Q1 2021-2022 revenue:

A smaller than expected contraction for the quarter

- **€88 million in Q1 2021-2022 revenue down -2% year-over-year vs. an initial guidance of -5%[1]**
- **A very strong quarterly performance by Avanquest with an +18% increase in revenue**

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

"*Against the backdrop of particularly unusual economic and technology market conditions, we once again demonstrated the strength of our business portfolio in Q1 2021-2022. With revenue of €88 million, the decrease announced for the beginning of the year has accordingly been narrowed.*

After a marked improvement in Avanquest's operating profitability over the previous fiscal year, the division is back on track with double-digit growth and confirms the success of its strategic shift to a SaaS[2] subscription-based business model. This performance by our software businesses highlights the relevance of the buyout of Avanquest's minority interests whose completion was announced in early November.

For the first time in five years since its creation, PlanetArt registered a drop in sales in response to a post-Covid lockdown decrease in online traffic and Apple's new App Tracking Transparency feature. Yet, because of our unique business model (fabless[3], multi-channel web & mobile), our global presence and our digital marketing know-how, we were able to resist better than our competitors", commented Pierre Cesarini, CEO of Claranova.

Paris, France - November 9, 2021, 6:00 p.m. (CET). Claranova today announced revenue for Q1 2021-2022 (July - September 2021) of €88 million, decreasing marginally by 2% at current exchange rates and -5% at constant exchange rates compared to the same period last year. This decrease was minimized thanks to the excellent momentum for Avanquest's activities (software publishing) with double-digit growth in the first quarter (+18% at current exchange rates, +14% at constant exchange rates). This increase largely offset the impact from the exceptional industry wide downturn of PlanetArt activities during the quarter.

The Group is still expecting a gradual return to growth for these activities in Q2 2021-2022. At constant exchange rates and excluding the impact of the CafePress and I See Me! acquisitions[4], Group revenue declined 10% on a like-for-like basis[5] in Q1.

[1] The Group published a press release on September 30, 2021, issuing guidance for a decrease in consolidated revenue of approximately -5% in Q1 2021-2022 at current exchange rates and constant consolidation scope.

[2] *Software as a Service.*

[3] A business model that involves outsourcing production to third-party partners.

[4] This excludes September 2020 for CafePress and July 2021 through September 2021 for I See Me!

[5] Like-for-like (organic) growth equals the increase in revenue at constant consolidation scope and exchange rates.

Revenue trends by division for Q1 2021-2022:

In €m	**Jul. to Sep. 2021** (3 months)	**Jul. to Sep. 2020** (3 months)	Change	Change at constant exchange rates	Change at constant consolidation scope	Change at constant consolidation scope and exchange rates
PlanetArt	**64**	69	*-8%*	*-10%*	*-16%*	*-17%*
Avanquest	**23**	20	*18%*	*14%*	*18%*	*14%*
myDevices	**1**	1	*-8%*	*-7%*	*-8%*	*-7%*
Revenue	**88**	**90**	***-2%***	***-5%***	***-8%***	***-10%***

PlanetArt: a temporary downturn in response to post-lockdown developments and constraints related to Apple's iOS 14 release

PlanetArt had revenue in Q1 2021-2022 of €64 million, down 8% at current exchange rates (10% at constant exchange rates). Excluding the impact of the CafePress and I See Me! acquisitions, the personalized e-commerce activities decreased 17% like-for-like.

As announced last September, this unfavorable trend is the result of two exceptional developments affecting all e-commerce players worldwide: a general post-lockdown decline in online traffic and new constraints for targeted marketing linked to the App Tracking Transparency feature integrated into in Apple's new operating system, iOS 14.

To counteract these trends, PlanetArt is able to successfully leverage the geographic diversification of its activities, its fabless manufacturing model, its sales channels mixing web and mobile and its extensive product range.

Adjustments to marketing investments since iOS 14's rollout (reallocating a portion of expenditures to Android, the diversification of customer acquisition channels, the signature of new advertising partnerships agreements, etc.) and the expected easing of post-lockdown effects on online consumption, should facilitate the return to operating activities in the coming months.

Avanquest: resumption of double-digit growth in software publishing activities

Avanquest ended the first quarter of FY 2021-2022 with revenue of €23 million. The software publishing division is back on track with double-digit growth path, with revenue up 18% at current exchange rates. Excluding currency effects, growth at constant exchange rates also remained solid at +14%.

The significant increase in profitability in FY 2020-2021 after completing the transition of the business model to subscription-based sales (SaaS), is now accompanied by a return to strong business growth. This growth is driven by very good momentum by for PDF (SodaPDF) and Security (Adaware) software. Each of these business lines registered double-digit growth in the quarter.

Recurring revenue is continuing to grow and now represent 61% of the division's revenues for the quarter, up from 54% for the same period last year and 58% from FY 2020-2021.

myDevices: +44% growth adjusted for non-recurring items, driven by an increase in subscription revenues (ARR up +85% at September 30)

myDevices, the Group's IoT[6] division, reported revenue of €1.0 million in Q1 2021-2022 compared to €1.1 million in the same period of the previous fiscal year. Adjusted for exceptional items related to the partnership with the US carrier Sprint, recognized in Q1 2020-2021, business growth was +44%.

As expected, this performance reflects the acceleration of commercial rollouts, bolstered by easing health restrictions in the division's main business sectors. This development is in particular fueled by the increase in subscription revenues. At September 30, 2021, myDevices recorded Annual Recurring Revenue (ARR) of €1.8 million, up 85% from one year earlier at constant exchange rates.

Financial calendar:
December 1, 2021: Combined Ordinary and Extraordinary Annual General Meeting

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.

With average annual growth of more than 40% over the last three years and revenue of €472 million in FY 2020-2021, 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 nearly 800 employees across North America and Europe, Claranova is a truly international company, 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 a leader in personalized e-commerce, 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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[6] Internet of Things.