claranova

FY 2023-2024 revenue remains steady[1] at €496m

Growth in higher-margin recurring revenue

EBITDA margin[2] of around 10% confirmed for FY 2023-2024

Net debt at 30 June 2024 of €102m[3]

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

Paris, France - August 1, 2024 - 6:00 p.m. (CET).

Revenue trends by division ***for FY 2023-2024****:*

In €m	Jul. 2023 to Jun. 2024 (12 months)	Jul. 2022 to Jun. 2023 (12 months)	Change	Change at constant exchange rates	Change at constant consolidation scope	Change at constant consolidation scope and exchange rates
PlanetArt	**365**	383	*-5%*	*-3%*	*-5%*	*-3%*
Avanquest	**122**	116	*5%*	*9%*	*10%*	*14%*
myDevices	**9**	8	*5%*	*8%*	*5%*	*8%*
Revenue	**496**	**507**	***-2%***	***0%***	***-1%***	***1%***

Annual revenue trends by division for ***Q4 2023-2024****:*

In €m	Apr. to Jun. 2024 (3 months)	Apr. to Jun. 2023 (3 months)	Change	Change at constant exchange rates	Change at constant consolidation scope	Change at constant consolidation scope and exchange rates
PlanetArt	**69**	68	*1%*	*-2%*	*1%*	*-2%*
Avanquest	**30**	30	*-2%*	*-1%*	*5%*	*5%*
myDevices	**2**	3	*-56%*	*-57%*	*-56%*	*-57%*
Revenue	**100**	**102**	***-2%***	***-3%***	***1%***	***-1%***

Eric Gareau, CEO of Claranova commented: *"Claranova registered a marginal increase in revenue on a like-for-like basis for FY 2023-2024.*

These results are testimony to our resilience and the strength of our strategy focused on profitability which is being implemented with rigor and determination by all our teams. On that basis, we maintain our target for a significant improvement in the EBITDA margin[2] of approximately 10% for FY 2023-2024.

[1] Change at constant consolidation scope and exchange rates
[2] EBITDA as a percentage of revenue.
[3] Illustrative pre-IFRS 16 lease accounting data. Details provided in the Appendix

These performances confirm that Claranova has entered a new era, reinforced by a more focused governance structure, experienced management and committed teams working together to improve our overall results and continue to reduce our debt.

The entire management team is now fully focused on finalizing its new strategic plan to be presented when the annual results are published. This plan will strengthen our market position and capacity for innovation."

PlanetArt: strong growth in profitability expected for the full year

In line with the Group's strategy, reflecting a focus on profitability, PlanetArt, the e-commerce division for personalized objects, demonstrated more measured growth over FY 2023-2024. With this objective, the teams' efforts were focused on further optimizing customer acquisition costs, rationalizing expenses and giving priority to developing higher-margin product sales.

On that basis, the division's annual revenue amounted to €365m, representing a modest 3% decline at constant exchange rates (-5% at actual exchange rates), and is expected to contribute to a significant improvement in PlanetArt's EBITDA margin[1] over the full year.

Avanquest: SaaS now accounting for more than 90% of sales[4]

The software publishing division ended the year with annual revenue of €122m, up 14% at constant consolidation scope and exchange rates (+5% at actual exchange rates), despite a stable Q4 (anticipated impact from seasonality effects and a slowdown in the recruitment of new customers for vertical applications in the Photo segment).

Avanquest's core activities delivered record sales of €111m for the year, and now account for 91% of the division's revenue (compared with 83% last year). Sales of higher-margin proprietary SaaS software solutions rose 18% at constant consolidation scope and exchange rates compared with FY 2022-2023 (+14% at actual exchange rates), with mixed trends among the different segments: Utilities (+33%[5]), PDF (+3%[3]) and Photo (-7%[3]). Non-core activities now account for less than 10% of annual sales or €11m, down 39% year-on-year at constant exchange rates (or -41% at actual exchange rates).

Bolstered by the strength of SaaS sales and the increasingly marginal share of non-core activities, Avanquest's operating profitability is set to improve significantly in FY 2023-2024.

myDevices: slower annual growth reflecting the postponement of certain rollouts

Annual revenue for myDevices, the IoT division, grew 8% from last year at constant consolidation scope and exchange rates to €9m (+5% at actual exchange rates). Following the strong growth momentum in recent quarters, the pace of growth eased off in Q4 in response to delayed rollouts of certain projects with partners. With the completion of these projects plus a number of new initiatives, the division is looking ahead to the coming year with renewed confidence.

The myDevices IoT offering continues to be well positioned, with nearly 220 channel partners at the end of FY 2023-2024. Annual recurring revenue (ARR) remain stable at constant consolidation scope and exchange rates (-3% at actual exchange rates) at €3.4m, compared with FY 2022-2023.

[4] Software as a Service: a subscription-based, cloud-based service where software is accessed online through a web browser.
[5] At constant exchange rates

Lawsuits filed against the Group by Mr. Cesarini

Claranova confirms for the record that since the departure of Pierre Cesarini, the former CEO of Claranova, no financial transaction has been concluded between the parties.
To date, Mr. Cesarini's appointment as director of Claranova SE as well as his other offices within the Group's subsidiaries have been revoked. In Luxembourg, Mr. Cesarini's position as a company officer has also been revoked, with his definitive departure from Claranova Development SARL effective on the evening of October 31, 2024, at the end of the notice period. Until the aforementioned date, he has been dispensed from exercising all his functions.

Mr. Cesarini filed a lawsuit against the Group companies contesting his dismissal and is seeking €15m in damages.

- In France, Mr. Cesarini filed a claim against Claranova before the Nanterre Court for €1m.
- In Luxembourg, Mr. Cesarini filed a claim with the Luxembourg Labor Court against Claranova Development SARL, seeking compensation totaling approximately €14m.

The Group has duly noted these claims, which it considers to be without merit, and remains confident as to the outcome of these legal proceedings.

Claranova also specifies that Mr. Cesarini left the Group before meeting the different conditions of eligibility required to exercise his right to invest in the Group's subsidiaries.[6] As a result, the Group considers that the preferred shares potentially conferring certain rights subscribed by Mr. Cesarini in connection with his option to invest in Group subsidiaries are, in any event, no longer justified and, in accordance with the applicable provisions[7], may be repurchased from him at a price of 1 euro per type of instrument.

Financial calendar:
October 30, 2024: FY 2023-2024 results
December 04, 2024: General Meeting

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

[6] (*Faculté d'investissement au sein des filiales*), Note 25.2 of the FY 2022-2023 Universal Registration Document
[7] Full details are provided in chapter 3, section 3.3.2.1.1 of the FY 2022-2023 Universal Registration Document.

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

Disclaimer:
All statements other than statements of historical fact included in this press release about future events are subject to (i) change without notice and (ii) factors beyond the Company's control. Forward-looking statements are subject to inherent risks and uncertainties beyond the Company's control that could cause the Company's actual results or performance to be materially different from the expected results or performance expressed or implied by such forward-looking statements.

Definitions and calculation methods for alternative performance indicators:

"Like-for-like" (organic) growth is defined as the change in revenue at constant structure (scope of consolidation) and exchange rates. "Exchange rate effects" are calculated by applying year N-1 exchange rates to year N revenue. "Consolidation scope effects" are calculated by taking into account acquisitions in the current year, contributions to the current year from acquisitions in the previous year up to the anniversary date of acquisitions and businesses deconsolidated in the current year, minus any contributions from the previous year. By definition, sales for the previous year plus the effects of changes in Group scope of consolidation, exchange rate effects and like-for-like growth for the period correspond to sales for the current year. Percentages for exchange rate effects, Group consolidation scope effects and like-for-like growth percentages are calculated on the basis of the previous year's sales.

Appendix:

Calculation of net financial debt

In €m	FY 2024[8] *(Audit in progress)*	FY 2023 Reported basis
Current financial liabilities	20	94
Non-current financial liabilities	119	85
Total financial liabilities[9]	**139**	**179**
Cash and cash equivalents	**37**	67
Net financial debt	**102**	**112**

[8] Provisional unaudited data under review
[9] Excluding lease liabilities resulting from the adoption of IFRS 16.