



ANNUAL SHAREHOLDERS' MEETING

14 May 2020

Preamble

Netgem applies a strict priority to the safety of its employees, partners, and shareholders. Exceptionally, due to the sanitary measures in place to prevent the spread of the Covid-19 epidemic, and to the closure of our Head Office, this Annual Shareholders' meeting is held *in camera* behind closed doors.

As a result:

- no vote or question are possible during the session,
- only votes communicated prior to the meeting will be counted.

We will share the results of the votes during the meeting.

Attending today via visio-conference are Mr. Haddad, Chairman of the Board, Mr. Hautefort, CEO, Mr. Floch, CFO, the two designated scrutineers and the Company's General Secretary.

Preamble

The meeting can be viewed in live streaming. It will also be available in replay *via* our website.

To maintain contact and dialogue with our shareholders, we have planned a moment for exchanges of views at the end of the meeting.

We are very grateful to our shareholders who have expressed their votes remotely and to everyone viewing this meeting today.

Agenda

Introduction

Strategic and Operational review

2019 Financial results

2020 Outlook

Auditors reports

Resolutions and results of the votes

Ordre du jour

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Preliminary formalities

- Agenda and draft resolutions have been formally published in accordance with regulation.
- All necessary documents to prepare this Annual Shareholders' Meeting have been made available on NETGEM's website prior to the meeting:

<https://www.netgem.com/fr/informations-reglementees>

- We will not read *in extenso* the reports of the Board of Directors, which are available on the website (at the address shown above).

Preliminary formalities

- Bureau of the meeting :
 - The Board of Directors of May 13th has appointed as scrutineers the first 2 shareholders (i.e. J.2.H. and Fast Forward),
 - Mr. Bertrand Soleil will act as Secretary of the meeting.
- Quorum:
 - The number of shares taking part in the votes is 15.024.249.
 - The total number of shares being 30.721.059, the quorum has been reached for both the ordinary resolutions (20%) as well as the extraordinary ones (25%)

The deliberations of this meeting will therefore be valid.



Introduction

Mathias Hautefort, CEO



Learnings from early 2020 for Netgem

Netgem is stronger post COVID-19 sanitary crisis:

- The ONE NETGEM organisation has successfully been implemented during COVID-19 with exceptional solidarity and agility
- Netgem has demonstrated how resilient its business model of Service provider is, and the Content activities have even delivered exceptionally high growth
- Netgem clearly has strong assets, starting from its unique positioning in the market - Fibre & Digital - and its solid financial situation

Our teams are closer than ever

Our priority during COVID-19 was to protect our employees and ensure their health, their teams, and families were not impacted by this crisis:

- All office sites in France and UK have been closed down and 'working from home' has been implemented
- Regarding the Field sales agents, they have been furloughed with full payment of their salary - most likely until end of June - and we have used primarily direct sales channels for acquisition (Web and Telesales)
- All our partners have implemented specific measures (Customer service, Video head-end...) in order to 'work from home' as well
- From 11 May, 'working from home' remains in place with limited exceptions with a new fixtures and fittings for our offices, in order to increase employees safety with a view to re-open progressively throughout the month of June

Solidarity

The Group and its shareholders have decided to take some specific measures of solidarity during the period:

- Proposed to **suspend the 2020 dividend** related to the 2019 Financial Year.
- **Temporary reduction of the CEO remuneration** during the furlough period
- **Supporting the 'Fondation de France'** through its initiative #TousUnisContreLeVirus together with APHP and 'Institut Pasteur' (#AllAgainstVirus)
- Payment of the **Macron Bonus** of 600 euros to all eligible employees

Be closer to our customers

Netgem teams have worked hard during the COVID-19 crisis to support our customers during this difficult period:

- **Technology solutions** to ensure continuity and quality of service particularly during the peak periods (Internet transit)
- **Regular information on new services available** in terms of Entertainment for our customers (including Special offers)
- **Continued to deliver for all our B2B customers with no impact on their activity**

Launch of new services and strong activity for VOD in France

Films with early-release in VOD:



'Home cinema' release in VOD instead of Theatre:



New services



+50%
en
VOD

#ALaMaison and #TousUnisContreLeVirus



Fondation
de
France



#ALaMaison

pour tout savoir en famille



Tous les bénéfices de cette chaîne seront reversés à



et à l'alliance



Une chaîne
MEDIASPACE

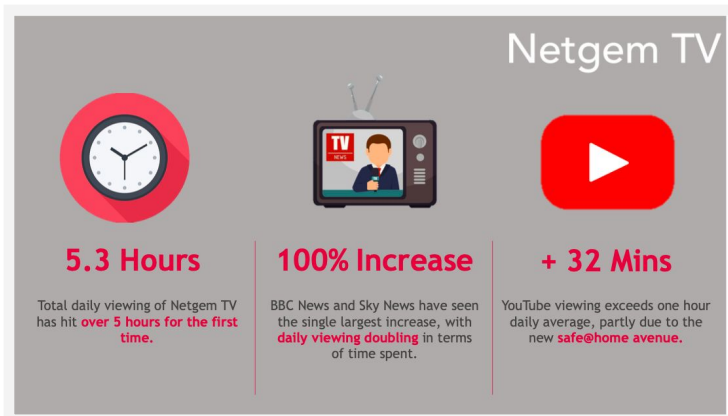


More activities to support our Operators



Our activities with Operators have been very intense:

- Record sales volumes for the new Elisa Viidhe Premium in Finland
- Strong growth of usage across all NetgemTV customers in the UK
- Deals signed and launch in Q2 of the NetgemTV product with Fibre Operators (Origin Broadband and Gigaclear)





Strategic and operational review

Our vision and our ambition for the Group

“enjoy your connected life”

Vision

- Broadband Internet access has become even more essential than water or electricity.
- We are all increasingly connected to each other, our family, our friends, and our work colleagues. 4G brought true mass-market mobile data services, and now an even greater digital revolution that has just started: Ultrafast Fibre networks will transform services in households connected via ADSL Broadband today.
- The rollout of Ultrafast Broadband, now accessible to an increasing number of people, is currently transforming usage of current services and new services start to appear in those ultrafast connected households.

Ambition

- With more than 20 years of innovation in connected technology solutions, we are focusing on bringing to life innovative and smart services for the next generation of Ultrafast connected homes - enabling consumers to truly enjoy their connected life.

Our positioning : Alternative operator of reference

- **Technology innovation on Ultrafast Broadband networks:** Netgem develops new services and new ways of enjoying the benefits of Fibre
- **Direct distribution or via affiliate partners** in order to balance the acquisition costs
- **Loyalty** of customer through **quality of service, functionality and content**
- **Rich set of data available across households,** thanks in particular to the knowledge of Video usage, at the heart of the Netgem proposition

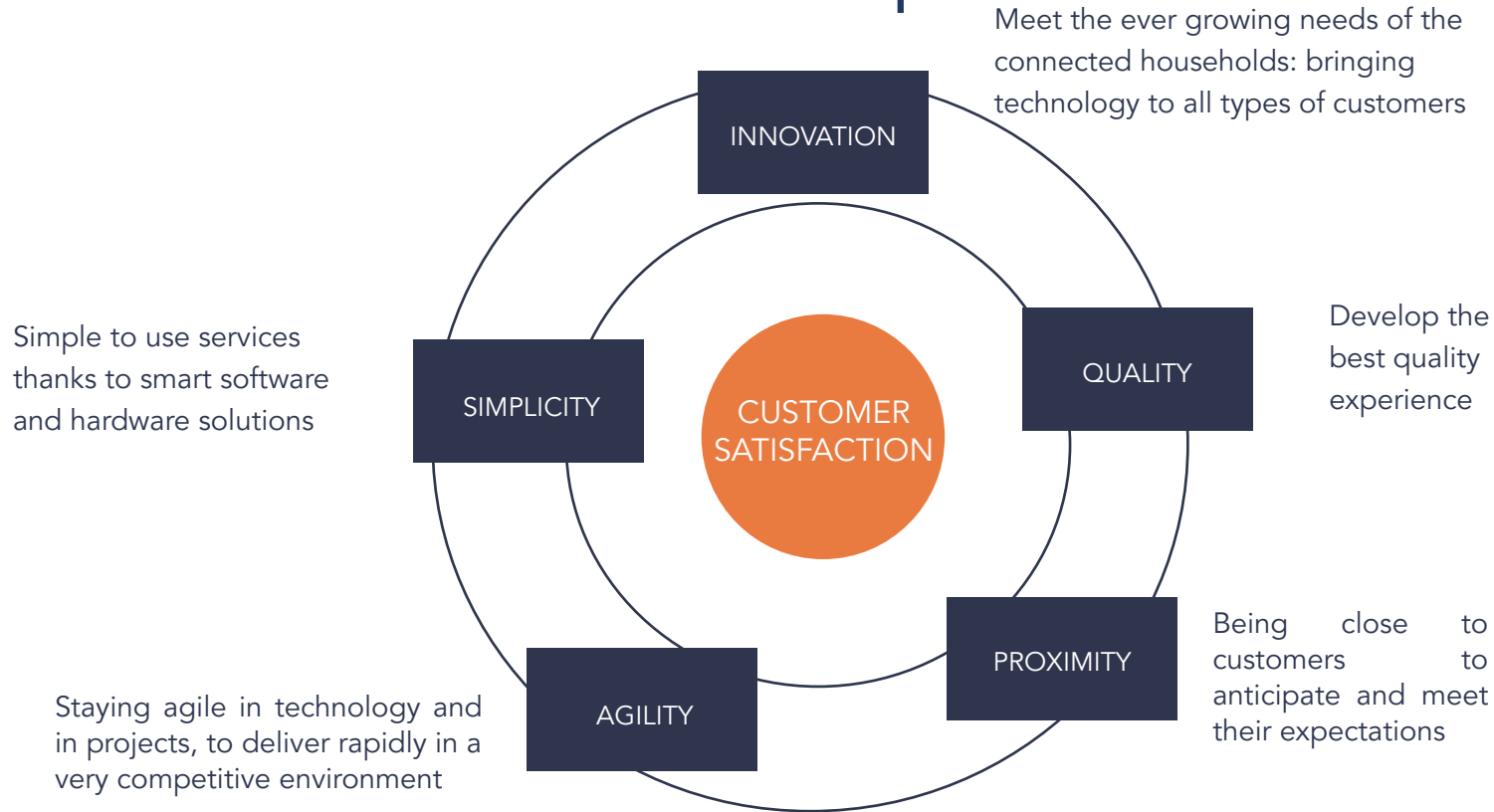
2019 : Netgem gears up to a Service provider model

- Development of a **Group vision** and setup of a **transversal organisation** across the Group focused on **customer** satisfaction
- Evolution of the business and operating model to a **Service provider, with recurring revenue**
- Priority focus on markets: **France, UK, and Finland**
- **Full end-to-end control of the Technology** of a multiscreen Entertainment platform across Mobile, TV, and voice
- Expected return to **topline revenue growth** for the Group
- Clear support from the main **shareholders of Netgem, and its subsidiary Vitis**

Our assets

- One **experienced Group Management team** now working across all Group companies , who has been leading the transformation to the Service provider model whilst containing costs, and yet nurturing talents for the next phase of Netgem
- A collection of **strong technology assets** proven by many successful operator deployments
- Choice of **priority markets, France and UK**, both offering strong growth potential given the large investments -public and private- in **Full Fibre**, largely supported by governments
- A **Business model mixing B2C and B2B2C** offering flexibility to drive growth with a balanced approach to cash
- A **clean Balance sheet**, with **strong positive cash position**, and investors who are very supportive of the new business plan and co-financing (like the CDC in France).
- A group of **committed shareholders to develop the 'Service Provider' model for Ultrafast Fibre**

VALUES of NETGEM Group:



Netgem Group today : transversal organisation designed for a Service provider / Operator

Group Comex : CEO, C3O, CTO, CFO
+ *Transversal functions*

Netgem SA

TV technology and Connectivity solutions, shared across markets, support functions, B2B clients, unified approach to international partners

*Local entities with dedicated Sales & Marketing teams
to ensure agility and deliver the 'proximity' promise*

Vitis - Videofutur

Ultrafast Broadband in France

Netgem UK

Ultrafast Broadband in the UK

'Managed Services' in B2C, B2B2C, B2B

VIDEOFUTUR à Vous la Fibre

NOS OFFRES LA FIBRE ÉLIGIBILITÉ QUESTIONS FRÉQUENTES

VOS CONTENUS, À TOUT MOMENT, AVEC LA FIBRE TRÈS HAUT DÉBIT >
DÈS **32,90€/MOIS**

Voir l'offre en détail

INTERNET FIBRE JUSQU'À
1 Gb/s en téléchargement
200 Mb/s à 1 Gb/s en envoi

Tester mon éligibilité

Être rappelé !

Contactez-nous au 01-86-56-56-56

1^{er} MOIS OFFERT **32,90*** €/mois

1^{er} MOIS OFFERT **43,90*** €/mois



netgem.tv

WHAT'S ON DEVICES REVIEWS SUPPORT PARTNERS SIGN UP

Bringing it all together

- Discover our premium features that let you **pause, rewind and record** Live TV.
- Our library is **all on one place** so that you can find something to watch **quickly and simply**.
- Personalise your experience** on mobile and TV while switching seamlessly between the two with our cast function.
- Our **award winning TV box is included**.
- Fully compatible with Alexa**. No more hunting for that pesky remote!

All in one place

Watch on the go

Fully integrated Amazon Alexa

Pause and rewind functions

Screen casting functionality

24/7 customer service

Help



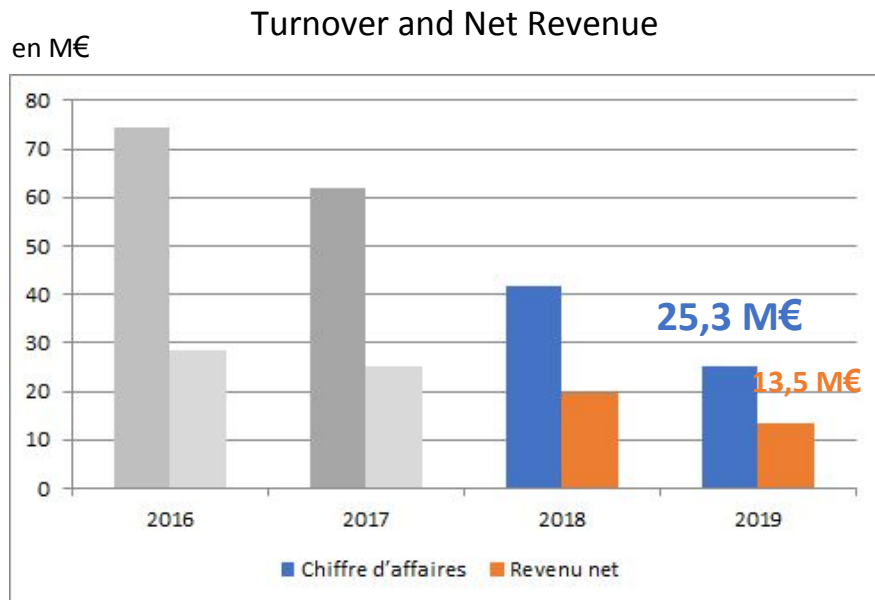


2019 Financial results

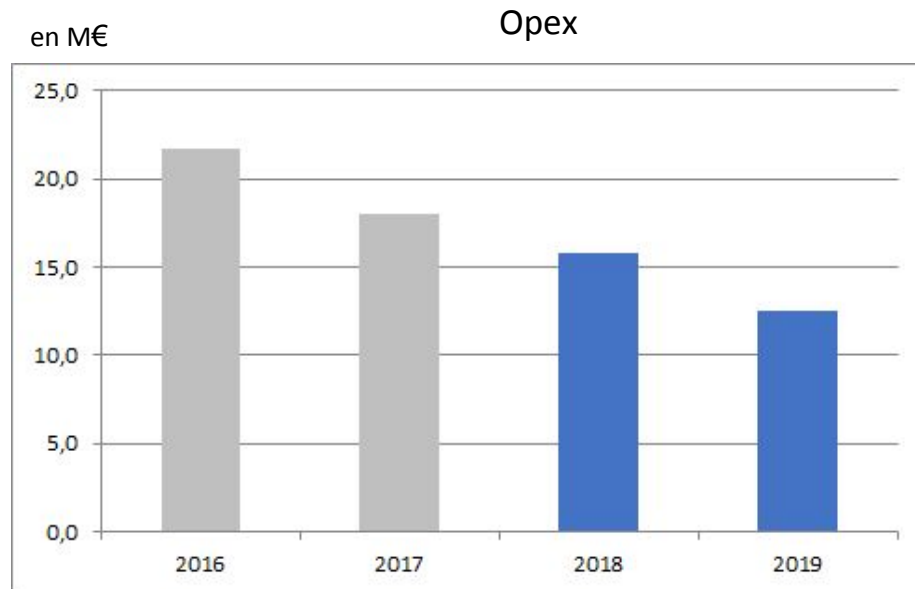
Alain Floch, CFO

Financial results 2019

Reduction of Turnover and Net Revenue, associated with reduction of Opex



2019 Consolidated Turnover is € 25,3 millions, which is a reduction of 40% vs. 2018, due to the reduction of Box sales to operators. The reduction includes a transfer of the Platform activity to Vitis



Opex reduce by 21% vs. previous year (-13% on a like-for-like basis, excluding transfer of Platform activity and IFRS 16 impact).

2019 Financial results

Key figures: EBITDA close to neutral. Net result is impacted by a one-off non tax charge. Solid Balance sheet with Cash available of 8,5 M€ at the end of 2019

Données IFRS en milliers d'euros	2019	2018
Chiffre d'affaires	25 264	41 828
Marge Brute	13 230	18 537
Ebitda	746	2 706
Résultat opérationnel courant (ROC)	(93)	2 321
Résultat opérationnel	732	4 411
Résultat financier	(515)	(853)
Quote part des entreprises associées & activités abandonnées	(3 144)	(2 803)
(Charge) Produit d'impôt	(4 039)	(552)
Résultat net, part du Groupe	(6 966)	203
Autres éléments du résultat global	33	134
Résultat net global	(6 933)	337
Trésorerie	8 482	10 981



2020 Outlook

Q1 2020 Turnover

Turnover and Net Revenue (millions of euros, IFRS, non audited)

EN M€		2020 T1 **	2019 T4	2019 T1	Var T1/T4	Var T1/T1
Groupe Netgem	Chiffre d'affaires	8,0	6,4	6,3	25%	27%
	Revenu net *	6,8	3,6	3,3	89%	106%

* Defined as Turnover minus cost of devices sold

** Turnover and Net Revenue as a share of Netgem Group are consolidated after integration on 1/1/2020 ; Vitis Net Revenue in H1 2019 was 3,3M€ (before adjustments of intercompany charges between Vitis and Netgem).

Besides, the Group has a solid Cash balance of 11 M€ at the end of March 2020.

2020 Outlook

- Continue the growth of Group activities in **France** and in the **UK**
- Support Elisa to drive growth of its Premium product in **Finland**
- Experiment in **Germany**
- Development of **VIDEOFUTUR Content platform**
- Open to **potential acquisitions** in order to grow the Group customer base

Let's surf the Ultrafast Broadband wave!

A new website to engage with Customers and Investors

NETGEMgroup

enjoy your connected life

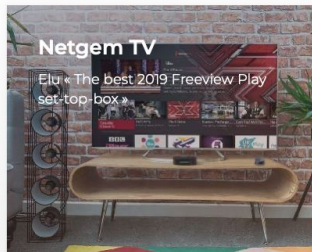
Accueil

Qui sommes-nous ? ▾

Nos services

News

Investisseurs ▾



Netgem

Netgem est un fournisseur indépendant de services pour le Très Haut Débit. Le Groupe fournit ses services principalement en France et en Grande Bretagne sur des territoires ruraux en accompagnement d'investissements d'infrastructures soutenus par les pouvoirs publics pour réduire la fracture digitale et améliorer l'aménagement des territoires. Netgem fournit ses services en B2C (directs consommateurs) et en B2B2C (via d'autres opérateurs partenaires). Le Groupe se différencie par sa maîtrise technologique bout-en-bout d'une offre digitale de streaming TV, vidéo et musique disposant d'une expérience unifiée



NETGEMgroup

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Ordinary Resolutions

- Resolutions are commented in the Report of the Board on Resolutions made available (see website).
- Ordinary resolutions 1 to 14 relate to:
 - Approval of accounts for financial year 2019
 - Approval of regulated agreements
 - Appointment of a new Board Member (Mrs Virginie Banet)
 - say-on-pay relative to officers of the company
 - Authorization to buy back shares (max. 5M€ and 2€/share).

Resolution 6 - appointment of a new Board Member



As per the 6th Resolution, it is proposed to appoint Mrs Virginie Banet to NETGEM's Board of Directors.

Mrs Virginie Banet has had an extensive career in finance roles with large corporates. She will bring to the Board her complementary experience and expertise.

She is also a Member of the Board of Vallourec.

Extraordinary Resolutions

- Extraordinary resolutions 15 to 29 relate to:
 - Changes to the Articles of Association required or made possible by the law (Loi Pacte of May 2019 in particular)
 - Delegations of competence to the Board of Directors for the issuance of new shares or other securities:
 - updated by the 'Loi Pacte' of May 2019
 - resolution 24 : reserved for employees or executives of the Group
 - The Board agreed to all Resolutions except resolutions 16 (representation of employees on the Board) and 29 (PEE) which are necessary by law
- Resolution 30 : usual power of attorney for formalities

Delegations of competence

Resolution	Summary	PSR ? **	Cap (€, nominal)	Duration
20	Capital increase by use of accounting reserve, etc.	n.a.	2M€	26 months
21	Issuance of shares or securities	yes	2,5M€ *	26 months
22	Issuance of shares or securities by means of a public offer	no	2,5M€ *	26 months
23	Issuance of shares or securities by means of a public offer for qualified investors	no	2,5M€ *	26 months
24	Issuance of shares or securities reserved for employees or executives	no	2,5M€ *	18 months

* also subject to a global cap of 2.5M€ as per Resolution 28 thereafter

** preferential subscription rights

Delegations of competence

Resolution	Summary	PSR ? *	Cap (€, nominal)	Duration
25	Setting the issuance price within the limit of 10% of the share capital (resolutions 22 and 23)	no	relevant resolutions	26 months
26	Increase the number of issued shares or securities (resolutions 21, 22, 23 et/ou 24) up to 15% of the initial issue	as per relevant resolutions		26 months
27	Issuing shares or securities in remuneration of in an in-kind contribution, within a limit of 10% of the share capital	no	10%	26 months
28	Global cap of issued shares or securities (resolutions 21, 22, 23, 24, 26 and 27)	n.a.	2.5M€	26 months
29	Issuing shares of valuable assets for employees part of a PEE Share plan (non approved by the Board)	no	1K€	26 months

Rules for the valuation of shares issued are defined in each resolution listed above.

The report of the Board on the Resolutions presents a simulation of the dilution impacts for each relevant resolution

The Auditors reports related to the capital increases have been made available

* preferential subscription rights

Results of the votes

- With the exception of those Resolutions not agreed by the Board of Directors (n° 16 and 29), all Resolutions have been approved.
- The detailed results of the votes are available on our website (see section dedicated to the Annual Shareholders' Meeting 2020).



Exchanges with shareholders



THANK YOU!