

claranova

FY 2022-2023 revenue

Annual sales exceed €500m, up 7%¹

EBITDA² growth target between 25% and 30%³ confirmed

This press release presents unaudited Group consolidated revenue, prepared in accordance with IFRS.

Paris, France - August 2, 2023, 6:00 p.m. (CET).

"Claranova's revenue reached an all-time high in FY 2022-2023, surpassing the €500m milestone for the first time with 7% year-on-year growth to €507m. All our subsidiaries are making progress and contributed to this record performance. This growth, initially expected to be around 10%, was impacted by the appreciation of the US dollar in the second half. However, we chose to place the priority instead on profitability, maintaining our target for a 25%-30% improvement in EBITDA and an EBITDA margin of 10% by FY 2024-2025."

Pierre Cesarini, Chairman-CEO of Claranova.

Annual revenue trends by division for FY 2022-2023:

(in € million)	Jul. 2022 to Jun. 2023 (12 months)	Jul. 2021 to Jun. 2022 (12 months)	Change	Change at constant exchange rates	Change at constant consolidation scope	Change at constant scope and exchange rates
PlanetArt	383	366	4%	0%	4%	0%
Avanquest	116	102	14%	12%	9%	6%
myDevices	8	5	57%	46%	57%	46%
Revenue	507	474	7%	3%	6%	2%

Annual revenue trends by division for Q4 2022-2023:

In €m	Apr. to Jun. 2023 (3 months)	Apr. to Jun. 2022 (3 months)	Change	Change at constant exchange rates	Change at constant consolidation scope	Change at constant scope and exchange rates
PlanetArt	68	76	-10%	-5%	-10%	-5%
Avanquest	30	26	16%	21%	10%	15%
myDevices	3	2	98%	92%	98%	92%
Revenue	102	103	-1%	3%	-3%	2%

¹ Change at actual exchange rates

² EBITDA (earnings before interest, taxes, depreciation and amortization) is a non-GAAP aggregate used to measure the operating performance of the businesses. It is equal to Recurring Operating Income before depreciation, amortization and share-based payments including related social security expenses and the IFRS 16 impact on the recognition of leases.

³ Based on the average daily EUR/USD exchange rate from July 1, 2022 to March 27, 2023, i.e. 1.03

PlanetArt: a second half focused on improving profitability

PlanetArt, the personalized objects e-commerce subsidiary, reported annual revenue of €383m, up 4% at actual exchange rates from the same period last year (stable at constant exchange rates). The less favorable currency effect impacted second-half revenue. PlanetArt's teams preferred to focus improving the division's profitability over the period by stabilizing or even reducing customer acquisition costs and selling higher-margin products. These measures contributed to a significant improvement in margins in Q4, resulting notably in revenue and profitability evenly spread out over the full year, whereas historically revenue has been largely concentrated in the first half.

Efforts to rebuild customer acquisition channels paid off in the period, with FreePrints returning to customer acquisition levels similar to those experienced before the introduction of Apple's App Tracking Transparency.

Avanquest: record revenue of €116m up 14%⁴ over the year

Avanquest, the Group's software publishing division, maintained strong momentum in Q4 with revenue of €30m, up 16% at actual exchange rates and 15% like-for-like⁵. Based on this good performance, annual revenue for the division ended the period at an all-time high of €116m.

The division is fully benefiting from the maturity of its SaaS⁶ sales model for proprietary software for Security (+4% over the year), PDF (+15% over the year) and Photo applications (+15% over the period). SaaS sales today account for more than 83% of the division's total revenue, which in turn increased Avanquest's recurring revenue mix at June 30, 2023 to 67%. This steady growth in recurring business will in turn increase the division's profitability for the full year.

Revenue from non-core businesses amounted to €19m in FY 2022-2023, down 14% on the previous year. These low-margin activities now account for only 17% of the division's revenue and, as previously announced, part of these activities is in the process of being divested. On this basis, the disposal or discontinuation of these activities will contribute to an immediate improvement in the division's overall margins over the next financial year, with a target for growth and profitability of more than 20%.

myDevices: strong acceleration in revenue in Q4 (+98%)

Annual revenue for myDevices, the IoT (Internet of Things) division is approaching the €10m milestone, ending the period up 57% at actual exchange rates (+46% at constant exchange rates) at €8m. This performance was driven by a very good Q4 during which revenue growth accelerated significantly as partnerships (206 partners) gained momentum with key contributions from T-Mobile, Aramark Corporation, Sodexo or BASF.

At the same time, the installed base of devices at customer sites is also expanding, fueling growth in ARR (Annual Recurring Revenue) by 34% year-on-year (at constant exchange rates) to €4m at June 30, 2023. These excellent figures confirm the relevance of myDevices' "plug and play" offering and the effectiveness of its subscription-based business model. The expanding use of IoT applications by companies, which in Europe is also being driven by the CSRD⁷ directive, is expected to contribute to the acceleration growth in revenue by the division over the next few years.

Financial calendar:

September 4, 2023: General Meeting
October 11, 2023: FY 2022-2023 full-year results

⁴ At actual exchange rates.

⁵ Change at constant scope and exchange rates

⁶ Subscription sales

⁷ The Corporate Sustainability Reporting Directive (CSRD) requires companies of a certain size to provide annual non-financial reporting. The main objective is to promote transparency and provide the public with exhaustive and reliable information on the environmental and social impact of companies. This will also contribute to the harmonization of corporate sustainability reporting and the quality of ESG data. Parameters monitored by the myDevices platform.

Telephone number for individual shareholders available from Tuesday to Thursday between 2 p.m. and 4 p.m. for calls within France: **0805 29 10 00** (local rate).

About Claranova:

As a diversified global technology company, Claranova manages and coordinates a portfolio of majority interests in digital companies with strong growth potential. Supported by a team combining several decades of experience in the world of technology, Claranova has acquired a unique know-how in successfully turning around, creating and developing innovative companies.

Claranova has proven its capacity to turn a simple idea into a worldwide success in just a few short years. Present in 15 countries and leveraging the technology expertise of its 800+ employees across North America and Europe, Claranova is a truly international group, with 95% of its revenue derived from international markets.

Claranova's portfolio of companies is organized into three unique technology platforms operating in all major digital sectors. As an e-commerce leader in personalized objects, Claranova also stands out for its technological expertise in software publishing and the Internet of Things, through its businesses PlanetArt, Avanquest and myDevices. These three technology platforms share a common vision: empowering people through innovation by providing simple and intuitive digital solutions that facilitate everyday access to the very best of technology.

For more information on Claranova group:

<https://www.claranova.com> or https://twitter.com/claranova_group

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