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*This press release does not constitute an offer for securities or any solicitation to buy or subscribe to securities in the United States of America or in any other country. Securities may only be offered, subscribed to or sold in the United States of America following registration under the US Securities Act of 1933, as amended ("US Securities Act"), or as part of an exemption to this registration requirement. Claranova's securities have not, nor will be, registered under the U.S. Securities Act and Claranova has no intention of making a public offer for its securities.*

*The Bonds (as defined below) shall be the subject of a private offering only with qualified investors. The Bonds may not be offered or sold or made available in any way to retail investors (as defined below). No key information document, as defined in the PRIIPs Regulation, has been, or will be, prepared.*



## Success of the issue of net share settled bonds convertible into new shares and/or exchangeable for existing shares (ORNANE) maturing on 1 July 2023, for a par amount of EUR 29 million

Paris, France – 15 June 2018. Claranova (the "Company") announces the success of its issue of net share settled bonds convertible into new shares and/or exchangeable for existing shares (ORNANE) (the "Bonds") to qualified investors with a par amount of EUR 28 999 999.60, representing 26 363 636 Bonds.

### Use of the proceeds from the Bond issue

The net proceeds of the bond issue will be used to fund, on the one hand, the takeover by its Avanquest division of the Canadian companies Upclick, Lulu Software (SodaPDF) and Adaware, announced in March 2018<sup>1</sup> and which should be completed before 1 July 2018, for approximately EUR 13 million<sup>2</sup> and the remainder for Claranova's general financing needs.

Upclick, Lulu Software and Adaware make up an international group in the Internet sector, present in most countries of the world, and with positions in the following three activities:

- e-commerce transaction management through **Upclick**, one of the most modern platforms in the world;
- PDF applications and document management with **Lulu Software**, one of the world's major players for PDF solutions through its SODA PDF product line;
- Internet security with **Adaware** anti-virus and security solutions, known worldwide.

Overall, the Group's activities represent consolidated revenue of around USD 34.7M, with EBITDA of USD 5.3M<sup>3</sup>.

Avanquest and these companies have already been collaborating for many years and their employees have extensive experience in team projects and clients with similar profiles. This operation will make it possible to combine existing offers from both groups: Avanquest through its software, e-mail, cashback and product catalog, together with security solutions (Adaware), PDF tools (Lulu) and e-commerce (Upclick).

The integration of these new entities should generate significant synergies in the future, leading to a dramatic improvement in Avanquest's margin ratio and represents the first step in the ambition to turn Avanquest into a **European leader in monetising Internet traffic**, with the aim of this division achieving medium-term **revenue of**

<sup>1</sup> [http://claranova.fr/?do=post&post\\_id=622](http://claranova.fr/?do=post&post_id=622)

<sup>2</sup> Should the acquisition of Upclick, Lulu Software (SodaPDF) and Adaware not occur, this portion of the net proceeds from the issue will be allocated to other external growth projects for the Avanquest division (subject to the approval of the Group management and in line with Group strategy).

<sup>3</sup> Unaudited figures for the year 2017

**EUR 100M with profitability of 15%-20%** (in terms of EBITDA<sup>4</sup>), provided that market conditions are favourable.

The acquisition of Upclick, Lulu Software and Adaware remains subject to certain conditions precedent being met before 1 July 2018, including the final approval by the Supervisory Board of Claranova.

#### Main conditions of the Bonds

The Bonds will bear **interest at an annual par rate of 5.0%**, payable annually at term on 1 July each year (or on the following business day if one of these dates is not a business day), and for the first time on 1 July 2019 (the first coupon will be calculated pro rata).

The **par value of the Bonds set at EUR 1.10** results in an **issue premium of approximately 18%** in relation to the reference<sup>5</sup> Claranova share price on the regulated Euronext market in Paris ("**Euronext Paris**").

The Bonds will be issued at par value on **19 June 2018**, the expected date of settlement and delivery of the Bonds, and will be redeemable at par value on **1 July 2023** (or the next business day if this date is not a business day).

#### Early redemption of the Bonds by the Company's decision

The Bonds may be redeemed early on the initiative of the Company under certain conditions, including in the following cases:

- at any time, for all or part of the Bonds, without limitation of price or quantity, by purchases on the stock exchange or off-exchange or by buyback or exchange offers;
- at any time up to the normal redemption date, for all Bonds remaining in circulation, subject to at least a 30 trading days' notice, per par value plus interest accrued since the last payment date until the date set for the early redemption, if the arithmetic average, calculated over 20 consecutive trading days among the 40 days preceding the publication of the notice of early redemption, of the proceeds of the first quoted prices of the Claranova shares observed on Euronext Paris and the conversion ratio in effect at each date exceeds 135% of the par value of the Bonds;
- at any time, for all outstanding Bonds, subject to at least a 30 trading days' notice, by par redemption plus accrued interest, if their outstanding number is less than 10% of the number of Bonds issued.

#### Early redemption of Bonds at the option of Bondholders in the event of a change of control

In the event of a change of control of the Company, any Bondholder may, at his or her sole discretion, request the early redemption in cash of all or part of the Bonds he or she owns, at a price equal to the par value plus accrued interest.

#### Conversion Right

Bondholders shall have a conversion right that they may exercise at any time from the date of issue to the twenty-ninth trading day (inclusive) preceding the normal or early redemption date.

The conversion rate of the Bonds is one share for one Bond, subject to subsequent adjustments.

In the event of the exercise of the conversion right, the Bondholders shall receive, at the Company's decision, either only an amount in cash, or the combination of an amount in cash and new and/or existing Claranova shares or only new and/or existing Claranova shares. The new and/or existing Claranova shares, if any, will bear current dividend rights.

#### Dilution

As an illustration, considering a Bonds issue in an amount of **EUR 28 999 999.60**, and a par value of the Bonds of EUR 1.10, the dilution would be **6.7% of the Company's current share capital if the Company decides to issue only new shares and 1.74% if the Company decides to settle the par value of the Bonds in cash, and in new shares the difference between the conversion value of the Bonds and their par value** (assuming a conversion value of EUR 1.49

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<sup>4</sup> EBITDA is the aggregate now used to evaluate the profitability of the businesses. It replaces the adjusted EBITDA previously used. It corresponds to earnings before the deduction of interest, taxes and duties, depreciation (but after provisions related to inventories and trade receivables), amortisation and share-based payments.

<sup>5</sup> This reference price will be equal to the volume-weighted average trading price of the Company's shares on Euronext Paris from the opening of the market on 14 June 2018 until the moment the final terms and conditions of the Bonds are established.

corresponding to 135% of the par value of the Bonds, the threshold at which the Company may exercise its early redemption option for the Bonds, corresponding to an approximately 60% increase in the share price).

#### **Intentions - Commitments**

The members of the Company's Supervisory Board and Management Board have not subscribed to this issue.

As part of the issue, the Company has made a commitment to abstain from market participation for 90 calendar days from the settlement date, subject to certain exceptions.

#### **Legal framework of the issue – Offering – Admission to trading on Euronext Access**

The issue of the Bonds was carried out without preferential subscription rights or shareholders' subscription priority periods pursuant to the Sixth Resolution of the Extraordinary General Shareholders' Meeting of 7 June 2017, in which the shareholders decided to waive their preferential subscription rights to the Bonds.

The Bonds were only the subject of a private offering in the Member States of the European Economic Area (to the exclusion of any other country including the United States of America, Canada, Australia and Japan) to persons covered by Article L.411-2-II of the French Monetary and Financial Code (excluding any retail investor within the meaning of the PRIIPs Regulation).

The Bonds are subject of an application for admission to trading on the Euronext Access market (ISIN: FR0013342425). The admission to trading of the Bonds is scheduled for 19 June 2018.

Octo Finances acted as manager and bookrunner for the transaction.

#### **Public information**

The offer of the Bonds did not give rise to the preparation of a prospectus submitted for approval to the French *Autorité des marchés financiers* (the "AMF").

Detailed information about Claranova, including information on its business, financial results, outlook and the related risk factors, can be found in the Company's registration document filed with the AMF on 3 October 2017 under number D.17-0964 (the "Registration Document") and in the Company's six month financial report at 31 December 2017, published on 28 March 2018, which may be consulted, together with the other regulated information and all the Company's press releases on the Claranova website ([www.claranova.com](http://www.claranova.com)).

Claranova draws the public's attention to the risk factors presented on pages 15 to 19 of the Registration Document.

#### **Important information**

This press release does not constitute an offer to subscribe and the offering of the Bonds will not constitute an offer to the public in any country including France.

## About Claranova:

*A global Internet and mobile player, Claranova is one of the few French companies in this sector to post sales of over EUR 130 million, more than half of which is generated in the United States. Claranova focuses its strategy on three areas of business – digital printing through the Group's PlanetArt division, management of the Internet of Things (IoT) via the myDevices division and e-commerce through the Avanquest division:*

- *PlanetArt: A world leader in mobile printing, specifically via the FreePrints offer – the cheapest and simplest way to print photos from a smartphone – FreePrints is already a must-have for several million customers, a figure that has grown every year since its launch;*
- *myDevices: A global platform for IoT (Internet of Things) management enabling major corporations from different business sectors to quickly develop and roll out IoT solutions for their customers;*
- *Avanquest: the Group's legacy activity covering the distribution of third-party software, a business that is shifting towards the monetisation of Internet traffic.*

*For more information on the Claranova group: [www.claranova.com](http://www.claranova.com) or [www.twitter.com/claranova\\_group](https://www.twitter.com/claranova_group).*

**WARNING**

This press release is not intended for distribution in the United States of America, Canada, Australia or Japan, either directly or indirectly.

*The information contained in this press release does not constitute an offer of securities for sale in the United States of America, Canada, Japan or Australia.*

*No communication or other information in respect of the issue by Claranova of Bonds redeemable in cash and/or in new or existing shares (the "Bonds") may be released to the public in a country in which any approval or registration is required. No steps to such end have been taken or will be taken by the Company in any country in which such steps would be required other than France. The issue of or the subscription for Bonds may be subject to specific legal or regulatory restrictions in certain countries; Claranova takes no responsibility for any violation of any restrictions by any person.*

*This press release has been issued for promotional purposes and not as a prospectus within the meaning of the Prospectus Directive (as defined below).*

*This press release does not constitute and should not be considered as a public offering, an offer to subscribe, or as a means of soliciting public interest in a public offering.*

*The Bonds will be the subject of a private placement only in the European Economic Area Member States (excluding any other countries, including the United States of America, Canada, Australia and Japan), with persons referred to in Article L. 411-2-II of the French Monetary and Financial Code (excluding any retail investors within the meaning of the PRIIPs Regulation), with no public offering in any country (including France). This press release does not constitute a recommendation on the Bond issue. The value of the Bonds and shares of Claranova may increase or decrease. Prospective investors should consult their financial advisor to determine if an investment in these Bonds is appropriate to their needs.*

**Exclusion of any offering to retail investors within the European Economic Area**

*No action has been undertaken or will be undertaken to make an offering of the Bonds to retail investors within the European Economic Area.*

*For the purposes of this provision, the expression "retail investor" refers to a person falling within one or more of the categories below:*

- (i) a retail customer as defined in Paragraph (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II");*
- (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "Insurance Mediation Directive"), provided that the customer does not fall within the professional client category as defined in Paragraph (10) of Article 4(1) of MiFID II;*

*and the expression "offering" includes the communication in any form and by any means whatsoever of sufficient information on the terms of the offering and the Bonds subject to the offering so as to allow an investor to decide to purchase or subscribe to the Bonds.*

*Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation" for the offering or the sale of Bonds or their availability to retail investors in the European Economic Area has been prepared and, as a result, the offering or sale of Bonds or their availability to retail investors in the European Economic Area could constitute a violation of the PRIIPs Regulation.*

**France**

*The Bonds have not been offered or sold and will not be offered or sold to the public in France, either directly or indirectly. Any offering or sale of Bonds or distribution of the offering document has only been made or will only be made in France, to (i) persons who provide investment portfolio management services on behalf of third parties or (ii) qualified investors, as defined in Articles L. 411-2-II, L. 533-16, L. 533-20, D. 533-11 et D. 533-11-1 of the French Monetary and Financial Code.*

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No action has been or will be undertaken in relation to European Economic Area Member States other than France (a "Member State") having implemented the Prospectus Directive to make an offering of the Bonds to the public requiring the publication of a prospectus in any of the Member States. As a result, the Bonds may only be offered in each Member State to qualified investors, as defined in the Prospectus Directive.

For the purposes of this paragraph, (i) the expression "offer to the public of Bonds" in each Member State having implemented the Prospectus Directive (as defined below), means any communication directed to persons, in any form and by any means whatsoever, including sufficient information on conditions of the offering of the Bonds and the Bonds covered by the offering, to allow an investor to decide to purchase or subscribe to said Bonds, as per the amended version, where applicable, of the definition in the Member State implementing the Prospectus Directive, (ii) the expression "Prospectus Directive" means Directive 2003/71/EC of 4 November 2003, as implemented in the Member State (as amended, including by the Amending Prospectus Directive, if implemented, in each Member State), and (iii) the expression "Amending Prospectus Directive" means Directive 2010/73/EU as implemented in the relevant Member State.

#### United States of America

This press release is not intended for publication, distribution or transmission, either directly or indirectly, in the United States of America (including its territories and dependencies, any state of the United States of America and the District of Columbia). This press release does not constitute an offer or a solicitation to buy or subscribe to securities in the United States of America. The securities described in this press release have not been and will not be registered under the US Securities Act of 1933 as amended (the "Securities Act"), or with any regulatory authority in a Member State, or other jurisdiction in the United States and may only be offered or sold in the United States of America under an exemption regime provided for in the Securities Act and in accordance with the regulations in force in the various States. The Bonds will only be offered or sold outside the United States of America and as part of offshore transactions, in accordance with Regulation S of the Securities Act.

Claranova does not intend to register the offering, either in part or in full, in the United States of America, or carry out a public offering in the United States of America.

#### United Kingdom

This press release is exclusively intended for persons who are (i) outside the United Kingdom, (ii) are investment professionals (within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, hereinafter the Financial Promotion Order), (iii) fall within the scope of Article 49(2) (a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order or (iv) to any other person to whom this press release may be addressed in accordance with the law (the persons described in paragraphs (i), (ii), (iii) and (iv) being together referred to as "Authorised Persons"). The Bonds are intended only for Authorised Persons and any inducement, offer or contact regarding the subscription to, purchase or acquisition of the Bonds (and new or existing shares issued or allotted when exercising a conversion right) may only be proposed or made to Authorised Persons. Any person other than an Authorised Person shall refrain from using or relying on this press release or any of its contents. This press release is not a prospectus and has not been approved by the Financial Services Authority or any other regulatory authority in the United Kingdom within the meaning of Section 85 of the Financial Services and Markets Act 2000.

#### Canada, Australia and Japan

The Bonds may not be offered, sold or acquired in Canada, Australia or Japan. The information contained in this press release does not constitute an offer of securities for sale in Canada, Australia or Japan.

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