



## Q1 2019-2020 revenue up 45% to €70 million

- **Internet segment:** new growth momentum confirmed, with revenue of €20.8 million (+23%)
- **Mobile segment:** revenue of €48.5 million (+59%), including €8.5 million contributed by the Personal Creations® new personalized gifts business

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

**Paris, France - November 6, 2019.** The Claranova group opens fiscal year 2019-2020 with a strong first quarter (July - September 2019), reporting **consolidated revenue of €69.8 million, up +45%** year-on-year. Excluding the impact of Personal Creations® acquired on August 1, 2019, **organic<sup>1</sup> revenue growth is + 25% (after a negative currency impact of -2%).**

(in € million)	July-September 2019 (3 months)	July-September 2018 (3 months)	Var.	Var. at constant exchange rates	Var. at constant scope and exchange rates
Internet	20.8	16.9	23%	19%	19%
Mobile	48.5	30.4	59%	57%	30%
IoT <sup>2</sup>	0.5	0.9	-39%	-42%	-42%
<b>Revenue</b>	<b>69.8</b>	<b>48.2</b>	<b>45%</b>	<b>42%</b>	<b>25%</b>

### Internet segment

The **Internet Segment** confirmed the new growth momentum launched last year, with **Q1 2019-2020 revenue up 23% (+19% at constant exchange rates) to €20.8 million**. All Software sectors (security, PDF, photo and traffic monetization) contributed to this momentum, reporting **double-digit growth**. Software publishing activities will continue to transition to a subscription-based business model, accompanied by increasing investment in developing proprietary products with reputed brands (Adaware, Soda, InPixio, Payaware). This should help further progressively strengthen the Internet segment's margin rate in the coming quarters.

The Group has also announced the signature of an agreement to buy out all minority interests in its Internet segment<sup>3</sup>. Subject to its approval by the Combined Shareholders' Meeting, this agreement will ultimately enable the Group to receive the entire net income generated by the segment's activities.

<sup>1</sup> Organic growth is equal to the increase in revenue at constant consolidation scope and exchange rates.

<sup>2</sup> IoT: Internet of Things

<sup>3</sup> See press release of October 31, 2019

## Mobile segment

Mobile segment activities (excluding Personal Creations®) continued their excellent growth trajectory, reporting **revenue of €40.0 million, up +31% (+30% at constant exchange rates)**. This increase was driven by both strengthened FreePrints and FreePrints Photobooks activities in Europe and the ramp-up of the new FreePrints Photo Tiles and FreePrints Cards apps. While the revenue contribution of these apps remains limited, **growth rates are significant**.

Q1 2019-2020 was marked in the **Mobile segment** by the integration of the Personal Creations® personalized gifts business, starting August 1, 2019. **In its first two months of activity, Personal Creations® generated revenue of €8.5 million**. Measures to bring this company into line with Group standards have commenced and will continue throughout the fiscal year.

Together, the Mobile segment's newly acquired and historical businesses generated **Q1 growth of +59% to €48.5 million**.

## IoT segment

Claranova's **IoT segment** closed Q1 2019-2020 with revenue of €0.5 million, compared to €0.9 million in the prior-year period. This decline is mainly due to one-off revenue recognized in fiscal year 2018-2019 following the launch of the commercial partnership with Sprint. Nonetheless, sales to new IoT customers increased significantly, with more than 300 customers currently being deployed. This segment is expected to be a major growth driver in the mid-term, founded on three pillars: higher customer numbers, growth in the number of IoT solutions per customer and, finally, the number of sites and connected devices deployed at each site.

Pierre Cesarini said *"Once again, the Claranova group reports strong growth in this first quarter, as our segments continue to structure and develop their businesses period-after-period. The software activities acquired a year ago are now perfectly integrated and we've moved our focus to the next phase of the Internet segment's development. Our mobile businesses continue to grow at a fast pace, driven by ongoing high demand. The integration of Personal Creations is progressing and we will expand our activities in the coming quarters. While myDevices' revenue remains low compared to the Group, we're starting to see the commercial development of this highly promising IoT business with over 300 customers signed in recent months."*

### Financial calendar:

Combined Shareholders' Meeting: December 9, 2019

#### About Claranova:

*Claranova is an international technology group operating in three distinct markets: Internet, Mobile and IoT. In recent years, it has stood out for its command of major technological issues and its ability to systematically make each of its businesses a resounding success. Boosted by these achievements, for the past four years Claranova has enjoyed an average annual growth trajectory of +30% while improving its profitability, both through organic and external growth. Claranova reports annual revenue of €262 million (FY 2018-2019), up +62%, with operating profitability of 6.1%.*

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)