observer, on the proposal of Carrefour, by the Board of Directors at its meeting on July 25, 2019 to replace Frédéric Haffner, who resigned as non-voting observer of the Company with effect from July 9, 2019.

The internal regulations of the Board of Directors are in line with the French corporate governance guidelines aimed at ensuring compliance with the fundamental corporate governance principles, and in particular those set out in the AFEP-MEDEF Code. These internal rules describe the manner of operation, powers and duties of the Board of Directors and specify the rules of conduct applicable to its members. They include rules for the holding of meetings of the Board of Directors, as well as provisions relating to the frequency of meetings, the presence of directors and their disclosure obligations with regard to the rules of cumulation of mandates and conflict of interest.

(b) Duties of the Board of Directors

The Board of Directors assumes the duties and powers conferred on it by law, the Company's bylaws and the internal rules of the Board of Directors and its Committees. The Board of Directors is committed to promoting long-term value creation by considering the social and environmental issues of its activities. It proposes, where appropriate, any statutory developments which it considers appropriate.

The Board of Directors' first duty is to determine strategic targets. It reviews and decides on major transactions. Members of the Board of Directors are informed of changes in the markets, in the competitive environment and key challenges facing the Company, including in the area of corporate social and environmental responsibility.

The Board regularly reviews opportunities and risks such as financial, legal, operational, social and environmental risks and measures taken accordingly in connection with its strategy. To this end, the Board of Directors shall receive all the information necessary for the performance of its mission, in particular from the executive management officers.

The Board shall ensure, where appropriate, the establishment of a mechanism for the prevention and detection of corruption and influence trafficking. It receives all the information necessary for this purpose.

The Board of Directors also ensures that executive social management officers implement a policy of non-discrimination and diversity, particularly in relation to the balanced representation of women and men within the governing bodies.

The corporate governance report covers the activities of the Board of Directors.

It defines and evaluates the Company's strategic direction, goals and performance, and oversees their implementation. Subject to the powers expressly granted to the shareholders' meeting, and within the limit of the corporate purpose, it decides any questions concerning the proper functioning of the Company and through its votes settles matters concerning it.

The Board of Directors also implements the controls and verifications that it deems appropriate and can request the documents that it deems useful to perform its duties.

The Board of Directors ensures the good governance of the Company and of the Group, in compliance with the social responsibility principles and practices of the Group and its executive corporate officers and employees.

The Board of Directors ensures that shareholders and investors receive relevant, balanced and educational information on strategy, on the business model, on taking into account major non-financial issues for the company and on its long-term outlook.

(c) Meetings and Deliberations of the Board of Directors

The internal rules of the Board of Directors set out the procedures for conducting Board of Directors meetings. Under these rules, Board meetings are called by its Chairman or one of its members by any means, even verbally. The person calling the meeting sets the meeting agenda.

The Board meets at least four (4) times a year and, at any other time, as often as the interests of the Company so require. The frequency and length of the meetings must be sufficient to allow a thorough review and discussion of matters within the purview of the Board of Directors. Board of Directors meetings are chaired by the Chairman; in the Chairman's absence, they are chaired by a member of the Board of Directors selected by the Board of Directors.

The Board of Directors may not validly deliberate at a meeting unless at least half of its members are present. In determining the quorum and majority, members are deemed present when they attend via video-conference or a conference call that allows them to be identified and ensures their effective participation, in the manner provided for under applicable laws and regulations.

Each meeting of the Board of Directors and the Committees it sets up must be of sufficient length to effectively and thoroughly discuss the matters on the agenda. Resolutions are adopted by a majority of the members present or represented. If there is a tie vote, the Chairman shall have the casting vote.

Each year, at least one meeting of the Board of Directors is held outside the presence of executive corporate officers. (For more details, see Section 1.2.2.6 "*Executive session of non-executive members of the Board of Directors*" of this report.)

The internal rules set out the manner in which information is conveyed to the directors. It specifies, in particular, that the Chairman shall provide the members of the Board of Directors, within a sufficient time frame, excluding urgent matters, with the information or documents in his/her possession that will enable them to carry out their duties effectively. Any member of the Board of Directors who has not been able to deliberate in a fully informed way must notify the Board of Directors of this and request the information needed to perform his or her duties.

The internal rules of the Board of Directors also highlight the obligations incumbent on members of boards of directors, as they are set out in the AFEP-MEDEF Code. The rules provide that the members of the Board of Directors may receive, upon appointment, additional training on the specifics of the Company and the companies it controls, their businesses and their industry. In addition, they may occasionally hear from the Company's key executives, who may be called to attend meetings of the Board of Directors.

Finally, they provide that the Board of Directors shall be regularly informed about the financial position, the cash position, and the commitments of the Company and the Group, and that the Chairman and CEO shall continuously keep the members of the Board informed about all matters concerning the Company of which he/she is aware and which he/she deems useful or relevant. The Board of Directors and the Committees also have the option of hearing from experts in the areas under their respective purview.

(d) Activity of the Board of Directors during the 2020 fiscal year

In 2020, the Board of Directors met thirteen times: on February 6, 2020; on February 19, 2020; on February 27, 2020; on March 12, 2020; on April 2, 2020; on April 29, 2020; on May 7, 2020; on June 8, 2020; on July 15, 2020; on July 24, 2020; twice on October 28, 2020; and on December 16, 2020. Pursuant to the Board's internal rules, the Board of Directors meets at least four times per year.

The rate of attendance for all directors was 91%.

The table of individual attendance at Board and Committee meetings is presented below (attendance rate):

	Attendance at Board of Directors' meetings	Attendance at Audit Committee meetings	Attendance at Nomination and Compensation Committee meetings
Thierry Petit	100%	-	-
David Dayan	100%	-	-
Éric Dayan	100%	-	-
Michaël Dayan	100%	-	83%
Marie Ekeland	92%	-	-
Melissa Reiter Birge	69%	100%	-
Olivier Marcheteau	92%	100%	100%
Amélie Oudéa Castéra[(1)]	83%	-	-
Cyril Vermeulen	92%	80%	100%
Irache Martinez Abasolo	77%	-	-
Brigitte Tambosi[(2)]	100%		

(1) Amélie Oudéa Castéra resigned from the Company's Board of Directors effective October 28, 2020.

(2) Brigitte Tambosi was coopted by a decision of the Board of Directors on October 28, 2020, to replace Amélie Oudéa Castéra, who resigned effective October 28, 2020. The ratification of this co-optation will be subject to the approval of the Shareholders' Meeting of the Company on June 28, 2021.

In fiscal year 2020, the principal matters before the Board of Directors included:

- the Company's capital increase;
- analysis of the strategy and budget for 2020;
- updates on the Group's cash flow and financing;
- approval of the agreements referred to in Article L. 225-38 of the French Commercial Code;
- establishment of new free share allocation plans;
- examination and approval of the Company's 2019 consolidated financial statements;
- approval of the management report on the Company's 2019 consolidated financial statements;
- the variable compensation of the Chairman & CEO and the Deputy CEO for 2019;
- the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the Chairman & CEO and the Deputy CEO for the 2020 fiscal year;
- approval of the Company's corporate financial statements for the 2019 fiscal year;
- approval of the annual financial report, the management report and the corporate social responsibility report;
- the first quarter 2020 results;
- the allocation of directors' fees for the 2019 fiscal year;
- approval of the report on corporate governance;
- the Company's 2019 Universal Registration Document;
- the Annual Shareholders' Meeting called to approve the financial statements for the fiscal year ending on December 31, 2019;

- the composition of the Board of Directors and committees of the Board of Directors;
- approval of the financial statements for the first half of 2020;
- announcement of third quarter results 2020;

(e) Evaluation of the functioning of the Board of Directors

According to Article 10.1 of the AFEP-MEDEF Code, "*the board assesses its ability to meet the expectations of shareholders who have given it the mandate to administer the company, periodically reviewing its composition, organization and functioning (which entails a review of the board committees)*". Article 10.3 of the AFEP-MEDEF Code states that "*shareholders must be informed each year in the annual report on the conduct of the assessments and, where appropriate, the follow-up to those assessments"*.

Article 7 of the internal rules of the Board of Directors sets out the procedures for evaluating the functioning of the Board of Directors:

"*The Board of Directors must assess its ability to meet shareholder expectations by periodically analyzing its composition, organization and operation. To this end, once a year, the Board of Directors is expected, based on the report of the Nomination and Compensation Committee, to devote one item on its agenda to the evaluation of its operating procedures, to verifying that important issues are properly prepared and discussed by the Board of Directors, and to assessing the effective contribution of each member to the Board's work in relation to his or her expertise and involvement in the deliberations.*

This evaluation is carried out on the basis of responses to an individual and anonymous questionnaire sent once a year to each member of the Board of Directors.

A formal evaluation shall be carried out at least every three years, possibly under the direction of an independent member of the Board of Directors, and where appropriate, with the assistance of an external consultant.

The Board of Directors shall evaluate the operating procedures of the standing committees established within the Board on the same basis and at the same time.

The Corporate Governance Report informs shareholders of the evaluations carried out and of the follow-up data. "

The Board of Directors evaluated the composition, organization, and functioning of the Board of Directors and its Committees by means of discussion within the Nomination and Compensation Committee as well as at the meeting of the Board of Directors on March 9, 2021, which the directors deemed satisfactory, without any particular remarks or matters for improvement. The summary of the replies presented by the Chairman of the Nomination and Compensation Committee to the Board of Directors meeting of March 9, 2021 shows a very favorable overall perception of the functioning of the Board of Directors. The members of the Nomination and Compensation Committee expressed their satisfaction with the organization, operation and composition of the Board and its Committees, as well as with the governance of the Company and expressed particular appreciation for the quality of the discussions and management interventions. They also noted that the important issues are adequately prepared and discussed and that the effective contribution of each director to the work of the Board of Directors and Committees is satisfactory with regard to his competence and involvement in the various deliberations. The feedback is also very positive on the executive session organized outside the presence of executive corporate officers. For further details, see Section 1.2.2.6 "*Executive Session of The Non-Executive Members Of the Board of Directors*" of this report).

In conclusion, the members of the Committee consider the functioning of the Council satisfactory, without raising any particular point of attention or improvement.

(f) Executive Session of the Non-Executive Members of The Executive Board

In accordance with the provisions of the AFEP-MEDEF Code, which recommend organizing at least one meeting each year, outside the presence of executive corporate officers, the internal rules provide in Article 5.6 that "*Each year, at least one meeting of the Board of Directors shall be held outside the presence of the Executive Corporate Officers*. "

In 2020, the Executive Session took place upstream of the Board of Directors on October 28, 2020, excluding the presence of Thierry Petit and David Dayan, who served as Chairman & CEO and Deputy CEO of the Company respectively1. Feedback from this executive session of the non-executive members of the Board was provided to the Board of Directors, which met in plenary session.

This executive session focused in particular on the following agenda:

- Review of the recommendations of the Nomination and Compensation Committee from their assessment of the performance and compensation of executive corporate officers;
- Update on the establishment of succession plans for the members of the Board of Directors and the executive corporate officers of the Company;
- Evaluation of the functioning of the Board and its Committees and reflection on the relationship between the Board of Directors and Executive Management;
- Discussion of the desirability of appointing a Lead Director on the Board.

On this last point, the non-executive members of the Board of Directors, while noting the uniqueness of the functions of Chairman and Chief Executive Officer within the Company in the person of Thierry Petit, considered that it was not necessary to appoint a Lead Director within the Board of Directors. They noted that the small size of the Executive Board, the large proportion of independent members on the Board (50% of the members at the Executive Session), as well as the presence of representatives of majority shareholders on the Board of Directors allow for effective monitoring of the relationships between shareholders and the Board of Directors. Consequently, the non-executive members of the Board of Directors have decided not to designate a lead director.

1.3 Committees Created by the Board of Directors

The Board of Directors decided, at its meeting on August 28, 2015, to create two Board committees: The Audit Committee and the Nomination and Compensation Committee, in order to assist it in certain duties and to contribute effectively to the preparation of certain matters submitted for its approval. Each of these Committees has internal rules (which are annexed to the Board of Directors' internal rules) and submits its recommendations to the Board of Directors.

1 In accordance with the principle of a two-year rotation of the chairmanship of the Board of Directors resulting from the provisions of the above-mentioned shareholders' agreement, Thierry Petit and David Dayan resigned as Chairman & CEO and Deputy CEO respectively with effect from December 19, 2019 and were appointed by the Board of Directors on December 19, 2019, with immediate effect from that date, as Deputy CEO and Chairman & CEO respectively, for the remainder of their terms of office as directors, i.e. until the Annual Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2022.

Meetings of the Board of Directors' Committees are recorded in reports that are sent to the members of the Board of Directors. The composition of these committees, set forth below, complies with the recommendations of the AFEP-MEDEF Code.

1.3.1 Audit Committee

(a) Composition as of December 31, 2020

Pursuant to Article 2 of its internal rules, the Audit Committee is composed of three or four members, at least two-thirds of whom are chosen from among the independent members of the Board of Directors. The composition of the Audit Committee can be modified by the Board of Directors acting at the request of the Chairman and must be modified in the event of a change in the general composition of the Board of Directors. In particular, in accordance with the applicable legal provisions, the members of the committee must have specialized knowledge in finance and/or accounting. The terms of office of Audit Committee members coincide with the length of their terms as members of the Board of Directors. They may be renewed at the same time as the renewal of the member's term on the Board of Directors.

As at December 31, 2020, the Audit Committee had three members, all of whom were independent: Melissa Reiter Birge (independent director), Olivier Marcheteau (independent director), and Cyril Vermeulen (independent director). In accordance with the recommendations of the AFEP-MEDEF Code, the Board also decided to appoint Melissa Reiter Birge, an independent director, as the committee's Chair.

(b) Duties of the Audit Committee

Pursuant to Article 1 of the Audit Committee's internal rules, the role of the Audit Committee is to monitor questions related to the preparation and control of accounting and financial information and to monitor the efficiency of risk monitoring and operational internal control, in order to facilitate the Board's performance of its duties to control and verify such matters.

In this context, the Audit Committee carries out the following duties:

- monitoring the preparation of financial information;
- monitoring the efficiency of internal control systems, internal audits and risk management related to financial and accounting information;
- monitoring the statutory and consolidated financial statement audits by the Company's statutory auditors; and
- monitoring the statutory auditors' independence.
- Pursuant to its internal rules, the Audit Committee regularly reports to the Board of Directors and informs it without delay of any difficulties that it encounters.

(c) Operation of the Audit Committee

Under the rules and regulations of the Audit Committee, the Committee meets as often as is necessary and, in all cases, at least twice per year, in connection with the preparation of the annual and half-year financial statements.

Meetings are held prior to the Board of Directors' meeting and, to the extent possible, at least two days before such meeting if the Audit Committee's agenda relates to the examination of half-year and annual financial statements prior to their examination by the Board of Directors.

The Audit Committee may validly deliberate, either during a meeting, by phone or by any videoconference and telecommunication means that allows the identification of its members and guarantees their effective participation, upon notice of a meeting from its Chairman or from

the Committee's secretary, on the condition that at least half the members participate in the deliberations.

The Audit Committee makes decisions on the basis of a majority of the members attending the meeting, with each member having one vote.

(d) Work of the Audit Committee during Fiscal Year 2020

In 2020, the Audit Committee met five times: on March 10, 2020; April 27, 2020; May 5, 2020; July 22, 2020 and October 26, 2020. The rate of attendance for all members was 93%.

In fiscal year 2020, the Audit Committee met to discuss the following main topics:

- examination of the Company's 2019 consolidated financial statements;
- management report on the Company's 2019 consolidated financial statements;
- examination of the Company's corporate financial statements for fiscal year 2019;
- examination of the annual financial report, the management report and the corporate social responsibility report;
- the first quarter 2020 results;
- examination of the report of the Chairman on corporate governance and on internal control and risk management procedures implemented by the Company;
- the Company's 2019 Universal Registration Document;
- examination of the resolutions to be proposed to the Company's 2020 Annual Shareholders' Meeting;
- examination of the financial statements for the first half of 2020;
- review of the year-end closing process and the accounting rules and methods applied in determining revenue for first quarter 2020;
- inventory of projects to improve the formalization of internal control procedures within the Group;
- 2020 audit plan of the statutory auditors;
- review of the Company's internal control;
- presentation by the statutory auditors of their review of the Company's risks and internal control procedures.

1.3.2 Nomination and Compensation Committee

(a) Composition as of December 31, 2020

Pursuant to Article 2 of its internal rules, the Nomination and Compensation Committee is composed of three or four members, a majority of whom are chosen from among the independent members of the Board of Directors. They are appointed by the Board of Directors from among its members on the basis of their independence and their expertise in the selection or compensation of corporate officers of listed companies. Executive corporate officers may not serve on the Nomination and Compensation Committee. The composition of the Nomination and Compensation Committee can be modified by the Board of Directors acting at the request of the Chairman and must be modified in the event of a change in the general composition of the Board of Directors. The length of the terms of members of the Nomination

and Compensation Committee coincides with the length of their terms as members of the Board of Directors. They may be renewed at the same time as the renewal of the member's term on the Board of Directors.

As of December 31, 2020, the Nomination and Compensation Committee had three members, including two who were independent: Olivier Marcheteau (independent director), Cyril Vermeulen (independent director) and Michaël Dayan (director). In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors also decided to appoint Olivier Marcheteau, an independent director, as the committee's Chair.

(b) Duties of the Nomination and Compensation Committee

Pursuant to Article 1 of its internal rules, the Nomination and Compensation Committee is a specialized committee of the Board of Directors, the principal duty of which is to help the Board in the composition of the managing bodies of the Company and the Group and in the determination and regular evaluation of all the compensation and benefits of the Group's executive corporate officers and senior managers, including all deferred benefits and/or compensation for voluntary or involuntary departure from the Group.

In this context, the Nomination and Compensation Committee specifically carries out the following duties:

- proposals for appointments of members of the Board of Directors, executive corporate officers and Board Committees;
- annual evaluation of the independence of the members of the Board of Directors;
- review and formulation of proposals to the Board of Directors concerning all components and terms of compensation of the Group's key executives;
- review and formulation of proposals to the Board of Directors on the method for allocating directors' fees;
- making recommendations to the Board of Directors on all exceptional compensation related to exceptional duties that may, if appropriate, be entrusted by the Board to certain of its members.

(c) Nomination and Compensation Committee Meetings

Pursuant to its internal rules, the Nominating and Compensation Committee meets as often as necessary and, in all cases, at least once per year, before the Board of Directors meets to assess the independence of its members pursuant to the independence criteria adopted by the Company and, in all cases, prior to any meeting at which the Board of Directors votes on the compensation of executive corporate officers or the allocation of directors' fees.

The Appointments and Compensation Committee may validly deliberate, either during a meeting, or by phone or by all videoconference or telecommunication means that will enable the identification of its members and thus guarantee their effective participation, under the same conditions as the Board, upon notice of a meeting from its Chairman or from the Committee's secretary, on the condition that at least half the members participate in the deliberations. Notices of meetings must include an agenda and may be delivered orally or by any other means.

The Nomination and Compensation Committee makes decisions on the basis of the majority of the members participating in the meeting, with each member having one vote.

(d) Work of the Nomination and Compensation Committee in fiscal year 2020

In 2020, the Nomination and Compensation Committee met six times: on February 4, 2020; March 10, 2020; April 27, 2020; June 4, 2020; October 26, 2020 and December 16, 2020. The rate of attendance for all members was 94%.

In 2020, the Nomination and Compensation Committee met to discuss the following key topics:

- the variable compensation of the Chairman & CEO and the Deputy CEO for 2019;
- the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the Chairman & CEO and the Deputy CEO for the 2020 fiscal year;
- new bonus share plans;
- the allocation of directors' fees for the 2019 fiscal year;
- examination of the report of the Chairman on corporate governance and on internal control and risk management procedures implemented by the Company;
- the Company's 2019 Universal Registration Document;
- the Company's 2020 Annual Shareholders' Meeting;
- composition of the Board of Directors;
- recognition of the full vesting and allocation of bonus shares of the Company to be issued.

1.4 General Management

1.4.1 Executive Management Structure – Chairmanship of the Board

The positions of Chairman of the Board of Directors and CEO have been combined since the inception of the Company.

Since the admission of the Company's shares to trading on Euronext Paris, and by virtue of the shareholders' agreement entered into on that date and described in Section 16.4 of the Universal Registration Document, the Founder shareholders have agreed to ensure that David Dayan and Thierry Petit will alternate as Chairman of the Board of Directors, and that David Dayan and Thierry Petit will alternate as CEO and Deputy CEO respectively.

At its meeting of December 19, 2019, the Board of Directors appointed David Dayan as Chairman of the Board of Directors of the Company and Thierry Petit as Deputy CEO, for the remainder of their terms of office as directors, i.e. until the annual shareholders' meeting called to approve the financial statements for the year ending December 31, 2022.

1.4.2 Limitations on Executive Powers

The positions of Chairman of the Board of Directors and CEO have been combined since the inception of the Company. In accordance with the law, the Company's bylaws and the internal rules of the Board of Directors, the Company's Chairman and CEO chairs the meetings of the Board of Directors, organizes and directs the Board's work and meetings and ensures the smooth running of the Company's management bodies, ensuring in particular that the directors are able to perform their duties.

The Chief Executive Officer is granted the most extensive powers to act in all circumstances on behalf of the Company. These powers are to be exercised within the limits resulting from

the Company's corporate purpose and the powers expressly reserved by law for general shareholders' meetings and for the Board of Directors. The Chief Executive Officer represents the Company in its dealings with third parties. The Company is bound even by actions of the Chief Executive Officer that are outside the purpose of the Company, unless the Company can prove that the third party was aware that the action was outside the purpose of the Company, or that the third party could not be unaware of this in view of the circumstances; however, the mere publication of the bylaws does not constitute such proof. Decisions of the Board of Directors limiting the powers of the CEO are not binding on third parties. In dealings with third parties, the COOs will have the same powers as the CEO.

Pursuant to Article 3.2 of its internal rules, the Board of Directors must give its prior authorization by a simple majority of its members present or represented, for any action, event, act or decision relating to the Company and the other members of the Group and relating to:

- the adoption of the annual budget;
- investments or capital expenditures (other than in the ordinary course of business) not provided for in the annual budget which, individually or in the aggregate, would exceed €1,000,000 annually;
- the acquisition, transfer or subscription of units, shares or other form of interest in any other company, group or entity, the establishment of a joint undertaking or subsidiary or the transfer or pledge of its shares or any significant tangible asset not provided for in the budget, representing an investment amount for the Group in excess of €5,000,000;
- option grants and the terms on which such options will be granted to the employees and executive corporate officers, as well as the implementation of an incentive plan for executive corporate officers or employees;
- the appointment or removal of a founder who has management duties within the Group or any person, CEO, Deputy CEO, Operations Director or Chief Financial Officer (CFO);
- the appointment or renewal of the Company's statutory auditors;
- any agreement between (directly or indirectly) the Company or any subsidiary and any of its shareholders, officers or founders;
- any material change in the activity and strategic orientation of the Company or of a subsidiary as defined in the business plan and annual budget;
- any financial debt commitment (in particular financial guarantees) of the Group in excess of €5,000,000, as well as any guarantee or any surety granted within this framework;
- the grant of any mortgage or surety relating to all or substantially all of an asset, and representing in excess of €500,000 individually within the overall limit of €1,000,000 a year, and not provided for by the annual budget;
- the appointment or removal of a manager of a Group company;
- any acquisition or disposal or operating lease of the Company's business or the making available or transferring of a significant trademark used by the Group.

2. COMPENSATION AND BENEFITS TO CORPORATE OFFICERS

This section incorporates the full description of the compensation elements of the Company's corporate officers, including information from Order No. 2019-1234 dated November 27, 2019, taken pursuant to Act No. 2019-486 dated May 22, 2019, relating to business growth and transformation (known as the **"PACTE Law"**).

Under the new regulations, the shareholders' general meeting scheduled for June 28, 2021 is invited to decide on the following:

- the compensation policy of all corporate officers for fiscal year 2021: this is presented in Section 2.1 of this report and is the subject of the twelfth, thirteenth and fourteenth resolutions proposed at the Annual General Meeting of shareholders scheduled for June 28, 2021, in accordance with Article L. 22-10-8-II of the French Commercial Code;

- fixed, variable and exceptional items that comprise total compensation and benefits of any kind paid during or allocated for fiscal year 2020 to the Chairman & CEO and the Deputy CEO: these elements are contained in Section 2.2 of this report and are the subject of the tenth and eleventh resolutions proposed at the Annual General Meeting of shareholders scheduled for June 28, 2021, in accordance with Article L. 22-10-34-II of the French Commercial Code;

- The information submitted for each corporate officer in the Corporate Governance Report under Article L. 22-10-9-I of the French Commercial Code: These elements are contained in Sections 2.2 and 2.3 of this report and are the subject of the fifteenth resolution proposed at the general meeting of shareholders scheduled for June 28, 2021, which is contained in Section 2.4 of this report, in accordance with Article L. 22-10-34-I of the French Commercial Code.

The information in this section has been prepared in conjunction with the Nomination and Compensation Committee and in its presentation in accordance with the provisions of the AFEP-MEDEF Code as interpreted by the High Committee for Corporate Governance (the AFEP-MEDEF Code application guide, Activity report of the High Committee for Corporate Governance of November 2020) and the AMF's recommendations given in the Guide to preparing Universal Registration Documents (Position-recommendation – DOC-2021-02) as well as in the AMF corporate governance report and compensation for executives of listed companies dated November 24, 2020.

2.1 Policy on the Compensation of Corporate Officers For 2020

The following developments constitute the compensation policy of the Company's corporate officers for fiscal year 2021. Pursuant to Article L. 22-10-8 I of the French Commercial Code, these developments describe all components of the fixed and variable compensation of corporate officers and explain the decision-making process followed for its determination, review and implementation.

In accordance with the provisions of Article L. 22-10-8 II of the Commercial Code, the Annual General Meeting of shareholders scheduled for June 28, 2021, on the basis of these elements, will be asked to vote on the compensation policy for corporate officers for the year 2021. To this end, three resolutions, as reproduced below, will be submitted respectively to the Chairman & CEO, the Deputy CEO, and the members of the Board of Directors.

2.1.1 Principles and decision-making processes followed for the determination, review and implementation of the compensation policy for corporate officers

The compensation policy applicable to corporate officers is determined by the Board of Directors and is based on the proposals and work of the Nomination and Compensation

Committee. This determination is made in accordance with the measures for the prevention and management of conflict of interest situations as provided for in the internal rules of the Board of Directors. The Nomination and Compensation Committee is chaired by an independent director and is composed mainly of independent directors within the meaning of the AFEP-MEDEF Code. The members of the Nomination and Compensation Committee were selected for their technical skills, as well as for their understanding of current standards and emerging trends. The Nomination and Compensation Committee ensures at the beginning of the year the level of achievement of the performance criteria set for the past year, which conditions the granting of variable compensation. In addition, the Board of Directors discusses the performance of executive corporate officers, without the presence of stakeholders.

In their thinking, the Board of Directors and the Nomination and Compensation Committee may take into account the benchmarking of companies of similar size and industry, if any, with the assistance of one or more external consultants.

In determining the compensation policy, the Board of Directors and the Nomination and Compensation Committee also take into account and apply rigorously the principles recommended by the AFEP-MEDEF Code (completeness, balance of compensation elements, comparability, consistency, intelligibility of rules and measures). These principles apply to all aspects of the compensation of corporate officers.

The Board of Directors shall adopt the compensation policy of the corporate officers after ensuring that it is in conformity with the Company's social interest and contributes to its sustainability while part of its business strategy.

Finally, under the ″Say on Pay" arrangement, the compensation policy is subject to the vote of the general meeting of shareholders by separate resolutions, in accordance with the provisions of Articles L. 22-10-8 II of the French Commercial Code.

If the shareholders' general meeting does not approve the compensation policy of the corporate officers, the compensation will be determined in accordance with the compensation policy previously approved for previous years, or, in the absence of a previously approved compensation policy, in accordance with the compensation allocated for the preceding fiscal year or, in the absence of compensation awarded in respect of the preceding fiscal year, in accordance with existing practices within the Company.

In such as case, the Board of Directors submits to the next annual shareholders' meeting a draft resolution presenting a revised compensation policy and indicating how the shareholders' vote was taken into account and, where appropriate, the opinions expressed at the general meeting.

It is specified that no compensation element of any kind may be determined, assigned or paid by the Company, or any undertaking corresponding to compensation elements, allowances or benefits due or likely to be due as a result of the assumption, termination or change of their duties or subsequent to the exercise thereof, may be made by the company if it does not comply with the approved compensation policy or, in its absence, with the compensation or practices mentioned above. Any payment, allocation or commitment made or undertaken in disregard of this principle is null and void. However, in exceptional circumstances, the Board of Directors may derogate from the application of the compensation policy if the derogation is temporary, in accordance with the Company's social interest and necessary to ensure the sustainability or viability of the Company. The payment of the variable and exceptional compensation elements, if any, of the Chairman & Chief Executive Officer and the Deputy CEO shall be conditional upon the approval, by an annual shareholders' meeting, of the compensation elements of the executive concerned for the preceding fiscal year.

The implementation and revision of this policy is determined by the Board of Directors and is based on the proposals and work of the Nomination and Compensation Committee.

2.1.2 Policy on the Compensation of The Chairman & CEO for 2021

The components of the Chairman & CEO's 2021 compensation were decided by the Board of Directors on March 11, 2021 as follows:

(i) Fixed Compensation

The Board of Directors, on a proposal by the Appointments and Compensation Committee, determines the fixed annual compensation of the Chairman and Chief Executive Officer, in particular, after an in-depth study of the fixed and variable compensation of executives of similar companies carried by the Company.

For 2021, the gross annual fixed portion of the compensation of the Chairman & Chief Executive Officer was set by the Board of Directors on March 11, 2021 at €336,000, the same amount as in 2020, 2019 and 2018.

(ii) Variable Compensation

The Board of Directors, on the proposal of the Nomination and Compensation Committee, sets the annual variable compensation of the Chairman & CEO on the basis of quantitative criteria; These quantitative criteria are based on indicators that the Board of Directors considered most relevant when assessing the Group's financial performance.

For the year 2021, the Board of Directors of March 11, 2021, on the proposal of the Nomination and Compensation Committee, fixed the annual variable component of the compensation of the Chairman & CEO at €150,000 (unchanged from 2020, 45% of his annual fixed compensation) in the event of 100% achievement of the objectives and, in the event of outperformance, up to 120% of the aforementioned sum, i.e. a maximum amount of €180,000 (54% of his fixed annual compensation).

The variable component of the Chairman & CEO's 2021 compensation is based on two quantitative criteria, each of which is weighted, as follows:

- for 50% of the annual variable compensation, based on the Group's growth in consolidated revenues (expressed as a percentage) for the year ended December 31, 2021 compared to the year ended December 31, 2020,
- for 50% of the annual variable compensation, based on the consolidated EBITDA achieved in fiscal year 2021 (expressed as a percentage of EBITDA gross margin).

For each of these quantitative criteria, the Board of Directors has defined an objective target1 corresponding to the amount entered in the budget. A formula is used to calculate the amount of the variable portion due by taking into account, on the basis of the consolidated statements for the year, the level actually achieved in relation to the objective. An outperformance of one of the two criteria referred to above may compensate for any underperformance of the other criterion.

Considering that the objectives set are measurable and tangible, there is no provision for the Company to request the return of variable compensation.

Finally, it should be noted that in accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code, the payment of the annual variable compensation of the Chairman & CEO for 2021 is conditional on its approval by the Annual Shareholders' Meeting to be held in 2022 to approve the financial statements for the year ended December 31, 2021.

1 The objectives are not made public for confidentiality reasons.

(iii) Allocation of Performance Shares

Since the Company's shares were admitted for trading on Euronext Paris in October 2015, the Group has pursued a compensation policy aimed at retaining and motivating key talent within the Group while providing managers and employees with an opportunity to share in the success of the Group's business, in particular through the allocation of bonus shares that are linked to the Group's long-term strategy.

The Board of Directors, on the proposal of the Nomination and Compensation Committee, may, when implementing the Company's performance share plans, allocate performance shares to the Chairman & CEO.

In accordance with the AFEP-MEDEF Code, shares allotted by the Company to executive corporate officers are regulated by rules related to volume ceilings, defined by the general meeting of shareholders.

On this basis, the general meeting of shareholders held on June 8, 2020 stated that:

- the total amount of bonus shares that can be awarded to employees and corporate officers of the Group may not exceed three percent (3%) of the share capital as of the date of the resolution by the Board of Directors;
- the total number of bonus shares that can be awarded to executive corporate officers may not entitle the beneficiary to more than one and a half percent (1.5%) of the share capital on the date of the resolution by the Board of Directors;
- the awarding of shares to executive corporate officers should be subject to meeting serious and demanding performance criteria for several consecutive years which will be fixed by the Board of Directors on the proposal of the Committee;
- the delegation of authority given to the Board of Directors was for a period of thirty-eight months, as from June 8, 2020;
- the award of said shares to their beneficiaries should become final after a vesting period with a duration that cannot be less than the legal provisions applicable at the date on which the decisions to award said shares is made (i.e., at the date of this decision, one year);
- Vested shares shall be subject, at the end of the above-mentioned vesting period, to a requirement to hold shares for a duration that cannot be less than the legal provisions applicable at the date on which the decisions to award said shares is made (i.e., at the date of this decision, the difference between a duration of two years and the duration of the vesting period which will be set by the Board of Directors). Nonetheless, this requirement to hold shares may be canceled by the Board of Directors for bonus shares for which the vesting period would have been set for a duration equal to or longer than the legal minimum;
- executive corporate officers of the Company will be obliged to keep a portion of their vested shares registered in their name until the termination of their position.

To be able to continue to retain and motivate the Group's key talents while providing managers and employees with an opportunity to share in the success of the Group's business, the extraordinary general meeting to be held on June 8, 2020, will be asked to renew the financial delegation of authority authorizing the Board of Directors to allot bonus shares to the Group's employees and corporate officers for a period of thirty-eight months as from the date of the general meeting.

(iv) Benefits in Kind

The Chairman & CEO has the use of a company car. The Chairman & CEO also benefits from a mutual insurance and providence plan.

(v) Supplementary Pension Plan

The Chairman & CEO does not benefit from a supplementary pension plan.

(vi) Severance Pay and Non-Competition Indemnity on Termination of Service

The Chairman & Chief Executive Officer is not entitled to any indemnity or benefit due or likely to be due as a result of the termination or change of his duties.

The Chairman & Chief Executive Officer is not subject to a non-compete clause in the event of the termination of his duties.

Summary table of fixed and variable elements comprising the compensation of the Chairman & CEO for fiscal year 2021

Elements of Compensation	Principle	Criteria for Determination
Fixed Compensation	The Chairman & CEO receives fixed compensation in 12 monthly installments.	For the year 2021, the gross annual fixed portion of the compensation of the Chairman & CEO is set at €336,000.
Variable Annual Compensation	The Chairman & CEO receives variable compensation determined on the basis of the Group's performance. This compensation is paid during the fiscal year following the fiscal year in which the performance was recorded. In accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code, the payment of the annual variable compensation of the Chairman & Chief Executive Officer for 2021 is conditional on its approval by the Annual Shareholders' Meeting to be held in 2022 to approve the financial statements for the year ended December 31, 2021.	For the year 2021, the annual variable portion of the compensation of the Chairman & CEO is set at €150,000 (45% of his fixed annual compensation) in the event of the 100% achievement of objectives and, in the event of outperformance, up to 120% of the aforementioned amount, i.e. a maximum of €180,000 (54% of his fixed annual compensation). The variable portion of compensation is calculated on the basis of two quantitative elements: (i) for 50% of the annual variable compensation, based on the growth in consolidated revenues (expressed as a percentage) achieved by the Group for the fiscal year ended December 31, 2021 compared to the fiscal year ended December 31, 2020, and (ii) for 50% of the annual variable compensation, based on the consolidated EBITDA achieved during the fiscal year 2021 (expressed as a percentage of the EBITDA gross margin). For each of these quantitative criteria, the Board of Directors has defined an objective target 1 corresponding to the amount entered in the budget. A formula is used to calculate the amount of the variable portion due by taking into account, on the basis of the consolidated statements for the year, the level actually achieved in relation to the objective. An outperformance of one of the two criteria referred to above may compensate for any underperformance of the other criterion.

Elements of Compensation	Principle	Criteria for Determination
Long-Term Compensation (Performance Shares)	N/A	N/A
Long-Term Compensation (Stock Warrant and Stock Option Plans)	N/A	N/A
Benefits in Kind	The Chairman & CEO has the use of a company car. The Chairman & CEO also benefits from a mutual insurance and providence plan.	N/A
Supplementary Pension Plan	The Chairman & CEO does not benefit from any additional pension plan.	N/A
Severance Pay and Non-Competition Indemnity on Termination of Service	The Chairman & Chief Executive Officer is not entitled to any indemnity or benefit due or likely to be due as a result of the termination or change of his duties. The Chairman & Chief Executive Officer is not subject to a non-compete clause in the event of the termination of his duties.	N/A

In accordance with Article L. 22-10-8 of the French Commercial Code, the following resolution on the compensation policy of the Chairman & CEO for 2021 will be submitted to the Annual Shareholders' Meeting scheduled for June 28, 2021:

Draft resolutions drawn up by the Board of Directors in accordance with Article L. 22-10-8 II of the French Commercial Code, submitted to the Company's Annual Shareholders' Meeting scheduled for June 28, 2021

"TWELFTH RESOLUTION

(Approval of the Chairman & CEO's compensation policy for fiscal year 2021)

The Shareholders' Meeting, voting under the quorum and majority conditions required for ordinary general meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, set out in Appendix II to the Company's 2020 Universal Registration Document, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy of David Dayan, in his capacity as Chairman & CEO, for fiscal year 2021, as presented in the above report. "

2.1.3 Deputy CEO's Compensation Policy For 2021

The components of the compensation of the Deputy CEO for 2021 were decided by the Board of Directors on March 11, 2021 as follows:

(i) Fixed Compensation

The Board of Directors, on the recommendation of the Nomination and Compensation Committee, determines the fixed annual compensation of the Deputy Chief Executive Officer, based in particular on an in-depth study carried out by the Company of the fixed and variable compensation of executives of comparable companies.

For 2021, the gross annual fixed portion of the compensation of the Deputy Chief Executive Officer was set by the Board of Directors on March 11, 2021 at €336,000, the same amount as in 2020, 2019 and 2018.

(ii) Variable Compensation

The Board of Directors, on the proposal of the Nomination and Compensation Committee, determines the variable annual compensation of the Deputy CEO on the basis of quantitative criteria. These quantitative criteria are based on indicators that the Board of Directors considered most relevant when assessing the Group's financial performance.

For the year 2021, the Board of Directors on March 11, 2021, on the recommendation of the Nomination and Compensation Committee, set the annual variable share of the compensation of the Deputy CEO at €150,000 (unchanged from 2019, 45% of his fixed annual compensation) in the event of 100% achievement of the objectives and, in the event of outperformance, up to 120% of the aforementioned sum, i.e. a maximum of €180,000 (54% of his fixed annual compensation).

The variable portion of the compensation of the Deputy CEO for 2021 is based on two quantitative criteria, each of which is weighted, as follows:

- for 50% of the annual variable compensation, based on the Group's growth in consolidated revenues (expressed as a percentage) for the year ended December 31, 2021 compared to the year ended December 31, 2020,
- for 50% of the annual variable compensation, based on the consolidated EBITDA achieved in fiscal year 2021 (expressed as a percentage of EBITDA gross margin).

For each of these quantitative criteria, the Board of Directors has defined an objective target1 corresponding to the amount entered in the budget. A formula is used to calculate the amount of the variable portion due by taking into account, on the basis of the consolidated statements for the year, the level actually achieved in relation to the objective. An outperformance of one of the two criteria referred to above may compensate for any underperformance of the other criterion.

Considering that the objectives set are measurable and tangible, there is no provision for the Company to request the return of variable compensation.

Finally, it should be noted that in accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code, the payment of the annual variable compensation of the Deputy CEO for 2021 is conditional on its approval by the Annual Shareholders' Meeting to be held in 2022 to approve the financial statements for the year ended December 31, 2021.

(iii) Allocation of Performance Shares

Since the Company's shares were admitted for trading on Euronext Paris in October 2015, the Group has pursued a compensation policy aimed at retaining and motivating key talent within the Group while providing managers and employees with an opportunity to share in the success of the Group's business, in particular through the allocation of bonus shares that are linked to the Group's long-term strategy.

The Board of Directors, on the proposal of the Nomination and Compensation Committee, may, when implementing the Company's performance share plans, allocate performance shares to the Deputy CEO.

1 The objectives are not made public for confidentiality reasons.

In accordance with the AFEP-MEDEF Code, shares allotted by the Company to executive corporate officers are regulated by rules related to volume ceilings, defined by the general meeting of shareholders.

On this basis, the general meeting of shareholders held on June 8, 2020 stated that:

- the total amount of bonus shares that can be awarded to employees and corporate officers of the Group may not exceed three percent (3%) of the share capital as of the date of the resolution by the Board of Directors;
- the total number of bonus shares that can be awarded to executive corporate officers may not entitle the beneficiary to more than one and a half percent (1.5%) of the share capital on the date of the resolution by the Board of Directors;
- the awarding of shares to executive corporate officers should be subject to meeting serious and demanding performance criteria for several consecutive years which will be fixed by the Board of Directors on the proposal of the Committee;
- the delegation of authority given to the Board of Directors was for a period of thirty-eight months, as from June 8, 2020;
- the award of said shares to their beneficiaries should become final after a vesting period with a duration that cannot be less than the legal provisions applicable at the date on which the decisions to award said shares is made (i.e., at the date of this decision, one year);
- Vested shares shall be subject, at the end of the above-mentioned vesting period, to a requirement to hold shares for a duration that cannot be less than the legal provisions applicable at the date on which the decisions to award said shares is made (i.e., at the date of this decision, the difference between a duration of two years and the duration of the vesting period which will be set by the Board of Directors). Nonetheless, this requirement to hold shares may be canceled by the Board of Directors for bonus shares for which the vesting period would have been set for a duration equal to or longer than the legal minimum;
- executive corporate officers of the Company will be obliged to keep a portion of their vested shares registered in their name until the termination of their position.

To be able to continue to retain and motivate the Group's key talents while providing managers and employees with an opportunity to share in the success of the Group's business, the extraordinary general meeting to be held on June 28, 2021, will be asked to renew the financial delegation of authority authorizing the Board of Directors to allot bonus shares to the Group's employees and corporate officers for a period of thirty-eight months as from the date of the general meeting.

(iv) Benefits in Kind

The Deputy CEO has the use of a company car. The Deputy CEO also benefits from a mutual insurance and providence plan.

(v) Supplementary Pension Plan

The Deputy CEO does not have a supplementary pension plan.

(vi) Severance Pay and Non-Competition Indemnity on Termination of Service

The Deputy CEO is not entitled to any indemnity or benefit due or likely to be due as a result of the termination or change of his duties.

The Deputy CEO is not subject to a non-compete clause in the event of the termination of his duties.

Summary table of fixed and variable elements comprising the compensation of the Deputy CEO for the fiscal year 2021

Elements of Compensation	Principle	Criteria for Determination
Fixed Compensation	The Deputy CEO receives fixed compensation in 12 monthly installments.	For the year 2021, the gross annual fixed portion of the compensation of the Deputy CEO is set at €336,000.
Variable Annual Compensation	The Deputy CEO receives a variable compensation determined on the basis of the Group's performance. This compensation is paid during the fiscal year following the fiscal year in which the performance was recorded. In accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code, the payment of the annual variable compensation of the Deputy CEO for 2021 is conditional on its approval by the Annual Shareholders' Meeting to be held in 2022 to approve the financial statements for the year ended December 31, 2021.	For the year 2021, the annual variable portion of the compensation of the Deputy CEO is set at €150,000 (45% of his fixed annual compensation) in the event of 100% achievement of objectives and, in the event of outperformance, up to 120% of the aforementioned amount, i.e. a maximum amount of €180,000 (54% of his fixed annual compensation). The variable portion of compensation is calculated on the basis of two quantitative elements: (i) for 50% of the annual variable compensation, based on the growth in consolidated revenues (expressed as a percentage) achieved by the Group for the fiscal year ended December 31, 2021 compared to the fiscal year ended December 31, 2020, and (ii) for 50% of the annual variable compensation, based on the consolidated EBITDA achieved during the fiscal year 2021 (expressed as a percentage of the EBITDA gross margin). For each of these quantitative criteria, the Board of Directors has defined an objective target[1] corresponding to the amount entered in the budget. A formula is used to calculate the amount of the variable portion due by taking into account, on the basis of the consolidated statements for the year, the level actually achieved in relation to the objective. An outperformance of one of the two criteria referred to above may compensate for any underperformance of the other criterion.
Long-Term Compensation (Performance Shares)	N/A	N/A
Long-Term Compensation (Stock Warrant and Stock Option Plans)	N/A	N/A

1 The objectives are not made public for confidentiality reasons.

Elements of Compensation	Principle	Criteria for Determination
Benefits in Kind	The Deputy CEO has the use of a company car. The Deputy CEO also benefits from a mutual insurance and providence plan.	N/A
Supplementary Pension Plan	The Deputy CEO does not benefit from any additional pension plan.	N/A
Severance Pay and Non-Competition Indemnity on Termination of Service	The Deputy CEO is not entitled to any indemnity or benefit due or likely to be due as a result of the termination or change of his duties. The Deputy CEO is not subject to a non-compete clause in the event of the termination of his duties.	N/A

In accordance with Article L. 22-10-8 of the French Commercial Code, the following resolution on the compensation policy of the Deputy CEO for 2021 will be submitted to the Annual Shareholders' Meeting scheduled for June 28, 2021:

Draft resolutions drawn up by the Board of Directors in accordance with Article L. 22-10-8 II of the French Commercial Code, submitted to the Company's Annual Shareholders' Meeting scheduled for June 28, 2021

"**THIRTEENTH RESOLUTION**

(Approval of the Deputy CEO's compensation policy for fiscal year 2021)

The Shareholders' Meeting, voting under the quorum and majority conditions required for ordinary general meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, set out in Appendix II to the Company's 2020 Universal Registration Document, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy of Thierry Petit, in his capacity as Deputy CEO, for fiscal year 2021, as presented in the above report. "

2.1.4 Policy on the Compensation of Board Members For 2021

The determination of the overall annual amount of compensation allocated to the members of the Board of Directors (formerly directors' fees) is the responsibility of the general meeting of shareholders. In this regard, the Combined General Meeting of Shareholders of the Company of June 14, 2018 decided to set the overall amount of compensation allocated to the Board of Directors at €200,000. This amount will remain in effect each year unless a new annual shareholders' meeting resolves to change the total amount of compensation allocated to the Board of Directors.

The Board, upon the recommendation of the Nomination and Compensation Committee, freely distributes among its members the compensation allocated to the Board by the shareholders' meeting, taking into account the effective participation of the directors on the Board and its Committees. A portion determined by the Board of Directors and deducted from the directors' fees allocated to the Board of Directors is paid to members of Committees, also taking into account their effective participation in the meetings of said Committees.

The terms and conditions for the allocation of compensation of directors (as decided by the Board of Directors on September 25, 2015, at the time of the Company's listing and unchanged

since then) provide for compensation for independent directors only, in accordance with the following principles:

- €25,000 per year per director, with a fixed portion of 40% and a variable portion of 60% depending on attendance at meetings of the Board of Directors; and
- €10,000 per year for a member of a Board of Directors Committee (€15,000 for the Chair of a Committee), with a fixed portion of 40% and a variable portion of 60% depending on attendance at meetings of the Committee.

If a person is appointed or his or her term of office ends during a year, these amounts are paid on a prorated basis.

As a result of the application of these rules, the variable portion linked to attendance at Board and Committee meetings is preponderant over the fixed portion.

Moreover, it should be noted that in accordance with Article 16 of the Company's bylaws, the position of non-voting observer does not receive compensation.

Finally, it should be noted that the payment of the amount allocated to directors in compensation of their activity may be suspended (i) under the second Section of Article L. 225-45 of the French Commercial Code, where the Board of Directors is not composed in accordance with the first Section of Article L. 225-18-1 of the Code, and (ii) under Article L. 22-10-34 I of the French Commercial Code, where the Shareholders' Meeting does not approve the draft resolution on the information referred to in Article L. 22-10-9 I of the French Commercial Code.

In accordance with Article L. 22-10-8 of the French Commercial Code, the following resolution on the compensation policy of the members of the Board of Directors for 2021 will be submitted to the Annual Shareholders' Meeting scheduled for June 28, 2021:

Draft resolutions drawn up by the Board of Directors in accordance with Article L. 22-10-8 II of the French Commercial Code, submitted to the Company's Annual Shareholders' Meeting scheduled for June 28, 2021

"**Fourteenth resolution**

(Approval of the compensation policy for the members of the Board of Directors for fiscal year 2021)

The Shareholders' Meeting, voting under the quorum and majority conditions required for ordinary general meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, set out in Appendix II to the Company's 2020 Universal Registration Document, approves, pursuant to Article L. 22-10-8 II of the French Commercial Code, the compensation policy applicable to members of the Board of Directors for fiscal year 2021, as presented in the above report. "

2.2 Compensation and benefits to corporate officers during the year ended December 31, 2020

In accordance with Article L. 22-10-34 I of the French Commercial Code, the Annual Shareholders' Meeting will decide on a draft resolution on the information referred to in Article L. 22-10-9 of the French Commercial Code, to be included in the corporate governance report, including compensation items paid for the mandate during the past fiscal year or allocated for the mandate for the same fiscal year, i.e. the fiscal year ended December 31, 2020. These elements are detailed in Section 2.2.1 below for the Chairman & Chief Executive Officer,

Section 2.2.2 below for the Deputy CEO and Section 2.2.3 below for Directors. In addition, a standardized presentation of the compensation of executive corporate officers is provided in Section 2.2.4 below.

Moreover, in accordance with Article L. 22-10-34 II of the French Commercial Code, the Annual General Meeting shall decide on the fixed, variable and exceptional elements of the total compensation and benefits of any kind paid during the preceding year or awarded for the same year, by a separate resolution for each corporate officer. For the Chairman & CEO of the Company, these elements are presented in Section 2.2.1 below. For the Deputy CEO of the Company, these elements are presented in Section 2.2.2 below. In this respect, it is reminded that the effective payment of the fixed, variable and exceptional components of compensation of Thierry Petit and David Dayan for 2020 (as described below) is conditional upon the approval of the annual Shareholders' Meeting scheduled for June 28, 2021 in the form of a specific resolution for each executive corporate officer.

It will therefore be proposed to the shareholders' general meeting scheduled for June 28, 2021, to decide, in the context of separate resolutions:

- On the one hand, on the information referred to in Article L. 22-10-9 of the French Commercial Code, including, in particular, the elements presented in Sections 2.2.1, 2.2.2, 2.2.3 below, and

- On the other hand, on the compensation items paid during or allocated for the fiscal year ended December 31, 2020 to the Chairman & CEO and to the Deputy CEO, as set out in Section 2.2.1 and 2.2.2 respectively below and summarized in Section 2.2.4 below.

2.2.1 Compensation of David Dayan, Chairman & CEO[1], for fiscal year 2020

In accordance with Article L. 22-10-34 II of the French Commercial Code, the Annual Shareholders' Meeting scheduled for June 28, 2021, is called upon to decide on the compensation items paid or allocated in respect of fiscal year 2020 to David Dayan, Chairman & CEO, as set out below. These elements comply with the compensation principles and criteria of the Chairman & Chief Executive Officer for fiscal year 2020 as decided by the Board of Directors of March 12, 2020 and approved by the General Meeting of Shareholders of June 8, 2020.

(i) Fixed Compensation

The fixed compensation paid to the Chairman & Chief Executive Officer during fiscal year 2020 amounts to €288,000.

The gross annual fixed portion of the compensation of the Chairman & CEO for the year ending December 31, 2020 was set at €336,000 by the Board of Directors at its meeting of March 12, 2020, on the proposal of the Compensation Committee, and was approved by the Shareholders' Meeting of June 8, 2020. David Dayan however waived the payment of a portion of his fixed compensation, so that the amount of the fixed compensation paid to David Dayan during the 2020 fiscal year was €288,000.

(ii) Variable Annual Compensation

1 In accordance with the principle of a two-year rotation of the chairmanship of the Board of Directors resulting from the provisions of the above-mentioned shareholders' agreement, Thierry Petit and David Dayan resigned as Chairman & CEO and Deputy CEO respectively with effect from December 19, 2019 and were appointed by the Board of Directors on December 19, 2019, with immediate effect from that date, as Deputy CEO and Chairman & CEO respectively, for the remainder of their terms of office as directors, i.e. until the Annual Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2022.

Annual variable compensation of the Chairman & CEO for fiscal year 2020 may not exceed €180,000 (including €30,000 for achieving 120% of the objectives), which represents approximately 54% of the annual fixed compensation.

The criteria for the determination and allocation of the variable compensation of the Chairman & CEO for the year ending December 31, 2020 were defined by the Board of Directors at its meeting held on March 12, 2020, on a proposal by the Appointment and Compensation Committee and approved by the Shareholders' General Meeting held on June 8, 2020.

The Board of Directors at its meeting on March 11, 2021, on the recommendations of the Nomination and Compensation Committee, noted the 120% achievement of the objectives set for the allocation of David Dayan's annual variable compensation and as a result decided to allocate the maximum amount of annual variable compensation to David Dayan, i.e. €180,000. It should be noted that in accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code, the payment of the annual variable compensation of the Chairman & CEO for 2020 is conditional on its approval by the Annual Shareholders' Meeting of June 28, 2021 to approve the financial statements for the year ended December 31, 2020.

(iii) Multi-Year Variable Compensation

David Dayan does not benefit from any multi-year variable compensation.

(iv) Exceptional Compensation

David Dayan does not benefit from any exceptional compensation.

(v) Stock Warrant and Stock Option Plans

No stock warrants or stock options were granted to executive corporate officers during the fiscal year ending on December 31, 2020.

(vi) Allocation of Performance Shares

No performance shares were granted to executive corporate officers during the fiscal year ending on December 31, 2020.

(vii) Compensation to Directors

Like all the executive corporate officers, David Dayan does not receive any compensation for his term of office as director.

(viii) Benefits in Kind

David Dayan has a company car.

(ix) Severance Pay and Non-Competition Indemnity

David Dayan is not entitled to severance or other benefits due or likely to become due following termination or change of office.

David Dayan is not subject to a non-compete clause in the event of the termination of his duties.

(x) Supplementary Pension Plan

David Dayan does not have a supplementary pension plan.

Summary tables of fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid during the year ended December 31, 2020 or allocated for the same year to David Dayan, in his capacity as Chairman & CEO

Compensation Components Paid or Allocated For 2020	Accounting Amounts or Valuation Submitted for Vote (In Euros)	Presentation
Fixed Compensation	€288,000	The gross annual fixed portion of the compensation of the Chairman & CEO for the year ending December 31, 2020 was set by the Board of Directors at its meeting of March 12, 2020, at €336,000, on the proposal of the Compensation Committee, and was approved by the Shareholders' Meeting of June 8, 2020. David Dayan however waived the payment of a portion of his fixed compensation, so that the amount of the fixed compensation paid to David Dayan during the 2020 fiscal year was €288,000.
Variable Compensation	€180,000	The criteria for the determination and allocation of the variable compensation of the Chairman and CEO for the year ending on December 31, 2020 were defined by the Board of Directors at its meeting held on March 12, 2020, on a proposal by the Appointment and Compensation Committee and approved by the Shareholders General Meeting held on June 8, 2020. Annual variable compensation may not exceed €180,000 (including €30,000 for achieving 120% of the objectives), which represents approximately 54% of the annual fixed compensation. The Board of Directors at its meeting on March 11, 2021, on the recommendations of the Nomination and Compensation Committee, noted the 120% achievement of the objectives set for the allocation of David Dayan's annual variable compensation and as a result decided to allocate the maximum amount of annual variable compensation to David Dayan, i.e. €180,000.
Multi-Year Variable Compensation	-	David Dayan does not receive any multi-year variable compensation.
Exceptional Compensation	-	David Dayan does not benefit from any exceptional compensation.
Long-Term Remuneration (Valuation of Options Granted During the Fiscal Year)	-	No stock warrants or stock options were granted to executive corporate officers during the fiscal year ending on December 31, 2020.
Long-term compensation (valuation of performance shares granted during the fiscal year)	-	No performance shares were granted to executive corporate officers during the fiscal year ending on December 31, 2020.
Compensation to Directors	-	Like all the executive corporate officers, David Dayan does not receive any compensation for his term of office as director.

Benefits in Kind	-	David Dayan has a company car.
Severance Pay and Non-Competition Indemnity	-	David Dayan is not entitled to severance or other benefits due or likely to become due following termination or change of office. David Dayan is not subject to a non-compete clause in the event of the termination of his duties.
Supplementary Pension Plan	-	David Dayan does not have a supplementary pension plan.

In accordance with Article L. 22-10-34 II of the French Commercial Code, the following resolution on the approval of compensation paid or allocated for fiscal year 2020 to David Dayan, Chairman & CEO, will be submitted to the Annual Shareholders' Meeting scheduled for June 28, 2021:

Draft resolutions drawn up by the Board of Directors in accordance with Article L.22-10-34 II of the French Commercial Code, submitted to the Company's Annual Shareholders' Meeting scheduled for June 28, 2021

"TENTH RESOLUTION

(Approval of fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid during the year ended December 31, 2020 or allocated for the same year to the Chairman & CEO of the Company)

The Shareholders' Meeting, voting under the quorum and majority conditions required for ordinary general meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, set out in Appendix II to the Company's 2020 Universal Registration Document, approves the fixed elements, variable and exceptional items that make up the total compensation and benefits of any kind paid during fiscal year 2020 or allocated for the same fiscal year to David Dayan, Chairman & CEO of the Company, as presented in the above report. "

2.2.2 Compensation of Thierry Petit, Deputy CEO[1], for fiscal year 2020

In accordance with Article L. 22-10-34 II of the French Commercial Code, the Annual Shareholders' Meeting scheduled for June 28, 2021, is called upon to decide on the compensation items paid or allocated for fiscal year 2020 to Thierry Petit, Deputy CEO, as set out below. These elements comply with the compensation principles and criteria of the Deputy CEO for fiscal year 2020 as decided by the Board of Directors of March 12, 2020 and approved by the General Meeting of Shareholders of June 8, 2020.

(i) Fixed Compensation

The fixed compensation paid to the Deputy CEO during fiscal year 2020 amounts to €288,000.

1 In accordance with the principle of a two-year rotation of the chairmanship of the Board of Directors resulting from the provisions of the above-mentioned shareholders' agreement, Thierry Petit and David Dayan resigned as Chairman & CEO and Deputy CEO respectively with effect from December 19, 2019 and were appointed by the Board of Directors on December 19, 2019, with immediate effect from that date, as Deputy CEO and Chairman & CEO respectively, for the remainder of their terms of office as directors, i.e. until the Annual Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2022.

The gross annual fixed portion of the compensation of the Deputy CEO for the year ending December 31, 2020 was set by the Board of Directors at its meeting of March 12, 2020 at €336,000, on the proposal of the Compensation Committee, and was approved by the Shareholders' Meeting of June 8, 2020. Thierry Petit however waived the payment of a portion of his fixed compensation, so that the amount of the fixed compensation paid to Thierry Petit during the 2020 fiscal year was €288,000.

(ii) Variable Annual Compensation

Annual variable compensation of the Deputy CEO for fiscal year 2020 may not exceed €180,000 (including €30,000 for achieving 120% of the objectives), which represents approximately 54% of the annual fixed compensation.

The criteria for the determination and allocation of the variable compensation of the Deputy Chief Executive Officer for the year ending December 31, 2020 were defined by the Board of Directors at its meeting held on March 12, 2020, on a proposal by the Appointment and Compensation Committee and approved by the Shareholders' General Meeting held on June 8, 2020.

The Board of Directors at its meeting on March 11, 2021, on the recommendations of the Nomination and Compensation Committee, noted the 120% achievement of the objectives set for the allocation of Thierry Petit's annual variable compensation and as a result decided to allocate the maximum amount of annual variable compensation to Thierry Petit, i.e. €180,000. It should be noted that in accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code, the payment of the annual variable compensation of the Chairman & CEO for 2020 is conditional on its approval by the Annual Shareholders' Meeting of June 28, 2021 to approve the financial statements for the year ended December 31, 2020.

(iii) Multi-Year Variable Compensation

Thierry Petit does not receive any multi-year variable compensation.

(iv) Exceptional Compensation

Thierry Petit does not receive any exceptional compensation.

(v) Stock Warrant and Stock Option Plans

No stock warrants or stock options were granted to executive corporate officers during the fiscal year ending on December 31, 2020.

(vi) Allocation of Performance Shares

No performance shares were granted to executive corporate officers during the fiscal year ending on December 31, 2020.

(vii) Compensation to Directors

Like all the executive corporate officers, Thierry Petit does not receive any compensation for his term of office as director.

(viii) Benefits in Kind

Thierry Petit has a company car.

(ix) Severance Pay and Non-Competition Indemnity

Thierry Petit is not entitled to severance or other benefits due or likely to become due following termination or change of office.

Thierry Petit is not subject to a non-compete clause in the event of the termination of his duties.

(x) Supplementary Pension Plan

Thierry Petit does not have a supplementary pension plan.

Summary tables of fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid during the year ended December 31, 2020 or allocated for the same year to Thierry Petit, in his capacity as Deputy CEO

Compensation Components Paid or Allocated For 2020	Accounting Amounts or Valuation Submitted for Vote (In Euros)	Presentation
Fixed Compensation	€288,000	The gross annual fixed portion of the compensation of the Deputy CEO for the year ending December 31, 2020 was set by the Board of Directors at its meeting of March 12, 2020, at €336,000, on the proposal of the Compensation Committee, and was approved by the Shareholders' Meeting of June 8, 2020. Thierry Petit however waived the payment of a portion of his fixed compensation, so that the amount of the fixed compensation paid to Thierry Petit during the 2020 fiscal year was €288,000.
Variable Compensation	€180,000	The criteria for the determination and allocation of the variable compensation of the Deputy Chief Executive Officer for the year ending on December 31, 2020 were defined by the Board of Directors at its meeting held on March 12, 2020, on a proposal by the Appointment and Compensation Committee and approved by the Shareholders General Meeting held on June 8, 2020. Annual variable compensation may not exceed €180,000 (including €30,000 for achieving 120% of the objectives), which represents approximately 54% of the annual fixed compensation. The Board of Directors at its meeting on March 11, 2021, on the recommendations of the Nomination and Compensation Committee, noted the 120% achievement of the objectives set for the allocation of Thierry Petit's annual variable compensation and as a result decided to allocate the maximum amount of annual variable compensation to Thierry Petit, i.e. €180,000.
Multi-Year Variable Compensation	-	Thierry Petit does not receive any multi-year variable compensation.
Exceptional Compensation	-	Thierry Petit does not receive any exceptional compensation.

Long-Term Remuneration (Valuation of Options Granted During the Fiscal Year)	-	No stock warrants or stock options were granted to executive corporate officers during the fiscal year ending on December 31, 2020.
Long-term compensation (valuation of performance shares granted during the fiscal year)	-	No performance shares were granted to executive corporate officers during the fiscal year ending on December 31, 2020.
Compensation to Directors	-	Like all the executive corporate officers, Thierry Petit does not receive any compensation for his term of office as director.
Benefits in Kind	-	Thierry Petit has a company car.
Severance Pay and Non-Competition Indemnity	-	Thierry Petit is not entitled to severance or other benefits due or likely to become due following termination or change of office. Thierry Petit is not subject to a non-compete clause in the event of the termination of his duties.
Supplementary Pension Plan	-	Thierry Petit does not have a supplementary pension plan.

In accordance with Article L. 22-10-34 II of the French Commercial Code, the following resolution on the approval of compensation paid or allocated for fiscal year 2019 to Thierry Petit, Deputy CEO, will be submitted to the Annual Shareholders' Meeting scheduled for June 28, 2021:

Draft resolutions drawn up by the Board of Directors in accordance with Article L.22-10-34 II of the French Commercial Code, submitted to the Company's Annual Shareholders' Meeting scheduled for June 28, 2021

"**ELEVENTH RESOLUTION**

(Approval of fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid during the year ended December 31, 2020 or allocated for the same year to the Deputy CEO of the Company)

The Shareholders' Meeting, voting under the quorum and majority conditions required for ordinary general meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, set out in Appendix II to the Company's 2020 Universal Registration Document, approves the fixed elements, variable and exceptional items that make up the total compensation and benefits of any kind paid during fiscal year 2020 or allocated for the same fiscal year to Thierry Petit, Deputy CEO of the Company, as presented in the above report. "

2.2.3 Compensation Awarded or Paid to Members of the Board of Directors for Fiscal Year 2020

The compensation referred to below is that paid to non-executive corporate officers in accordance with Article L. 225-45 Section 1 of the French Commercial Code (formerly directors' fees).

It should be noted that the maximum amount of the total amount to be allocated to the members of the Board of Directors was set by the Combined General Meeting of Shareholders of the Company of June 14, 2018 at €200,000 per year.

The terms and conditions for the distribution of the overall compensation of directors (as decided by the Board of Directors on September 25, 2015, at the time of the Company's listing and unchanged since then) have provided for compensation for independent directors only, in accordance with the following principles:

- €25,000 per year per director, with a fixed portion of 40% and a variable portion of 60% depending on attendance at meetings of the Board of Directors; and
- €10,000 per year for a member of a Board of Directors Committee (€15,000 for the Chair of a Committee), with a fixed portion of 40% and a variable portion of 60% depending on attendance at meetings of the Committee.

If a person is appointed or his or her term of office ends during a year, these amounts are paid on a prorated basis.

Moreover, it should be noted that in accordance with Article 16 of the Company's bylaws, the position of non-voting observer does not receive compensation.

On the basis of the above principles, the amounts of compensation paid in fiscal year 2020 or allocated in fiscal year 2020 to directors were as follows:

- **Amounts paid during 2020:**

At its meeting of March 12, 2020 and on the recommendation of the Nominations and Compensation Committee, the Board of Directors distributed directors' fees for fiscal year 2019 as follows:

- Marie Ekeland: €22,000
- Melissa Reiter Birge: €37,000
- Olivier Marcheteau: €43,485.71
- Cyril Vermeulen: €40,568.49
- Alix Laine: €5,808.22

These director's fees due in 2019 were paid in the course of 2020, except for the director's fees of Cyril Vermeulen, the latter having waived the payment of his 2019 director's fees and expressed the wish that the sum of €40,568.49 allocated to him by the Board of Directors would be paid to a charity.

- **Amounts paid for 2020:**

At its meeting of March 11, 2021 and on the recommendation of the Nominations and Compensation Committee, the Board of Directors distributed directors' fees for fiscal year 2020 as follows:

- Marie Ekeland: €23,800
- Melissa Reiter Birge: €35,350
- Olivier Marcheteau: €48,800
- Cyril Vermeulen: €42,600

These directors' fees due for the 2020 fiscal year will be paid in 2021.

2.2.4 Standardized Presentation of Compensation of the Executive Corporate Officers

For readability and comparability of information on the compensation of executive corporate officers, all the elements of the compensation of David Dayan, Chairman & CEO and Thierry Petit, Deputy CEO are presented below, in particular in the form of tables as recommended by the AMF and the AFEP-MEDEF Code (Table 3 is provided in Section 2.2.3 concerning the compensation of directors).

Table 1

Summary Table of Compensation, Options and Shares Granted to Each Executive Corporate Officer		
(in euros)	**Fiscal Year 2019**	**Fiscal Year 2020**
David Dayan, Chairman & CEO[(1)]		
Compensation Awarded For the Year (Detailed in Table 2)	336,000	516,000
Valuation of Options Granted During the Fiscal Year (Detailed in Table 4)	-	-
Valuation of Performance Shares Granted During the Fiscal Year (Detailed in Table 6)	-	-
Valuation of Other Long-Term Compensation Plans	-	-
Total	336,000	516,000
Thierry Petit, Deputy CEO[(1)]		
Compensation Awarded For the Year (Detailed in Table 2)	336,000	516,000
Valuation of Options Granted During the Fiscal Year (Detailed in Table 4)	-	-
Valuation of Performance Shares Granted During the Fiscal Year (Detailed in Table 6)	-	-
Valuation of Other Long-Term Compensation Plans	-	-
Total	336,000	516,000

[(1)] In accordance with the principle of a two-year rotation of the chairmanship of the Board of Directors resulting from the provisions of the above-mentioned shareholders' agreement, Thierry Petit and David Dayan resigned as Chairman & CEO and Deputy CEO respectively with effect from December 19, 2019 and were appointed by the Board of Directors on December 19, 2019, with immediate effect from that date, as Deputy CEO and Chairman & CEO respectively, for the remainder of their terms of office as directors, i.e. until the Annual Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2022.

Table 2

Summary Table of The Compensation of Each Executive Corporate Officer				
	2019		**2020**	
(in euros)	**Amounts Allocated**	**Amounts Paid**	**Amounts Allocated**	**Amounts Paid**
David Dayan, Chairman & CEO[(1)]				
Fixed Compensation	336,000	264,000[(3)]	336,000	288,000[(3)]
Variable Annual Compensation	-	150,000[(4)]	180,000	-
Exceptional Compensation	-	-	-	-
Compensation Allocated for Their Terms of Office as Directors	-	-	-	-
Benefits in Kind[(2)]	-	-	-	-
Total	336,000	414,000	516,000	288,000
Thierry Petit, Deputy CEO[(1)]				
Fixed Compensation	336,000	264,000[(3)]	336,000	288,000[(3)]
Variable Annual Compensation	-	-	180,000	-
Exceptional Compensation	-	-	-	-
Compensation Allocated for Their Terms of Office as Directors	-	-	-	-
Benefits in Kind[(2)]	-	-	-	-
Total	336,000	264,000	516,000	288,000

[(1)] In accordance with the principle of a two-year rotation of the chairmanship of the Board of Directors resulting from the provisions of the above-mentioned shareholders' agreement, Thierry Petit and David Dayan resigned as Chairman & CEO and Deputy CEO respectively with effect from December 19, 2019 and were appointed by the Board of Directors on December 19, 2019, with immediate effect from that date, as Deputy CEO and Chairman & CEO respectively, for the remainder of their terms of office as directors, i.e. until the Annual Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2022.

[(2)] The benefits in kind consist of a company car.

[(3)] The Chairman & CEO and Deputy CEO have waived payment of a portion of their fixed compensation.

[(4)] The annual variable compensation paid in 2019 corresponds to the annual variable compensation due for the year 2015 which had not been paid.

Table 3

Table of Compensation Received by Non-Executive Corporate Officers

Non-Executive Corporate Officers		2019		2020	
		Amounts Allocated (In Euros)	Amounts Paid [1] (In Euros)	Amounts Allocated (In Euros) [3]	Amounts Paid (In Euros) [2]
Éric Dayan					
Compensation	(Fixed, Variable)	-	-	-	-
Other Compensation		-	15,000[4]	-	-
Michaël Dayan					
Compensation	(Fixed, Variable)	-	-	-	-
Other Compensation		-	60,000(4)	-	-
Marie Ekeland					
Compensation	(Fixed, Variable)	22,000	30,643.84	23,800	22,000
Other Compensation		-	-	-	-
Melissa Reiter Birge					
Compensation	(Fixed, Variable)	37,000	35,909.09	35,350	37,000
Other Compensation		-	-	-	-
Olivier Marcheteau					
Compensation	(Fixed, Variable)	43,485.71	48,636.36	48,800	43,485.71
Other Compensation		-	-	-	-
Luciana Lixandru					
Compensation	(Fixed, Variable)	-	13,702.05	-	-
Other Compensation		-	-	-	-
Alix Laine[6]					
Compensation	(Fixed, Variable)	5,808.22	30,841.84	-	5,808.22
Other Compensation		-	-	-	-
Amélie Oudéa Castéra[7]					
Compensation	(Fixed, Variable)	-	-	-	-
Other Compensation		-	-	-	-
Cyril Vermeulen					
Compensation	(Fixed, Variable)	40,568.49	12,986.30	42,600	40,568.49
Other Compensation		-	-	-	-
Irache Martinez Abasolo					
Compensation	(Fixed, Variable)	-	-	-	-
Other Compensation[5]		87,259.45	87,259.45	-	-
Brigitte Tambosi[7]					
Compensation	(Fixed, Variable)	-	-	-	-
Other Compensation		-	-	-	-
Total					

[1] The directors' fees paid in 2019 are the same as the directors' fees allocated for 2018.

[2] The directors' fees paid in 2020 are the same as the directors' fees allocated for 2018.

[3] The directors' fees due for the 2020 fiscal year will be paid in 2021

(4) These amounts correspond to the annual variable compensation due for fiscal year 2015 which had not been paid to Eric and Michaël Dayan.

(5) These amounts correspond to the gross annual fixed compensation of Irache Martinez Abasolo when she was still employed and Marketing Director of the Showroomprivé.com company.

(6) Alix Laine resigned from the Company's Board of Directors effective April 17, 2019.

(7) Brigitte Tambosi was coopted by a decision of the Board of Directors on October 28, 2020, to replace Amélie Oudéa Castéra, who resigned effective October 28, 2020.

Table 4

Stock Warrant and Stock Option Plans Awarded During the Year Ended December 31, 2020 To Each Corporate Executive Officer By the Issuer Or By Any Group Company						
Name Of The Executive Corporate Officer	Plan Date And Number	Type of Option (For Existing Shares or New Shares)	Valuation Of The Options According To The Method Used For The Consolidated Financial Statements	Number Of Options Awarded During The Year	Exercise Price	Exercise Period
David Dayan	-	-	-	-	-	-
Thierry Petit	-	-	-	-	-	-

Table 5

Stock Warrants or Stock Options Exercised During the Fiscal Year ended December 31, 2020 for each Executive Corporate Officer			
Name of Executive Corporate Officer	Plan Date And Number	Number of Options Exercised During the Fiscal Year	Exercise Price
David Dayan	-	-	-
Thierry Petit	-	-	-

Table 6

Performance shares awarded during the year ended December 31, 2020 to each executive corporate officer by the issuer and any Group company						
Executive Corporate Officer	**Plan No. And Date**	**Number of shares awarded during the year**	**Valuation of Shares Per Accounting Treatment Used in The Consolidated Financial Statements**	**Date of Acquisition**	**Date Performance Shares Can Be Transferred**	**Performance Conditions**
David Dayan	-	-	-	-	-	-
Thierry Petit	-	-	-	-	-	-

Table 7

Performance shares that became available during the year ended December 31, 2020 for each Executive Corporate Officer		
Executive Corporate Officer	**Plan No. And Date**	**Number of shares that have become available during the fiscal year**
David Dayan	-	-
Thierry Petit	-	-

Table 8

History of Grants Of Stock Warrant and Stock Option Plans Information On Stock Warrant and Stock Option Plans					
	Plan 3	**Plan 5**	**Plan 7**	**Plan 8**	**Plan 9**
Date of Shareholders' Meeting	08/05/2010	08/05/2010	08/05/2010	08/05/2010	10/27/2014
Date of Board of Directors' Meeting	01/31/2011	10/15/2012	04/15/2013	10/04/2013	10/27/2014
The total number of shares that can be subscribed or purchased, including the number that can be subscribed or purchased by:	308,320	359,488	175,808	50,363	70,902
Corporate Officers:					
- David Dayan	-	-	-	-	-
- Thierry Petit	-	-	-	-	-
- Eric Dayan	-	-	-	-	-
- Michaël Dayan	-	-	-	-	-
- Amélie Oudéa Castera	-	-	-	-	-
- Olivier Marcheteau	-	-	-	-	-
- Melissa Reiter Birge	-	-	-	-	-
- Marie Ekeland	-	-	-	-	-
- Cyril Vermeulen	-	-	-	-	-
- Irache Abasolo Martinez	-	-	-	-	-
Starting Point for Exercise of Options	10/30/2015	10/30/2015	10/30/2015	10/30/2015	10/30/2015
Expiration Date	01/31/2021	10/15/2022	04/15/2023	10/04/2023	10/27/2024
Price of Option (Euro)	4.00	5.20	5.20	5.60	7.20
Exercise Terms and Conditions (Where the Plan Has Multiple Tranches)					
Number of Shares Subscribed at December 31, 2020	166,813	160,812	74,506	40,355	36,258
Cumulative Number of Stock Warrant and Stock Option Plans Canceled or Expired	100,000	126,406	48,438	2,343	15,624
Stock Warrant and Stock Option Plans of Remaining Shares at Year-End (December 31, 2020)	55,362	113,612	91,576	15,010	37,245

(1) This table takes into account (i) the CEO's decision of December 28, 2018 on the delegation of the Board of Directors' meeting of November 30, 2018, recording the adjustment to the rights of beneficiaries of options resulting from the December 28, 2018 capital increase in addition to the (ii) CEO's decisions of August 7, 2020 and October 12, 2020 on the delegation of the Board of Directors' meeting of July 15, 2020, recording the adjustment to the rights of beneficiaries of options resulting from the August 7, 2020 capital increase.

Table 9

History of Performance Share Allocations - Information on Performance Shares

	Plan 10	Plan 11	Plan 12	Plan 13	Plan 14	Plan 15	Plan 16	Plan 17	Plan 18	Plan 19	Plan 20
Date of Shareholders' Meeting.....	06/26/2017	06/26/2017	06/26/2017	06/26/2017	06/26/2017	06/14/2018	06/14/2018	06/14/2018	06/14/2018	06/27/2019	06/08/2020
Date of Board of Directors' Meeting	12/04/2017	12/04/2017	12/04/2017	06/14/2018	06/14/2018	02/15/2019	02/15/2019	02/15/2019	06/26/2019	03/12/2020	12/16/2020
Total Number of Shares Granted	340,975	251,952	6,302	10,497	14,698	307,102	15,200	300,000	1,177,704	656,375	918,824
Including the number allocated to:											
Corporate Officers:											
- *David Dayan*	-	-	-	-	-	-	-	-	-	-	-
- *Thierry Petit*	-	-	-	-	-	-	-	-	-	-	-
- *Eric Dayan*	-	-	-	-	-	-	-	-	-	-	-
- *Michaël Dayan* ...	-	-	-	-	-	-	-	-	-	-	-
- *Amélie Oudéa Castera*	-	-	-	-	-	-	-	-	-	-	-
- *Olivier Marcheteau*.....	-	-	-	-	-	-	-	-	-	-	-
- *Melissa Reiter Birge*.....	-	-	-	-	-	-	-	-	-	-	-

	Plan 10	Plan 11	Plan 12	Plan 13	Plan 14	Plan 15	Plan 16	Plan 17	Plan 18	Plan 19	Plan 20
- *Marie Ekeland*....	-	-	-	-	-	-	-	-	-	-	-
- *Cyril Vermeulen* .	-	-	-	-	-	-	-	-	-	-	-
- *Irache Abasolo Martinez*	-	-	-	-	-	-	-	-	-	-	-
Date of Acquisition of The Shares	1st 33%: 12/04/2018 2nd 33%: 12/04/2019 3rd 34%: 12/04/2020	1st 33%: 12/04/2018 2nd 33%: 12/04/2019 3rd 34%: 12/04/2020	12/04/2019	1st 33%: 06/14/2019 2nd 33%: 06/14/2020 3rd 34%: 06/14/2021	1st 33%: 06/14/2019 2nd 33%: 06/14/2020 3rd 34%: 06/14/2021	1st 50%: 02/15/2020 2nd 25%: 02/15/2021 3rd 25%: 02/15/2022	02/15/2020	1st 33%: 02/15/2020 2nd 33%: 02/15/2021 3rd 34%: 02/15/2022	1st 33%: 06/26/2020 2nd 33%: 06/26/2021 3rd 34%: 06/26/2022	1st 50%: 03/12/2021 2nd 50%: 03/12/2022	1st 25%: 12/16/2021 2nd 35%: 12/16/2022 3rd 40%: 12/16/2023
Date of End of Lock-Up Period	1st 33%: 12/04/2019 2nd 33%: - 3rd 34%: -	1st 33%: 12/04/2019 2nd 33%: - 3rd 34%: -	-	1st 33%: 06/14/2020 2nd 33%: - 3rd 34%: -	1st 33%: 06/14/2020 2nd 33%: - 3rd 34%: -	1st 50%: 02/15/2021 2nd 25%: - 3rd 25%: -	02/15/2021	1st 33%: 02/15/2021 2nd 33%: - 3rd 34%: -	1st 33%: 06/26/2021 2nd 33%: - 3rd 34%: -	1st 50%: 03/12/2022 2nd 50%: -	1st 25%: 12/16/2022 2nd 35%: - 3rd 40%: -
Performance Conditions	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Number of Shares Acquired as At December 31, 2020.....	116,155	112,791	6,302	6,928	6,928	106,307	15,200	0	328,819	0	0
Cumulative Number of Shares Cancelled or Expired	224,154	137,523	0	3,516	685	134,746	0	300,000	401,726	0	0
Number of Performance Shares Remaining at Year-End (December 31, 2020)	0	0	0	7,085	7,085	66,049	0	0	1,250.611.	656,375	918,824

Table 10

Summary Table of Multi-Year Variable Compensation *Of Each Executive Corporate Officer*			
Executive Officer	**Corporate**	**2020**	**2019**	**2018**
David Dayan		-	-	-
Thierry Petit		-	-	-

Table 11

Executive Corporate Officers	**Employment Contract**		**Supplementary Pension Plan**		**Severance or Other Benefits Due or Likely to Become Due Following Termination or Change of Office**		**Compensation Under A Non-Compete Clause**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
David Dayan		X		X		X		X
Thierry Petit		X		X		X		X

2.3 Compensation Ratios – Annual Changes in Compensation, Performance and Ratios

2.3.1 The equity ratio between the level of compensation of executive corporate officers and the average and median compensation of employees

In accordance with 6° of I of Article L. 22-10-9 of the French Commercial Code, the table below shows the ratios between the level of compensation of the Chairman & CEO and Deputy CEO and, on the one hand, the average compensation on a full-time equivalent basis of employees other than corporate officers and, on the other hand, the median compensation on a full-time equivalent basis of employees other than corporate officers.

In accordance with 7° of I of Article L. 22-10-9 of the French Commercial Code, the annual change in these ratios over the last five years is also presented in the table below.

For the calculation of the ratios presented below, the Company referred to the AFEP-MEDEF Guidelines on compensation multiples as of January 28, 2020.

The ratios presented below have been calculated on the basis of the fixed and variable compensation paid to the Chairman & Chief Executive Officer and Deputy CEO during the years mentioned.

The ratios presented below have been calculated on the basis of the median and average compensation paid or allocated during the years 2015 to 2019 to the employees of the Company.

2.3.2 Annual trends in the compensation of corporate officers, Company performance, average compensation on a full-time equivalent basis for the Company's employees other than executives and the above ratios over the last five fiscal years

In accordance with 7° of I of Article L. 22-10-9 of the French Commercial Code, the table below shows the annual changes in the compensation of the Chairman & CEO and Deputy CEO, the Company's performance, and the average compensation on a full-time equivalent basis of employees, other than executives, over the five most recent fiscal years.

	Fiscal Year 2020	**Fiscal Year 2019**	**Fiscal year 2018**	**Fiscal year 2017**	**Fiscal year 2016**
Chairman and CEO					
Ratio on Average Compensation	8.1	15.1	13.2	10.2	14.6
Change from The Previous Year	-46.55%	14.2%	30.0%	-30.4%	19.7%
Ratio on Median Compensation	9.7	18.8	17.4	13.6	19.0
Change from The Previous Year	-48.10%	7.6%	28.1%	-28.5%	13.9%
Deputy CEO					
Ratio on Average Compensation	8.1	9.6	13.2	17.7	14.6
Change from The Previous Year	-15.92%	-27.1%	-25.4%	21.3%	19.7%
Ratio on Median Compensation	9.7	12.0	17.4	23.7	19.0
Change from The Previous Year	-18.68%	-31.4%	-26.5%	24.6%	13.9

	Fiscal 2020	YearFiscal 2019	YearFiscal 2018	yearFiscal 2017	yearFiscal 2016	year
Compensation of the Chairman & Chief Executive Officer[(1)]	€288,000	€414,000	€386,000	€288,000	€400,000	
Change from The Previous Year	-30.4%	7.3%	34.0%	-28.0%	19.0%	
Compensation of the Deputy Chief Executive Officer[(1)]	€288,000	€264,000	€386,000	€502,000	€400,000	
Change from The Previous Year	9.1%	-31.6%	-23.1%	25.5%	19.0%	
Company Performance (Net Income Group Share in Millions of Euros)	13.9	-70.5	-4.4	-5.2	-0.3	
Average Compensation on A Full-Time Equivalent Basis for The Company's Non-Executive Employees [(2)]	€2,973	€2,285	€2,434	€2,361	€2,283	
Change from The Previous Year	30.11%	-6.1%	3.1%	3.4%	-0.6%	

[(1)] Includes fixed compensation and variable compensation.

[(2)] Calculated in accordance with the AFEP-MEDEF guidelines of January 28, 2020, taking into account the employees of the companies SRP Logistique and Showroomprivé.com who represent 90% of the Group's workforce as at December 31, 2020 (including fixed compensation, variable compensation, exceptional bonuses, benefits in kind paid during the year and excluding severance benefits).

2.4 Draft resolution on the information referred to in Article L. 22-10-9 of the French Commercial Code and to be included in the corporate governance report

In accordance with Article L. 22-10-34 II of the French Commercial Code, the Annual Shareholders' Meeting decides on a draft resolution on the information referred to in I of Article L. 22-10-9 of the French Commercial Code, to be included in the corporate governance report. This information is presented in Sections 2.2.1, 2.2.2, 2.2.3 and 2.3 above.

It will therefore be proposed to the general meeting of shareholders scheduled for June 28, 2021 to vote on this information. To this end, a resolution, as reproduced below, is presented at the shareholders' general meeting scheduled for June 28, 2021.

If the general meeting of shareholders does not approve this resolution, the Board of Directors will have to submit a revised compensation policy, taking into account the shareholders' vote, for approval by the next general meeting. The payment of the amount allocated to directors for the current fiscal year pursuant to the first Section of Article L. 225-45 of the French Commercial Code will then be suspended until the revised compensation policy is approved.

When reinstated, it includes the arrears since the last general meeting. If the Shareholders' Meeting does not approve the draft resolution presenting the revised compensation policy, the suspended amount cannot be paid, and the same effects as those associated with the disapproval of the draft resolution will apply.

Draft resolutions drawn up by the Board of Directors in accordance with Article L.22-10-34 I of the French Commercial Code, submitted to the Company's Annual Shareholders' Meeting scheduled for June 28, 2021

"**FIFTEENTH RESOLUTION**

(Approval of the information mentioned in Article L. 22-10-9 I of the French Commercial Code)

The Shareholders' Meeting, voting under the quorum and majority conditions required for ordinary general meetings, having considered the corporate governance report referred to in Article L. 225-37 of the French Commercial Code, set out in Appendix II to the Company's 2020 Universal Registration Document, approves, pursuant to Article L. 22-10-34 I of the French Commercial Code, the information mentioned in Article L. 22-10-9 I of the French Commercial Code, as presented in the above report. "

3. ADDITIONAL INFORMATION

3.1 Regulated agreements and commitments and related-party transactions (Article L.225-37-4, paragraph 2, of the French Commercial Code)

This information is presented in Chapter 17 of this Universal Registration Document.

3.2 Table summarizing the valid delegations granted by the Annual Shareholders' Meeting of the Company in the area of capital increases, pursuant to Articles L.225-129-1 and L. 225-129-2 of the French Commercial Code, and showing the use made of these delegations in the year ending on December 31, 2020 (Article L. 225-37-4, paragraph 3, of the French Commercial Code)

This information is presented in Section 18.1.1 of the Universal Registration Document.

3.3 Terms and conditions for the participation of shareholders in Shareholders' Meetings of the Company (Article L. 22-10-10, paragraph 5, of the French Commercial Code)

The terms and conditions relating to shareholder participation at Shareholders' Meetings are described in Articles 11 and 20 of the bylaws and in Sections 16.2, "Existence of Different Voting Rights" and in Section 19.2.5, "Shareholders' Meetings" of this Universal Registration Document.

3.4 Description of the procedure set up by the Company pursuant to Article L. 22-10-12 and its implementation (Article L. 22-10-12, paragraph 6, of the French Commercial Code)

The procedure set up by the Company pursuant to Article L. 22-10-12 is described in the Group's internal charter on regulated agreements and commitments and on the procedure relating to the evaluation of current agreements entered into under normal conditions, which was adopted by the Company's Board of Directors on April 29, 2020. This charter is appended to this report.

3.5 Information relating to factors likely to have an impact in the event of a tender offer or exchange offer (Article L. 22-10-11 of the French Commercial Code)

This information is presented in Section 16.5 *"Factors likely to have an impact in the event of a tender offer*" in the Universal Registration Document.

Board of Directors

INTERNAL CHARTER
ON REGULATED AND UNREGULATED AGREEMENTS

This Charter (the "**Charter**") falls within the scope of (i) the regulations applicable to regulated and unregulated agreements and commitments, as in force following the Pacte law (Law no. 2019-486 of May 22, 2019 relating to the growth and transformation of companies) as well as (ii) AMF recommendation no. 2012-05 of July 2, 2012, as amended on October 5, 2018.

The purpose of this Charter, in accordance with the provisions of Article L.22-10-12 of the French Commercial Code, is to remind you of the regulatory framework applicable in France to regulated and unregulated agreements and to set out accordingly the procedure applied by SRP Group SA (**the "Company**") to qualify and process agreements between SRP Group SA and its related parties (as defined below).

It was approved by the Board of Directors at its meeting on April 29, 2020 and may be subject to any revision or update deemed useful or necessary.

It is made public on the Company's website.

The Charter applies directly to SRP Group SA, the listed holding company of the Showroomprivé Group, and its French subsidiaries under terms and conditions appropriate to their corporate form.

CONTENTS

1. Reminders – Definitions

2. The Procedure

Appendix 1: A Priori Classification of Certain Categories of Presumed Unregulated Agreements

1. REMINDERS - DEFINITIONS

1.1 Definition of Parties Related to An Agreement

This Charter concerns agreements that may be signed by the Company with:

a. directly or through an intermediary, its Chief Executive Officer, a Deputy Chief Executive Officer if there is one, one of its directors, one of its shareholders holding more than 10% of the voting rights or, in the case of a corporate shareholder, the company controlling it; or

b. any contracting third party, where one of the persons involved has an indirect interest in the agreement; or

c. an entity with a "common executive" with the Company.

- each of the persons referred to above is hereinafter referred to as an "interested person".

- an "indirectly interested" person is one who, although not a party to the agreement, by virtue of his or her relationship with the parties and the powers he or she possesses to influence their conduct, derives a benefit from it.

- an "intermediary" is a person who enters into an agreement with the Company, the real beneficiary of the agreement being one of the corporate officers or a shareholder of the Company (as referred to above).

1.2 The Different Types of Agreements

French law divides agreements between related parties into three categories:

- prohibited agreements.

- unregulated "free" agreements, and

- "regulated" agreements.

(a) Prohibited Agreements[41]

Corporate officers who are natural persons (Chairman of the Board, Chief Executive Officer, Deputy Chief Executive Officer, Director) are prohibited from taking out loans from the Company in any form whatsoever, from having the Company grant them an overdraft, on a current account or otherwise, and from having the Company guarantee or endorse any commitments to third parties. These are, therefore, credit transactions that the Company cannot grant for the benefit of certain persons.

(b) Unregulated ("Free") Agreements[42]

These are agreements which, although concluded between the persons mentioned above in §1.1:

- relate to current transactions and entered into under normal conditions, i.e. transactions:
    - carried on by the Company in the ordinary course of its business on a regular or recurring basis
    - on terms:
        - normally practiced by the Company in its dealings with third parties, in such a way that the interested party does not derive from the transaction an advantage that it would not have had if it had been a supplier, service provider or customer of the Company, or
        - generally practiced in the same sector of activity or for the same type of transaction;
- are intra-group agreements between the Company and its wholly-owned direct or indirect subsidiary, in France or abroad.

41 Article L. 225-43 of the French Commercial Code.
42Article L. 225-39 of the French Commercial Code.

These agreements are unregulated ("free"). Agreements entered into by the Company with its wholly-owned subsidiaries are unregulated ("free").

As an internal rule, agreements falling within the predefined categories listed in Appendix 1 in particular are presumed unregulated.

Unregulated agreements are not subject to prior authorization by the Company's Board of Directors or to the approval of its General Shareholders' Meeting.

(c) Regulated Agreements

These are agreements between the Company and the persons referred to above and are neither prohibited nor unregulated. They are subject to prior authorization by the Board of Directors and subsequent approval by the General Shareholders' Meeting.

2. THE PROCEDURE

2.1 Identification of Agreements

The Company's Legal Department must be informed of any agreement (written or oral) that may arise between the Company and an interested party prior to its conclusion, unless it is an agreement between the Company and one of its wholly-owned subsidiaries or if it is a presumed unregulated agreement (see Appendix 1). The information is provided:

- by any representative of the management of the Company in which the agreement is negotiated,

- by the person concerned, or

- by any in-house person having knowledge of it.

The information escalation is also based on the process set up by the Company for the identification of agreements with related parties. In addition, identification of directors and companies in which they hold corporate offices occurs at year-end. At this point, the reconciliation with the flows of accounting consolidation enables the identification of "directly interested persons".

2.2 Qualification of Agreements

The qualification is performed by the Legal Department and the Finance Department on the basis of the following verifications.

A) Verification of the Status of Interested Party of the Contracting Party

Verification of the co-contracting parties (shareholder, corporate officer, existence of an indirect interest of a shareholder or agent, common directors, agreement concluded through an intermediary) in order to determine whether the co-contracting party has the status of an Interested Party.

B) Verification of the Conditions of the Transaction

If the contracting party has the status of Interested Party, it is then checked whether the agreement can be considered current and entered into under normal conditions. This assessment is carried out on a case-by-case basis.

<u>Assessment of Routine Nature</u>

Routine nature is assessed with regard to compliance with the corporate purpose and the nature of the transaction. The Company's ordinary business and usual practices for companies in a similar situation are taken into account. The routine and usual aspect, frequency, repetitiveness, are criteria of a routine

transaction. Routineness, however, is not the sole determinant, but also the circumstances surrounding the signing of the agreement, as well as its nature and importance, economic consequences and duration.

Assessment of the Concept of Normal Terms and Conditions

Normal terms and conditions are those usually practiced by the Company in its dealings with third parties or that are comparable to the terms for similar agreements in other companies with the same activity.

Therefore, the terms relating to the subject matter, compensation, guarantees, usually agreed by the Company or generally practiced in the same industry or for the same type of operation, are normal.

The normality of the conditions is assessed by reference to:

- economic data, in particular in relation to a market price or in relation to usual market conditions;

- the balance of the parties' reciprocal commitments: consideration of all the conditions under which the transaction is entered into (settlement deadlines, guarantees, duration, presence of favors clauses such as exclusivity, etc.).

In case of doubt as to the qualification of an agreement, the Statutory Auditors may be consulted.

2.3 Prior Authorization by the Board of Directors

Where the Convention cannot be considered unregulated, it is said to be regulated and must be subject to prior authorization by the Board.

This authorization is placed on the agenda of a Board meeting, with a note presenting and justifying the draft agreement attached to the file. The authorization is justified by justifying the interest of the agreement for the Company. The Interested Party does not take part in the debates, deliberations and voting.

2.4 Conclusion of the Agreement

a) An agreement qualified as standard under normal conditions is freely entered into, without prejudice, as the case may be, to any special prior authorization if provided for in the internal regulations of the Company's Board of Directors.

b) The regulated agreement shall be entered into once the authorization of the Board of Directors has been obtained.

Statutory Auditors' Due Diligence

All regulated agreements are communicated to the Statutory Auditors in the month following their conclusion (and not their authorization). Each year, before January 31, a letter is sent to the Statutory Auditors summarizing the agreements subject to the prior authorization procedure of the Board of Directors, entered into, approved or the execution of which continued during the financial year just ended.

2.5 Annual Review by the Board of Directors

The Board of Directors annually conducts a:

- review of the already authorized and concluded regulated agreements, the performance of which has continued, in order to assess whether those agreements still meet the criteria that led the Board to give its initial consent;

- a review of this Charter.

This review may lead the Board to:

a. reconsider the a priori classification of certain categories of presumed unregulated agreements;

b. amend the qualification of an agreement, from regulated to unregulated or vice versa, the interested director(s) not participating in the deliberations and votes of the Board of Directors.

In both circumstances, the procedure for prior authorization and post-approval does not have to be followed. Information on the agreement requalified as a regulated agreement may be communicated to the Statutory Auditors and included in the annual summary letter to the Auditors, so that it is added to their special report to shareholders.

The Interested Party does not participate in these assessments and reclassifications: does not participate in the deliberations or in the voting.

2.6 Publication on the Company's website

In accordance with Article L.22-10-3 of the French Commercial Code, information relating to regulated agreements is published on the Company's website at the latest at the time of their conclusion. This information includes, in particular, the nature of the relationship with the interested party, the name of the interested party and the date and value of the transaction concerned.

2.7 Mention of the Agreements in the Company's Annual Documentation

The corporate governance report of the Board of Directors (included in its annual management report) describes this procedure, its developments and its implementation.

In addition, the agreements that constitute transactions by the Company with "related parties" within the meaning of IAS 24 are listed in the appendix to the annual accounts, where they are of significant importance

The Statutory Auditors prepare a special report for the attention of the shareholders' meeting, listing the regulated agreements and setting out, in particular, their essential terms and conditions, the reasons justifying the interest of these agreements for the Company and any other indications enabling the shareholders to assess the interest attached to the conclusion of the agreements.

The SRP Group SA Universal Registration Document includes the special report of the Statutory Auditors of SRP Group SA to enable a shareholder to quickly access relevant information.

2.8 Submission to the Shareholders' Meeting for Post-Approval

All new regulated agreements are subject to the approval of the ordinary general meeting called to approve the financial statements for the year in which it was concluded. It may be submitted to an ordinary general meeting held earlier when the auditors have had the opportunity to review the agreement and submit their special report within the time limits laid down in the regulations in force for the information of shareholders.

The directly or indirectly Interested Party does not participate in the vote of the Meeting and its shares do not count for the calculation of majority.

APPENDIX 1

A PRIORI CLASSIFICATION OF CERTAIN TYPES OF UNREGULATED AGREEMENTS

As an internal rule, the following are presumed to be unregulated because they are considered to be routine and concluded under normal conditions:

- agreements with low financial stakes for all parties;

- agreements entered into within the Group in the ordinary course of the Company's business, entered into in the common economic, social or financial interest assessed in the light of a Group policy, which are not without consideration and do not upset the balance between the respective commitments of the companies concerned, and do not exceed the financial possibilities of the company bearing the cost.

APPENDIX III
DECLARATION OF NON-FINANCIAL PERFORMANCE

2020 GROUP DECLARATION OF NON-FINANCIAL PERFORMANCE

CORPORATE SOCIAL RESPONSIBILITY AT THE HEART OF THE GROUP'S STRATEGY

Since its formation in 2006, the Group, a pioneer in e-commerce, has developed a business to create new value for inventories of fashion products and accessories built on the broad distribution allowed by the Internet, thus creating a new offer for the brands from lots not sold in the traditional retail channels.

Contributing to its scale through its economic activity to a better use of the resources produced, Showroomprivé has never stopped integrating social, societal and environmental concerns in its business.

The Group completed its IPO in late 2015, and subsequently directed its initial CSR policy toward sharing its economic success and its digital expertise with various population groups, including young women, job seekers, young entrepreneurs.

These three priority target groups, the results of the commitments and convictions of executives and founders Thierry Petit and David Dayan, led to the formation between 2015 and 2017 of a company foundation, a charitable foundation, an internal incubator for start-ups and a policy of sponsorship of skills and financial support for the benefit of a number of associations.

Continuing this desire to augment its positive external actions, the Group created a CSR department early in 2018. This CSR department began with an audit of internal practices that identified the company's various stakeholders, conducted an analysis of materiality (see paragraph below) and co-constructed the 2019-2020 roadmap presented below.

Determined to take its commitments even further and to integrate them into the heart of its strategy, the Group launched a cross-business project in 2020, called "Move Forward", designed to involve all of its businesses in long-term actions, based on the Group's three fundamental social pillars, and aimed at rethinking practices in order to plan for a more sustainable future.

The three historical pillars integrated by the Group since its creation and reinforced by the launch of the Move Forward project are the following:

- Reducing the environmental footprint of its activities;
- Supporting women's rights; and
- Inclusion through education and encouraging access to the job market.

This declaration provides an overview of the status of the non-financial objectives set by the Group in 2018 and which it pursued by implementing actions and policies in 2020. A new roadmap will be drawn up by the Group in 2021 to pursue and further develop its commitments, notably through the "Move Forward" corporate project.

In accordance with Article L. 225-102-1 of the French Commercial Code, we include in this declaration of non-financial performance information about the actions taken and the policies implemented by the Group so as to take into account the social and environmental consequences

of its activities and to meet its societal commitments in favor of sustainable development. This declaration includes a presentation of the Group's business model, non-financial issues and risk factors, as well as the associated policies, action plans and performance indicators.

1. BUSINESS MODEL

1.1 The Group's development model and creation of added value

In accordance with Article L. 225-102-1 of the French Commercial Code, the Group has drawn up an infographic presentation of its business model, showing how, together with all the Group's stakeholders, it uses its resources to create not only financial but also non-financial value.

Since its creation, Showroomprivé has never ceased to enhance its offer and its e-commerce expertise. Composed of 6 entities with complementary missions, the Group has become a key player in online sales, particularly in the fashion and beauty sectors, with its core customers—digital women—but also with its partners, the brands.

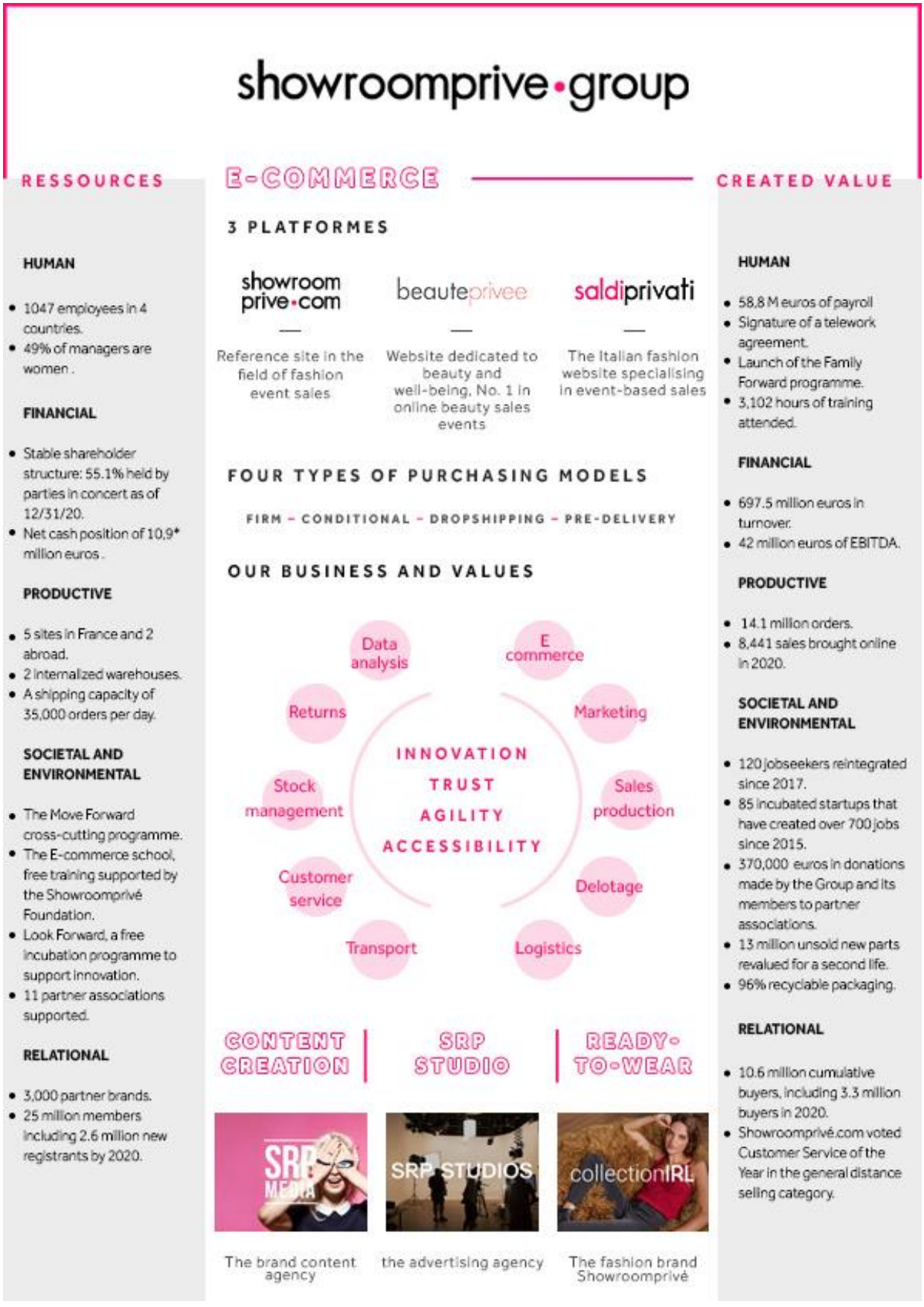


Fig. 1 – Group business model

*Net cash is cash less short, medium and long-term debt (including IFRS16).

The Group is a major player in online sales, specializing in the fashion and beauty sectors in Europe. Since its creation, the Group has been able to deploy a complementary offer to serve its partners, the brands, and its customers — digital women. The Group is structured around three main activities to support brands, particularly in fashion and beauty, namely:

- e-commerce;
- an advertising and media company; and
- a content creation agency.

With regard to e-commerce activity, every day the Group offers about 20 private sales on its different websites (showroomprive.com, beautéprivée.fr and saldiprivati.com) through a careful selection of brands, with particular care given to the presentation of the products. The selection of these brands, mostly fashion goods and fashion accessories, bring together both well-known names and up-and-coming brands.

During these private daily sales, the Group gives new value to product inventories unsold by the brands via traditional retain channels, and in this way creates a new attractive offer for the brands and consumers. In 2020 the Group created new demand for some 13,552,329 articles that had never before been worn, introducing these items into a circuit of more responsible consumption and thus giving them a second lease of life.

The product recycling circuit developed by the Group, notably through batch splitting, the creation of quality visual and written content and the attractive format of exclusive sales, contribute to giving extra value to the products concerned and creating a particularly seductive experience for Showroomprivé customers.

In order to better address the needs and expectations of its customers, the digital women, the Group launched its own brand, Collection IRL, in 2015.

In addition, to complement its offering to the brands, in June 2018, the Group launched its own media agency dedicated to Digital Women, SRP Media. The Group's unique positioning allows it to support the brands in digitalizing the purchasing act by creating a unique, qualitative and enjoyable experience.

Finally, the Group has a brand content agency called SRP Studio, with more than 15 years of experience in the fashion industry. It develops and creates authentic content for brands that is optimized for e-commerce or web and print communication.

A distributor of an offer mainly made up of fashion articles, the Group is aware of the social, societal and environmental impact of its activity. Its CSR commitments, described below in this declaration of non-financial performance, are an integral part of the Group's business model. Valuing women's empowerment, reducing the carbon impact of its activities or increasing the circularity of its economic model are both long-term objectives and virtuous challenges in meeting market and consumer aspirations.

It should also be noted that the Covid-19 pandemic has had no impact on the Group's business model in 2020. The Group's business model, strategy and growth outlook are presented in more detail in its 2020 Registration Document, particularly in Chapter 6 “Business”.

1.2. Organization of the Group

The legal organization of the Group is described in Chapter 6.1 “Group Organizational Structure” in this same Registration Document.

1.3. Presentation of stakeholders

In its operations, the Group identifies two types of stakeholders considered to have a direct and substantial influence on its decisions and objectives, i.e. internal stakeholders and the stakeholders outside the Group.

The Group considers the employees, including the executives and majority shareholders, to be the internal stakeholders. The principal external stakeholders identified by the Group are: the suppliers, in other words the Group’s partner brands, the customers, investors, public and semi-public institutions and the service providers used by the Group to ensure the deployment of its activities.

2. NOTE ON METHODOLOGY

The purpose of this methodological note is to clarify the key concepts of this declaration and the scope of the published indicators. A summary table is also provided below.

2.1. Context

In its initiative to achieve ongoing improvement in processes and an increase in positive external responses and driven by its desire to group its programs with strong societal impact that already exist, the Group created a CSR department in January 2018.

In 2018, the CSR Department first conducted an internal audit with the company’s various stakeholders in order to identify current practices and the opportunities and risks that constitute a lever for action in order to reconcile economic management and a reduction in environmental and social impacts.

During this audit, interviews with department managers, particularly those in purchasing, legal, flows and supplies, logistics, marketing, human resources, customer service, transport, IT, accounting and ISD, were conducted. In some cases, particularly logistics and flows and supplies, additional investigations were conducted with operational teams in order to understand practices better.

The results of this audit led to the completion of the 2019-2020 roadmap, which prioritizes the major risks and challenges. These were selected on the basis of their importance for stakeholders, their financial and regulatory impacts, and on the Group’s ability, because of its resources and activities, to respond to those challenges. The risks and challenges were presented in Chapter 3 “Risk Factors” of this Universal Registration Document to the Group’s Executive

Committee, composed of the principal operational managers of the company, and co-chaired by Chairman and CEO Thierry Petit and David Dayan, Chief Operating Officer.

In 2019, the Group set up a CSR steering committee, bringing together all of the internal stakeholders concerned by the objectives presented in the resulting 2019-2020 roadmap. The role of this committee is to regularly monitor indicators, optimize the flow of information and identify new areas of application of CSR risks and challenges.

This committee has issued a working protocol by creating, via a collaborative work tool, a non-financial performance dashboard, consisting of different indicator monitoring tables.

In 2020, this steering committee was extended to other business lines with the launch of the cross-business project called "Move Forward". Centered around the three fundamental pillars of the Group's Social and Environmental Responsibility—the environment, support for women's rights, and inclusion—the project aims to take the Group's commitments further and to integrate them even more into the various stages of the value chain.

This program has already resulted in several key actions in 2020:

- A qualitative and quantitative survey of the Group's stakeholders, in particular its employees and its member base, to better understand their expectations regarding the Group's commitments;
- The creation of a Move Forward page on the showroomprive.com website, which provides members with information on innovations and new responsible consumption practices. This dedicated page not only showcases a selection of responsible products but also provides relevant content for members seeking to change their consumption practices;
- The implementation of a new strategy to find more responsible brands and products;
- The organization of solidarity events benefiting partner associations on the showroomprive.com and beauteprivee.fr websites in order to raise awareness and mobilize members around the three pillars of the program;
- The introduction of the Group's first *Bilan Carbone*® (or "carbon audit") marking the beginning of the Group's carbon approach and the implementation of an action plan to reduce its carbon footprint;
- The listing of the Move Forward page on the *Clique mon commerce* website, a service set up by the French government in November 2020 to enable retailers to cope with the Covid-19 pandemic, providing visibility to regional initiatives undertaken by local retailers in the different regions of France. A newsletter is sent every Sunday to qualified members with offers from local initiatives, which are shared free of charge on the Showroomprivé website on its Move Forward page.

Additional projects will be launched in 2021 and will be detailed in the 2021-2022 roadmap.

2.2. Reporting period and scope

The reporting period covers the calendar year from January 1 to December 31, 2020.

The scope of non-financial reporting covers SRP Groupe and its consolidated subsidiaries, namely: Showroomprivé.com 43 , SRP Logistique 44 , ABC Sourcing, Beauté Privée, Showroomprive Spain SLU, Saldi Privati SRL 45 , Showroomprive Maroc and ABC Sourcing46, or 100 % of the Group's employees.

The scope of reporting and the definition used for each indicator is specified in the table below.

Issues	Indicator	Perimeter	Definition
Reducing the environmental footprint	• Energy consumption and associated CO2 emissions per employee	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	Energy consumption on sites consists of electricity and natural gas. This is expressed in Mwh and translated into tonnes of CO2 equivalent, using the average CO2 emission factors of the countries in which the site is located. For the year 2020, the electricity consumption of the Saldi Privati SRL site in December has been estimated.
	• Energy use (energy consumption per m²)	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	The total energy consumption expressed in Mwh and in equivalent tons of CO2 is divided each year by the total surface area of the Group as at 31/12, thus making it possible to evaluate the energy consumption per m2.
	• Quantity of waste discharged (cardboard, CIW) per employee	Showroomprivé.com, SRP Logistique, SRP GROUPE SA, Showroomprivé Maroc and ABC Sourcing, i.e. approximately 90% of the workforce. The figures for waste collected by Showroomprivé Spain SLU, Saldi Privati SRL and Beauté Privée are not included in the reporting because they cannot be quantified, but each represents approximately 3.5% of the workforce.	Corresponds to all the waste emitted on the sites. For the Olonne and Roubaix sites, the quantity of CIW collected could not be specified, as it was not communicated in the collection certificate provided by the collection authority.
	• Amount of waste recycled per employee	Showroomprivé.com, SRP Logistique, SRP GROUPE SA, Showroomprivé Maroc and ABC Sourcing, i.e. approximately 90% of the workforce. The figures for waste collected by Showroomprivé Spain SLU, Saldi Privati SRL and Beauté Privée are not included in the reporting because they cannot be quantified, but each represents approximately 3.5% of the workforce.	This indicator makes it possible to evaluate the quantity of waste emitted per employee each year. The total number of employees in the Group at 31 December is taken into account for the calculation of the quantity of waste recycled per employee.
	• Proportion of recyclable packaging used for shipping orders	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	The packaging used for shipping orders corresponds to the packaging purchased in the year 2020. Shipping packaging used for the drop-shipping business is not included in the reporting scope.
Supporting innovation and entrepreneurship	• Number of startups incubated	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	The number of startups incubated corresponds to the number of projects that had signed an incubation agreement with the Look Forward incubator at 31 December. They will then be supported free of charge by the incubator for a period of 12 months by all the Group's employees.
Ensuring sustainable and inclusive employability in the territory	• Headcount at 31/12	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	The workforce as at 31 December includes all permanent and fixed-term contracts, work-study contracts and professional training contracts. It does not include trainees or temporary contracts.
	• Number of hours of training	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	The number of hours of training includes face-to-face, distance learning and e-learning. The number of employees trained corresponds to the number of employees who attended at least one training course during the year. The proportion of people trained by gender and the number of employees trained were calculated on the basis of all training courses except for the anti-corruption and competition law course, for which the gender was not specified.
	• Turnover rate	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	The turnover rate is calculated according to the DARES method. It is calculated from the average number of employees and the entry rate (number of new permanent contracts/ average number of employees) and exit rate; by dividing the sum of the entry and exit rates by two. The average number of employees is calculated from the sum of permanent employment contracts over the year 2020.
Ensuring respect for gender equality	• Gender Equality Index	Showroomprivé.com, representing 72% of the Group's workforce.	This indicator is only available for 2019 and will be published in April 2021 for 2020.
	• Percentage of women managers	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	The percentage of women managers makes it possible to evaluate the share of women among managers. An employee is considered to be a manager if he/she manages at least one permanent employee for whom he/she conducts the annual interview cycles. As this indicator was introduced in 2020, no historical data is available.
Ensuring ethics in business.	• Number of employees trained on anti-corruption	Financial consolidation: Showroomprivé.com (ca. 72%), SRP Logistique (ca. 17%), Beauté Privée, including the lease ending in November 2020 (ca. 3.5%), Showroomprive Spain SLU (ca. 3.5%), Saldi Privati SRL (ca. 3.5%), SRP GROUPE SA, Showroomprive Maroc and ABC Sourcing (0.5%), i.e. 100% of the Group's workforce.	The number of employees trained on anti-corruption is calculated for the year 2020, and includes employees from the Group's sales teams, whose functions expose them to the risk of corruption. As this indicator was introduced in 2020, no historical data is available.

In addition, the Group would like to specify that the following information provided in the second paragraph of Section III of Article L. 225-102-1 of the French Commercial Code are

43 Showroomprive.com represented 72% of the Group's employees in 2020

44 SRP logistique represented 17% of the Group’s employees in 2020

45 Beauté Privée, Showroomprivé Spain SLU and Saldi Privati SRL represented each about 3.5% of the Group's employees in 2020, i.e 10.5% of the Group’s employees.

46 SRP GROUP SA, Showroomprivé Maroc and ABC Sourcing represented respectively about 0.5% of the Group's employees in 2020.

not considered relevant, given the nature of the Group's activities detailed above: food waste, the fight against food shortages, respect for animal well-being and for responsible, equitable and sustainable eating habits. In addition, the Group specifies that no collective agreement was signed in 2020.

2.3. CSR risks and challenges

As specified in Chapter 3 "Risk Factors" of the Group's Universal Registration Document, the Group has drawn up a risk map of the main risks to which the Group is exposed and assessed their potential impact, as well as the related action plans put in place. This risk map, which is regularly updated, also includes non-financial risks, in particular those identified during the audit conducted prior to the establishment of the 2019-2020 roadmap, as previously specified in the methodology note. These risks have also been reviewed for fiscal year 2020 in order to take into account the emergence of new non-financial risks as a consequence of the Covid-19 pandemic, including risks related to the health and safety of employees in the context of mandatory work from home.

Non-financial risks are included in the Group's risk factors and specified in Chapter 3 "Risk Factors" of the Universal Registration Document. The table below provides a summary of the non-financial risks identified in line with the Group's risk factors, as well as the associated CSR issues covered by the 2019-2020 roadmap.

The policies and actions addressing these risks, the performance indicators established and the results obtained in the implementation of the Group's CSR strategy are presented below.

Category	Extra-Financial Risks	Adjacent CSR issues	Associated Group risks
Environment	Operational risks related to global warming	- Challenge 1: Optimizing the environmental impact of the Group	See section 3.1.4.3 of the URD See section 3.1.4.13 of the URD
	Circular economy risk	- Challenge 1: Optimizing the environmental impact of the Group	See section 3.1.1.2 of the URD
	Risk related to regulatory non-compliance	- Challenge 1: Optimizing the environmental impact of the Group	See section 3.2.1.4 of the URD
	The Group's ability to anticipate changing stakeholder and consumer expectations regarding environmental performance	- Challenge 1: Optimizing the environmental impact of the Group	See section 3.1.1.6 of the URD See section 3.1.1.7 of the URD See section 3.1.1.8 of the URD See section 3.1.2.4 of the URD See section 3.1.3.1 of the URD
Social	Attraction and retention of talent and the Group's ability to support the development of their skills	- Challenge 3: Ensuring long-term and inclusive employability in the territory - Challenge 2: Supporting Innovation and Entrepreneurship	See section 3.1.4.7 of the URD
	Employee health and safety	- Challenge 3: Ensuring long-term and inclusive employability in the territory	See section 3.1.4.5 of the URD See section 3.1.4.7 of the URD
	The Group's ability to anticipate changing stakeholder and consumer expectations regarding social performance	- Challenge 2: Supporting Innovation and Entrepreneurship - Challenge 3: Ensuring long-term and inclusive employability in the territory	See section 3.1.3.1 of the URD See section 3.1.1.8 of the URD
	Promotion of diversity, equal opportunities, fight against discrimination and harassment	- Challenge 4: Ensuring respect for gender equality	See section 3.1.4.7 of the URD
Ethics	Protection of personal data	- Challenge 5: Ensuring ethical behaviour in the Group's activities	See section 3.1.4.2 of the l'URD See section 3.2.1.2 of the URD
	Respect for human rights and fundamental freedoms by suppliers	- Challenge 5: Ensuring ethical behaviour in the Group's activities	See section 3.2.5 of the URD
	Compliance with laws and regulations (including the Sapin II law) on ethics and corruption	- Challenge 5: Ensuring ethical behaviour in the Group's activities	See section 3.2.5 of the URD

Fig. 2 –CSR risks and challenges of the Group

3. THE 2019-2020 ROADMAP

As described above, five main challenges and eleven risks form the CSR horizon for Showroomprivé for the years 2019 and 2020. These challenges, which represent real opportunities for the Group in its goal to reconcile economic management and reduce societal and environmental impacts, are directly defined and monitored through quantitative objectives, the implementation of which are priorities, and which will be monitored monthly by the Group. They will also be reviewed and updated in fiscal year 2021, in order to establish a new roadmap in line with the new CSR objectives that the Group will adopt.

CHALLENGE 1: OPTIMIZING THE ENVIRONMENTAL IMPACT OF THE GROUP

Based on the result of the audit it conducted in 2018, the Group wanted to prioritize two major issues relating to the environmental impact of its activities: rationalizing the management and volume of the waste discharged and optimizing energy resources, particularly for packaging and outsourced transportation, which are important steps in processing orders placed on its web site.

1.1. Rationalize the management and volume of waste discharged by the company by 2020

With a view to moving toward a more circular business model, in 2018 the Group focused on reducing its waste at source, and conducted a review of its waste management with the aim of fully integrating recycling at all its offices and warehouses. Showroomprivé warehouses are already organizing selective sorting, particularly for their cardboard materials.

In 2019, the company established a selective sorting system ultimately intended to reduce the volume of non-recycled waste that is discharged. At its La Plaine Saint-Denis site, the company works with Lemon Tri, a solidarity start-up in charge of collecting and reprocessing waste, and also works with the Elise company for part of the waste at its Roubaix site. Surveys for the installation of sorting systems at the Group's other sites were conducted in 2020. Because these office spaces were closed for most of 2020, installation is now planned for 2021, when sites can be officially reopened post-Covid. The goals for the rationalization of waste discharged by the company are as follows:

1.1.1. Reducing the volume of waste discharged per employee by 10% by 2020;

In 2020, the total amount of waste discharged was 923.81 tons, of which 429.88 tons was ordinary industrial waste and 493.93 tons was recyclable waste. This represents 0.882 tons of waste discharged per employee, or 0.472 tons of recyclable waste per employee per year in 2020.

In 2018, the total amount of waste discharged was 864.7 tons, of which 543.9 tons of recyclable waste, versus 706 tons in 2019, of which 410.6 tons of recyclable waste. In 2019, this represented 0.673 tons of discharged waste and 0.392 tons of recyclable waste per employee, compared to 0.816 tons and 0.51 tons, respectively, in 2018.

It is important to note that the Group opened a new mechanized warehouse in 201947, allowing it to internalize part of the operational management of its business. This new warehouse, which was integrated in April 2019 and has been in operation since November 2019, is part of the reason for the increase in waste discharged between 2018 and 2020.

On a like-for-like basis with respect to 201848, the amount of waste discharged was 0.740 tons per employee per year, compared with 0.816 in 2018, a decrease of 9%. This reduction did not enable the Group to achieve its objective of a 10% reduction in the quantity of waste discharged per employee, but it came very close.

Waste management will be one of the Group's priority action areas when it draws up its next roadmap.

In an effort to reduce paper waste at its sites, the Group has been phasing in a new user registration system on printers since 2018.

This new system was a response to one of the challenges identified during the interviews conducted by the Group in 2018: employee practices had to be supported to limit printing to essential documents.

The implementation of this new system has resulted in a significant reduction in the number of pages printed. In 2019, the total number of pages printed was reduced by 19% compared with the total number recorded in 2018, representing a 45% reduction in pages printed compared to 2017.

In 2020, the total number of pages printed was reduced by 51% compared to 2019. This corresponds to a 72% reduction in the number of pages printed compared to 2017.

This significant reduction in fiscal year 2020 is partly explained by the Covid-19 health crisis, which significantly reduced the number of employees at the Group's various sites and consequently the number of pages printed.

47 The 2019 scope also covered the Group's French subsidiaries, excluding Beauté Privée, including the additional mechanized logistics warehouse, a site where logistics activities were initiated at the end of the year.
48 The reporting scope used in 2018 covered the Group's French subsidiaries excluding Beauté Privée. The scope did not include the mechanized logistics warehouse internalized by the Group in 2019 and at which activities were initiated at the end of the year.

In addition, in 2019 and 2020, the Group conducted a series of breakfast meetings, surveys and internal events on the environmental impact caused by the offices. These interactive meetings, to which the employees were invited, led to the emergence of numerous proposals aimed at significantly reducing the Group's environmental footprint on a day-to-day basis. Some of the themes addressed include waste management and reduction at the source, mobility, and responsible digital technology.

As a result of these discussions, several measures to reduce the environmental footprint in the offices were initiated in 2020, including increased communication to raise employee awareness of best practices in the offices, the distribution of reusable containers to all employees at all sites by the Human Resources department to help reduce waste at the source in the offices, the organization and hosting of special events around zero waste and DIY, and the signing of a remote working agreement aimed at significantly reducing the carbon footprint generated by employee mobility.

1.1.2. A 10% increase in the proportion of waste recycled by 2020

In 2020, the volume of recyclable waste discharged was 493.93 tons and represented 53% of total waste discharged. In 2018 and 2019, the volume of recyclable waste discharged was 543.56 tons and 410.6 tons[49], respectively, representing 62.9% and 58.2% of total waste discharged.

This represents a 9% decrease in recyclable waste compared with 2019 and a 16% decrease compared with 2018. This difference is explained by several factors, in particular the broadening of the reporting scope and improved monitoring of non-hazardous industrial waste emitted on the sites, as well as the internalization of a new logistics warehouse that began operations in Q4 2019, which has a considerable influence on the structure of waste emitted at a Group level. Rationalizing the management and quantity of waste discharged at sites, particularly non-hazardous industrial waste, will be a priority in the new Group-wide roadmap launched in 2021. The indicators and objectives will be updated to reflect the changes in the Group's structure.

In 2020, due to the health crisis caused by the Covid-19 pandemic, no electrical equipment was recycled at Valorep. The recycling of the equipment will be organized in 2021.

This rationalization of waste management also resulted in the following target for 2020:

49 The reporting scope used in 2018 covered the Group's French subsidiaries excluding Beauté Privée. The scope did not include the mechanized logistics warehouse internalized by the Group in 2019.
The 2019 scope also covered the Group's French subsidiaries, excluding Beauté Privée, including the additional mechanized logistics warehouse, a site where logistics activities were initiated at the end of the year.

1.1.3. To increase the proportion of recyclable or recycled packaging used for order shipments by 10%

In 2018, the proportion of recyclable packaging used by the Group represented 26.6% of the total volume of packaging used, or 83% of packaging in terms of weight. The Group committed to raising the proportion of recyclable or recycled packaging used by 10% by 2020.

While the Group had already reached its target in 2019 with a proportion of recyclable packaging used representing 39.3% of the total number of packages used and 89.5% of packages in terms of weight, the proportion of recyclable packaging used by the Group in 2020 represents 37.9 % of the total number of packages used and 94.7 % in terms of weight.

As a result, since 2018, the Group has increased the proportion of recyclable packaging used by 64.5% in terms of packaging units and by 14.8% in terms of weight, thus achieving its target.

Because of the Group's priority of reducing waste at the source, the Group initiated a study on packaging management in 2020. Mindful of the concerns of its external stakeholders on the subject, in particular members who, in a survey conducted in 2020, expressed their desire to have more environmentally responsible packaging for their orders, the Group also began testing the Hipli reusable packaging solution in the last quarter of 2020. Testing will take place during the first quarter of 2021 and will allow us to verify the appeal of this service for members, as well as the operational feasibility of using the solution. A comprehensive review of packaging has also been initiated.

1.2. Optimization of the Group’s energy resources

In order to prevent operational risks related to global warming, the Group is committed to optimizing its energy resources, particularly with a view to reducing its carbon footprint.

In 2018 and 2019, the Group's energy consumption, i.e. electricity, amounted to 2,471.1 Mwh and 2,471.2 Mwh, respectively, on the scope retained50 (i.e. 150.7 tons of CO2 eq. in 2018 and 86.5 tons of CO2 eq. in 2019), the average rate of CO2 emissions per kWh of electricity produced in France being considerably lower in 2019 than in 2018. In 2020, the reporting scope was expanded to include the financial consolidation scope. The Group's electricity consumption in 2020 amounted to 2,403.6 Mwh, representing 97.07 tons of CO2 eq. and 0.09 tons of CO2 eq. per employee.

On a like-for-like basis compared to 2018, the latter amounts to 1,804 Mwh or 58.4 tons of CO2 eq., thus representing a 27% decrease in electricity use in Mwh.

50 The reporting scope used in 2018 covered the Group's French subsidiaries excluding Beauté Privée. The scope did not include the mechanized logistics warehouse internalized by the Group in 2019.
The 2019 scope also covered the Group's French subsidiaries, excluding Beauté Privée, including the additional mechanized logistics warehouse, a site where logistics activities were initiated at the end of the year.

In addition, the Group's natural gas consumption was included in 2020 largely due to the expansion of the reporting scope. Total energy consumption, including natural gas consumption at the sites, amounted to 6,205.5 Mwh in 2020, representing 960.09 tons of CO2 eq., or 0.92 tons of CO2 equivalent per employee.

The optimization and expense of energy resources is a growing concern for the Group. With the aim of further reducing its environmental footprint, and in particular its energy consumption, in 2020, the Group initiated its first *Bilan Carbone*® or carbon audit (applying the methodology of the French environmental agency ADEME), which will be completed in March 2021 and will lead to a strategic action plan to reduce CO2 emissions generated by the Group's activity.

Based on the results of the audit it conducted in 2018, the Group established a 2019–2020 roadmap with the following objectives.

1.2.1. Reduce by 10% the Group's energy use per m2

In 2020, the Group's total energy use amounted to 64.7 kwh/m2 compared to 26.7 kwh/m2 in 2019 and 24.4 kwh/m^2 in 201851. This difference is explained by the expansion of the reporting scope and the integration of natural gas consumption at integrated sites. In 2020, the Group's electricity consumption was 25.14 kwh/m2, a 3% increase over 2018 and a 6% decrease over 2019. At the same scope as in 2019, the Group's electricity use in 2020 was 23.3 kwh/m^2, a decrease of 13%.

It is important to note that the integrated scope in 2018 was gradually expanded in 2019 and again in 2020 to reach the financial consolidation scope. In addition, the Group's total surface area changed significantly between 2018 and 2020, with the termination and initiation of leases, particularly related to the logistics business. In fact, the difference in electricity consumption between 2018 and 2020 is explained by a significant reduction in the total surface area, in part related to the termination of the lease of an empty warehouse. The change in energy consumption is also explained by the integration of a new logistics warehouse, in operation since late 2020.

1.2.2. Reducing the carbon footprint generated by the Group's logistical activities

The Group does not directly operate transportation, but works with external service providers. In order to prevent operational risks related to global warming, the Group has endeavored to initiate a recurring dialog with its main logistics and transportation service providers, particularly with a view to determining their commitments and strategies for reducing greenhouse gas emissions. The Group's objective is to maintain these discussions with its main service providers in order to keep abreast of their commitments and to go further in a joint improvement process.

In addition, in 2020 the Group began its carbon initiative by carrying out its first *Bilan Carbone*® or carbon audit, thus laying the foundations for a plan to reduce the carbon footprint

51 The reporting scope used in 2018 covered the Group's French subsidiaries excluding Beauté Privée. The scope did not include the mechanized logistics warehouse internalized by the Group in 2019.
The 2019 scope also covered the Group's French subsidiaries, excluding Beauté Privée, including the additional mechanized logistics warehouse, a site where logistics activities were initiated at the end of the year.

generated by its activities and particularly its logistics activities. This plan will be initiated in 2021.

1.3 Strengthening the circular nature of the business model and anticipating stakeholders' expectations in terms of environmental performance

The Group also carried out various actions in 2020 in order to move toward a more circular economy and to anticipate changes in stakeholders' expectations in terms of environmental performance.

As mentioned above, in 2020 the Group initiated a dialog with its stakeholders, i.e. its employees and customers, in order to better understand their expectations regarding the Group's commitments, particularly in terms of the environment. With the objective of anticipating and responding as effectively as possible to the expectations identified in the various surveys conducted, the Group has already engaged in a number of significant initiatives in 2020.

First of all, in response to its members' desire to be kept informed about sustainable consumption, the Group has created the Move Forward page, a page on the Showroomprivé website dedicated to raising awareness of innovations and new practices in the field of sustainable consumption. In an effort to provide members with more environmentally conscious products, the Group's brand Collection IRL also launched in 2020 several ready-to-wear collections that are made in France and/or produced with organic materials. In 2020, no fewer than three clothing collections were already made in France. For these collections, every step of the manufacturing process (design, cutting, assembly and packaging) was carried out in France. An organic clothing sale, the "organics" sale, was also held from October 9 to 19, 2020. The sale for members included basics for men and women (t-shirts, sweatshirts, etc.) made from organic cotton with a GOTS certification (Global Organic Textile Standard), and also from recycled polyester. During the course of 2020, the Group also began a trial run with the Hipli reusable packaging solution, with the aim of testing both the appeal of this solution for its members and its operational feasibility.

In order to anticipate and comply with any new regulatory provisions, it is also important to mention that the CSR and Legal Departments carry out continuous regulatory monitoring and participate in the company ecosystem's legal working groups. These two departments work closely together on regulatory issues related to CSR and are also responsible for informing and training the business lines when new regulations come into force. The Executive Committee also receives regular information on the subject. Finally, because the CSR Department reports directly to the Group's Executive Management, it is also provided with regular information, at least monthly, on regulatory issues.

CHALLENGE 2: SUPPORTING INNOVATION AND ENTREPRENEURSHIP

Convinced that the acceleration in innovation cycles in a digital economy drives growth and the future of an entrepreneurial project, the Group has always made it a point of honor to make innovation a key value in its development.

The Group wants to move beyond its own development and spread its expertise by supporting innovative projects and an entrepreneurial spirit in the fashion, retail and beauty industries to contribute to the evolution of these ecosystems.

In its 2019-2020 roadmap, the Group wants to strengthen this commitment, particularly with the many stakeholders outside the company via its Look Forward innovation hub.

In addition, its internal innovation competition #BeTheFuture is designed to develop an entrepreneurial spirit and agility and boost talent retention. This support for innovation enables the Group not only to anticipate the changing expectations of stakeholders and consumers in terms of environmental and social performance, but also to attract and retain talent, particularly by helping them develop their skills.

2.1. To participate in the development of innovation in the fashion, retail and beauty industry

In line with its aim to embrace the changes taking place in the fashion, retail and beauty industries, the Group supports the development of responsible innovations in these industries through two programs:

- Supporting entrepreneurs through the Look Forward program; and
- Participation in events in the innovative ecosystem of the fashion, retail and beauty industries.

2.1.1. To support thirty entrepreneurs through the Look Forward hub by 2020

For several years, Showroomprivé has been supporting young, innovative companies with strong growth potential in these sectors.

In fact, in 2015, the Group launched its own free incubation program, the Look Forward incubator, with the ambition of supporting innovative entrepreneurs who are transforming the fashion, retail and beauty industries.

The Look Forward incubator is a true accelerator that provides 15-20 startups with free hosting on the premises of Showroomprivé as well as personalized sales support for one year. This personalized support includes regular meetings with the incubator team, the organization of thematic workshops led by experts, the organization of one-off events to promote their development, networking with the incubator's network of partners in the innovative ecosystem, and regular face-to-face meetings on request with the company's employees during their working hours to gain operational expertise on specific topics.

During their incubation year, each start-up can benefit from the expertise of the Group’s employees through a time-credit system, which allows them to meet with employees who can help them deal with their various problems. Each incubated project also has the opportunity to organize, in collaboration with all of the Group’s business experts, a professional photo shoot.

From the preparation for the shoot to the make-up and even the editing of photos, the teams support the start-ups to conduct their photo shoot.

Hiring, marketing strategy, information systems and logistical strategy are some of the challenges tackled by the external partners and employees during the thematic workshops organized. A mentoring system also allows each start-up to be monitored by an employee from the Company's top management.

Each year, Look Forward supports between 15 and 20 projects contributing to the transformation of the fashion, retail and beauty industries.

Since December 2020, the group has decided to rethink the Look Forward program, and in particular the selection criteria for entry, and now focuses entirely on supporting committed projects that offer innovative products or services and help drive the transformation of the fashion, retail and beauty industries toward more environmentally responsible, inclusive and ethical practices. Particular interest is also given to projects originating in the areas in which the Group is established.

The incubator, which has been operating since 2015 and has had an international reach since 2018, won the "Grand lieu d'innovation" label from the Ile-de-France Region in 2017.

In 2020, 19 start-ups were selected for the sixth incubation cohort. Among them, 11 have at least one woman founder, i.e. 58% of the selected startups.

In 2018 and 2019, 15 and 18 startups, respectively, were supported by the incubator, for a total of 52 projects.

The incubated start-ups for the sixth cohort are as follows:

900.care Happy change	900.care, https://900.care/	900.care est une marque de produits de salle de bain zéro déchets à recharger directement chez soi.
BeautyMix	BeautyMix, https://www.beautymix.fr/	BeautyMix est une solution qui rend la cosmétique maison facile, rapide et sécurisée, grâce à robot et une application mobile regorgeant de recettes. Beauty Mix permet à chacun de fabriquer soi même des produits de soin, d'hygiène, de maquillage ou encore d'entretien sains et personnalisés en quelques minutes.
CIRCOS	Circos, https://circos.co/	CIRCOS, est un service néerlandais de location de vêtements pour les enfants et les femmes enceintes. Circos souhaite garantir que les vêtements de haute qualité soient utilisés au maximum de leur potentiel avant de devenir des déchets, auprès d'une cible qui change de taille très rapidement et portant en moyenne une pièce 5 fois avant qu'elle se soit plus ajustée.
fava	Fava, https://www.befava.com/	FAVA est une gamme de protections hygiéniques 100% biologiques, certifiés GOTS et solidaires, s'adaptant à chaque femme et à ses besoins, et qui reverse des produits pour les femmes en grande précarité à chaque achat.
freepry	Freepry, https://www.freepry.com/	FREEPRY facilite la mise en place d'un espace de rachat et revente in-store de produits de seconde-main permettant aux marques et boutiques de compléter leur offre et leur revenu grâce à l'utilisation d'un logiciel SAAS et d'une solution clé en main.
kippit l'électroménager agréé par l'avenir	Kippit, https://www.kippit.fr/	KIPPIT est une marque d'électroménager durable, local et réparable en faveur d'un soin du linge plus écoresponsable. Les produits kippit sont durables, réparables et fabriqués en France dans des unités de production inclusives, installées au coeur des bassins de consommation afin de créer des emplois pérennes. Le projet a été élu coup de coeur par les salariés de l'entreprise showroomprivé qui ont été intégrés dans le processus de sélection.
EN VRAC L'INTEN DANCE DEPUIS 2019	L'intendance, https://www.lintendance.co/	L'INTENDANCE propose une épicerie vrac digitale 100% sans plastique permettant à chacun de réaliser ses courses de produits alimentaires, cosmétiques et d'entretien avec un système de consigne en verre simplifié.
MAISON PEAUXNEUVES	Maison Peaux Neuves, https://www.peauxneuves.fr/	MAISON PEAUX NEUVES est une marque de maroquinerie pensée à Lyon et fabriquée à Paris à partir d'une matière première innovante en cuir de raisin ainsi que d'autres matières upcyclées.
unbottled	Unbottled, https://unbottled.co/	UNBOTTLED est une marque de cosmétique Made in Seine Sant-Denis, qui propose des produits pour la douche solides et sans emballages afin de libérer les salles de bain du plastique.
NOSC	Nosc, https://www.nosc-sport.fr/	NOSC est une marque de textiles sportifs innovants alliant éco-technicité, écoresponsabilité et polyvalence, utilisant des matières recyclées ou d'origine naturelle sans recourir à des matières pétro-sourcées. Nosc utilise notamment un fibre fabriquée à partir de l'huile de ricin réduisant la pollution des eaux générée par l'entretien des textiles sportifs.
	Ma petite couche, https://www.mapetitecouche.fr/	MA PETITE COUCHE est un service de location de couches lavables zéro toxique et zéro déchet en France avec un service de lavage et de livraison à domicile.
POPEE	Popee, https://popee.co/?gclid=EAIaIQobChMI-7GXtdOH7gIVBrp3Ch08JwKWEAAYASAAEgKOdvD_BwE	POPEE propose du papier toilette en matière recyclée, provenant de papiers des corbeilles de bureaux d'entreprises, fabriqué en France sans produit toxique et directement livré chez les particuliers et dans les entreprises.
refyld	Refyld, https://refyld.com/password	REFYLD est une marque de produits pour tous les jours intégralement made in France (hygiène, soin, entretien) accessibles à prix coûtant via un système d'adhésion mensuelle ou annuelle et conditionnés dans des contenants réutilisables.
RIDERS SOCIAL CLUB	Riders Social Club, https://www.riders-socialclub.com/	RIDERS SOCIAL CLUB est une start up de l'ESS du département Seine Sant-Denis, qui propose un service de livraison en vélo cargo, réduisant l'empreinte environnementale sur le dernier kilomètre tout en dynamisant l'économie locale.
	Welco, https://www.welco.io/	WELCO est une plateforme collaborative de réception de colis entre voisins réduisant l'empreinte environnementale de la livraison sur le dernier mètre. Welco a déjà une communauté de plus de 13 000 Welkers à travers toute la France qui sont rémunérés pour récupérer les colis de leurs voisins.
zero waste shoes	Zero Waste Shoes, https://www.zerowasteshoes.com/	ZERO WASTE SHOES est un créateur de solutions circulaires sur-mesure pour les marques et fabricants de chaussures, qui propose une solution de reconditionnement ainsi qu'une solution de recyclage lorsque le reconditionnement n'est pas possible.
Hipli	Hipli, https://hipli.fr/	HIPLI propose une solution de colis réutilisables pour le e-commerce, afin d'aider les e-commerçants (et aussi les consommateurs) à réduire les déchets liés aux colis de livraison. Hipli a remporté le concours des Trophées de la Mode Circulaire, c'est pourquoi elle rejoint la promotion de l'incubateur.
RENÉE corner	Renée Corner,	Renée Corner est la 1ère plateforme collaborative de réservation d'espace éphémère dans des lieux de vie tels les restaurants, hôtels, à destination des marques. Le 1er prix de IMT starter a été attribué à Renée Corner, ce qui a permis à cette start up de nous rejoindre.
L'UNIQUE FAÇON Upcycling Lab	L'unique façon, https://islacollective.co/upcycler/luniquefacon/	L'UNIQUE FAÇON est une marque de mode pensée comme un laboratoire d'upcycling où la rencontre entre un vêtement issu du prêt à porter et un textile en édition limitée façonne une pièce unique. L'Unique Façon a remporté le French Tech Tremplin, et a donc été selectionné pour la sixième promotion de l'incubateur.

Fig. 3 – Projects supported as of 12/31/2020

Since its creation, the Look Forward incubator has had:

- Six incubation seasons;
- Over 85 startups incubated since June 2015 that have created over 700 jobs;
- Over 150 hours spent between start-ups and employees in 2020.

2.1.2. To participate in ten significant events in the innovative ecosystems of the fashion, retail and beauty industries by 2020

Beyond its investment in Look Forward, its own innovation hub, the Group is investing in major players in the fashion, retail and beauty industries with the goal of building the future of these industries.

In 2020, Showroomprivé participated in a number of events focused on reinventing uses and transforming practices to move toward more responsible, sustainable and virtuous industries.

The events in which Showroomprivé participated in 2020 are as follows:

- *Le Hacking de l'Hôtel de Ville* (Hôtel de Ville, Paris, March 6, 2020)
- *Produrable* trade show (Palais des Congrès, Paris, September 7-8, 2020)
- *France Digital Day* (Musée des Arts Forains, Paris, September 15, 2020)
- *Who's Next* trade show, (Tuileries Garden, Paris, October 2, 2020)
- In 2020, Look Forward joined the *Club Circul'r* and participated with the other members of the network in the round table discussions.

In addition, Showroomprivé was a member of the judging panel for several events aimed at promoting responsible innovation.

In September 2020, Look Forward was represented on the panel of judges at the end of the incubation of the first cohort of the "*Start-Première*" program in the Seine Saint-Denis department. The program was organized by the *Premières Seine-Saint-Denis* network, which supports women in the creation and development of innovative companies.

In addition, the Look Forward incubator was selected in September 2020 to be a partner in the *French Tech Tremplin* program, designed to ensure that the French Tech ecosystem is as rich and diverse as the society from which it comes, with the aim of rebalancing opportunities and ensuring that everyone has access to the same benefits. The Look

Forward incubator will accompany for one year one of the projects, chosen through the *Tremplin* program's special selection process *L'Unique Façon*.

In October 2020, the CSR Department was also a partner and member of the jury for the Trophées de la Mode Circulaire (Circular Fashion Awards), sponsored by the City of Lille, an award designed to recognize the efforts of fashion brands to innovate with product sustainability at the forefront, over and above their aesthetic appeal. After winning the Trophée Espoir award for small businesses, sponsored by Look Forward and voted for by those attending the event, the startup Hipli, which has developed reusable packaging, was selected to take part in the sixth edition of the incubator.

In November 2020, the CSR Department was a member of the judging panel of "*Go In Saint-Denis*", a competition for entrepreneurial projects intended to encourage business development in the department of Seine-Saint-Denis.

In November 2020, the CSR Department also sponsored the "*Sustainable & Inclusive Retail*" Category of the *Trophée Start-up Numérique* (Digital Startup Trophy), a competition organized by the Telecom Sud Paris incubator and the Institut des Mines Telecom. The winning startup, Renée Corner, which offers a collaborative platform for booking ephemeral spaces in community spaces to help small brands in their development, will join the Look Forward incubator for six months and benefit from its program.

There were more than five events in which the Group participated in the innovative ecosystems of the fashion, retail and beauty industries between 2018 and 2020.

2.2. To promote entrepreneurship and agile talents

Also in an effort to support the emergence of innovation and retain its talent, the Group encourages its employees to participate in the internal yearly innovation competition.

2.2.1. To organize two in-house competitions to promote entrepreneurship and allow all employees to propose an innovative project for the 2019-2020 period

Working with the goal of encouraging entrepreneurs and revealing the agility and innovative spirit of its employees, Showroomprivé in 2017 launched its first #BeTheFuture in-house innovation challenge.

During this competition, the Group offers the company's employees the chance to propose various projects intended to improve its business model or organization; the winners then have the opportunity to implement it with the help of the relevant departments of the company.

In September 2020, Showroomprivé launched the fourth edition of its major internal innovation competition #BeTheFuture for all the Group's employees. For this new edition, the competition was revamped and employees were invited to propose environmentally and socially committed projects, reflecting the Group's environmental and social commitments and the launch of the Move Forward cross-business internal project. This year, the competition offered two categories to encourage the business units to integrate into their core activities the Group's basic commitments: reducing the environmental footprint and promoting inclusion. The proposed projects can cover all services as long as they fall into one of the two categories mentioned above.

Like the previous editions, the competition took place in three main stages. First, all employees were invited to respond to the call for projects launched in September 2020. The first phase of team building and applications will close in March 2021. Due to the health situation resulting from the spread of Covid-19, the Group has decided to adjust the different deadlines of the competition this year. The fourth edition of the competition will conclude in June 2021.

2.2.2. Make at least five projects presented during the 2019 and 2020 editions of the Be the Future competition a reality

In 2019, eighty projects were presented by the employees during the third edition of the in-house #BeTheFuture competition. These projects, covering a broad variety of themes, are all designed to improve existing processes, both in the company’s relations with the different stakeholders and in the company’s internal processes. The call for applications is not yet closed, as the competition deadlines have been changed due to the health situation caused by the spread of Covid-19.

About twenty of the projects submitted during the application phase of the competition in the previous edition were integrated into projects to be implemented by the company.

CHALLENGE 3: ENSURING LONG-TERM AND INCLUSIVE EMPLOYABILITY IN THE TERRITORY

In its 2019-2020 roadmap, the Group set two primary objectives for employability: to promote professional employment and to ensure long-term and inclusive employability.

3.1. To promote professional employment, including for disadvantaged populations

The Showroomprivé Group participates in the promotion of professional insertion with the e-commerce school program of its corporate foundation and also through the influence of its employer brand and its responsible recruitment of a diverse range of people, with the aim of attracting and retaining talent within the Group and also strengthening its social performance in order to meet the changing expectations of stakeholders and consumers.

For 2019-2020, the Group continued this effort to establish a presence with young talent in a spirit of inclusion. For this reason, the Group has the following objective:

3.1.1. To increase the attractiveness of the Group's employer brand by participating in 20 job forums, creating and maintaining partnerships with schools and welcoming 150 young talented people as interns and work-study placement students

In 2020, the Group participated in three job and training forums and welcomed 59 interns and 46 work-study students between January 2020 and December 2020, including ten from neighborhoods declared priority areas of the city.

The Group is also actively committed to an inclusive conception of the digital economy in which it carries out its activities. 2020 provided the opportunity to illustrate this commitment:

3.1.2. To encourage the re-employment of 50 people without jobs or those in training to move into e-commerce businesses between 2019 and 2020.

Attracted by the project of the city of Roubaix to make it the capital of e-commerce, after having been the textile and then the home shopping capital, Showroomprivé decided to establish a portion of its operations in the city in 2016.

The Group, with the goal of re-energizing local employment by educating the most underprivileged populations in the digital industry, also launched the first project of its corporate foundation, the e-commerce school, in 2017. This school was also created to

establish a responsible policy for the company, to allow its own employees to develop and use their mentoring skills, and to develop innovative projects that have a positive impact on the world.

The e-commerce school is supported by the corporate foundation and provides free training in e-commerce businesses that is primarily intended for people from the Roubaix area who are either unemployed or are seeking employment. The training, which is open to everyone without any degree or financial requirements, and for which the sole condition is motivation, offers students the opportunity to take an intensive six-month career program built on innovative teaching techniques. The training is recognized by the French government and earned the prestigious certification "*Digital Grande Ecole*" in 2017.

During this training program, students are in direct contact with professionals in the sector, who offer theoretical workshops and discuss their professional career paths. This approach is designed to make the students more professional and to allow them to learn real business skills that they will be able to apply directly in their future company.

Since March 2017, the Showroomprivé corporate foundation has welcomed six intakes to its training program and has continued to improve the employability of job seekers in search of digital skills.

In 2020, we were able to take on 39 people to be trained. The fifth edition ran from October 2019 to February 2020 and had 25 people, the sixth edition from June to October 2020 had 14 people. Since the school's creation, more than 108 students have completed their training within the e-commerce school, including over 91 people since 2018.

Of these people, 46% of those in training were from priority areas identified in municipal policies, and 76% of them were women. The training is therefore helping to bring women into digital jobs. This objective was reflected in 2020 in particular, in increased awareness-raising measures among women. The school also participated in several events, such as:

- In January 2020, the inauguration of La Fabrik, the new Entrepreneurship and Training space of the Maison de l'Emploi in Roubaix;
- In February 2020, a visit to the Decathlon Campus (repair service, CSR Dept., etc.);
- In October 2020, participated in Open GEN, the national week of digital training organized by the Grande Ecole du Numérique (organization of webinars on training, interviews with former students and visits to the school);

- In November 2020, participated in the Roubaix Intercommunal Youth Strategy Meeting, an event that brought together more than 40 stakeholders who work with young people in the city of Roubaix;
- Also in November 2020, participated in the Rencontres Konnectées, a meeting between training offers in the digital sector and companies seeking new talent in the digital sector;
- In December 2020, participated in Pôle Emploi's #AgirPourRéussir webinar, aimed at presenting training offers to the public supported by Pôle Emploi;
- Also in December 2020, participated in the ConnectFormation Maison de l'Emploi forum in Roubaix, focused on digital training in the Roubaix region and its vicinity (the in-person event was converted into a video conference).

The seventh edition will have approximately 25 people enrolled in the training program, which will start in January and finish in May.

The team in charge of coordinating the program also works to establish a large influence network composed of local companies that support the project and recruit the people trained as employees or interns. On December 31, 2020, 35 Group employees and 33 employees from partner companies (such as Oney, AB Tasty and Blanchemaille Euratechnologies) came to the school to share their knowledge with the students.

Through its e-commerce school, the Showroomprivé Group also supports the entrepreneurship of young fashion designers by offering the knowledge of the students to assist young designers who want to digitize their offer. Through its collaboration with the Maisons de Mode association, which works to promote the fashion trades and support for young designers, the Showroomprivé corporate foundation offers young designers the opportunity to work in partnership with students from the school to create their websites and e-commerce platforms.

In 2020, two designers were selected to receive a free redesign of their websites by all the students from the fifth and sixth year classes of the school thanks to an educational project developed throughout the training period. Since 2017, the Group has also been represented on the Board of Directors of the Maisons de Mode association. It specifically supports the digital development of Maisons de Mode.

In addition to this philanthropic initiative, the Group has established an ongoing partnership with the CPossible association. This association aims to combat leaving school early by organizing prevention workshops, projects and professional intervention

initiatives designed to encourage young people to continue their school career. The Group invests in skills sponsorship at the association.

Therefore, in 2019, Showroomprivé worked together with the association and teachers of the Edgar Quinet Technical College to jointly develop a training program aimed at raising awareness of the e-commerce professions among first-year vocational students while also addressing economic and social issues. The partnership was extended in 2020. The students were invited to the company premises in La Plaine Saint-Denis and to the e-commerce school in Roubaix. Showroomprivé employees were involved throughout the year, particularly during the presentation of the end-of-year projects: groups of students prepared proposals for an e-commerce site after having provided market research.

3.2. To ensure long-term and inclusive employability

In order to retain talent within the Group and also protect them against any risk related to their health and safety at work, which has been reinforced in particular in the context of the Covid-19 pandemic, the Group is implementing several actions aimed at developing employees' skills and ensuring their health and safety at work.

At December 31, 2020, the Group had 1,047 employees worldwide, compared with 1,048 employees at December 31, 2019. Most of its employees are employees of a French subsidiary of the Group (92.4%). In 2020, the Group hired a total of 222 persons, compared with 454 in 2019. Of that total, 97.3% were hired in France.

The company wants to support long-term employment, a commitment that it met in 2018 and maintained in 2020 by attaining a rate of 94% of employees with a permanent contract, compared with 88% of Group employees in 2019. The Group's staff turnover rate was 20.9% in 2020, compared to 33% in 2019. This decrease results from the stabilization of the workforce over the long term, in line with the Group's 2018-2020 performance plan and a human resources policy that has strengthened the Group's employer brand.

The goal over the 2019-2020 period was to maintain a high rate, with at least 75% of the ratio of permanent employees in the total workforce in full-time equivalent employment for all Group hires over the period.

3.2.1. To ensure the development of employees' skills and employability by increasing personalized support and by expanding employees' access to training

In order to facilitate the induction of young employees into the Group, provisions have been made in the induction process and through assistance and mentoring programs, particularly for knowledge transfer.

The Group is committed at all levels to providing employees with the best possible support and adapting the training programs to their changing skill sets. Each year, a series of annual individual interviews is held to review the past year and take stock of the employees' career plans and objectives.

In 2019, a digital training tool, the “learning lab” was introduced to enable employees to increase their skills. This training platform was made accessible to all the Group's permanent employees. It is always available and without any limitations, allowing employees to take courses in various subjects (IT, languages, "soft skills", etc.). An internal communication system was also used to highlight the training courses available to employees and encourage them to take advantage of them.

In 2020, 545 employees of the Group participated in training sessions for a total of 3,102 hours of training. In 2019, 519 employees of Showroomprive.com SARL participated in training sessions for a total of 1,128 hours of training.52 This change is explained in particular by the increased digitalization of the training courses taken by Group employees during the year 2020, which made it possible to bring together a larger number of employees for the same training course, but also by the Group's expanded policy of offering training courses to all employees, and finally by the expansion of the scope covered by this indicator.

The breakdown by gender for the employees trained was 65% women and 35% men, and 62% and 38% respectively in 2019.

The training programs completed mainly covered, in addition to mandatory security training, the following areas:

- Training in combating corruption and respecting the rules of free competition;
- Training against gender-based discrimination and sexual violence;
- Training in working methods (project management or Lean training);
- Training in various aspects of business (HR, electronic banking, banking, SEO, design thinking);
- Personal development (soft skills);
- Understanding and getting started with the Google Analytics tool.

52 On a like-for-like basis compared with 2019, 2,495 hours of training were provided in 2020.

The Group seeks to strengthen the personalized training plan for its employees and to develop access to training in order to ensure their employability and the maintenance of their skills in a context of perpetual change in the various businesses and technologies. The annual individual interview process has been strengthened to emphasize training needs in the context of a professional project (mobility, development). In addition, training in management and remote work management in teams is already planned for 2021.

Furthermore, the Group has implemented a strong internal mobility policy to motivate and retain its talent and also to develop their skills. In order to facilitate mobility, the Human Resources department has set up several measures, namely the implementation of an individualized annual interview, allowing employees to express how they would like to develop their careers, as well as an internal communication system to inform employees of all job offers.

3.2.2. To enhance the quality of life at work and promote inclusion, while facilitating the attainment of a healthy work-life balance

Well-being and inclusion are both vehicles for strong retention of talent and values that offer the best working conditions and, as a result, the best conditions for the success of employees. This is why these two elements are the foundations on which the Group’s human resources policy is developed.

In 2020, the Group is even more committed to promoting the quality of life at work and in particular the work-life balance of its employees. This year marks a turning point for the Group in the implementation of new measures to improve the quality of life at work.

Firstly, Management has conducted negotiations with the Social and Economic Committee of Showroomprive.com with a view to concluding an agreement on remote working, in order to offer this new working method to voluntary employees whose roles allow them to work remotely. A remote working agreement for Showroomprive.com was thus concluded between the Management and the Social and Economic Committee of Showroomprive.com on June 30, 2020, and came into force on September 1, 2020. The signing of this agreement meets three performance objectives: improving the quality of life at work by promoting inclusion; achieving a better work-life balance; and reducing the Group's environmental footprint, particularly in terms of employee mobility. All of the above are objectives disseminated by the "Move Forward" corporate project.

As an extension of this first agreement, negotiations were initiated at the end of 2020 with the Beauté Privée Social and Economic Committee on the same subject. These negotiations led to the signing of a remote working agreement, which went into effect on January 11, 2021.

In addition, 2020 marks the redesign of the Back To Work program, renamed "Family Forward", in conjunction with the global Move Forward program, to further commit to innovative and inclusive management of parenthood within the company. This program will be discussed in more detail in Chapter 4.1.2 of this declaration.

The year 2020, marked as it was by the health crisis caused by the spread of Covid-19, was nevertheless an important year for the Group in ensuring the quality of life of its employees and promoting inclusion.

Faced with the health crisis, the Management, Human Resources and General Services teams were able to react quickly to the evolution of the crisis by constantly ensuring that the internal health protocol was respected and adapted to government recommendations. Management has maintained an ongoing dialog with the Social and Economic Committee, through the organization of special weekly meetings at which the elected representatives have been able to share employees' questions. The health protocol and its updates have been the subject of regular consultation with local council officials.

In order to reduce the risk of spreading the virus, work from home was extended to all posts for which this was possible between March and September 2020. Nevertheless, the Group has been vigilant with regard to the psycho-social risks, in particular those related to the reduction of social interactions, by offering solutions for returning to the office on an as-needed basis, in strict compliance with the on-site health protocol.

In addition, unprecedented internal communication measures have been deployed since the first confinement to combat isolation and maintain strong social ties, in particular: communications and surveys among employees, sharing of best practices for remote work and setting up an online Group plenary session hosted by Management with the possibility for employees to ask questions in live online sessions.

As part of this effort to foster a collective spirit and maintain social ties, a digital version of the traditional Feel Good Week was deployed. During this week, employees were able to participate in inspiring conferences, DIY workshops, sports classes and workshops on the prevention of musculoskeletal disorders held at all the Group's European sites.

Another digital week was also organized to celebrate the Christmas and New Year holiday season.

In addition to its quality of life at work policy, the Group has sought to strengthen its inclusion policy, particularly with regard to disabilities. Since 2018, the Group has carried out various disability awareness initiatives at its sites to address the lack of knowledge and taboos on the subject. This campaign resulted in the use of workshops and documentation presented to employees in a fun manner to encourage employee interest in these issues and was deployed to all the Group's sites during the first few months of 2019. In order to strengthen its actions in favor of the inclusion of people with disabilities, the Group has also approached Agefiph to carry out a global disability assessment within the Group during the first half of 2021. In 2020, the Group also joined Club Vivre FM, an association radio station for people with disabilities and anyone affected by disability and exclusion. In this respect, Thierry Petit, the Group's Chief Operating Officer, took part in the recording of an episode of the "Midi & Vous" podcast in November 2020 to talk, among other things, about the Group's initiatives in support of people with disabilities.

CHALLENGE 4: ENSURING RESPECT FOR GENDER EQUALITY

Considering its core business and its core target, the Group chose to include a commitment to gender equality in its 2019-2020 roadmap in order to strengthen its support for women employees at different stages of their careers. In addition, the Group supports various outside initiatives intended to promote gender equality and access for women to education and to professions traditionally occupied by men.

4.1 Promoting the accomplishments of women employees

As part of its policy to promote diversity and equal opportunity, particularly for men and women, the Group has set up a number of initiatives to promote the advancement of women to high-level positions and to support them in the inclusive, fair and innovative management of family life.

The Group's gender equality index for 2019 is 79/100. However, this data is not yet available for the 2020 year and will be published during 2021.

4.1.1. Training 5% of female middle and senior managers so as to promote their rise to the highest executive positions.

At December 31, 2020, 63% of Group employees were women versus 61% in 2019. This proportion remained stable compared to 2018. Of the Group's managers, 49.5% were women in 2020.

The Group's objective for 2020 was to encourage gender equality of women and men in middle and senior management positions via access to training for at least 5% of them. In 2020, 63% of the people trained by the Group were women, versus 62% in 2019.

The Group was thus able to achieve near-perfect gender balance in its management team in 2020. It also offers all the Group's women employees the opportunity to take part in one or more training courses to improve their skills so that they can move into positions of greater responsibility.

4.1.2. Supporting our employees in the inclusive, equitable and innovative management of family life

In 2017, the Showroomprivee.com launched a program to support women returning to work after their maternity leave. Through this program, the Company wanted to offer future mothers an adapted HR process, the goal of which is to help them to reconcile their professional and personal lives, including during pregnancy and after the birth of their child.

This program was reviewed in 2020 with the launch of the "Family Forward" program, to go even further in supporting employees in managing their family life.

The program is structured around three major actions:

- Supporting mothers before, during and after their pregnancy to best manage their maternity project. This program includes group workshops to prepare for maternity leave, the organization of a personalized follow-up for the mother-to-be with an individual interview with the mother-to-be's human resources representative and manager, as well as individual support from a specialized coach before or when she returns to work, on a voluntary basis.
- Promoting balanced family life for all, in particular through biannual awareness-raising sessions for managers. This also includes the signing of a homework agreement for a better work/life balance and the possibility to benefit from two paid sick days for children.
- Supporting the second parents in this transition by adhering to the Parental Act and thus offering 28 days of 100% paid leave after birth, thus ensuring an inclusive and equitable family life for a better distribution of mental responsibilities in daily life.

In addition, in 2020 the Group organized several speaking events to promote gender equality in the workplace and actions to raise awareness, support or protect women from gender stereotypes and sexual violence and abuse. In March 2020, on the occasion of the official publication of its Gender Equality Index and as part of the International Women's Rights Day, a week dedicated to women’s "empowerment" was organized. For the occasion, an interactive conference on the theme of gender equality in the workplace was organized.

In addition, in an effort to combat menstrual precariousness, an internal collection of menstrual hygiene products was carried out in conjunction with the Seine-Saint-Denis Departmental Council, with the proceeds going to the LAO association working in Bagnolet.

In November, on the occasion of the International Day for the Elimination of Violence against Women, a training session on sexist behavior and sexual violence in the workplace was organized for all Group employees, with the aim of raising awareness of these issues and giving employees the tools they need to prevent and deal with such situations. An event on the theme of "Our bodies and emotions in the face of sexist behavior" was also held in order to provide employees with some avenues for introspective reflection and some tips on how to respond to sexist behavior.

4.2 Supporting community involvement, especially among women

The Group, pursuing the dual objective of uniting its employees and members around its inclusive and supportive approach and seeking to promote diversity, inclusion and equal opportunity, also strengthened its collaboration with numerous associations during 2020.

As a result, the Group donated €371,120 in fiscal year 2020 to associations, through numerous solidarity actions carried out by the Group. In addition to the financial support provided to the associations, the Group has also increased the visibility of the actions carried out by these associations among its member base by activating dedicated communication tools and specific promotions on its various e-commerce platforms.

In March 2020, the homepage of Showroomprivé.com and Beauté Privée sites featured a call for donations to the "*Tous unis contre le Virus*" [All united against the Virus] initiative of the Fondation de France, the APHP and the Institut Pasteur, in response to the health situation caused by the spread of COVID-19. The entire amount raised, including donations made by Showroomprivé members as well as financial donations from the Group, was donated to these partners to enable them to finance specific initiatives, at the heart of the crisis, for the benefit of careworkers (in terms of material and human support), researchers (financing their research projects) and the most vulnerable sectors of society in France and abroad (through food aid in particular). On this occasion, the brand's own Collection IRL also organized a solidarity sale of products from a limited collection, including T-shirts and tote bags, the profits of which were entirely donated to the association.

In May 2020, an invitation to donate to UNICEF's Covid-19 emergency fund was issued to provide distance learning solutions for children during the health crisis, including through radio broadcasting of teaching modules. Other solidarity actions were also organized for the benefit of UNICEF, in support of the International Day of the Girl, for example, and also to support the call for donations during the health crisis and, in particular, to finance the purchase of soap or medical kits for the most vulnerable sectors

of society. In addition to matching the donation, the Group also organized a solidarity sale of fabric masks on its website, with all profits going to the association.

In terms of inclusion, the Group once again maintained its commitment to the Emmaüs community, particularly the Emmaüs Solidarité and Emmaüs Loiret subsidiaries, through financial donations and donations of unsold goods, particularly furniture.

In 2020, the Group extended its partnership with the Odysséa association, which fights breast cancer and promotes screening. Odysséa is organizing a major national race in October to raise money and raise awareness of the importance of breast cancer screening.

Since then, Showroomprivé has been working alongside the association on the occasion of the Pink October campaign. All employees were able to participate via a "digital" race and collect funds by running five or ten kilometers. A limited edition sale of bracelets made by the Group's own brand was also organized, bolstered by a supportive community on social networks, with all profits going to the association.

A partnership was also formed, in November 2020, with the Joséphine association, which supports vulnerable people, particularly women, so that they can regain confidence and self-esteem and achieve their personal and professional goals. To achieve this, the association has developed an innovative and unique approach based on training and beauty and well-being services provided within its network of solidarity beauty salons. Thus, in November, during the anniversary of the Showroomprivé IRL collection, a portion of the profits was donated to the association. Other actions will extend this partnership in 2021, in order to support this local organization that is committed to the inclusion of women.

Finally, 2020 ended with a new initiative called Best Week, which aims to support more socially responsible consumption during Black Week by presenting 3 associations to members of the Showroomprivé.com website and donating €60,000 to these associations representing the three pillars of the "Move Forward" program:

- €20,000 donated to Plastic Odyssey, which fights against plastic pollution in the oceans, for the environment pillar;
- €20,000 donated to the association FIT, a reception center in Saint-Denis that supports young women in need, for the women pillar; and
- €20,000 donated to Emmaüs Solidarité, an association that welcomes 5,000 people experiencing serious social hardship every day through its shelters, for the inclusion pillar.

CHALLENGE 5: ENSURING ETHICAL BEHAVIOR IN THE GROUP'S ACTIVITIES

Given the Group's primary business activity as a distribution platform and its location (within the scope of the legal entity, excluding the activity of the brands distributed), the commitment to human rights and the fundamental liberties of the Group's suppliers is considered a non-priority risk for the Group with the exception of the activity of its proprietary brand Collection IRL53, the proportion of the revenue concerned remaining marginal to date. The Customer Relations department of SRP Groupe collaborates with three customer service providers that operate in France, Portugal, Morocco, Madagascar and Spain. Within the framework, the Group shares guidelines with its partners describing the required criteria for dealing with customers. The training and quality team in the Customer Relations Department trains and promotes awareness among the local teams about specific skills and unacceptable situations. Contractual audits are also conducted by the Customer Relations Department every year to ensure compliance with the requirements in the guidelines.

In view of the Group's activity and its location, tax evasion is not considered as a relevant risk. The Group does not have any structure dedicated to tax evasion schemes. The Group pays all income and other taxes due in each of the countries in which it is established: France, Italy, Spain, Germany and Morocco. The Group's Financial Department ensures that all sums owed for the applicable taxes in each of the countries in which it operates are paid by the Group.

With regard to the more general risk of non-compliance with laws and regulations on ethics and corruption, and also on the protection of personal data, the Group has implemented the actions detailed below.

53 *The proprietary brand Collection IRL mainly produces ready-to-wear pieces and fashion accessories in China. Each supplier has a contractual obligation with the Group to comply with the applicable laws and standards concerning products, components and packaging, in particular relating to human rights.*

5.1 Conduct an anti-corruption process in line with the principles of the Sapin II Law and the values set forth in the Group's Code of Conduct

Driven by the Law of December 9, 2016 on transparency, anti-corruption and the modernization of economic life, the Group strengthened the fight against corruption with the implementation of a corruption prevention policy.

The deployment of this policy has primarily resulted in the adoption of an employee code of conduct integrated into the internal regulations, and the development of an internal whistle-blowing mechanism to allow employees to report conduct/situations contrary to this code of conduct, in addition to the roll-out of a training plan for all employees, 105 employees received training in 2020, and the systematic inclusion of an anti-corruption clause in contracts with third parties, including the partner brands.

5.2. Strengthening Group compliance with the protection of personal data

The Group operates websites, networks and other data systems through which it collects, maintains, transmits and stores information, including personal data, about its business, employees, members, partner brands and other parties.

In order to confront the security risks and challenges in compliance with personal data protection regulations, the Group has set up specific procedures to deal with these risks, including the following:

- Network: firewall and router configuration standards and procedures are designed and deployed to protect against unauthorized access from untrustworthy networks;
- System security: strict compliance with reinforced measures, which are regularly revised and clearly defined to avoid the use of passwords by third parties;
- Payment security: installation of applications that detect suspicious transactions in real time using algorithms;
- Protection of member data: data retention and removal policies, strengthened security protocols, deployment of anti-virus software and regular updates of all systems;
- Access protocol: to ensure that confidential data is accessed only by authorized personnel, the Group has set up systems and procedures to limit access based on each employee's needs and responsibilities within the Group;
- Security systems and process tests: security testing is carried out on a regular basis. These tests include the detection of unauthorized wireless access points, reports on vulnerabilities in the internal and external networks, intrusion detection systems and file integrity surveillance tools;
- Backups: an automatic data backup is performed at least once per day (every 15

minutes for strategic resources), and redundancy and recovery systems following incidents, as well as cloud storage capacity, have been implemented;

- Response plans: appropriate incident response plans have been developed and deployed to allow the Group to respond immediately in the event of a breach in the system;
- Training: employees receive training to make them aware of security issues and of the importance of information system security.

APPENDIX IV
REPORT BY THE INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL STATEMENT IN THE MANAGEMENT REPORT

SRP Groupe S.A.
Registered office: ZAC Montjoie - 1 rue des Blés, 93212 La Plaine Saint-Denis Cedex

Report by the independent third party on the consolidated non-financial statement

For the year ended December 31, 2020

To the Annual General Meeting,

In our capacity as independent third party of your company (hereinafter the "entity") , and accredited by the French Accreditation Committee (Comité Français d'Accréditation or COFRAC) under number 3-104954, we hereby report to you on the non-financial statement for the year ended December 31, 2020 (hereinafter the "Statement"), included in the entity's Management Report pursuant to the requirements of Articles L.225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

Responsibility of the entity

The Management Board's is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.
The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and available upon request at the entity's head office.

Independence and quality control

Our independence is defined by the requirements of article L.822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

54 Cofrac Inspection Accreditation No. 3-1049, made available at www.cofrac.fr

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R.225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the compliance plan and French anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of Article A.225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes or CNCC) applicable to such engagements and with ISAE 30001:

- We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement includes each category of social and environmental information set out in article L.225-102-1 III, as well as information set forth in the 2nd paragraph of Article L. 22-10-36 regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L.225-102-1 III, paragraph 2 of the French Commercial Code;

1 ISAE 3000: international standard on assurance engagements other than audits or reviews of historical financial information

- We verified that the Statement presents the business model and a description of principal risks associated with the all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
  - Assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;
  - Corroborate the qualitative information (measures and outcomes) that we considered to be the most important1. Our work was carried out at the registered office of the consolidating entity.
- We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement;
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes that we considered to be the most important2, we implemented:
  - Analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - Tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out at the registered office and covers 100% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of five people between December 2020 and March 2021 and took a total of approximately three weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted ten interviews with the people responsible of preparing the Statement.

1 Measures to encourage long-term inclusive employability; Initiatives put in place to manage health, safety, security and quality of life in the workplace for employees; Initiatives to promote professional development and job access; Programs implemented to fight corruption; Human rights-related contractual obligations; Policies put in place to improve protections for personal data; Partnership and sponsorship initiatives fostering innovation and entrepreneurship

2 Effective 12/31; Turnover rate; Number of training hours; Percentage of women managers, Energy consumption and associated CO_2 emissions per employee; Energy use per $m^{2;}$ Quantity of rejected waste (cardboard, BIW) per employee; Quantity of recycled waste per employee; Proportion of recyclable packaging used; Number of startups incubated; Number of employees receiving anti-corruption training.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comments

Without modifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we have the following comments:

– Certain indicators do not offer a historic comparability as they were implemented during the 2020 fiscal year as indicated in the paragraph "Note on Methodology" in this Statement.

Paris-La Défense, on March 26, 2021

KPMG S.A.

Anne Garans
Partner
Sustainability Services

Jean-Pierre Valensi
Partner

APPENDIX V
CROSS-REFERENCE TABLE

I - Incorporation by Reference

Pursuant to Article 19 of EU Regulation 2017/1129, the following are included by reference in this Universal Registration Document:

- the comparison of the Group's results for the years ending on December 31, 2019 and 2018 is shown in Chapter 7 "Overview of the Financial Position and Results of Operations" in the 2019 Universal Registration Document;

- information concerning the Group's cash, cash equivalents and share capital for fiscal year ending on December 31, 2019 shown in Chapter 8 "Liquidity and Equity Capital" in the 2019 Universal Registration Document;

- the Company's statutory auditors' special reports on regulated related party agreements for the years ending on December 31, 2019 and 2018 are shown in Chapter 17 "Related Party Transactions" in the 2019 Registration Document and in Chapter 19 "Related Party Transactions" of the 2018 Registration Document, respectively;

- the consolidated financial statements for the year ended December 31, 2019 and the Company's statutory auditors' audit report as shown in Chapter 18 "Financial Information Concerning the Assets and Liabilities, Financial Position and Profits and Losses of the Issuer" in the 2019 Universal Registration Document.

- the consolidated financial statements for the year ending on December 31, 2018 and the Company's statutory auditors' audit report as shown in Chapter 20 "Financial Information Concerning the Group's Assets and Liabilities, Financial Position and Profits and Losses" in the 2018 Registration Document;

II - Cross-reference Table of the Annual Financial Report Required by Article L. 451-1-2, I of the French Monetary and Financial Code

This Universal Registration Document also serves as the annual financial report required to be prepared and published by any listed company within four months following the close of the fiscal year, in accordance with Article L.451-1-2, I of the French Monetary and Financial Code and Article 222-3 of the AMF General Regulation. In order to facilitate reading the Universal Registration Document, the following cross-reference table identifies the information relating to such report.

Annual financial report	Reference to Chapters/Sections of the Universal Registration Document
Annual financial statements	18.1.3.
Consolidated financial statements	18.1.1.
Management report	See cross-reference table below
Certification of the person responsible for the annual financial report	1.2
Statutory auditors' report on the annual financial statements	18.1.4.
Statutory auditors' report on the consolidated financial statements	18.1.2.
Audit Fees	18.3

III - Cross-Reference Table of the Management Report Provided for by Articles L. 225-100 et seq. of the French Commercial Code

In order to facilitate reading this Universal Registration Document, the cross-reference table below identifies the information relating to the annual management report of the Board of Directors to be presented to the general shareholders' meeting called to approve the financial statements for each fiscal year ended, in accordance with Articles L. 225-100 et seq. of the French Commercial Code. Pursuant to Article L.225-100 subparagraph 6 of the French Commercial Code, the information corresponding to the corporate governance report is presented in the management report.

Management report	Reference to Chapters/Sections of the Universal Registration Document
Business review	
Condition, activities and changes in the Company's business and its subsidiaries during the fiscal year ended	5 and 8
Results of operations of the Company and its subsidiaries during the fiscal year ended (in particular its indebtedness)	7 and 8
Key financial performance indicators	7
Principal risks and uncertainties	3
Information on market risks and management of financial risks	3.3 and 3.4 (and 18.1.1 Notes 6.1 to 6.3)
Equity investments	6
Research and development, patents, and licenses	5.8
Information on trends and forecasts	10
Subsequent events	18.7
Share capital and shareholding structure	
Composition and evolution of the shareholding structure and share capital	16.1 and 19.1.7
Summary table of delegations in effect with respect to capital increases and the use of such delegations during the fiscal year	19.1.1.
Acquisitions and sales of own shares by the Company	19.1.3.
Employee participation in the Company's share capital	15.2.1.
Transactions by executive management in the Company's securities	16.6
Factors that might have an impact in the event of a tender offer	16.5
Names of controlled companies and percentage of the share capital of the company held	6
Sales of shares in order to rectify cross-shareholdings	N/A
Governance	
Powers of Senior Management	12.1.2.
Composition of the Board of Directors	Appendix II
Compensation of company officers and executive management	
Compensation of company officers and executive management	13 and Appendix II
Details on retirement commitments (other than basis retirement plans and mandatory additional retirement plans) and other benefits paid due to departures from the Group paid in full or in part in the form of an annuity, where such commitments are the responsibility of the Company	N/A
Social and environmental responsibility	
Information on the manner in which the Company accounts for the social and environmental consequences of its activity	Appendix III
Key performance indicators of a non-financial nature, in particular social and environmental	Appendix III
Information on classified installations in the "upper tier" Seveso category	N/A

Other legal and tax information	
Dividends paid	18.4
Information on supplier payment terms	Appendix VI
Injunctions and monetary penalties for anti-competitive practices	N/A
Extravagant expenses	N/A
Information on the reintegration of general expenses into taxable profit	N/A
Table of results for the past five years	18.5

APPENDIX VI

INFORMATION ON PAYMENT TERMS

In € thousand	Article D.441 I. -1: Invoices received but not paid at the closing whose term has expired						Article D.441 I. -2: Issued invoices not paid at the closing whose term has expired					
	0 day	1 to 31 days	31 to 60 days	61 to 90 days	91 days and more	Total	0 day	1 to 31 days	31 to 60 days	61 to 90 days	91 days and more	Total
(A) Late payment instalments												
Number of invoices concerned	**15**						**4**					**-**
Total amount of invoices concerned (w VAT)		65	11	1	99	**176**					783	**783**
Percent of total of the purchases for the year (w VAT)		2%	0%		4%	**7%**						
Percent of the turnover for the year (w VAT)											70%	**70%**
(B) Invoices excluded from (A) relating to disputed or unrecognized debts and receivables												
Number of excluded invoices	N/A						N/A					
Total amount of excluded invoices	N/A						N/A					
(C) Reference payment terms used (contractual or legal term - article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Reference payment terms used to calculate late payment	Legal Deadlines						3 times the legal interest rate					