



Lagardère SCA

A *Société en commandite par actions* with a share capital of 799,913,044.60 euros
Registered office : 4 rue de Presbourg, 75016 Paris, France
R.C.S. 320 366 446 PARIS
(the « **Company** »)

Paris, 30 April 2021

**Report of the Managing Partners
to the Bondholder Meetings to be held on 17 May 2021**

Bonds issued on 13 April 2016, in an amount of €500,000,000 at the interest rate of 2.750%
and due on 13 April 2023 (ISIN Code: FR0013153160) (the « **2023 Bonds** »)

Bonds issued on 21 June 2017, in an amount of €300,000,000 at the interest rate of 1.625%
and due on 21 June 2024 (ISIN Code: FR0013262912) (the « **2024 Bonds** »)

Bonds issued on 16 October 2019, in an amount of €500,000,000 at the interest rate of 2.125%
and due on 16 October 2026 (ISIN Code: FR0013449261) (the « **2026 Bonds** »
and together with the 2023 Bonds and the 2024 Bonds, the « **Bonds** »)

We have invited you to this bondholders' meeting to submit for your approval the proposed conversion of the Company's corporate form through the adoption of the *société anonyme* statute.

The Managing Partners of the Company propose to submit to the shareholders at the annual general meeting to be held on Wednesday 30 June 2021, the conversion of the Company into a joint-stock company with a board of directors.

This proposal is made in the perspective of:

- Composed shareholder dialogue, the main investors in Lagardère SCA having agreed to vote in favour of the proposal, and Lagardère and Amber Capital having agreed to terminate their legal disputes;
- Renewed governance structure, allowing representation of the main shareholders on the Board of Directors;
- Continuity of management around Arnaud Lagardère, who would be appointed Chairman and Chief Executive Officer, and Pierre Leroy, who would be appointed Deputy Chief Executive Officer, with added focus on operational excellence and cash generation;
- Reaffirmation of the integrity of the Group, focused on its two pillars, Lagardère Publishing and Lagardère Travel Retail, together with its the Other Activities.

The proposed conversion and its terms and conditions were submitted by the General and Managing Partners to the main shareholders of the Company, who have agreed to support it. No shareholders' agreement or other common policy exists or will exist between these main shareholders and the Company, and none of them will exercise control over the Company after the Conversion.

In conjunction with the Conversion, Arnaud Lagardère and Financière Agache amended their partnership agreement within Lagardère Capital. Subsequent to the Conversion, Financière Agache may elect to receive Lagardère shares held by Lagardère Capital up to the amount of its interest in Lagardère Capital.

The Company and Amber Capital have also signed an agreement to terminate the various legal disputes between them.

The General Partners, Arnaud Lagardère and Arjil Commanditée – Arco, would be compensated for the loss of their rights through the allocation of a total of 10 million new shares. Corresponding to c. 7.62% of the Company's share capital prior to the issuance of the shares and c. 7.08% of the share capital after their issuance, this

compensation is the subject of a report prepared by the firm Ledouble, acting as an independent expert commissioned by the Supervisory Board, based on which the Supervisory Board rendered on 30 April 2021 a favorable opinion on the contemplated conversion and on this compensation for the General Partners.

Once converted, the Company would have a board of directors, composed of 11 members appointed by the annual general meeting. Mr. Arnaud Lagardère would be appointed Chairman and Chief Executive Officer for the duration of his six-year term as a director and Mr. Pierre Leroy would become Deputy Chief Executive Officer.

The Company would continue to be governed by the French legal provisions applicable to a *société anonyme* with a board of directors.

The conversion will not result in either the winding-up of the Company, nor in the creation of a new legal entity. It will not entail any changes in the duration, corporate purpose or registered office of the Company.

The conversion would not affect the rights of the Company's creditors. Creditors existing prior to the conversion would retain all of their rights vis-à-vis the Company after the completion of the conversion.

The Company's current by-laws would be adapted to comply with the provisions of the *société anonyme*.

The Managing Partners