

First Half 2025 Results

Increase in 2025 half-year results

- **Revenue** stabilized at €164.1 million, up 0.2% vs. H1 2024 (including Regicom)
- **EBITDA** increased to €27.7 million, up 16.4% vs. H1 2024
- **EBITDA margin** of 16.9% vs. 14.5% in H1 2024
- **Consolidated net income** of €5.5 million, compared to a loss of €34.0 million a year earlier
- **Operating cash flow** of €15.3 million
- **Cash and cash equivalents** of €75.8 million as of June 30, 2025 (vs. €70.9 million as of December 31, 2024)

Q2 Revenue and Activity

- **Group Revenue** of €81.1 million, up 0.7% vs. Q2 2024
- **Increase in the Group Order Backlog** to €220.2 million as of June 30, 2025 (vs. €215.8 million as of March 31, 2025)

Key events

- **Finalization of the CLEAN action plan**, which eliminated complexities that were hindering the company's momentum
- **The REPAIR and BUILD action plans** are progressing as planned
- **Renewal of the commercial offering** (new Website range and launch of MyConnect)
- **The economic situation for small and medium-sized businesses in 2025 is tense.** Political, fiscal, and economic uncertainty is hindering the recovery
- **Signing of a commitment agreement with employees**

Maurice Lévy, CEO of Solocal, comments: *"Since the end of 2024, we have been engaged in a profound transformation of the company. The initial results are encouraging.*

We have defined a clear strategic direction and a three-pronged action plan: Clean, Repair, and Build. We have successfully completed the Clean phase on schedule. This has enabled simplification at all levels by eliminating unnecessary, redundant, or outdated tasks. Financial performance is also on track. Despite a challenging business environment, the first half of the year saw a stabilization of revenue thanks to the contribution of Regicom, an increase in the EBITDA margin to 16.9% of revenue, and a return to positive net income thanks to lower financial expenses and the renegotiation of the Citylights lease, a legacy of the financial restructuring of summer 2024.

We have a comprehensive program to overhaul our offerings, products, and sales activities, which should enable us to gradually return to positive territory in terms of both revenue and customer base.

Solocal now has a healthier foundation on which to build future growth. There is still much to be done. But the steps already taken reinforce my confidence in the relevance of our strategy to regain market share and achieve sustainable and profitable growth for Solocal. I would like to thank our teams for all their efforts."

The Board of Directors, meeting on July 30, 2025, approved the Group's condensed consolidated financial statements as of June 30, 2025. The half-year financial statements were subject to a limited review by the statutory auditors. The quarterly data were not subject to a limited review or audit by the statutory auditors. The limited review procedures for the condensed consolidated financial statements as of June 30, 2025 have been performed. The statutory auditors' report on the half-year financial information is currently being issued.

1. Revenue

<i>In € million</i>	Q2 2024	Q2 2025	Change	Change on like-for-like basis	H1 2024	H1 2025	Change	Change on like-for-like basis
Total revenue	80,5	81,1	0,7%	-12,8%	163,8	164,1	0,2%	-13,3%

In the first half of 2025, consolidated revenue amounted to €164.1 million, up 0.2% compared to the first half of 2024. On a like-for-like basis, i.e. excluding Regicom, which was integrated on July 31, 2024, it was down 13.3% at mid-year.

In the second quarter, business grew by 0.7% on a consolidated basis thanks to Regicom's contribution (€10.9 million over the period); on a comparable basis, revenue was down 12.8%. This change reflects weak commercial performance in terms of acquisitions, while customer churn remained stable over the period.

In terms of offerings, **business for the first half of 2025 and the second quarter of 2025** breaks down as follows:

<i>In € million</i>	Q2 2024	Q2 2025	Change	H1 2024	H1 2025	Change	Share
<i>Connect</i>	21.9	19,3	-12%	44,7	39,0	-13%	24%
<i>Booster</i>	43.8	47,3	8%	90,4	95,9	6%	58%
<i>Websites</i>	14.8	14,5	-2%	28,7	29,3	2%	18%
Total revenue	80.5	81,1	1%	163,8	164,1	0%	100%

Connect activity (24% of Group revenue), which includes digital presence, is down 13% compared to H1 2024 at €39.0 million.

Booster activity (58% of Group revenue), which includes advertising activities, is up 6% compared to H1 2024 at €95.9 million.

Websites activity (18% of Group revenue), which includes the full range of websites is up 2% compared to H1 2024 at €29.3 million.

2. Sales performance

H1 2025 sales performance, measured by order intakes, amounts to €173 million, compared with €158 million in the first six months of 2024.

<i>In million euros</i>	30/06/2024	31/12/2024	31/03/2025	30/06/2025	Change
Order backlog	181.5	209.6	215.8	220.2	5,1%

Group order backlog amounts to €220.2 million as of 30 June 2025, up 5.1% compared to 31 December 2024.

Based on management's best estimates, this order backlog of sales already recorded could translate into revenue of approximately 54% in the second half of 2025, 37% in 2026, and 9% thereafter.

3. Income Statement

<i>In € million</i>	S1 2024	S1 2025	Change	Change %
Total Revenue	163.8	164.1	0.3	0%
External expenses	-64.2	-52.4	11.8	-18%
Personnel expenses	-74.7	-83.9	-9.2	12%
Recurring EBITDA	24.8	27.8	3.0	12%
Non-recurring items	-1.0	-0.1	0.9	-90%
Consolidated EBITDA	23.8	27.7	3.9	16%
Depreciation and amortisation	-24.9	-17.6	7.3	-29%
Operating income	-1.0	10.0	11.0	
Financial income	-32.6	-3.5	29.1	-89%
Income before tax	-33.7	6.5	40.2	
Corporate income tax	-0.4	-1.1	-0.7	175%
Consolidated Net income Group	-34.0	5.5	39.5	

Personnel expenses amounted to €83.9 million in the first half of 2025, up 12% mainly due to the integration of Regicom. On a like-for-like basis, they remained stable despite a decline in revenue. This stability is due to limited staff attrition, particularly in support functions. The maintenance of resources reflects the desire to preserve key skills. This control of headcount accompanies the ongoing transformation.

External expenses amounted to €52.4 million in the first half of 2025, down 18% compared to the same period in 2024. This significant decrease occurred despite the integration of costs related to the integration of Regicom. It is mainly due to non-recurring effects that impacted the first half of 2024, in particular the implementation of a new information system that led to collection difficulties, as well as the optimization of certain expense items, namely savings in rental costs following the renegotiation of the Citylights 2 lease at the end of 2024.

EBITDA increased by 16% in the first half of 2025, to €27.7 million. This level represents a margin of 16.9% of revenue, up 2.4 points compared to the first half of 2024.

Depreciation and amortization amounted to €17.6 million in the first half of 2025, down €7.3 million in the first half of 2024.

The **financial income** was -€3.5 million in the first half of 2025. This is a significant improvement compared to the first half of 2024, when it stood at -€32.6 million, as a result of the financial restructuring.

Income before tax was therefore positive at €6.5 million in the first half of 2025, compared to a loss of -€33.7 million in the first half of 2024.

After accounting for a tax expense of -€1.1 million (vs. -€0.4 million in the first half of 2024), the Group's **consolidated net income** amounted to €5.5 million in the first half of 2025, compared to a loss of €34.0 million in the first half of 2024.

4. Cash flow statement and debt

<i>In € million</i>	S1 2024	S1 2025	Change
Recurring EBITDA	24.8	27.8	3.0
Non-monetary items included in EBITDA	10.9	-3.2	-14.1
Net change in working capital	-23.0	4.8	26.5
Acquisitions of tangible and intangible fixed assets	-9.5	-8.3	1.2
IFRS 16	-11.0	-5.9	5.1
Recurring operating free cash flow	-6.5	15.3	21.8
Non-recurring items	-4.2	-0.6	3.6
Disbursed financial result	-1.7	-0.3	1.4
Corporate income tax paid	2.8	-0.5	-3.3
Others	-0.4	-	0.4
Free cash flow	-10.0	14.0	24.0
Increase (decrease) in borrowings	-2.0	-9.1	-7.1
Capital increase	-	-	-
Net change in cash	-12.1	4.9	17.0
Net cash & cash equivalents BoP	55.7	70.9	15.2
Net cash & cash equivalents EoP	43.6	75.8	32.2

NB: During the first half of 2025, the Group reclassified IFRS 16 cash flows within recurring operating cash flows under the line item "IFRS 16".

The **net change in working capital** requirements contributed positively to €4.8 million over the first six months of the financial year, compared to €-21.7 million over the same period in 2024. This improvement, despite a decline in commercial performance over the period, is mainly due to a recovery from the collection difficulties encountered in 2024, which had penalized cash generation. The measures implemented have made it possible to better secure cash receipts and optimize customer account management.

Capital expenditure amounted to €8.3 million over the period, compared with €9.5 million in the first half of 2024.

Financial expenses amounted to -€0.3 million in the first half of 2025. They mainly correspond to interest paid on various debts (RCF, Prêt Atout, PGE), with the exception of the Mini-Bond, whose interest is capitalized, offset by investment income.

The Group's **Free Cash Flow** was largely positive at €14.0 million in the first half of 2025, compared with -€10 million in the first half of 2024.

Borrowings decreased by €9.1 million in the first half of 2025. This includes a partial early repayment of the revolving credit facility (RCF) for a nominal amount of €3.5 million corresponding to the September 2026 payment. Taking into account the payment also repaid last March, the nominal amount of the RCF was thus reduced to €7 million as of June 30, 2025, compared to €14 million as of December 31, 2024.

The **net change in cash and cash equivalents** thus amounted to €4.9 million in the first half of the current fiscal year.

As of June 30, 2025, the Group had **cash and cash equivalents** of €75.8 million, compared with €70.9 million as of December 31, 2024.

The Group's **gross financial debt** amounts to €36.0 million and consists of the Mini-Bond maturing in 2029 for €21.3 million, the fully drawn revolving credit facility for €7 million maturing in March 2026, the Pret Atout loan of €2.8 million maturing in 2026, the Regicom state-guaranteed loans for €3.2 million, and accrued interest due for €1.7 million.

Net financial debt stood at -€39.8 million at the end of the first half of 2025, compared with -€26.6 million at December 31, 2024.

The group complies with the financial ratios set out in the financial documentation.

5. Key events of the first half of the year and post-closing events

In the first half of 2025, Solocal accelerated its recovery plan, which aims to restore sustainable and profitable growth by regaining customer confidence through competitive products and services.

The company's turnaround is based on the action plan launched in November 2024, the first phase of which, **CLEAN**, was completed on June 30, 2025, in line with forecasts. It enabled the elimination of complexities hindering the company's momentum, in particular: the decommissioning of old offers, inactive products, and servers; the simplification of interactions and processes, particularly with our customers and sales representatives.

The **REPAIR** phase, which aims to bring the organization, tools, and operating methods into good working order, is currently being rolled out with a deadline at the end of 2025.

The final phase of the action plan, **BUILD**, aims to build the tools and proposals of the future, many of which will be AI-based. It is progressing according to schedule, with promising results already achieved.

At the end of July, Solocal signed a **commitment agreement** with its social partners to implement a profit-sharing agreement to involve all employees in the upcoming recovery. This agreement covers the period 2026-2028 and is based on the level of recurring operating free cash flow.

The agreement also provides for greater flexibility in working hours and a temporary reduction in remote work from September 1, 2025, which will be reviewed once growth returns.

6. 2025 Outlook

Given the strategic progress already made at the end of the first half of 2025, in line with its roadmap, Solocal reiterates its objective of stabilizing revenue in 2025, driven by the full-year integration of Regicom and intensified cost control efforts aimed at restoring the EBITDA margin to around 15%.

Next date on the financial calendar

- Q3 2025 revenue and activity on October 23, 2025

Definitions

Order intake: Orders recorded by the sales force, that give rise to a service provided by the Group for its customers.

Order backlog: The order backlog corresponds to the outstanding portion of revenue yet to be recognized as of 30 June 2025 from order bookings such as validated and committed by customers. For subscription-based products, only the current commitment period is considered.

Churn: number of churned customers (including winbacks) on a LTM basis divided by the number of customers BoP.

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