



FY 2024-2025 first-half results

Continuing improvement in profitability

- H1 2024-2025 revenue remained steady at around €300m
- EBITDA¹ of €34m (+23% at constant exchange rates following 67% growth last year) and an operating margin² of 11.4%
- Strong growth in net income to €9.6m
- Cash flow from operating activities of €69m with €33m in gross operating cash flow³
- Strategic transformation into a pure play software publisher accompanied by an accelerating debt reduction

This press release presents Group consolidated figures prepared on the basis of IFRS.

Classification of myDevices as a non-current asset held for sale accounted for as a discontinued operation (IFRS 5).

The Board of Directors met on March 27, 2025, to approve the Group's interim financial statements.

The limited review procedures for the interim financial statements have been completed, and the limited review report is in the process of being issued.

"These first-half results highlight the progress achieved by all the Group's teams over the last few months in focusing their efforts on profitability leading to a significant improvement in our financial performances for the period. Through the targeted measures we adopted, we achieved robust sales of close to €300m, and above all, a further improvement in EBITDA with 22% growth to reach nearly €34m, enabling us to report net profit of close to €10m.

This positive momentum was accompanied by an improvement in our cash position over the period, with cash flow from operating activities of almost €70m contributing to a high of €97m at the end of December, linked to the seasonal effect of PlanetArt's activities.

The beginning of this financial year was also characterized by the launch of our strategy "One Claranova" which aims to refocus our activities, significantly improve our financial performance and reduce our debt. These half-year results are already in line with this new trajectory.

As part of this transformation process, we have decided to divest our myDevices subsidiary, marking our exit from the IoT sector, since it was no longer strategic for us. In addition, we are currently in discussions to sell our PlanetArt division.⁴ This would allow Claranova to complete its transformation into a pure player in the high-potential software publishing sector. This strategic transformation would also make us more agile and profitable, while significantly reducing our debt.

The second half of the fiscal year will be decisive in terms of realizing these initiatives and putting Claranova on a new path of profitable and lasting growth. In all cases, we will pursue our development with ambition and determination, in order to improve profitability for our shareholders."

Eric Gareau,
Chief Executive Officer of Claranova

¹EBITDA (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. Details on the calculation of EBITDA are provided in the Appendix.

²Defined in terms of EBITDA as a percentage of revenue.

³Cash flow from operations before working capital changes, tax and financial charges.

⁴Press release March 3, 2025

Paris, France - March 27, 2025, 6:15 p.m. (CET). Claranova reported strong revenue for H1 2024- 2025 (July - December 2024) of €294m, holding steady year-on-year like-for-like (-1% at actual exchange rates) despite a reduced number of days of sale. In fact, Thanksgiving and Christmas were exceptionally close this year resulting in five less days of sales for the Group's flagship products during this period (greeting cards, gift cards, personalized gifts, etc.) while adding logistical pressure on deliveries of personalized Christmas products.

Claranova was able to meet these challenges thanks to the know-how and expertise of its teams, while at the same time improving the profitability of its two divisions. As a result, the Group's overall half-year results have risen sharply compared with last year.

As announced, EBITDA registered strong growth of 23% at constant exchange rates (22% at actual exchange rates), reaching 33.6m, reflecting the positive impact of lower operating costs combined with the sale of higher-margin products over the period. This performance is even more noteworthy considering the high comparison base resulting from the 67% growth in EBITDA at constant exchange rates in the previous year. The Group's EBITDA margin also improved, rising to 11.4% from 9.3% in H1 2023-2024.

Following the same trajectory, net income, which returned to profit last year, increased 4-fold in H1 to €9.6m. This result was boosted not only by the improvement in operating performance, but also the renegotiation of debt, which reduced financial expenses to €10m, down from €14m last year.

The Group's financial position remains robust, with Claranova reporting cash and cash equivalents of €97m as of December 31, 2024, an increase of nearly €4m in gross operating cash flow to €33m, and net cash from operating activities of €69m, boosted by year-end holiday sales. Financial debt⁵ amounted to €153m, including the new €20m loan for the buyout of PlanetArt minority shareholders⁶. On this basis, net debt (excluding IFRS 16) remains contained at €57m as of December 31, 2024, compared with €41m last year notably reflecting the seasonal nature of PlanetArt's business cycle involving a year-end peak in cash inflows.

Towards a business model focused exclusively on software

These results confirm the solid fundamentals of the Group, which has continued to improve the profitability of its software publishing business, fully restored PlanetArt's customer acquisition channels, and optimized its operating costs, while at the same time strengthening its financial structure. In line with its "One Claranova" strategic plan, the Group has in this way confirmed its ability to improve profitability and cash flow generation in order to continue reducing its debt.

In line with these objectives, Claranova Group has entered into discussions with a view to the possible sale of its PlanetArt division⁷. If completed, this sale would enable the Group to concentrate on its most profitable business as a pure player in the high-growth potential software publishing sector. This disposal would thus lay the foundations for a new trajectory of profitable growth while at the same time accelerating the reduction of the Group's debt.

Should this sale go ahead, the Group will present a new strategic plan for the coming years. And if not, the goals of the "One Claranova" plan for 2027 will remain fully relevant.⁸.

⁵ Excluding the IFRS 16 impact on the accounting of leases

⁶ Press release of November 11, 2024

⁷ Press release of March 03, 2025

⁸ FY 2026-2027 - Total revenue of between €575 and €625m (CAGR of 5%-8%), an EBITDA margin of 13% to 15% and a ratio of net financial debt to EBITDA of less than 1x.

In €m	H1 24-25	H1 23-24 Restated basis ⁹	H1 23-24 Reported basis
Revenue	294	296	301
EBITDA	33.6	27.5	27.5
<i>EBITDA margin (% of Revenue)</i>	<i>11.4%</i>	<i>9.3%</i>	<i>9.1%</i>
Recurring operating income	31	24	24
Net financial income (expense)	(10)	(14)	(14)
Net Income	9.6	2.2	2.2
Net cash flow from (used in) operating activities	69	72	72
Of which Cash flow from operations before working capital changes, tax and financial charges	33	29	29
Closing cash position	97	97	97

PlanetArt: an improved operating margin and a possible sale under discussion

PlanetArt, the e-commerce subsidiary specialized in personalized objects, reported H1 2024-2025 revenue of €234m, down 1% at constant exchange rates but stable at actual exchange rates, despite a shorter period for sales between Thanksgiving and Christmas. With five less days of sales, this stable performance reflects the success of our teams in anticipating this impact by implementing more effective marketing campaigns well in advance and by meeting the logistical challenge of deliveries during this very busy period.

At the same time, efforts also focused on profitability, notably by concentrating on higher-margin sales and continuing cost rationalization measures. These measures were immediately reflected in the division's results which reported strong growth of 26% in EBITDA to €21m as of December 31, 2024, in relation to H1 2023-2024. This in turn led to an EBITDA margin of 9% or an increase of more than 2 points compared to H1 2023-2024.

Finally, as mentioned, the Group is currently in discussions about a potential sale of this division. For that purpose, Claranova established a Special Committee, comprising three independent directors, and, should the discussions progress positively, shareholders will be invited to a General Meeting to rule on this sale, which could take place in the second half of FY 2024-2025.

In €m	H1 24-25	H1 23-24 Reported basis	Change H1 24-25 vs. H1 23-24
Revenue	234	235	- 0.3%
EBITDA	21	17	+ 26%
<i>EBITDA %</i>	<i>9%</i>	<i>7%</i>	<i>+ 2 pts</i>

⁹ Classification of myDevices as a non-current asset held for sale accounted for as a discontinued operation (IFRS 5).

Avanquest: EBITDA margin above 21% and new growth drivers

Avanquest, the software publishing division, reported revenue of €60m for H1 2024-2025 or like for like growth of 3%. At actual exchange rates, revenue was down 3%, notably reflecting the share of revenue from non-strategic activities sold in October 2023.

The division benefited fully from the maturity of its SaaS sales model for proprietary software in its core businesses of Security (Adaware), PDF (Soda PDF) and Photo (InPixio). These SaaS sales today account for more than 92% of the division's total revenue and is contributing to the increasing contribution of recurring revenue in Avanquest's sales mix, which reached 80% at the end of December 2024.

Boosted by the disposal of non-core activities in Europe and the improved profitability of the Soda PDF and Adaware businesses, EBITDA for the division rose 23% to €13m. As a result, the EBITDA margin¹⁰ rose by almost 5 points compared with H1 2023-2024, to 21% for H1 2024-2025.

Reflecting its strong focus on innovation, Claranova's software division has stepped up R&D deployments and projects to optimize its products in its three application segments. Security: the new PC optimization software (PC Cleaner) now features exclusively technology developed in-house, thus allowing for total control over the services offered as well as higher margins on these products. Photo: teams are continuing to diversify audiences in this segment, with resellers as the new target. The acceleration of web testing for the latter, combined with the acquisition of new customers, should, with time, contribute to revenue growth in the Photo segment. PDF: the division is proposing new functionalities, some AI-based, to further enhance the user experience, and is also working on new B2B partnerships to offer higher value-added products. All these developments will drive the division's growth over the coming months and contribute to improving margins.

In €m	H1 24-25	H1 23-24 Reported basis	Change H1 24-25 vs. H1 23-24
Revenue	60	61	- 3%
EBITDA	13	11	+ 23%
<i>EBITDA %</i>	<i>21%</i>	<i>18%</i>	<i>+ 5 pts</i>

¹⁰ EBITDA as a percentage of revenue.

Solid cash position of €97m and net cash flow from operating activities of €69m

Claranova ended H1 2024-2025 with a closing cash position of €97m, remaining steady in relation to the same period in FY 2023-2024.

Strong sales benefited notably from **net cash flow from operating activities of €69.0m**, including gross operating cash flow of €32.8m and €41.4m from changes in working capital, in relation to June 30, 2024.

This increase in working capital reflects mainly the inflow associated with the seasonal effect of PlanetArt's activities. In particular, this division records a high level of activity over the year-end holiday season, generating a seasonal peak in cash inflows at the end of December. In addition, due to the specific business model of its activities, i.e. the sale of products to the consumer market (BtoC distribution), the company's working capital requirements are mechanically negative as sales are collected before payments are made to suppliers. As a reminder, the closing cash position on June 30, 2024, amounted to €36.8m.

Net cash flow used in investing activities represented an outflow of €3.5m as of December 31, 2024.

Net cash flow used in financing activities represented an outflow of € 8.8m at December 31, 2024, which included €14m relating to the buyout of PlanetArt minority interests, €12m in interest payments and repayments of Group bank loans in accordance with the contractual amortization profile, €2m in IFRS 16 lease payments, and €18.6m for the new loan, net of costs, to finance the PlanetArt minority interests buyout.

In €m	H1 24-25	H1 23-24 Restated basis	H1 23-24 Reported basis
Cash flow from operations before working capital changes, tax and financial charges	32.8	29.2	29.3
Change in working capital requirements WCR) ¹¹	41.4	49.5	49.3
Taxes and net interest paid	(5.4)	(6.7)	(6.8)
Net cash flow from (used in) operating activities	69.0	71.7	71.8
Net cash flow from (used in) investing activities	(3.5)	(1.1)	(1.1)
Net cash flow from (used in) financing activities	(8.8)	(39.0)	(39.0)
Change in cash ¹²	56.7	31.7	31.7
Opening cash position on July 1	36.8	66.6	66.6
Effects of exchange rate fluctuations on cash and cash equivalents	3.6	(1.8)	(1.8)
Closing cash position	97.0	96.5	96.5

¹¹ Change in working capital requirements in relation to the opening cash position for the fiscal period.

¹² Change in cash in relation to the opening cash position for the fiscal period.

Financial position, borrowing conditions and financing structure

As of December 31, 2024, Claranova had a cash position of €96.5m and financial debt (excluding the lease accounting impact of IFRS 16) of €153m as of December 31, 2024, compared with €96.6m and €137m respectively at the end of December 2023.

The Group's net debt thus stood at €56.5m as of December 31, 2024, versus €40.8m as of December 31, 2023, mainly attributable to the seasonal nature of PlanetArt's business involving a year-end peak in cash inflows.

In €m	12/31/24	12/31/23 <i>Reported basis</i>
Bank debt	148.5	36.0
Bonds	-	99.4
Other financial liabilities	-	-
Accrued interest	4.4	2.0
Bank account overdrafts	0.1	0.1
Total financial liabilities¹³	153.0	137.4
Available unpledged cash	96.5	96.6
Net debt	56.5	40.8

Availability of the Interim Financial Report

Claranova's Interim Financial Report for the six-month period ended December 31, 2024, will be filed with the *Autorité des Marchés Financiers*(AMF) on the evening of March 27, 2025, and will be available on the Company's website: <https://www.claranova.com/en/publications/>

H1 results will be presented today at 6:30 p.m. by videoconference. Claranova's H1 2024-2025 results presentation will be available on the Company's website: <https://www.claranova.com/en/publications/>

Update on legal proceedings pending with Pierre Cesarini

Pierre Cesarini filed a garnishee order on Banque Internationale à Luxembourg, Claranova Development SARL's bank, for part of the claims lodged by him with the Luxembourg Labor Court.¹⁴ On November 13, 2024, the District Court (*Tribunal d'Arrondissement*) of Luxembourg ordered the release of the garnishment and payment by Pierre Cesarini of the costs of the proceedings. Pierre Cesarini filed an appeal against this ruling.

On January 16, 2025, this court determined that it lacked jurisdiction to rule on this matter as it had not been established that Mr. Pierre Cesarini had been an employee of Claranova Development SARL. It also ordered Mr. Pierre Cesarini to pay the costs of the proceedings.¹⁵ Pierre Cesarini filed an appeal against this ruling.

On October 24, 2024, Pierre Cesarini initiated a mediation procedure with the International ADR Centre of the International Chamber of Commerce which was terminated on December 19, 2024.¹⁶ On February 26, 2025, Pierre Cesarini filed a petition for arbitration with the International Chamber of Commerce.

¹³ Excluding lease liabilities resulting from the adoption of IFRS 16.

¹⁴ Press release of October 30, 2024

¹⁵ Press release of February 11, 2025

¹⁶ See Note 1.4 of the Interim Financial Report

Financial calendar:
May 13, 2025: Q3 2024-2025 revenue

About Claranova:

Claranova is a global leader in e-commerce for personalized objects (photo prints, photo books, children's books, etc.), software publishing (PDF, Photo and Security). As a truly international group, in 2024 it reported revenue of nearly a half a billion euros, with 95% of this amount originating from outside France.

Through its products and solutions sold in over 160 countries, the Group's mission is to "*Transform technological innovation into user-centric solutions*". By leveraging its digital marketing expertise, AI and the analysis of data from over 100 million active customers worldwide, Claranova develops technological solutions, available online, on mobile devices and tablets, for a wide range of private and professional customers.

Operating in high-potential markets, the Group will pursue a growth strategy focused on profitability and operational excellence, in line with its "One Claranova" strategic roadmap.

Claranova is eligible for French "PEA-PME" tax-advantaged savings accounts.
For more information on Claranova Group:

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

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 the 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 are calculated on the basis of the previous year's sales.

Appendices

Appendix 1: Consolidated Income Statement

In €m	H1 24-25	H1 23-24 <i>Restated basis</i>	H1 23-24 <i>Reported basis</i>
Revenue	293.8	296.1	300.9
Raw materials and purchases of goods	(80.1)	(83.5)	(85.9)
Other purchases and external expenses	(132.5)	(133.9)	(134.9)
Taxes, duties and similar payments	(0.0)	(0.5)	(0.5)
Employee expenses	(34.5)	(38.0)	(39.3)
Depreciation, amortization and provisions (net of reversals)	(6.0)	(5.7)	(6.0)
Other recurring operating income and expenses	(9.9)	(10.5)	(10.5)
Recurring operating income	30.6	24.1	23.9
Other operating income and expenses	(3.1)	(1.9)	(1.9)
Operating Profit	27.5	22.2	21.9
Net financial income (expense)	(10.4)	(13.5)	(13.5)
Tax expense	(6.4)	(6.2)	(6.2)
Net Income	9.6	2.2	2.2
Net income attributable to owners of the Company	9.6	1.7	1.7

Appendix 2: Calculation of EBITDA and Adjusted net income

EBITDA and Adjusted net income are non-GAAP measures and should be viewed as additional information. They do not replace Group IFRS aggregates. Claranova's Management considers these aggregates to be relevant indicators of the Group's operating and financial performance. It presents them for information purposes, as they enable most non-operating and non-recurring items to be excluded from the measurement of business performance.

The transition from Recurring Operating Income to EBITDA is as follows:

In €m	H1 24-25	H1 23-24 <i>Restated basis</i>	H1 23-24 <i>Reported basis</i>
Recurring operating income	30.6	24.1	23.9
Impact of IFRS 16 on leases expenses	(3.1)	(2.6)	(2.7)
Share-based payments, including social security expenses	0.0	0.1	0.3
Depreciation, amortization and provisions	6.0	5.8	6.0
EBITDA	33.6	27.5	27.5

Appendix 3: Simplified Statement of Financial Position

Claranova's total assets increased from €228.4m to €288.4m between June 30, 2024, and 31 December 2024.

This increase reflects mainly strong growth in cash and cash equivalents of €60m generated by the Group's operating activities in the first half in relation to June 30, 2024.

The increase in liabilities largely reflects the seasonal effect of PlanetArt's activities which is accompanied by a sharp rise in trade payables at the end of the calendar year.

Group balance sheet highlights:

In €m	12/31/24	06/30/24 <i>Reported basis</i>
Goodwill	95.2	96.1
Other non-current assets	36.2	37.4
Right-of-use lease assets	12.7	12.3
Current assets (excl. cash)	43.9	45.7
Cash and cash equivalents	96.6	36.8
Assets held for sale	3.9	0.0
Total assets	288.4	228.4
Equity	(18.0)	(7.7)
Financial liabilities	153.0	138.8
Lease liabilities	13.3	12.8
Other non-current liabilities	4.3	3.5
Other-current liabilities	129.8	80.9
Liabilities held for sale	6.1	0.0
Total equity and liabilities	288.4	228.4