

# Claranova

Buy → | Target price : 9.00 €

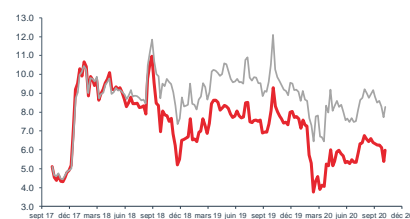
Price (04/11/2020) : 5.97 € | Upside : 51%

Revision	2021e	2022e
EPS	0.0%	0.0%

## Encouraging start to the year despite limited visibility on Q2

Publication date 05/11/2020 09:25

Writing date 05/11/2020 09:21



Sources : ODDO BHF Securities, SIX

Capital			
CLA FP   CLA.PA			
Market Cap (€m)	235		
Enterprise value (€m)	250		
Extrema 12 months (€)	2.96	- 9.27	
Free Float (%)	81.4		
Performance (%)	1m	3m	12m
Absolute	-5.5	4.1	-34.3
Perf. rel. Country Index	-5.7	4.1	-28.6
Perf. rel. CAC Small	-6.3	3.4	-30.0
P&L	06/21e	06/22e	06/23e
Sales (€m)	510	601	689
EBITDA (€m)	26.3	39.2	50.4
Current EBIT (€m)	19.0	31.8	43.0
Attr. net profit (€m)	9.5	16.6	21.8
Adjusted EPS (€)	0.22	0.42	0.55
Dividend (€)	0.00	0.00	0.00
P/E (x)	26.8	14.4	10.9
P/B (x)	3.7	3.0	2.3
Dividend Yield (%)	0.0	0.0	0.0
FCF yield (%)	5.0	12.4	14.7
EV/Sales (x)	0.49	0.36	0.19
EV/EBITDA (x)	9.5	5.4	2.6
EV/Current EBIT (x)	13.2	6.7	3.1
Gearing (%)	-31	-62	-83
Net Debt/EBITDA (x)	ns	ns	ns

### Solid Q1 2020-21 revenue at € 90m, up 23% org., above our forecasts

Claranova reported € 90m in sales for the first quarter of 2020-2021 and in so doing beat our expectations. Revenue reached € 90m over the period, up by 29% y/y in reported data and by 23% in organic data (vs ODDO BHF forecast of € 86m and +14.3% org). Scope effects came to € 6.7m (vs ODDO BHF € 6.2m) excluding the impact of the CafePress acquisition (integrated in September 2020) and Personal Creations, and a negative currency effect of 4pts on the group's growth.

#### Q1 2020-2021 revenue

€m	Reported	Forecast	Y-1	y/y chg.
PlanetArt – Q1	69	62.9	48.5	+43% (+32% org.)
Avanquest – Q1	20	21.9	20.8	-6% (-2% org.)
IoT – Q1	1	1.2	0.5	+100%
Q1 2020-21 sales	90	86.0	69.8	+29% (+23% org.)

Sources: ODDO BHF Securities, company

### Continued strong performance by PlanetArt, up 32% org.

From the press release and the company call, we note the following business unit performances:

- **PlanetArt (76%)** reported strong growth of 43% y/y (+32% org.), driven by mobile applications in the US and Europe, which delivered growth of 30%. After a year's integration we believe the Personal Creations road map has been respected: it contains numerous synergies, notably with CafePress and the development of FreePrints Gift, which harbours additional growth potential. The company stated that these two activities have grown by 50% over the period. While the mobile offers attenuate the seasonality effect, we however point out that the Web-to-Print activities (>50% of the product mix including PC and CafePress) account for two-thirds of their revenue during the Q4 holiday period (Q2 fiscal period for Claranova), and that the current context (US elections and pandemic restriction measures) limits visibility on the coming weeks.
- **Avanquest (22%)** reported € 20m in sales, down 6% (-2% org.). The performance was impacted by i) the share of physical and indirect sales and ii) the current shift of the historical sales model towards the sale of subscription-based proprietary software. The SodaPDF and inPixio brands now represent respectively 82% and 72% of their SaaS subscriptions, with the recurring revenue of 54%, vs 46% at end-June 2020. We expect that base effects should attenuate gradually, with activity normalising as of Q2-Q3.
- **myDevices (2%)** contributed € 1m in revenue, close to the forecasts, driven by a new upfront model involving a partnership with T-Mobile (following the merger with Sprint). Management stated that the pandemic has curbed the market's growth, albeit without denting its potential or the positioning of Claranova's technological assets.

### Limited visibility on Q2 but attractive risk-return. Buy opinion maintained

The group has made a positive start to the year and confirmed the strong resilience of its digital activities. However, management is taking a cautious approach ahead of the decisive Q4 season (PlanetArt is heavily impacted by the seasonality effect) amid a durably challenging environment. That said, and in the current context, we continue to believe that the market is valuing only PlanetArt's perspectives and offers a free option on the other two divisions (Software and IoT) and cash. The share price, which has fallen by almost 30% YTD, has been decorrelated by i) recent quarterly performances, ii) by medium-term growth perspectives (sales at € 700m out to 2023) and iii) future improved margins (turnaround of acquired companies, product mix effect and natural growth drivers). This should be factored in favourably to this share price which we believe harbours several positive aspects and an attractive risk-return trade-off amid the current context. We maintain our Buy opinion and our TP of € 9.0.

Nicolas Thorez (Analyst)

#### Conflict of interests:

ODDO BHF CORPORATES & MARKETS, a division of ODDO BHF SCA, limited sharepartnership - Bank authorised by ACPR. ODDO BHF and/or one of its subsidiaries could be in a conflict of interest situation with one or several of the groups mentioned in this publication. Please refer to the conflict of interests section at the end of this document. This is a non-contractual document, it is strictly for the private use of the recipient, and the information it contains is based on sources we believe to be reliable, but whose accuracy and completeness cannot be guaranteed. The opinions given in the document reflect our appraisal at the time of publication and may therefore be revised at a later date.



**CLA.PA | CLA FP**  
**Software | France**

**Buy**

Price 5.97 €

Upside 50.75%

TP 9.00 €

PER SHARE DATA (€)	06/16	06/17	06/18	06/19	06/20	06/21e	06/22e	06/23e
Adjusted EPS	-0.64	-0.21	0.03	0.20	0.01	0.22	0.42	0.55
<b>Reported EPS</b>	<b>-0.76</b>	<b>-0.23</b>	<b>-0.21</b>	<b>-1.03</b>	<b>0.01</b>	<b>0.24</b>	<b>0.42</b>	<b>0.56</b>
Growth in adjusted EPS	ns	ns	ns	ns	-94.3%	ns	86.6%	31.6%
Net dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FCF to equity per share	-0.33	-0.01	0.13	0.12	0.28	0.30	0.74	0.88
Book value per share	0.06	0.03	0.33	1.34	1.35	1.60	2.02	2.58
Number of shares market cap (m)	37.53	37.53	39.36	39.44	39.44	39.44	39.44	39.44
Number of diluted shares (m)	37.52	37.53	40.74	42.74	42.74	42.74	40.15	40.15
VALUATION (€m)	06/16	06/17	06/18	06/19	06/20	06/21e	06/22e	06/23e
12m highest price (€)	3.20	1.77	5.35	11.51	9.30	8.32		
12m lowest price (€)	0.80	0.70	1.67	4.90	6.19	2.96		
(*) Reference price (€)	0.97	2.44	6.94	7.87	6.81	5.97	5.97	5.97
Capitalization	36.3	91.5	273	310	269	235	235	235
Restated Net debt	-9.8	-16.0	-37.5	-23.6	-19.4	-23.3	-59.7	-102.7
Minorities (fair value)	0.0	0.1	21.3	39.4	39.4	39.4	39.4	0.1
Financial fixed assets (fair value)	0.7	0.4	0.4	1.5	1.5	1.5	1.5	1.5
Provisions	0.0	0.0	0.0	42.2	0.0	0.0	0.0	0.0
<b>Enterprise Value</b>	<b>25.8</b>	<b>75.3</b>	<b>256</b>	<b>367</b>	<b>287</b>	<b>250</b>	<b>214</b>	<b>131</b>
P/E (x)	ns	ns	181	40.0	584	26.8	14.4	10.9
P/CF (x)	ns	ns	ns	5.1	44.6	12.7	8.3	6.7
Net Yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FCF yield	ns	ns	1.8%	1.5%	4.2%	5.0%	12.4%	14.7%
P/B incl. GW (x)	17.34	79.24	21.33	5.88	5.03	3.74	2.96	2.32
P/B excl. GW (x)	17.34	79.24	21.33	624	177	21.90	8.48	4.71
EV/Sales (x)	0.22	0.58	1.59	1.40	0.70	0.49	0.36	0.19
EV/EBITDA (x)	ns	ns	71.2	22.5	13.9	9.5	5.4	2.6
<b>EV/Current EBIT (x)</b>	<b>ns</b>	<b>ns</b>	<b>ns</b>	<b>25.2</b>	<b>21.5</b>	<b>13.2</b>	<b>6.7</b>	<b>3.1</b>
(*) historical average price								
PROFIT AND LOSS (€m)	06/16	06/17	06/18	06/19	06/20	06/21e	06/22e	06/23e
Sales	117	130	162	262	409	510	601	689
EBITDA	-1.8	-2.5	3.6	16.3	20.6	26.3	39.2	50
Depreciations	-14.2	-5.6	-7.6	-1.7	-7.2	-7.3	-7.4	-7.5
<b>Current EBIT</b>	<b>-16.1</b>	<b>-8.1</b>	<b>-4.0</b>	<b>14.6</b>	<b>13.3</b>	<b>19.0</b>	<b>31.8</b>	<b>43.0</b>
Published EBIT	-26.1	-7.6	-6.4	11.7	7.8	19.0	31.8	43.0
Net financial income	-1.7	-0.9	-0.3	-49.1	-4.5	-3.5	-3.0	-4.0
Corporate Tax	-0.8	-0.4	-1.8	-3.7	-2.0	-4.3	-8.1	-11.7
Net income of equity-accounted companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit/loss of discontinued activities (after tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interests	0.0	0.3	0.2	0.6	-0.7	-1.7	-4.1	-5.5
Attributable net profit	-28.5	-8.5	-8.2	-40.5	0.5	9.5	16.6	21.8
<b>Adjusted attributable net profit</b>	<b>-24.2</b>	<b>-8.0</b>	<b>1.3</b>	<b>8.7</b>	<b>0.5</b>	<b>9.5</b>	<b>16.6</b>	<b>21.8</b>
BALANCE SHEET (€m)	06/16	06/17	06/18	06/19	06/20	06/21e	06/22e	06/23e
Goodwill	0.0	0.0	0.0	63.0	63.0	63.0	63.0	63.0
Other intangible assets	1.5	0.9	0.5	6.9	0.9	0.7	0.6	0.4
Tangible fixed assets	0.5	0.3	0.2	1.4	33.4	37.2	30.6	23.8
WCR	-10.4	-16.2	-24.2	-31.0	-51.6	-47.9	-56.9	-65.7
Financial assets	0.7	0.4	0.4	1.5	1.5	1.5	1.5	1.5
Ordinary shareholders equity	2.1	1.2	12.5	52.6	53.1	62.6	79.2	101
Minority interests	0.0	0.1	1.8	11.0	11.7	13.4	17.6	23.0
Shareholders equity	2.1	1.3	14.3	63.6	64.8	76.0	96.7	124
Non-current provisions	0.0	0.1	0.1	1.8	1.8	1.8	1.8	1.8
<b>Net debt</b>	<b>-9.8</b>	<b>-16.0</b>	<b>-37.5</b>	<b>-23.6</b>	<b>-19.4</b>	<b>-23.3</b>	<b>-59.7</b>	<b>-102.7</b>
CASH FLOW STATEMENT (€m)	06/16	06/17	06/18	06/19	06/20	06/21e	06/22e	06/23e
<b>EBITDA</b>	<b>-1.8</b>	<b>-2.5</b>	<b>3.6</b>	<b>16.3</b>	<b>20.6</b>	<b>26.3</b>	<b>39.2</b>	<b>50.4</b>
Change in WCR	2.5	6.8	7.9	-4.1	23.1	-3.6	9.0	8.8
Interests & taxes	-0.4	-0.1	-1.2	-3.8	-6.5	-7.8	-11.1	-15.7
Others	-11.6	-4.6	-5.2	-1.2	-8.1	0.0	0.0	0.0
Operating Cash flow	-11.4	-0.3	5.2	7.2	29.1	14.8	37.1	43.5
CAPEX	-0.9	-0.2	-0.1	-2.5	-1.2	-0.9	-0.7	-0.5
<b>Free cash-flow</b>	<b>-12.3</b>	<b>-0.5</b>	<b>5.1</b>	<b>4.7</b>	<b>27.8</b>	<b>13.9</b>	<b>36.4</b>	<b>43.0</b>
Acquisitions / disposals	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net capital increase	-5.1	1.9	2.0	-1.4	0.0	0.0	0.0	0.0
Others	1.6	3.6	13.6	-13.3	-32.0	-10.0	0.0	0.0
Change in net cash	-15.7	4.5	20.8	-9.8	-4.2	3.9	36.4	43.0
GROWTH MARGINS PRODUCTIVITY	06/16	06/17	06/18	06/19	06/20	06/21e	06/22e	06/23e
Sales growth	26.1%	10.9%	24.0%	62.4%	56.0%	24.7%	17.8%	14.8%
<b>Lfl sales growth</b>	<b>26.1%</b>	<b>10.9%</b>	<b>24.0%</b>	<b>33.1%</b>	<b>22.4%</b>	<b>15.4%</b>	<b>16.5%</b>	<b>14.8%</b>
Current EBIT growth	ns	ns	ns	ns	-8.5%	42.2%	67.6%	35.1%
Growth in adjusted EPS	ns	ns	ns	ns	-94.3%	ns	86.6%	31.6%
Net margin	-20.6%	-6.2%	0.8%	3.3%	0.1%	1.9%	2.8%	3.2%
<b>EBITDA margin</b>	<b>-1.6%</b>	<b>-1.9%</b>	<b>2.2%</b>	<b>6.2%</b>	<b>5.0%</b>	<b>5.2%</b>	<b>6.5%</b>	<b>7.3%</b>
<b>Current EBIT margin</b>	<b>-13.7%</b>	<b>-6.2%</b>	<b>-2.5%</b>	<b>5.6%</b>	<b>3.3%</b>	<b>3.7%</b>	<b>5.3%</b>	<b>6.2%</b>
CAPEX / Sales	-0.8%	-0.1%	-0.1%	-1.0%	-0.3%	-0.2%	-0.1%	-0.1%
WCR / Sales	-8.8%	-12.4%	-15.0%	-11.8%	-12.6%	-9.4%	-9.5%	-9.5%
Tax Rate	-2.8%	-4.7%	-27.0%	-9.9%	62.0%	28.0%	28.0%	30.0%
Normative tax rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Asset Turnover	-40.8	-11.1	-8.4	31.2	9.5	10.3	13.2	22.7
<b>ROCE post-tax (normative tax rate)</b>	<b>ns</b>	<b>52.0%</b>	<b>15.7%</b>	<b>ns</b>	<b>23.3%</b>	<b>28.8%</b>	<b>52.3%</b>	<b>ns</b>
ROCE post-tax hors GW (normative tax rate)	ns	ns	ns	ns	ns	ns	ns	ns
ROE	ns	ns	18.7%	26.7%	0.9%	16.4%	23.4%	24.2%
DEBT RATIOS	06/16	06/17	06/18	06/19	06/20	06/21e	06/22e	06/23e
Gearing	ns	ns	ns	-37%	-30%	-31%	-62%	-83%
Net Debt / Market Cap	-0.27	-0.17	-0.14	-0.08	-0.07	-0.10	-0.25	-0.44
<b>Net debt / EBITDA</b>	<b>5.33</b>	<b>6.39</b>	<b>ns</b>	<b>ns</b>	<b>ns</b>	<b>ns</b>	<b>ns</b>	<b>ns</b>
EBITDA / net financial charges	8.3	8.3	14.4	8.6	4.6	7.5	13.1	12.6

Sources: ODDO BHF Securities, SIX



• **Valuation method**

Our target prices are established on a 12-month timeframe and we use three valuation methods to determine them. First, the discounting of available cash flows using the discounting parameters set by the Group and indicated on ODDO BHF website. Second, the sum-of-the-parts method based on the most pertinent financial aggregate depending on the sector of activity. Third, we also use the peer comparison method which facilitates an evaluation of the company relative to similar businesses, either because they operate in identical sectors (and are therefore in competition with one another) or because they benefit from comparable financial dynamics. A mixture of these valuation methods may be used in specific instances to more accurately reflect the specific characteristics of each company covered, thereby fine-tuning its evaluation.

• **Sensitivity of the result of the analysis/ risk classification:**

The opinions expressed in the financial analysis are opinions as per a particular date, i.e. the date indicated in the financial analysis. The recommendation (cf. explanation of the recommendation systematic) can change owing to unforeseeable events which may, for instance, have repercussions on both the company and on the whole industry.

• **Our stock market recommendations**

Our stock market recommendations reflect the RELATIVE performance expected for each stock on a 12-month timeframe.

Buy: performance expected to exceed that of the benchmark index, sectoral (large caps) or other (small and mid caps).

Neutral: performance expected to be comparable to that of the benchmark index, sectoral (large caps) or other (small and mid caps).

Reduce: performance expected to fall short of that of the benchmark index, sectoral (large caps) or other (small and mid caps).

• **The prices of the financial instruments used and mentioned in this document are the closing prices.**

• **All publications by ODDO BHF concerning the companies covered and mentioned in this document are available on the research site: [www.securities.oddo-bhf.com](http://www.securities.oddo-bhf.com)**

**Recommendation and target price changes history over the last 12 months for the company analysed in this report**

Date	Reco	Price Target (EUR)	Price (EUR)	Analyst
01/10/20	Buy	9.00	6.51	Nicolas Thorez
09/06/20	Buy	8.00	6.19	Nicolas Thorez
01/04/20	Buy	8.50	4.23	Nicolas Thorez
12/02/20	Buy	10.50	7.67	Nicolas Thorez
02/10/19	Buy	11.30	7.29	Nicolas Thorez

In accordance with Article 20 of European Regulation No. 596/2014 (Market Abuse Regulation), a list of all recommendations on any financial instrument or issuer that have been disseminated over the past twelve months is available by clicking on the following link [www.securities.oddo-bhf.com](http://www.securities.oddo-bhf.com)

Recommendation split		Buy	Neutral	Reduce
Our whole coverage	(429)	48%	37%	15%
Liquidity providers coverage	(81)	53%	44%	2%
Research service coverage	(32)	53%	44%	3%
Investment banking services	(15)	60%	33%	7%

**Risk of conflict of interest:**

Investment banking and/or Distribution		
Has ODDO BHF, managed or co-managed in the past 12 months a public offering of securities for the subject company/ies?		No
Has ODDO BHF, received compensation for investment banking services from the subject company/ies in the past 12 months or expects to receive or intends to seek compensation for investment banking services from the subject company/ies in the last 12 months?		No
Research contract between ODDO group & the issuer		
ODDO BHF and the issuer have agreed that ODDO BHF will produce and disseminate investment recommendations on the said issuer as a service to the issuer		Yes
Liquidity provider agreement and market-making		
At the date of the distribution of this report, does ODDO BHF, act as a market maker or has ODDO BHF, signed a liquidity provider agreement with the subject company/ies?		No
Significant equity stake		
Does ODDO BHF, own 5% or more of any class of common equity securities of the subject company/ies?		No
Does the subject company beneficially own 5% or more of any class of common equity of ODDO BHF or its affiliates?		No
Disclosure to Company		
Has a copy of this report ; with the target price and/or rating removed, been presented to the subject company/ies prior to its distribution, for the sole purpose of verifying the accuracy of factual statements ?		No
Have the conclusions of this report been amended following disclosure to the company/ies and prior its distribution?		No
Additional material conflicts		
Is ODDO BHF, aware of any additional material conflict of interest?		No
Personal conflicts of interest		
Have those responsible for the drafting of the present document acquired securities from the issuer concerned by the present financial analysis?		No
Have those responsible for the drafting of the present document received remuneration directly linked to investment firm service transactions or any other kind of transaction they carry out or any trading commissions they, or any legal person who is part of the same group, receive?		No

**Statement of conflict of interests of all companies mentioned in this document may be consulted on ODDO BHF: [www.securities.oddo-bhf.com](http://www.securities.oddo-bhf.com)**



**Disclaimer:**

Disclaimers for Distribution by ODDO BHF SCA to Non-United States Investors:

This research publication is produced by ODDO BHF Corporates & Markets, a division of ODDO BHF SCA ("ODDO"), which is licensed by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the Autorité des Marchés Financiers ("AMF").

The research, when distributed outside of the U.S., is intended exclusively for non-U.S. customers of ODDO and cannot be divulged to a third-party without prior written consent of ODDO. This document is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. This research has been prepared in accordance with regulatory provisions designed to promote the independence of investment research. "Chinese walls" (information barriers) have been implemented to avert the unauthorized dissemination of confidential information and to prevent and manage situations of conflict of interest. This research has been prepared in accordance with French regulatory provisions designed to promote the independence of investment research. The recommendation presented in this document is reviewed and updated at least quarterly following each Quarterly Report published by the issuer that is the subject of this Research Report.

At the time of publication of this document, ODDO and/or one of its subsidiaries may have a conflict of interest with the issuer(s) mentioned. While all reasonable effort has been made to ensure that the information contained is not untrue or misleading at the time of publication, no representation is made as to its accuracy or completeness and it should not be relied upon as such. Past performances offer no guarantee as to future performances. All opinions expressed in the present document reflect the current context which is subject to change without notice. The views expressed in this Research Report accurately reflect the analyst's personal views about the subject securities and/or issuers and no part of his compensation was, is, or will be directly or indirectly related to the specific views contained in the Research Report. This Research Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice.

This Research Report is for institutional investors only. It may not contain information necessary for others to make investment decisions. Consult your financial adviser or an investment professional if you are not an institutional investor.

Disclaimers for Distribution by ODDO BHF New York Corporation to United States Investors:

This Research Report is produced by ODDO BHF Corporates & Markets, a division of ODDO. This research is distributed to U.S. investors exclusively by ODDO BHF New York Corporation ("ONY"), MEMBER: FINRA/SIPC, and is intended exclusively for U.S. customers of ONY and cannot be divulged to a third-party without prior written consent of ONY. This document is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. This research has been prepared in accordance with regulatory provisions designed to promote the independence of investment research. "Chinese walls" (information barriers) have been implemented to avert the unauthorized dissemination of confidential information and to prevent and manage situations of conflict of interest. This research has been prepared in accordance with French regulatory provisions designed to promote the independence of investment research. The recommendation presented in this document is reviewed and updated at least quarterly following each Quarterly Report published by the issuer that is the subject of this Research Report.

At the time of publication of this document, ODDO, and/or one of its subsidiaries may have a conflict of interest with the issuer(s) mentioned. While all reasonable effort has been made to ensure that the information contained is not untrue or misleading at the time of publication, no representation is made as to its accuracy or completeness and it should not be relied upon as such. Past performances offer no guarantee as to future performances. All opinions expressed in the present document reflect the current context which is subject to change without notice. The views expressed in this Research Report accurately reflect the analyst's personal views about the subject securities and/or issuers and no part of his compensation was, is, or will be directly or indirectly related to the specific views contained in the Research Report. This Research Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice.

This Research Report is for institutional investors only. It may not contain information necessary for others to make investment decisions. Consult your financial adviser or an investment professional if you are not an institutional investor.

Disclosures Required by United States Laws and Regulations:

Rule 15a-6 Disclosure: Under Rule 15a-6(a)(3), any transactions conducted by ODDO, and/or one of its subsidiaries with U.S. persons in the securities described in this foreign research must be effected through ONY. As a member of FINRA, ONY has reviewed this material for distribution to U.S. persons as required by FINRA Rules 2241(h) applicable to dissemination of research produced by its affiliate ODDO.

FINRA Disclosures:

- Neither ONY, ODDO, nor ODDO BHF Corporates & Markets beneficially owns 1% or more of any class of common equity securities of the subject company.
- The research analyst of ODDO BHF Corporates & Markets, at the time of publication of this research report, is not aware, nor does he or she know or have reason to know of any actual, material conflict of interest of himself or herself, ODDO, ODDO BHF Corporates & Markets or ONY, except those mentioned in the paragraph entitled "Risks of Conflicts of Interest."
- ODDO BHF Corporates & Markets or ODDO may receive or seek compensation for investment banking services in the next 3 months from the subject company of this Research Report, but ONY would not participate in those arrangements.
- Neither ONY, ODDO, ODDO BHF Corporates & Markets has received compensation from the subject company in the past 12 months for providing investment banking services except those mentioned in the paragraph of "Risks of Conflict of Interest."
- Neither ONY, ODDO, ODDO BHF Corporates & Markets has managed or co-managed a public offering of securities for the subject company in the past 12 months except those mentioned in the paragraph of "Risk of Conflict of Interest".
- ONY does not make (and never has made) markets and, accordingly, was not making a market in the subject company's securities at the time that this research report was published.

Regulation AC:

ONY is exempt from the certification requirements of Regulation AC for its distribution to a U.S. person in the United States of this Research Report that is prepared by an ODDO BHF Corporates & Markets research analyst because ODDO has no officers or persons performing similar functions or employees in common with ONY and ONY maintains and enforces written policies and procedures reasonably designed to prevent it, any controlling persons, officers or persons performing similar functions, and employees of ONY from influencing the activities of the third party research analyst and the content of research reports prepared by the third party research analyst.

Contact Information of firm distributing research to U.S. investors: ODDO BHF New York Corporation, MEMBER: FINRA/SIPC, is a wholly owned subsidiary of ODDO BHF SCA; Philippe Bouclainville, President (pbouclainville@oddonyc.com) 150 East 52nd Street New York, NY 10022 212-481-4002.