claranova

UNIVERSAL REGISTRATION DOCUMENT

2021-2022

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claranova

UNIVERSAL REGISTRATION DOCUMENT

AS OF JUNE 30, 2022
including the Annual Financial Report

2021-2022

The original French version of this Universal Registration Document was filed on October 31, 2022 with the AMF (Autorité des Marché Financiers), the French financial market regulator, as the competent authority under regulation (UE) 2017/1129, without prior approval pursuant to Article 9 of said regulation.

The original French version of this document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary together with any amendments to the Universal Registration Document. It has thus been approved in its entirety by the AMF in accordance with Regulation (EU) 2017/1129.

The original French version of the Universal Registration Document including the Annual Financial Report is a reproduction of the official version prepared in ESEF format and available at www.claranova.com.

Pursuant to Regulation (EU) no. 2017/1129, the following information is incorporated by reference in the Universal Registration Document:

- the Claranova Consolidated Financial Statements for fiscal year 2020-2021, prepared in accordance with IFRS, and the Group Auditors' report thereon, presented in Sections 2.1 to 2.6 of the Universal Registration Document filed with the AMF on October 20, 2021 under the number D. 21-0869;
- the Claranova Consolidated Financial Statements for fiscal year 2019-2020, prepared in accordance with IFRS, and the Group Auditors' report thereon, presented in Sections 2.1 to 2.6 of the Universal Registration Document filed with the AMF on October 21, 2020 (No. 20-0890);

Copies of this Document are available free of charge from Claranova (Immeuble Adamas, 2 rue Berthelot, CS 80141, 92414 Courbevoie Cedex, France) and on its website (http://www.claranova.com), as well as on the AMF's website (http://www.amf-france.org).

In this Document, the term "Group" refers to Claranova and its subsidiaries, while the terms "Claranova" and the "Company" refer to Claranova as an entity.

This Document contains information about the Company's objectives and development strategy. Such information may be identified by the use of the future and conditional tenses and by forward-looking terms such as "consider", "envisage", "think", "target", "expect", "intend", "should", "aim", "estimate", "believe", "wish" and "may" or, in certain cases, the negative form of these terms, or similar expressions.

The reader's attention is drawn to the fact that these objectives and development strategy depend on circumstances and events which may or may not occur.

These objectives and development priorities are not historical data and should not be interpreted as a guarantee that the facts or data will occur, that the assumptions will be proven correct or that the objectives will be achieved By their nature, these objectives may not be achieved and the statements and information presented in this Document may prove incorrect, without the Company being required in any way to provide an update, subject to applicable regulations and, particularly, the AMF General Regulations.

This document contains information about the Company's business and the market and industry in which it operates. This information notably stems from studies conducted by internal and external sources (analysts' reports, specialized studies, sector publications, and any other information published by market research firms, companies and government agencies). The Company considers that this information presents a true and fair view of the market and industry in which it operates and accurately reflects its competitive position. However, while this information is considered reliable, it has not been independently verified by the Company.

This document is a free translation of the original "document d'enregistrement universel" or universal registration document issued in French for the fiscal year ended June 30, 2022 filed with the AMF on October 31, 2022. As such, the English version has not been registered by this Authority. The English version of this document has not been audited by our Statutory Auditors and the English translations of their reports included herein are provided for information only. In the event of any ambiguity or conflict between corresponding statements or other items contained in these documents and the original French version, the relevant statement or item of the French version shall prevail and only the original version of the document in French is legally binding. As such, this translation may not be relied upon to sustain any legal claim, nor be used as the basis of any legal opinion and Claranova expressly disclaims all liability for any inaccuracy herein.

CHAIRMAN'S MESSAGE

Claranova remained on track with revenue reaching record levels in a particularly complex economic environment.

During FY 2021-2022, which included the impacts of Covid, the war in Ukraine and Apple's new marketing-related privacy changes, our Group has stayed the course and maintained revenues at peak levels. Each of our businesses is performing well and is demonstrating its resilience.

After six consecutive years of growth with a nearly five-fold increase in revenue and an EBITDA that has gone from - €15 million to + €33 million, for the first time in FY 2021-2022 Claranova has experienced a modest drop in profitability to €26 million, while maintaining extremely solid fundamentals in a particularly complex economic context.

While we succeeded in keeping the impact of inflation on our production costs under control, higher transportation costs, increased customer acquisition costs, and our decision to continue investing in R&D to prepare PlanetArt for the future all contributed to this drop in profitability. Nonetheless, the market remains very buoyant and our competitive position strong, making it possible for us to continue to gain market share.

And as PlanetArt's teams have continued to develop new customer acquisition channels to offset the impact of Apple's App Tracking changes, we have begun to see the first positive effects, which reinforces our confidence in PlanetArt's capacity to return to growth.

The Group has also reaped the benefits of Avanquest's successful transformation to subscription-based software sales offering recurring revenue streams and longer-term visibility. On this basis, the division's revenues exceeded €100 million for the year, while EBITDA rose 20% over the last 12 months. This division contributed nearly 45% of the Group EBITDA, thus confirming the relevance of Claranova's multi-sector offer.

Similarly, the IoT business has continued to build momentum as new commercial deployments confirm the growing interest in this technology of the future, which remains a growth driver for the Group.

I continue to be firmly convinced in the fundamental strengths and potential of each of our subsidiaries. On that basis, with our confidence in our growth prospects intact, we reconfirm our targets for €700 million in revenue and an EBITDA margin above 10% for FY 2023-2024.

PIERRE CESARINI
Chairman-CEO

KEY FIGURES

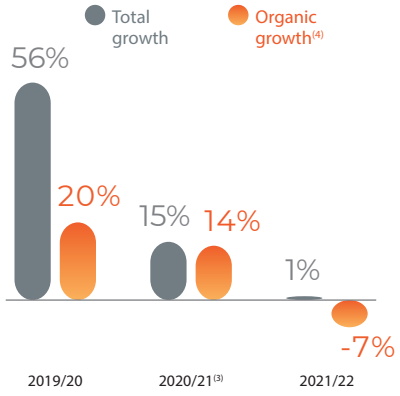
€474m
Revenue

1%
Annual growth[1]

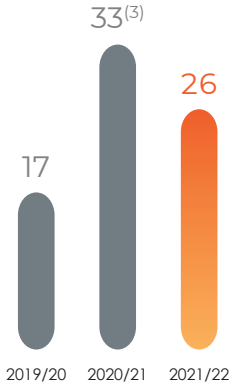
€26m
EBITDA[2]

REVENUE
(In € million)

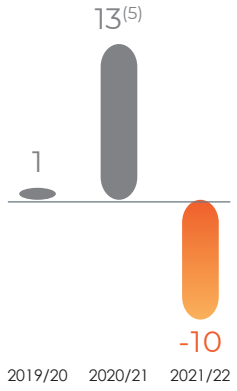
TOTAL AND ORGANIC GROWTH



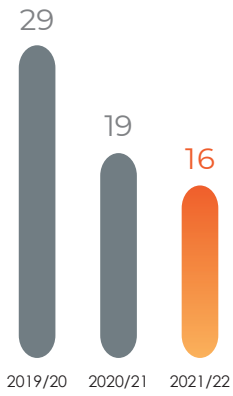
EBITDA[2]
(In € million)



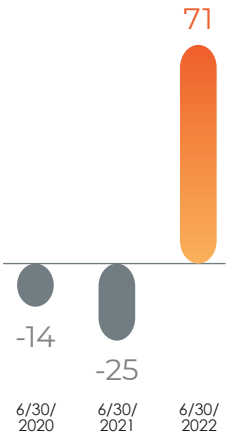
NET INCOME (LOSS)
(In € million)



CASH FLOWS FROM OPERATIONS
(In € million)



NET DEBT
(In € million)

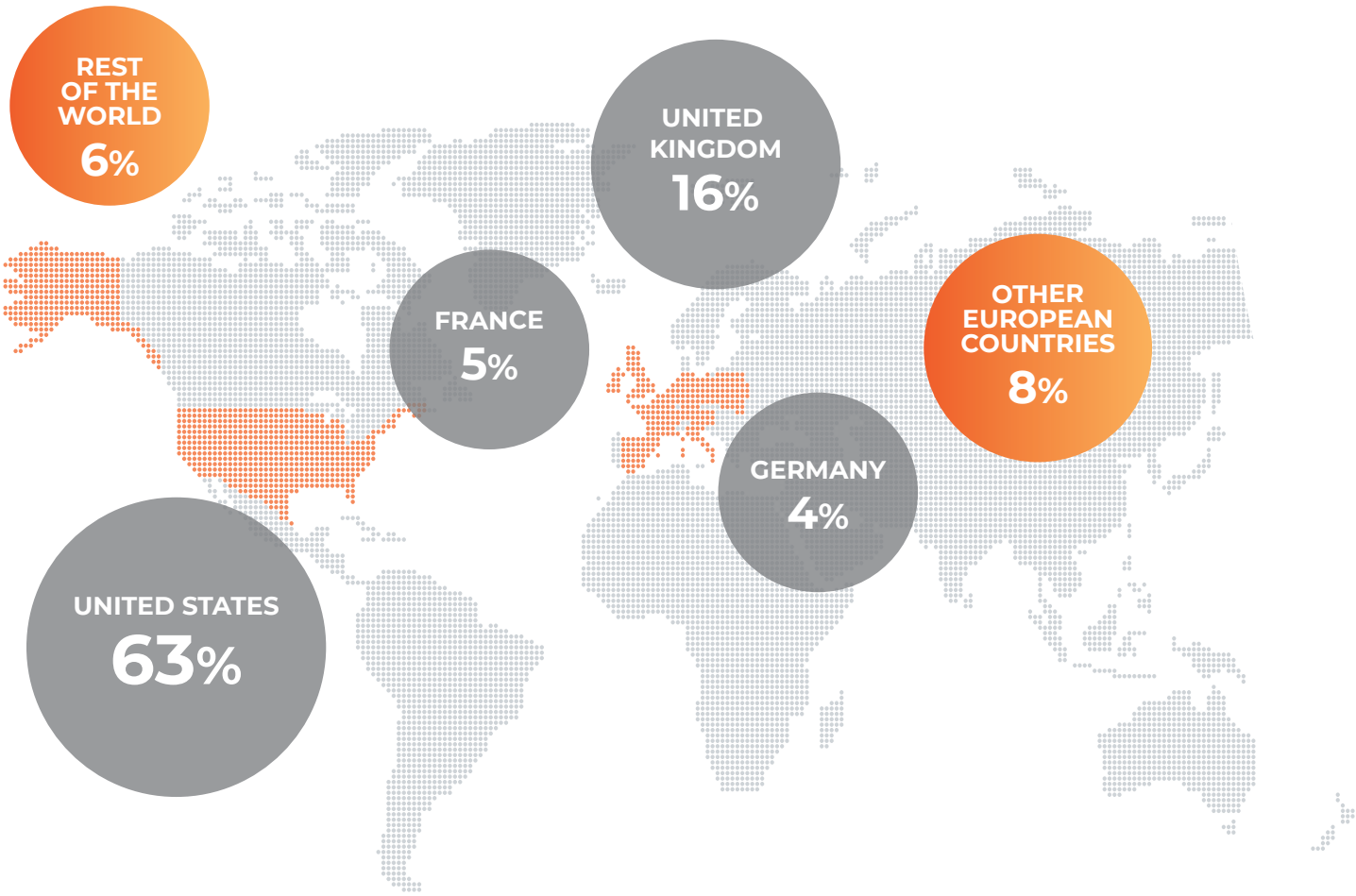


(1) -5% at constant exchange rates.
(2) EBITDA (Earnings before interest, taxes, depreciation and amortization) is a non-GAAP aggregate used to measure the operating performance of the businesses. It corresponds to Recurring Operating Income before depreciation, amortization and share-based payments including related social security expenses and the IFRS 16.
(3) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.
(4) Like-for-like (organic) growth equals the increase in revenue at constant consolidation scope and exchange rates.
(5) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020 and restated for Paycheck Protection Program.

claranova™

95%
of revenue generated from outside France

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 annual revenue of €474 million in FY 2021-2022, 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 worldwide, Claranova is a truly international company, with 95% of its revenue derived from outside France.



Revenue by region

Innovative technology accessible to all

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 through innovation by providing simple and intuitive digital solutions that facilitate everyday access to the very best of technology.

OUR APPROACH

A global vision

Through a diversified portfolio of activities, Claranova applies a global approach to the world of technology which represents a major source of resilience for a sector in constant transformation.

An international dimension

With international markets accounting for 95% of total revenue, Claranova is a truly international technology group. Each product is specifically designed from the start for global deployment

Innovative models

Claranova favors predictable and scalable business models built around offers that have the capacity to be adopted by tens of millions of users around the world

An entrepreneurial approach

Claranova promotes autonomy for each of its activities and relies on the talent of experienced entrepreneurs who benefit from the additional leverage Claranova is able to provide as a Group

OUR EXPERTISE:

In-depth knowledge of the world of technology

Claranova's management teams combine decades of experience in the world of technology, entrepreneurship and investment in digital companies at a worldwide level.

Transforming ideas into global successes

Claranova's success is based on a unique expertise in turning around, creating and developing innovative technological services capable of reaching tens of millions of customers

A solid track record of managing growth

With a nearly five-fold increase in revenue in 5 years, Claranova has a successful track record of developing in a high-growth environment through both organically and by rapidly integrating new businesses worth several tens of millions of euros

A DNA of value creation

Claranova relies on the very best technology, develops innovative value propositions and finds the right business model to rapidly create lasting value.

1 Group, 3 technology platforms

Claranova manages and coordinates a portfolio of majority interests in digital companies operating through three divisions.

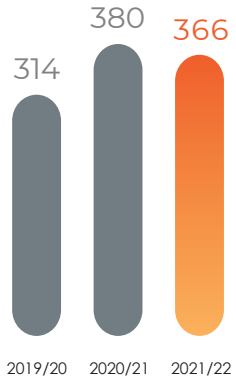
PlanetART®

Your world. Personalized

E-COMMERCE OF PERSONALIZED OBJECTS

- **Leader in mobile personalized digital printing**
- **Tenfold increase in revenue in five years**
- **New opportunities built around the concept of personalized e-commerce**

ANNUAL REVENUE
(€m)



In just five years, PlanetArt has become one of the world's leading online platforms for creating and selling personalized products. Present in 15 countries, PlanetArt now manages a portfolio of websites and mobile applications used by tens of millions of customers around the world to transform their best memories into unique personalized products. PlanetArt's range of solutions includes the FreePrint line of mobile applications, and the Personal Creations, SimplytoImpress, CafePress, Gifts.com and I See Me! websites.

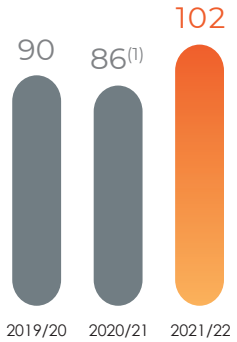
Avanquest

Selling software consumers love and recommend

SOFTWARE PUBLISHING AND DISTRIBUTION

- **A leading publisher of proprietary B2C software**
- **A subscription-based business model (SaaS) with strong recurring revenue**
- **Positioned in three high-potential segments**

ANNUAL REVENUE
(€m)



Avanquest is a leading B2C software publisher and distributor, operating in three segments (PDF, Security, Photo) with the Soda PDF, Adaware and inPixio brands. With a portfolio of software products that is unique in terms of functionality, price and accessibility, Avanquest improves the day-to-day digital experience of its customers in more than 160 countries. Through its software solutions sold on a service on a subscription basis (SaaS), Avanquest helps users stimulate their creativity, facilitate collaborative work, and secure and ensure the full confidentiality of their digital life.

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

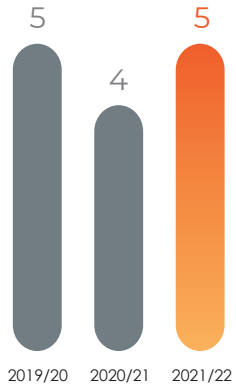
myDevices

Simplify the connected world

INTERNET OF THINGS

- **One platform, infinite IoT solutions**
- **Technology recognized by IoT leaders**
- **An international network of commercial partners**

ANNUAL REVENUE
(€m)



Through its IoT myDevices platform, Claranova provides technological expertise designed to help professionals manage their connected devices. With a unique application platform, myDevices offers companies of all sizes an infinite range of IoT plug & play solutions to simplify and optimize the management of their inventory of connected devices, regardless of the manufacturer, type of network used, business sector and application field. The " use cases " become both unlimited and able to be deployed in record time.

1

Business overview and FY 2022-2023 outlook

1.1 Presentation of Claranova

Business model

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.

Our Expertise

Technological excellence

Claranova's management teams combine decades of experience in the world of technology, entrepreneurship and investing in digital companies

Skill in execution

Claranova's success is based on a unique expertise in turning around, creating and developing innovative technological companies with potential for worldwide growth

Managing strong growth

With a nearly five-fold increase in revenue in seven years, Claranova has a successful track record of developing in a high-growth environment both organically and by integrating new businesses worth several tens of millions of euros

A DNA of value creation

Claranova relies on the very best technology, develops innovative value propositions and identifies the relevant business models to rapidly create lasting value.

Our Strategy

A strategy for investment and creation of value based on 3 pillars:

1. Creating and identifying undervalued assets

- In the technology sector of high potential vertical markets
- In digital services created or acquired capable of being deployed at a worldwide level
- Based on freemium business models with strong recurring revenue potential
- Largely focused on B2C

2. Creation of operating and financial value

- Strategic and operational redeployment
- Through organic growth or acquisitions
- Strategic, commercial or financial partnerships

3. Externalization of value created

- Investment horizon of 5 to 10 years, varying according to the maturity of the asset and the opportunities identified to maximize the value created
- Wide range of options for externalizing value: IPO, partial or total sale to financial or industrial investors, merger, etc.

With annual revenue of €474 million in FY 2021-2022, Claranova has proven its capacity to turn a simple idea into a worldwide success in just a few short years. Present in approximately 15 countries and leveraging the technology expertise of its 800+ employees worldwide, Claranova is a truly international company, with 95% of its revenue derived from outside France.

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 distribution and the management of the Internet of Things, through its PlanetArt, Avanquest and myDevices businesses. These three technology divisions 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.

Our Business Portfolio

One Group, three technology platforms

PlanetART®
YOUR WORLD. PERSONALIZED.

E-COMMERCE OF PERSONALIZED OBJECTS

Avanquest

SOFTWARE PUBLISHING AND DISTRIBUTION

myDevices

IoT MANAGEMENT PLATFORM

Our Value Creation

For growth

- FY 2021-2022 revenue: €474m
- EBITDA: €26m
- A cash position of €100 million

For our employees

- 809 employees
- 44% women (44% in 2020-2021)
- €60 million of value shared with our employees (payroll)

For our customers

- Nearly 3.5 billion photos printed
- Tens of millions of users of our software
- Thousands of sites equipped with our IoT solutions around the world

Market and competitive position

PlanetArt

In just five years, PlanetArt has become one of the world's leading online platforms for selling personalized products. Present in approximately fifteen countries, PlanetArt now manages several websites and mobile applications used by tens of millions of customers around the world to transform their best memories into unique personalized objects. PlanetArt's range of solutions includes the FreePrint line of mobile applications, and the Personal Creations, SimplytoImpress, CafePress, Gifts.com and I See Me! websites.

A PERSONALIZED E-COMMERCE OFFERING (WEB AND APP) COVERING ALL PHOTO PRODUCT AND PERSONALIZED OBJECTS SEGMENTS

In the United States, PlanetArt's main competitors are groups traditionally specialized in Web-to-Print[1]. In Europe, the market is more fragmented with a larger number of niche players and start-ups with a local presence as well as a few Web-to-Print specialists.

By taking advantage of the rapid replacement of digital cameras by smartphones, PlanetArt revolutionized the photo printing market by launching in 2013 in the United States the FreePrints app, the simplest and most affordable solution to print photos directly from one's phone. Through its mobile app, PlanetArt has developed a unique platform connecting the best professional printers with millions of customers around the world wanting paper prints of the thousands of photos stored on their smartphones and tablets. PlanetArt was the first global player to revolutionize the world of printing with an intermediary mobile app offering, and as such a pioneer much like UBER in transportation or Airbnb in the rental sectors.

(1) Generic term encompassing all web apps linking printers and buyers of printed products.

PlanetArt's strength is based on its unique *fabless*[1] business model and *freemium* offering. The resulting offering which is unique in terms of quality/price and ease of use, attracts new customers based on very low acquisition costs. The offering's premium quality contributes to developing a loyal installed base that regularly returns to the platform. Most of the division's sales come from existing customers (FreePrints apps thus regularly appear in the top 5 photo printing solutions in mobile app stores). Marketing investments during the year fuel the future growth and margins, with a customer life cycle of several years.

While this approach generates a lower average basket than that of competitors providing a premium offering, it secures access to a larger customer base. This customer base is then monetized by means of higher margin offers providing additional personalization options and new products (photo albums, photo frames, personalized cards and gifts).

The brand has enjoyed a meteoric rise across the globe since its US launch in 2013, confirming the relevance of its business model. In just a few years, PlanetArt has become the leader in mobile printing solutions in the United States and Europe, and one of the five most important printers in the world of photo products with one of the largest installed bases in both continents. Present today in 15 countries worldwide, PlanetArt is all the only truly international player. Its mobile approach, combined with the adoption of a fabless[1] model, increases its ability for scaling up operations and geographic expansion. fifteen countries

Acceleration of geographical deployment and expansion of the product range to products with higher added value

	2013	2014	2015	2016	2017	2018	2019	2020	2021*
FreePrints Gifts								United States	
FreePrints Cards						United States	United Kingdom		
FreePrints PHOTO TILES						United States France United Kingdom Ireland	Italy Germany Spain Netherlands Belgium	Luxembourg Austria	Sweden
FreePrints photobooks				United States France United Kingdom	Germany Italy Spain Ireland	India	Netherlands Belgium Austria Poland	Luxembourg	Sweden
FreePrints	United States	United Kingdom Germany Italy France			Spain Ireland	India	Netherlands Belgium Austria Poland	Luxembourg	Sweden

* *Calendar year.*

(1) *Outsourcing of production to third-party partners.*

The successive acquisitions of Personal Creations in 2019, CafePress in 2020 and I See Me! in 2021, marked a major new milestone in PlanetArt's development. With these acquisitions, PlanetArt has established its position as a leading player in the personalized gifts market worth more than US$26 billion[1], twice as large as the photo market, where PlanetArt is able to capitalize on the know-how it has acquired in developing mobile offerings. This strategy was implemented in July 2020 with the launch of the FreePrints Gifts app in the United States.

The opening up of the market of personalized gifts, the development of new Web and Mobile products and continuing geographic expansion thus offer PlanetArt significant growth drivers to become the global leader in personalized e-commerce.

Avanquest

Avanquest is a leading B2C publisher and distributor of SaaS software, operating in three segments (PDF, Security, Photo) with the SodaPDF, Adaware and inPixio brands. Avanquest's strength is based on its control over the entire value chain, from creation to monetization of traffic designed to optimize the marketing of software solutions sold in the form of subscriptions (SaaS). With a range of software products unique in terms of functionalities, price and accessibility, Avanquest improves the digital lives of its customers in more than 160 countries every day.

PROPRIETARY BRANDS IN THREE HIGH POTENTIAL SEGMENTS

Soda PDF | Adaware | InPixio

PDF
Convert, edit and securely sign your PDF documents

SECURITY
Secure, repair and optimize your IT tools and Internet searches

PHOTO
Transform your best memories into perfect photos

Avanquest's strategic repositioning initiated in 2014, led to the remarkable turnaround of its activities. This transition period was accompanied by a gradual change in its business model focusing on three pillars: a shift away from physical sales to online sales of software, the development of proprietary software solutions within its product range and the transition from the sale of software under license to a subscription-based sales model (SaaS).

This marked improvement in Avanquest's operating profile also reflects the success of the initial phase of targeted transformation launched by the Group, which led to the acquisition of the Adaware, SodaPDF and Upclick businesses. These acquisitions accelerated Avanquest's transformation and strengthened its position within the software ecosystem, where size plays a major role in the commercial success of activities.

Avanquest is currently positioned in the sector of high potential software applications: Security, PDF and Photo. In these three segments, the Group successfully shifted its software businesses towards an SaaS type subscription-based sales model. This new business model provides greater visibility in terms of growth prospects and future earnings.

The Group will continue to focus its efforts on improving its operating performances and strengthening its proprietary product portfolio through targeted acquisitions.

(1) Technavio, Global Personalized Gifts Market 2017-2021, February 16, 2017.

myDevices

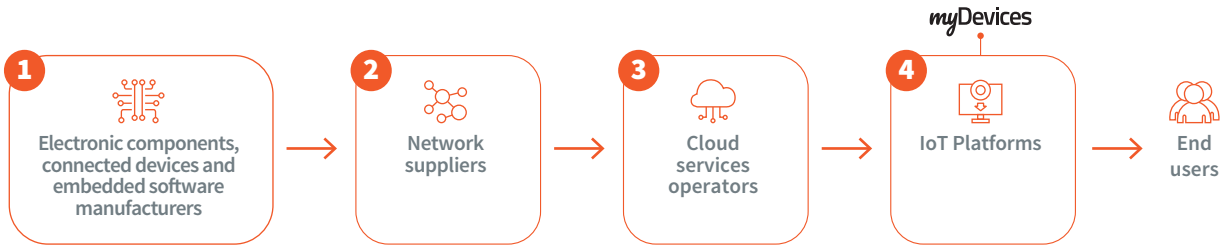
Through its IoT myDevices platform, Claranova provides technological expertise designed to help professionals manage their connected devices, regardless of their industry. With a unique application platform, myDevices offers companies of all sizes an infinite range of IoT plug & play solutions to simplify and optimize the management of their inventory of connected devices, regardless of the manufacturer, type of network used, business sector and application field.

Through its IoT management platform, myDevices has also developed for its customers and channel partners, vertical applications in the cold management (SimplySense.com), security (PushandProtect.com, PushandCall.com, LockdownAlert.com), space utilization and comfort optimization (Countario.com), predictive maintenance (PredictAlert.com) and water preservation (WaterSaveSensor.com) sectors.

ONE PLATFORM, INFINITE IOT SOLUTIONS

The Internet of Things market remains an emerging market today. The IoT value chain can be broken down schematically, into four main types of player: those specializing in the design and manufacture of physical equipment (connected devices, sensors, memory cards, embedded software, etc.), operators of networks used to connect devices to the Internet; cloud operators storing and processing raw data on the Internet, and finally platforms making it possible for different devices to communicate and process data to meet the specific needs of end users.

THE VALUE CHAIN OF THE INTERNET OF THINGS



With the development of its myDevices platform, the Group's IoT segment falls into the software interface supplier for B2B markets category.

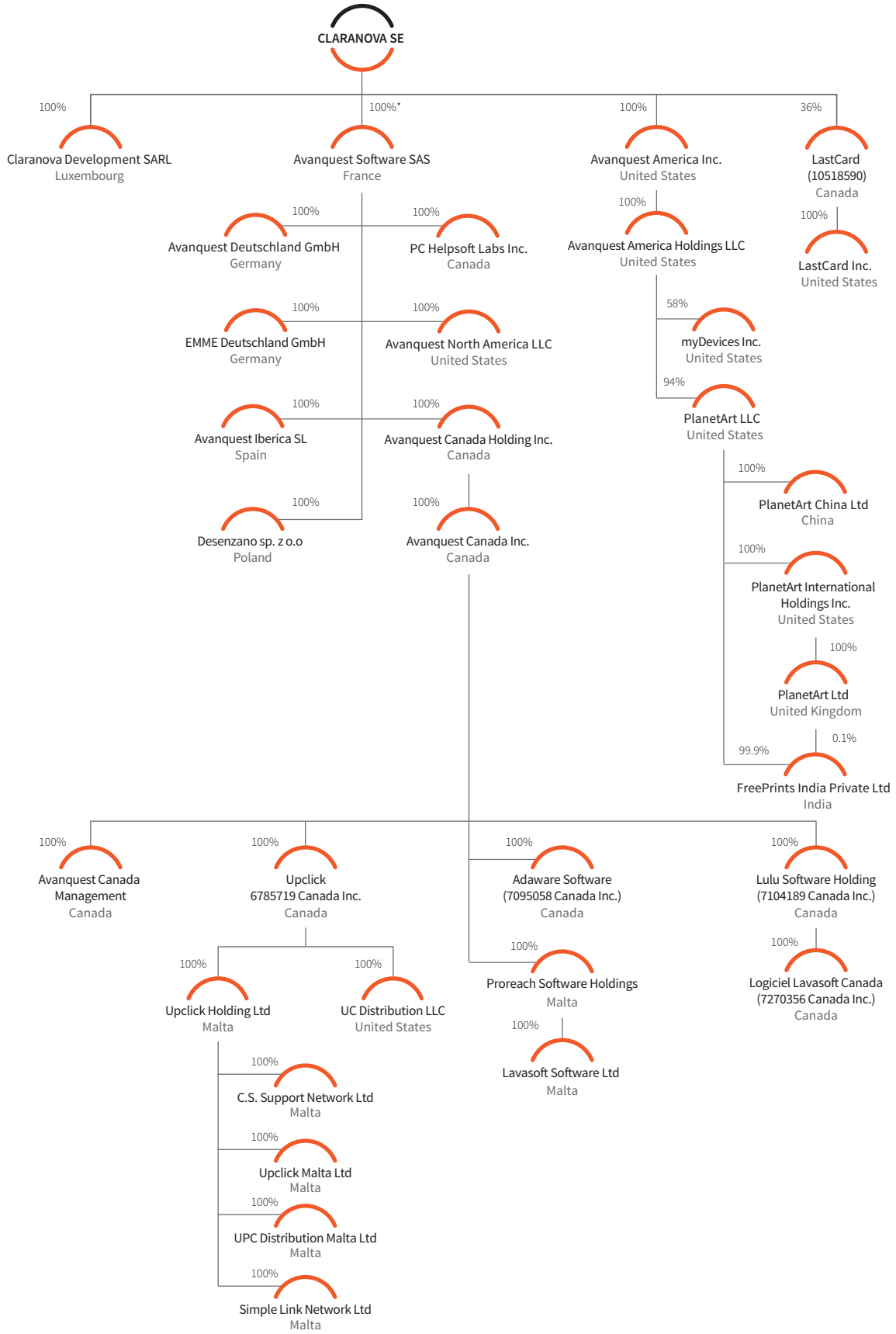
Within this category of IoT platform developers, myDevices stands out for its open approach and the level of interoperability offered by its platform. These two strategic characteristics seek to establish the myDevices platform as the benchmark IoT software for companies, by removing barriers to the development and mass adoption of IoT solutions (control of proprietary solutions, migration costs, inability to satisfy the wide range of business requirements, etc.).

myDevices applies a services-based business model (PaaS or Platform as a Service) which generates value from services and products used on the platform rather than the object itself. On this basis, it provides white label infrastructure to solution providers (IT companies, telecom operators, etc.), which makes it possible to deploy IoT solutions simply and quickly. This service-based model involves monthly invoicing based on the number of connected devices installed by the end customer, providing significant visibility of revenue generation.

myDevices' commercial development experienced an upturn in FY 2019-2020, a positive trend highlighted notably by the acceleration of new commercial signatures with major US and European companies in the healthcare, food service and hospitality sectors.

With business momentum disrupted by the COVID-19 pandemic in FY 2020-2021, myDevices' commercial rollout resumed as soon as health restrictions were lifted, in the main sectors of activity of the division's clients (notably hotels and restaurants). As a result, the number of partners distributing its technology has increased by 85% in one year, from 82 to 178 by the end of June 2022.

Group structure as of June 30, 2022



** 100% less one share held by Pierre Cesarini.*
Percentage indicated corresponds to the percentage of ownership and voting rights.

1.2 Annual business highlights

Major events of the fiscal year impacting Group businesses[1] (for further details see the main press releases issued in the period and available at www.claranova.com)

Acquisition of the publisher of personalized children's books, I See Me!

PlanetArt announced on July 8, 2021 the completion of its acquisition of certain assets from Minneapolis-based I See Me! from the McEvoy Group. I See Me! distributes over 60 books and other personalized children's products, including coloring books, puzzles, games, growth charts and board books for infants and toddlers, each of which can be customized via its website with information such as a child's name and birthday.

This acquisition reflects PlanetArt's strategy to expand the scope of its personalized offerings in the high-growth sector devoted to early childhood.

Impact of the end of lockdown measures and Apple's new restrictions on targeted marketing on PlanetArt's business

PlanetArt reported a decline in revenue in FY 2021-2022. This trend was the result of two exceptional developments affecting all e-commerce players worldwide: the drop in post-lockdown online traffic and the new App Tracking Transparency (ATT) feature integrated introduced by Apple. The ATT feature's integration in new iOS versions restricts targeted advertising within the Apple mobile ecosystem and the effectiveness of marketing campaigns, especially on Facebook, the advertising platform most affected by these new constraints.

Despite this development, efforts made during the year to redirect the division's marketing investments and identify new effective customer acquisition channels nevertheless helped PlanetArt achieve a marginal increase in revenue, including the acquisitions, in the fourth quarter (+1% at actual rates).

Despite the very specific context of this fiscal year (emergence from COVID, changes to Apple's target marketing features), the personalized object sector remains as buoyant as ever, with continuing growth in demand. In addition, PlanetArt's competitive position remains strong, and the division continued to add market share over the course of this year.

In addition, PlanetArt has continued to invest significantly in R&D in this unique period to prepare for the Company's future developments, even though these investments adversely impacted profitability in response to lower revenues.

Global partnership signed between myDevices and Sodexo

In November 2021, Sodexo, the world leader in Quality of Life services, and myDevices, announced a global partnership to accelerate Sodexo's IoT deployments solutions to its end customers. Through this new partnership, Sodexo is now able to offer over 500 IoT Plug and Play sensors and solutions proposed by myDevices to new and existing customers worldwide.

A binding agreement to acquire the German software publisher, PDF forge

On April 4, 2022, Claranova announced that its Avanquest division entered into a binding agreement with the German company, pdfforge GmbH ("PDF forge"), to acquire the total amount of its share capital (the "Acquisition") for a purchase price of €24.5 million. Fully financed in cash, the Acquisition provides for an initial payment of €19 million on the closing date and €5.5 million at the end of the one-year anniversary date. With this new acquisition, Avanquest confirms its goal of becoming the leading competitor to Adobe Acrobat in the PDF management software segment, particularly for B2B, where Avanquest was not previously present and PDF forge's focus since its creation.

The closing of the acquisition PDF Forge was completed on July 1, 2022 (see "Post-balance sheet events" in Note 34.1 of Chapter 2 of this document). The acquisition was financed through bank loans, obtained by Avanquest Software SAS in the amount of €5 million on June 30, 2022 from the BPI (See Note 27.2 in Chapter 2 of this document), and by Claranova SE in the amount of €20 million on July 1, 2022.

(1) Other significant events of the period that do not directly impact the Group's businesses are described in Note 1 of Chapter 2.5.

1.3 Consolidated operating and financial review at June 30, 2022

Information is expressed in millions of euros, unless otherwise stated.

Selected financial information and other data on the fiscal year ended on June 30, 2022

(in € million)	FY 2021-2022	FY 2020-2021 restated[1]	FY 2020-2021 reported	FY 2019-2020
Revenue	**473.6**	**470.7**	**471.9**	**409.1**
(%) growth	+1%	+15%	+15%	+56%
EBITDA[2] [3]	**25.5**	**32.9**	**34.2**	**17.4**
EBITDA margin (% of Revenue)	5.4%	7.0%	7.2%	4.3%
Recurring operating income	18.7	28.0	29.2	13.3
Net income (loss)	(10.0)	13.2	14.2	1.2
Net income attributable to owners of the Company	**(10.6)**	**9.5**	**10.4**	**0.5**
Net income attributable to owners of the Company *(in €)*	**(0.25)**	**0.24**	**0.27**	**0.01**
Equity	**1.9**	**82.2**	**83.1**	**62.3**
Borrowings and other financial liabilities	171.5	65.2	65.2	68.9
Cash and cash equivalents	100.3	90.4	90.4	82.8
Net debt	**71.2**	**(25.2)**	**(25.2)**	**(13.9)**
Net debt/Equity ratio (gearing)	37.5	(0.3)	(0.4)	(0.3)
Cash flow from operations before changes in working capital	**23.9**	**27.7**	**29.0**	**14.2**
Net cash flow from (used in) operating activities	16.0	18.7	18.7	29.5
Net cash flow from (used in) investing activities	(73.7)	(10.1)	(10.1)	(33.1)
Net cash flow from (used in) financing activities	62.5	(2.8)	(2.8)	12.0

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

(2) EBITDA is equal to recurring operating income before the impairment of share-based payments, including related social security contributions, and the IFRS 16 impact on the recognition of leases. A reconciliation of recurring operating income and EBITDA is presented in Section 1.3 of this Chapter. The IFRS 16 impact is presented in Section 2.5 of this document.

(3) 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 this to be a relevant indicator of the Group's operating and financial performance which is presented for information purposes because it excludes most non-operating and non-recurring items from the measurement of business performance.

Consolidated revenue for FY 2021-2022

Claranova reported annual revenue of €474 million for FY 2021-2022, successfully holding its ground during unprecedented economic conditions marked by the Ukrainian conflict, combining the effects of new marketing constraints for PlanetArt activities (changes to customer targeting process following the introduction of Apple's new iOS) and pressure on prices following the conflict in Ukraine. In addition, thanks to its agility and diversified business mix, Claranova was able to deliver a strong performance in Q4 2021-2022 with revenue of €102 million, up 4% from last year's same period. This last quarter also includes initial effects of the internal marketing adjustments made to improve customer targeting by the PlanetArt division and the positive trend for Avanquest software publishing and myDevices Internet of Things management businesses, up respectively 9% and 107% at actual exchange rates compared with Q4 2020-2021.

(in € million)	FY 2021-2022	FY 2020-2021 restated[1]	FY 2020-2021 reported	FY 2019-2020
Revenue	**473.6**	**470.7**	**471.9**	**409.1**
(%) growth	**+1%**	**+15%**	**+15%**	**+56%**
Like-for-like[2] *(%)*	-7%	+14%	+14%	+20%
(%) Forex impact	+5%	-6%	-6%	+4%
(%) Scope impact[3] *(%)*	+3%	+7%	+7%	+32%

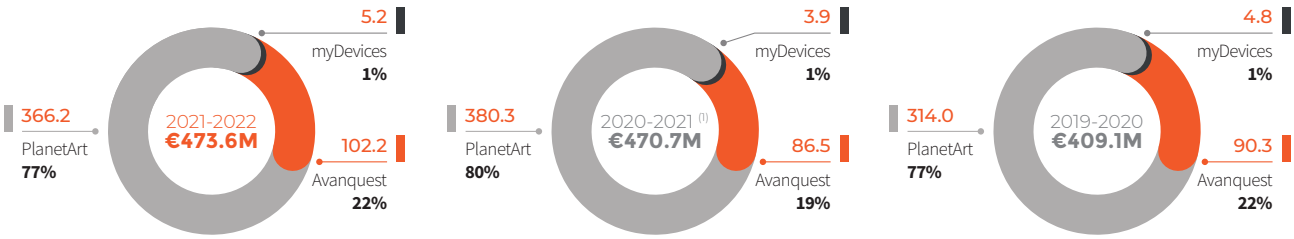
(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.
(2) Like-for-like (organic) growth is equal to the increase in revenue at constant consolidation scope and exchange rates.
(3) The consolidation scope impact in FY 2020-2021 reflects the restatement of the acquisitions of Café Press for two months (July 2021 to August 2021) and I See Me! for FY 2021-2022. The consolidation scope impact in FY 2020-2021 reflects the restatement of acquisitions by PlanetArt of CafePress in September 2020 and Personal Creations in August 2019 (this excludes the months of September 2020 to June 2021 for CafePress and July 2020 for Personal Creations. Revenue from recent acquisitions by Avanquest (PDFescape, Gamulator, Kubadownload) was not restated in calculating growth at constant scope as the impact of these amounts on revenue of the division and the Group over the periods in question was not material. The consolidation scope impact in FY 2019-2020 reflects the restatement of PlanetArt's acquisition of Personal Creations in August 2019.

Revenue by business division

The business mix in FY 2021-2022 has shifted in favor of Avanquest, with growth in revenues generated by proprietary SaaS software (PDF, Photo and Security), supported in particular by the introduction of new products (SodaPDF 14, InPixio 12 and Adaware VPN). The PlanetArt division, hindered by new marketing constraints (changes in customer targeting linked to the new Apple iOS system), saw a 4 point decline in its share of Group revenue.

PlanetArt now represents 77% of total revenue compared to 81% in FY 2020-2021. Software publishing and distribution (Avanquest) and Internet of Things (myDevices) activities generated 22% and 1% of Group revenue, respectively, compared to 18% and 1% in FY 2020-2021.

Revenue breaks down by business as follows:

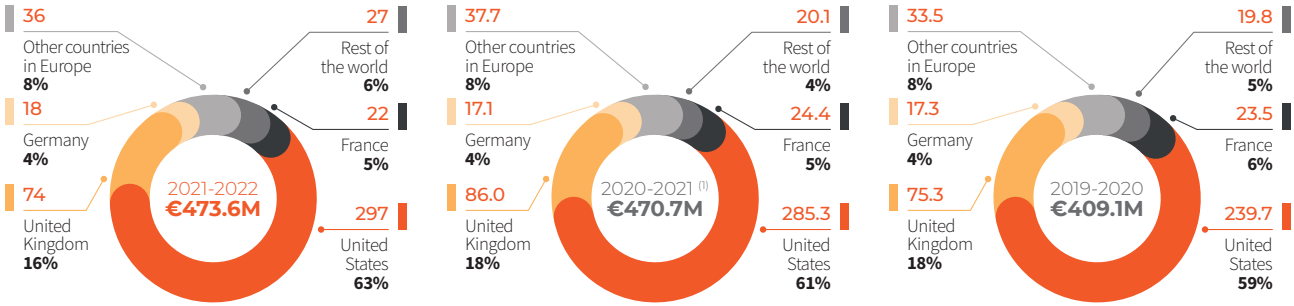


(1) Restatement for the accounting adjustment of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

(in € million)	FY 2021-2022	Change	FY 2020-2021 restated[1]	Change	FY 2019-2020
PlanetArt	366.2	-4%	380.3	+21%	314.0
Avanquest	102.2	+18%	86.5	-4%	90.3
myDevices	5.2	+33%	3.9	-20%	4.8
REVENUE	**473.6**	**+1%**	**470.7**	**+15%**	**409.1**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

REVENUE BY REGION



(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

FY 2021-2022 consolidated results

In an unprecedented economic context that worsened in the second half, like other companies, the Group was impacted by a rise in cost prices caused by increased marketing investments reflecting higher customer acquisition costs as well as the effects of inflation on transport costs and raw materials.

EBITDA remained solid at €25.5 million for the year, compared to €32.9 million last year. This included government subsidies paid over FY 2020-2021 to the US divisions during the COVID-19 pandemic period in the amount of €4.3 million (*Paycheck Protection Program*). Excluding these subsidies, FY 2020-2021 EBITDA was €29 million. FY 2021-2022 also benefited from the growth of the Avanquest and myDevices divisions which registered gains in EBITDA of 21% and 11% over the year respectively.

EBITDA by business:

(in € million)	FY 2021-2022	Change	FY 2020-2021 restated(1)	Change	FY 2020-2021 reported	Change	FY 2019-2020
PlanetArt	16.3	-37%	26.0	+ 84%	26.0	+84%	14.1
Avanquest	11.6	+21%	9.6	+35%	10.9	+54%	7.1
myDevices	(2.4)	+11%	(2.7)	-29%	(2.7)	-29%	(3.8)
EBITDA	**25.5**	**-22%**	**32.9**	**+96%**	**34.2**	**+96%**	**17.4**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

EBITDA margin by business:

(in € million)	FY 2021-2022	FY 2020-2021 restated(1)	FY 2020-2021 reported	FY 2019-2020
PlanetArt	4.5%	6.8%	6.8%	4.5%
Avanquest	11.4%	11.2%	12.4%	7.9%
myDevices	-46.2%	-70.5%	- 70.5%	-79.1%
EBITDA	**5.5%**	**7.0%**	**7.2%**	**4.3%**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

The decline in EBITDA also reflected increased financial expenses (+€15 million), primarily linked to the accounting amortization of the OCEANES bonds issued in connection with the buyout of minority interests in the Avanquest division.

These factors inevitably impacted earnings, resulting in a net loss of €10 million for the year However, this €10 million accounting amortization will not result in any cash outflow for the Group.

(in € million)	FY 2021-2022	FY 2020-2021 restated[1]	FY 2020-2021 reported	FY 2019-2020
EBITDA	**25.5**	**32.9**	**34.2**	**17.4**
EBITDA margin (% of Revenue)	5.5%	7.0%	7.2%	4.3%
Recurring operating income	18.7	28.0	29.2	13.3
Operating loss	18.0	23.5	24.8	7.8
Net income (loss)	**(10.0)**	**14**	**14.2**	**1.2**
Net income attributable to owners of the Company	(10.5)	9.5	10.4	0.5
Basic earnings per share attributable to the parent *(in €)*	(0.25)	0.24	0.27	0.01

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

The reconciliation of recurring operating income to EBITDA is as follows:

(in € million)	FY 2021-2022	FY 2020-2021 restated[1]	FY 2020-2021 reported
Recurring operating income	**18.7**	**28.0**	**29.2**
Impact of IFRS 16 on leases expenses	(0.4)	(0.4)	(0.4)
Share-based payments, including social security expenses	1.2	0.0	0.0
Depreciation, amortization and provisions (net of reversals)[2]	6.0	5.3	5.3
EBITDA	**25.5**	**32.9**	**34.2**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.
(2) Pre-IFRS 16 For more details, see Section 2.5, Note 19 of this document.

Financial highlights by division

PlanetArt | Your world. Personalized

E-commerce of personalized objects

(in € million)	FY 2021-2022	FY 2020-2021	Change
Revenue	366.2	380.3	-4%
EBITDA	**16.3**	**26.0**	**-37%**
As a % of revenue	*4.5%*	*6.8%*	*-238 bp*

PlanetArt reported annual revenue of €366 million, down 4% at actual exchange rates and 9% at constant exchange rates (-12% like-for-like) compared to a particularly dynamic FY 2020-2021 performance during the COVID-19 lockdown periods, which generated a significant influx of customers characterized by low acquisition rates.

During the year, the PlanetArt division focused on introducing new and more efficient customer acquisition channels after the release of Apple's iOS 14.5 operating system, which restricts marketing targeting. These latest efforts have already started to pay off with Q4 revenue registering a marginal increase (1% at actual exchange rates).

The division thus recorded an 11% increase in these expenses from €92.1 million in FY 2020-2021 to €102.6 million in FY 2021-2022. As a result, flat revenue combined with higher variable costs (marketing, transport) and reinforced R&D teams to support future growth (R&D and I See Me! integration), mechanically weighed on EBITDA which amounted to €16.3 million at June 30, 2022, compared to €21.7 million last year after restating U.S. government aid (€4.3 million).

As a result, PlanetArt's weaker performance this year does not call into question its underlying growth potential. Customer demand is steadily growing, and PlanetArt's business model remains unmatched to date as the division continues to capture market share from direct competitors who have been significantly more impacted by this exceptional economic environment. Based on these factors, the Group remains confident in the division's outlook for a return to growth.

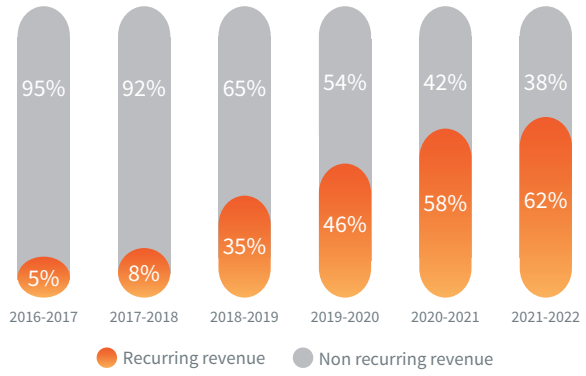
Avanquest | *Selling software consumers love and recommend*

Software publishing and distribution

(in € million)	FY 2021-2022	FY 2020-2021 restated	FY 2020-2021 reported	Change
Revenue	102.2	86.5	87.7	+18%
EBITDA	**11.6**	**9.6**	**10.9**	**+21%**
As a % of revenue	*11.4%*	*11.1%*	*12.4%*	*+25 bp*

Avanquest, the software publishing division, reported revenue of €102 million for FY 2021-2022, up 18% at actual exchange rates, driven by growth in proprietary software. This strong growth in its proprietary software was bolstered by the introduction of new products in FY 2021-2022, including SodaPDF 14, InPixio 12 and Adaware VPN

RECURRING REVENUE[1][2]
(as % of revenue)



(1) Excluding businesses sold. (2) Indicative figures.

Of the total revenue generated by Avanquest, recurring revenue – including subscription sales – is continuing to grow and now represents 62% of the total compared to 58% in FY 2020-2021 and 46% in FY 2019-2020.

The success of this transition was confirmed by the particularly good momentum of Avanquest's SaaS software range over the year; SodaPDF and inPixio, Avanquest's PDF document management and photo editing solution brands, continued to drive the division's growth, with double-digit gains for the year:

- for security solutions (under the Adaware brand), growth was 24% at actual exchange rates (€43 million for FY 2021-2022 compared with €34 million last year);
- for its PDF solutions (under the Soda PDF brand), 26% growth at actual exchange rates to €27 million, up from €21 million one year earlier;
- for its photo applications (under the InPixio brand), growth was identical to that of Avanquest as a whole of 18% to €8.2 million (up from €7 million in FY 2021-2022).

As a result, the division's EBITDA grew 21% to €11.6 million. In addition, new products launched during the year along with recent acquisitions like PDFforge and Scanner App, will also contribute to revenue growth in the coming year, while strengthening Avanquest's market positions in its growth segments for PDF, namely B2B and mobile apps.

myDevices | Simplify the connected world

Internet of Things

(in € million)	FY 2021-2022	FY 2020-2021	Change
Revenue	5.2	3.9	+33%
EBITDA	**(2.4)**	**(2.7)**	**+11%**
As a % of revenue	*-46.2%*	*-70.5%*	*+2,308 bp*

The Group's IoT division recorded €5 million in annual revenue, up 33% at actual exchange rates. This increase was accompanied by growth in annual recurring revenue, with ARR of €2.4 million at June 30, 2022, up 75% from one year earlier at actual exchange rates.

This installed base is helping to improve the division's profitability, with EBITDA of -€2.4 million at June 30, 2022, compared with -€2.7 million last year, despite the expansion of sales teams to support growth and develop its network of channel partners and distributors.

Seasonality

PlanetArt

PlanetArt websites generate the majority of their personalized product sales during the year-end holiday season in November and December. EBITDA from these activities was generated almost entirely during this period. The sale of personalized products from the FreePrints range of mobile applications are in contrast not subject to a significant seasonality effect on their results.

Avanquest

Some of Avanquest's activities (physical distribution of software in the United States and sales of document management products and PDF applications) experience a peak in sales during the back-to-school, Black Friday and holiday periods, *i.e.* from September to December. However, the transition to a subscription-based software solutions (SaaS) business model tends to reduce the seasonality effect on the division's activities.

myDevices

myDevices' activities are not exposed to seasonality effects which would have a significant impact on its results.

1.4 Consolidated statement of cash flows

(in € million)	06/30/2022	06/30/2021 restated[1]	06/30/2021 reported	06/30/2020
Cash flow from operations before changes in working capital	**23.9**	**27.7**	**29.0**	**14.2**
Changes in working capital requirements	3.2	(3.1)	(4.4)	22.5
Taxes and net interest paid	(11.1)	(5.9)	(5.9)	(7.3)
Net cash flow from (used in) operating activities	**16.0**	**18.7**	**18.7**	**29.5**
Net cash flow from (used in) investing activities	**(73.7)**	**(10.1)**	**(10.1)**	**(33.1)**
Net cash flow from (used in) financing activities	**62.5**	**(2.8)**	**(2.8)**	**12.0**
Change in cash and cash equivalents excluding the effects of exchange rate fluctuations	*4.9*	5.9	5.9	8.3
Opening cash position	**90.3**	**82.8**	**82.8**	**75.4**
Effects of exchange rate fluctuations on cash and cash equivalents	5.2	1.6	1.6	(0.8)
CLOSING CASH POSITION	**100.3**	**90.3**	**90.3**	**82.8**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

Claranova ended FY 2021-2022 with cash and cash equivalents of €100 million, an increase of €10 million from June 30, 2021, including €5 million from net foreign exchange differences during the period. This increase reflects the €16 million rise in net cash flows from operating activities, including €23.9 million in cash flow from operations and €3.2 million related to changes in working capital.

Net cash flows used in investing activities represented an outflow of €73.7 million at June 30, 2022. The latter item includes mainly the impact of the cash outflow for the acquisition of the minority interests in the Avanquest division finalized at the beginning of November 2021 of €48 million, the acquisition of I See Me! by the PlanetArt division in July 2021, the acquisition of the minority interests in the PlanetArt division in January 2022 (€13.5 million) and a joint investment with Semtech in myDevices.

Net cash flows from financing activities represented an inflow of €62.5 million at June 30, 2022 Financing activities that impacted the Group's cash position included the strategic investment announced in August 2021 that included a €50 million convertible bond issue (OCEANES) by the Group, and a reserved capital increase of €15 million. After acquiring selected assets of I See Me!, PlanetArt also obtained US$11 million in additional bank financing and the Avanquest division obtained €10 million in financing from BPI France for the acquisition of PDF forge on July 1, 2022 (see "Subsequent events" in Note 34 of this document).

1.5 Financing structure and financial security

Financial position, borrowing conditions and financing structure

Claranova's financial position remains sound with a cash position of €100 million and financial debt (excluding IFRS 16 impact on the recognition of leases) of €172 million compared to respectively €90 million and €65 million at June 30, 2021.

The increase in the Group's financial debt includes the €56 million OCEANES convertible bond issue, the issuance of €18 million in promissory notes related to the buyout of minority interests in the Avanquest division, and US$11 million in new bank financing obtained by the PlanetArt division for the acquisition of certain assets of I See Me! and €10 million in financing from BPI France for the acquisition of PDFforge carried out after the fiscal year-end (1 July 2022).

On that basis, the Group's net debt at June 30, 2022 amounted to €71 million, compared to a net debt of -€2 million at December 31, 2021 and a net debt of -€25 million at June 30, 2021.

The Group's financing structure is as follows:

(in € million)	06/30/2022	06/30/2021	06/30/2020
Bank debt	31.0	14.4	18.5
Bonds	105.2	48.7	47.8
Other financial liabilities	31.2	2.1	2.5
Accrued interest	4.2	0.0	0.1
Total financial liabilities[1]	**171.5**	**65.1**	**68.9**
Cash and cash equivalents	100.3	90.4	82.8
NET DEBT	**71.2**	**(25.3)**	**(13.9)**

(1) Excluding lease liabilities resulting from the adoption of IFRS 16.

The size of Claranova's balance sheet remains limited given the technological profile and mainly fabless nature of the Group's operations. Claranova's assets are comprised mainly of available cash and goodwill, reflecting the Group's external growth strategy. Total assets accordingly increased from €225 million to €270 million between the end of June 2021 and the end of June 2022.

Group balance sheet highlights:

(in € million)	06/30/2022	06/30/2021 restated[1]	06/30/2021	06/30/2020
Goodwill	82.3	64.4	64.4	61.7
Other non-current assets	28.4	25.2	25.1	22.2
Right-of-use lease assets	12.6	7.0	7.0	9.8
Current assets (excl. cash)	46.5	38.0	38.0	33.5
Cash and cash equivalents	100.3	90.4	90.4	82.8
TOTAL ASSETS	**270.1**	**225.1**	**224.9**	**210.0**

(in € million)	06/30/2022	06/30/2021 restated[1]	06/30/2021	06/30/2020
Equity	1.9	82.2	83.1	62.3
Financial liabilities	171.5	65.1	65.1	68.9
Lease liabilities	13.2	7.6	7.5	10.1
Non-current liabilities	3.5	4.3	4.5	3.1
Current liabilities	80.0	65.9	64.6	65.6
TOTAL EQUITY AND LIABILITIES	**270.1**	**225.1**	**224.9**	**210.0**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

Restrictions on the use of capital resources

No restrictions on the use of the Claranova group's capital resources had, have or could have a direct or indirect material impact on the Group's operations.

Anticipated sources of funds

As of today, the Group considers that it is capable of financing its investments to support its organic growth. However, the Group does not rule out the option of calling on external financing sources for one or more specific transactions in the future, like the transaction carried out in July 2022, see Note 34.1 of Section 2.5 of this document.

1.6 Trends and FY 2022-2023 outlook

Claranova

In FY 2022-2023, the Group will focus on resuming its growth trajectory and strengthening profitability by developing its three businesses.

PlanetArt's activities are continuing to evolve in an extremely buoyant market where it continues to occupy a strong competitive position. The main challenge for the personalized objects e-commerce division in FY 2022-2023 will be to adapt its customer acquisition channels while continuing to optimize its production costs.

Avanquest, the software publishing and distribution division, is expected continuing growth over FY 2022-2023, driven by the ramp-up of its SaaS software offering, the launch of new products and recent post-closing acquisitions (PDFforge and Scanner App) while continuing to look at new acquisitions.

Finally, while the myDevices business should remain marginal in the Group's revenue mix, it will benefit in FY 2022-2023 from a stronger network of reseller partners and continued growth in annual recurring revenue from new roll-outs of myDevices IoT solutions.

In a volatile and inflationary economic environment, Claranova remains confident in its growth prospects and maintains its target for€700 million in annual revenue and an EBITDA margin above 10 % by the end of FY 2023-2024 through a mix between organic growth and acquisitions.

PlanetArt

In the coming year, PlanetArt will focus primarily on rebuilding its customer acquisition channels and optimizing its cost base. Alternative marketing channels adopted several months ago by PlanetArt teams are already producing positive results and have confirmed PlanetArt's ability for renewed growth.

The personalized objects e-commerce division will also leverage its strengths and competitive advantages that include multiple locations, its fabless business model and multiple sales channels (web and mobile) to mitigate the impact of Apple's App Tracking Transparency restrictions.

All these initiatives will lay the groundwork for the division's eventual return to sustainable revenue growth and improved profitability.

Avanquest

Avanquest has no customer acquisition issues and will continue to strengthen its SaaS software offering around its three segments, PDF, Photo and Security. In FY 2022-2023, Avanquest intends to accelerate its strategic development by leveraging its multiple growth drivers combining strong revenue growth, improving profitability and targeted acquisitions.

The division's organic growth will be driven by the sales of new products launched during the year, such as SodaPDF 14, InPixio 12 and Adaware Protech, and from its subscription-based model (SaaS), which offers recurring revenues and improved profitability.

In addition, on July 1, 2022, Avanquest closed the acquisition of the German company PDFforge, which will expand the division's offering of PDF solutions for businesses and accelerate the growth of its recurring revenues. With 85% of sales in the form of subscriptions, PDF forge products' considerable popularity among users is supported by a renewal rate of over 80%. Commercial synergies and team integration will be facilitated by a historical partnership between the two companies of more than 10 years.

On October 10, 2022, the Software as a Service (SaaS) division also acquired the assets of Scanner App LLC, a U.S.-based mobile application development company. This acquisition, which offers multiple synergies with its PDF product family, will also enable Avanquest to develop, in conjunction with its current desktop software, a significant mobile offering in its growth segments of PDF, Security and Photo.

The addition of these two already profitable businesses will also contribute to the growth of the division's revenue from the next fiscal year.

Avanquest is now a major provider of SaaS solutions, with very promising prospects for organic and external development, both in terms of the sustainable growth and revenue and earnings.

myDevices

The return to normal health conditions and strengthened sales teams should contribute to the Group's IoT division's ability to continue rolling out its solutions in FY 2022-2023. MyDevices' installed base is expected to grow, accompanied by continuing gains in Annual Recurring Revenue (ARR) and ongoing efforts to expand its network of channel partners which already includes 178 distributors.

And while the market is still an emerging sector, the IoT division offers attractive opportunities for development as well as a promising growth driver for the Group.

2

Consolidated financial statements

2.1 Statement of comprehensive income

(in € million)	Notes	FY 2021-2022	06/30/2021 restated[1]	06/30/2021 reported
Net revenue	**Note 6**	**473.6**	**470.7**	**471.9**
Raw materials and purchases of goods	Note 7	(137.9)	(149.6)	(149.6)
Other purchases and external expenses	Note 8	(218.2)	(205.8)	(205.8)
Taxes, duties and similar payments		(0.8)	(0.8)	(0.8)
Employee expenses	Note 9	(70.8)	(62.8)	(62.8)
Depreciation, amortization and provisions (net of reversals)		(9.6)	(8.6)	(8.6)
Other recurring operating income and expenses	Note 10	(17.6)	(15.1)	(15.1)
Recurring operating income		**18.7**	**28.0**	**29.2**
Other operating income and expenses	Note 11	(0.7)	(4.4)	(4.4)
Operating profit		**18.0**	**23.5**	**24.8**
Net borrowing costs		(6.4)	(3.8)	(3.8)
Fair value remeasurement of financial instruments		0.3	(0.3)	(0.3)
Other financial expenses		(20.0)	(3.4)	(3.4)
Other financial income		3.8	0.7	0.7
Net financial income (expense)	**Note 13**	**(22.2)**	**(6.8)**	**(6.8)**
Tax expense	Note 14	(5.7)	(3.5)	(3.8)
Share of profit or loss of associates		(0.0)	-	-
Net income (loss) from continued operations		**(10.0)**	**13.2**	**14.2**
Net income (loss) from discontinued operations		**-**	**-**	**-**
Net income (loss)		**(10.0)**	**13.2**	**14.2**
Attributable to owners of the Company		(10.5)	9.5	10.4
Attributable to non-controlling interests		0.5	3.7	3.7
Earnings per share	**Note 15**			
Earnings per share, Group share *(in €)*		(0.25)	0.24	0.27
Net income per share attributable to owners of the Company after potential dilution*(in €)*		(0.25)	0.24	0.26
Net income (loss)		**(10.0)**	**13.2**	**14.2**
Other comprehensive income				
Translation adjustments from foreign operations		8.9	4.4	4.4
Translation adjustments on net investments in foreign operations		-	-	-
Actuarial gains and losses on post-employment obligations	Note 12	0.2	(0.1)	(0.1)
Total other comprehensive income		**9.1**	**4.3**	**4.3**
Comprehensive income		**(0.8)**	**17.5**	**18.5**
Attributable to owners of the Company		(1.5)	13.6	14.6
Attributable to non-controlling interests		0.7	3.7	3.7

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

2.2 Statement of financial position

(in € million)	Notes	06/30/2022	06/30/2021 restated[1]	06/30/2021 reported
Goodwill	Note 16	82.3	64.4	64.4
Intangible assets	Note 17	14.3	13.1	13.1
Property, plant and equipment	Note 18	5.6	5.2	5.2
Right-of-Use of property, plant and equipment	Note 19	12.6	7.0	7.0
Financial assets		1.3	0.7	0.7
Other non-current liabilities	Note 22	0.8	1.6	1.6
Deferred tax assets	Note 14	6.4	4.6	4.4
Non-current assets		**123.3**	**96.7**	**96.5**
Financial assets (less than one year)	Note 23	0.2	2.6	2.6
Inventories and work-in-progress	Note 20	22.0	16.1	16.1
Trade receivables and related accounts	Note 21	8.3	9.2	9.2
Current tax assets	Note 14	4.5	1.7	1.7
Other current receivables	Note 22	11.4	8.4	8.4
Cash and cash equivalents	Note 24	100.3	90.4	90.4
Current assets		**146.8**	**128.4**	**128.4**
TOTAL ASSETS		**270.1**	**225.1**	**224.9**

(in € million)	Notes	06/30/2022	06/30/2021 restated[1]	06/30/2021 reported
Share capital	Note 25	46.0	39.7	39.7
Share premium and consolidated reserves		(36.8)	16.8	16.8
Net income attributable to owners of the Company		(10.5)	9.5	10.4
Equity attributable to owners of the Company		**(1.4)**	**66.0**	**67.0**
Non-controlling interests		3.3	16.2	16.2
Total equity		**1.9**	**82.2**	**83.1**
Non-current lease liabilities	Note 19	9.8	4.4	4.4
Non-current financial liabilities	Note 27	148.9	57.4	57.4
Deferred tax liabilities	Note 14	0.0	0.5	0.7
Non-current provisions	Note 26	2.0	2.2	2.2
Other non-current liabilities	Note 28	1.6	1.6	1.6
Total non-current liabilities		**162.2**	**66.1**	**66.3**
Current provisions	Note 26	0.6	0.2	0.2
Current lease liabilities	Note 19	3.4	3.2	3.2
Current financial liabilities	Note 27	22.6	7.7	7.7
Trade payables and related accounts	Note 30	56.3	46.8	46.8
Current tax liabilities	Note 14	1.9	2.0	2.0
Other-current liabilities	Note 29	21.2	16.8	15.5
Current liabilities		**106.0**	**76.8**	**75.5**
TOTAL EQUITY AND LIABILITIES		**270.1**	**225.1**	**224.9**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

2.3 Consolidated statement of cash flows

(in € million)	Notes	06/2022 12 months	06/2021 12 months[1]	06/2021 12 months reported
OPERATING ACTIVITIES	NOTE 32.1			
Consolidated net income		(10.0)	13.2	14.2
Share of profit or loss of associates		0.0	-	-
Elimination of non-cash items or items not related to operations:		-		
• Net depreciation, amortization and provisions (excluding current provisions)	Notes 17, 18 and 27	13.9	10.3	10.3
• Share-based payments (IFRS 2) and other restatements		1.2	0.0	0.0
• Net borrowing costs recognized		6.4	3.8	3.8
• Change in fair value of financial instruments		0.3	0.3	0.3
• Gains / (losses) on disposal		(2.9)	0.0	0.0
• Tax expense (including deferred taxes) recognized	Note 14	5.7	3.5	3.8
• Other items		9.4	(3.4)	(3.4)
Cash flow from operations before changes in working capital		**23.9**	**27.7**	**29.0**
Changes in working capital requirements		3.2	(3.1)	(4.4)
Taxes paid	Note 14	(9.4)	(5.1)	(5.1)
Net interest paid		(1.7)	(0.7)	(0.7)
Net cash flow from (used in) operating activities		**16.0**	**18.7**	**18.7**
INVESTING ACTIVITIES	NOTE 32.2			
Acquisition of intangible assets	Note 17	(0.1)	(2.2)	(2.2)
Acquisition of property, plant and equipment	Note 18	(2.1)	(1.6)	(1.6)
Disposals of property, plant and equipment and intangible assets		0.1	0.0	0.0
Acquisitions of financial assets	Note 23	(0.6)	(2.6)	(2.6)
Disposals of financial assets		2.5	0.0	0.0
Impact of changes in scope		(73.4)	(3.8)	(3.8)
Net cash flow from (used in) investing activities		**(73.7)**	**(10.1)**	**(10.1)**
FINANCING ACTIVITIES	Note 32.3			
Share capital increase		13.9	2.4	2.4
Dividends received from companies accounted for using the equity method		-	-	-
Share buyback		(0.6)	(0.0)	(0.0)
Proceeds from borrowings		67.5	5.0	5.0
Principal payments on borrowings		(18.4)	(10.2)	(10.2)
Other flows related to financing		-	-	-
Net cash flow from (used in) financing activities		**62.5**	**(2.8)**	**(2.8)**
Net cash from discontinued operations		-	-	-
Increase (decrease) in cash		**4.9**	**5.9**	**5.9**
Opening cash position		90.3	82.8	82.8
Effects of exchange rate fluctuations on cash and cash equivalents		5.2	1.6	1.6
Closing cash position		100.3	90.3	90.3

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

2.4 Statement of changes in equity

(in € million)	Share capital	Share premium	Translation reserves	Consolidated reserves	Net income	Attributable to owners of the Company	Non-controlling interests	Total
As of June 30, 2020	**39.4**	**121.3**	**(5.1)**	**(105.5)**	**0.5**	**50.6**	**11.7**	**62.3**
Actuarial gains and losses on post-employment obligations				(0.1)		(0.1)		(0.1)
Translation differences			4.2			4.2	0.1	4.4
Other comprehensive income			**4.2**	**(0.1)**	**-**	**4.2**	**0.1**	**4.3**
Net income of the period					10.4	10.4	3.7	14.2
Comprehensive income			**4.2**	**(0.1)**	**10.4**	**14.6**	**3.8**	**18.5**
Share capital increase	0.3	1.2				1.5		1.5
Appropriation of retained earnings				0.5	(0.5)	-		-
Equity transactions				0.2		0.2	0.7	0.8
As of June 30, 2021 reported	**39.7**	**122.5**	**(0.8)**	**(104.8)**	**10.4**	**67.0**	**16.2**	**83.1**
Restatement of Soda PDF sales[1]				(1.0)		(1.0)	-	(1.0)
As of June 30, 2021 restated[1]	**39.7**	**122.5**	**(0.8)**	**(105.8)**	**10.4**	**66.0**	**16.2**	**82.2**
Actuarial gains and losses on post-employment obligations				0.2		0.2		0.2
Translation differences			8.8			8.8	0.1	8.9
Other comprehensive income			**8.8**	**0.2**	**-**	**9.0**	**0.1**	**9.1**
Net income of the period					(10.5)	(10.5)	0.5	(10.0)
Comprehensive income			**8.8**	**0.2**	**(10.5)**	**(1.5)**	**0.7**	**(0.8)**
Treasury shares				(0.6)		(0.6)		(0.6)
Share capital increase[2]	6.3	36.4				42.6		42.6
Appropriation of retained earnings				10.4	(10.4)	0.0		0.0
Share-based payments				1.0		1.0	0.2	1.2
Equity transactions[3]			0.2	(109.1)		(108.9)	(13.8)	(122.7)
AS OF JUNE 30, 2022	**46.0**	**158.9**	**8.1**	**(203.7)**	**(10.5)**	**(1.4)**	**3.3**	**1.9**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

(2) Share capital increase:

(in € million)	Date	Total amount	Of which amount of capital	Of which gross share premium	Of which share premium costs
Capital increase in cash	August 2021	13.9	2.1	12.9	(1.1)
Capital increase by a contribution of assets	October 2021	28.7	4.1	24.6	-
Exercise of stock options	November 2021	0.0	0.0	0.0	-
TOTAL		**42.6**	**6.3**	**37.4**	**(1.1)**

(3) Transactions between shareholders, Group share :

(in € million)	Total amount	of which Group share	of which non-controlling interest
Buyout of Avanquest minority interests[1]	(99.9)	(87.2)	(12.8)
Capital increase of myDevices	1.6	0.0	1.8
Buyout of PlanetArt LLC minority shareholders[2]	(24.4)	(21.6)	(2.8)
Other	0.0	0.0	0.0
TOTAL	**(122.7)**	**(108.9)**	**(13.8)**

(1) See Note 3.1.2 of this Chapter.
(2) See Note 3.1.6 of this Chapter.

2.5 Notes to the consolidated financial statements

Claranova SE's securities are listed on Euronext Paris – Eurolist Compartment B.

These financial statements for FY 2021-2022 are prepared as of June 30, 2022 and cover the period from July 1, 2021 to June 30, 2022. These financial statements were approved by the Board of Directors on October 28, 2022.

Figures are expressed in millions of euros, with one decimal place. Rounding off to the closest tenth of a million euros can, in certain cases, result in immaterial differences in the totals and sub-totals shown in the tables.

Note 1 Annual highlights

1.1 Changes in Claranova SE's governance

The General Meeting of Claranova SE of December 1, 2021 ratified the Board of Directors' co-optation of Christine Hedouis, Viviane Chaine-Ribeiro and Chahram Becharat, as well as the appointment of Jean-Yves Quentel, who is also the Group's Chief Financial Officer, as members of Claranova's Board.

On May 24 2022, Claranova's Board of Directors decided to strengthen its governance by co-opting as new Board members Roger S. Bloxberg and Eric Gareau, the CEOs of PlanetArt and Avanquest. These appointments followed the resignation of Chahram Becharat on March 21, 2022 and the resignation of Jean-Yves Quentel on April 25, 2022. These appointments were with immediate effect and valid for the remainder of the latters' terms of office. They were also accompanied by the co-option of Todd Helfstein, Chairman of PlanetArt, as Observer (*Censeur*) of the Board of Directors, on an interim basis in accordance with Article 18 paragraph 5 of the Company's Articles of Association (statuts), for the remainder of Marc Goldberg's term of office (having resigned on October 27, 2021), i.e., until the end of the General Meeting of Shareholders called to approve the Company's financial statements for the period ending June 30, 2022.

The appointments of Roger S. Bloxberg, Éric Gareau and Todd Helfstein will be submitted to the shareholders for ratification at Claranova SE's next Ordinary General Meeting. The next Ordinary General Meeting will also be asked to renew Todd Helfstein's appointment as Observer for a further period of six (6) years, in accordance with Article 18 (Non-Voting Members) of the Company's Articles of Association.

1.2 Appointment of Éric Gareau as CEO of Avanquest

As part of the buyout of minority interests in the Avanquest division finalized in early November 2021, Éric Gareau, previously CEO for Avanquest's proprietary software publishing businesses (Own IP), was appointed CEO of the entire division. Eric joined Claranova in 2018 when it acquired Lulu Software (PDF), where he was CEO.

1.3 A €15 million capital increase and €50 million OCEANE convertible bond issue to finance the buyout of Avanquest minority interests

On August 11, 2021 Claranova announced an agreement with institutional investors Heights Capital Management and Ophir Asset Management for a strategic investment of €65 million to fund the acquisition of Avanquest's minority interests. This investment was carried out in the form of a reserved capital increase of €15 million and a reserved issuance of €50 million of senior, unsecured bonds convertible into new shares and/or exchangeable for existing shares (obligations convertibles échangeables en actions nouvelles ou existantes - OCEANE) (the "Convertible Bonds") (See Note 27.1).

1.4 Implementation of an option to invest in subsidiaries for the Chairman and CEO

On December 9, 2021, the Chairman and Chief Executive Officer exercised his option to invest in the subsidiaries by subscribing to the corresponding instruments, as approved by the Claranova Shareholders' Meeting of December 1, 2021 in accordance with the ex-post Say-on-Pay vote. (See Note 25.2).

1.5 Execution of a liquidity contract

Claranova entered into a liquidity contract with Kepler Cheuvreux effective as from December 10, 2021. At the date of signature of the contract, the liquidity account had a cash balance of €1 million and held 204,081 shares. The impact of the purchase and sale transactions during the period was a net decrease of 723 additional shares. At June 30, 2022, the liquidity account held: 204,804 shares and €1,005,475.60 in cash.

Claranova may terminate this contract at any time, subject to two business days' notice, with the balance available in euros to be recognized under cash in the consolidated financial statements.

Full press releases required by regulation may be consulted online at www.claranova.com.

1.6 Ukraine

The Group's commercial exposure to the situation in Ukraine remains limited.

The Ukrainian conflict could however slow down certain projects already initiated or planned by the Avanquest division, without however calling into question the division's overall performance expected by the Group. This division used subcontractors located in the Kharkiv region of in Ukraine for certain IT development and customer support projects. From the outset of the conflict, Avanquest's management has done everything possible to ensure the safety of subcontractors with whom the division has maintained close relations for several years. In particular, private transportation was chartered and new offices in the west of the country were made available to move the division's service providers away from the hardest hit areas. In light of the prospects of a protracted conflict, the division set up a subsidiary in Poland, Avanquest Poland sp. z o.o., where it is already hosting certain Ukrainian employees, destined to serve as a center for developers and support.

The Group has also decided to stop accepting customers in Russia and also in Belarus and stop producing products able to be downloaded in these countries.

1.7 COVID-19 pandemic

Thanks to the overall success of public health measures adopted in various countries (masks, vaccinations, teleworking, etc.) the Group's activities have not been adversely affected by the circulation of the virus. As a result, all the Group's sites are open and fully operational.

Claranova however continues to be cautious and to apply health and safety measures to protect its employees. These include the provision of protective devices (hydroalcoholic gel and masks) and maintaining the option of working from home. The Group will also continue to closely monitor any new signs of the virus' resurgence.

1.8 Inflation

Europe and the United States are experiencing significant inflation in energy and raw material prices, which in turn is increasing the cost of goods sold and freight for the PlanetArt division.

To reduce its impact on production costs, the division has negotiated with its suppliers while raising the price of certain products to offset the increases. In addition, even though rates are contractually predetermined, the division is also confronted by increased freight costs caused by higher fuel charges applied by carriers. The activities of the Avanquest software and myDevices divisions in contrast are not affected by these price increases.

While the Group will closely monitor geopolitical and macroeconomic developments, it is not in a position to determine their impact and prospects in the short and medium term.

1.9 Other highlights

	Notes
Acquisition of the publisher of personalized children's books, *I See Me!* announced by PlanetArt on July 8, 2021	3.1.1
Buyout of Avanquest's minority interests, October 29, 2021	3.1.2
Sale on October 30, 2021 of the majority stake in the LastCard entities (Fintech activities) and winding up proceedings in June 2022	3.1.3
Additional investment in the myDevices division, December 15, 2021	3.1.4
Acquisition of a Polish company with no business activity on June 6, 2022, which became Avanquest Poland in July 2022	3.1.5
Purchase of PlanetArt's minority interests on January 1, 2022	3.1.6
Bank loan obtained by PlanetArt LLC with Cathay Bank	27.2
Bank loan obtained by myDevices Inc. from Cathay Bank	27.2

Note 2 Accounting principles, rules and methods

The Claranova Group consolidated financial statements for fiscal year ended June 30, 2022 include Claranova SE and its subsidiaries (referred to collectively as "the Group") and the Group's share of associates in jointly-controlled companies.

Claranova SE is a European company, listed on Euronext Paris, whose registered office is located at 2 rue Berthelot CS 80141 Immeuble Adamas 92414 Courbevoie, France.

In accordance with European regulation EC No. 1606/2002 of July 19, 2002 on international accounting standards, the Group's consolidated financial statements were prepared in accordance with the principles defined by the IASB (International Accounting Standards Board), as adopted by the European Union. The texts of these standards are available on the EUR-Lex Internet portal of the European Union at https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=CELEX%3A02008R1126-20160101

The international frame of reference adopted includes IFRS (International Financial Reporting Standards), IAS (International Accounting Standards) as well as their SIC interpretations (Standard Interpretations Committee) and IFRIC (International Financial Reporting Interpretations Committee).

At the end of the fiscal year, there were no differences between the standards used and those adopted by the IASB whose application was mandatory for the period presented.

The accounting policies applied have remained unchanged in relation to those of the previous year, except for the adoption of the following texts, applied as from July 1, 2021:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "Benchmark Interest Rate Reform, Phase 2"
- Amendments to IFRS 16 "COVID-19-related rent concessions beyond June 30, 2021"

These standards, amendments or interpretations had no material impact on the consolidated financial statements for the fiscal year ended June 30, 2022.

For FY 2021-2022, the Group did not choose to early adopt any other standard, interpretation or amendments.

The standards, interpretations and amendments in issue whose application is mandatory for fiscal years beginning on or after July 1, 2021, which may have an impact on the Group's financial statements are as follows:

- Amendments to IAS 1 and IFRS Practice Statement 2: "Disclosure of Accounting Policies";
- Amendments to IAS 8: "Definition of accounting estimates";
- Amendments to IFRS 3: "Reference to the Conceptual Framework"[1];
- Amendments to IAS 16: "Property, plant and equipment: Proceeds before intended use"[1];
- Amendments to IAS 37: "Onerous contracts – cost of fulfilling a contract"[1];
- "IFRS annual improvements, 2018-2020 cycle"[1];
- Amendments to IAS 1: "Classification of liabilities as current or non-current - Deferral of the effective date to January 2023";
- Amendments to IAS 12: "Deferred tax related to assets and liabilities arising from a single transaction".

Details of the accounting principles and methods used by the Group are provided in the corresponding notes to the financial statements, on a colored background.

Note 3 Scope of consolidation as of June 30, 2022 and non-controlling interests

3.1 Main changes

3.1.1 Acquisition of the publisher of personalized children's books, *I See Me!*

PlanetArt announced on July 09, 2021 the completion of its acquisition of certain assets from Minneapolis-based *I See Me!* from the McEvoy Group. For reasons of confidentiality, the financial terms of the purchase agreement have not been disclosed.

I See Me! distributes over 60 books and other personalized children's products, including coloring books, puzzles, games, growth charts and board books for infants and toddlers, each of which can be customized via its website with information such as a child's name and birthday.

3.1.2 Buyout of Avanquest's minority interests

On October 29, 2021, Claranova SE acquired all minority interests in the Avanquest division for a total amount of €99.9 million. The buyout was financed by the payment of €47.7 million in cash, a share capital increase of €28.7 million and €23.6 million in the form of promissory notes (See Note 27.1). Loans granted to former minority shareholders in the amount of €2.6 million were repaid during the period in the amount of €2.4 million.

This division was already fully consolidated as of June 30, 2021, as the Group held exclusive control based on the management power Claranova was entitled to exercise in accordance with the applicable governance rules.

(1) Adopted by the EU and applicable to fiscal years beginning on or after January 1, 2022.

3.1.3 Sale of the majority stake in the LastCard entities (Fintech activities) and winding up proceedings

The Fintech activities exercised by the Group's LastCard entities have been excluded from the buyout of the minority interests in the Avanquest division (See Note 3.1.2). Claranova retains a minority stake of 35.91%, with the former minority shareholders of the Avanquest's division retaining exclusive control over this business after completion of the transaction.

The disposal was completed on October 30, 2021. The capital gain from the sale amounts to €2.8 million, after deducting negative net equity of €4.0 million plus the net value of the intangible asset (technology) at the same date (*i.e.* €1.1 million).

In addition, the Group has no undertaking to assume any future losses of the LastCard entities.

As of December 31, 2021, receivables held by the Group from LastCard in the amount of €4.6 million (including €4.1 million in financial advances to support the development of the business and €0.5 million in unsettled management fees) were written down to reflect the continuing embryonic stage of the business resulting in the exclusion of this business from the buyout of the Avanquest division's minority interests.

In June 2022, LastCard's shareholders initiated insolvency proceedings in accordance with section 58 of the applicable Bankruptcy and Insolvency Act.

3.1.4 Additional investment in the myDevices division

On December 15, 2021, the capital of myDevices was increased by US$5 million, with $3.2 million subscribed by Avanquest America Holdings LLC, the Group's American subsidiary, and $1.8 million by Semtech Corporation, the division's historical strategic partner.

3.1.5 Acquisition of a Polish company

On June 6, 2022, Avanquest Software SAS purchased a Polish company with no business activities, Desenzano ssp. z o.o., for the purpose of integrating a portion of the subcontractors of the Avanquest division into the Group, in particular its Ukrainian service providers. This company, which was still without operations as of June 30, 2022, changed its name to Avanquest Poland sp. z o.o. on July 7, 2022.

3.1.6 Buyout of PlanetArt LLC minority shareholders

Effective January 1, 2022, PlanetArt LLC acquired 168 of its Preferred C shares, representing 1.9 % of the capital, from SCEP, its minority shareholder, for a total amount of US$14,421,120, half paid in cash on January 4, 2022, and the balance by March 31, 2022.

PlanetArt LLC has also undertaken to buyout a portion of the minority interests in SCEP, up to 5.0% of the capital, in proportion to its level of EBITDA. The total amount of the transaction shall be a maximum of €38 million, financed from the cash flow of this entity (See Note 27.3).

3.2 Scope of consolidation as of June 30, 2022

All subsidiaries included in the scope of consolidation close their statutory accounts on June 30 of each year. Subsidiaries are consolidated from the time the Group takes control, until the date on which such control is transferred outside the Group.

The consolidated financial statements reflect the financial position of the Company and its subsidiaries as well as the Group's interests in any associates and joint ventures.

Companies in which the Group directly or indirectly holds exclusive control are fully consolidated. Companies in which the Group exercises significant influence only (associates) are consolidated by the equity method.

The full list of companies included in the scope of consolidation as of June 30, 2022 and the related consolidation methods are presented below:

Company	Country	Controlling interest (%)	Ownership interest (%)	Integration method
Claranova SE[1] Adamas building, 2 rue Berthelot CS 80141, 92414 Courbevoie Cedex SIRET 329 764 625 00086	France			Parent company
Avanquest America Inc. 7031 Koll Center Parkway 150 Pleasanton, CA 94566	United States	100%	100%	Full consolidation
Avanquest America Holding LLC 23801 Calabasas Road, Suite 2005 Calabasas CA 91302-1547	United States	100%	100%	Full consolidation
PlanetArt China Ltd 19 F No.1208 South XiZand Road Shanghai 200021	China	100%	94.09%	Full consolidation

Company	Country	Controlling interest (%)	Ownership interest (%)	Integration method
Avanquest Deutschland GmbH Moosacher Str.79 80809 München	Germany	100%	100%	Full consolidation
Desenzano sp. z o.o[3] Ul. Bitwy Warszawskiej 1920 R. nr7 02-366 Warsaw	Poland	100%	100%	Full consolidation
Avanquest Software SAS[1] Adamas building, 2 rue Berthelot CS 90142, 92414 Courbevoie Cedex	France	100%	100%	Full consolidation
Avanquest Ibérica SL Calle Peru 6, Edificios Twin Golf 28290 Las Matas, Madrid	Spain	100%	100%	Full consolidation
Avanquest Canada Inc.[5] 1750-1055 West Georgia Street Vancouver, BC V6E 3P3	Canada	100%	100%	Full consolidation
Avanquest Canada Holding Inc.[5] 1750-1055 West Georgia Street Vancouver, BC V6E 3P3	Canada	100%	100%	Full consolidation
Claranova Development SARL 47 Côte d'Eich 1450 Luxembourg	Luxembourg	100%	100%	Full consolidation
Emme Deutschland Moosacher Str.79 80809 München	Germany	100%	100%	Full consolidation
FreePrints India Private Ltd h-23A, Office No.204 S/F, Kamal Tower Near Sai Baba Mandir Laxmi Nagar, DELHI Esta Delhi DL 110092	India	100%	94.09%	Full consolidation
myDevices Inc. 3900 W Alameda Ave Suite 1200 Burbank, CA 91505	United States	100%	58.36%	Full consolidation
Avanquest North America Inc. 23801 Calabasas Road, Suite 2005 Calabasas CA 91302-1547	United States	100%	100%	Full consolidation
PC HelpsoftLabs Inc.[4] 300 – 848 Courtney Street Victoria BC V8W 1C4	Canada	100%	100%	Full consolidation
Planet Art Ltd Gateway House, Tollgate, Chandler's Ford, Eastleigh Southampton – Hampshire SO53 3GT	United Kingdom	100%	94.09%	Full consolidation
PlanetArt International Holding Inc. 251 Little Falls Drive Wilmington, county of New Castle, Delaware 19808	United States	100%	94.09%	Full consolidation
PlanetArt LLC 23801 Calabasas Road, Suite 2005 Calabasas CA 91302-1547	United States	100%	94.09%	Full consolidation
Avanquest Canada Management[6] 7075 Place Robert-Joncas, Suite 142 Saint-Laurent, QC H4M 2Z2	Canada	100%	100%	Full consolidation
Upclick (6785719 Canada Inc)[6] 7075 Place Robert-Joncas, Suite 142 Saint-Laurent, QC H4M 2Z2	Canada	100%	100%	Full consolidation

Company	Country	Controlling interest (%)	Ownership interest (%)	Integration method
Upclick Holding Ltd (C 46064) 48/4 Amery Street Sliema, SLM 1701	Malta	100%	100%	Full consolidation
Upclick Malta Ltd (C 42231) 48/4 Amery Street Sliema, SLM 1701	Malta	100%	100%	Full consolidation
C.S. Support Network Ltd (C 42815) 48/4 Amery Street Sliema, SLM 1701	Malta	100%	100%	Full consolidation
UPC Distribution Malta Ltd (C 69518) 48/4 Amery Street Sliema, SLM 1701	Malta	100%	100%	Full consolidation
Adaware Software (7095058 Canada Inc)[4] 7075 Place Robert-Joncas, Suite 142 Saint-Laurent, QC H4M 2Z2	Canada	100%	100%	Full consolidation
Proreach Software Holdings (C 45983) 48/4 Amery Street Sliema, SLM 1701	Malta	100%	100%	Full consolidation
Lavasoft Software Ltd (C 45996) 48/4 Amery Street Sliema, SLM 1701	Malta	100%	100%	Full consolidation
Lulu Software Holdings (7104189 Canada Inc)[5] 7075 Place Robert-Joncas, Suite 142 Saint-Laurent, QC H4M 2Z2	Canada	100%	100%	Full consolidation
Logiciel Lavasoft Canada (7270356 Canada Inc)[4] 7075 Place Robert-Joncas, Suite 142 Saint-Laurent, QC H4M 2Z2	Canada	100%	100%	Full consolidation
Simple Link Network Ltd (C 81177) 48/4 Amery Street Sliema, SLM 1701	Malta	100%	100%	Full consolidation
UC Distribution LLC 77050 Yolanda Road Richmond, VA 23229	United States	100%	100%	Full consolidation
LastCard (10518590)[2] 7075 Place Robert-Joncas, Suite 142 Saint-Laurent, QC H4M 2Z2	Canada	35.91%	35.91%	Equity method
LastCard Inc. 2915 Ogletown Road, Suite 3787 Newark, DE 19713	United States	35.91% [7]	35.91%	Equity method

(1) Transfer of the registered office to Immeuble Adamas, 2 rue Berthelot, 92400 Courbevoie, France.
(2) In June 2022, in the province of Quebec, Canada, LastCard's shareholders initiated insolvency proceedings in accordance with section 58 of the applicable Bankruptcy and Insolvency Act.
(3) Acquired on June 6, 2022 and without operations as of June 30, 2022, the name of the company was changed on July 7, 2022 to Avanquest Poland sp. z o.o.
(4) Merger on July 1, 2022 into 7270356 Canada Inc ("Avanquest Software").
(5) Merger on July 1, 2022 into 7104189 Canada Inc ("Holding Company").
(6) Merger on July 1, 2022 into 6785719 Canada Inc ("Avanquest Management").
(7) LastCard Inc. is a wholly-owned subsidiary of LastCard (10518590).

3.3 Information on subsidiaries and Associates

Claranova Development SARL, Luxembourg, is a structure created in January 2019 to support the Group's international development. The purpose of this company is, in particular, to obtain financing, acquire interests in any type of company and to manage these interests, to create companies, acquire and manage a portfolio of patents or other intellectual property rights, etc. As in the previous year, this entity did not record any revenue. This company recorded net income of €1 million for the period, compared with a loss of 2.4 million in the prior period.

Avanquest America Inc., United States, holds the securities of Avanquest America Holding. As in the previous period, this entity did not record any revenue. A net loss was recorded for the period of €13 million, compared to €0.11 million last year.

Avanquest America Holdings LLC, USA, was created on July 1, 2017 as part of the legal the organization of operations in the United States. It holds the shares of PlanetArt LLC and myDevices Inc., and as in the previous fiscal year recorded no revenue for the period. A net loss was recorded for the period of €0.2 million, compared to €0.04 million last year.

PlanetArt

PlanetArt International Holdings Inc., was created on June 18, 2020. This company intervenes between PlanetArt LLC and PlanetArt Ltd. As in the previous period, this entity did not record any revenue. This company recorded a net loss of €0.02 million, compared to breakeven in the prior period

PlanetArt LLC, USA, operates the PlanetArt business in the United States and holds the shares of PlanetArt International Holdings Inc., Avanquest China Ltd and FreePrints India Private Ltd.PlanetArt LLC. It is indirectly held by Claranova SE at 94.09%. This company had revenue of €263.1 million in the period, up from €257.8 million in the prior period. It recorded a profit of €3.6 million compared to a loss of €17.2 million in the prior period.

PlanetArt Ltd, United Kingdom, operates PlanetArt's commercial activities in Europe. At June 30, 2022, Claranova SE indirectly held 94% of this company. This company had revenue of €103.2 million in the period, up from €122.5 million in the prior period. This company had net income of €6.8 million compared to €6.3 million in the prior period.

PlanetArt China Ltd, China, is a company based in Shanghai and is one of Claranova Group's R&D centers for PlanetArt's activities. As in the previous fiscal year, this entity did not generate any revenues during the period. It recorded a marginal profit of €0.03 million in the period compared to a profit of €0.05 million in the prior period.

FreePrints India Private Ltd, India, was created in April 2018 to operate the FreePrints business in India. It began operations in September 2018. As in the previous period, this entity did not record any revenue. A net loss was recorded for the period of €0.07 million, compared with a gain of €0.02 million last year.

Avanquest

Avanquest Software SAS, France, is the French entity created as of June 1, 2017 to operate the Avanquest business in Europe. It is now controlled by Claranova SE, which directly holds 100%[1] of its capital on a fully diluted basis compared to 35.91% last year. This entity holds the shares of the subsidiaries of the Avanquest division. This company had revenue of €18.08 million in the period, up from €19.1 million in the prior period. A net loss was recorded for the period of €4.7 million, up from €2.4 million last year.

Avanquest North America LLC, United States, was created from the merger of eight companies acquired or created in the United States since 2000. Avanquest North America Inc. is based in California and manages the Avanquest business in the United States. This company had revenue of €11.6 million in the period compared to €12.3 million in the prior period. This company had a net loss of €0.2 million compared to net income of €3.14 million in the prior period.

Avanquest Deutschland GmbH, Germany, groups together the physical software distribution activities in Germany. This company had revenue of €5.9 million in the period compared to €3.9 million one year earlier. This company had net income of €1.3 million compared to a net loss of €0.7 million in the prior period.

EMME Deutschland GmbH, Germany, as in the previous year, had no activity during the year.

PC Helpsoft Labs Inc, Canada, is a company acquired in 2011 that operates part of Avanquest's business in North America, and mainly online sales for security software. This company had revenue of €11.35 million in the period compared to €5.9 million one year earlier. A net loss was recorded for the period of €0.4 million, compared to a loss of €0.04 million last year.

Avanquest Iberica SL, Spain, had no activity in the period. A net loss was recorded for the period of €0.02 million, unchanged in relation to the prior year.

Avanquest Canada Holding Inc, Canada, owns the shares of Avanquest Canada Inc. As in the previous year, this entity ended the year with no revenue. The net loss for the year amounted to €0.07 million, compared with virtually zero for the previous year.

Avanquest Canada Inc., Canada, holds the securities of Avanquest Canada Management (formerly 9026851 Canada Inc.), Lulu Software Holding (7104171 Canada Inc.), Adaware Software (7095040 Canada Inc.), Upclick (6785719 Canada Inc.), Lulu Software Holdings (7104189 Canada Inc.), Prorech Software Holdings and LastCard (10518590 Canada Inc.). As in the previous period, it recorded no revenue. The net loss for the period amounted to €1.8 million, compared with a gain of 0.3 million one year earlier.

Avanquest Canada Management (formerly 9026851 Canada Inc.), Canada, is a cost center for the most part recharging personnel expenses to the various operating entities Adaware, SodaPDF and Upclick. This entity recorded no revenue in the period. Net income in the period represented a marginal profit of €0.06 million compared to a loss of €0.03 million in the prior period.

(1) 100% less one share held by Pierre Cesarini

Desenzano sp. z o.o, Poland, acquired on June 6, 2022, which became Avanquest Poland sp. z o.o on July 7, 2022, had no activity during the year.

Upclick (6785719 Canada Inc.), Canada, holds the shares of UC Distribution LLC, Upclick Holdings Ltd. This entity had revenue of €0.3 million in the period compared to €1.0 million in the prior period. This company had net income of €0.3 million compared to a net loss of €0.2 million in the prior period.

Upclick Holding Ltd, Malta, holds the shares of C.S. Support Network Ltd, Upclick Malta Ltd, UPC distribution Malta Ltd, Simple Link Network Ltd. As in the previous year, this entity recorded no revenue and ended the period with a marginal net loss.

C.S. Support Network Ltd, Malta. This company had revenue of €1.9 million in the period compared to €2.5 million in the prior period. This company had a marginal net loss of €0.01 million compared to net income of €0.4 million in the prior period.

UPC Distribution Ltd, Malta. This entity recorded no revenue, as in the prior period. This company had net income of €0.05 million compared to €0.1 million in the prior period.

UC Distribution LLC, USA. As in the previous year, this entity had no revenue and net income in the period.

Simple Link Network, Malta. As in the previous year, this entity recorded no revenue and ended the period with marginal net loss.

Upclick Holding Ltd, Malta. As in the previous period, this entity recorded no revenue and ended the period with a net loss of €0.6 million compared to €0.03 million in the prior period.

Adaware Software Canada (7095058 Canada Inc.), Canada, operates Avanquest's security and traffic monetization activities. This company had revenue of €30.2 million in the period, up from €24.0 million in the prior period. This company had net income of €8.2 million, up from €3.8 million in the prior period.

Proreach Software Holdings, Canada, holds the shares of Lavasoft Software Ltd. This entity recorded virtually no revenue or net income, as in the prior period.

Lavasoft Software Ltd, Malta. This entity ended the year with virtually no revenue, compared to €0.1 million in the previous year. This company had a net loss of €0.0 6 million compared to a net gain of €0.1 million one year earlier.

Lulu Software Holding (7104189 Canada Inc.), Canada, holds the shares of Lulu Software (7270356 Canada Inc.). This entity recorded no revenue, as in the prior period. This company had net income of €0.3 million compared to a net loss of €0.2 million in the prior period.

Lavasoft Canada Software (7270356 Canada Inc.), Canada, operates SodaPDF's document management and PDF applications business. This entity ended the year with revenue of €23.2 million, compared with €19.3 million for the previous year on a reported basis and €18.05 million on a restated basis[1]. Net income amounted to €0.6 million, compared with €1.7 million for the previous year on a reported basis and €0.7 million on a restated basis[1].

LastCard (10518590), Canada, holds the shares of LastCard Inc. and hosts Avanquest's Fintech activities. This entity did not generate revenue during the year with a net loss of €1.1 million compared to a loss of €1.6 million for the previous year.

LastCard Inc., United States, had no activity in the period.

myDevices

myDevices Inc., USA, operates the Group's Internet of Things business. At June 30, 2022, Claranova SE indirectly held 58.36% of this company. This company had revenue of €4.9 million in the period, up from €3.5 million in the prior period. A net loss was recorded for the period of €2.7 compared to a net loss of €2.5 million in the prior period.

3.4 Information on holdings with significant non-Group shareholders

Information on subsidiaries with significant non-controlling interests

LastCard (10518590) Canada, was 35.91%-held by Claranova SE as of June 30, 2022 (3,591 Class A1 shares, 3,591 Class B shares). The balance of the share capital is held by the Assouline Family Trust (3,936 Class A2 shares), Dadoun Family Trust (1,902 Class A2 shares), Lafayette Investment Holdings Inc (419 Class A2 shares and 419 Class B shares) and Avanquest Canada Inc (6,000,000 Class G shares) LastCard (10518590) is in the process of being wound up.

myDevices Inc., USA, operates the Group's Internet of Things business. At June 30, 2022, Claranova SE indirectly held 58.36% of this company. The balance of the share capital is held by Semtech Corporation (19.93%) and a major Chinese telecom and media company (11.68%). Employee beneficiaries of stock options hold 10.02% of the share capital.

PlanetArt LLC, USA, operates the PlanetArt business in the United States and holds the shares of PlanetArt International Holdings Inc., Avanquest China Ltd and FreePrints India Private Ltd.PlanetArt LLC. It is indirectly held by Claranova SE at 94.09% (on a fully diluted basis). The remaining 5.91% of the share capital is held by *Société Commune Européenne de Participations* (holder of class C shares). Since November 8, 2012, the managers of PlanetArt LLC, Roger Bloxberg and Todd Helfstein, have been granted shares in the capital of this company without voting rights and with financial rights and a conversion option (see Note 33.1).

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

Restrictions on control of assets, liabilities and cash

myDevices Inc, USA

Under the terms of myDevices' Certificate of Incorporation (the "COI"), certain actions subject to a shareholder vote may only be approved by the "majority holders." COI defines "majority holders" as "majority holders of preferred securities" and Avanquest.

Given that Avanquest America Holding LLC holds significantly more than a majority of all voting shares of myDevices, a majority holder approval is possible only approved by Avanquest. However, because Semtech holds only approximately 20% of the voting rights, even though it must be included in the vote, a resolution may be approved solely by Avanquest's affirmative vote even if Semtech votes against the resolution or abstains.

PlanetArt LLC, USA

Under PlanetArt LLC's Amended and Restated Limited Liability Company Agreement dated September 4, 2017, as modified by Amendment No. 1 effective January 1, 2022, a limited number of decisions requires the approval of the minority shareholder holding Class C Units:

(a) Any amendment or modification of the rights, preferences, privileges or powers, or other restrictions conferred upon the holders of Class C Units;

(b) Entering into any negotiations, or concluding any agreements, regarding a public offering;

(c) Any sale of company assets or sale of the company;

(d) Approving any merger, liquidation, wind-up or acquisition of the Company.

To the extent that the occurrence of events mentioned in (b), (c) and (d) above would result in the holder of Class C Units receiving less than the preferential amount corresponding to 1.1 times the issue price of the Class C Units.[1]

3.5 Internal transactions within the Group

Inter-company transactions between consolidated companies are eliminated, as are any gains resulting from those transactions.

3.6 Foreign currency transactions

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the transaction date. *At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the year-end exchange rate.*

Exchange gains and losses, realized or unrealized, arising on these transactions are recognized in financial income.

Non-monetary assets and liabilities denominated in foreign currencies are recognized and maintained at the historical exchange rate prevailing at the transaction date.

The Group does not use cryptocurrencies.

3.7 Translation of the financial statements of foreign companies

The consolidated financial statements are prepared in euros.

As a general rule, the functional currency of the Group's foreign subsidiaries is the currency of the country in which they operate. The financial statements of subsidiaries denominated in local currency are translated into euros at the closing exchange rate for balance sheet accounts, and at the average exchange rate for the year for the income statement and cash flow statement. *All resulting exchange differences are recognized as a separate component of equity. When a foreign entity leaves the Group, the accumulated translation differences are recognized in the income statement as a component of the gain or loss on disposal.*

Foreign exchange gains and losses arising from the settlement or translation of transactions in a subsidiary denominated in currencies other than the subsidiary's functional currency are recognized in profit or loss for the year.

Any goodwill and fair value adjustment resulting from the acquisition of a foreign entity are recognized as an asset or liability of the acquiree. They are therefore denominated in the currency of the foreign operation and translated at the year-end exchange rate.

3.8 Net investment in a foreign operation

Receivables due from or payables due to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future are, in substance, a part of the entity's net investment in that foreign operation; the related translation differences are recorded initially in a separate component of equity and taken to profit or loss on disposal of the net investment.

(1) Class C Unit issue price is equal to US$21,460 per Unit, which may be adjusted in accordance with the provisions of the Articles of Association.

Note 4 Main judgments and estimates used in preparing the annual financial statements

The financial statements were prepared on a going concern basis. The conditions underlying this principle are detailed in Note 27.4 relating mainly to liquidity risk.

The preparation of the Group's financial statements requires management to use judgments, estimates, and assumptions which have an impact on the amounts recognized in the financial statements as assets, liabilities, income and expenses, as well as disclosures concerning contingent liabilities.

The Group's Management regularly reviews its estimates and assessments based on past experience, as well as other factors it considers reasonable, which form the basis for its assessments of the carrying amount of assets and liabilities. These estimates are prepared using information available at the time of preparation. The estimates can be revised if new information becomes available. Actual results may differ from these estimates if actual experience or conditions are different from the assumptions made.

The main assumptions and estimate with an impact on the financial statements for the FY 2021-2022 are the following:

- revenue recognition on certain IoT contracts. Pursuant to IFRS 15, in coordination with the managers responsible for the contracts, the Group allocated the contract price to various performance obligations: platform delivery and revenue sharing. The revenue corresponding to the delivery of various platform versions is recognized on the date of delivery to the customer (date on which control is obtained), in accordance with the principles adopted in previous contracts of this type, and pursuant to IFRS 15, Appendix B, sections B83 and B86. The shared revenue is recognized on a straight-line basis over the period covered by the services and limited to the minimum guaranteed amount, in accordance with the principles adopted in previous contracts of this type, and pursuant to sections 56-58, and section B18 of IFRS 15;
- the measurement of rebates to be received from certain suppliers of the PlanetArt division. Rebate rates are negotiated annually in February for the previous calendar year;
- measurement of certain managers' bonuses based on the attainment of annual objectives;
- application of IFRS 16: management has adopted terms consistent with the expected use of the leased assets, taking into account IFRS IC interpretations of November 2019. The group adopted incremental borrowing rates when the interest rate implicit in the lease could not be identified, based on the lease's residual term, the lease currency and the Group's various borrowing rates;
- in connection with PlanetArt LLC's acquisition of the *I See Me!* business, analysis of the purchase price allocation (PPA) resulted in the recognition of a trademark, technologies and residual goodwill (see Note 16 of this Chapter);
- measurement and accounting treatment of myDevices share subscription warrants granted under an agreement with a commercial partner;
- the fair value of the ORNANE and OCEANE bonds (see Note 27.1 of this Chapter);
- as of June 30, 2022, the Group activated only a portion of deferred taxes notably relating to loss carryforwards, based on a reasonable time horizon for the offset of these losses (5 years)(See Note 14 of this Chapter);
- the valuation of current and non-current provisions, including the provision for reorganization expenses for subsidiaries, and for tax contingencies for the Avanquest division (see Note 26 of this Chapter);
- the assessment of the Chairman and Chief Executive Officer's option to invest in subsidiaries (See Note 25.2 of this Chapter);
- the valuation of stock options (See Note 25.2 of this Chapter);
- the valuation of the recoverable value of intangible assets (see Note 16 of this Chapter);
- the identification and measurement of related party transactions (See Note 35.6 of this Chapter);

Note 5 Operating segments

Pursuant to IFRS 8, "Operating Segments", the information presented is based on internal reporting used by Group Management to assess the performance of the various divisions. The benchmark aggregate for business divisions is EBITDA[1]. This aggregate is calculated by allocating corporate expenses to the various operating segments.

The Group's three operating segments as of June 30, 2022 were:

- PlanetArt: PlanetArt embodies Claranova's vision in the e-commerce sector for personalized objects. This sector combines the FreePrints mobile apps range and e-commerce sites selling personalized gifts (photos, frames, personalized books, etc.);
- Avanquest: by offering simple and innovative software solutions which provide easy daily access to new technologies, Claranova is now a leading player in B2C software publishing and distribution, positioned in three high-potential segments:
  - Security: antivirus, ad blocker, cleaning and optimization tools sold under the Adaware brand,
  - PDF: document management tools sold under the SodaPDF brand,
  - Photo: photo editor software and apps developed under the inPixio brand;
- myDevices: with its unique application platform, myDevices offers companies an infinite range of IoT solutions to simplify the management of their assets, whatever the type of connected device and network, business sector or application field.

Within the Claranova Group, operating segments correspond to business divisions and cash generating units (CGUs) as defined for the application of IFRS.

(1) Earnings before the deduction of interest, taxes and duties, depreciation, amortization and share-based payments, including related social security contributions, and excluding the impact of IFRS 16.

Group financial highlights:

(in € million)	FY 2021-2022	06/30/2021 restated[1]	06/30/2021 reported
Revenue	473.6	470.7	471.9
EBITDA[2]	**25.5**	**32.9**	**34.2**
Pre-IFRS 16 depreciation, amortization and provisions	(6.0)	(5.3)	(5.3)
Share-based payments, including social security contributions	(1.2)	(0.0)	(0.0)
Post-IFRS 16 net lease expenses	0.4	0.4	0.4
RECURRING OPERATING INCOME	**18.7**	**28.0**	**29.2**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.
(2) Earnings before the deduction of interest, taxes and duties, depreciation, amortization and share-based payments, including related social security contributions, and excluding the impact of IFRS 16.

The marginal increase in Group revenue was accompanied by a decline in operating profit in FY 2021-2022. On that basis, EBITDA, the Group's main operating performance indicator, rose to €25.5 million (-25.37%), or 5.4% as a percentage of revenue compared to 7.0% in FY 2020-2021.

The breakdown of the main income statement and balance sheet aggregates by operating segment is as follows:

	PlanetArt		Avanquest		myDevices	
(in € million)	FY 2021-2022	FY 2020-2021	FY 2021-2022	FY 2020-2021[1]	FY 2021-2022	FY 2020-2021
Revenue	366.2	380.3	102.2	86.6	5.2	3.9
EBITDA[2]	16.3	26.0	11.6	9.6	(2.4)	(2.7)
% of revenue	4.5%	6.8%	11.4%	11.1%	(46.2%)	(70.5%)
Goodwill	10.9	0.6	71.4	63.8	-	-
Intangible assets	10.6	7.0	3.6	6.1	-	-
TOTAL INTANGIBLE ASSETS	21.5	7.7	75.1	69.9	-	-

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.
(2) Earnings before the deduction of interest, taxes and duties, depreciation, amortization and share-based payments, including related social security contributions, and excluding the impact of IFRS 16.

The main factors accounting for this change in EBITDA are:

- an unfavorable comparison base linked to payment in 2021 of subsidies in connection with aid granted by the US authorities in FY 2019-2020 under the Paycheck Protection Program (PPP) to certain Group subsidiaries in the United States in the amount of €4.3 million (US$5.1 million);
- growth in Avanquest's higher-margin SaaS subscription based sales which are contributing to the Group's improving profitability;
- lower sales by the PlanetArt division during the year, combined with an increase in production costs (inflation driven increases in the cost of goods and freight);
- strengthening PlanetArt's R&D teams;
- growth in revenue from myDevices which is contributing to the improvement in the division's profitability.

Notes to the income statement

Note 6 Revenue

Revenue recognition

Revenue measurement and recognition methods depend on the nature of the services sold to customers and the way in which control is transferred. Revenue is always presented net of various taxes due to government authorities and collected from the Group's customers, when applicable.

The Group recognizes a contract with a customer when an agreement exists that has commercial substance, creates legally enforceable rights and obligations, includes payment terms, and for which collection of the consideration due from the customer is probable. Revenue is recognized when control of a product or service is transferred to a customer for an amount that reflects the consideration to which the Group expects to be entitled in exchange therefrom.

Sales of software licenses

Software license fee revenue is recognized in revenue when control is transferred to the customer. Control is transferred on the date the product is shipped or downloaded from the Internet.

For the Avanquest division, when the contract is invoiced in the form of a subscription, revenue is:

- *spread over the subscription period if the software is supplied in the cloud[(1)];*
- *spread over the subscription period if the software is supplied simultaneously (and with the same features) in the cloud and on-premises[(2)];*
- *spread over the subscription period if the software is supplied on-premises and material[(3)] and regular[(4)] updates are provided;*
- *recognized on the sale of the software if the software is supplied on-premises and material and regular updates are not provided.*

Commission paid to business providers for certain customer support activities is recognized based on monthly activity statements presented by the partner.

Monetizing traffic

Traffic monetization services are recognized on a right-to-invoice basis, in accordance with IFRS 15, paragraph B16, i.e. revenue is recognized on each click or installation.

Digital printing activities and customized products

Revenue from digital printing activities and customized products is recognized on product delivery.

Connected devices management activities

The agreements managed within the myDevices business may include multiple performance obligations whose specific price cannot be directly observed.

To estimate the specific sales price, the Group takes into account all reasonably available information, including market conditions, specific factors and information on the customer or customer category. The agreement amount is then generally split between each of the performance obligations identified in the contract pro rata to the specific sales prices.

In application of IFRS 15, the main issues identified and analyzed concern the following subjects:

Free products or services

In some of its activities, the Group can offer products or services free of charge to its customers. These free products and services do not have a significant impact on revenue for the period.

Sales with right of return

Under certain contracts, the Group transfers control of a product to its customers, while giving them a right to return the product and receive a partial or total repayment of the amount paid. IFRS 15 specifies that to account for products transferred with a right of return, the entity must recognize:

- *revenue for the transferred products in the amount of consideration to which the entity expects to be entitled;*
- *a refund liability;*
- *an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers on settling the refund liability.*

Agreements containing multiple performance obligations

The agreements managed within the myDevices business may include multiple performance obligations whose specific price cannot be directly observed.

Principal or Agent

The Group analyzes the nature of its relations with customers in order to determine whether it is acting as principal or as agent. In application of IFRS 15, the Group will act as principal if it controls the goods or services before transferring them to the customer.

(1) Software hosted and available for use by the user online.
(2) Software hosted on the user's servers and available for use locally.
(3) Features providing a significant improvement to the value perceived by the customer.
(4) The frequency of updates to software supplied on-premises is considered on the basis of the longest subscription period that a customer may choose.

When another party is involved in providing goods or services, the Group determines whether the nature of its obligation is to provide the specified goods or services itself (i.e. it is acting as a principal) or to arrange for the other party to provide those goods or services (i.e. it is acting as an agent). The Group is acting as a principal if it controls the promised goods or services before they are provided to the customer. The revenue is therefore recognized in full by the Group, with the services provided by the other party recorded in operating expenses.

Avanquest contracts are concerned by this standard.

Grant of equity instruments

The Group and its subsidiaries can grant equity instruments to commercial partners. Under IFRS 15, these instruments will be identified in the accounts as sales discounts and deducted from revenue for the period. As of June 30, 2022, only the myDevices division is concerned for non-material amounts.

Contract assets and liabilities

Contract assets represent the right to receive consideration in exchange for goods or services transferred to a customer. These include in particular receivables in the form of unconditional rights to consideration and other assets representing rights to consideration contingent on factors other than the passage of time such as sales invoice accruals.

Contract liabilities represent the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. They mainly include deferred income in respect of maintenance and hosting services, where revenue is recognized on a time-apportioned basis over the contract term.

Contract assets amounted to €0.1 million compared with €1.1 million at June 30, 2021. Contract liabilities amounted to €4.5 million, compared with €1.5 million at June 30, 2021. These contract assets and liabilities are linked to the restatement of subscriptions recognized over the period of Upclick's activities.

Order backlog

The Group applies the two optional exceptions provided in IFRS 15 in determining its order backlog. It excludes from the backlog contracts with an initial term of less than one year and contracts where revenue is recognized on a "right-to-invoice" basis.

As of June 30, 2022, taking account of these exceptions, the Group's order backlog is not material.

REVENUE BY BUSINESS DIVISION

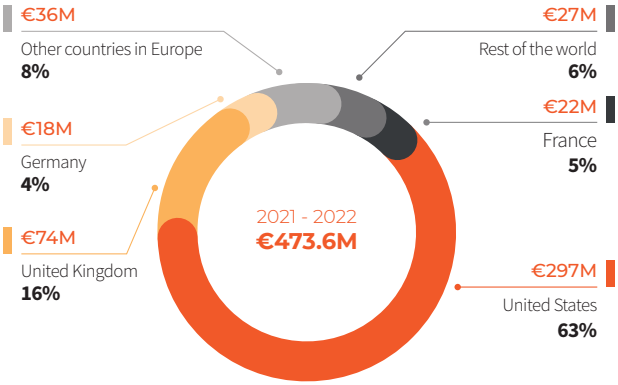
(in € million)	FY 2021-2022	FY 2020-2021 restated[1]	Change
PlanetArt	366.2	380.3	(3.71%)
Avanquest	102.2	86.5	18.15%
myDevices	5.2	3.9	33.33%
REVENUE	**473.6**	**470.7**	**0.6%**

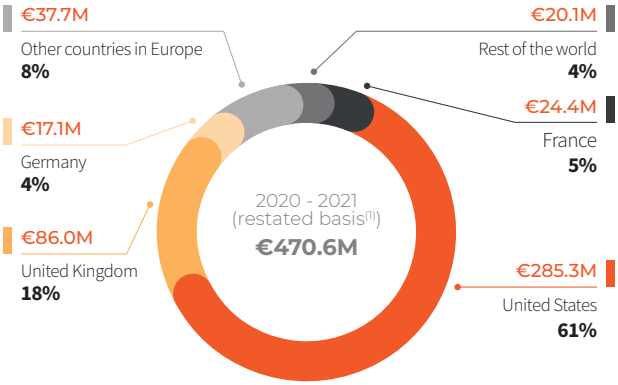
(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

The business mix in FY 2021-2022 has shifted in favor of Avanquest, with growth in revenue of 18.15% generated by proprietary SaaS software (PDF, Photo and Security), supported in particular by the introduction of new products (SodaPDF 14, InPixio 12 and Adaware VPN). The PlanetArt division, hindered by new marketing constraints (changes in customer targeting linked to the new Apple iOS system), saw a 3.71% decline in its percentage of Group revenue.

PlanetArt now represents 77% of total revenue compared to 81% in FY 2020-2021. Software publishing and distribution (Avanquest) and Internet of Things (myDevices) activities generated 22% and 1% of Group revenue, respectively, compared to 19% and 1% in FY 2020-2021.

BREAKDOWN OF REVENUE BY REGION
(in € million)





(1) Restatement for the accounting adjustment of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

Claranova confirms its unique international profile with 93% of its revenue originating from outside France. The integration of the activities of *I See Me!*, whose revenue is mainly generated in the United States, strengthened the Group's position in this country which represented 63% of revenue in FY 2021-2022, compared to 61% last year. The United Kingdom accounted for 16% of Group revenue, reflecting PlanetArt's lower sales in that country,

Note 7 Raw materials and purchases of goods

Raw materials and purchases of goods decreased by €11.6 million over FY 2021-2022. This decrease was mainly due to a €13.7 million reduction in the purchase of trade goods by the PlanetArt division correlated with the decline in the division's activity. With PlanetArt accounting for 93% of the year's revenue streams, this decline was only partially offset by increased purchases of raw materials and goods by the Avanquest division for €2.2 million and from myDevices for €0.9 million.

Note 8 Other purchases and external expenses

Other purchases and external charges represented 46% of revenue for FY 2021-2022, down from 44% in the prior fiscal year.

This change is essentially due to the disconnect between the increase in revenue and the amount of marketing investments made during the period. Marketing expenses rose 11% from €92.1 million in FY 2020-2021 to €102.6 million in FY 2021-2022. These expenses correspond to the acquisition of online traffic through new channels following the introduction of Apple's new iOS. In addition, the Avanquest division's marketing expenses increased by €7.4 million in line with the growth in business.

The impact of IFRS 16 on other purchases and external charges resulted in €4 million in income in the period (see Note 19 of this Chapter), relating mainly to the cancellation of lease payments for real estate leases.

Note 9 Employee expenses

The €8 million increase in this item or 13%, reflects the integration of *I See Me!* and strengthening of the R&D teams within the PlanetArt division in China and the sales force at myDevices.

Note 10 Other recurring operating income and expenses

Other operating income and expenses represent a net expense of €17.6 million consisting primarily of:

- 4.2 million in royalties paid for the Avanquest division and €3.7 million for the PlanetArt division;
- the restatement of commercial contracts in accordance with the IFRS 15 concepts of principal and agent for expenses of €3.6 million and a corresponding amount in additional revenue;

Note 11 Other operating income and expenses

Other operating income and expenses are those of an unusual, infrequent or non-recurring nature, which are not part of the Group's normal operating cycle. These include in particular the impact of acquisitions or the reorganization of subsidiaries, or any other on-recurring event;

Net operating items in the period represented an expense of €0.7 million. The main transactions of the period were :

- €2.4 million in net proceeds from the sale of LastCard;
- one-off fees in the amount of €1.0 million linked to the planned acquisition of Avanquest's minority interests and €0.3 million for the acquisition of pdfforge;
- €0.5 million in termination payments

Note 12 Retirement termination benefits

The Group's pension obligations are defined benefit plans and correspond to retirement benefits in France. These obligations are not covered by plan assets.

Post-employment obligations, calculated using the retrospective method (projected unit credit method), amounted to €0.7 million for French employees (€0.3 million for Claranova SE and €0.67 million for Avanquest Software SAS) as of June 30, 2022, were fully accrued for in the accounts. The impact on the year is an expense of €0.07 million, mainly reflecting service costs of €0.06 million.

The underlying actuarial assumptions are as follows:

- discount rate: 3.20%;
- retirement age: 65 years;
- salary escalation rate: 3%-6%, depending on age.

There is no specific pension plan for employees of non-French subsidiaries.

Note 13 Net financial income (expense)

Net financial expense in the amount of €22.2 million reflected mainly:

- €16.5 million in borrowing costs (interest expense of €6 million, €1.5 million in borrowing costs, and €9 million in OCEANE bond amortization expenses);
- €1.6 million in net foreign exchange losses;
- €0.5 million in IFRS 16-related financial expenses;
- €4 million for the impairment of Last Card receivables.

The remeasurement of the fair value of financial instruments for FY 2021-2022, relating to the ORNANE and OCEANE bonds, amounted to €0.3 million. ORNANE and OCEANE bonds comprise a debt component at amortized cost and a derivative component in accordance with IFRS 9, see Note 27.1. Fair value gains and losses on the derivative component and the change in the amortized debt are recognized in financial expenses. The derivative component is estimated using Cox Ross Rubinstein (CRR) pricing model.

Note 14 Income taxes

Tax expense

(in € million)	FY 2021-2022	06/30/2021 restated[1]	06/30/2021 reported
Current tax income (expense)	(6.6)	(4.9)	(4.9)
Deferred tax income (expense)	0.8	1.4	1.1
TAX EXPENSE	**(5.7)**	**(3.5)**	**(3.8)**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

Current taxes are generated by the PlanetArt and Avanquest divisions.

Current tax assets and liabilities

(in € million)	FY 2021-2022	06/30/2021 restated[1]	06/30/2021 reported	Change
Current tax assets	4.5	1.7	1.7	2.8
Current tax liabilities	(1.9)	(2.0)	(2.0)	(0.1)
CURRENT TAX LIABILITIES, NET	2.6	(0.3)	(0.3)	2.9

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

- Avanquest America Inc. generated 92% of current tax assets or €4.2 million.
- Current tax liabilities correspond mainly to the provision for taxes on the Adaware, SodaPDF and Upclick businesses (€1.9 million for FY 2021-2022 compared with €1.7 million for FY 2020-2021).

Deferred tax income (expense)

In accordance with IAS 12, deferred tax is recognized for each reporting entity on temporary differences between the carrying amount of the assets and liabilities recorded and their corresponding tax base, depending on prevailing tax legislation in each of the countries concerned.

Deferred tax assets are only recognized when it is likely that the Group will have future taxable profits against which these unused tax losses may be offset. The Group prepares tax profit projections based on a five-year business plan drawn up by management.

Deferred taxes are calculated using the liability method based on tax rates known at the reporting date, on all timing differences between the carrying amount of Group assets and liabilities recorded in the consolidated financial statements and their tax base. A deferred tax asset is only recognized in respect of tax losses carried forward if there is reasonable assurance of future deduction. Deferred taxes assets and liabilities are offset by tax entity or tax consolidation group. Deferred taxes are recorded at their nominal amount, with no discounting.

(in € million)	FY 2021-2022	06/30/2021 restated[1]	06/30/2021 reported	Change
Deferred tax assets	6.4	4.6	4.4	1.8
Deferred tax liabilities	0.0	(0.5)	(0.7)	(0.5)
DEFERRED TAX ASSETS, NET	**6.4**	**4.1**	**3.8**	**2.3**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

(in € million)	FY 2021-2022
Deferred tax assets, net as of June 30, 2021	**4.1**
Change recognized in profit or loss	0.8
Other[1]	0.7
Translation differences	0.7
DEFERRED TAX ASSETS, NET AS OF JUNE 30, 2022	**6.4**

(1) Impact of deferred taxes recognized on the restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

(in € million)	06/30/2022	06/30/2021 restated[1]	06/30/2021 reported
Tax losses available for carry forward	1.4	1.2	1.2
Amortization of acquired intangible assets	2.0	1.2	1.1
Timing differences	3.0	1.7	1.5
Others	0.0	0.0	0.0
DEFERRED TAX ASSETS, NET	6.4	4.1	3.8

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

As of June 30, 2022, unrecognized tax loss carryforwards and tax credits amounted to €183.3 million and expire after 2027.

Effective tax rate

(in € million)	FY 2021-2022	FY 2020-2021 restated[1]	FY 2020-2021 reported
Taxable profit	**(4.2)**	**16.7**	**18.0**
Theoretical tax	1.1	(4.7)	(5.0)
Actual income tax expense	**(5.7)**	**(3.5)**	**(3.8)**
Effective tax rate	135.8%	(20.9%)	(21.3%)
Difference	(6.9)	1.2	1.2
• Goodwill amortization	-		-
• Non-recognition of deferred tax assets	1.0	0.7	0.7
• Losses generated in the current period which are not activated	(7.9)	(4.0)	(4.0)
• Activation of deferred taxes from timing differences	0.0	0.3	0.3
• Activation of losses from previous periods	0.0	2.6	2.6
• Other permanent differences	0.4	(0.3)	(0.3)
• Differences between local rates and parent company rate	(1.7)	1.6	1.6
• Other differences	1.4	0.3	0.3
TOTAL	**6.8**	**1.2**	**1.2**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

Note 15 Earnings per share

Basic earnings per share is equal to the Group share of net income divided by the average number of ordinary shares outstanding during the period, excluding the number of ordinary treasury shares held.

To calculate diluted earnings per share, the number of shares outstanding is adjusted to take into account the dilutive effect of equity instruments issued by the Company, such as stock options, subscription warrants or restricted stock units (free shares or actions gratuites).

	FY 2021-2022 (12 months)	FY 2020-2021 (12 months)
Numerator *(in € million)*		
Net Group Income (a)	(10.5)	10.4
Denominator		
Average number of shares outstanding (b)	42,550,320	39,343,641
Dilutive effect of existing instruments	4,245,884	419,289
Theoretical weighted average number of shares (c)	46,796,204	39,762,930
Basic earnings per share *(in €)* (a/b)	(0.25)	0.27
Diluted earnings per share *(in €)* (a/c)	(0.25)	0.26

It should be noted that the dilutive effect does not take into account the ORNANE bond issue performed in June 2018 (see Note 27.1) since, at the date of this Document, the Company had not decided the bond redemption method. ORNANE bond holders can request the conversion of their ORNANE bonds at any time. Depending on the date of this request and the share price, Claranova may be required to redeem the ORNANE bonds in cash.

Notes to balance sheet assets

Assets are recorded at fair value on initial recognition.

The carrying amounts of assets (finite life or indefinite life), other than inventories, deferred tax assets, assets arising from employee benefits and financial assets within the scope of IAS 32, are tested for impairment at each reporting date. When there is evidence of impairment, and at least once a year for goodwill and non-amortized assets, the recoverable amount of the asset is estimated.

In accordance with IAS 36, impairment is recognized when the carrying amount of the asset or the cash-generating unit to which it belongs exceeds its recoverable amount. The recoverable amount of a cash-generating unit is the higher of its fair value (usually the market price), less costs of disposal, and its value in use. This process requires key assumptions and judgments to be used to identify trends in the markets where the Group operates such as future cash flows and the discount and long-term growth rates used for the projections of these flows. The assumptions used differ according to the business division to which the assets tested belong. Impairment losses reduce the net income of the period in which they are recorded. Except for goodwill, impairment losses recorded in previous years are reversed when there is a change in the estimates used. The carrying amount of an asset increased by a reversal of an impairment loss may not exceed the carrying amount that would have been determined (net of depreciation, amortization or impairment) had no impairment loss been recognized for this asset in prior periods.

Assets that the Group expects to realize, sell or consume in its normal operating cycle or within 12 months after the balance sheet date are classified as current assets.

Note 16 Goodwill

Business combinations are accounted using the purchase method. The acquisition cost is determined as the fair value of the consideration transferred at the acquisition date, plus non-controlling interests in the acquiree. For each acquisition, the Group measures non-controlling interests either at fair value or as a share of net identifiable assets. Acquisition-related costs are expensed.

Contingent consideration is recognized at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration, classified as assets or liabilities, are recognized in income.

At the acquisition date, the excess of the consideration transferred plus non-controlling interests over the fair value of the net assets acquired is recognized in goodwill.

Goodwill is subsequently measured at cost less any accumulated impairment losses. It is allocated to a CGU (cash-generating unit or group of cash-generating units) and not amortized, but is tested for impairment annually and whenever there is an indication that the CGU may be impaired. If the goodwill has been allocated to a CGU and an operation within that unit is disposed of, the goodwill associated with that operation is included in the carrying amount of the operation when determining the gain or loss on disposal. The goodwill disposed of is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Changes in goodwill allocated to each CGU or division are as follows:

(in € million)	Net 06/30/2021	Acquisitions	Changes in scope of consolidation and reclassifications	Exchange rate changes	Net 06/30/2022
Avanquest	63.8	0.0	1.4	6.2	71.4
PlanetArt	0.6	9.4	0.0	0.8	10.9
TOTAL	**64.4**	**9.4**	**1.4**	**7.1**	**82.3**

Avanquest division

Goodwill of the Avanquest division amounted to €71.4 million arising from the acquisition of the Adaware, SodaPDF and Upclick businesses (See the 2019-2020 universal registration document, Chapter 2, Note 17).

The Group performed an impairment test on the Avanquest division at June 30, 2022, based on the cash flows generated by its activities, discounted at the weighted average cost of capital (WACC) of 15.1%. Cash flows generated by the activities of the Avanquest division are calculated on the basis of a two-year budget forecast considered by management as the optimal period for ensuring the reliability of forecasts, in light of the characteristics of the market in which this division operates, growth trends and the maturity of its activities. Cash flows resulting from this 2-year budget forecast were extended for an additional three years (i.e. a total of five years) based on perpetuity growth rate integrating a normative inflation rate to identify normative "perpetual" cash flow of 2% at the end of the period.

At June 30, 2022, the Group concluded that the recoverable amount of the CGU tested exceeded its carrying value. Management believes that no reasonable change in the above-mentioned key assumptions would result in the recoverable amount of the CGU significantly lower than its carrying value. To validate these conclusions, the Group performed sensitivity tests on the main assumptions used to calculate the recoverable amount of the CGU, namely the discount rate, the operating margin rate and the perpetuity growth rate. On that basis, a combined1.5% increase in the discount rate, a 2.0% decrease in the EBITDA margin after allowances for amortization and depreciation, and a 1.5% decrease in the perpetuity growth rate would not result in an impairment of goodwill of the Avanquest division.

PlanetArt division

Goodwill of the PlanetArt division amounted to €10.9 million:

- €0.5 million arising from the acquisition of the Personal Creations businesses;
- €0.2 million arising from the acquisition of the CafePress businesses;
- €10.2 million arising from the acquisition of the *I See Me! businesses*.

The Group performed an impairment test on the PlanetArt division at June 30, 2022, based on the cash flows generated by its activities, discounted at the weighted average cost of capital (WACC) of 15%. Cash flows generated by the activities of the PlanetArt division are calculated on the basis of a two-year budget forecast considered by management as the optimal period for ensuring the reliability of forecasts, in light of the characteristics of the market in which this division operates, growth trends and the maturity of its activities. Cash flows resulting from this two-year budget forecast were extended an additional three years (i.e. a total of five years) based on perpetuity growth rate integrating a normative inflation rate to identify normative "perpetual" cash flow of 2% at the end of the period.

At June 30, 2022, the Group concluded that the recoverable amount of the CGU tested exceeded its carrying value. Management believes that no reasonable change in the above-mentioned key assumptions would result in the recoverable amount of the CGU significantly lower than its carrying value. To validate these conclusions, the Group performed sensitivity tests on the main assumptions used to calculate the recoverable amount of the CGU, namely the discount rate, the operating margin rate and the perpetuity growth rate. On that basis, a combined 1.5% increase in the discount rate, a 2.0% decrease in the EBITDA margin after allowances for amortization and depreciation, and a 1.5% decrease in the perpetuity growth rate would not result in an impairment of goodwill of the PlanetArt division.

Significant business combinations in the period: *I See Me!*

On July 9, 2021, the PlanetArt division announced its acquisition of assets from the company *I See Me!* (See Note 3.1.1), analyzed as a business combination within the meaning of IFRS 3. The measurement of the fair value of the assets and liabilities acquired on the acquisition date resulted in the recognition of the following net assets:

NET IDENTIFIABLE ASSETS

In compliance with IFRS 3R, the Group measured the fair value of assets acquired and liabilities assumed on the acquisition date. The net carrying value on consolidation for the *I See Me!* businesses breaks down as follows.

(in € million)	**Fair value**	**Depreciation**
Brands	1.5	Straight-line, 20 years
Technology	2.9	Straight-line, 5 years
Property, plant and equipment	0.1	According to its nature
Other current assets	0.3	
Goodwill	9.3	Indefinite life
TOTAL ASSETS	**14.1**	

The acquisition of *I See Me!* was considered completed on July 1, 2021.

Note 17 Intangible assets

Software

Software is measured at acquisition cost and amortized on a straight-line basis over their useful lives, not exceeding five years.

Licenses, patents

Trademarks acquired are amortized on a straight-line basis over their estimated service life and up to 20 years. The Group does not capitalize costs relating to internally developed brands.

Patents

Patents are measured at acquisition cost and amortized on a straight-line basis over their useful lives, not exceeding ten years. As of June 30, 2022, no internally generated patents were recognized by the Group.

Customer bases

Customer bases are measured at acquisition cost and amortized on a straight-line basis over their useful lives, not exceeding five years.

Other intangible assets

Other intangible assets are measured at acquisition cost and amortized on a straight-line basis over their useful lives, not exceeding five years.

Changes in intangible assets were as follows:

(in € million)	Gross 06/30/2021 reported	Acquisitions	Disposals / Transfer between line items	Scope changes / Changes in foreign exchange rates	Gross 06/30/2022	Amort. and provisions 06/30/2022	Net 06/30/2022
Development costs and software	25.0	0.1	(0.0)	3.1	28.3	(20.3)	8.0
Customer portfolios	0.6	-	-	0.1	0.6	(0.2)	0.5
Others	5.6	-	(0.0)	2.3	7.9	(2.0)	5.8
TOTAL	**31.2**	**0.1**	**(0.0)**	**5.4**	**36.8**	**(22.5)**	**14.3**

Amortization of intangible assets is recorded under "Depreciation, amortization and provisions (net of reversals)" in recurring operating income, and has changed as follows:

(in € million)	Accumulated amortization as of 06/30/2021	Provisions for the period	Disposals / Transfer between line items	Scope changes / Changes in foreign exchange rates	Accumulated amortization as of 06/30/2022
Software development costs	17.4	3.4	(0.9)	0.5	20.3
Customer portfolios	0.0	0.1	-	0.0	0.2
Others	0.7	0.4	0.9	0.1	2.0
TOTAL	**18.1**	**3.8**	**-**	**0.6**	**22.5**

Note 18 Property, plant and equipment

Property, plant and equipment are measured at acquisition cost (purchase price plus related costs).

Economically justified depreciation is determined based on the estimated useful life. Depreciation starts when the asset is brought into service. When property, plant and equipment have significant components with different useful lives, these are recognized separately.

Maintenance and repair costs are expensed in the year in which they are incurred.

Depreciation periods are as follows:

	Depreciation	
Asset	**Method**	**Period**
Fixtures and fittings	*Straight-line*	*10 years*
Office furniture	*Straight-line*	*10 years*
Computer hardware	*Straight-line*	*3, 4 and 5 years*
Vehicles	*Straight-line*	*4 years*

Additional impairment is booked in the event of a loss in value or a change in the useful life. In the event of a change in the estimated useful life, the annual depreciation changed as a result.

Changes in property, plant and equipment were as follows:

(in € million)	Gross 06/30/2021 reported and restated[1]	Acquisitions	Disposals / Transfer between line items	Scope changes / Changes in foreign exchange rates	Gross 06/30/2022	Amort. and provisions 06/30/2022	Net 06/30/2022
Fixtures, improvements and fittings	9.1	1.6	(0.5)	1.6	11.7	(6.8)	4.9
Transportation equipment	0.2	0.1	(0.2)	0.0	0.1	0.0	0.1
Office and IT furniture and equipment	3.0	0.4	(0.2)	0.2	3.4	(2.8)	0.6
TOTAL	**12.3**	**2.1**	**(0.8)**	**1.9**	**15.3**	**(9.6)**	**5.6**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

"*I See Me!*" was the only acquisition completed by the Group in the year ended June 30, 2022.

Allowances for the period had an impact of €2.5 million on net income from ordinary activities.

Note 19 Leases

IFRS 16 "Leases" provides for the recognition of a right-of-use asset, and a lease liability corresponding to the sum of discounted future lease payments. In the income statement, the operating expense (lease expenses) is replaced by a depreciation charge and an interest expense. In the cash flow statement, interest impacts cash flows from operating activities, cash flows from investing activities are not impacted and the repayment of the principal portion of the lease liability impacts cash flows from financing activities.

The Group has identified three main lease categories:

- *buildings for office and industrial use: office leases concern the Group's three divisions. Plant and storage facility leases mostly concern the PlanetArt division;*
- *vehicles;*
- *miscellaneous and IT equipment.*

These last two categories do not have material rental contracts for the Group.

In accordance with the options offered by IFRS 16, the Group applies the following exemptions and practical expedients:

- *short-term leases and leases of low-value assets are not restated;*
- *analyses performed pursuant to IAS 17 and IFRIC 4 to determine whether a contract is a lease are maintained;*
- *leases with a residual term of less than 12 months are considered equivalent to short-term leases and are not restated;*
- *the onerous nature of a lease is assessed in accordance with IAS 37.*

The property leases concern almost exclusively office buildings. To determine the lease term for these assets, the Group considered whether the lessee was reasonably certain to exercise an extension option under these leases in accordance with the criteria of paragraph B37 of IFRS 16 and the decision of the IFRIC of November 2019. The Group did not consider it to be reasonably certain that an extension option would be exercised for leases in progress, notably because the location of said offices was not strategic for the Group or that such offices were not customized in a manner that would make it difficult to transfer them to another building.

The Group applied specific incremental borrowing rate for each lease, taking into account the country, the contract currency, term and borrowing conditions of the lessee entity.

The lease liabilities correspond to the present value of the remaining lease payments. The Group only takes into account the lease component in the lease liability measurement. For certain classes of assets which have leases including service and lease components, the Group may be required to recognize a single lease component (no distinction between the service and the lease component). This is particularly the case for vehicle leases, which are only marginal for the Group.

For each lease, the discount rate used is determined using the government bond yield in the lessee's country, according to the lease's maturity and currency as well as the local borrowing rates that the subsidiary has obtained for its financing.

The lease liability is excluded from the net financial debt definition.

Right-of-use assets

(in € million)	Net 06/30/2021	Acquisitions of right-of-use assets	Termination of contracts	Amortization of right-of-use assets	Currency translation differences	Net 06/30/2022
Buildings	6.8	9.5	(3.0)	(2.0)	1.2	12.5
Vehicles	0.2	0.0	(0.1)	0.0	0.0	0.1
Other fixed assets	0.0	-	-	(0.0)	-	0.0
TOTAL LEASES RESTATED FOR IFRS 16	**7.0**	**9.5**	**(3.0)**	**(2.0)**	**1.2**	**12.6**

Lease liabilities

Lease liabilities by maturity break down as follows

(in € million)	Less than one year	From one to five years	More than five years	Total 06/30/2022
Maturity of lease liabilities	3.4	8.8	1.0	13.2

Lease liabilities increased in the period as follows:

(in € million)	
Opening lease liabilities	7.5
Increase in lease liabilities	9.5
Assignment of contracts	(1.6)
Decrease in lease liabilities	(3.5)
Currency translation differences	1.2
CLOSING LEASE LIABILITIES	**13.2**
Non-current lease liabilities	9.8
Current lease liabilities	3.4
CLOSING LEASE LIABILITIES	**13.2**

The lease liability is excluded from the net financial debt definition.

Total impact on net income

(in € million)	FY 2021-2022	FY 2020-2021
Cancellation of rental expenses (recurring operating income)	4.0	3.6
Amortization of right-of-use assets (recurring operating income)	(3.6)	(3.3)
Interest on lease liabilities (net financial expense)	(0.5)	(0.6)
TOTAL IMPACT ON NET INCOME	**(0.1)**	**(0.2)**

Lease expenses comprise payments for leases with a term of 12 months or less, leases of assets with a value when new of less than US$5,000 (as recommended by the standard) and lease payments not taken into account in the lease liability measurement (e.g. co-working offices not specific to the Group's entities).

(in € million)	FY 2021-2022
Services	(0.2)
Other	(0.1)
TOTAL LEASE EXPENSES NOT RESTATED FOR IFRS 16	**(0.3)**

IFRS 16 impact on the Statement of cash flows

(in € million)	06/2022 12 months	06/2021 12 months
OPERATING ACTIVITIES		
Consolidated net income	0.1	(0.2)
Elimination of non-cash items or items not related to operations:		
• Net depreciation, amortization and provisions (excluding current provisions)	3.6	3.3
• Net borrowing costs recognized	0.5	0.6
Cash flow from operations before changes in working capital	**4.0**	**3.6**
Changes in working capital requirements	0.0	0.0
Net interest paid	(0.5)	(0.6)
Net cash flow from (used in) operating activities	**3.5**	**3.1**
INVESTING ACTIVITIES		
Net cash flow from (used in) investing activities	**0.0**	**0.0**
FINANCING ACTIVITIES		
Principal payments on borrowings	(3.5)	(3.1)
Net cash flow from (used in) financing activities	**(3.5)**	**(3.1)**
Increase (decrease) in cash	**0.0**	**0.0**

Note 20 Inventories and work-in-progress

Inventories of raw materials and supplies are measured at their purchase price, plus procurement costs. Raw materials and supplies are measured at the lower of purchase cost (according to the weighted average price method) and net realizable value. A provision for impairment is booked when this cost price is higher than the estimated net realizable value.

Finished products and work-in-progress are measured at the lower of their production cost and net realizable value. Production costs include the direct costs of raw materials, labor, and a proportion of direct overheads, excluding general administrative expenses.

The net realizable value of raw materials and other inventories takes into account impairment for the obsolescence of inventory with a low rate of turnover.

Inventories rose by €5.9 million, mainly in the PlanetArt division as it prepared for year-end holidays to prevent the risk of shortages.

Note 21 Trade receivables and related accounts

Trade receivables are measured at nominal value. Where relevant, a provision for impairment is recognized to take account of collection difficulties that may arise.

(in € million)	**Trade receivables** *(gross value)*	**Not past due**	**Less than 90 days past due**	**More than 90 days past due**	**Impairment of past-due receivables**	**Net value**
06/30/2021 restated[1]	9.6	8.6	0.7	0.3	0.3	9.2
06/30/2022	9.2	6.3	1.9	1.0	0.9	8.3

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

The balance of trade receivables as of June 30, 2022 declined during the year. The majority of PlanetArt and Avanquest customers pay when they place their orders, which considerably limits collection risks.

It should be noted that the US subsidiary, Avanquest North America has a total of €0.7 million in trade receivables past due. However, this balance does not present any risks which not covered by a provision. These are customers whom, based on Avanquest North America's excellent business relations, benefit from longer payment terms.

Note 22 Other current and non-current receivables

Other operating receivables consist of current or non-current assets measured at nominal value. Where relevant, a provision for impairment is recognized to take account of collection difficulties that may arise. They include in particular advances on royalties.

Where an advance on royalties is paid under a publishing or co-publishing contract, the amount is recorded in assets in the statement of financial position. The amount corresponding to royalties due on completed sales is then deducted from the prepaid royalties account and expensed in the year.

If sales forecasts suggest that prepaid royalties will not be fully utilized, a risk provision is recorded in liabilities.

(in € million)	**06/30/2022**	**06/30/2021**
Other non-current liabilities	0.8	1.6
Other current receivables	11.4	8.4
TOTAL OTHER RECEIVABLES	**12.2**	**10.0**

Other non-current liabilities

Other non-current receivables reflect prepaid expenses (at more than one year) relating to the Adaware business.

Other current receivables

(in € million)	06/30/2022	06/30/2021
Prepaid expenses	8.3	4.9
Tax receivables	1.5	1.7
Lease payments	0.0	0.1
Contract assets	0.0	1.1
Others	1.6	0.6
TOTAL CURRENT RECEIVABLES	**11.4**	**8.4**

Other current receivables rose 36% from the previous year. These receivables break down as follows:

- prepaid expenses, mainly related to advertising expenses for the acquisition of traffic on the Avanquest divisions and more specifically PlanetArt in the amount of €5.4 million.
- tax receivables concerning mainly VAT receivables, including VAT for which refund requests for the period were submitted to the tax authorities for approximately €0.8 million for the French subsidiaries, Avanquest Software SAS and Claranova SE, compared to €0.6 million at June 30, 2021.

Note 23 Financial assets (less than one year)

Short-term financial assets held for less than one year amounted to €0.2 million at June 30, 2022. The €2.4 million decrease in this line item reflects the repayment of loans granted by the Avanquest division to its minority shareholders.

Note 24 Cash and cash equivalents

Cash comprises cash at bank and in hand.

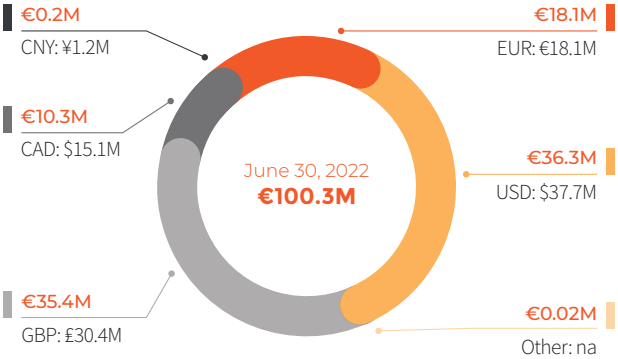
Cash equivalents include money market securities and bonds and mutual fund units invested with a short-term investment horizon. They are recognized at fair value, with changes in fair value recognized in profit or loss.

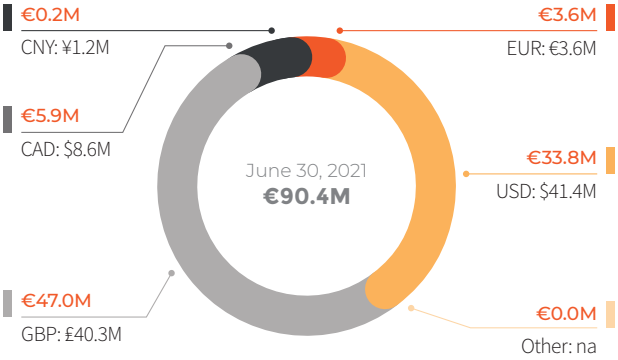
For instruments with quoted prices, the Company uses the closing price and the net asset value for cash assets invested in mutual funds.

The realizable value of cash and cash equivalents as of June 30, 2022 is identical to the carrying value as recorded in the ledgers.

CASH AND CASH EQUIVALENTS – FIGURES AS OF JUNE 30, 2022

(in € million)





Notes to balance sheet liabilities

Note 25 Equity

25.1 Share capital

As of June 30, 2022, the share capital of Claranova SE was made up of 45,990,070 shares with a par value of €1 each, all of the same class. The Extraordinary General Meeting of June 7, 2017 decided, in accordance with Article L. 225-123 and L. 22-10-46 of the French Commercial Code, to grant double voting rights (i) to fully paid-up Company shares as evidenced by registration in the name of the same shareholder for at least two years, (ii) as well as to registered shares allocated as bonus shares to a shareholder, in the event of a capital increase by capitalizing reserves, profits or issue premiums. The Group's main capital management objective is to ensure the maintenance of sound capital ratios, in such a way as to facilitate its activity and development.

During the period, the number of shares changed as follows:

	Number of shares	Amount in euros
As of June 30, 2021	**39,728,654**	**39,728,654**
Share capital increase[1]	2,142,857	2,142,857
Share capital increase[2]	4,100,000	4,100,000
Share capital increase[3]	18,559	18,559
AS OF JUNE 30, 2022	**45,990,070**	**45,990,070**

(1) Capital increase in cash
(2) Capital increase in cash, debt and asset contribution.
(3) Exercise of stock options.

When treasury shares are purchased, irrespective of the reasons, the amount paid and the directly attributable transaction costs are recorded as a change in equity.

The shares acquired are deducted from total equity until their subsequent sale or cancellation.

The impact of any disposals is not taken into account in consolidated profit or loss but in changes in equity.

As of June 30, 2022, the Company held 376,959 treasury shares compared with 242,125 one year earlier.

	Number of shares
As of June 30, 2021	**242,125**
Liquidity contract[1]	134,834
Exercise of stock options by drawing on treasury shares[2]	(1,000)
AS OF JUNE 30, 2022	**376,959**

(1) 919,848 shares were acquired and 784,014 shares sold under the liquidity contract between December 10, 2021 and June 30, 2022, See Note 1.5.
(2) The exercise of stock options in January 2022 under the plan described in Note 25.2.

25.2 Other securities granting access to the share capital and stock options

Share-based compensation costs are expensed on a straight-line basis over the vesting period. Vesting conditions not included in the measurement of fair value on the vesting date are taken into account to estimate the number of instruments that will vest at the end of the vesting period (e.g., presence condition). This estimate is reviewed at the end of each reporting period with any impact thereof recognized in the income statement. Where a performance share plan allows beneficiaries to acquire shares either based on a market performance condition or a non-market performance condition, the Group measures the fair value of the instruments at the vesting date according to each possible outcome, and recognizes the expense on the basis of the most probable outcome estimated at each balance sheet date.

The fair value of options and free shares granted to employees and corporate officers of the Company or its affiliates is recognized in employee expenses over the vesting period, in accordance with IFRS 2. The fair value of options and restricted stock units (actions gratuites) granted to third parties is recognized in operating expenses.

When these equity instruments have a mandatory holding period, their fair value takes into account the cost of the holding period. Where appropriate, the inability to collect dividends is also taken into account in the fair value calculation.

All information below is as of June 30, 2022.

Claranova SE stock option plan

The General Meeting of November 30, 2015 authorized the issue of 18,765,927 stock options. 245,100 of these stock options have not been exercised. The exercise of these 245,100 stock options would confer a right to 24,510 new Claranova SE shares.

Beneficiaries	**Claranova group employees**
General Meeting date	11/30/2015
Number of stock options authorized	18,765,927
Number of stock options authorized after the reverse split	18,765,927
Management Board meeting date[1]	11/25/2016 and 05/03/2017
Number of stock options granted	18,765,927
Number of beneficiaries	52
Subscription price	€0.00
Exercise price for 10 options[3]	€1.12
Exercise period	until 11/25/2026
Exercise conditions	already fulfilled
Stock options canceled or lapsed	30,000
Stock options subscribed as at 06/30/2022	18,735,927
Rights vested as of 06/30/2022	18,735,927
Stock options converted into ordinary shares	18,490,827
Maximum potential ordinary shares[2][3]	24,510

(1) The Management Board meeting of May 3, 2017, decided to modify the conditions governing the objectives to achieve as well as the duration of the vesting period.
(2) Taking into account lost or cancelled shares.
(3) Following the reverse stock split decided by the Extraordinary General Meeting of June 11, 2019, 10 subscription options granted by the Company give the right to subscribe to 1 Claranova share at €1.12 per share.

Claranova SE warrant plan of June 07, 2017

On June 7, 2017, Claranova SE announced the grant of 3,752,224 Claranova SE warrants (*bons de souscription d'actions* or BSA).

As of June 30, 2021, 3,752,224 warrants had vested. Following the reverse stock split on June 14, 2019, the exercise of 10 warrants would confer a right to subscribe for 1 ordinary Claranova SE share, *i.e.* representing a maximum number of 375,220 potential shares. There have been no movements since June 30, 2020.

Beneficiaries	**Claranova Group Management Board and Supervisory Board**
General Meeting date	06/07/2017
Number of warrants authorized	3,752,224
Number of warrants authorized after the reverse split	3,752,224
Date of Management Board meeting	11/13/2017
Number of warrants granted	3,752,224
Number of beneficiaries	6
Subscription price	€0.36
Exercise price for 10 warrants[(1)]	€6.10
Subscription period	until 11/13/2027
Warrant exercise period	until 11/13/2027
Warrants lost or cancelled	0
Warrants subscribed as of 06/30/2022	0
Rights vested as of 06/30/2022[(2)]	3,752,224
Warrants converted to ordinary shares	0
Maximum potential ordinary shares[(1)(2)]	375,220

(1) (1) Following the reverse stock split decided by the Extraordinary General Meeting of June 11, 2019, 10 2017 warrants would give the right to subscribe to 1 Claranova share at a price of €6.10 per share.
(2) Taking into account lost or cancelled shares.

Net share-settled bonds convertible into new shares and/or exchangeable for existing shares of Claranova SE

On June 19, 2018, Claranova issued 26,363,636 Net Share-Settled Bonds Convertible into New Shares and/or Exchangeable for Existing Shares (ORNANE) (see Note 23.1 to the 2017-2018 consolidated financial statements for more information on these bonds). As of the date of this document, the Company has not yet determined the bond redemption method.

As of June 30, 2022, Claranova held 455,000 ORNANE bonds. There have been no movements since June 30, 2021.

	06/30/2022
Number of shares existing as of 06/30/2022	45,990,070
Treasury shares	376,959
Number of shares outstanding	**45,613,111**
Dilutive effect of stock options	24,510
Dilutive effect of warrants (2017)	375,220
Dilutive effect of the 2021 OCEANE bond issue	3,846,154
Weighted average number of shares	**49,858,995**

This number does not take into account the June 2018 ORNANE bond issue, as the Company has not yet decided the method of redeeming these bonds at the date of this document. These ORNANE bonds mature on July 1, 2023.

Assuming all the rights attached to stock options and share subscription warrants become exercisable and are exercised, Claranova's share capital would increase by €399,730.

The share capital would therefore increase from €45,990,070 to €46,389,800, an increase of 0.87%, spread over time as follows:

- stock-options: able to be exercised by beneficiaries until November 2026;
- warrants of June 7, 2017: able to be subscribed and exercised by beneficiaries until November 2027;

Other securities granting access to the share capital of subsidiaries are presented below:

myDevices stock option plan

The following tables summarize the features of the current myDevices stock option plan.

Beneficiaries	myDevices Inc. employees
Number of securities authorized	1,900,000
Board of Directors meeting date	02/05/2017
Number of stock options granted as of 06/30/2022	1,900,000
Number of beneficiaries	22
• of which executives	1
Subscription price	0 USD
Exercise price for 1,236,000 securities	0.07 USD
Exercise price for 275,000 securities	0.39 USD
Exercise price for 491,750 securities	0.42 USD
Vesting period	spread over 4 years
Vesting conditions	Grant subject to conditions of presence of the beneficiary for the duration of the vesting period
Rights lost or cancelled as of 06/30/2022	0
Rights vested as of 06/30/2022 (1)	388,525
Securities subscribed as of 06/30/2022	1,900,000
Maximum potential number of ordinary shares (1)	801,250

(1) Taking into account lost or cancelled shares.

In application of IFRS 2, the measurement at fair value led to the recognition of a €0.4 million personnel expense at June 30, 2022.

myDevices share subscription warrants plan

myDevices signed a capital agreement with a commercial partner specifying the grant of share subscription warrants depending on revenue payments made. Each subscription warrant confers entitlement to buy one share at US$3.125.

It should be noted that if the value of the myDevices share rises above US$3.125, the partner could also choose to exercise its subscription warrants by converting them, and the ratio would then be based on the fair value of the share.

The following table, established on June 30, 2022, provides a summary of the characteristics of outstanding myDevices warrants.

Beneficiaries	Commercial partner
Number of securities authorized	1,010,000
Number of securities granted as of 06/30/2022	0
Number of beneficiaries	1
Vesting conditions	Revenue thresholds
Subscription price	0 USD
Exercise price	3.125 USD
Year-end date	End of the commercial contract
Exercise conditions	None
Rights lost or cancelled	0
Rights vested as of 06/30/2022(1)	599,688
Securities subscribed as of 06/30/2022	0
Maximum potential number of ordinary shares(1)	1,010,000

(1) Taking into account lost or cancelled shares.

Avanquest Software SAS stock option plan

On June 30, 2022, Avanquest Software SAS granted a stock option to one of its managers. The following table, established on June 30, 2022, summarizes the characteristics this option:

Beneficiaries	Avanquest Software SAS manager
Number of securities authorized	2,878,268
Number of securities granted as of 06/30/2022	0
Number of beneficiaries	1
Vesting conditions	Conditions of presence
Subscription price	0 USD
Exercise price	2.50 USD
Year-end date	06/30/2029
Exercise conditions	none
Rights lost or cancelled	0
Rights vested as of 06/30/2022[1]	0
Securities subscribed as of 06/30/2022	0
Maximum potential number of ordinary shares[1]	2,878,268

(1) Taking into account lost or cancelled shares.

In application of IFRS 2, the measurement at fair value led to the recognition of a €0.8 million personnel expense at June 30, 2022.

Other securities conferring access to subsidiaries' share capital

Significant changes relating to securities giving access to the capital of subsidiaries compared with the situation at June 30, 2021 (See Note 25 of Chapter 2 of the FY 2020-2021 Universal Registration Document) are as follows:

Avanquest Software SAS

On June 30, 2021, Avanquest Software SAS granted a stock option to one of its managers.

As of December 31, 2021, all the stock options were subscribed by the beneficiary, i.e. 2,878,269 stock options conferring a right to 2,878,269 ordinary shares of this entity. The fair value measurement at December 31 led to the recognition of a personnel expense of €0.4 million for the period.

The Chairman and CEO's option to invest in the Company's subsidiaries

Claranova SE's General Meeting approved, as part of the compensation policy for FY 20202021 of the Chairman and Chief Executive Officer, the final terms of the instruments giving him access to the capital of certain subsidiaries of the Company (the "Option to Invest in Subsidiaries") (See Note 1.4 of this Chapter).

These instruments were issued following the General Meeting and subscribed at fair value by the Claranova's Chairman and Chief Executive Officer on December 9, 2021, in the form of one preferred share X (Preferred Shares X) at the level of Avanquest Software SAS, and two instruments at the level of Avanquest America Holding LLC reflecting respectively the performance of its subsidiaries myDevices Inc. (100 preferred shares Y - Preferred Shares Y) and PlanetArt LLC. (100 preferred shares Z - Preferred Shares Z), independent of each other.

Characteristics

Each instrument confers a right to the Chairman-CEO to receive 10% of the amount, net of debt, reverting (indirectly) to Claranova SE (the "Distribution") and only if the value on the issue date of the percentage held (indirectly) by Claranova SE in the shareholders equity of said subsidiary (after taking into account the Group share of debt borne at the Claranova SE level) (the "Reference Value") is multiplied by three at any time between the issue date and June 30, 2026 (the "Condition").

This Condition will be considered satisfied:

- in the case of a liquidity event (total or partial sale of at least 50% of the subsidiary's capital, qualified asset sale, qualified initial public offering) occurring no later than June 30, 2026 as a result of which the Reference Value is multiplied by three;
- in the absence of a liquidity event by June 30, 2026, in the light of an independent appraisal (i) initiated by the Chairman and Chief Executive Officer at the end of the third year or at the end of the fourth year if and only if the Board of Directors initially opposed the occurrence of a liquidity event and (ii) as a result of which the Reference Value is multiplied by three.

If the Condition is satisfied, the Distribution will be made:

- or on the occasion of one or more liquidity events occurring between now and June 30, 2026, in which case the Chairman and Chief Executive Officer will receive 10% of the amount received by the Group on the occasion of the said liquidity event or events;
- in the absence of total liquidity by June 30, 2026, shortly after that date, on the basis of the subsidiary's market value at that date, the Chairman and Chief Executive Officer then receiving 10% of the value of the share held (indirectly) by the Company in the subsidiary's equity as of June 30, 2026.

If on July 1, 2026, or on the date on which the Chairman and Chief Executive Officer leaves the Group if before June 30, 2026, the Condition is not satisfied and the instruments will be repurchased from him at the price of €1 per type of instrument.

The complete characteristics are described in Chapter 3, Paragraph 3.3.2.1.1 of the Universal Registration Document as of June 30, 2021 available on the website www.claranova.com.

Beneficiaries	Chairman and Chief Executive Officer of Claranova
General Meeting date	12/01/2021
Number of securities authorized	201
of which Avanquest Software SAS	*1*
of which Avanquest America Holding Inc. - PlanetArt	*100*
of which Avanquest America Holding Inc. – myDevices	*100*
Date of Board of Directors meeting	07/23/2021
Number of securities granted as of 06/30/2022	201
Number of beneficiaries	1
Total Subscription Price in € thousands	176.2
of which Avanquest Software SAS	*34.1*
of which Avanquest America Inc. – PlanetArt	*132.1*
of which Avanquest America Inc. – myDevices	*10.0*
Subscription period	Pursuant to approval by the General Meeting
Exercise period	until 06/30/2026
Vesting conditions	Value of the underlying division multiplied by three Occurrence of a liquidity event relating to the division
Securities lost or cancelled	0
Securities subscribed as of 06/30/2022	201
Rights vested as of 06/30/2022	none

Accounting method

The Preferred Shares comprising the Option to Invest in Subsidiaries are financial instruments sold to the Chairman and Chief Executive Officer as a manager of Claranova Group, the value of which is conditional on his presence in the Group, giving him the right to receive an amount in cash based on the value of the shares or assets of certain Group entities. In accordance with IFRS 2, these Preferred Shares are cash-settled instruments recognized as financial debt at fair value through profit or loss.

The fair value of these instruments must be remeasured at each balance sheet date, and if it increases, the corresponding personnel expense will be spread over the estimated vesting period of each instrument and recognized under personnel expenses.

Financial impact on the period

As the Preferred Shares were subscribed for at fair value the IFRS 2 expense was nil at the subscription date.

As of June 30, 2022, changes in actuarial assumptions and assumptions relating to the business and the likelihood of vesting the preferred shares resulted in a fair value adjustment of €0.03 million. The three-year vesting period resulted in an additional personnel expense of €0.01 million.

25.3 Non-controlling interests

PlanetArt division

Minority shareholders own 5.91% of PlanetArt LLC, the parent company of the PlanetArt division, compared with 7.73% at June 30, 2021 following a partial buyout. In addition, as indicated in the off-balance sheet commitments, since November 8, 2012, the managers of PlanetArt LLC have held shares in the capital of this company with no voting rights though with financial rights and a conversion option, exercisable in the event of a potential liquidity event or the departure of these directors under certain terms and conditions (Note 33.1 of this Chapter).

All PlanetArt entities are consolidated by global integration of Claranova.

myDevices division

myDevices' minorities, mainly myDevices' business partners, own 41.64% of myDevices. myDevices is consolidated by global integration.

Note 26 Current and non-current provisions

Provisions are recognized when the Group has a present obligation, as a result of a past event, which will probably require an outflow of resources, the amount of which can be reliably estimated. The amount recognized as a provision should be the best estimate of the outflow necessary to settle the present obligation at the reporting date. It is discounted when the effect is material and the maturity is more than one year.

Current provisions are those directly related to the operating cycle of each business line with maturities of less than one year.

Other current provisions correspond to those with maturities of less than one year, but not directly related to the Group's own operating cycle.

Non-current provisions are those with maturities of more than one year or are uncertain in nature. They include provisions for litigation.

Provisions changed as follows during FY 2021-2022:

(in € million)	Provisions 06/30/2021	Currency translation differences	Provision	Reversal	Reclassifi-cations	Provisions 06/30/2022
Other provisions for contingencies – non-current portion	1.1	0.1	0.5[1]	(0.4)	(0.4)	1
Other provisions for contingencies – current portion	0.1	-	-	-	0.4	0.6
Other provisions for expenses – non-current portion	1.1		0.01	(0.1)	0.1	1.1
Other provisions for expenses – current portion	0.1	-	-	-	(0.1)	0.0
TOTAL PROVISIONS	**2.4**	**0.1**	**0.51**	**(0.5)**	**-**	**2.6**
Non-current provisions	2.2	0.1	0.6	(0.5)	(0.4)	2.0
Current provisions	0.2	-	-	-	0.4	0.6
TOTAL PROVISIONS	**2.4**	**0.1**	**(0.6)**	**(0.5)**	**-**	**2.6**

(1) Provision for tax contingencies for the Avanquest division

Note 27 Current and non-current financial liabilities

Borrowings are initially recorded at cost, which corresponds to the fair value of the amount received net of issuance costs. For convertible bonds, in accordance with IAS 32, the Company measures the "liability" component and the "equity" component of these borrowings.

Fair values are determined according to a hierarchy that includes three levels: level 1 inputs: fair value based on quoted prices in active markets; level 2 inputs: fair value measured using observable market input other than quoted prices included in level 1; level 3 inputs: fair value determined using valuation techniques based on unobservable inputs. The Group's derivative instruments are generally measured at level 2 inputs.

Derivative instruments are carried at fair value with changes in fair value recognized in profit or loss except in those cases when they are eligible for hedge accounting.

After initial recognition, borrowings are measured at amortized cost using the effective interest rate (EIR) method. This takes into account all issuance costs and any haircut or redemption premium.

(in € million)	06/30/2021	Increases	Repayments	Decreases	Scope changes / Changes in foreign exchange rates	Other changes	06/30/2022
Bonds	47.5	56.8	0.0	-	-	-	104.3
ORNANE bonds	28.5	0.3	0.0	-		-	28.7
Euro PP	19.0	0.2	-	-		-	19.2
OCEANE bonds		56.3[1]	0.0	-		-	56.3
Derivative component of convertible bonds	1.1	-	-	(0.3)		-	0.9
ORNANE bonds	-	-	-	(0.1)		-	1.1
OCEANE bonds	-	-	-	(0.2)		-	(0.2)
Borrowings	14.4[2]	19.8	(7.1)	-	1.9	2.0	31.0
Other financial liabilities	2.0[3]	36.8	(6.6)	-	1.0	(2.0)	31.2
Accrued interest not yet due	0.0	7.9	(3.7)	-	0.0	-	4.2
TOTAL FINANCIAL LIABILITIES	**65.1**	**121.2**	**(17.4)**	**(0.3)**	**3.0**	**0.0**	**171.5**

(1) See Note 27.1.
(2) See Note 27.2.
(3) See Note 27.3.

Financial liability maturity dates are as follows:

(in € million)	Total	Less than one year	One to five years	More than five years
Bonds	104.3	-	104.3	-
Derivative component of convertible bonds	0.9	-	0.9	-
Borrowings	31.0	8.7	21.5	-
Other financial liabilities	31.2	9.7	19.9	-
Accrued interest not yet due	4.2	4.2	-	-
TOTAL FINANCIAL LIABILITIES	**171.5**	**22.6**	**148.9**	**-**
Non-current financial liabilities	148.9	-	148.9	-
Current financial liabilities	22.6	22.6	-	-
TOTAL FINANCIAL LIABILITIES	**171.5**	**22.6**	**148.9**	**-**

27.1 Bonds

ORNANE bonds

On June 14, 2018, Claranova launched an issue of Net Share-Settled Bonds Convertible into New Shares and/or Exchangeable for Existing Shares (ORNANE) maturing on July 1, 2023, of a nominal amount of €28,999,999.60.

The bonds have a nominal value of €1.10 and bear interest at a nominal annual rate of 5.0 %.

In accordance with IFRS, the ORNANE bonds are viewed as a bond debt comprising two components:

- a bond component accounted for at amortized cost;
- an equity component (derivative) accounted for as "mark-to-market" debt.

The financial costs related to the issuance of the bonds were deducted from the debt in Liabilities. The bond component is calculated by discounting future cash flows using the effective interest rate (risk-free rate plus credit spread). Changes in the bond component are recognized in financial income.

Changes in the fair value of the derivative are accounted for in a separate line in financial income "Fair value remeasurement of financial instruments". This accounting method has no impact on cash flows. The fair value of the embedded derivative is calculated by an outside expert using the Cox, Ross and Rubinstein method.

Moreover, the ORNANE bonds allow the Company to limit the number of shares to be issued on the conversion date.

Financial impact on the period

As of June 30, 2022, the principal of the debt at amortized cost amounted to €29.8 million. The fair value of the derivatives was considered as non-significant.

Euro PP

On June 27, 2019, Claranova group completed a Euro PP private bond placement with European institutional investors for a total amount of €19.7 million, comprising 19,655 bonds with a nominal value of €1,000 each.

The 5-year bonds bearing 6% annual interest will be redeemed on maturity on June 27, 2024. They have been admitted for trading, as of today, on the Euronext Access market under the ISIN code FR0013430725.

Interest is payable annually on maturity on July 1, of each year.

This loan is accompanied by the following financial commitments:

- annual consolidated net financial debt/EBITDA ratio strictly below 3.5;
- strictly positive annual EBITDA.

These commitments were met at the fiscal year-end of June 30, 2022.

The bonds are not guaranteed by any collateral.

OCEANE convertible bonds issued for €50 million by Claranova SE to Heights Capital Management

On August 16, 2021, Claranova SE issued 3,846,154 bonds convertible into and/or exchangeable for new or existing shares of the company (OCEANE) for a total amount of €50 million, *i.e.* €13 per bond, subscribed in full by the investment fund Heights Capital Management Inc. (See Note 1.3).

Characteristics

- Maturity at 5 years, i.e. August 16, 2026.
- Coupon (interest) at 4.5 % per annum payable in cash every six months.
- Current parity: 1 share for 1 bond.
- Conversion option (in whole or in part): at any time at the investor's initiative in the event of a public tender offer for Claranova SE shares, or from the 2nd anniversary of the issue at the investor's initiative until the maturity date of the bonds, or from the 3rd anniversary at the investor's initiative until the maturity date of the bonds if the Claranova share price exceeds €27 for at least 30 consecutive business days.
- Prepayment option:
  - At the initiative of the investor (put right) from the 3rd anniversary of the issue for a maximum amount of 2 times the amount of the initial investment (including all interest already paid);
  - At the initiative of Claranova (call right), before the 2nd anniversary of the issue for a maximum amount of 1.75 times the initial investment (including all interest already paid), between the 2nd and 3rd anniversary of the issue for a maximum amount of twice the initial investment (including all interest already paid), or after the 3rd anniversary of the issue for a maximum amount of 2.25 times the initial investment (including all interest already paid).

Unless converted, redeemed or repurchased and cancelled prior to maturity, the bonds are redeemable at par on August 16, 2026.

Accounting method

The OCEANE bonds have been qualified as a hybrid instrument, comprising:

- *a host debt instrument with a maturity of 3 years, with bullet repayment of €93.3 million corresponding to a return of 2 times the initial investment, including coupons due and paid, and an effective interest rate of 24.9 %;*
- *a derivative instrument corresponding to an option to extend the debt from three to five years at the investor's initiative;*
- *a derivative instrument corresponding to the conversion option;*
- *a derivative instrument corresponding to Claranova's early redemption option.*

Claranova has exercised the irrevocable option to account for the hybrid instrument using the split accounting method, whereby the host financial debt contract is accounted for at amortized cost with an EIR of 27.7%, and the derivatives being accounted for at fair value through profit or loss. In accordance with IFRS 9, at each balance sheet date, changes in the fair value of derivatives will be recognized as an offset to the liability in financial income or expense.

At each balance sheet date, the amount of the debt principal recorded in the balance sheet may not exceed the total amount of €93.3 million.

Financial impact on the period

When issued, financial debt at amortized cost was recognized in the amount of €46.3 million, net of €3.6 million debt issue expenses. The fair value of the derivative instruments was €0.2 million.

As of June 30, 2022, the principal of the debt at amortized cost amounted to €57.1 million. The fair value of the derivatives was considered as non-significant.

27.2 Borrowings

PlanetArt acquisition financing

To finance its external growth, PlanetArt LLC obtained various loans from Cathay Bank, including

- a US$12 million four-year loan arranged on July 24, 2019. As of June 30, 2022, this loan had a balance of US$3.75 million and a maturity date of July 24, 2023;
- a US$3 million revolving credit facility initially maturing on September 30, 2020, extended to December 31, 2024. As of June 30, 2022, this credit line had a remaining balance of US$1.875 million;
- on December 29, 2020, a second revolving credit facility for PlanetArt LLC was extended by US$3 million until September 30, 2022. On June 30, 2022, this credit line was further extended to March 31, 2023;
- a US$11 million loan maturing on November 30, 2026 repayable on a straight-line basis over 60 months. As of June 30, 2022, this loan had a balance of US$9.717million;

The interest rates on these loans are the higher of 5.25 % and the Prime Rate minus 0.25 %. The Prime Rate is defined as the higher of 0 % and the annual rate as reported by the Wall Street Journal.

French government guaranteed loan (PGE)

The €4.0 million French government guaranteed loan was contracted by Claranova SE under the measures implemented by the French government under its COVID-19 pandemic economic relief plan. On March 2, 2021, Claranova SE requested to exercise the additional amortization option allowing it to extend the maturity of the loan for an additional period of five (5) years, repayable in annual installments and subject to an interest rate equal to the bank financing rate plus the State guarantee premium. The maturity date of the loan is May 22, 2026, with repayment beginning on May 22, 2023. The French government-backed loan bears interest of 0.30 % to which is added the State guarantee premium of €0.2 million, spread over the term of the loan. It is classified as non-current financial debt.

Loan obtained by myDevices Inc.

To finance its operating activities and repay its loan from a business partner, myDevices Inc. obtained a credit line for up to US$3.0 million from Cathay Bank, maturing on November 30, 2023.

Loan obtained by Avanquest Software SAS in connection with the PDF forge acquisition

To finance the acquisition of the German company pdfforge GmbH, Avanquest Software SAS obtained a €10 million loan from Bpifrance. This loan, comprising two equal tranches of €5 million, was part of the financing arranged by the Group to complete this acquisition on July 1, 2022.

The first installment of this loan with fixed annual interest of 2% and a maturity of five years will be payable on September 30, 2022. This loan is repayable in quarterly installments and matures on June 30, 2027.

27.3 Other financial liabilities

Advance obtained by myDevices Inc.

As of June 30, 2021, myDevices has a €1.9 million loan from one of its commercial partners) in the form of an advance called by myDevices from its partner. Its repayment due date has been deferred until September 30, 2022.

Promissory Notes

CLARANOVA SE issued Promissory Notes in the Amount of €27.6 million on October 29, 2021 with an annual coupon of 4.5%. At fiscal year-end, total debt including accrued interest amounted to US$20.6 billion or €19.8 million.

The interest rates of four (4) of the Promissory Notes, as well as their maturity, were renegotiated after year-end (see Note 34.4), with the total principal amounting to US$18.2 million.

On that basis, in accordance with the new contractual terms, the repayment schedule for these Promissory Notes, which amount to a total of 19.8 million euros, is as follows, starting on July 1, 2022:

- €4.5 million with a maturity of less than 1 year;
- €14.7 million with a maturity of less than 5 year;
- €0.6 million in accrued interest.

The payment schedule takes into account these new terms and conditions.

Accounting method

The promissory notes are debt instruments recognized in accordance with IFRS 9 classified as financial liabilities.

The 10-year promissory notes are carried at amortized cost at a 4.5% EIR, with the early redemption option incorporated directly into the debt recognition schedule.

The 12-month promissory notes for US$1.7 million are accounted for under IFRS 9 as debt at amortized cost of 4.5% EIR.

The 12-month the promissory note for US$7.7 million is accounted for using the split accounting method. Following negotiations with the beneficiary, it is likely that as of December 31, 2021 the debt will be repaid in cash in February. This debt was repaid in cash after the balance sheet date (See Note 34.4 of this Chapter). This promissory note is accounted for as a hybrid instrument consisting of a financial debt at amortized cost with a maturity of four months and an EIR of 4.5 %, with two derivative instruments at fair value recognized in profit or loss, i.e. the conversion option and an additional 8-month extension option. Both derivatives were valued at zero.

Financial impact on the period

On issue, the fair value of the promissory notes was €23.6 million corresponding to the fair value of the securities received in exchange.

As of June 30, 2022, the amount of the principal was €19.2 million, impacted by a foreign exchange difference of €1.9 million. Accrued interest not yet due represents an expense of €0.5 million.

Options written on PlanetArt LLC non-controlling interests

In connection with the purchase a portion of the minority interests of *Société Commune de Participations* (SCEP), PlanetArt LLC has undertaken to purchase a percentage of the remaining minority interests of SCEP, i.e., up to 5.0% of the capital, in proportion to its level of statutory "EBITDA" (as defined specifically in the agreement). The total amount of the transaction shall be a maximum of €38 million, financed from the cash flow of PlanetArt LLC.

Accounting method

The liability for SCEP minority interests is classified as a debt instrument in accordance with IFRS 9, and recognized under financial liabilities with a corresponding entry under shareholder's "equity attributable to owners of the Company", with subsequent changes in the fair value of this liability also recognized under this same line item;

The corresponding debt instrument is discounted at an EIR based on the average interest rate of the different loans contracted by PlanetArt LLC.

Financial impact on the period

As of June 30, 2022, the amount of the principal was €10.9 million, calculated on the basis of EBITDA assumptions used and impacted by a foreign exchange difference of €0.5 million.

27.4 Financial and market risks

Liquidity risks

The Group's capacity to meet its repayment obligations, in particular for loans and commitments incurred by the parent company, is closely linked to cash flows generated by the subsidiaries operating the PlanetArt and Avanquest businesses. In consequence, an abrupt interruption in the growth of these activities or a sudden and significant deterioration in their profitability could adversely affect the Group's ability to make repayments and its debt.

The Group had cash of €100 million as of June 30, 2022. Borrowings and other financial liabilities totaled €171 million. As a result, the Group's net debt at June 30, 2022 remained low at €71 million. Amounts available immediately or almost immediately are sufficient to cover borrowing repayments and operating requirements over the next twelve months, as from the closing date.

Impact of changes in the subsidiaries' main currencies

Fiscal year ended June 30, 2022 *(in € million)*	Impact on revenue			Impact on recurring operating income			Impact on equity		
	real rate	-10%	+10 %	real rate	-10%	+10 %	real rate	-10%	+10 %
USD	281.4	(28.1)	28.1	2.3	(0.2)	0.2	(79.7)	8	(8)
GBP	103.2	(10.3)	10.3	9.4	(0.9)	0.9	34.9	(3.5)	3.5
CAD	65	(6.5)	6.5	10.6	(1.2)	1.2	(36.9)	3.7	(3.7)

Interest rate risk

As of June 30, 2022, the Group has €156.7 million in fixed rate borrowings and US$15.3 million (or €14.8 million) in floating rate borrowings (highest rate between 5.25% and the Prime Rate minus 0.25%). The Prime Rate is defined as the higher of 0% and the annual rate as reported by the Wall Street Journal. The Prime Rate at June 30, 2022 was 4.4779%. A 5% increase in the Prime Rate would have an impact of €0.2 million on accumulated interest until the maturity of the loan. A decrease in the Prime Rate would have no impact.

Equity risk

The Group's cash is mainly invested in risk-free money market investments and its ORNANE bonds.

The Group only holds 376,959 treasury shares as of June 30, 2022, and therefore has only low exposure to equity risk.

Note 28 Other non-current liabilities

Other non-current liabilities are those not directly related to the operating cycle of the Group and whose term is expected to be greater than 12 months.

These liabilities amounted to €1.6 million and mainly comprised:

- balance sheet accruals for retirement termination benefits in the amount of €0.7 million (as described in Note 12);
- a debt of €0.5 million representing the fair value of subscription warrants granted to a commercial partner of myDevices (as described in Note 25.2);

Note 29 Other-current liabilities

Other non-current liabilities are those not directly related to the Group's operating cycle and whose term is expected to be less than 12 months.

(in € million)	06/30/2022	06/30/2021 restated[1]	06/30/2021 reported
Tax payables (other than income tax)	1.4	1.3	1.3
Employee-related payables	8.0	9.4	9.4
Deferred income	7.0	3.6	2.3
Other[2]	4.8	2.5	2.5
TOTAL OTHER CURRENT LIABILITIES	**21.2**	**16.8**	**15.5**

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.
(2) Including notably the deferred acquisition-related payment of €1.6 million for the I See Me! businesses and traffic acquisition costs invoiced by partners though with a time lag.

Note 30 Trade payables and related accounts

Trade payables amounted to €56.3 million at June 30, 2022 compared to €46.8 million one year earlier.

The main change in this line item concerns the PlanetArt division. Given the uncertainties resulting from the geopolitical context, the PlanetArt division has sought to source selected supplies in preparation for its traditional end-of-year seasonal peak in activity.

Note 31 Summary of financial and operating assets and liabilities

	06/30/2022		Breakdown by instrument	
(in € million)	Carrying amount	Fair value	Fair value through profit or loss	Debt at amortized cost
Other non-current financial assets	1.3	1.3	1.3	
Inventories and work-in-progress	22.0	22.0	22.0	-
Other non-current assets	0.8	0.8	0.8	
Trade receivables and related accounts	8.3	8.3	8.3	
Other current assets	15.9	15.9	15.9	
Other current financial assets	0.2	0.2	0.2	
Cash and cash equivalents	100.3	100.3	100.3	
TOTAL ASSETS	**148.9**	**148.9**	**148.9**	**-**
Borrowings and financial liabilities (>1 year)	148.9	148.9	0.9	148.0
Other non-current liabilities	1.6	1.6	1.6	
Borrowings and financial liabilities (<1 year)	22.6	22.6		22.6
Trade payables	56.3	56.3	56.3	
Other-current liabilities	23.1	23.1	23.1	-
TOTAL LIABILITIES	**252.5**	**252.5**	**81.9**	**170.6**

(in € million)	06/30/2021 restated		Breakdown by instrument	
	Carrying amount	Fair value	Fair value through profit or loss	Debt at amortized cost
Available-for-sale assets	-	-	-	-
Other non-current financial assets	0.7	0.7	0.7	-
Inventories and work-in-progress	16.1	16.1		
Other non-current assets	1.6	1.6	1.6	-
Trade receivables and related accounts	9.2	9.2	9.2	-
Other current assets	10.1	10.1	10.1	-
Other current financial assets	2.6	2.6	2.6	-
Cash and cash equivalents	90.4	90.4	90.4	-
TOTAL ASSETS	**130.7**	**130.7**	**130.7**	**-**
Borrowings and financial liabilities (>1 year)	57.4	57.4	1.1	56.3
Other non-current liabilities	1.6	1.6	1.6	-
Borrowings and financial liabilities (<1 year)	7.7	7.7	-	7.7
Trade payables	46.8	46.8	46.8	-
Other-current liabilities	18.9	18.9	18.9	-
TOTAL LIABILITIES	**132.4**	**132.4**	**68.4**	**64.0**

(in € million)	06/30/2021 reported		Breakdown by instrument	
	Carrying amount	Fair value	Fair value through profit or loss	Debt at amortized cost
Available-for-sale assets	-	-	-	-
Other non-current financial assets	0.7	0.7	0.7	-
Inventories and work-in-progress	16.1	16.1		
Other non-current assets	1.6	1.6	1.6	-
Trade receivables and related accounts	9.2	9.2	9.2	-
Other current assets	10.1	10.1	10.1	-
Other current financial assets	2.6	2.6	2.6	-
Cash and cash equivalents	90.4	90.4	90.4	-
TOTAL ASSETS	**130.7**	**130.7**	**130.7**	**-**
Borrowings and financial liabilities (>1 year)	57.4	57.4	1.1	56.3
Other non-current liabilities	1.6	1.6	1.6	-
Borrowings and financial liabilities (<1 year)	7.7	7.7	-	7.7
Trade payables	46.8	46.8	46.8	-
Other-current liabilities	17.6	17.6	17.6	-
TOTAL LIABILITIES	**131.1**	**131.1**	**67.1**	**64.0**

Notes to the Statement of cash flows

Note 32 Comments on the Statement of cash flows

32.1 Operating activities

Net borrowings costs

Net borrowing costs totaled €6.4 million and comprised loan interest (ORNANE, Euro PP, OCEANE, Promissory Notes, PersonalCreations acquisition financing and the development of the PlanetArt business, myDevices loan from a commercial partner of €1.5 million, €1.2 million, €2 million, €0.6 million and €0.2 million, respectively) and the IFRS 16 expense of €0.5 million, reclassified in financial flows, as well as financial investment income of €0.1 million relating to operations.

Fair value of financial instruments

The change in the fair value of financial instruments concerns ORNANE and OCEANE bonds for €0.3 million, recognized under financial income.

Other items with no impact on the cash position or not related to operations

Other items with no impact on the cash position or not related to operations break down as follows:

(in € million)	FY 2021-2022 12 months	FY 2020-2021 12 months
NON-CASH ITEMS:		
ORNANE (spread of issue costs)	0.2	0.3
OCEANE (spread of issue costs)	9.9	
Amortization of borrowing fees for other debts	0.2	0.2
US government COVID-19-relief aid		(4.3)
Miscellaneous	(2.1)	0.1
ITEMS NOT RELATED TO OPERATING ACTIVITIES:		
Acquisition-related expenses for *I See Me!* and linked to the additional acquisition of the Avanquest division	1.2	0.3
IMPACT OF OTHER ITEMS WITH NO IMPACT ON THE CASH POSITION OR NOT RELATED TO OPERATIONS	**9.4**	**(3.4)**

Changes in working capital requirements

The change in working capital of €3.2 million originated primarily from the PlanetArt division.

32.2 Investing activities

Acquisitions analyzed by the Group as asset acquisitions within the meaning of IFRS 3R are included in investing activities as acquisitions of intangible assets and property, plant and equipment. Acquisitions analyzed by the Group as a business combination within the meaning of IFRS 3R are included in changes in the scope of consolidation.

Acquisition of intangible assets

Intangible assets were acquired in the period in the amount of €0.1 million.

Acquisition of property, plant and equipment

Property, plant and equipment acquired during the year amounted to €2.1 million, including €1.4 million for the PlanetArt division and €0.4 million for the Avanquest division.

Acquisition of financial assets

Financial assets acquired in the amount of €0.6 million as of June 30, 2022 consist mainly of deposits and guarantees paid by the Avanquest division.

Impact of changes in scope

The impact of changes in scope breaks down as follows:

(in € million)	FY 2021-2022 12 months	FY 2020-2021 12 months
Net cash flow from acquisitions within PlanetArt LLC[1]	-	(3.8)
Net cash flow from the acquisition of "*I See Me!*" assets by PlanetArt LLC	(13.0)	-
Net cash flow from the acquisition of the PlanetArt LLC minority division minority interests	(13.5)	
Net cash flow from the acquisition of the Avanquest division minority interests	(47.8)	
Net cash flow from the acquisition of the myDevices capital increase	1.7	-
Net cash flow from the derecognition of LastCard as a fully consolidated subsidiary	(0.8)	-
IMPACT OF CHANGES IN SCOPE NET OF DISTRIBUTIONS TO MINORITY SHAREHOLDERS	**(73.4)**	**(3.8)**

(1) In FY 2020-2021, PlanetArt acquired certain assets and liabilities relating to the CafePress business. The Group analyzed the acquisition of the CafePress business assets as a business combination as defined under IFRS 3R (see Note 16 of this Chapter).

32.3 Financing activities

Share capital increase

The €13.9 million capital increases during the year relate to Claranova SE's capital increase following the buyout of minority shareholders in the Avanquest division.

Cash inflows relating to borrowings

Inflows from borrowings in the consolidated statement of cash flows in the amount of €67.5 million represent borrowings to finance the acquisition of *I See Me!* and the growth of the PlanetArt division in the amount of €9.8 million (See Note 27.2), €10 million obtained by Avanquest from the BPI to finance part of the acquisition of pdfforge on July 1, 2022, as well as €47.7 million in proceeds from the OCEANE bonds issued to buy out minority shareholders.

Cash outflows relating to borrowings

Cash outflows consist of:

- the repayment of a portion of the Personal Creations acquisition loan for €7.6 million;
- the net impact of IFRS 16 (lease payments, repayment of the debt and interest) for €3.5 million;
- repayment of promissory notes in the amount of €6.6 million.

Other information

Note 33 Off-balance sheet commitments

33.1 Off-balance sheet commitments on acquisitions, equity interests and loans

COMMITMENTS AND GUARANTEES GIVEN

Beneficiaries	Company	Date	Type	Amount	Limits	Period
Acquirer of Avanquest Software Publishing Ltd	Claranova SE	04/30/2016	Share transfer agreement	Guarantee granted for the amount of losses, guarantees, costs and expenses provided for in some cases by the transfer agreement.	£750,000, plus the amount of the earn-out clause. Floor: • £2,500 if called for a single claim; • £25,000 if called for several claims.	Tax receivables: 7 years from the transaction completion date, *i.e.* until 4/30/2023.
Managers of PlanetArt LLC	PlanetArt LLC	11/08/2012	Conversion options.	10% of the shares for each beneficiary.	Since November 8, 2012, the managers of PlanetArt LLC, Roger Bloxberg and Todd Helfstein, have been granted shares in the capital of this company without voting rights and with financial rights and a conversion option conferring to each a right to 10% of the capital of PlanetArt LLC in the event of a potential liquidity event or a departure of these managers under certain conditions. This agreement was reviewed on September 4, 2017 in order to lay down the implementation conditions and transfer the rights to their respective trusts.	
Euro PP bondholders	Claranova SE	06/25/2019	Claranova commitments to maintain the annual consolidated net financial debt/EBITDA ratio strictly below 3.5 and annual EBITDA above zero[(1)].	In the event of non-compliance with its financial commitments, bond holders could demand early redemption.	Bond issue of €19,655,000.	For as long as the bonds are outstanding, *i.e.* until 06/27/2024, at the latest.
Banque Cathay [1)]	PA LLC and PA International Holding Inc.	07/24/2019	Covenant on the Cathay loan obtained to finance the acquisition of Personal Creations: Cash /Loan Balance > 1.25; Net Asset Value (PA LLC + PA Ltd) > US$10 million; average EBITDA over the last four quarters (PA LLC + PA Ltd) / Repayment of the loan over the quarter >1.5[(1)].	If financial commitments are not met, the bank may request early repayment.	A US$17,562,500 bank loan and a US$5,625,000 revolving loan (fully repaid to date).	Until the expiry of the credit lines on 11/30/2026
Partner of Upclick Malta Ltd and UC Distribution LLC (9213015 Canada Inc.)	Claranova SE	12/14/2021	Parent company guarantee with Adyen NV, a service provider for the Avanquest division.	Relating to the effective fulfillment of all obligations and responsibilities of the Group entities concerned in connection with the service contract.	Up to €2.5 million	Until such time as the contract is terminated

(1) Covenants respected as of June 30, 2022.

Earn-out clauses

There are no applicable earn-out clauses payable by the Group as of June 30, 2022.

33.2 Pledges granted

PlanetArt LLC granted a pledge over 65 % of the shares held in its British subsidiary, PlanetArt UK LTD, to guarantee the US$3 million revolving credit facility and the US$12 million 4-year loan secured on July 24, 2019, for the acquisition of the PersonalCreations assets.

PlanetArt LLC and Avanquest North America LLC also granted a pledge over all their tangible assets (plant, inventory, cash, etc.) for the purposes of this financing.

In connection with the loans obtained by PlanetArt LLC from Cathay Bank, PlanetArt International Holdings Inc. replaced Avanquest North America LLC as co-borrower. The pledge now covers the assets of PlanetArt LLC and PlanetArt International Holdings Inc.

33.3 Commitments and guarantees received

The shareholders of Micro Application Europe provided Claranova SA (ex-Avanquest Software SA) with a warranty covering the assets and liabilities in the financial statements of the Company and its subsidiaries as of February 11, 2011. This warranty is still valid for tax and social claims where the statutory limitation period is more than five years and for claims still pending and submitted in accordance with the warranty terms.

The minority shareholders of the Avanquest division, in connection with the advance of US$3 million given by Avanquest Canada Holding Inc. on January 29, 2021, pledged a portion of their preferred shares in Avanquest Canada Inc. to Avanquest Canada Holding Inc. in the event of non-repayment of this advance.

Claranova SE waived an aggregate amount of US$15.2 million (€12.8 million) in debt for its subsidiary Avanquest America Inc. The debt waiver is subject to a financial recovery clause based on profitability or disposal criteria for the physical subsidiary maturing on July 1, 2030

Rent guarantee issued by BNP PARIBAS to SCI des Vaux, the lessor of Avanquest Software SAS' new premises, for a maximum amount of €0.2 million for the duration of the lease.

Note 34 Subsequent events

34.1 Closing of the acquisition of pdfforge GmbH by Claranova's Avanquest division

The pdfforge GmbH's acquisition by Avanquest Software SAS was completed on July 1, 2022, on the basis of cash consideration of €19 million, plus additional consideration of €5.5 million on July 1, 2023, subject to non-compete or non-solicit obligations on the part of the sellers. The financing is provided by a €10 million loan obtained by Avanquest Software SAS from BPI France and a €20 million loan contracted by Claranova SE with a group of five banks, on behalf of its subsidiary. This acquisition is accounted for as a business combination within the meaning of IFRS 3. On the publication date of this document, the exercise of the purchase price allocation has not been finalized. It is specified that the shares of Avanquest Software SAS and Claranova Development SARL were pledged as security in this context.

To finance this acquisition, the Group obtained an initial loan from Bpifrance for €10 million. This loan, comprising two equal tranches of €5 million, is subject fixed interest of 2% per annum with a maturity of five years and with the first installment to be paid on September 30, 2022 This loan is repayable in quarterly installments and matures on June 30, 2027.

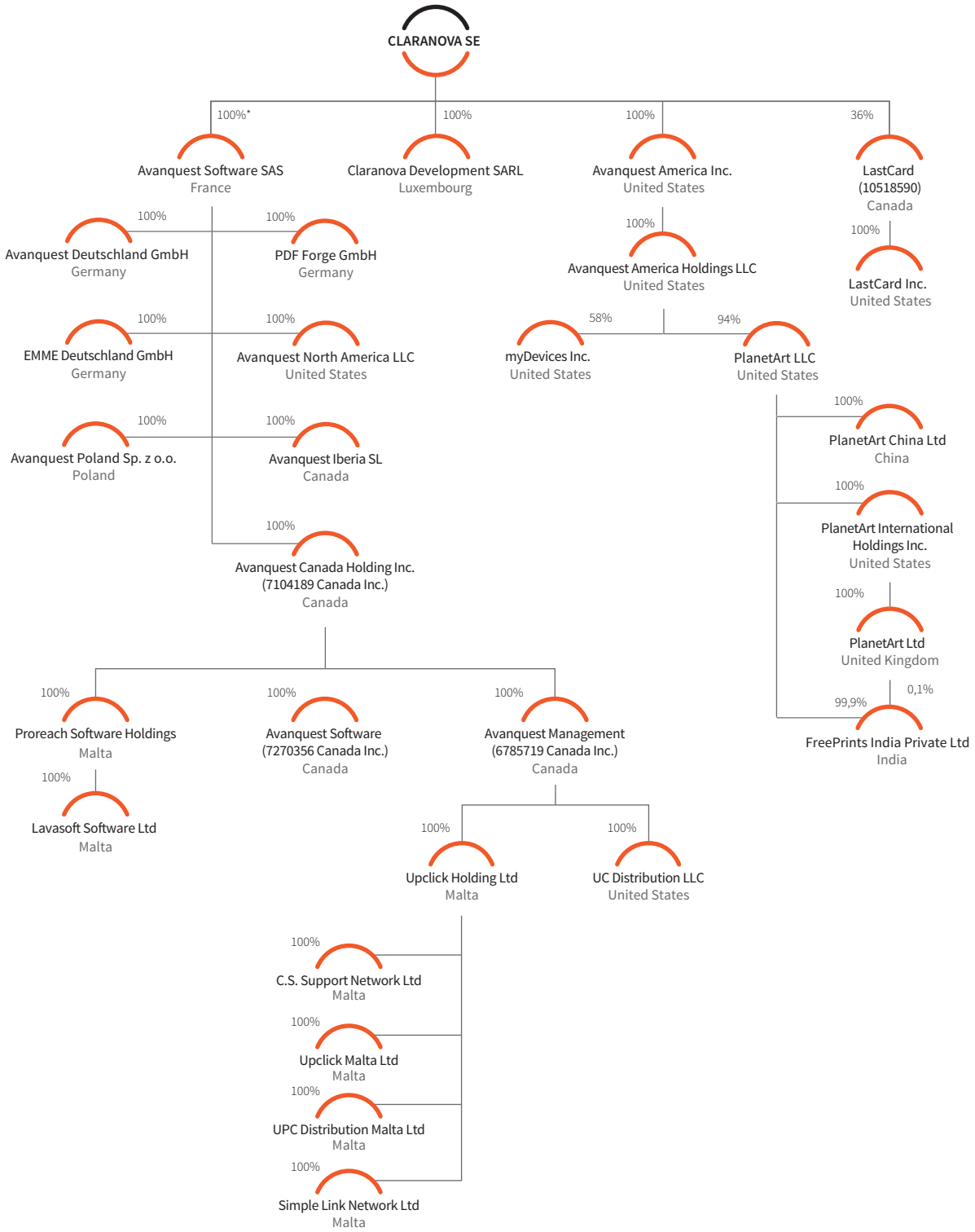
On July 1, 2022, Claranova SE obtained a loan ("pdfforge GmbH acquisition loan") in the amount of €20 million to support this acquisition. The loan is repayable over five (5) years and divided into two tranches as follows:

- tranche A: a €15 million variable interest loan. For the first year, this loan will bear interest of 2.30%;
- tranche B: a €5 million loan at a fixed interest rate of 4.50%.

Claranova SE also benefits from an additional credit line of €15 million under the terms of this loan agreement.

34.2 Legal reorganization of the Avanquest division

On July 1, Avanquest simplified the structure of its legal organization. On July 26, 2022 (*i.e.* after the official name change of the new Polish company), the Group's organizational structure was as follows:



** 100% less one share held by Pierre Cesarini.*
Percentage indicated corresponds to the percentage of ownership and voting rights.

34.3 Issuance of warrants by myDevices Inc. to Cathay Bank

myDevices Inc. entered into a warrant to purchase stock agreement with Cathay General Bancorp, whereby Cathay General Bancorp may subscribe for up to 30,000 shares of Series C Preferred stock at a price of US$4.7761 per warrant subscription. The warrants were issued on July 29, 2022 and are exercisable until July 29, 2029. For further information, please see Note 25.2.

34.4 Amendment to the financing terms of the Promissory Notes

The interest rates of four Promissory Notes were renegotiated after fiscal year-end. The initial rate of 4.50% was reduced to 3.50% and the maturity date, originally set at 10 years, was amended to October 31, 2025:

Interest is payable annually.

34.5 Acquisition of Scanner App LLC by Avanquest to develop a mobile offering in PDF, Security and Photo.

On October 10, 2022, Avanquest, Claranova's SaaS division, announced the acquisition of the assets of Scanner App LLC, a U.S.-based mobile application development company. This acquisition will enable Avanquest to develop, in conjunction with its selection of current desktop software, a significant mobile offering in the growth segments of PDF, Security and Photo. Scanner App LLC's acquisition, which is already profitable, was fully financed by the company's own funds.

Note 35 Other information

35.1 Group headcount

The number of employees at the end of June 2022 rose slightly (+1.9%) in relation to the end of June 2021. As of June 30, 2022, Claranova had 809 employees (versus 794 as of June 30, 2021).

Headcount by country

Headcount by country	France	United States	China	Canada	Other European countries	Total
06/2021	51	498	109	130	6	794
06/2022	51	472	159	123	4	809

35.2 Significant change in the issuer's financial or trading position

Since the approval of the consolidated financial statements for the year ended June 30, 2022, apart from the events disclosed in Note 34, there have been no significant changes in the financial or trading position.

35.3 Investments including research and development expenses

Main investments

The main investments made over the past three fiscal years concern acquisitions and marketing expenses.

The Claranova group has continued its research and development efforts over the past few years. In FY 2021-2022, research and development expenses amounted to €36 million, or 30% more than last year, which included €28.3 million for PlanetArt's activities. Research and development expenses are focused on developments without new functionalities. None of these expenses were capitalized.

These investments are mainly financed by the Group's own cash resources.

Main current investments

The above investments will continue in FY 2022-2023. PlanetArt is continuing to develop and identify effective customer acquisition channels to drive further market share gains.

Claranova continues to invest in myDevices, both to roll-out its turnkey solutions to its network of partners and their customers, but also to develop tailored platforms for its major current and prospective customers.

The Group is continuing to invest to develop and strengthen the Group's strategy, in particular for the Avanquest division, in line with the acquisition of pdfforge GmbH on July 1, 2022 (See Note 34.1).

Main planned investments

The main planned investments will continue the development trajectory of the Group's activities in recent years. The Group will continue to invest heavily in marketing. Note that planned investments do not constitute firm commitments and that they are assessed on a daily basis in light of acquisition costs observed in the market and their estimated future profitability based on internal indicators. The Company continues to study opportunities for external growth.

35.4 Real estate assets

Property, plant and equipment

Property, plant and equipment owned by the Group are limited to various installations, facilities, office equipment and hardware.

The Company and its subsidiaries rent all their premises. The only significant expenses incurred are rent and service charges. Rental commitments are presented in the note on leases (See Note 19).

Environmental issues

Claranova's business operations are by their nature not subject to environmental constraints. Environmental constraints therefore do not affect the use of the Company's property, plant and equipment, which are not significant enough to warrant environmental concerns.

35.5 Other profit-sharing and employee share ownership agreements

Employee share ownership agreements

Claranova SE employees benefit from statutory provisions with regard to profit-sharing. No provisions or payments were made in respect of incentive or profit-sharing plans in FY 2021-2022.

Employee profit-sharing agreements

Other than the stock option and share subscription warrant plans detailed in Note 25.2, no employee share ownership plans concerning Claranova SE shares have been implemented.

35.6 Principal transactions with related parties

Apart from compensation paid to members of the management and administrative bodies and the buyout of minority interests in the Avanquest group on October 29, 2021 (see Note 3.1.2 of this Chapter), to Claranova SE's knowledge, there are no agreements, other than those relating to current transactions entered into under normal conditions, executed directly or by an intermediary, between a Board member or shareholder holding over 10 % of the voting rights of Claranova SE and a company in which Claranova SE holds, directly or indirectly, more than half of the share capital.

2.6 Statutory Auditors' report on the consolidated financial statements

Fiscal year ended June 30, 2022

This is a free translation into English of the issued in French and is provided solely for the convenience of English speaking readers.

It includes information specifically required by European regulation and French law in such reports, whether qualified or not. This information is presented below in the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. This report also includes information relating to the specific verification of information given in the Group management report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Claranova SE General Meeting,

Opinion

In compliance with the engagement entrusted to us by your general meetings we have audited the accompanying the consolidated financial statements of Claranova for the year ended June 30, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the results of the operations of the Group for the year then ended and of its financial position and its assets and liabilities as at June 30, 2021 in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the section "Statutory Auditors' responsibilities for the audit of the consolidated financial statements" of this report.

Independence

We conducted our audit in compliance with independence rules applicable to us in accordance with the French commercial code (code de commerce) and the French code of ethics for statutory auditors, for the period from July 1, 2021 to the issue date of our report and in particular we did not provide any non-audit services prohibited by Article 5 (1) of Regulation (EU) No 537/2014.

Justification of our assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific items of the consolidated financial statements.

MEASUREMENT OF GOODWILL

Risk identified	Our response
At June 30, 2022, goodwill amounted to €82.3 million and was allocated to the cash-generating units (CGUs) of the Avanquest and PlanetArt divisions. Note16 "Goodwill" to the consolidated financial statements describes the methods used to measure goodwill and indicates that goodwill is tested for impairment annually and whenever there is an indication that the CGU may be impaired. In addition, the assessment of the recoverable amount of goodwill is based on significant judgments and assumptions, concerning notably: • future cash flows; • the discount and long-term growth rates used to produce these cash flow projections. As a change in these assumptions could alter the recoverable amount of goodwill, and given its significance in the financial statements, we considered the measurement of goodwill to be a key audit matter.	Management provided us with the impairment test on the CGUs of the Avanquest and PlanetArt divisions. With the assistant of our expert appraisers integrated into the audit team, we reviewed the assumptions made and focused our work on the following items: • key assumptions used to determine cash flows and long-term growth rates for cash flows: we have assessed the consistency of these assumptions with respect to your group's historical performance and operating budgets approved by management for the coming year, integrating growth forecast for subsequent years; • discount rates: we assessed the relevance of the rates used in relation to the relevant benchmarks; • sensitivity analyses performed by management: we examined the sensitivity calculations performed by management to assess whether a change in assumptions could lead to the recognition of a significant impairment of goodwill. We also assessed the appropriateness of the disclosures provided in the consolidated financial statements with respect to this matter.

RECOVERABLE NATURE OF DEFERRED TAX ASSETS

Risk identified	Our response
As of June 30, 2022, deferred tax assets were recognized in the balance sheet for a net carrying amount of €6.4 million. These deferred tax assets are only recognized when it is likely that your group will have future taxable profits against which these unused tax losses may be offset. Your Group established forecasts for taxable income based on business plans drawn up by management over a five-year horizon, as described in the section on "Deferred taxes "in Note 14 "Income taxes" to the consolidated financial statements. The correct valuation of these deferred tax assets depends on the ability of the group's entities to meet the forecasts for taxable income produced by management. We considered the recoverability of deferred tax assets to be a key audit matter given (i) the importance of management's judgments in determining growth assumptions, and (ii) their sensitivity to the ability of the legal entities concerned to utilize these deferred tax assets within a reasonable time frame.	We have assessed your group's ability to benefit from future tax reductions resulting from the use of deferred tax assets. Our procedures were based on taxable profits forecasts of the relevant subsidiaries of your group used to recognize and measure deferred tax assets and consisted of: • Analyzing the appropriateness of the model and assumptions used with respect to applicable local tax rules and local tax reforms; • reconciling the forecasts used by management to assess the recoverability of deferred taxes with those used to assess the value of equity interests. We also assessed the appropriateness of the disclosures provided in the consolidated financial statements with respect to this matter.

Specific verifications

As required by French law and regulations, we also performed the specific verifications in accordance with professional standards applicable in France, of the information presented in the management report of the Board of Directors.

We have nothing to report with respect to the fair presentation of such information and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code is included in the information relating to the group given in the management report, it being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein.

Other verifications or information required by law and regulations

Format of the presentation of the consolidated financial statements included in the annual financial report

We also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements included in the annual financial report mentioned in Article L. 451-1-2 of the French Monetary and Financial Code *(Code Monétaire et Financier)*, prepared under the responsibility of the Chairman-CEO, complies with the format defined in the European Delegated Regulation No. 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that markups for disclosures in these consolidated financial statements comply with the format defined in the above delegated regulation.

Based on the work we performed, we conclude that the presentation of the financial statements included in the consolidated financial report complies, in all material respects, with the European single electronic format.

Appointment of Statutory Auditors

We were appointed as statutory auditors of Claranova by the Annual General Meeting held on February 12, 1998 for APLITEC and on November 29, 2018 for ERNST & YOUNG Audit.

As of June 30, 2022, Aplitec and Ernst & Young Audit were in their 24th year and 4th year of total uninterrupted engagement, respectively.

Ernst & Young Audit previously served as statutory auditor from 2006 to 2012 and Ernst & Young *et Autres* previously served as statutory auditor from 2013 to 2018.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease its operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Directors.

Statutory auditors' responsibilities for the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified by Article L. 823-10-1 of the French Commercial Code (Code de Commerce), the scope of our statutory audit does not include assurance on the future viability of the Company or the quality with which Company's management has conducted or will conduct the affairs of your company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditors exercise professional judgment throughout the audit and furthermore: They also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal Control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, we modify our opinion;
- Evaluate the overall presentation of the consolidated financial statements and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;-
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities included in the consolidation scope to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit Committee

We submit a report to the audit committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes information about the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters. We describe these matters in the audit report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as defined in particular by articles L. 822-10 to L. 822-14 of the French commercial code ("code de commerce") and in the French Code of ethics for statutory auditors. Where appropriate, we discuss with the audit committee the risks that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

Paris and Paris-La Défense, October 31, 2022

The Statutory Auditors

French original signed by:

APLITEC	Ernst & Young Audit
Marie Françoise Baritaux Idir	Jean-Christophe Pernet

3

Corporate Governance

This chapter includes the main part of the Board of Directors' report to the General Meeting. It reports on the composition and organization of Claranova SE's Board of Directors, its application of the principle of gender balance and the policy on corporate officer compensation and the components thereof. It has been prepared in accordance with the French Commercial Code and the regulations of the French Financial Market Authority (Autorité des Marchés Financiers or "AMF"), on the basis of the work and procedures performed by the Claranova SE's Legal and Finance Departments. It was reviewed by the Audit Committee and approved by the Board of Directors on October 28, 2022.

In the interest of increased transparency and public disclosure requirements and in accordance with the provisions of Article L. 22-10-10 of the French Commercial Code, the Company refers to the Middlenext Corporate Governance Code for small and mid caps published in September 2016 (the Middlenext Code) and updated in September 2021 and approved as a reference code by the AMF. This Code can be consulted on the Middlenext website (www.middlenext.com).

A table of concordance between this Universal Registration Document and the corporate governance report in accordance with the provisions of articles L. 225-37 and L. 22-10-8 of the French Commercial Code is available on page 203 of this document.

3.1 Governance bodies

The composition of the Board of Directors and its Committees is updated as of the date of filing of this document with the AMF.

3.1.1 Board of Directors

Composition and organization of the Board of Directors

Name	Nationality	Age	Governance bodies: Board	Governance bodies: AC	Governance bodies: ACC	Number of shares[1]	Board member's term of office: Start	Board member's term of office: End[2]
Pierre Cesarini		60	✓			2,561,289	12/13/2018[3]	06/30/2024
Roger Bloxberg[4]		57	✓			50,020	05/24/2022	06/30/2024
Viviane Chaine-Ribeiro		69	✓		✓	0	03/08/2021	06/30/2026
Éric Gareau[5]		50	✓			103,689	05/24/2022	06/30/2027
Christine Hedouis		52	✓	✓		0	12/10/2020	06/30/2026
Francis Meston		61	✓		✓	29,950	07/29/2020	06/30/2026
Jean-Loup Rousseau		65	✓	✓		0	06/03/2016	06/30/2024
TECH-IA IMPACTINVEST, represented by Luisa Munaretto		55	✓			0	07/22/2015[6] 12/13/2018[6]	06/30/2024

(1) Number of Company shares held directly or indirectly in the Company at June 30, 2022.
(2) Offices expire at the end of the General Meeting called to approve the financial statements for the previous fiscal year and held in the year in which the term of office of said Board members ends in accordance with French law.
(3) Chairman of the Board of Directors, Chief Executive Officer: December 13, 2018.
(4) Roger Bloxberg was co-opted by the Board of Directors to replace Chahram Becharat, subject to ratification of this appointment by the next Ordinary General Meeting of the shareholders by means of a resolution to be placed on the agenda.
(5) Éric Gareau was co-opted by the Board of Directors to replace Jean-Yves Quentel, subject to ratification of this appointment by the next Ordinary General Meeting of the shareholders by means of a resolution to be placed on the agenda.
(6) Luisa Munaretto: July 22, 2015. Representative of TECH-IA IMPACTINVEST: December 13, 2018.
Contact address for Board members: c/o Claranova SE, Immeuble Adamas, 2 rue Berthelot, CS 80141, 92414 Courbevoie Cedex, France.

Qualifications		Governance bodies	
Leadership	Marketing	**Board**	Board of Directors
Management	Risk management	**AC**	Audit Committee
Investment	Governance of listed companies	**ACC**	Appointments and Compensation Committee
International experience	M&A	**SC**	Strategic Committee
Technology	Finance	✓	Independent member as defined by Middlenext
		✓	Non-independent member

14

Board meetings in FY 2021-2022

93%

attendance

38%

women

63%

independent members

3 years

average length of service

59

average age of Board members

Figures as of June 30, 2022.

Appointment

Members of the Board of Directors are appointed, reappointed or dismissed by the Ordinary General Meeting and are always eligible for re-appointment. Board members' terms are for six years which expire at the end of the meeting of the Ordinary General Meeting held in the year in which said terms expire. The rules governing the appointment and replacement of members of the Board of Directors are those set out in prevailing legislation.

On May 24 2022, Claranova's Board of Directors decided to strengthen its governance by co-opting as new Board members Roger S. Bloxberg and Éric Gareau, the CEOs of PlanetArt and Avanquest. These appointments followed the resignation of Chahram Becharat on March 21, 2022 and the resignation of Jean-Yves Quentel on April 25, 2022. These appointments were with immediate effect and valid for the remainder of the latters' terms of office. They were also accompanied by the co-option of Todd Helfstein, Chairman of PlanetArt, as Observer (*Censeur*) of the Board of Directors, on an interim basis in accordance with Article 18 paragraph 5 of the Company's Articles of Association (statuts), for the remainder of Marc Goldberg's term of office, i.e., until the end of the General Meeting of Shareholders called to approve the Company's financial statements for the period ending June 30, 2022.

The appointments of Roger S. Bloxberg, Éric Gareau and Todd Helfstein will be submitted to the shareholders for ratification at Claranova SE's next Ordinary General Meeting. The next Ordinary General Meeting will also be asked to renew Todd Helfstein's appointment as Observer for a further period of six (6) years, in accordance with Article 18 *(Observers)* of the Company's Articles of Association.

A Board of Directors with a high proportion of independent directors and women

As of June 30, 2022, independent directors represented 63% of Board membership. This proportion remains significantly higher than the number recommended by the Middlenext Corporate Governance Code for small and mid-cap companies (two members). The qualification of independent implies the absence of a financial, contractual, family or significant personal relationship with Claranova SE, its Management or its subsidiaries that could alter the independent judgment of the member of the Board of Directors.

In addition, although the appointment of subsidiary CEOs to the Board of Directors has reduced the percentage of woman directors from 43% to 38%, the Board continues to comply with the provisions of Article L. 225-18-1 of the French Commercial Code providing for a maximum difference of two members between the number of directors of each gender for a Board of eight (8) members, i.e., three women and five men, which was not exceeded as of the date of publication of this document.

Conflicts of interest at governance body level

To the Company's knowledge, there are no potential or existing conflicts of interest between the duties of the individuals presented in Section 3.1.2 of this document with regard to Claranova SE and their private interests other than those that may arise in connection with any regulated agreements entered into with the Company addressed in the special report issued by Claranova SE's Statutory Auditors reproduced in Section 3.5 of this document.

Disclosures concerning members of the Board of Directors

During the past five years, no member of the Company's Board of Directors has:

- been convicted of fraud, officially charged with an offense or sanctioned by a legal or regulatory authority;
- been involved in any bankruptcy, receivership or liquidation proceedings as an executive or corporate officer;
- been barred from acting as a member of an administrative or management body, or from participating in the management of an issuer;
- been officially charged with an offense and/or sanctioned by a statutory or regulatory authority (including designated professional bodies).

Disclosures concerning the nature of family ties between members of the management bodies

None.

Service contracts granting future benefits

To the Company's knowledge, the agreements described in Section 3.4 of this document are the only agreements currently in effect.

3.1.2 Terms of office of members of the Board of Directors and the Observer

Board of Directors

Pierre Cesarini

Chairman of the Board of Directors, Chief Executive Officer

Experience and expertise

On joining Claranova SE in May 2013 as Chief Executive Officer, Pierre Cesarini's background as a serial entrepreneur and his solid experience in Internet and Digital businesses proved perfectly suited to the Company's entrepreneurial spirit and ambition. He began his career at Apple's Cupertino headquarters in California, where he worked for 10 years and played a key role in the development of the PowerMac. In 1998, he founded TempoSoft, a supplier of Intranet applications for human resources management and planning – the company was purchased by Oracle in 2005. In 2007, Pierre Cesarini became CEO of Atego, a world leader in embedded software. He has also been a professor of management at the École des Mines ParisTech engineering school.

Other offices and positions held in French companies

Chairman:

- Avanquest Software SAS[1]
- Elendil SAS

Manager:

- Fangorn SCI
- Amrod SCEA

Offices and positions held in non-French companies

Chairman / Vice-Chairman /Executive Officer:

- Avanquest America Inc.[1]
- Avanquest America Holdings LLC[1]
- Avanquest Deutschland GmbH[1]
- EMME Deutschland GmbH[1]

Board Member/ Management Board:

- Avanquest America Inc.[1]
- Avanquest America Holdings LLC[1]
- Avanquest North America LLC[1]
- 7270356 Canada Inc ("Avanquest Software")[1]
- 7104189 Canada Inc ("holding company")[1]
- 6785719 Canada Inc ("Avanquest Management")[1]
- Avanquest Poland Sp. z o.o.[1]
- Claranova Development SARL[1]
- myDevices Inc.[1]
- PlanetArt International Holdings, Inc.[1]
- PlanetArt LLC[1]
- PlanetArt Ltd[1]

Other offices and positions held in other companies in the past five years but not held at the date of this document

Manager:

- Anarion

(1) Group companies.

Roger S. Bloxberg

Member of the Board of Directors

Experience and expertise

Co-founder of Nova Development, Roger S. Bloxberg joined the Group in January 2007 following the acquisition of this company by Avanquest.

Along with Todd Helfstein, he contributed to the launch of PlanetArt's businesses and became its CEO. His areas of expertise include strategic planning, marketing and business development.

Other offices and positions held in French companies

None

Offices and positions held in non-French companies

Chairman / Vice-Chairman /Executive Officer:

- PlanetArt LLC [1]
- PlanetArt International Holdings, Inc.[1]

Board member:

- PlanetArt LLC [1]
- PlanetArt Ltd [1]
- PlanetArt International Holdings, Inc.[1]
- FreePrints India Private Ltd[1]
- Avanquest North America LLC[1]

Other offices and positions held in other companies in the past five years but not held at the date of this document

None

Viviane Chaine-Ribeiro

Vice-Chair of the Board of Directors

Chair of the Appointments and Compensation Committee

Experience and expertise

President of Talentia Software, a provider of Finance and HR Software solutions that has invested €100 million in international markets and with extensive knowledge of the software industry for over 30 years. Viviane Chaine-Ribeiro was elected "Woman Entrepreneur of the Year" by the French business magazine, Usine Nouvelle, in 2012. She is also President of the European and International Commission of the MEDEF, the leading network of entrepreneurs in France and President of the French Federation of Very Small Businesses (FTPE). Viviane Chaine-Ribeiro also actively promotes the position of women in business, particularly in the technology sector as President of the Mentoring Committee Board of the not-for-profit organization, "Women Equity for Growth", and Vice President of the not-for-profit "Women in Leadership".

Other offices and positions held in French companies/ French federations

- Cafom SA, independent member of the Board and Chair of the ESG Committee
- Institut 2IES, Board member
- FTPE, Chair
- MEDEF, Co-President of the European and International Commission
- Lou Clementine SCI, Managing Partner
- VCR Conseil SA, President
- Elected municipal official, Lacanau (33680)
- Vice-President of Nouvelle Énergie (political party)

Offices and positions held in non-French companies

- Blue Moon Software SA, Chair of the Supervisory Board

Other offices and positions held in other companies in the past five years but not held at the date of this document

- President of Action Logement Immobilier
- Member of the Executive Committee MEDEF and member of the Bureau
- President of the Syntec Federation
- Générix Group SA, independent member of the Supervisory Board and Chair of the Audit Committee

Éric Gareau

Member of the Board of Directors

Experience and expertise

Éric joined Claranova in 2018 when it acquired Lulu Software (PDF), where he was CEO. Since joining the Group, he has successfully managed Avanquest's transition to a subscription-based sales business model. He has more than 25 years of experience in sales and marketing software and fast moving consumer goods with large international companies.

Other offices and positions held in French companies

- Avanquest Software SAS: Chief Executive Officer by virtue of a delegation of powers and signing authority

Offices and positions held in non-French companies

Chairman / Vice-Chairman /Executive Officer:

- 7270356 Canada Inc ("Avanquest Software")[1]
- 7104189 Canada Inc ("holding company")[1]
- 6785719 Canada Inc ("Avanquest Management")[1]

Board member:

- 7270356 Canada Inc ("Avanquest Software")[1]
- 7104189 Canada Inc ("holding company")[1]
- 6785719 Canada Inc ("Avanquest Management")[1]
- Avanquest Poland Sp. z o.o.[1]

Other offices and positions held in other companies in the past five years but not held at the date of this document

None

Christine Hedouis

Member of the Board of Directors

Chair of the Audit Committee

Experience and expertise

Christine Hedouis is a senior manager of the finance function with more than 25 years of experience in auditing, accounting, entrepreneurship and financial management of growth companies. After serving for nearly 20 years in French and international audit and accounting firms and corporations, Christine Hédouis is today the Chief Administrative and Financial Officer of Quanteam, an international consulting and IT engineering firm specialized in financial services sectors. Quanteam currently has more than 600 consultants in eight offices including Paris, London, New York and Montreal.

Other offices and positions held in French companies

- Quanteam SAS, CFO

Offices and positions held in non-French companies

None

Other offices and positions held in other companies in the past five years but not held at the date of this document

- Cabinet Conseils experts, Managing Partner

Francis Meston

Member of the Board of Directors

Member of the Appointments and Compensation Committee

Experience and expertise

Francis Meston has held key positions in major international technological groups where he developed his expertise, particularly in telecommunications. At Atos Group (CAC 40 listed company), he served as Executive Vice-President and member of the Executive Committee, Director of the IMEA (India, Middle East, Africa) division and Group Digital Transformation Officer. He was also head of the global "Consulting & Systems Integration" division. With experience in the technology sector spanning several decades, he was also Vice-President at AT Kearney and Gemini Consulting and then CEO of EDS France.

Francis Meston no longer has any direct relationship with the Atos Group, which does not currently have any business relations with the Group, and as such serves as an independent member of the Board.

Other offices and positions held in French companies

None

Offices and positions held in non-French companies

None

Other offices and positions held in other companies in the past five years but not held at the date of this document

Chief Executive Officer:

- System Integration & Consulting
- Atos MEA

Jean-Loup Rousseau

Member of the Board of Directors

Member of the Audit Committee

Experience and expertise

In 2002, Jean-Loup Rousseau founded the independent consulting company, Proveho Advisory, dedicated to industrial and technology companies. He previously worked at the KTH consulting firm (Marsh & McLennan group), Amkor Technology and Schlumberger Technologies. He has more than 30 years' experience in the technology industry, assisting a large number of companies in their development.

Other offices and positions held in French companies

Chairman:

- Proveho SAS

Member of the Board of Directors or Supervisory Board:

- Porcher Industries SA
- Presto Engineering Group SAS
- Sysnav SAS

Offices and positions held in non-French companies

None

Other offices and positions held in other companies in the past five years but not held at the date of this document

Chief Executive Officer:

- Ascometal SAS

Luisa Munaretto

Member of the Board of Directors

Experience and expertise

With a rich multicultural background, Luisa Munaretto has spent her entire career working in international environment. Her experience in private equity includes notably numerous investments in Europe and Asia through her position as Director of Strategy at 21 Partners, an investment company owned by the Benetton family. A pioneer in cross border private equity with decades of experience, Luisa Munaretto co-founded IndEU capital, the first VC to invest in the Indian luxury sector. Currently, she is the Founder and President of cross-border venture-capital firm TECH-IA specialized in digital innovation. In this context, Luisa significantly contributed to the development of IFTEch, the Indo-French incubator supporting the expansion of French innovation in India. She also contributes to the social and solidarity economy by providing her expertise to the "Atma Vidya Educational Foundation India", an innovative elementary school in India, and to the "Math4Girls" program promoting scientific knowledge for young girls in Great Britain." Luisa holds an MBA and a PhD in Financial Engineering from the University of Turin.

Other offices and positions held in French companies

Chairwoman:

- Tech-IA Impactinvest SAS

Offices and positions held in non-French companies

Board member:

- Tata Fund (India)
- NirogStreet (India)
- IFTech (Indo-French incubator dedicated to scalable Deep Tech)

Other offices and positions held in other companies in the past five years but not held at the date of this document

Chairwoman:

- IndEU Capital SAS

Board member:

- IndEU India Luxury Holding Pte (Singapore)
- RockNShop.com (India)
- The LabelLife.com (India)
- MyBataz (India)
- TruCup (India)

Observer

Todd Helfstein

Observer

Experience and expertise

In 1984, Todd Helfstein co-founded Nova Development, a leading publisher of PC consumer software products. Following its acquisition by Avanquest, the company strengthened its position, primarily through direct sales channel to end users. Within PlanetArt, he provides oversight in the areas of finance and operational planning.

Other offices and positions held in French companies

None

Offices and positions held in non-French companies

Chairman / Vice-Chairman /Executive Officer:

- PlanetArt LLC[1]
- PlanetArt International Holdings, Inc.[1]

Board member:

- PlanetArt LLC[1]
- PlanetArt Ltd[1]
- PlanetArt International Holdings, Inc.[1]
- FreePrints India Private Ltd[1]
- Avanquest North America LLC[1] PlanetArt LLC[1]

Other offices and positions held in other companies in the past five years but not held at the date of this document

None

(1) Group companies.

3.1.3 Corporate governance and internal control

3.1.3.1 Executive Management

Since December 13, 2018, the Company's executive management is exercised by the Chair of the Board of Directors.

The Chief Executive Officer (Directeur Général) represents the Company in dealings with third parties. He is vested by law with the broadest powers to act on behalf of Claranova SE. Unless renewed, the term of office of Pierre Cesarini as Chairman-CEO will expire following the General Meeting held to approve the financial statements for the year ending June 30, 2024.

After Jean-Yves Quentel's resignation as Deputy Chief Executive Officer on April 25, 2022, on October 12, 2022 the Board of Directors, decided to appoint Xavier Rojo as Deputy Chief Executive Officer, to assist the Chief Executive Officer in the discharge of his duties. In this capacity, he is subject to the internal restrictions established by the Board of Directors. The Board may terminate the term of office of the Deputy CEO at any time (*ad nutum* dismissal). This revocation, as well as any possible resignation, as the case may be, shall be subject to a notice period of three months.

Xavier Rojo

Deputy Chief Executive Officer with responsibility for Group administration and finance

Experience and expertise

Prior to joining the Claranova Group in 2022, Xavier Rojo occupied a number of strategic and financial management positions with major groups. With more than 20 years of experience in banking and finance, he has led numerous strategic and business development, transformation and digitization projects in France and other countries. Also an entrepreneur and coach, he has advised numerous companies (SMEs) and private banks on their restructuring and strategic development, and also assisted company directors address reconversion and management projects.

Other offices and positions held in French companies

Keystone Conseil SASU, President

Offices and positions held in non-French companies

None

Other offices and positions held in other companies in the past five years but not held at the date of this document

None

3.1.3.2 Board of Directors

The Board of Directors determines the Company's business direction and ensures its implementation. Subject to the powers expressly reserved for General Meetings and within the limits of the corporate purpose, the Board deals with all matters affecting the proper running of the Company and settles by its decisions all matters concerning it.

Members of the Board of Directors, even after leaving office, must not disclose information they hold concerning the Company, where disclosure of this information may be prejudicial to the Company's interests, unless this disclosure is required or permitted by Law or is in the public interest.

The Chairman of the Board of Directors represents the Board of Directors. He organizes and manages its activities and reports thereon to the General Meeting. He ensures the proper functioning of the Company's bodies and, in particular, that Board Members are able to carry out their duties.

The Board of Directors has also established specialized committees, and notably the Audit Committee and the Appointments and Compensation Committee. These committees meet on a regular basis and report on their work to the Board of Directors. The membership of these Committees is set out in Section 3.1.3.3 et seq. of this Chapter. The Strategic Committee created on July 29, 2020 was dissolved by decision of the Board of Directors on October 13, 2021. The functions of this Committee were thereupon taken over by the Board and in that way encouraging its members to actively contribute in these issues. Pursuant to the decision of the Board of Directors on October 12, 2022, a CSR Committee is currently being created.

Board rules of procedure

Claranova's rules of procedure seek to define, as part of good governance, the role and duties of members of the Board of Directors, including the obligation of confidentiality, duties of independence and loyalty, the obligation of diligence, the duty of transparency and disclosure of information concerning the Company, and finally the obligation to comply with stock market regulations, specifically that of abstaining from participating in the market when in possession of inside information.

The special Committees are each governed by their own charter.

Procedure of control for agreements concluded by Claranova SE with Interested Parties

In accordance with Article L. 22-10-12 of the French Commercial Code and on the recommendation of the Audit Committee, on September 30, 2021, the Board of Directors adopted an internal procedure for identifying related-party agreements and evaluating current agreements.

This procedure formalizes the existing process for identifying and classifying agreements as "regulated" or "relating to ordinary agreements entered into under normal conditions", implemented prior to the conclusion of any agreement entered into directly or through an intermediary between Claranova SE and its Chief Executive Officer, one of its Deputy Chief Executive Officers, one of its directors, one of its shareholders with more than 10% of the voting rights or, in the case of a shareholder company, the company controlling it within the meaning of Article L. 233-3 of said code (each an "Interested Person"). In particular, it provides criteria for the classification of agreements, notably according to categories of operations and financial criteria. The procedure also provides for an annual evaluation of its implementation by the Audit Committee, which may propose that the Board of Directors amend the terms thereof. Persons having a direct or indirect interest in an agreement shall not participate in its evaluation.

Pursuant to this procedure's implementation in 2022, the Legal Department and the Finance Department reviewed the summary of agreements entered into in the period between the Company and the interested persons. This review has then been submitted to the Audit Committee on October 27, 2022, which after its examination, presented the conclusions of its evaluation to the Board of Directors on October 28, 2022 for the annual review of agreements with Interested Parties. After analysis, the Board of Directors concluded that all agreements considered as ordinary agreements entered into under normal conditions with Interested Parties continued to warrant this qualification.

Restrictions imposed by the Board of Directors on Executive Management powers

In general, the Board of Directors takes all decisions and exercises all rights that, pursuant to legal provisions, delegations granted by General Meetings or the Articles of Association of Claranova SE, fall under its authority.

The prior approval of the Board of Directors is notably required, without limit, for:

- regulated agreements, under the conditions set out in Article 20 of the Articles of Association;
- collateral, sureties and guarantees given by the Company, under the conditions determined by Article L. 225-35, paragraph 4, of the French Commercial Code; and
- any major strategic decisions or decisions likely to impact the financial position of the Company or its subsidiaries.

The Board of Directors conducts the checks and verifications it deems necessary. Each Board member receives all the information necessary to perform their duties and may request any documents they deem necessary.

Summary of the Board of Directors' activities during the fiscal year

From July 1, 2021 to June 30, 2022

The Board of Directors addressed various issues, including approval of the annual and consolidated financial statements, the FY 2020-2021 Universal Registration Document (URD) including the annual financial report, the interim financial statements, approval of regulated agreements, the draft text of the resolutions to be presented to the General Meeting, the Group's development and strategy, acquisition projects, and the Group's financial activity.

The Board of Directors also discussed the conduct of the Company's business at every meeting.

Fourteen Board of Directors' meetings were held during the twelve-month period from July 1, 2021 to June 30, 2022.

Since the end of the fiscal year, the Board of Directors met three times, once on October 12, 2022 and twice on October 28, 2022. At these meetings, Board members approved, among other things, the regulated agreements for FY 2021-2022, decided to call a General Meeting and approved the full text of this universal registration document.

Application of the Middlenext "comply or explain" rule

Claranova SE regularly reviews its governance with regard to the recommendations set out in the Middlenext Code. The following table summarizes the Company's position on each of the recommendations set out in the Middlenext Code (updated in September 2021) at the date of this document.

The Middlenext Corporate Governance Code to which the Company refers can be consulted on the Middlenext website (http://www.middlenext.com)..

Middlenext Code recommendation	Adopted	Will be adopted / Under consideration	Not adopted
Supervisory powers			
R1: Ethical conduct of Board members	✓		
R2: Conflict of interest	✓		
R3: Composition of the Board of Directors – Presence of independent directors	✓		
R4: Board member information	✓		
R5: Board member training		✓ (3)	
R6: Organization of Board and Committee meetings	✓		
R7: Creation of committees	✓		
R8: Creation of a specialized committee on Corporate Social Responsibility (CSR) (3)		✓ (3)	
R9: Introduction of Board Rules of procedure	✓		
R10: Selection of each Board member	✓		
R11: Board members' terms of office	✓		
R12: Compensation paid to Board members		✓ (1)	
R13: Implementation of evaluation of the Board's work	✓		
R14: Relations with shareholders	✓		
Executive powers			
R15 : The company's equality and diversity policy		✓ (3)	
R16: Definition and transparency of the compensation of executive officers		✓ (3)	
R17: Succession planning for managers		✓ (2)	
R18: Combination of employment contract with a position as corporate officer	✓		
R19: Termination payments	✓		
R20: Supplementary retirement schemes	✓		
R21: Stock options and restricted share grants		✓	
R22: Review of points to be watched	✓		

(1) As in the previous year, on October 12, 2022, the Board of Directors approved a balanced distribution of compensation among Board members, based on attendance at meetings of the various committees, for FY 2022-2023. For the record, Board members who exercise management functions in subsidiaries do not receive any compensation for their duties as directors.

(2) Claranova SE began discussions on management succession planning in 2019 and will endeavor to ensure that the Appointments and Compensation Committee works on developing a succession plan during FY 2022-2023.

(3) Claranova SE is taking measures to address with those Middlenext recommendations that are not yet adopted. In this respect, on October 12, 2022 the Board approved the creation of a specialized CSR committee and implementation of measures as proposed by the Audit Committee. On October 12, 2022, the Board of Directors decided on the compensation of its members and the definition of the compensation of executive directors. It also approved the recommendation of the Appointments and Compensation Committee of September 29, 2022 for adopting a minimum training session of one day per director during FY 2022-2023. The Company remains committed to promoting diversity and equity within the Group.

The Board of Directors has renewed the proposal to issue restricted stock units, as provided for in the 30th resolution submitted for approval to the General Meeting called to approve the financial statements for the fiscal year ending June 30, 2022, with a view to attracting strong skills and high quality executives, in accordance with the objectives of Recommendation R21.

The adoption of any new measures to comply with the above recommendations will be reported in future Universal Registration documents.

3.1.3.3 Appointments and Compensation Committee

5	100%	50%	100%	1.5 year	65
meetings in FY 2021-2022	**attendance**	**women**	**independent Board members**	**average length of service**	**average age of Board members**

Figures as of June 30, 2022.

The Appointments and Compensation Committee is currently comprised of Viviane Chaine-Ribeiro (Committee Chair) and Francis Meston, both appointed for the entire duration of their terms of office on the Board of Directors or until the Board decides otherwise.

From July 29, 2020 to December 8, 2020, the Appointments and Compensation Committee was composed of Jérôme Bichut and Joanna Gordon. Following their departure, the Appointments and Compensation Committee was dissolved and its missions were carried out by the Board of Directors until the new Appointments and Compensation Committee was set up on September 30, 2021. Since then, the Committee has been chaired by Viviane Chaine-Ribeiro assisted by Francis Meston and Chahram Becharat until the latter's resignation on 21 March 2022.

The role and work of the Appointments and Compensation Committee are governed by a Charter. This Committee is a purely consultative body that reports regularly to the Board of Directors on its activities and informs it immediately of any issues that may arise with regard to its duties.

The Committee is notably responsible for examining and expressing its opinion on all compensation of corporate officers and senior executives as well as on the executive compensation and incentive policy, in particular the definition of criteria used to calculate variable compensation and the grant of profit-sharing instruments. It also proposed Claranova SE share purchase and/or subscription plans to be granted to employees and executives. It assessed the amount of compensation of Board members submitted to the approval of the General Meeting as well as the methods of allocating this compensation among Board members. More broadly, the Committee provides any advice and makes any appropriate recommendations in the above-mentioned areas.

In FY 2021-2022, the Appointments and Compensation Committee met on October 6, 2021, November 23, 2021, February 9, 2022, March 9, 2022 and April 6, 2022.

3.1.3.4 Audit Committee

7	100%	50%	100%	3.5 years	59
meetings in FY 2021-2022	**attendance**	**women**	**independent Board members**	**average length of service**	**average age of Board members**

Figures as of June 30, 2022.

The Audit Committee consists of Christine Hedouis (Committee Chair) and Jean-Loup Rousseau, both appointed for the entire duration of their terms of office on the Board of Directors or until the Board decides otherwise.

Under the exclusive and collective responsibility of the members of the Board of Directors, the Audit Committee ensures full monitoring of all matters related to the preparation and control of accounting and financial information. In particular, the Audit Committee is responsible for:

- overseeing the procedures for the preparation of the financial information;
- overseeing the effectiveness of the internal control and risk management systems;
- overseeing the statutory audit of the annual financial statements and the consolidated financial statements by the Statutory Auditors;
- issuing a recommendation on the Statutory Auditors put forward for appointment by the General Meeting and reviewing their payment terms and conditions;
- monitoring the independence of the Statutory Auditors;
- in general, providing any advice and making any appropriate recommendation in the above-mentioned areas.

The Audit Committee is a purely consultative body; it reports regularly to the Board of Directors on its activities and informs it immediately of any issues that may arise with regard to its duties.

In FY 2021-2022, the Audit Committee met seven times (on September 6, 2021, September 27, 2021, October 6, 2021, January 12, 2022, March 9, 2022, April 13, 2022 and May 11, 2022).

3.1.3.5 Strategic Committee

The Strategic Committee created on July 29, 2020 was dissolved by decision of the Board of Directors on October 13, 2021. The functions of this Committee were thereupon taken over by the Board and in that way encouraging its members to actively contribute in these issues.

3.1.3.6 Observer

Since November 30, 2016, Marc Goldberg served as Observer (*Censeur*) of the Board of Directors of Claranova SE, until his resignation on October 27, 2021.

On May 24, 2022, the Board of Directors co-opted Todd Helfstein, Chairman of PlanetArt, as Observer on the Board of Directors for the remainder of Marc Goldberg's term of office, i.e., until the close of the Company's General Meeting called to approve the financial statements for the year ending June 30, 2022. The next Ordinary General Meeting will also be asked to ratify this cooptation and decide on the renewal of Todd Helfstein as Observer for a further period of six (6) years, in accordance with Article 18 (Observers) of the Company's Articles of Association.

The Observer attends Board meetings in an advisory capacity without voting rights and decision-making authority.

The mission of the Observer is to provide advice to the Board of Directors, in particular on the business environment and strategy and activity growth, corporate governance and risk management. The Observer is bound by the same duties and obligations as the members of the Board of Directors, in particular with respect to confidentiality and the prevention of conflict of interest.

3.2 Internal control measures

There is no legal definition of internal control, but many professional bodies and auditing firms have issued their own definitions. As in the previous year, Claranova SE referred to the internal control reference framework for small and mid caps stocks defined by the AMF in its recommendation of January 22, 2007 while adapting it to its structure and situation, as well as to the revised AFED-MEDEF Code of January 2020.

The internal control measures put in place by Claranova SE are a process aimed at providing reasonable assurance – not certainty – of fulfilling the Company's basic objectives, namely: to apply the instructions and guidance set by the Board of Directors, carry out and optimize these instructions and guidance, and ensure that the Company's internal processes function properly, in particular those contributing to safeguarding its assets, the reliability of financial information, compliance with prevailing laws and regulations to which the firm is subject, and managing or preventing the risk of fraud or errors. Nonetheless, the internal control measures cannot be viewed as an absolute guarantee of fulfilling the Company's objectives.

In view of its size and structure, Claranova SE has no dedicated internal control department. Internal control is carried out by the Group's Administration and Finance Department in conjunction with the managers of each subsidiary.

3.2.1 Performance and optimization of operations

Procedures at Group level

Claranova Group is organized in a decentralized manner into divisions covering several regions with one or more subsidiaries in each region. This decentralized structure enables it to be responsive and close to its customers, thereby enhancing its effectiveness and their satisfaction.

All internal control measures related to transactions are first implemented by the relevant segment manager. The Group Administration and Finance Department then monitors the implementation and proper working of these measures. Each month, segment managers send the Administration and Finance Department a report on the monthly performance of their operations which includes financial analyses, significant aspects of the marketing and sales policy, product development and human resources. This monthly report is followed by discussions between Management and the business unit in question.

For an in-depth analysis of the risk factors impacting Claranova SE, please refer to Chapter 4 "Risk Factors" of this document.

Prior to the start of each fiscal year, Group Management consults with the segment managers on the strategy of the Group, the segments and each of the entities, as well as on the budgets.

Procedures at local level

Locally, internal control is within the remit of each subsidiary or segment manager. They are responsible not only for implementing the procedures specified by the parent company and ensuring they work properly, but also for implementing appropriate procedures covering locally identified risks. On this basis, each manager must define and implement their own procedures for signing off on bank transactions, validating and signing contracts, validating purchases, authorizing new hires, managing human resources, and so on, in their region and under their responsibility and oversight.

3.2.2 Reliability of financial and accounting information

As with operations, Claranova Group has a decentralized structure for financial information.

The financial statements of each subsidiary are drawn up under the responsibility of their managers by local accounting and financial teams. Local auditors carry out due diligence on local financial statements if necessary, and in the case of material subsidiaries, in conjunction with the auditors of the parent company.

As with operations, subsidiary managers draw up a monthly financial report. This report is sent to the Administration and Finance Department which analyzes both the financial reports and the accounting positions of the subsidiaries every month. The Group Administration and Finance Department also conducts specific analyses and audits at the request of the Board of Directors, to which it submits its findings.

The consolidated financial statements are drawn up by the Group Administration and Finance Department on the basis of data gathered by its information systems and the financial statements drawn up by the subsidiaries.

The Audit Committee assists the Board of Directors in following up on matters relating to compiling and auditing accounting and financial information. It also monitors the processes used to prepare the financial statements. Claranova SE's consolidated and annual financial statements are approved by the Board of Directors.

3.2.3 Compliance with prevailing laws and regulations

The Company was initially incorporated as a public limited company (société anonyme). It was converted into a European Company *(Societas Europaea)* by a decision of the Extraordinary General Meeting of June 11, 2019. Claranova SE is listed on Euronext Paris (formally Eurolist) and must comply with applicable regulations.

The Group's Administration and Finance Department, Legal Affairs Department and Executive Management are responsible for managing problems of compliance with prevailing laws and regulations. They work closely with subsidiary and segment managers and coordinate corporate actions outside France with the help of the Company's external consultants.

The Group's main businesses, personalized e-commerce (PlanetArt), software publishing and distribution (Avanquest) and the Internet of Things (myDevices), are, for the most part, governed by intellectual and industrial property rights.

3.2.4 Risk management and prevention

Apart from market risks (foreign currency risk, interest rate risk, equity risk and liquidity risk – see Note 27.4 in Chapter 2 of this document) inherent to any international listed company, Claranova SE and its subsidiaries' main risk factors are described in Chapter 4 of this document.

Risk prevention is the duty and personal responsibility of every Claranova employee. Nevertheless, the subsidiary and segment managers are first and foremost responsible for managing and preventing risk within their units.

Because risks to the Company's finances are the most prominent, they are mitigated by procedures for signing off on banking transactions, verifying and validating financial information, and securing electronic data.

Claranova Group's development has endowed it with a very flexible structure. The procedures described above are therefore designed to constantly adapt to changes in the Group's structure. The Board of Directors seeks to establish an adequate level and structure of internal control within the Group, while enabling it to retain the flexibility and responsiveness that are key to Claranova Group's success in a fast-changing economic and technological environment.

3.3 Compensation policy for corporate officers for FY 2022-2023 and the report on compensation of corporate officers with respect to FY 2021-2022

Claranova SE presents to its shareholders (i) the compensation policy of corporate officers for FY 2022-2023, and (ii) the report on compensation of corporate officers with respect to FY 2021-2022.

(i) (In accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, the compensation policy for Claranova SE's corporate officers is set by the Board of Directors, on the recommendation of the Appointment and Compensation Committee. The Board of Directors thus establishes a compensation policy that is consistent with the Company's corporate interest, in line with its business strategy, and that contributes to its long-term viability. This policy describes all the components of fixed and variable compensation of corporate officers and explains the decision-making process adopted for its definition, review and implementation. This compensation policy for corporate officers is submitted to a vote to the General Meeting each year and whenever there is a significant change. If this policy is not approved, the last approved compensation policy continues to apply and a revised compensation policy is presented to the next General Meeting of the Company. During this "*ex-ante*" vote, several resolutions are presented to the General Meeting:

- a resolution concerning the compensation policy for non-executive officers for the FY 2022-2023, i.e. the members of the Board of Directors with the exception of its Chairman; and
- separate resolutions concerning the compensation policy for each executive officer for the FY 2022-2023 (i.e. the Chairman-CEO and Deputy CEO).

It is specified, in accordance with the provisions of Article L. 22-10-8 III of the French Commercial Code, that under penalty of nullity and subject to the exception provided for in paragraph 2 of said Article, no component of compensation of any kind whatsoever may be set, allocated or paid by the Company, nor any commitment corresponding to components of compensation, indemnities or benefits payable or likely to be payable in connection with or following the assumption, termination or change of duties or subsequent thereto, may be entered into by the Company if not in accordance with the compensation policy approved at the time *ex-ante* vote.

(ii) In accordance with the provisions of Articles L. 22-10-9 and L. 22-10-34 of the French Commercial Code, the General Meeting must also vote each year on the information mentioned in Article L. 22-10-9 of the French Commercial Code, including in particular the total compensation and benefits of any kind paid in or granted for the past fiscal year for the duties exercised in said period to all corporate officers, and the total compensation as well as on the benefits of any kind paid in or granted for the fiscal year ended to each executive officer. During this "ex-post" vote, several resolutions are presented to the General Meeting:

- a general resolution concerning all compensation paid and granted for the same fiscal year to corporate officers. If not approved by the General Meeting, a revised compensation policy, taking into account the shareholders' vote, must be submitted for approval to the next General Meeting of the Company. In such event, the payment of Board members' compensation for the current fiscal year (formerly "*Directors' attendance fees*") is suspended until such time as the revised compensation policy has been approved; and
- a separate resolution for each executive officer covering all compensation and benefits of any kind paid and or granted for the fiscal year to the executive officer concerned (i.e., Pierre Cesarini as Chairman of the Board of Directors and Chief Executive Officer, and Jean-Yves Quentel as Deputy CEO for the office of Deputy CEO until July 22, 2022).

The components of variable or exceptional compensation thus granted to executive officers for FY 2021-2022 may only be paid after approval by the General Meeting called to approve the financial statements for the fiscal year ending June 30, 2022, under the conditions provided for in the first paragraph of Article L. 22-10-34 II of the French Commercial Code.

3.3.1 Compensation policy for executive officers for FY 2022-2023

3.3.1.1 General principles

3.3.1.1.1 Presentation of the compensation policy

The executive compensation policy presented below and determined in accordance with Articles L. 22-10-8 and R. 22-10-14 of the French Commercial Code describes all components of compensation that will be granted to corporate officers of the Company on the basis of their offices for FY 2022-2023 and sets out the process or defining, revising and implementing this policy.

The compensation policy approved for a given year applies to all corporate officers holding a corporate office during this fiscal year. The compensation policy described below will be submitted for approval to the General Meeting called to approve the financial statements for the fiscal year ending June 30, 2022, and will apply to all corporate officers holding an office during FY 2022-2023.

This policy seeks to ensure the sustainability of the Company by the implementation of compensation structures consistent with prior practices in the Company and enabling the retention of high level management profiles whose experience and expertise in the Company's business sectors reinforce and support its strategy and development.

It is in the Company's interest in that it helps attract and retain competent corporate officers, while being tailored to their corresponding duties and responsibilities and in line with practices in comparable companies. It is also consistent with the Company's commercial strategy as there is a significant variable compensation component for executive officers that is linked to the Company's activity and earnings.

This policy is based on the following principles:

Compliance

The compensation policy was established based on the recommendations of the Middlenext Code and in accordance with the legislative and regulatory requirements of "Say on Pay" provisions.

Comprehensiveness

All compensation and benefits are reviewed both globally and by component in order to maintain proper balance between fixed and variable components. This is done for each executive officer.

Transparency

The compensation policy serves to address expectations of shareholders and other stakeholders regarding transparency and correlation of compensation with the Group's overall performance.

3.3.1.1.2 Process for determining, reviewing and implementing the compensation policy

In accordance with the Board of Directors' rules of procedure and the charter of the Appointments and Compensation Committee (which includes two independent Board members within the meaning of the Middlenext Code), the corporate officer compensation policy is established by the Board of Directors after review and the issue of recommendations by the Appointments and Compensation Committee, which also reviews the policy annually. This policy is then subject to the approval by the General Meeting of the shareholders under the conditions provided for by regulation.

In this respect, the Appointments and Compensation Committee and the Board of Directors ensure compliance with the following principles in particular:

- consistency of the executive corporate office compensation structure with the employment and compensation conditions of Company employees and notably the appropriateness of this compensation policy in light of employee profit-sharing mechanisms in the Company and Group subsidiaries, which comply with local market practice;
- the completeness of executive variable compensation components described.

When determining the compensation of corporate officers, conflicts of interest are prevented in accordance with the provisions of the Board of Directors' rules of procedure, and Board members concerned by proceedings relating to their compensation refrain from participating therein or from attending Board meetings during which such proceedings are included.

3.3.1.1.3 Assessment of the performance criteria triggering variable compensation

Attainment of performance criteria for the payment of performance-based variable compensation for officers (and, where applicable, share-based payments) is assessed by the Board of Directors, based on the recommendations of the Appointments and Compensation Committee, as applicable.

- The variable compensation of the CEO in connection with his employment contract with Claranova Development SARL is determined in relation to a combination of qualitative and quantitative performance criteria established by the Board of Directors on October 12, 2022, as the described in Section 3.3.1.3 of this document.

  The assessment of whether these criteria have been met and the corresponding determination of the amount of variable compensation are assessed by the Board of Directors, on the recommendation of the Appointments and Compensation Committee. The amount of the variable compensation of the CEO is then submitted to the shareholders' approval by means of an *ex-post* vote. Payment of the variable and exceptional components of the CEO's compensation is contingent on the prior approval of this resolution by the Ordinary General Meeting.
- The variable compensation of the Deputy CEO, is determined in relation to a combination of qualitative and quantitative performance criteria established by the Board of Directors on October 12, 2022, as described in Section 3.3.1.4 of this document.

  The assessment of whether this criteria has been met and the corresponding determination of the amount of variable compensation are assessed by the Board of Directors, on the recommendation of the Appointments and Compensation Committee. The amount of the variable compensation of the Deputy CEO is then submitted to the shareholders' approval by means of an *ex post* vote. Payment of the variable and exceptional components of the Deputy CEO's compensation is contingent on the prior approval of this resolution by the Ordinary General Meeting.
- For members of the Board of Directors (including the chairman of the Board of Directors), their compensation is allocated among them up to the overall compensation amount set for Board members (formerly "*Directors' attendance fees*"), as set by the Ordinary General Meeting at the proposal of the Board of Directors. Information on compensation paid for FY 2021-2022 are provided in Section 3.3.1.5 of this document.

3.3.1.1.4 Changes to the compensation policy

The Company's shareholders voted in favor of the compensation policy for corporate officers for FY 2021-2022 at the General Meeting of December 1, 2021 (*ex-ante* vote). The policy thus adopted remains unchanged.

3.3.1.1.5 Application of the compensation policy to newly appointed corporate officers or corporate officers whose term of office is renewed

Should any new executive officers be appointed following the approval of this compensation policy by the Board of Directors, their compensation structure would be determined in accordance with this compensation policy and the Board of Directors would conduct an overall analysis of the executive's position to ensure that:

- the compensation amount and criteria are set in accordance with existing practices within Claranova SE by reference to compensation practices for similar positions within Claranova SE; and
- the experience, expertise and individual compensation of the executive(s) concerned are also taken into consideration.

Finally, where the executive is recruited from outside the Company, the Board of Directors reserves the right to grant the newly appointed executive a fixed amount (in cash and/or shares) which cannot exceed the amount of benefits that the new executive waived on leaving his/her previous position.

3.3.1.1.6 Exceptional derogations to the compensation policy

In exceptional circumstances, the Board of Directors reserves the right to use its discretionary powers to derogate temporarily from the executive officer compensation policy, in compliance with Articles L. 22-10-8 III, L. 22-10-9 10° and L. 22-10-34 II of the French Commercial Code, and after consulting the Appointments and Compensation Committee and, where appropriate, the Audit Committee. Derogations must be temporary, in line with the company's interest and necessary to guarantee Claranova's continuity and viability and the success of its strategy. Where applicable, the exceptions to the compensation policy decided by the Board of Directors in accordance with the second paragraph of Article L. 22-10-8 III of the French Commercial Code must be submitted to the vote of the General Meeting for components of compensation paid in or granted to corporate officers during the fiscal year (*ex-post* vote), so that the components of variable and exceptional compensation can only be paid if approved by the General Meeting in accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code.

Possible derogations to the compensation policy may include an increase or decrease in fixed or variable annual compensation to one or more corporate officers, as well as grants of exceptional compensation to thereto. The Board of Directors must justify these decisions. Events which may result in a derogation from the compensation policy for executive directors include: the implementation of a significant strategic project, a substantial change in market conditions or the competitive environment, particularly serious economic events or events linked to the Group's financial or economic situation.

3.3.1.2 Compensation policy for the Chairman of the Board of Directors for FY 2022-2023

The components of compensation and benefits of all kinds that may be granted to the Chairman of the Board of Directors mainly take into account the level of responsibility associated with his duties and his level of expertise for the organization and management of the work of the Company's administrative body.

Pursuant to Article L. 22-10-8 of the French Commercial Code, the compensation policy for the Chairman of the Board of Directors for FY 2022-2023 will be submitted for approval to the General Meeting called to approve the financial statements for the fiscal year ending June 30, 2022.

As described in Section 3.3.1.1.6 of this Chapter, the Board of Directors reserves the right, in compliance with legal requirements, to provide for exceptional derogations to the compensation policy approved by the General Meeting.

As of the date of this document, Pierre Cesarini is Chairman of the Board of Directors and Chief Executive Officer of the Company. The provisions below relating to the office of Chairman of the Board of Directors remain applicable to said office in the event that the functions of Chairman of the Board of Directors and Chief Executive Officer are separated.

Compensation and benefits of all kinds granted to the Chairman-CEO on the basis of his office

Compensation components	
Fixed compensation	None.
Variable compensation	None.
Exceptional compensation	None.
Compensation as Chairman of the Board of Directors	Maximum gross compensation of €100,000.
Supplementary pension plan	None.
Benefits in kind	None.
Share-based payments	None.
Commitments of any kind that may become due as a result of commencement, termination or changes of duties	None.

Insofar as Pierre Cesarini holds the offices of Chairman and Chief Executive Officer of the Company, the compensation policies for the Chairman of the Board of Directors and the Chief Executive Officer will be presented in the same resolution to the General Meeting of November 30, 2022 as an *ex-ante* vote.

3.3.1.3 Compensation policy for the Chief Executive Officer for FY 2022-2023

The components of compensation and benefits of all kinds that may be granted to the Chief Executive Officer (Directeur Général) mainly take into account the level of responsibility associated with his duties, his level of expertise and Claranova Group's economic and financial performance.

Pursuant to Article L. 22-10-8 of the French Commercial Code, the compensation policy for the Chief Executive Officer for FY 2022-2023 will be submitted for approval to the General Meeting called to approve the financial statements for the fiscal year ending June 30, 2022. As described in Section 3.3.1.1.6 of this Chapter, the Board of Directors reserves the right, in compliance with legal requirements, to provide for exceptional derogations to the compensation policy approved by the General Meeting.

The payment of the variable and exceptional components of compensation provided for in the compensation policy for the Chief Executive Officer will be conditional on the approval by the General Meeting called to approve the financial statements for the fiscal year ending June 30, 2023, of the components of compensation and benefits of any kind to be paid in or granted for FY 2022-2023 to the Chief Executive Officer under the conditions provided for in Article L. 225-10-34 of the French Commercial Code.

As of the date of this document, Pierre Cesarini is Chairman of the Board of Directors and Chief Executive Officer of the Company. The provisions below relating to the office of Chief Executive Officer remain applicable to said office in the event that the functions of Chairman of the Board of Directors and Chief Executive Officer are separated.

Compensation and benefits of all kinds granted to the Chief Executive Officer for his duties

Compensation components	
Fixed compensation	None.
Variable compensation	None.
Exceptional compensation	No, subject to the Board of Directors' right to derogate presented in Section 3.3.1.1.6 of this document.
Exceptional bonus	None.
Compensation as a member of the Board of Directors	See Section 3.3.1.2 of this document.
Supplementary pension plan	None.
Benefits in kind	None.
Share-based payments	Subject to the approval of the General Meeting of November 30, 2022, the Chief Executive Officer may benefit from a restricted stock unit *(actions gratuites)* plan for shares existing or to be issued, under the conditions set out in Articles L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French Commercial Code
Commitments of any kind that may become due as a result of commencement, termination or changes of duties or after the completion thereof	See Section 3.3.2.2 of this document.

In accordance with the provisions of Articles L 22-10-8 I and R 22-10-14 II 5 of the French Commercial Code, it is reminded that in January 2019, Claranova SE entered into a service agreement with its Luxembourg subsidiary, Claranova Development SARL, the Group's international development company. On the basis of his functions as Chief Operating Officer *(Directeur des Opérations)* of Claranova Development SARL, Pierre Cesarini may receive for FY 2022-2023 the following components of compensation and benefits in-kind:

- fixed annual compensation of €340,000[1];
- variable compensation in the target amount of €430,000, and up to €559,000 as an incentive for the Chief Executive Officer to meet the financial and non-financial annual objectives set by the Board of Directors of Claranova SE. The criteria underpinning the grant of this variable compensation align Pierre Cesarini's interests with those of the Group as they are based on the following objectives, the attainment of which attests to growth performances and an improvement in the Group's financial position. These objectives are broken down as follows:
  - 25% based on Group revenue,
  - 25% based on Group EBITDA,
  - 25% based on Group cash flow,
  - 25% based on qualitative criteria related to corporate development objectives.

  Quantitative goals are considered as targets. If a quantitative target is not met or exceeded, the weighting will be adjusted proportionately so that the amount may range from 0% to 130% of the target.

  The amounts corresponding to these objectives as well as their criteria are established with precision by the Board of Directors. However, the details are kept confidential due to the strategic nature of this information. Performance for this purpose is assessed by the Appointments and Compensation Committee and by the Board of Directors.

(1) *This fixed compensation under his employment contract may be adjusted by the local authorities in accordance with the applicable legislation on indexation criteria, resulting in a subsequent adjustment of the total amount of fixed compensation.*

The variable compensation for FY 2022-2023 may only be paid in FY 2023-2024 fiscal year, after approval by the General Meeting of Claranova SE. This variable compensation may, if necessary, be paid in part in the form of a synthetic instrument that does not include Claranova SE securities, in accordance with the regulations applicable to the Pierre Cesarini's employment contract with Claranova Development SARL.

- Continuing to reimburse business expenses (travel, accommodations, entertainment and other reasonable expenses incurred in the interest of the Company and relating to the performance of the employment contract) upon presentation of supporting invoices;
- Continuing to reimburse recurrent expenses and charges incurred as a result of expatriation, up to a maximum of €100,000 per year (accommodation and travel costs), upon presentation of supporting invoices;
- Maintaining a gross lump-sum allowance, known as an impatriation bonus, to cover the difference in the cost of living between the Grand Duchy of Luxembourg and France, amounting to €101,000 per year;
- Maintaining supplemental health insurance plan;
- Maintaining a non-competition indemnity equal to 100% of the gross, fixed and variable compensation and any other financial advantage received in the 12 months prior to the termination of his employment contract, not including paid leave, for a period of 12 months following the termination of the employment contract; and
- Maintaining a severance payment amounting to 100% of the gross, fixed and variable compensation and any other financial advantage received in the 12 months prior to the termination of his employment contract, not including paid leave, in the event of termination of his employment contract by the Company. The severance payment is not payable in the event of serious or gross misconduct by Pierre Cesarini, or if he resigns or breaches his employment contract or changes jobs within the Group. The severance payment is subject to a condition of performance linked to the Group's rate of growth.

The current structure of Pierre Cesarini's compensation from the subsidiary Claranova Development SARL may be adjusted in FY 2022-2023, whereby it is understood that the new structure must represent an equivalent cost for the Group.

Elendil, represented by Pierre Cesarini, receives fees from the Company under the agreement referred to in Section 3.5 of this document. On October 12, 2022, the Board of Directors decided to increase of this fixed fee to €120,000 (excl. VAT) per year.

Insofar as Pierre Cesarini holds the offices of Chairman and Chief Executive Officer of the Company, the compensation policies for the Chairman of the Board of Directors and the Chief Executive Officer will be presented in the same resolution to the General Meeting of November 30, 2022 as an *ex-ante* vote.

3.3.1.4 Compensation policy for the Deputy Chief Executive Officer for FY 2022-2023

The components of compensation and benefits of all kinds that may be granted to the Deputy CEO (Directeur Général Délégué) mainly take into account the level of responsibility associated with his duties, his level of expertise and Claranova Group's economic and financial performance.

Pursuant to Article L. 22-10-8 of the French Commercial Code, the compensation policy for the Deputy CEO for FY 2022-2023 will be submitted for approval to the General Meeting called to approve the financial statements for the fiscal year ending June 30, 2022. As described in Section 3.3.1.1.6 of this Chapter, the Board of Directors reserves the right, in compliance with legal requirements, to provide for exceptional derogations to the compensation policy approved by the General Meeting.

The payment of the variable and exceptional components of compensation of the compensation policy for the Deputy CEO will be conditional on the approval by the General Meeting called to approve the financial statements for the fiscal year ending June 30, 2023, of the components of compensation and benefits of any kind to be paid in or granted for FY 2022-2023 to the Deputy CEO under the conditions provided for in Article L. 22-10-34 of the French Commercial Code.

It is specified that, the Board of Directors reserves the right to grant any Deputy CEO newly appointed in FY 2022-2023 a fixed amount (in cash and/or shares) which cannot exceed the amount of benefits that the new executive waived on leaving his/her previous position.

Compensation and benefits of all kinds granted to the Deputy CEO for his duties	
Compensation components	
Fixed compensation	Gross fixed annual compensation of €300,000 for the period.
Variable compensation	Variable compensation of €200,000, and up to €260,000 should targets be exceeded, providing an incentive to meet the annual objectives set by the Board of Directors. The quantitative and qualitative items are identical to those applicable to the Chairman-CEO. The criteria underpinning the grant of this variable compensation aligning interests of the Deputy Chief Executive Officer (Directeur Général Délégué) with those of the Company as they are based on financial objectives described below, the attainment of which attests to growth performances and an improvement in the Group's financial position, thereby contributing to the objectives of the compensation policy. These objectives are broken down as follows: • 25% based on Group revenue; • 25% based on Group EBITDA; • 25% based on Group cash flow; • 25% based on qualitative criteria related to certain corporate development objectives. Quantitative goals are considered as targets. If a quantitative target is not met or exceeded, the weighting will be adjusted proportionately so that the amount may range from 0% to 130% of the target. The amounts corresponding to these objectives as well as their criteria are established with precision by the Board of Directors. However, the details are kept confidential due to the strategic nature of this information. Performance for this purpose is assessed by the Appointments and Compensation Committee and by the Board of Directors. The variable compensation for FY 2022-2023 may only be paid in FY 2023-2024 fiscal year, after approval by the General Meeting of Claranova SE.
Exceptional compensation	No, subject to the Board of Directors' right to derogate presented in Section 3.3.1.1.6 of this document.
Exceptional bonus	None.
Supplementary pension plan	No supplementary pension plan other than mandatory complementary pension plans in place for the Company's managers.
Benefits in kind	Company vehicle.
Share-based payments	Subject to the approval of the General Meeting of November 30, 2021, the Deputy CEO may benefit from a for restricted stock unit *(actions gratuites)* plan for shares existing or to be issued, under the conditions set out in Articles L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French Commercial Code
Commitments of any kind that may become due as a result of commencement, termination or changes of duties	Unemployment insurance policy for entrepreneurs and company executives (GSC) including a compensation in the amount of 70% of the annual net taxable income and a period of benefits extended to 24 months at the end of the first year of effective affiliation (see Section 3.3.2.2 of this document).

3.3.1.5 Compensation policy for corporate officers for FY 2022-2023

The corporate officers are comprised of the members of the Company's Board of Directors. It should be noted that the compensation policy for the Chairman of the Board of Directors is described in Section 3.3.1.2 of this document.

The maximum amount of annual compensation for members of the Board of Directors (formerly "Directors' attendance fees") currently in force was set at €320,000 at the Combined General Meeting of December 1, 2021.

Subject to approval of the compensation policy for non-executive officers for the FY 2022-2023 by the General Meeting called to approve the financial statements for the year ending June 30, 2022, this total amount will remain unchanged at €320,000 for the entire Board of Directors.

This total amount includes the maximum compensation for the Chairman of the Board of Directors of €100,000.

This total amount will be allocated on the basis of (i) attendance and (ii) the offices and work within the various Committees, in order to comply with Recommendation No. 12 of the Middlenext Code of corporate governance on this subject. This allocation method will reward members for their level of attendance at Board meetings, and reinforce the recognition of the work done by the Committees and the need to hold Committee meetings on a very regular basis, to ensure the quality of preparatory work necessary for relevant and informed decision-making by the Board of Directors, and in this way contribute to the objectives of the compensation policy.

Non-executive officers may receive the following maximum compensation:

- Viviane Chaine-Ribeiro: €44,800
- Christine Hedouis: €44,800
- Francis Meston: €39,200
- Jean-Loup Rousseau: €39,200
- TECH-IA IMPACTINVEST SAS (represented by Luisa Munaretto): €28,000.

It is noted for the record that Board members exercising management functions in the main subsidiaries, namely Roger S. Bloxberg and Eric Gareau, and the Observer, Todd Helfstein, will not receive any compensation for their corporate offices (or functions as Observers) in the Company, by mutual agreement with the latter parties.

In accordance with Article R. 22-10-14 II of the French Commercial Code, it is specified that Roger Bloxberg and Todd Helfstein, the directors of PlanetArt LLC, were granted shares in the capital of this company without voting rights and with financial rights and a conversion option conferring to each a right to 10% of the capital of PlanetArt LLC in the event of a potential liquidity event or a departure of these managers under certain conditions. This agreement was reviewed on September 4, 2017 in order to lay down the implementation conditions and transfer the rights to their respective trusts (see Note 33.1 in Chapter 2 of this document). Éric Gareau, CEO of the Avanquest division, will qualify for an 18-month salary continuance benefit in the event of dismissal without cause.

No other compensation, permanent or otherwise, may be paid to members of the Company's Board of Directors, with the exception of directors with executive management duties or holding an employment contract with Claranova SE under conditions authorized by the law.

Finally, the possibility to request repayment or deferral of part of the compensation received by members of the Board of Directors is not planned.

3.3.2 Report on compensation of corporate officers with respect to FY 2021-2022

This section describes, for each corporate officer, the components of compensation paid in or granted for FY 2021-2022 in accordance with the compensation policy approved by the Ordinary General Meeting of December 1, 2021. This information is an integral part of the Board of Directors' corporate governance report and is prepared in accordance with Article L. 22-10-9 of the French Commercial Code.

In accordance with the provisions of Article L. 22-10-34 I and II of the French Commercial Code, shareholders will be asked to approve (i) the following corporate officer compensation and (ii) the components of compensation paid in or granted for FY 2021-2022 to Pierre Cesarini, as the Chairman-CEO and Jean-Yves Quentel, as the Deputy CEO.

The following tables and additional information present changes in and compare compensation received by Company executives in accordance with Article L. 22-10-9 I of the French Commercial Code.

3.3.2.1 Components of compensation and benefits of any kind paid in or for FY 2021-2022 to corporate officers

3.3.2.1.1 Components of compensation and benefits of any kind paid in or for FY 2021-2022 to Pierre Cesarini, the Chairman-CEO

SUMMARY OF COMPENSATION

The following table presents total compensation and benefits of all kinds, distinguishing fixed, variable and exceptional components, paid in or granted for FY 2021-2022 on the basis of his office in said period to the Chairman-CEO, in accordance with the provisions of Article L. 22-10-9 of the French Commercial Code, as well as the components of compensation paid or granted under his employment contract entered into with the subsidiary, Claranova Development SARL.

The components of total compensation and benefits of all kinds paid in or granted for FY 2021-2022 to the Chairman-CEO are covered by resolution 12 (for the office of Chairman of the Board of Directors) and resolution 13 (for the office of CEO) presented to the General Meeting called to approve the financial statements for the year ended June 30, 2022, pursuant to Article L 22-10-34 II of the French Commercial Code. The components of variable and exceptional compensation may only be paid after approval by the said General Meeting.

Gross annual amounts *(in €)*	**FY 2021-2022**		**FY 2020-2021**	
	Amount due	**Amount paid**	**Amount due**	**Amount paid**
Fixed compensation[1]	374,943	374,943	280,000	280,000
Other bonuses, allowances and benefits in kind[2]	131,178	131,178	126,330[3]	136,100
Variable compensation	392,452[4][5]	339,800	339,800	350,000[6]
Fees[7]	50,000	50,000	50,000	25,000
Exceptional compensation	-	-	0	0
Compensation as a member of the Board of Directors[8]	41,600	38,600	20,000	15,000
TOTAL COMPENSATION	**990,173**	**934,521**	**816,130**	**806,100**

(1) Including the fixed compensation for the positions of Chairman-CEO of Claranova SE and for the position of Chief Operating Officer of Claranova Development SARL.
(2) Including the compensation linked to activities performed outside of France, charges linked to the function, benefits in kind and travel allowances for the position of Chief Operating Officer of Claranova Development SARL.
(3) The FY 2020-2021 difference between amounts due and paid concerns regularization of charges due in respect of FY 2019-2020.
(4) Payment of the variable compensation, which is subject to the approval of the General Meeting called to approve the financial statements for the FY 2021-2022, will take place during FY 2022-2023.
(5) The variable compensation is fixed for the functions of Chief Operating Officer of Claranova Development SARL. It is determined in reference to the achievement of objectives set by the Board of Directors. For FY 2021-2022, these objectives broke down as follows: (i) revenue (15%); (ii) EBITDA (15%); (iii) cash flow from operations (25%); (iv) level of the Claranova SE share price (25%); (v) qualitative criteria related to certain corporate development and financial organization objectives of the Group (20%).
(6) The amount paid corresponds to variable compensation for FY 2019-2020 approved by the General Meeting of December 17, 2020 and paid in the form of a synthetic instrument which does not include Claranova SE securities.
(7) The "Fees" line comprises services invoiced by Elendil to Claranova SE, covered in Section 3.5 of this document .
(8) Compensation received and paid as Chairman and member of the Board of Directors (formerly "Directors' attendance fees")

INVESTMENT OPPORTUNITY IN THE COMPANY'S SUBSIDIARIES

In accordance with the compensation policy for FY 2020-2021, the Chairman-CEO was able to invest in one or more of the Company's subsidiaries (the "**Option to Invest in Subsidiaries**") and, in particular, Avanquest Software SAS and Avanquest America Holding LLC, under the oversight of the Board of Directors, provided:

- the holdings of the Chairman-CEO in the share capital of the subsidiaries may not exceed, immediately or in the future, more than 10% of the share capital;
- the securities issued to him, that may be options or preferred shares (or equivalent securities in the case of foreign subsidiaries), are subscribed under market terms and conditions and at market values; and
- the securities issued and subscribed by him are subject to strict administration and provision rules to ensure the absence of any conflicts of interest between the Company and the Chairman-CEO and that the Company may continue to freely manage and make use of its investments.

In accordance with the seventh resolution of the General Shareholders' Meeting of December 17, 2020 relating to the compensation policy for the Company's executive officers (*ex ante* vote), under the terms of which the shareholders approved, inter alia, the principle of this investment option, the Board of Directors decided, on July 23, 2021, to grant this option to the Chairman-CEO for the fiscal year ending June 30, 2021.

The terms for exercising this Option to Invest in Subsidiaries are as follows:

1. Implementation at the level of :
   - Avanquest Software SAS, one preferred share; and
   - Avanquest America Holding LLC, two synthetic instruments reflecting the performances of its subsidiaries, myDevices and PlanetArt LLC.
2. These three instruments, with identical characteristics for each subsidiary, represent standalone optional financial instruments.
3. Each instrument confers a right to the Chairman-CEO to receive 10% of the amount, net of debt, reverting (indirectly) to Claranova SE as indicated below in point 5 (the "**Distribution**") and only if the value on the issue date of the percentage held (indirectly) by Claranova SE in the shareholders equity of said subsidiary (after taking into account the Group share of debt borne at the Claranova SE level) (the "**Reference Value**") is multiplied by three at any time between the issue date and June 30, 2026 (the "**Condition**").

The subscription price of each of the instruments is based on a multi-criteria approach in accordance with customary practice, taking into account respectively the applicable Reference Value and the Condition. At the request of the Board of Directors, this determination was based on the independent assessment by the firm Accuracy, represented by Mr. Christophe Leclerc. The latter concluded the subscription price of each instrument to be fair from the point of view of the Claranova SE's shareholders.

(in millions of euros unless otherwise specified)	**Avanquest Software**	**PlanetArt**	**myDevices**
Value of shares attributable to owners of the Company	153.8	192.8	5.5
Reference Value	74.6	178.0	3.0
Subscription price of the instrument	€34,100	€132,100	€10,000

4. Satisfaction of the Condition will be recognized:
   - in the case of a liquidity event (total or partial sale of at least 50 % of the subsidiary's capital, qualified asset sale, qualified initial public offering) occurring no later than June 30, 2026 as a result of which the Reference Value is multiplied by three;
   - in the absence of a liquidity event by June 30, 2026, in the light of an independent appraisal (i) initiated by the Chairman and Chief Executive Officer at the end of the third year or at the end of the fourth year if and only if the Board of Directors initially opposed the occurrence of a liquidity event and (ii) as a result of which the Reference Value is multiplied by three.
5. Once the Condition is satisfied, the Distribution will take place:
   - on the occasion of one or more liquidity events occurring between now and June 30, 2026, in which case the Chairman and Chief Executive Officer will receive 10% of the amount received by the Group on the occasion of the said liquidity event or events;
   - in the absence of total liquidity by June 30, 2026, shortly after that date, on the basis of the subsidiary's market value at that date, the Chairman and Chief Executive Officer then receiving 10% of the value of the share held (indirectly) by the Company in the subsidiary's equity as of June 30, 2026;
6. The Chairman-CEO will not benefit from any guarantee to repurchase the financial instruments at a minimum price, thus:
   - in case of departure before the Condition is satisfied, the instrument will be repurchased:
     - for € 1 in the case of a bad leaver;
     - for €1 in the case of a "good leaver", unless it appears that the Condition was satisfied at the date of his departure, in which case it would be repurchased at the market value of the instrument on the departure date (*i.e.* 10% of the value of the Company's holdings (indirect) in the equity of the subsidiary at that date).
   - in the case of departure after the Condition is satisfied, the instrument will be repurchased:
     - 90% of the market value of the instrument at the departure date in the event of a "bad leaver" (i.e. 9% of the value of the interest held (indirectly) by Claranova SE in the subsidiary's equity at that date);
     - the market value of the instrument at the departure date in the event of a "good leaver" (i.e. 10% of the value of the interest held (indirectly) by Claranova SE in the subsidiary's equity at that date);
   - if the Condition is not satisfied by June 30, 2026, the relevant instrument will automatically lapse.

At the meeting of the Board of Directors on July 23, 2021, the Chairman-CEO, with a conflict of interest situation, did not take part in the deliberations on the implementation of this Option to Invest in Subsidiaries as part of his compensation policy for FY 2020-2021.

While the final terms of this Option to Invest in Subsidiaries are presented as exceptional compensation in the form of a share-based payment, the Company's shareholders at the General Meeting of December 1, 2021, voted in favor for all fixed and variable components of total compensation and benefits of any kind paid in and granted for the period ending June 30, 2021 to the Chairman-CEO, in accordance with the provisions of Article L. 22-10-34 of the French Commercial Code (the so-called "*ex-post*" vote).

At June 30, 2022, the Chairman-CEO had subscribed to the instrument for each subsidiary.

COMPENSATION PAID OR AWARDED BY A COMPANY INCLUDED IN THE SCOPE OF CONSOLIDATION WITHIN THE MEANING OF ARTICLE L. 233-16 OF THE FRENCH COMMERCIAL CODE

Pursuant to Article L. 22-10-9 I 5° of the French Commercial Code, the Company must present a summary statement of the compensation and benefits of any kind received by each of these corporate officers from a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code.

For FY 2021-2022, in addition to his compensation as Chairman-CEO of the Company, Pierre Cesarini received the following compensation and benefits in kind as Chief Operating Officer of Claranova Development SARL:

- fixed annual compensation of €324,943;
- variable annual compensation of €392,452[1];
- repayment of expenses and recurrent charges resulting from the expatriation (accommodation and travel costs) in the amount of €68,728;
- a gross lump-sum allowance known as an "impatriation bonus", to cover the cost of living differential between the Grand Duchy of Luxembourg and France of €47,450;

3.3.2.1.2 Components of compensation and benefits of any kind paid in or for FY 2021-2022 to Jean-Yves Quentel, Deputy CEO

The following table presents total compensation and benefits of all kinds paid to Jean-Yves Quentel, in his capacity as Deputy CEO, distinguishing fixed, variable and exceptional components, paid in or granted for the past fiscal year for the duties exercised in said period (outgoing Deputy CEO, See Note 3.1.3.1), in accordance with the provisions of Article L. 22-10-9 I of the French Commercial Code.

The components of total compensation and benefits of all kinds paid in or granted for the previous fiscal year to the Deputy CEO are covered by resolution 14 proposed to the General Meeting called to approve the financial statements for the year ended June 30, 2022, pursuant to Article L. 22-10-34-II of the French Commercial Code.

Gross annual amounts *(in €)*	**FY 2021-2022**		**FY 2020-2021**	
	Amount due	**Amount paid**	**Amount due**	**Amount paid**
Fixed compensation	230,000	232,500	150,000[1]	150,000[1]
Other bonuses, allowances and benefits in kind	1,345	1,345	1,191	1,191
Variable compensation[2][3]	74,520	100,872	100,872	-
Fees	-	-	-	-
Exceptional compensation	-	-	-	-
Board member compensation	12,000	12,060	n/a	n/a
TOTAL COMPENSATION	317,865	346,777	252,063	151,191

(1) Amount calculated on a prorata temporis basis of his fixed annual compensation of €200,000, Jean-Yves Quentel having taken up his duties on October 1, 2020.
(2) Payment of the variable compensation, which is subject to the approval of the General Meeting called to approve the financial statements for the FY 2021-2022, will take place during FY 2022-2023.
(3) Variable annual compensation is determined in reference to the achievement of objectives set by the Board of Directors. For FY 2021-2022, these objectives broke down as follows: (i) revenue (10%); (ii) EBITDA (10%); (iii) Group cash flow from operations (10%); (iv) level of the Claranova SE share (25%); (v) qualitative criteria related to certain corporate development and financial organization objectives of the Group (45%).

3.3.2.1.3 Components of compensation and benefits of any kind paid in or for FY 2021-2022 to non-executive officers

The non-executive officers are members of the Company's Board of Directors, with the exception of the Chairman of the Board of Directors, whose compensation and benefits of any kind paid in and or for FY 2021-2022 are described in section 3.3.1.2 of this document.

For FY 2021-2022, the compensation allocated to the Board of Directors will be distributed in a balanced manner among its members. This distribution shall that reflect the level of attendance of members at Board meetings. Members of the Board of Directors who leave office during the year receive compensation on a pro rata basis from the beginning of the year to their respective dates of departure. On this basis, Chahram Becharat received €28,353 and Jean-Yves Quentel received €12,060. Members of the Board of Directors co-opted during the period also received compensation calculated on a prorated basis, within the limits of the total amount provided for under the compensation policy approved by the General Meeting of December 1, 2021.

(1) This variable annual compensation was determined in reference to the achievement of objectives set by the Board of Directors of Claranova SE. The criteria underpinning the grant of this variable compensation align Pierre Cesarini's interests with those of the Group as they are based on the financial objectives, the attainment of which attests to growth performances and an improvement in the Group's financial position, thereby contributing to the objectives of the compensation policy. These objectives are based on (i) the Group's revenue (20%), (ii) Group EBITDA (20%), (iii) the level of Group cash flow from operations (20%) and (iv) the development of the shareholder base, the streamlining of the Group's legal structure and certain corporate development objectives (40%). Payment of the variable compensation, which is subject to the approval of the General Meeting called to approve the financial statements for the FY 2021-2022, will take place during FY 2022-2023.

Gross annual amounts *(in €)*	FY 2021-2022		FY 2020-2021	
	Compensation as a member of the Board of Directors	Other compensation	Compensation as a member of the Board of Directors	Other compensation
Chahram Becharat	28,353	-	7,203	-
Viviane Chaine-Ribeiro	42,442	-	12,720	-
Christine Hedouis	44,800	-	22,222	-
Francis Meston	39,200	-	40,000	-
Jean-Loup Rousseau	31,733	-	40,000	-
TECH-IA IMPACTINVEST SASU*	26,000	-	40,000	-
Former Board members	-	-	61,536	-
TOTAL COMPENSATION	**212,528**	**-**	**223,681**	**-**

* *Company represented by its permanent representative, Luisa Munaretto.*

3.3.2.2 Commitments of any kind that may become due as a result of commencement, termination or changes of duties or after the completion thereof

CHAIRMAN-CEO

Under his employment contract with Claranova Development SARL, in the event of departure Pierre Cesarini will receive the compensation described in Section 3.3.1.3 of this document.

Employment contract		Supplementary pension plan		Indemnities or benefits due, or likely to fall due, as a result of termination or change of duties		Indemnities related to a non-compete clause	
Yes	No	Yes	No	Yes	No	Yes	No
✓			✓	✓		✓	

DEPUTY CEO

Under his term of office with Claranova SE, Xavier Rojo is entitled to compensation described in Section 3.3.1.4 of this document.

Employment contract		Supplementary pension plan		Indemnities or benefits due, or likely to fall due, as a result of termination or change of duties		Indemnities related to a non-compete clause	
Yes	No	Yes	No	Yes	No	Yes	No
✓			✓	✓		✓	

OTHER MEMBERS OF THE BOARD OF DIRECTORS

None.

3.3.2.3 Pay ratio between the level of compensation of executive officers and the average and median compensation of Claranova SE employees

The following table presents, pursuant to the provisions of Article L.22-10-9 I, 6° of the French Commercial Code, for the last five fiscal years for the Chairman-CEO, the ratios between, on the one hand, the level of his compensation and the average compensation on a full-time equivalent basis of Claranova SE employees, other than corporate officers, and on the other hand, the average and median compensation on a full-time equivalent basis of Claranova SE employees, other than corporate officers:

Pierre Cesarini Chairman-CEO	**FY 2021-2022**	**FY 2020-2021 restated**	**FY 2020-2021 reported**	**FY 2019-2020**	**FY 2018-2019**
Ratio Chairman-CEO / Average	10	10	8	7	10
Ratio Chairman-CEO / Median	10	10	9	11	11

The above ratios have been calculated on the basis of fixed, variable and exceptional compensation and benefits of all kinds, annualized and paid during the years presented.

The following table presents, pursuant to the provisions of Article L.22-10-9 I, 6° of the French Commercial Code, since assuming his duties as Deputy CEO, the ratios between, on the one hand, the level of his compensation and the average compensation on a full-time equivalent basis of Claranova SE employees, other than corporate officers, and on the other hand, the average and median compensation on a full-time equivalent basis of Claranova SE employees, other than corporate officers:

Jean-Yves Quentel Deputy CEO	**FY 2021-2022**	**FY 2020-2021 restated**	**FY 2020-2021 reported**	**FY 2019-2020**	**FY 2018-2019**
Ratio Deputy CEO/ Average	4	4	3	n/a	n/a
Ratio Deputy CEO / Median	4	4	4	n/a	n/a

The above ratios have been calculated on the basis of fixed, variable and exceptional compensation and benefits of all kinds, annualized and paid during the years presented.

3.3.2.4 Annual changes in compensation and performance of Claranova SE

The following tables present, in application of the provisions of Article L. 22-10-9 I, 7° of the French Commercial Code, the annual change in compensation of the corporate officers, the performance of Claranova SE, average compensation on a full-time equivalent basis of the employees of Claranova SE, other than the corporate officers, as well as the ratios mentioned in paragraph 3.3.2.3 of the present document over the last five financial years:

Chairman-CEO	**FY 2021-2022**	**FY 2020-2021 restated**	**FY 2020-2021 reported**	**FY 2019-2020**	**FY 2018-2019**
Annual compensation (in euros)	990,173	816,130	816,130	809,907	2,732,208[1]
Change / N-1	*+174,043*	*+6223*	*+6,223*	*-1,922,301*	*+1,814,842*
Ratio / Average	10	10	8	7	10
Change / N-1	*+1*	*+ 2*	*+1*	*-3*	*+3*
Ratio / Median	10	10	9	11	11
Change / N-1	*+0*	*+1*	*-2*	*+0*	*+3*

(1) Compensation for FY 2018-2019 includes the exceptional compensation of €1,700,000 received by Pierre Cesarini following his renunciation of the restricted stock units (actions gratuites) of the Company of which he had benefited.

Deputy CEO	**FY 2021-2022**	**FY 2020-2021 restated**	**FY 2020-2021 reported**	**FY 2019-2020**	**FY 2018-2019**
Annual compensation (in euros)	317,865	252,063	252,063	n/a	n/a
Change / N-1	*+65,802*	*n/a*	*n/a*	*n/a*	*n/a*
Ratio / Average	4	4	3	n/a	n/a
Change / N-1	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*
Ratio / Median	4	4	4	n/a	n/a
Change / N-1	*n/a*		*n/a*	*n/a*	*n/a*

Members of the Board of Directors	FY 2021-2022	FY 2020-2021 restated	FY 2020-2021 reported	FY 2019-2020	FY 2018-2019
Total annual compensation (ex "directors' attendance fees") *(in euros)*	212,528	223,681	223,681	136,000	144,000
Change / N-1	*-11,153*	*+87,681*	*+87,681*	*-8,000*	*+32,000*

Claranova SE employees	FY 2021-2022	FY 2020-2021 restated	FY 2020-2021 reported	FY 2019-2020	FY 2018-2019
Average annual compensation *(in euros)*	95,927	81,735	101,577	109,796	76,536
Change / N-1	*+14,192*	*-28,061*	*-8,219*	*+33,260*	*+16,164*

Performance of the Company *(Consolidated data in € millions)*	FY 2021-2022	FY 2020-2021 restated[1]	FY 2020-2021 reported	FY 2019-2020	FY 2018-2019
Revenue	473.6	470.7	471.9	409.1	262.3
Change / N-1	*+2.9*	*+61.6*	*+62.8*	*146.8*	*+100.8*
EBITDA (adjusted where appropriate)	25.5	32.9	34.2	17.4	16.0
Change / N-1	*-7.4*	*+15.5*	*+1.4*	*+1.4*	*+12.1*

(1) Restatement of the Avanquest Software division's revenue arising from the application of IFRS 15 on the recognition of revenue over time from Soda PDF subscriptions transferred to a cloud-based model in August 2020.

3.3.2.5 Appropriateness of total compensation granted or paid in FY 2021-2022 in light of the compensation policy adopted

The components of the total compensation and benefits of any kind paid in or for FY 2021-2022 to corporate officers are in compliance with the compensation policy adopted for 2021-2022 by the General Meeting of December 1, 2021 (*ex-ante* vote).

This compensation policy, according to which variable components were based on quantifiable criteria and/or objectives, was structured to align the interests of executive officers and the Group, thereby contributing to improving its performance, including over the long-term.

3.3.2.6 Consideration of the prior year shareholder ex-post vote

The Board of Directors has taken into account the vote of the Shareholders' Meeting of December 1, 2021, which resulted in the approval of all the resolutions relating to the compensation policy for corporate officers for FY 2021-2022, and accordingly decided to maintain this policy in accordance with the principles and procedures described in paragraph 3.3.1. of this chapter for FY 2022-2023.

3.3.2.7 Resolutions relating to the "Say on Pay" submitted to the General Meeting called to approve the financial statements for the fiscal year ended June 30, 2022

Eleventh resolution

(Approval of the information on individual corporate officer compensation required by Article L. 22-10-9, paragraph I, of the French Commercial Code for FY 2021-2022)

The General Meeting, voting in accordance with quorum and majority rules for Ordinary General Meetings,

having read Chapter 3 of the Company's 2021-2022 universal registration document, which constitutes the corporate governance report referred to in Article L. 225-37 of the French Commercial Code,

approves, in accordance with Article L. 22-10-34-I of the French Commercial Code, the information referred to in Article L. 22-10-9-I of the French Commercial Code presented therein.

Twelfth resolution

(Approval of fixed and variable components of total compensation and benefits of all kinds paid in or granted for the fiscal year ended June 30, 2022 to Pierre Cesarini, Chairman of the Board of Directors)

The General Meeting, voting in accordance with quorum and majority rules for Ordinary General Meetings,

having read Chapter 3 of the Company's 2021-2022 universal registration document, which constitutes the corporate governance report referred to in Article L. 225-37 of the French Commercial Code,

approves, in accordance with Article L. 22-10-34-II of the French Commercial Code, the fixed, variable and exceptional components of total compensation and benefits of all kinds paid in or granted for the fiscal year ended June 30, 2022 to the Chairman of the Board of Directors as presented in Article L. 22-10-9 of said code.

Thirteenth resolution

(Approval of fixed and variable components of total compensation and benefits of all kinds paid in or granted for the fiscal year ended June 30, 2022 to Pierre Cesarini, Chief Executive Officer)

The General Meeting, voting in accordance with quorum and majority rules for Ordinary General Meetings,

having read Chapter 3 of the Company's 2021-2022 universal registration document, which constitutes the corporate governance report referred to in Article L. 225-37 of the French Commercial Code,

approves, in accordance with Article L. 22-10-34-II of the French Commercial Code, the fixed, variable and exceptional components of total compensation and benefits of all kinds paid in or granted for the fiscal year ended June 30, 2022 to the Chief Executive Office as presented in Article L. 22-10-9 of said code.

Fourteenth resolution

Approval of fixed and variable components of total compensation and benefits of all kinds paid in or granted for the fiscal year ended June 30, 2022 to Jean-Yves Quentel, the Deputy CEO)

The General Meeting, voting in accordance with quorum and majority rules for Ordinary General Meetings,

having read Chapter 3 of the Company's 2021-2022 universal registration document, which constitutes the corporate governance report referred to in Article L. 225-37 of the French Commercial Code,

approves, in accordance with Article L. 22-10-34-II of the French Commercial Code, the fixed, variable and exceptional components of total compensation and benefits of all kinds paid in or granted for the fiscal year ended June 30, 2022 to the Deputy CEO as presented in Article L. 22-10-9 of said Code.

Fifteenth resolution

(Approval of the compensation policy for the Chairman-CEO for FY 2022-2023)

The General Meeting, voting in accordance with quorum and majority rules for Ordinary General Meetings,

having read Chapter 3 of the Company's 2021-2022 universal registration document, which constitutes the corporate governance report referred to in Article L. 225-37 of the French Commercial Code,

approves, in accordance with Article L. 22-10-8 II of the French Commercial Code, the Company's FY 2022-2023 compensation policy for the Company's Chief Executive Officer, as presented in the corporate governance report.

Sixteenth resolution

(Approval of the compensation policy for the Deputy CEO for FY 2022-2023)

The General Meeting, voting in accordance with quorum and majority rules for Ordinary General Meetings,

having read Chapter 3 of the Company's 2021-2022 universal registration document, which constitutes the corporate governance report referred to in Article L. 225-37 of the French Commercial Code,

approves, in accordance with Article L. 22-10-8 II of the French Commercial Code, the Company's FY 2022-2023 compensation policy for the Company's Deputy Chief Executive Officer, as presented in the corporate governance report.

Seventeenth resolution

(Approval of the Company's director compensation policy for FY 2022-2023)

The General Meeting, voting in accordance with quorum and majority rules for Ordinary General Meetings,

having read Chapter 3 of the Company's 2021-2022 universal registration document, which constitutes the corporate governance report referred to in Article L. 225-37 of the French Commercial Code,

approves, in accordance with Article L. 22-10-8 II of the French Commercial Code, the Company's FY 2022-2023 compensation policy for the Company's non-executive officers, as presented in the corporate governance report.

Eighteenth resolution

(Determination of the amount of total compensation of directors)

The General Meeting, voting in accordance with quorum and majority rules for Ordinary General Meetings,

having read Chapter 3 of the Company's 2021-2022 universal registration document, which constitutes the corporate governance report referred to in Article L. 225-37 of the French Commercial Code,

resolves to set, as from the FY 2022-2023 , the maximum annual compensation provided for in Article L. 225-45 of the French Commercial Code to be allocated to the directors as members of the Board, at €320,000, and this until otherwise decided by the General Meeting.

3.3.3 Amounts set aside as provisions or otherwise recognized by the issuer or its subsidiaries for the payment of pensions, retirement annuities or other benefits

No amounts have been set aside or otherwise recognized by Claranova SE for the payment of pensions, retirement annuities or benefits in favor of corporate officers of Claranova SE, except for retirement severance benefits that are provisioned for all employees.

Claranova SE did not grant any joining or leaving bonuses to these individuals.

3.3.4 Restricted stock units (*actions gratuites* or free shares), share subscription warrants and share subscription options

SHARE SUBSCRIPTION OR PURCHASE PLANS AS OF JUNE 30, 2022

	Stock options (November 2016)	Share subscription warrants (November 2017)
Date of Management Board/Board of Directors meeting	11/25/2016 & 05/03/2017	11/13/2017
Number of securities granted as of 06/30/2022	18,765,927	3,752,224
including shares that may be subscribed by:		
• Pierre Cesarini	16,839,433	375,222
• Luisa Munaretto	0	750,445
• Jean-Loup Rousseau	0	750,445
• Marc Goldberg	0	750,445
• Other employees who are not corporate officers	1,916,494	0
• Former executive officers	10,000	1,125,667
Start date for exercise of stock options or share subscription warrants	02/25/2017	11/13/2017
Expiry date	11/25/2026	11/13/2027
Subscription or purchase price	-	€0.36
Number of stock options or share subscription warrants subscribed as of 06/30/2022	18,735,927	0
Exercise price (for 10 options/warrants)	€1.12	€6.10
Number of stock options or share subscription warrants exercised as of 06/30/2022	18,490,827	0
Number of options not subscribed, canceled or lapsed	30,000	0
Options/share subscription warrants remaining as of 06/30/2022	245,100	3,752,224
Total number of shares that may be subscribed or granted following exercise	24,510	375,220

3.4 Additional corporate governance information

3.4.1 Regulated agreements

Regulated agreements

The special report issued by Claranova SE's Statutory Auditors on regulated agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code, for the fiscal year ended June 30, 2022, is presented in Section 3.5 of this document.

To Claranova SE's knowledge, there are no agreements, other than agreements relating to current transactions entered into under normal conditions, executed directly or by an intermediary, between a Board member or shareholder holding over 10 % of the voting rights of Claranova SE and a company in which Claranova SE holds, directly or indirectly, more than half of the share capital.

3.4.2 Means of attendance of shareholders at General Meetings

The means by which shareholders can attend General Meetings are described in Article 21 (General Meetings) of the Articles of Association available at Claranova SE's head office.

Article 21 – General Meetings

General Meetings are convened and conduct the proceedings in accordance with the conditions set by Law.

One or more shareholders holding together at least 10% of subscribed share capital may also ask the Board of Directors to convene a General Meeting, indicating the points to appear on the agenda.

At the decision of the Board of Directors, meetings may be held by video conference or by telecommunication means enabling the identification of shareholders.

Collective shareholder decisions are made by Ordinary, Extraordinary and Special General Meetings depending on the type of decisions to be made.

General Meetings exercise the powers conferred on them by the Law and deliberate under the conditions provided by the Law, it being noted that in calculating the majority, votes cast shall not include votes attaching to shares in respect of which the shareholder has not taken part in the vote or has abstained or has returned a blank or invalid vote ballot form.

The format of notices of meeting, which may be communicated electronically, and the time period for issuing such notices, are governed by the Law. The notice of meeting must set the location of the meeting, which may be the head office or any other location, and the agenda.

All shareholders, regardless of the number of shares they hold, are entitled to attend General Meetings, either in person or through a proxy, subject to providing proof of their identity and the ownership of shares, either through the registration of the shares in their name or presentation of a certificate from the accredited financial intermediary managing their share account stating the shares are unavailable until the date of the General Meeting.

These formalities must be completed at the latest by 12:00 A.M. (Paris time) on the second working day preceding the General Meeting.

A shareholder may be represented by another shareholder, their spouse or a civil law partner. A shareholder may also be represented by any individual or legal entity of their choice. In such a case, the proxy holder must provide proof of their proxy.

A shareholder who has already requested and received an admission card to attend a General Meeting may grant a proxy and be represented by another shareholder, their spouse or a partner in a civil union. A shareholder may also be represented by any individual or legal entity of their choice. In such a case, the proxy holder must provide proof of their proxy and present the shareholder's admission card to the General Meeting.

All shareholders may vote by mail by completing and sending a form to the Company in accordance with the conditions set by the Law and regulations; in order to be taken into account, this form must be received by the Company two (2) days before the date of the General Meeting.

All shareholders may also, if the Board of Directors so decides when convening the Meeting, attend and vote at General Meetings by video conference or any telecommunication means, including the Internet, enabling their identification, in accordance with the conditions and by the methods set out in prevailing legal provisions. All shareholders participating at a General Meeting by these means shall be considered present when calculating quorum and majority. This decision is communicated in the notice of meeting published in the French Legal Gazette (BALO).

Shareholders that use for this purpose, within the required time periods, the electronic voting form proposed on the Internet site set up by the Meeting's centralizing agent are deemed equivalent to shareholders present or represented. The electronic form may be completed and signed directly on the Internet site using any procedure approved by the Board of Directors and meeting the conditions defined in Article 1367 of the French Civil Code (Code Civil) and, more generally, by prevailing legislative and regulatory provisions, and notably potentially comprising a login and password.

All shareholders are entitled to receive the documents necessary to enable them to make an informed decision on the management and activities of the Company.

The types of document concerned and the conditions of their communication and availability are set by the Law and regulations.

An attendance sheet, duly initialed by shareholders and proxies present, to which will be appended the powers granted to each proxy and, where applicable, any mail voting forms, is certified correct by the General Meeting Committee.

General Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman of the Board of Directors. In their absence, the General Meeting shall appoint its own Chairman.

The duties of vote-teller are performed by the two shareholders present holding, both in a personal capacity and as proxies, the largest number of votes and who accept such duties.

The resulting General Meeting Committee appoints a secretary, who need not be a shareholder.

Minutes of the meeting are drafted and copies or extracts of deliberations are issued and certified in accordance with the Law.

3.4.3 Authorizations and delegations of authority to the Board of Directors as of the date of this document

General Meeting	Resolution	Subject	Type of security	Issue price	Ceiling	Period	Usage (U) Balance (S)
Ordinary and Extraordinary General Meeting of 12/01/2021	17th	Delegation of authority to the Board of Directors to increase the share capital of the Company through the capitalization of reserves, retained earnings or other items	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company	The Board will set the amount and the nature of the amounts to be capitalized	Par value amount of share capital increases: €22 million	26 months, or up to 02/01/2024	U: 0% S: 100%
Ordinary and Extraordinary General Meeting of 12/01/2021	18th	Authorization to be granted to the Board of Directors to trade in the Company's shares	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The maximum purchase price per share may not exceed €20 (excluding execution fees), subject to adjustments to take into account the impact of new corporate actions by the Company	Within the limit of 10 % of the share capital	18 months, or up to 06/01/2023	U: 0% S: 100%
Ordinary and Extraordinary General Meeting of 12/01/2021	19th	Authorization to be granted to the Board of Directors to reduce the Company's share capital by cancellation of own shares	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The difference between the purchase price of the shares over their par value shall be deducted from the "share premium" account or any other available reserves, including the legal reserve, on condition that this latter reserve does not fall below 10% of the Company's share capital following the reduction in capital.	Within the limit of 10% of the Company's share capital per twenty-four (24) month period	18 months, or up to 06/01/2023	U: 0% S: 100%

General Meeting	Resolution	Subject	Type of security	Issue price	Ceiling	Period	Usage (U) Balance (S)
Ordinary and Extraordinary General Meeting of 12/01/2021	20th	Delegation of authority to be given to the Board of Directors to increase the share capital by issuing shares and equity securities giving access to other equity securities or entitlement to debt securities and/or securities giving access to the equity securities of the Company and/or any subsidiary, maintaining the preferential subscription right	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The price will be set by the Board of Directors	• Nominal amount of share capital increases: €22 million • Nominal amount of bonds and other debt instruments: €250 million	26 months, or up to 02/01/2024	U: 0% S: 100%
Ordinary and Extraordinary General Meeting of 12/01/2021	21st	Delegation of authority to be given to the Board of Directors to increase the share capital by issuing shares and equity securities giving access to other equity securities or entitlement to debt securities and/or securities giving access to the equity securities, with the cancellation of the preferential subscription right, through a public offering and with an option to grant a priority right	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The price will be set by the Board of Directors and must be at least equal an amount determined in accordance with the regulations applicable on the date of issue. On this day, this amount must be at least equal to the weighted average price of the Company's share during the three trading days preceding the date on which the price is set, potentially less a maximum discount of 10%	• Nominal amount of share capital increases: €22 million • Nominal amount of bonds and other debt instruments: €250 million	26 months, or up to 02/01/2024	U: 0% S: 100%
Ordinary and Extraordinary General Meeting of 12/01/2021	22nd	Delegation of authority to be given to the Board of Directors to increase the share capital by issuing shares and equity securities giving access to other equity securities or entitlement to debt securities and/or securities giving access to the equity securities of the Company, with the cancellation of the preferential subscription right of shareholders, by way of a "private placement" as referred to in Article L. 411-2 1°of the French Financial and Monetary Code	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The price will be set by the Board of Directors and must be at least equal an amount determined in accordance with the regulations applicable on the date of issue. On this day, this amount must be at least equal to the weighted average price of the Company's share during the three trading days preceding the date on which the price is set, potentially less a maximum discount of 10%	• Nominal amount of share capital increases: €22 million • Nominal amount of bonds and other debt instruments: €250 million	26 months, or up to 02/01/2024	U: 0% S: 100%

General Meeting	Resolution	Subject	Type of security	Issue price	Ceiling	Period	Usage (U) Balance (S)
Ordinary and Extraordinary General Meeting of 12/01/2021	23rd	Authorization to be granted in accordance with Article L. 225-136 1° paragraph 2 of the French Commercial Code to the Board of Directors to set the issue price of shares, securities in the form of equity securities giving access to other equity securities or entitlement to the allotment of debt securities and/or securities giving access to equity securities, canceling the preferential subscription rights within the framework of the delegation of authority covered by the 21st and 22nd resolutions	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The issue price for ordinary shares will be at least equal to the average listed price of the Company's share weighted for trading volumes (in the central order book and excluding off-market block trades) during a period of between five and thirty consecutive trading days during the thirty trading days preceding the date on which the price is set, potentially less a maximum discount of 20%	Up to a maximum of 10% of the share capital per year at the time of the issue	26 months, or up to 02/01/2024	U: 0% S: 100%
Ordinary and Extraordinary General Meeting of 12/01/2021	24th	Delegation of authority to be given to the Board of Directors to increase the share capital by issuing shares and equity securities giving access to other equity securities or entitlement to debt securities and/or securities giving access to equity securities, with the cancellation of the preferential subscription right, in favor of a specific category of individuals	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The price will be set by the Board of Directors and must at least equal the volume-weighted average price during the twenty (20) trading days preceding the date on which the price is set, reduced if appropriate by a maximum discount of 20%	• Nominal amount of share capital increases: €22 million • Nominal amount of bonds and other debt instruments: €250 million	18 months, or up to 06/01/2023	U: 0% S: 100%
Ordinary and Extraordinary General Meeting of 12/01/2021	25th	Delegation of authority to be granted to the Board of Directors to increase the number of shares to be issued in the event of a capital increase, with or without preferential subscription rights	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	Up to a maximum of 15% of the initial issue and at the same price as that used for the initial issue, within the time limits provided for by the regulations on the day of issue	The nominal amount of capital increases decided by this resolution will be included within the overall ceiling provided for by the 29th resolution	26 months, or up to 0/02/2024	U: 0% S: 100%

General Meeting	Resolution	Subject	Type of security	Issue price	Ceiling	Period	Usage (U) Balance (S)
Ordinary and Extraordinary General Meeting of 12/01/2021	26th	Delegation of authority granted to the Board of Directors for the purpose of issuing shares or other securities through a capital increase as consideration for contributions in kind	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The Board will set the terms and conditions of offerings and/or securities as consideration for the contributions, as well as, as applicable, the amount of any cash balance to be paid, approve the grant of special benefits, and reduce, if the contributors so agree, the valuation of the contributions or the consideration for a specific benefits	• Nominal amount of share capital increases: €22 million. Within the limit of 10% of the share capital • Nominal amount of bonds and other debt instruments: €250 million	26 months, or up to 02/17/2023	U: 0% S: 100%
Ordinary and Extraordinary General Meeting of 12/01/2021	27th	Delegation of authority to the Board of Directors for the purpose of issuing securities through a capital increase in the event of a public exchange offer initiated by the Company	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.	The Board will set the terms of issue, the exchange ratio and, as applicable, the amount of the cash adjustment to be paid	• Nominal amount of share capital increases: €22 million • Nominal amount of bonds and other debt instruments: €250 million	26 months, or up to 02/01/2024	U: 0% S: 100%
Ordinary and Extraordinary General Meeting of 12/01/2021	29th	Setting the maximum amount of issues that may be carried out by virtue of the delegations of authority granted	Shares of the Company or equity securities giving access to other equity securities or entitlement to debt securities and/or securities (including notably all debt securities) giving access to equity securities of the Company.		• Nominal amount of share capital increases: €22 million • Nominal amount of issues of bonds and other debt instruments: €250 million	See the different resolutions above	See the different resolutions above

3.5 Related-party transactions

Statutory Auditors' special report on regulated agreements and commitments

General Shareholders' Meeting called to approve the financial statements for the fiscal year ended June 30, 2022

This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments with third parties that is issued in the French language and provided solely for the convenience of English speaking readers.

This report on regulated agreements and commitments should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the CLARANOVA General Meeting,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements and commitments.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such commitments and agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying other such agreements and commitments, if any. It is your responsibility, pursuant to Article R. 225-58 of the French Commercial Code (Code de commerce) to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R. 225-31 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the Shareholders' Meeting, if any.

We conducted the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement. These procedures require that we ensure that the information provided to us is consistent with the relevant source documents.

Agreements submitted for approval to the General Meeting

Agreements authorized and entered into in the fiscal year ended

Pursuant to Article L. 225-40 of the French Commercial Code, we have been informed that the following agreements were previously authorized by your Board of Directors.

AGREEMENT WITH VCR CONSEIL

Interested party	**Viviane Chaine Ribeiro, Chair of VCR CONSEIL and Director of CLARANOVA SE**
Date of effect and duration	One year from July 1, 2022, renewable by tacit agreement for one or more periods of one (1) year each.
Nature and purpose	The provision of financial and strategic consulting services to the Group
Terms and conditions	Fixed fee of €5,000 (excl. VAT) per month.
Reasons justifying the agreement	Provision of assistance and consulting services to the Company relating to (a) implementation of a transformation and development strategy with regard to ESG criteria, in particular through : (i) a study of employment-related and governance risks, (ii) updating the Company's risk map, and (iii) any actions the Parties consider necessary to develop the Company's ESG strategy, and (b) developing its investor relations.
Approval	This agreement was authorized by the Board of Directors of Claranova on June 21, 2022.
Amount	No expense was incurred under this agreement in FY 2021-2022.

Agreements authorized and entered after the end of the fiscal year

We have been informed of the following agreement, authorized and executed after the end of the fiscal year and approved in advance by the Board of Directors of your Company.

AGREEMENT WITH ELENDIL

Interested party	**Pierre Cesarini, manager of Elendil SARL and Chairman and CEO of Claranova SE.**
Nature and purpose	Operating consulting and assistance services for Claranova SE.
Terms and conditions	Fixed fee of €120,000 (excl. VAT) per year.
Reasons justifying the agreement	*The company entered into this agreement to address its specific requirements for operational consulting services.
Approval	This agreement was authorized by the Board of Directors on October 12, 2022.
Amount	No expense was incurred under this agreement in FY 2021-2022.

Agreements not previously approved

Pursuant to Articles L. 225-42 and L. 823-12 of the French Commercial Code, we hereby inform you that the following agreements have not received a prior authorization by your Board of Directors.

It is our responsibility to inform you why the procedure for authorization was not followed.

AGREEMENT WITH KEYSTONE CONSEIL

Interested party	**Xavier ROJO, in his capacity as Chairman of KEYSTONE CONSEIL and Deputy Chief Executive Officer of CLARANOVA SE from 12 August 2022.**
Date of effect and duration	Effective May 2, 2022 until the contract termination date of August 2, 2022.
Nature and purpose	The provision of consulting services to conduct an organizational audit and to address short-term daily contingencies. In addition, the Service Provider may be called upon to assist with other projects at the Customer's request. His missions shall include but not be limited to: meet the immediate financial obligations for the closing of the accounts Q3 2022; management of Group financing: management fees with the BUs, intercompany payables, group debts; audit of the Group & BU finance.
Terms and conditions	Fixed fee of €35,000 (excl. VAT) per month.
Reasons justifying the agreement	This agreement predates the appointment effective August 12, 2020 as Deputy Chief Executive Officer of the Company decided by the Board of Directors of Mr. Xavier Rojo. This agreement was justified by the Company's specific needs in the areas of finance and strategy following the resignation of Mr. Jean-Yves Quentel. It should be noted that Mr. Xavier Rojo's appointment was not anticipated when this agreement was signed and on that basis the lack of prior authorization by the Board of Directors to sign the agreement does not constitute an "omission".
Approval	At its meeting of October 12, 2022, your Board of Directors decided to authorize this agreement after the fact.
Amount	For FY 2021-2022, an expense was incurred in the amount of €70,000 (excl. VAT) under this agreement.

Agreements already approved by the General Meeting

Agreements authorized in prior periods that remained in force during the period ended

Pursuant to Article L. 225-57 of the French Commercial Code, we have been informed that the following agreements and commitments, previously approved by prior-year General Meetings, have remained in force during the year.

AGREEMENT WITH ELENDIL

Interested party	**Pierre Cesarini, manager of Elendil SARL and Chairman and CEO of Claranova SE.**
Nature and purpose	Operating consulting and assistance services for Claranova SE.
Amount	For FY 2021-2022, an expense was incurred in the amount of €50,000 (excl. VAT) under this agreement.

AGREEMENT WITH RESILIENCE LAB LLC

Interested party	**Marc Goldberg representing Resilience Lab LLC and non-voting observer (censor) of Claranova SE until August 27, 2021**
Nature and purpose	The provision of financial and strategic consulting services to the Group through Claranova Development SARL.
Amount	Until the date of the non-voting observer's resignation, this agreement resulted in an expense of €80,000 (excl. VAT) incurred by Claranova Development.

Agreements authorized in the fiscal year ended

We were also informed of the following agreements entered into during the past fiscal year, already approved by the General Meeting of December 1, 2021.

AGREEMENT WITH PIERRE CESARINI

Interested party	Pierre Cesarini, Chairman and Chief Executive Officer of your company and of Claranova Development SARL.
Date of effect and duration	From the date of Claranova Development's creation, i.e., on or about January 20, 2019, until the end of his contract, as updated following the Board meeting of September 30, 2020, by an amendment dated April 29, 2021, and then by an amendment dated January 30, 2022, to comply with the thirteenth resolution adopted by the Claranova SE's General Meeting of December 1, 2021, relating to the total annual compensation for the FY 2021-2022.
Nature and purpose	Pierre Cesarini's employment contract for his duties as Chief Operating Officer of Claranova Development SARL.
Gross annual fixed compensation	€330,000 per 12-month period starting July 1, 2021. This fixed compensation may be automatically adjusted by local authorities in accordance with the legislation in line with the applicable indexation criteria, resulting in a subsequent adjustment of the amount of fixed compensation.
Variable compensation	The gross annual bonus will be calculated in reference to the achievement of operating and earnings objectives set each year by the Claranova Development Management Board, in accordance with the decisions taken by the Board of Directors of Claranova SE, taking into consideration the Group's overall objectives, with a target amount of €430,000, which may be increased to a maximum of €516,000 should the objective be exceeded.
Termination payment	This amounts to 100% of the gross, fixed and variable compensation as well as any other indemnity and/or any other financial benefit, such as warrants and/or stock subscription warrants issued by the Company, paid to him during the last 12 months prior to the termination of his employment contract, not including paid leave in the event of termination of his employment contract by the Company. The severance payment is not payable in the event of serious or gross misconduct by Mr. Cesarini, or in the event of his resignation or termination of his employment contract under a negotiated agreement, or if he changes job within the Group. The severance payment will be multiplied by 2 if the employer expressly waives the non-competition clause referred to below.
Non-compete indemnity	Throughout his collaboration with the Company, as well as for a 12-month period after the termination of his employment contract, Mr. Cesarini is prohibited from accepting any job or activity, in any form whatsoever, likely to compete with the Company's businesses, on whatever basis this may be. In exchange for complying with the non-compete clause, once his employment contract ends, Mr. Cesarini will receive a monthly allowance during the period to which the non-compete clause applies, equal to 100 % of the gross, fixed and variable compensation as well as any other indemnity and/or as any other financial benefit that he received in the 12 months prior to the termination of his employment contract, not including paid leave.
Travel allowance	During the term of the contract and for the purposes of his duties, a gross fixed annual travel allowance of €15,000.
Incidental expenses allowance:	In the event of termination of this Agreement resulting in definitive departure for any reason whatsoever, Mr. Cesarini shall, at the Company's first request, return all of his electronic equipment in consideration of which the Company shall pay him a monetary indemnity of €1,500.
Repetitive expenses and fixed allowance	The Company will cover, on presentation of supporting invoices, certain expenses up to a maximum of €55,000 per year or €80,000 when the employee shares a residence with spouse, as well as a fixed allowance of €1,500 per month or €3,000 if the employee shares a residence with a spouse who has no professional activity.
Reasons justifying the agreement	The conclusion of this agreement by the Company is motivated by the particular needs of the Company and the qualifications of Mr. Cesarini for the position he will occupy. It is concluded in the interest of the Company due to Mr. Cesarini's perfect knowledge of the Company and its areas of activity.
Approval	This agreement, previously authorized or amended by Claranova's Board of Directors on January 8, 2019, September 30, 2020 and September 30, 2021, has been amended to comply with Resolution 13 approved by the AGM on December 1, 2021.
Amount	For FY 2021-2022, the application of this agreement resulted in a total expense incurred by Claranova Development SARL in the amount of €897,515.84 to which is added €20,561.18 in employers' contributions.

Paris and Paris-La Défense, October 31, 2022

The Statutory Auditors

French original signed by:

APLITEC

Marie Françoise Baritaux Idir

Ernst & Young Audit

Jean-Christophe Pernet

4

Risk factors

Three main categories of risk factors are presented below: business risks, governance risks and financial risks. Based on consultation with the Group's line and staff management, these are considered to represent the main risks. The risks thus identified were then reviewed by the Group level Risk Assessment Committee. Comprised of members of the Finance, CSR, Legal, Communications, Operations and Data Protection departments, this Committee meets in an advisory capacity on an annual basis to review risk assessments.

For each category, risks are listed in descending order of importance, based on the average assessments given by each member of the Committee. The criticality of risks is based on their probability of occurrence and their potential negative impact on the business. This assessment takes into account all mitigation measures already in place at Group level ("net risk").

Only the risks considered material and specific to the Group as of the date of this document are presented below. Investors should be aware that the Company may be exposed to other risks, currently or in the future, not identified in this document. The risk factors presented in this section cover risks borne by both Claranova SE as the parent company and the Group. Unless otherwise specified, these risks apply to all Group companies.

4.1 Business-related risks

4.1.1 Cybersecurity

Description of the risk	Risk management systems
Claranova's three business divisions have developed around the technological content of its products and brands. The Group's IT systems are a cornerstone of both its technological capital and its commercial leadership. The number of cyberattacks has risen dramatically, cyberterrorism is emerging, computer viruses are multiplying, and the COVID-19 pandemic has led to the growth of remote access through telecommuting, thus increasing the risk of unauthorized access. Reflecting the technological dimension of the Group's activities, the Group is naturally exposed to potential cyber risks. A successful attack could lead to a temporary or permanent disruption of the Group's activities and adversely affect its revenues and earnings.	To limit such risks, the Group's cybersecurity specialists have implemented prevention and detection procedures. Group teams are regularly informed about these risks and are provided with training in best practices in this area. In addition, Claranova is covered by a specific insurance policy for cyber security risks. Finally, the Group's total exposure in this area is limited by the fact that Claranova's three businesses operate in different IT environments. The controls in place and associated safeguards minimize but do not eliminate the risk of cyberattacks and intrusion. A serious incident could trigger a fall in activity or a loss in confidence by stakeholders.

4.1.2 Data protection and security

Description of the risk	Risk management systems
As part of its B2C activities, Claranova collects personal data from its customers. This data helps Claranova more effectively meet customer needs while also contributing to innovation and business development. The protection of this data, in accordance with the regulations in force, and in particular the provisions of the European General Data Protection Regulation (RGPD), are a guarantee of confidence which is vital for the Group's reputation. A data breach could result in harm to victims, loss of confidence by all stakeholders, litigation and fines.	To limit this risk, the Group continually works on ensuring the reliability of its solutions and systems, has adopted a data protection policy that complies with regulations and regularly monitors the effectiveness of this policy. Several procedures, such as intrusion tests, monitoring attempted intrusions and vulnerabilities, supervised by the various business line IT security teams and by the Group DPO, ensure heightened vigilance for the security of data entrusted to the Group by its customers.

4.1.3 GAFAM strategy and traffic acquisition

Description of the risk	Risk management systems
For companies operating in the digital sector, risks linked to the dominant positions of the web giants, Google, Apple, Facebook, Amazon and Microsoft (GAFAM) must be constantly managed. The Claranova Group's photo printing, software publishing and distribution activities are strongly tied to the purchase of traffic, particularly *via* Google, Bing and Facebook. Any change in the business practices of the suppliers could adversely affect these activities. Indeed, Internet traffic disruptions or the blocking of the advertising accounts of the activities in question would limit the Group's ability to acquire new customers and in consequence increase their revenues. The software publishing and distribution businesses are also impacted by download rules set by Google (Chrome) or Microsoft (Edge / Internet Explorer / Windows Defender). A block on downloading software sold by Group entities would have a direct impact on Claranova revenue and its reputation.	To reduce these risks, Claranova diversifies its commercial partners as much as possible. This has been an integral part of the Group's strategy for several years. Each of the Group's businesses monitors the market on an ongoing basis to anticipate changes in the strategy of the industry's major players and constantly innovates to adapt their practices to these changes and develop new customer acquisition channels.

4.1.4 Market conditions

Description of the risk	Risk management systems
Market conditions can impact demand temporarily as well as for longer periods. For example, during the COVID-19 crisis, consumers displayed a strong appetite for photo printing, which in turn led to an increase in PlanetArt's business. Such changes in demand may impact the business models of the Group's businesses.	For that reason, trends are constantly monitored and the Group's offering is adapted in response. Business diversification also contributes to mitigating this risk.

4.1.5 Competitive innovation

Description of the risk	Risk management systems
Claranova operates in competitive markets characterized by rapidly changing technology and frequent launches of new products and services. Some of Claranova's competitors may have more technological and development resources than the Group. In addition, new competitors may exert competitive pressure based on new technologies. For example, for mobile printing applications, established competitors in the personalized products printing sector such as Shutterfly® or Cewe® are able to deploy significant marketing and technical investments. New competitors could exercise pressures on prices and lead to a reduction in the Group's market share as well as the volume of repeat business should some customers switch two competing offers. In the software publishing and distribution sector, the Group operates in a mature market where powerful competitors are willing to invest considerable amounts in marketing in order to achieve market dominance. In the IoT division, the Group has a number of large competitors (PTC, ATOS, IBM, Software AG) seeking to position themselves in this buoyant emerging market, each with their own specific approach (custom products, services, etc.) and considerable financial resources. The Group's revenues and financial performance could be adversely affected.	To address these risks, the Group's different business lines continuously monitor the competition and analyze market developments to anticipate changes in the competition's policies, the emergence of new technologies and new business models. The Group regularly introduces innovations to satisfy customer expectations and to maintain and increase its market share.

4.1.6 Macroeconomic and political situation

Description of the risk	Risk management systems
The current situation of the world economy and the various conflicts in progress could jeopardize the Group's growth. Specifically, products sold by Claranova which are mainly destined for the consumer market represent non-essential products. The pressure on household budgets resulting from an unfavorable economic climate could result in lower revenue for the Group's business lines.	Claranova's global dimension as reflected by its geographical presence, diversified business portfolio and a worldwide customer base in the tens of millions represent strengths that mitigate the impacts of crises of this nature. The company's recurring revenue business models and digital profile provide additional structural ramparts that limit the impacts.

4.1.7 Product development

Description of the risk	Risk management systems
The Group's different business lines develop systems and applications for their customers or for their operational needs. These developments are driven by a project-based approach. Non-optimized development processes could prevent the Group from developing products and services that meet market expectations, thus adversely affecting the Group's business and results.	To address this risk, Claranova Group's development teams apply a rigorous system for monitoring the progress of projects. Quarterly roadmaps are divided into development plans assigned to the project managers and reviewed on a regular basis. In addition, given the Group's highly diversified portfolio of products and services, a delay or quality issue experienced by a given project would not affect the other activities and products offered to clients.

4.2 Governance risks

4.2.1 Key persons

Description of the risk	Risk management systems
Claranova's success depends largely on the involvement and expertise of its managers and qualified employees. The departure of one or more members of the management team of the Group or its subsidiaries could result in the loss of know-how and weaken certain activities, a less realistic medium- and long-term strategic vision and deficiencies in execution that could impair the Group's ability to implement its strategy, in addition to temporary uncertainties that could potentially impact the share price. Additionally, the Group would need to recruit new executives and qualified operational managers to develop its activities, in a highly competitive global context. The Group's inability to attract and retain key employees could affect its overall ability to attain its objectives and therefore have an adverse impact on its business, results, financial position, development and outlook.	To mitigate this risk, the Group has implemented employee motivation and retention measures in the form of performance-based variable compensation and awards of securities and other rights granting access to the share capital. For further details, see Note 25.2 of Chapter 2 of this document.

4.2.2 Management succession plan

Description of the risk	Risk management systems
Claranova's Chief Executive Officer is Mr. Pierre Cesarini. Should the Group's Chairman and Chief Executive Officer be temporarily or permanently prevented from performing his duties, certain activities or processes could be adversely affected and the resulting uncertainty could impact on the Company's share price.	To address this risk, the Group introduced measures for BU managers and will formalize a management succession plan. A key person insurance policy is in the process of being set up.

4.3 Financial risks

4.3.1 Integration of activities acquired through mergers and acquisitions

Description of the risk	Risk management systems
The Group's strategy is partly based on acquisitions. The inherent risks vary according to the size, activity and location of the acquired company. These include successfully integrating the company and its products, the retention of existing teams and customers, and the ability to develop synergies and business opportunities.	Acquisitions are an integral part of the Group's corporate culture. The Group has in consequence developed the ability to identify the risks and opportunities associated with investment projects and to ensure the proper integration of teams, the deployment of synergies and the control of integration costs. Furthermore, these investment projects concern companies based in markets where the Group has historically operated, namely Europe and the United States.

4.3.2 Liquidity risks

Description of the risk	Risk management systems
The Group's ability to repay its debt is directly linked to cash flows generated by the PlanetArt and Avanquest businesses. In consequence, an abrupt interruption in the growth of these activities or a sudden and significant deterioration in their profitability could adversely affect the Group's ability to make repayments and its debt.	The Group applies a prudent approach to managing liquidity risk which involves maintaining sufficient cash and the availability of funding through appropriate credit facilities. The Group had cash of €100 million as of June 30, 2022. Borrowings and other financial liabilities totaled €171 million. As a result, the Group's net debt at June 30, 2022 remained low at €71 million. Amounts available immediately or almost immediately are largely sufficient to cover borrowing repayments and operating requirements during the next twelve months.

5

Information on the Company and its share capital

5.1 Information on the Company

5.1.1 Corporate name, trading name and head office

The corporate name of the Company is "Claranova".

The Company's website is: http://www.claranova.com

Claranova's head office is located at:

Immeuble Adamas, 2, rue Berthelot, 92400 Courbevoie, France, Telephone: +33 1 41 27 19 75

5.1.2 Legal form

Claranova is a European Company (Societas Europaea) with a Board of Directors, governed notably by the provisions of Book II of the legislative and regulatory sections of the French Commercial Code relating to commercial companies and economic interest groups. It has a share capital of €45,990,070.

5.1.3 Trade and Companies Register – Activity Code and LEI

The Company is registered in the Nanterre Trade and Companies Register under number 329 764 625. The Activity Code, corresponding to the Company's new Articles of Association, is 7010Z "Head office activities". The legal entity identifier (LEI) is 969500P3RUS57W9Z9Z70.

5.1.4 Date of incorporation and term

The Company was incorporated on May 28, 1984. The Company's term was extended to 99 years by a decision of the Extraordinary General Meeting of December 13, 2018, i.e. to May 28, 2083.

5.1.5 Fiscal year

Each fiscal year has a term of 12 months starting on July 1 and ending on June 30.

5.2 Articles of Association

5.2.1 Corporate purpose (Article 2 of the Articles of Association)

Pursuant to Article 2 of the Articles of Association the corporate purpose of the Company is to:

- *buy, subscribe, own, manage, sell or contribute shares or other securities of any entities;*
- guide businesses in which the Company invests, by actively participating in implementing the Group's policy and overseeing its subsidiaries;
- *provide any human resource, IT, management, communication, finance, legal, marketing and purchasing services and advice to its subsidiaries and direct or indirect equity interests;*
- act as a group finance company and, as such, provide all types of financial assistance to entities within the Group to which the Company belongs;
- take part, by any means, directly or indirectly, in any transactions potentially relating to its corporate purpose, notably by creating new companies, through acquisitions, contributions, mergers or otherwise in any existing or future entities, or by entering into any type of commercial contract; acquisition, use or transfer of any processes, trademarks or patents related to these activities;
- and, more broadly, carry out any and all industrial, commercial, economic, financial, civil, securities or real estate transactions related directly or indirectly to the corporate purpose or any similar, related or complementary purpose.

5.2.2 Governance bodies

Information relating to the governance bodies is presented in Section 3.1 of Chapter 3 "Corporate governance" of this document.

5.2.3 Rights, privileges and restrictions associated with each category of existing shares (Articles 11 and 23)

The voting right attached to shares is proportional to the share capital represented by those shares. At General Shareholders' Meetings, each share (excluding treasury stock) carries the right to one vote.

The Extraordinary General Meeting of June 7, 2017 decided, in accordance with Articles L. 225-123 and L. 22-10-46 of the French Commercial Code, to grant double voting rights:

(i) to fully paid-up Company shares which can be proved to have been registered in the name of the same shareholder for at least two years;

(ii) as well as to registered shares allocated as bonus shares to a shareholder, in the event of a capital increase by capitalizing reserves, profits or issue premiums.

As of September 30, 2022, there were a total of 47,648,309 exercisable voting rights of which 2,571,886 shares were with double voting rights.

Article 11 – Rights and obligations attached to shares:

11.1 – *Each share confers entitlement to the profits, Company assets and liquidation bonus in proportion to the percentage of capital it represents and shall confer the right to one vote.*

A share also gives the holder a right to vote or be represented at General Shareholders' Meetings, to be informed on the Company's progress and to receive certain Company documents at times and under conditions specified by legislation and the Articles of Association.

In accordance with Article L. 225-123, paragraph 3, of the French Commercial Code, a voting right equivalent to twice that attributed to other shares is attributed as of right to:

- *fully paid-up shares for which it is established they were registered in the name of the same shareholder for at least two years;*
- *registered shares allocated to a shareholder, in the event of a capital increase by capitalizing reserves, profits or issue premiums, by reason of existing shares held by the shareholder that bear this entitlement.*

Double voting rights expire immediately for any registered shares converted to bearer shares on the transfer of ownership. However, if the transfer of ownerships results from succession, the dissolution of the joint property of spouses, or gift to a spouse or person in line of succession, double voting rights do not lapse and there is no interruption in the required period of two years. This is also the case in the event of a transfer following a merger or de-merger of a shareholder company.

11.2 – Shareholders are liable for corporate liabilities only up to the limit of their contributions.

The rights and obligations attached to the shares remain attached thereto irrespective of the holder.

Shareholders are automatically bound by the Articles of Association and by any decisions of the General Meeting.

11.3 – *Whenever it is necessary to own a certain number of shares in order to exercise any right whatsoever, the owners who do not possess the required number of shares must personally see to the pooling and, possibly, the purchase or sale of the necessary number of shares.*

In accordance with the provisions of Article 23 of the Company's Articles of Association, if the financial statements for the year approved by the General Meeting show distributable profit as defined by law, the Meeting shall determine whether this profit is to be allocated to one or more reserve accounts and whether it is to be carried forward or distributed. Following the approval of the accounts by the General Meeting, any losses shall be carried forward to be charged against profits of subsequent years until extinction.

Article 23 – Appropriation and distribution of profits:

In accordance with the Law, amounts are transferred to reserves from the profits of each year less prior losses. *Five percent (5%) is withdrawn to form the legal reserve fund.*

This obligation remains in force until the reserve amount equals one tenth of the share capital and resumes when, for any reason, the reserve amount falls below this fraction.

Distributable profits shall consist of net income for the fiscal year less prior year losses and amounts transferred to reserves pursuant to the Law or the Articles of Association, plus retained earnings.

Distributable profits are at the disposal of the General Meeting, which may, in part or in full, carry them forward, allocate them to general or special reserves or distribute them to shareholders, without distinction of category.

The General Meeting may decide to distribute sums withdrawn from reserves that are at its disposal. In such case, the decision shall expressly state the reserve accounts from which the amounts have been withdrawn.

Following the approval of the accounts by the General Meeting, any losses shall be entered in a special account to be charged against profits of subsequent fiscal years until the losses are cleared.

Share dividends shall be paid at the times and in the places determined by the General Meeting or the Board of Directors within a maximum period of nine months as of the year-end. This period may be extended by a court order.

5.2.4 Modification of shareholders' rights

Shareholders' rights as they appear in the Company's Articles of Association can only be modified by the Extraordinary General Meeting of the Company. Any increase in the commitments of shareholders must be decided under the terms and conditions and in accordance with the methods provided by law.

5.2.5 Clauses likely to have an impact on the control of the Company

The Company's Articles of Association do not contain any measures that would permit the delay, deferment or prevention of a change in control.

5.2.6 Provisions regarding the crossing of thresholds

Where an individual or corporate shareholder, acting alone or in concert, comes to own, directly or indirectly, within the meaning of Articles L. 233-7 et seq. of the French Commercial Code, one percent (1 %) or more of the share capital or voting rights, this shareholder must, on crossing this threshold and each additional threshold of one percent (1 %) of the share capital and voting rights, provide the Company the information set out in Article L. 233-7 of the French Commercial Code, and notably the total number of shares, voting rights and securities granting future access to shares to be issued and related voting rights held.

In determining these thresholds, account will also be taken of shares and/or voting rights held indirectly and shares and/or voting rights equivalent to shares and/or voting rights owned as defined by the provisions of Articles L. 233-7 and L. 233-9 of the French Commercial Code. This information must be sent to the Company's head office by registered letter with return receipt requested, within five (5) stock market days from the acquisition date of the shares or voting rights resulting in the crossing of one or more thresholds.

In the event of failure to comply with the provisions of this Article, at the request recorded in the minutes of the General Meeting of one or more shareholders with combined holdings representing at least five percent (5%) of the Company's share capital or voting rights, the shares or voting rights not disclosed within the above period will be deprived of voting rights. This sanction will apply for all General Meeting of the shareholders during a two-year period from the date on which the failure to disclose is rectified.

The above reporting obligation similarly applies when the amount of share capital and/or voting rights held falls below a one percent (1%) threshold.

During the fiscal year, Claranova was informed of the following four notifications of the crossing of thresholds:

- an ownership threshold under the Company's Articles whereby Aviva PLC notified the Company on October 5, 2021 of having crossed below the 1% threshold subsequent to the sale of its French business on September 30, 2021;
- an ownership threshold under the Company's Articles whereby Aviva Investors France SA notified the Company on October 4, 2021 of having crossed above the 1% threshold subsequent to the exit of the Avia plc group on September 30, 2021;
- crossing an ownership threshold under the Company's Articles whereby DNCA Finance notified the Company on May 23, 2022 having crossed above the1% threshold and holding 599,631 shares;
- the crossing of a legal threshold by the concert parties comprising of the Assouline Family Trust, The Dadoun Family Trust and 6673279 Canada Inc. and Mr. Eric Gareau reporting to the company on November 4, 2021 that on October 29, 2021 it crossed above the threshold of 5% of the Company's capital and voting rights and holds 8.92% of the capital and 8.58% of the voting rights.

5.2.7 Rules governing amendments to the Articles of Association

The rules governing amendments to the Articles of Association are set out in prevailing legislation. The latest proposals to revise the Company's Articles of Association were adopted by the Extraordinary General Meeting on December 17, 2020.

5.3 Share capital

As of the filing date of this document, the share capital stood at €45,990,070 divided into 45,990,070 shares of the same class with a par value of €1 each, all entirely subscribed and fully paid up.

There are no specific provisions in the Articles of Association regarding the modification of the share capital or the voting rights associated with the securities that comprise it.

Please refer to Section 5.4.1 below regarding the distribution of the share capital and voting rights.

5.3.1 Changes in share capital since the beginning of the period

Date	Transaction	Number of shares issued	Par value	Number of shares comprising the share capital	Share capital amount
07/01/2021	**Opening share capital**		**€1**	**39,728,654**	**€39,728,654**
08/13/2021	share capital increase [1]	2,142,857	€1	41,871,511	€41,871,511
11/03/2021	share capital increase [2]	4,100,000	€1	45,971,511	€45,971,511
11/16/2021	share capital increase [3]	18,559	€1	45,990,070	€45,990,070
06/30/2022	**CLOSING SHARE CAPITAL**		**€1**	**45,990,070**	**€45,990,070**

(1) Capital increase in cash
(2) Capital increase by a contribution of assets
(3) Exercise of stock options

5.3.2 Other securities granting access to the share capital

Information relating to the other securities granting access to the share capital, either under currently active restricted stock unit, stock option, share subscription warrant or convertible bond plans, is presented in Note 25.2 in Chapter 2 of this document.

5.3.3 Pledging of share capital

To the best of the Company's knowledge, there are no pledges, guaranties or collateral affecting Claranova's share capital.

5.3.4 Securities not representing share capital

As of the date of this document, the Company has not issued any securities that do not represent share capital.

5.3.5 Information about and terms of any acquisition rights and/or obligations oversubscribed but unpaid capital or about any undertaking to increase the capital

None.

5.3.6 Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option

Roger Bloxberg and Todd Helfstein (the respectively Chief Executive Officer and Chairman of PlanetArt LLC) own shares in the capital of PlanetArt LLC with no voting rights though with financial rights and a conversion option, exercisable in the event of a potential liquidity event or the departure of these directors under certain terms and conditions. For further information, please see Note 33.1 in Chapter 2 of this document.

The subsidiary myDevices Inc. set-up a stock option plan for its managers and employees (see Note 25.2 in Chapter 2 of this document).

myDevices Inc. has undertaken to grant share subscription warrants to a commercial partner; the number of the warrants is dependent on payments made by this partner to myDevices. For further information, please see Note 25.2 in Chapter 2 of this document.

On July 1, 2018, Claranova completed the acquisition of the Adaware, SodaPDF and Upclick businesses. The shares of these companies was held by Avanquest Canada Inc., a company owned by Avanquest Software SAS (parent company of the Avanquest segment). Under the terms of this acquisition, preferred shares have been issued to the vendors and the M&A intermediary. The ratio for the conversion of the preferred shares into Avanquest Software SAS shares was fixed at 64.09% on June 30, 2019. These preference shares were convertible at any time. The shares were converted on October 29, 2021. The shareholders have finally sold the stake thus acquired in Avanquest Software SAS on October 30, 2021. See Note 3.1.2 in Chapter 2 of this document.

The subsidiary Avanquest Software SAS set-up a stock option plan for one of its managers (see Note 25.2 in Chapter 2 of this document).

5.3.7 Share buyback program

Under the terms of its 18th resolution, the Combined General Meeting of the shareholders of December 1, 2021 (the "General Meeting") authorized the Board of Directors to implement, for a period of 18 months from the meeting date, a share buyback program for the Company's shares in accordance with the provisions of Articles L. 225-206 et seq. of the French Commercial Code, Articles L. 22-10-62 et seq. of the French Commercial Code, Articles 241-1 to 241-7 of the AMF General Regulation and the provisions of the European regulations applicable to market abuse, replacing the previous authorization granted by the Extraordinary General Meeting of December 17, 2020.

The objectives of the share buyback program are to facilitate the following transactions:

- maintaining an orderly market in the company's shares under a liquidity contract entered into with an investment services provider that complies with the Conduct of Business Rules recognized by the AMF,
- the grant or sale of shares to employees and/or corporate officers of the Company or affiliated companies, under the terms and according to the methods provided by law, and notably with respect to the French statutory profit-sharing scheme;
- the retention of shares and their subsequent remittance in payment or exchange for future acquisitions, mergers, demergers or contribution transactions, occurring at the level of the Company or, where allowed by applicable regulation, of the companies that it controls;
- their use in any transaction to hedge the Company's commitments involving financial instruments notably covering changes in the Company's share price;
- the delivery of shares on the exercise of rights attached to securities granting access, immediately or in the future, by redemption, conversion, exchange, presentation of a warrant or any other means of awarding Company shares, and the performance of all hedging transactions relating to the issue of such securities, under the terms stipulated by the market authorities and at the times the Board of Directors sees fit;
- the cancellation of some or all of the shares through a share capital reduction (notably for the purpose of optimizing cash management, return on equity or earnings per share);
- the implementation of any market practice accepted or that may be accepted by the AMF and, more generally, carrying out of any transaction complying with prevailing regulations.

5.3.7.1 Terms and conditions of the share buyback program

The Ordinary General Meeting decided the maximum purchase price per share shall not exceed €20 (excluding execution fees), subject to adjustments to take into account the impact of new corporate actions by the Company, and notably in the event of a change in the par value of the share, a share capital increase by capitalizing reserves, a restricted stock unit award (attribution gratuite d'actions), a stock split or reverse stock split, a distribution of reserves or any other assets, a share capital redemption, or any other transaction impacting the share capital, within the limit of a maximum amount which may be paid by the Company in connection with this authorization equal to €22,000,000.

Claranova may acquire a maximum of 10% of the share capital. The number of shares that may be purchased by Claranova with a view to their retention and subsequent remittance in payment or exchange in connection with a merger, demerger or contribution, may not exceed 5% of its share capital. The buyback authorization was granted for 18 months, i.e. until June 1, 2023, subject to the adoption by the next General Meeting of a new buyback authorization that would render the current authorization ineffective.

5.3.7.2 Liquidity or share buyback contracts

Claranova (the "Group" or the "Company") entered into a liquidity contract with Kepler Cheuvreux for its ordinary shares admitted for trading on Euronext Paris, entering into effect on December 10, 2021 for a period of one year, renewable by tacit agreement.

5.3.7.3 Treasury shares

Treasury shares held by Claranova were as follows on June 30, 2022:

	Number of shares	% treasury shares	Gross carrying amount	Market value
Bearer shares	376,959	0.82%	€1,402,622.96	€1,314,832.99

Changes in treasury shares are largely attributable to the liquidity contract. Under this contract, between December 10, 2021 and June 30, 2022, 919,848 shares were acquired for 784,014 shares sold.

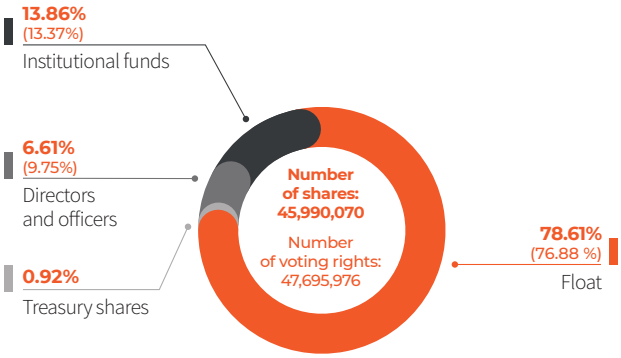
5.3.8 Employee share ownership

As of June 30, 2022, the employees of the Company, and of associated companies within the meaning of Article L. 225-180 of the French Commercial Code, held no Claranova shares under a company savings plan provided for in Articles L. 3331-1 et seq. of the French Labor Code. Likewise, no employees or former employees of Claranova held shares under a company investment fund governed by Articles L. 214-39 and L. 214-40 of the French Monetary and Financial Code.

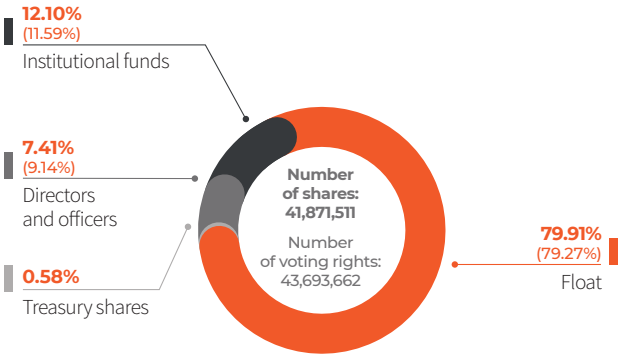
5.4 Major shareholders

5.4.1 Company shareholders

The Company's shareholder base as known at the date of this document breaks down as follows:



Percentage of capital as of September 9, 2022[1] (%)
(Voting rights exercisable as of August 31, 2022[2] in %)



Percentage of capital as of September 9, 2021[1] (%)
(Voting rights exercisable as of August 31, 2021[2] in %)

(1) *TPI (Identifiable Bearer Security) survey conducted with Euroclear.*
(2) *Date of last voting right survey.*

To the best of the Company's knowledge, no shareholder directly or indirectly holds more than 5% of the capital or voting rights other than (i) Pierre Cesarini and (ii) the concert party consisting of the Assouline Family Trust, the Dadoun Family Trust and 6673279 Canada Inc.

5.4.2 Control

On the filing date of this document, the Company is not subject to any direct or indirect control within the meaning of Article L. 233-3 of the French Commercial Code.

5.4.3 Shareholders' agreement

As part of the finalization of the buyout of the Avanquest division's minority interests, a buyout of a percentage these interests was planned in exchange for Claranova SE shares. This acquisition was accompanied by the execution of a shareholders' agreement, dated October 29, 2021, between the sellers and Claranova for a period of four years.

The main provisions of this agreement are as follows:

- continuing to hold shares in registered form, with a switch to bearer shares to avoid triggering double voting rights, for the duration of the agreement;
- a lock-up clause prohibiting the sale of shares by minority shareholders for a period of 12 months, subject to certain market exceptions;
- post lock-up period, restrictions on the sale of all the shares, with maximum sales volumes;
- the Company's right of first refusal for any sale of a minority interest representing more than 2% of the share capital.

As of November 4, 2021, the concert party declared holding 4,100,000 Claranova shares representing the same number of voting rights, i.e. 8.92% of the capital and 8.58% of the voting rights.

5.4.4 Summary of security transaction notifications

Between July 1, 2021 and the publication date of this document, the following dealings in the Company's shares (Article L. 621-18-2 of the French Monetary and Financial Code) were reported:

- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on November 18, 2021 (published on December 10, 2021). Mr. Francis Meston on that basis sold 18,210 shares on the market at a price of €4.71 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on November 29, 2021 (published on December 1, 2021). Mr. Francis Meston on that basis sold 23,417 shares on the market at a price of €4.71 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on November 30, 2021 (published on December 1, 2021). Mr. Francis Meston on that basis sold 11,223 shares on the market at a price of €4.72 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on December 09, 2021 (published on December 13, 2021). Mr. Francis Meston on that basis sold 18,210 shares on the market at a price of €4.71 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on December 14, 2021 (published on December 15, 2021). Mr. Francis Meston on that basis sold 7,600 shares on the market at a price of €4.69 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on December 15, 2021 (published on December 16, 2021). Mr. Francis Meston on that basis sold 9,158 shares on the market at a price of €4.58 per share.

- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on December 17, 2021 (published on December 20, 2021). Mr. Francis Meston sold 4,500 shares on the market at a price of €4.71 per share, 4,320 shares on the market at a price of €4.73 per share, 3,500 shares on the market at a price of €4.81 per share, 2,150 shares on the market at a price of €4.76 per share, 2,200 shares on the market at a price of €4.79 per share, and 2,500 shares on the market at a price of €4.76 per share
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on December 20, 2021 (published on December 21, 2021). Mr. Francis Meston sold 5,000 shares on the market at a price of €5.24 per share, 3,500 shares on the market at a price of €4.84 per share, 6,000 shares on the market at a price of €4.85 per share and 2,400 shares on the market at a price of €4.85 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on December 21, 2021 (published on December 22, 2021). Mr. Francis Meston sold 8,200 shares on the market, at a price of €5.46 per share, and 7,000 shares on the market, at a price of €5.31 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on December 22, 2021 (published on December 24, 2021). Mr. Francis Meston on that basis sold 9,700 shares on the market at a price of €5.21 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on December 23, 2021 (published on December 24, 2021). Mr. Francis Meston sold 6,100 shares on the market, at a price of €5.36 per share, and 5,004 shares on the market, at a price of €5.37 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on January 03, 2022 (published on January 04, 2022). Mr. Francis Meston on that basis sold 4,000 shares on the market at a price of €5.64 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on January 04, 2022 (published on January 04, 2022). Mr. Francis Meston sold 7,000 shares on the market, at a price of €5.52 per share, and 4,500 shares on the market, at a price of €5.53 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on January 06, 2022 (published on January 10, 2022). Mr. Francis Meston sold 2,300 shares on the market, at a price of €5.41 per share, and 5,000 shares on the market, at a price of €5.43 per share.
- Mr. Francis Meston, member of the Board of Directors, notified the AMF of a transaction completed on January 20, 2022 (published on January 24, 2022). Mr. Francis Meston on that basis sold 4,668 shares on the market at a price of €6.035 per share.

5.5 Dividend policy

The Company has never paid dividends on its shares. Pursuant to the policy it communicated at the time of its IPO, the Company continues to reinvest its profits in order to finance its growth and does not plan to pay dividends in the short term. This position may nevertheless be re-assessed annually.

5.6 Items likely to have an impact in the event of a public offer

The terms and conditions of the June 2018 ORNANE bond issue provide for prepayment of the bondholders in the event of a change of control of Claranova SE. In the case of a public offering, a request by the ORNANE bondholders for the repayment of all or part of their bonds would have a material impact on the Group's cash position.

The terms and conditions of the August 2021 OCEANE bond issue provide for prepayment of the bondholders in the event of a change of control of Claranova SE, and for early conversion by the bondholders specifically in the event of a takeover bid. In the case of a public offering, a request by the OCEANE bondholders for the repayment of all or part of their bonds would have a material impact on the Group's cash position.

In addition, certain commercial and financial agreements concluded by the Company, or certain Group companies include provisions provide for their termination in the event of a change in control. The provisions of these agreements, and indeed for some, their mere existence, are covered by confidentiality agreements whose violation would likely have a serious impact on the Company's interests due to the risk resulting from their termination for default. Nevertheless, in the case of a public offer, these items should have a relatively small impact.

5.7 Market for the security

5.7.1 General information

- ISIN code: FR0013426004.
- Listing market: Euronext Paris – Compartment B
- Number of shares listed as of June 30, 2021: 45,990,070.
- Closing price as of June 30, 2022: 3,488 euros
- Market capitalization as of June 30, 2022: €160 million.
- Initial listing on the Nouveau Marché of the Paris Bourse on December 5, 1996.

Share buyback program

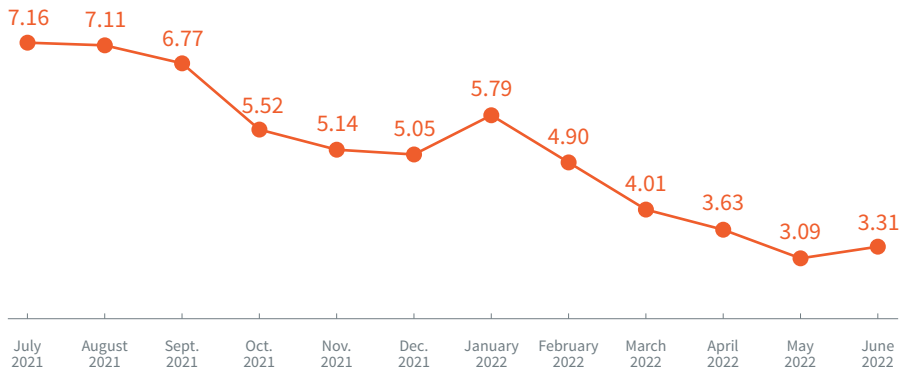
Information relating to the share buyback program is presented in Section 5.3.7 of this document.

5.7.2 Share price trends during the fiscal year

Month	Trading volume	Average price *(in €)*	High *(in €)*	Low *(in €)*
July 2021	4,822,656	7.16	7.85	6.67
August 2021	4,203,730	7.11	7.93	6.40
September 2021	3,599,913	6.77	7.40	6.17
October 2021	5,714,312	5.52	6.08	5.08
November 2021	3,990,907	5.14	5.51	4.59
December 2021	5,451,047	5.05	5.85	4.03
January 2022	5,315,919	5.79	6.46	5.15
February 2022	5,859,819	4.90	5.66	3.94
March 2022	5,697,069	4.01	4.57	3.21
April 2022	3,318,448	3.63	4.14	3.15
May 2022	5,047,682	3.09	3.44	2.72
June 2022	3,405,251	3.31	3.75	2.86

Source Euronext.

AVERAGE PRICE PER MONTH FOR THE YEAR
(in €)



Source : Euronext.

6

Group Corporate Social and Environmental Responsibility

This non-financial report sets out Claranova's responsible approach towards all its internal and external stakeholders.

It presents, in particular, the non-financial risks facing Claranova with regard to its business model presented in Chapter 1 of this document, and the related policies, approaches and performances. In this respect, it meets the requirements set out in Order No. 2017-1180 of July 19, 2017 and Decree No. 2017-1265 of August 9, 2017 introducing a Non-Financial Statement (NFS), as detailed in Articles L. 225-102-1 and R. 225-105 et seq. of the French Commercial Code (Code de commerce).

In addition to providing information on major non-financial risks, it also describes Claranova's approach to its key corporate, social and environmental responsibilities (CSR), i.e.:

- those which are most important to its stakeholders;
- those with the greatest impact on the Group's business.

For these risks and challenges, Group Management has selected data and indicators that are published in this report, taking account of their relevance and effectiveness in reporting on the Group's CSR approach. They are reassessed annually and on changes in the Group's scope.

In light of the nature of Group's activities, management does not monitor the following CSR areas: food wastage, food insecurity, tax evasion, animal well-being, responsible, equitable and sustainable food practices and the circular economy.

6.1 Our responsibility

6.1.1 Our CSR approach

Strong growth and high societal expectations

Claranova has remained faithful to its values as a responsible corporate citizen despite the unprecedented market backdrop marked by the war in Ukraine and the marketing challenges experienced by the PlanetArt division. Revenue of €474 million was driven by a diverse business portfolio and the agility and expertise of its teams.

This responsibility increases as the Group continues to grow and in line with stakeholder expectations. To support its growth, Claranova has developed a structured approach to Group CRS.

Developing a Group CSR approach

Claranova applies a CSR approach designed to generate growth and profitability that can be shared with stakeholders. Since 2019, the organization of Claranova's CRS approach at the Group level has involved:

- analyzing its CSR risks (See Paragraph 6.1.2);
- developing new CSR key performance indicators;
- creating CSR guidelines and a reporting tool;
- creating and mobilizing a network of CSR officers.

Claranova is committed to ongoing progress in its CSR approach. The Group will continue to strengthen CSR governance practices by developing new policies and deploying action programs, focusing in particular on environmental issues and vigilance.

6.1.2 Our CSR risks

Major CSR risk identification methodology

In 2020, Claranova created a CSR Risk Assessment Committee comprised of members from the Finance, CSR, Legal, Communications, Operations and Data Protection departments. In 2020, this Committee developed the CSR risk assessment method and map which was updated in 2021. In 2022, this risk map was re-validated in accordance with the revised Group risk map.

The two scales for rating respectively the severity of impacts and their frequency of occurrence are based on quantitative and qualitative assessment criteria. Each scale comprises four levels. The severity rating scale includes impacts on:

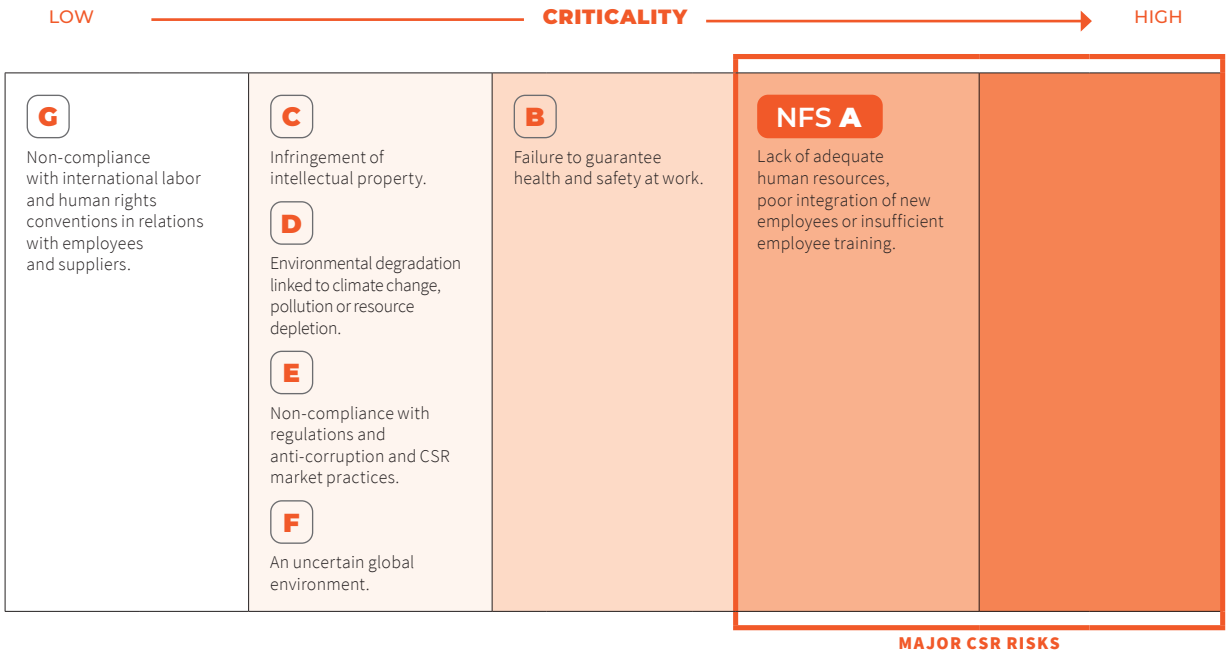
- financial results and the Group's ability to finance its activities;
- customer relations and the impact on revenue;
- human capital and the impact on employee engagement;
- relations with stakeholders and the costs of remediation or repairs.

The Committee established and updated a list of CSR risks based on an analysis of Group businesses, the publicly reported risks within its competitive universe, its business model and its interactions with stakeholders. The Committee also ensures consistency between the respective universes of Group (See Chapter 4 of this document) and CSR risks. Committee members then produced a description and analysis of each risk: its nature and potential manifestations, factors relating to Claranova's business model and the Group's relations with stakeholders, its potential impacts for the Group and its stakeholders and the probability and frequency of occurrence. They also took into account existing policies and processes in the Company that could help control some or all of the risk or its consequences for the Group and its stakeholders.

Finally, the Committee has updated the method for rating net CSR risks with respect to impact and frequency for Claranova and its stakeholders. The development of this rating was based on a consensus building approach. In the event of diverging conclusions for short, medium and long-term timeframes, or depending on the assessment criteria, the Committee took a prudent approach by adopting the highest rating. In 2021, Claranova included risks related to the protection of IT systems and personal data protection in the Group's risk map (See Chapter 4 of this document).

The CSR Risk Assessment Committee will meet annually to update the CSR risk mapping.

CSR risk mapping



Claranova's rating system identified one major CSR risk:

NFS A **Lack of adequate human resources, poor integration of new employees or insufficient employee training.**

Presentation of risks

[Risk A]: Lack of adequate human resources, poor integration of new employees or insufficient employee training.

Claranova's employees are its prime creators of value. Their technical and managerial expertise, impressive execution capacity and collective commitment are Claranova's most important asset. It is their capacity to innovate and take new technologies forward, both operationally and competitively that drive Claranova's growth and profitability.

Claranova is attentive to the risks of insufficiently skilled and motivated employees. The development of its three divisions requires technical experts and talented managers able to keep pace with the Group's accelerated growth. During the remote working period it was difficult to integrate and train new employees. During such periods, new balances between private and work life and individual and collective activities must be developed accompanied by a long-term assessment on new working methods. A slowdown in the development of human resources (employee recruitment, integration, training and retention) or in individual or collective employee commitment or motivation would have an adverse effect on Claranova's earnings in the short to medium term. All stakeholders would be affected by a decrease in Group growth.

[Risk B]: Failure to guarantee health and safety at work

Claranova's teams of highly competent and committed professionals are its most important asset. Guaranteeing their health and safety is therefore a key priority for the Group. A failure in this major area would be detrimental to the Group. Given the marginal place of product manufacturing in Claranova's activities, the main health and safety risks primarily concern burnout, stress or musculoskeletal disorders. Claranova's growth is a product of the individual and collective efforts of its employees. A serious health or safety incident would adversely affect their well-being, motivation and commitment to the common project and, in so doing, reduce Group's growth momentum.

[Risk C]: Infringement of intellectual property

Claranova owns strong brands and intangible assets created by its IT developers and underpinning its growth in new markets and new regions. For that reason it is attentive to the risk of misappropriation of its brands or violation of its intellectual property rights. An infringement of the Group's intellectual property rights could lead to litigation while the fraudulent misappropriation of software could result in a loss in sales.

[Risk D]: Environmental degradation linked to climate change, pollution or resource depletion

Claranova is fully aware of the risks of climate change, environmental pollution and resource depletion which currently concern all human activities and monitors developments in this area. The Group also considers that environmental responsibility provides an opportunity for innovation and growth. The Group's environmental impacts mainly relate to photo printing and the production of personalized products by third-party partners and their delivery. Poor control over these impacts would damage both Claranova's image and its commercial development and would likely trigger a loss in interest or even the rejection of Claranova by its stakeholders.

[Risk E]: Non-compliance with regulations and anti-corruption and CSR market practices.

Due to its international dimension and growth across all its markets, Claranova is exposed to the risk of corruption and failure to meet its corporate, social and environmental responsibilities (CSR), like any other company. A failure would lead to a loss in confidence by third parties, adversely affect Claranova's image and generate potential remediation costs.

[Risk F]: An uncertain global environment

Claranova does not exclude the materialization of a risk of a natural disaster, a health crisis or political upheaval. Such crises affect the private life and health of its employees and customers in addition to having a financial and stock market impact for the Group. However, Claranova's business model is largely based on office activities, without manufacturing.

[Risk G]: Non-compliance with international labor and human rights conventions in relations with employees and suppliers

Due to its global presence, Claranova does not exclude the risks of failure to comply with rules for protecting human rights or good labor law practices, and particularly cases of discrimination, contrary to its wishes and despite policies in place. This would result in the violation of the dignity and fundamental rights of the victims which could negatively impact the Group's image and stakeholder confidence.

NFS TABLE

Business model	CSR risk mapping	Main CSR risks	Reasonable policies and procedures	Performance indicators
See Section 1.1 of this document	Major CSR risk identification methodology (See paragraph 6.1.2 of this document) CSR risk mapping (See paragraph 6.1.2 of this document)	Lack of adequate human resources, poor integration of new employees or insufficient employee training. NFS A	Employment (See paragraph 6.2.1 of this document) Training and career support (See paragraph 6.2.2 of this document)	Total workforce (See paragraph 6.2.1 of this document) Number of training hours (see section 6.2.2 of this document) Average number of training hours per employee (See Paragraph 6.2.2 of this document)

See the tables of cross-references provided at the end of this document.

6.2 Being a responsible employer

The Claranova group can only succeed with the support of all the employees of its subsidiaries. Its employees are in consequence among its most valuable assets. And by promoting their personal growth as stakeholders in the Company's long-term project, it also contributes to the Group's success. In this regard, Claranova Management is convinced that good working conditions, skills and career development, recognizing talent, fair treatment, and equal opportunity are vital to the success of the Group's strategic plan. These practices are vectors for the innovation, responsiveness, reliability and expertise that benefit our customers.

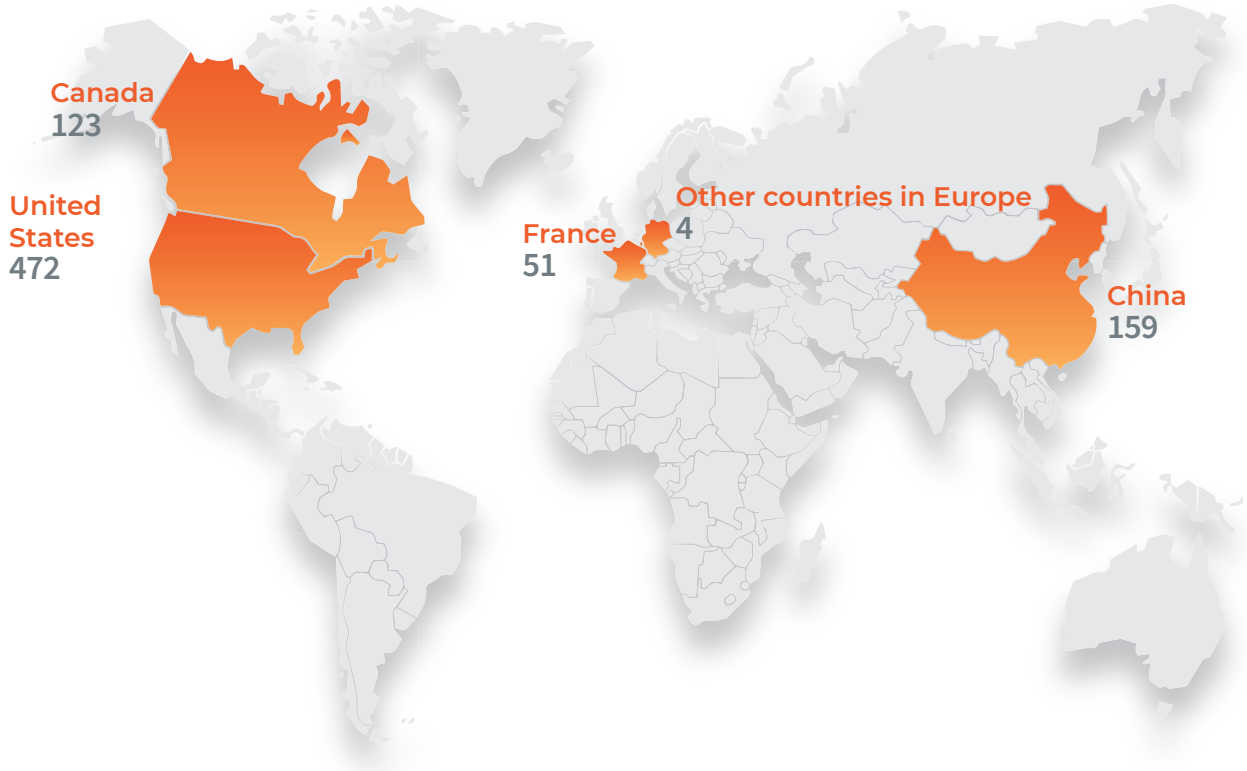
6.2.1 Employment, integration and recruitment for diversity NFS A

Employment

The number of employees at the end of June 2022 rose slightly (+ 1.9%) in relation to the end of June 2021.

The personalized e-commerce business experiences a sales peak during the end-of-year holiday season (Thanksgiving, Halloween, Black Friday, Christmas) and large numbers of temporary staff are hired to help the Company provide the best customer service possible.

GEOGRAPHIC BREAKDOWN



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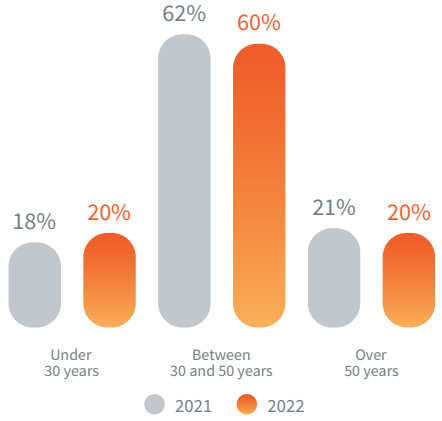
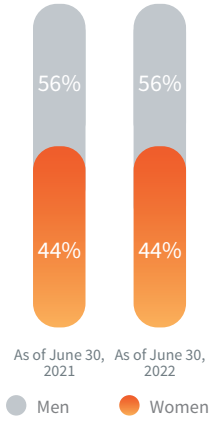


GENDER EQUALITY



TOTAL HEADCOUNT

Working hours

Widespread home working from spring 2020 due to the COVID-19 pandemic is not included in the FY 2019-2020 and FY 2021-2022 key performance indicators.

A proper use of mobile tools helps achieve a good work-life balance. These tools help to improve the quality of life at work by giving workers more flexibility in the management of their schedules.

One out of four employees of the Group currently works on a remote basis. In Germany for example the subsidiary allows all employees to work from home one day a week. In Canada, senior executives and management exercising team leadership responsibilities are able to work remotely three days a week while their teams are able to work remotely as much as they like while encouraged to maintain in-person contacts so important to ensuring a shared corporate culture. Finally, in France working from home on a periodic basis is a widespread practice, while some employees even work remotely full-time.

KEY PERFORMANCE INDICATORS (EXCLUDING WIDESPREAD RECOURSE TO REMOTE WORKING IN FY 2019-2020 AND FY 2021-2022 DUE TO COVID-19)

	FY 2019-2020	FY 2020-2021	FY 2021-2022[1]
Employees working part time	1%	2%	1%
Employees working from home	8%	5%	25%
• Employees working from home full time	6%	4%	10%
• Employees working from home part time	2%	1%	15%

(1) Scope: all subsidiaries except the American entity myDevices

The 20 point increase in remote working in one year reflects the adoption of the Remote Working Charter in France and remote working practices in the US and Canada.

As in previous years, part-time work remains marginal (1% of the workforce).

Except for compliance with national regulations, there are no standardized practices concerning overtime and work performed on weekends or statutory holidays. Local managers are encouraged to avoid overtime, except in exceptional cases.

Diversity

Fair treatment and equal opportunity are fundamental values for the Group. Claranova does not tolerate any inequality of treatment based on discrimination, in accordance with the French Labor Code[1]. By cultivating diversity, the Group creates value and fosters innovation.

Over and above compliance with regulations, Claranova promotes measures in favor of:

- parenthood and gender equality;
- intergenerational transmission of know-how;
- integration and continuing employment of people with disabilities.

The Group also promotes the complementarity of cultures. This is essential for Claranova, which, as a French company with an international presence, earns more than 90% of its revenue outside France. Group entities favor expertise and development potential on recruitment to encourage team diversity.

Each year, the Group's Board of Directors confirms continued action in these priority areas. Systems are implemented in the subsidiaries, in line with local expectations and challenges.

Parenthood and gender equality

Claranova supports parenthood and promotes gender equality. The Group does not tolerate stereotypes which continue to exist in the digital sector. In a climate of confidence between the Company and its employees, Claranova integrates parenthood imperatives in the organization of work time. The ability to occasionally work from home, for example, is explicitly proposed as a way of improving the work-life balance. In accordance with French regulations, maternity and paternity are not an obstacle to promotion. Quite the contrary, Claranova recognizes that one of its duties is to support parenthood by ensuring that promoted staff are able to assume their roles as parents. Claranova is also attentive to strengthening the role of women through recruitment. 44 % of our employees are women.

Intergenerational transmission of know-how

Claranova Group has developed and maintained know-how in all its areas of activity for many years: a precise understanding of all digital technology sectors (Software, Photo printing, Internet of Things), an ability to innovate in any technological sector, with new products, services and technologies, as well as the ability to implement a variety of different models, by finding the right business model, from a new concept. Through their organization and collaborative working methods, Claranova's teams are committed to transferring their know-how, particularly to the younger generation, through work-study programs and apprenticeships across all areas of activity. As an example, Claranova in France has five to six trainees on a permanent basis.

Integration and continuing employment of people with disabilities.

Claranova's disability policy promotes job integration and the continuing employment of people with disabilities, in compliance with the legal requirements applicable in the countries where the Group's subsidiaries operate.

In France, for example, job offers expressly indicate the policy of non-discrimination in employment for people with disabilities.

For several outsourced services, the Group's head office calls on sheltered-sector or job-integration companies. The annual office cleaning collects computer equipment and data storage devices. This equipment is either recycled or securely destroyed by a disabled-friendly company committed to sustainable development. Paper collection and recycling is also managed in part by job-integration companies. Moreover, for many years now, the packaging of certain products distributed or produced by Avanquest Software in France has been chiefly handled by a work-based support organization (ESAT).

(1) *Pursuant to Article L. 1132-1 of the French Labor Code: "No individual may be excluded from a recruitment process or denied access to an internship or training period in a company, and no employee may be sanctioned, dismissed or be the subject of discriminatory measures, directly or indirectly, as defined in Article 1 of French Act°2008-496 of May 27, 2008 concerning various measures to adapt community law designed to combat discrimination, notably in terms of compensation, within the meaning of Article L. 3221-3, profit-sharing or share-based compensation, training, reclassification, posting, qualification, classification, professional promotion, transfer or contract renewal based on their origin, gender, customs, sexual orientation, gender identity, age, family situation or pregnancy, genetic profile, a particular vulnerability resulting from their economic situation, apparent or known to the perpetrator, actual or assumed affiliation/non affiliation with a specific ethnic group, nation or race, their political opinions, union or mutualist activities, elective office, religious convictions, physical appearance, their family name, place of residence or bank account, or because of their state of health, loss of autonomy or disability, or ability to express themselves in a language other than French."*

6.2.2 Training and career development NFS A

Training

The personal qualities of our employees, their ability to innovate and execute are the Group's main growth drivers. Operating in a constantly changing technology sector, for Claranova employee training and skills development at its subsidiaries represent priorities. Each person deploys its own training approach founded on a dual objective: considering each employee as an actor in his or her own career path and sharing the internal knowledge and strategic vision of each subsidiary.

Claranova encourages each employee to take a proactive approach to training. This means that each employee must take the initiative in submitting their training requests to be formulated on a day-to-day basis or during individual annual evaluations. Meetings are held monthly between Avanquest Management and employee representatives in France and a specific meeting focusing on the economic and social database, including the training plan, is organized annually.

Avanquest in France assessed its employees' needs with respect to training in FY 2021-2022 to guide future training programs and promote the development of skills and employability.

In Canada, employees are regularly invited to "lunch & learn" sessions to share their knowledge. These lunches cover a range of subjects, from management to strategy. Internal seminars are also proposed throughout the year by Group experts. In addition, half a dozen workshops are held each year by external experts. New recruits participate in personalized welcome session tailored to their job. All employees are encouraged to follow e-learning courses throughout the year to acquire new or maintain existing expertise. Finally, employees can request external training courses adapted to their requirements.

KEY PERFORMANCE INDICATORS

	FY 2019-2020[1]	FY 2020-2021[1]	FY 2021-2022
Number of training hours	850	880	1,746
Average number of training hours per employee	4.43	4.71	9.81

* *Restated data.*
Adjusted scope: all subsidiaries except the United States and China.

In FY 2021-2022, the number of training hours has nearly doubled. This increase reflects the resumption of the training program in Canada and France after a two-year interruption caused by the health crisis, as well as an acceleration of existing programs.

Career development

In these constantly changing digital and technology sectors, Claranova seeks to conserve the excellence of its employees and attract new talent, both young and experienced, to support its growth. For that reason, Claranova proposes attractive career opportunities and encourages employees to design their own career development projects and paths for advancement within their subsidiary. In this same spirit, at the Group level, Claranova supports internal promotions, personalized career paths, annual performance reviews and the creation of clearly documented job descriptions.

6.2.3 Health and safety at work

Occupational health and safety prevention

Health, safety and quality of life at work are a priority for Claranova, with protecting its employees a constant concern. The Group adopts a preventive approach as part of its responsibility to employees and its belief in the effectiveness of precautionary measures.

Management of the Group's subsidiaries have identified the main health hazards to which employees are exposed. They concern workstations, the use of screens and office activities and mainly include stress, psychosocial risks and musculoskeletal disorders.

Committees have been set up in France and the United States to prevent these risks. In Germany, they are monitored by a health and safety officer.

Claranova is committed to preventing psychosocial risks. Management encourages all employees to contribute to the Group strategy and seeks to ensure they have the necessary resources to accomplish their role.

A health insurance plan is offered to full-time employees in all Group subsidiaries.

In Canada, Claranova provides employees access to the services of an external company that proposes an integrated approach to mental, physical, social and financial well-being. Each employee is entitled to five sessions per year with a psychologist, lawyer, psychotherapist, dietician, etc. Sports memberships are also reimbursed according to a flat rate amount.

In France, identified stress factors include the fast pace of the Group's growth, working with subsidiaries in different time zones, the quantity of information processed and the workload. Claranova takes these factors into account individually and with compassion. Following the COVID-19 pandemic, Claranova in France sought to facilitate its employees' return to the workplace by placing an emphasis on achieving a healthy work-life balance. Developed in partnership with its employees, this Charter on the right to disconnect, seeks to ensure that rest and vacation time are respected, the proper balance between professional, personal and family life is maintained and employee health is protected. To this purpose, it defines working hours and periods for disconnection, issues recommendations to prevent information overload, defines the employer's commitment and employee awareness initiatives and establishes a whistleblowing right.

France resumed fire safety and first aid training in 2022, after being interrupted the last two years by the pandemic. Avanquest in France also intends to develop a training program to combat harassment.

KEY PERFORMANCE INDICATORS

	FY 2019-2020	FY 2020-2021	FY 2021-2022
Workplace accident frequency rate	1.72	0	0

Frequency rate (FR) = (number of accidents/hours worked) x 1,000,000.

Resilience and pandemic and health crisis prevention measures

In response to the COVID-19 pandemic, Claranova continued to encourage remote working, adopted physical distancing practices and preventive measures in office areas in accordance with government recommendations: mask wearing, ventilation, disinfecting doorknobs and desks, etc.

Nearly all business travel was eliminated or postponed during lockdown periods and in the months that followed. The subsidiaries accompanied these measures with additional support for their employees.

6.2.4 Employee relations and compliance with conventions

Promotion of social dialog

Claranova undertakes to encourage freedom of association and promotes social dialog taking into account the interests of all its subsidiaries' employees. Led by the human resources teams at local level, social dialog aims to respond as best as possible to the needs of employees, while complying with regulations, laws and local culture.

In France and Germany, formal meetings are held with employee representatives at the legally required intervals. For example, regular meetings are held in France between the Social and Economic Committee (SEC) and Management, offering meaningful interactive sessions during which all issues may be examined and discussed. A collective agreement, covering the organization of working time and professional equality, was signed in December 1999, in compliance with French law on employee representation.

In Canada, employees can access a confidential and anonymous web platform. They are invited to freely share their opinion on all issues they consider important.

PlanetArt and Avanquest North America in the United States and China do not report to the Group on freedom of association and social dialogue.

Compensation and employee shareholding

In FY 2021-2022, the Group payroll (salaries and bonuses, excluding employer social security contributions and expenses relating to share-based payments) amounted to €62.8 million. To promote employee commitment and motivation, individual wage increases are based on annual performance appraisals for each employee.

In France, Avanquest moved to overhaul of its compensation policy and structure in FY 2021-2022 to ensure consistent pay scales and pay equity for all employees and between men and women.

Restricted stock unit (actions gratuites) and stock option grants were introduced to motivate and build commitment in employees worldwide. In this way, a certain number of the Group's employees are shareholders of the Company or one of its subsidiaries.

6.3 Having a positive social impact

As a global Internet company, Claranova facilitates access to technologies by offering solutions that combine innovation and ease of use. The Group has a positive impact on society through the quality of its solutions and the services it provides, for example in the areas of prevention and personal security by means of connected sensors. Claranova is also responsible for ensuring the security of personal data entrusted to it.

6.3.1 Simple and secure digital access

Innovation: a service for our customers and a benefit to society

Claranova implements an innovation policy to monitor market developments and customer needs. These innovations promote employment and social benefits with a focus on four categories:

- **Creation of new** products tailored to customer needs;
- **Incremental or breakthrough innovation.** Products are constantly improved in line with changes in Claranova's highly competitive markets and new services are created;
- **development of new models.** Claranova was notably behind a major breakthrough when it proposed the digitalization of photo printing and then developed smartphone access to this service.
- **Innovation in marketing and selling.** In the software business for example, the percentage of digital sales has increased from 10 % to 80 % in 10 years. Solutions previously sold primarily in stores can now be purchased together with maintenance contracts on a SaaS (Software as a Service) or PaaS (Platform as a Service) basis.

Claranova is also constantly innovating to improve its control of social media as well as constantly changing search engine algorithms and to develop its cross-selling techniques.

Accessibility and safety: the social benefits of our solutions

With more than 500 software products available in up to 16 languages, Avanquest is one of the world's 10 leading consumer software developers. Avanquest designs simplified functionalities, offers wide price ranges and optimizes the functionality/price ratio of its software in order to make its solutions available to all, individuals, freelancers and small businesses.

It also helps extend the life of computers by providing a range of utility solutions to update and maintain IT tools. Antivirus software protects users and their personal data. Avanquest is also developing an innovative solution to protect Internet users that includes microphone and camera control, VPN and a priori reporting of potentially malicious Internet sites.

Finally, Avanquest helps its customers learn how to use the software. The customer support service identifies customers with potential installation problems who are contacted directly to propose solutions. Numerous tutorial videos are shared with customers, both embedded in products or posted on social networks. The customer support service shares tips and best practices for using the software on social networks, on the Avanquest blog, the software's built-in chat functionality, and through private messaging in response to user requests.

The Group's IoT business constantly proposes new applications through its unique platform, myDevices, compatible with over 450 different connected devices. Among the current infinite uses, the majority present a recognized societal and environmental benefit. They improve consumption monitoring, product quality and the reliability of installations and much more. The IoT division's innovation also focuses on the myDevices platform itself, which Claranova wants to keep as scalable and secure as possible. In the Avanquest division, several software and services provide a line of defense against IT pirates, cyber-threats and malware, or increase the security of online payment systems.

Personal data protection

Protecting personal data is a top priority for Claranova. On that basis, the Group implements compliance and personal data protection measures for its customers and employees in all its subsidiaries.

All subsidiaries address these issues with the support of a Data Protection Officer (DPO) located in France. This DPO works directly with the compliance and IT security managers as well as well as with the local Data Protection Coordinators (DPC) to ensure the Group's compliance with the General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA).

In different countries where the Group operates the DPO is assisted by a network of specialized lawyers to monitor regulations and compliance issues and provide regulatory guidance. The DPO performs technology and legal intelligence functions to ensure continuing compliance with the latest regulations and make them known within the Group.

The Group's IT charter integrates the issue of personal data protection. Since FY 2020-2021, all Claranova employees receive training and personal data protection as it relates to their respective areas. To confirm that the video module available online was correctly understood a questionnaire is validated.

The Group continues to audit software and websites for compliance with European and international privacy policies. The Group also continues to audit certain subcontractors to verify their compliance with the GDPR.

The DPO contributes to implementing Binding Corporate Rules (BCR) designed to help subsidiaries apply common methodologies and procedures for processing and protecting personal data.

Finally, the subsidiaries are continuing to roll out their own roadmaps.

- intrusion tests on Group websites using payment systems;
- grouping together and encrypting their databases containing personal data in Europe for European residents;
- pooling personal data security tools in coordination with IT security, and sharing them throughout the Group to harmonize tools and methods;
- encryption for all communications/internal and external storage of personal data;
- informing employees of their rights regarding personal data protection.

In addition, the GDPR dedicated hotline team answers questions about personal data processing from private individuals within regulatory time periods (less than 30 days).

In FY 2022-2023, Claranova will maintain its efforts to ensure the effective control, security, auditing and transparency of its users' and employees' data.

KEY PERFORMANCE INDICATORS

	FY 2019-2020	FY 2020-2021	FY 2021-2022
% of subsidiaries with a Data Protection Coordinator (DPC)	80%	80%	80%
% of subsidiaries covered by the GDPR risk mapping	100%	100%	100%
% of customer inquiries concerning personal data	2%	3%	0.38%

The percentage of customer requests for personal data was reduced tenfold this year after introducing tools allowing customers to delete their own data without requiring the intervention of support teams.

6.3.2 Fair practices and anti-corruption measures

Claranova and its managers are committed to preventing all forms of corruption and influence peddling in its commercial operations. Group management is implementing an anti-corruption program to anticipate and detect acts of corruption and influence peddling in France and other countries in accordance with Article 17 of the French Sapin II law[1]. Due to its rapid development and growth in recent years, Claranova group is only recently subject to these regulations.

In FY 2020-2021, Claranova developed its **corruption and influence peddling risk map**. Specific maps, for the head office and for each business unit, were produced by Claranova's Executive Management, the Legal Department, managers and employees on the basis of interviews and questionnaires. These cover on this basis all Group businesses, geographic areas and procedures.

Local analysis of gross and net risks focused on around 15 potential corruption instruments and controls with respect to implementation were assessed including notably gifts, invitations, facilitation payments, sponsoring activities, charitable works, favors on recruitment or the selection of service providers and suppliers, acts of corruption and influence peddling performed by intermediaries, joint venture or consortium partners, contracts with multiple obligations, royalties, discounts and rebates, free gifts and sales, sales with right of return or repayment, merger-acquisition transactions and financial instruments. This took into account various quantitative data.

The risk map made it possible to develop remediation plans capable of being adapted to the level of residual risk This risk map will be regularly updated.

Claranova continued to develop an Anti-Corruption Code of Conduct and an internal whistleblowing system, in accordance with the recommendations of the French Anti-Corruption Agency (AFA). The Code of Conduct is intended to provide a general framework for all Group employees on issues related to corruption, with specific and illustrative examples specifically designed to help develop a concrete understanding of the issues. The internal whistleblowing system will also ensure that each Group employee has a secure and independent framework to report any incident of corruption within the Group.

6.3.3 Regional, economic and social impact of the Company's business activities

Outsourcing and supplier relations

Claranova Group's main suppliers are printers, software developers and logistics service providers.

Claranova gives preference to local suppliers whenever possible, particularly for general purchases. The Group also wishes to gradually incorporate environmental and social criteria in the selection of suppliers and service providers.

In France, for many years now, Claranova has called on the services of ESAT Suzanne Lawson, a sheltered-work organization managed by the Association des Papillons Blancs des Rives de Seine. This organization, which employs people with disabilities, performs a large amount of packaging work for Avanquest Software. The Group's head office also outsources the recycling of its IT equipment (computers, magnetic media, batteries, etc.) to the sheltered services company, APR2, and the collection and sorting of its other equipment to Tricycle Environnement, a recycling company promoting inclusion and the return to employment. This year, the relocation of its French headquarters resulted in the collection of 20 tons of furniture for recycling, reuse or renovation, in addition to the regular recycling of waste and supplies. The partnership between Claranova's French headquarters and Tricycle Environnement provided 193 hours of work experience to four workers from the social and solidarity economy.

(1) *Article 17 of Law No. 2016-1691 of December 9, 2016 on transparency, the fight against corruption and the modernization of the economy, also known as the Sapin II law.*

Supporting community-based organizations and local education

As an engaged corporate citizen, Claranova concretely contributes to the regions where it operates through partnerships with the community-based organizations.

In France, this year' s annual solidarity budget was allocated to the Abbé Pierre Foundation to combat homelessness and the CARE Foundation for humanitarian aid in Ukraine.

In Canada, Claranova is a member of the Children's Dream Foundation and each year, its subsidiaries fundraise in order to help children suffering from cancer realize their dreams. Avanquest has also supported the Cancer Research Society.

6.4 Limiting our environmental footprint

6.4.1 Managing the environmental impact of our business

The service activities provided by Claranova group subsidiaries have a limited direct impact on the environment, compared to industrial activities. On the other hand, technological innovation reduces, in certain activities, the environmental impact of products, their logistics chain or the activities of its customers.

In the medium-term, Claranova's goal is to develop a Group environmental policy in order to harmonize the practices of its subsidiaries in the area of responsible sourcing, manufacturing and shipping.

Climate change – Carbon footprint

Like all companies, Claranova has a duty to combat climate change. While its greenhouse gas emissions remain lower than those in industrial activities, the Group is nevertheless committed to monitoring and reducing its own carbon footprint. Greenhouse gas emissions are linked to producing and shipping personalized photo products sold by the PlanetArt division. The environmental impact of this division is largely indirect and depends mainly on its subcontractors, as the majority of the production and all shipping for this activity are outsourced.

Finally, because of the Group's international dimension which requires frequent meetings and exchanges with all subsidiaries and other stakeholders, travel represents one of the main environmental impacts. To reduce the impact of such meetings, the Group has adopted several rules of conduct:

- reduce travel in favor of videoconferencing and telephone meetings; and
- where this is not possible, the preference to travel by train.

The level of CO_2 emissions is a selection criteria when renewing the vehicle fleet. No vehicles powered exclusively by fossil fuel have been ordered in the past four years, with preference given to hybrid and electrical vehicles, so henceforth the company's fleet is comprised solely of these latter vehicles. Electric car charging stations are in consequence available at the Group's headquarters.

In March 2022, the Group's French headquarters moved to new offices. Equipped exclusively with motion-sensor LED lighting, smart heating and air conditioning management, the building is HQE™ certified. This label recognizes the building's environmental performance, maintenance and upkeep and activities of its occupants. It also confirms a commitment to reduce consumption by precisely monitoring consumption and technical management of the building.

The environmental addendum to the lease for these new premises, more commonly referred to as the green lease, establishes a partnership between Claranova and its lessor to evaluate energy consumption and implement an energy savings program.

KEY PERFORMANCE INDICATORS

The travel agencies used in Europe measure the carbon footprint of each employee's business trips, and publish an annual report on CO_2 emissions:

	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022
CO_2 emissions relating to travel *(kg CO_2)*	239,000	180,000	162,000	295,000	160,000	5,000	37,000

CO_2 emissions between FY 2019-2020 and FY 2020-2021 were significantly reduced by the interruption of travel in favor of video-conferencing during the COVID-19 pandemic. This year as well, most team, board and partner meetings were held through videoconferencing.

Energy consumption, energy efficiency and the use of renewable energy remain a key challenge for Claranova. Fluctuations in energy consumption depend largely on the air conditioning used in the server room. It is not possible to monitor this metric on a global basis. At this stage, each subsidiary adopts its own measures and tracks its own indicators.

Other environmental impacts of our activities

The Group does not produce or sell any toxic products. Moreover, the services provided are located in offices, with very limited risks in this regard. Most of the Group's environmental impacts are indirect, generated by subcontractors who manufacture and distribute the products of the PlanetArt division.

At this stage, the Group has no formal environmental policy and has not taken any steps towards environmental certification. No site-specific or consolidated data are available in the absence of a centralized data collection system.

Nonetheless, Claranova monitors the environmental impact of its own activities. In this respect, the majority of the Group's servers are hosted by Amazon Web Services (AWS) or Microsoft (Azure), powered entirely from renewable energy sources. The Group also attaches considerable importance to the environmental impact of its suppliers during the selection process, notably by giving preference to FSC® certified suppliers when the offering is available, which is the case for the majority of the paper sales by Avanquest and above all for PlanetArt's photo printing and photo album activities in Europe.

6.4.2 Factoring in the environmental impact of our activities

The Group also pays considerable attention to environmental impact when selecting suppliers, and in particular hosting service providers or printers. Because PlanetArt's production and shipping are outsourced, the environmental impact of this business is largely indirect and for the most part dependent on subcontractors. The migration of selected Avanquest software to the SaaS model means that software no longer needs to be installed on one's computer and can be operated entirely on the web. And by adopting PaaS and SaaS solutions, the customer pays only for the amount of services actually used. The number of software services leased is thus adapted to the number of users in real time. As a result, when this number decreases, so does the number of subscriptions. This means that energy consumption related to data storage and downloading remains proportional to the level of software usage. The myDevices solutions contribute to a better resource use, waste and emissions reduction and a longer equipment life. Measuring these impacts enhances the environmental management of business and is being extended to more and more activities.

Internet of Things: solutions to reduce our customers' environmental impact

The **myDevices platform,** Claranova's IoT activity, simplifies the management of connected devices for professionals. This platform is based on a catalog of **over 1,000 connected devices** produced by 175 different manufacturers. It enables companies of all sizes to connect and interact with their pool of connected devices, irrespective of the type of sensor, its manufacturers or the communication network used (LoRaWan, Sigfox, Bluetooth, 5G, NB IoT, LTE-M, etc.). The myDevices platform offers a quick and easy way to deploy an infinite range of IoT solutions in any business sector (hospitality, retail, manufacturing, chemicals, agriculture, logistics, services, etc.) or application field.

myDevices' IoT solutions and connectivity contribute to a better environmental management of economic activity and facilitate reporting of company energy data. In particular, they make it possible to monitor and analyze consumption based on activity and occupancy data, extend equipment service life, ensure the proper functioning of servers, rationalize travel, etc. These functionalities and mixed applications offer concrete environmental benefits:

- energy efficiency;
- the reduction of greenhouse gas emission;
- optimization of water consumption;
- better use of resources;
- the reduction of waste.

Occupancy measurements and presence detection capabilities ensure the accurate account of the actual occupancy of a given space (office, meeting room, etc.). This makes it possible to analyze data on consumption or define a service policy, in particular for cleaning, according to the level of use. The **occupancy measurement application** also facilitates compliance with health standards and identifies the occupancy rate of company spaces, a particularly useful feature in a period of remote working practices in order to adapt services to usage and occupancy, and to manage building operations based on data (cleaning, heating, lighting, etc.).

The **meter reading** solution provides for online metering and facilitates the declaration of consumption data on the ADEME platform. A sub-metering functionality identifies major consumption aggregates, and analyzes the consumption data with respect to data from the occupancy and luminosity sensors.

Remote real estate **management helps optimize maintenance interventions**, communicate good practices to occupants through detailed reporting, and detect leaks.

With SimplySense (temperature monitoring) a **connected cold room** allows a restaurant manager to act very quickly when there is a breakdown, preventing the loss of foodstuffs stored. In addition, food safety is improved by ensuring cold chain continuity which is more reliable than one-off or manual verifications. Monitoring the humidity and temperature of a datacenter helps prevent costly repairs or replacement of equipment in case of failure.

The **predictive maintenance of industrial equipment** gathers data on the performance of industrial equipment (such as hydraulic pumps in water treatment plants) and produces a dashboard on the state of operation of the various machines. By foreseeing breakdowns before they occur, this solution allows systems to be kept in optimal working order.

Air quality monitoring solutions (remoteaq.com) are in particular demand for public areas, such as schools. These provide real-time information on air quality and the containment level: temperature, hygrometry, rate of CO_2 and volatile organic compounds (VOCs). Through these indicators, it is possible to adopt corrective measures when necessary to ensure good air quality.

Finally, connected rodent traps placed in grain warehouses, for example, can be used to detect the rodent populations before they attain sizes that are difficult to manage, offering a **non-toxic solution of fighting infestations**.

6.5 EU Taxonomy Indicators

6.5.1 General background and scope for FY 2021-2022

In 2018, the European Commission launched the Sustainable Finance Action Plan (SFAP) establishing a framework to encourage sustainable investments in the European Union, to achieve the goals of the European Green Pact and a carbon neutral Europe by 2050. In June 2020, the European Parliament adopted Regulation (EU) 2020/852, known as the European Taxonomy, as part of this broader effort. As a company registered and headquartered in the European Union, this new regulation thus applies to Claranova. The European Taxonomy is a system for classifying economic activities according to their contribution to six environmental objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

According to Article 8 of the Climate Delegated Act formally adopted in 2021, for the first year of the European Taxonomy's application, disclosure of key performance indicators is required only for the first two objectives relating to climate change. This delegated act defines the content, required information and calculation method for the indicators associated with this disclosure. For this first year of application, indicators required are limited respectively to the percentages of revenue, capital expenditure (CAPEX) and operating expenditure(OPEX) associated with EU Taxonomy-eligible economic activities and covering FY 2021-2022 without comparative data for FY 2020-2021.

An economic activity is eligible when explicitly described in the list included at this stage in the Regulation and likely to contribute substantially to at least one of the 6 environmental objectives. Whenever these activities comply with the technical screening criteria cause no significant harm to any of the other environmental objectives and comply with the minimum social safeguards that will be defined by the European Commission, they will be considered as aligned EU Taxonomy-aligned. In accordance with the current timetable for implementing the Regulation, analysis of the proportion of Taxonomy-aligned activities will be reported at a later date, based on indicators for FY 2022-2023.

6.5.2 EU Taxonomy indicators methodology

Key methodological steps to identify eligible revenue

Among the 13 sectors listed in the first version of the EU Taxonomy, we identified two revenue generating business lines at Group level:

- Information and communication:
  - Activity 1: Data-driven solutions for GHG emissions reductions (climate change mitigation, Activity 8.2);
- Professional, scientific and technical activities:
  - Activities 2: Professional services related to energy performance of buildings (climate change mitigation, activity 9.3).

These two activities are exercised by the myDevices division. Based on the total weight of this activity in the Claranova Group's consolidated revenue (less than 1% of FY 2021-2022 consolidated revenue), these activities are deemed non-material at the Group level. The impact of these two activities on the Group's revenue will be regularly reassessed.

Main methodological steps for identifying eligible operating expenses

Operating expenses for Taxonomy-eligible economic activities include only the following types of direct costs not capitalized as assets:

- research and development;
- building renovation measures;
- short-term leases (less than one year in accordance with IFRS 16);
- maintenance and repair;
- any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the Undertaking necessary to ensure the continued and effective functioning of such assets;
- training and other human resources adaptation needs.

The other indirect costs such as general expenses, sale, marketing or administration costs, staff costs and depreciation and amortization are excluded from eligible operating expenses.

The delegated act defines three types of operating expenses to be considered as potentially eligible:

- operating expenses related to assets or processes associated with EU Taxonomy-eligible economic activities;
- operating expenses part of the capital expenditures plan to expand EU Taxonomy-eligible economic activities or allow EU Taxonomy-eligible economic activities to become Taxonomy-eligible within a predefined timeframe;
- operating expenses related to the purchase of outputs from EU Taxonomy-eligible economic activities.

As eligible economic activities are not significant at the Group level as indicated above, the assessment of EU Taxonomy-eligible economic activities has focused on those measures that may have an impact on the operating expenses mentioned above.

Key methodological steps to identify eligible capital expenditures

EU Taxonomy-eligible capital expenditures, are defined as additions to tangible and intangible assets during the year under review, depreciation, amortization and any remeasurements accounted in compliance with relevant IAS and IFRS standards.

The delegated act defines three types of capital expenditures considered as potentially eligible:

- capital expenditures related to assets or processes that are associated with EU Taxonomy-eligible economic activities;
- capital expenditures that are part of a plan to expand EU Taxonomy-aligned economic activities or allow EU Taxonomy-eligible economic activities to become EU Taxonomy-aligned within a predefined timeframe;
- capital expenditures related to the purchase of output from EU Taxonomy-eligible economic activities, and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, (…) provided that such measures are implemented and operational within 18 months.

Among the 13 sectors of the EU Taxonomy, two categories of capital expenditures have been identified as relevant:

- section 6: Transport (long-term vehicle leasing);
- section 7: Construction and real estate (long-term offices and building leasing).

6.5.3 Quantitative indicators

Eligible revenue for FY 2021-2022

Eligible revenue represents the proportion of Claranova's revenue-generating activities that are EU Taxonomy eligible (See Paragraph 6.5.2 of this Chapter).

Claranova's EU Taxonomy-eligible revenue for FY 2021-2022 is zero.

Eligible operating expenses for FY 2021-2022

Eligible capital expenditures represent the proportion of Claranova's operating expenses that are EU Taxonomy eligible (See Paragraph 6.5.2 of this Chapter).

Economic activities	**Capital expenditures** *(in € million)*	**Percentage of total capital expenditures**
A. EU Taxonomy eligible activities	0	0%
Construction and real estate	*0*	*5%*
Transport		
A. EU Taxonomy non-eligible activities	2	95%
TOTAL (A+B)	**2**	**100%**

It should be noted that these are capital expenditures in EU Taxonomy eligible activities, whether or not produced by the Group (this includes, for example, car rentals, even though Claranova does not generate transport revenues). Capital expenditures from the Group's eligible revenue-generating activities (Activities 1 and 2) for the period are not significant.

Eligible operating expenses (OPEX) for FY 2021-2022

In FY 2021-2022, total EU Taxonomy eligible operating expenses represent less than 10% of the Group's total consolidated operating expenses. For that reason, the Company has applied the materiality exemption provided for under European Taxonomy rules and chosen not to present this indicator.

6.6 Methodology

Corporate social responsibility data or non-financial indicators are reported by all Group entities (presented in note 3.2 "Scope of consolidation as of June 30, 2022" in Chapter 2 of this document) to Executive Management, which centralizes this information. In line with the Group's decentralized organization model, the data is not always consolidated as the regulations and definitions (notably for employment-related information) can vary between regions. Operational effectiveness at a local level is prioritized.

As a result of its central role and direct links with the Human Resources Department and other Operational Departments of the Geographical Entities, Group Executive Management is ideally positioned to collect and verify the data circulated by the local entities. It provides a list of the data and indicators to be supplied.

Employment-related, environmental and social data is requested from the subsidiaries each year by Group Management at the end of each fiscal year. Data consistency (compared with data from prior years and financial management data) is verified locally and then centrally.

6.7 Report of the independent third-party on the consolidated non-financial performance statement

Fiscal year ended June 30, 2022

This is a free English translation of the Independent third party's report issued of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the General Meeting,

In our capacity as an independent third party, accredited by the COFRAC under number No. 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the statutory auditors of your company (hereinafter "entity"), we conducted our work aiming at providing a conclusion expressing a limited level of assurance on the compliance of the consolidated non-financial statement for the year ended June 30, 2022 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code (Code de Commerce) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), included in the management report pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de Commerce).

Conclusion

Based on our procedures as described in the section "Nature and scope of the procedures" and the evidence we have obtained, no material misstatements have come to our attention that cause us to believe that the non-financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Comments

Without modifying the above conclusion and in accordance with the requirements of Article A. 225-3 of the French Commercial Code, we have the following comments:

The policies and action plans relating to most of the risks identified as main risks have yet to be deployed in all the Group's entities, particularly in the United States and China, which account for 74% of the workforce.

Preparation of the non-financial statement

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of the Information enables the use of different but acceptable measurement techniques that may impact comparability between entities and over time.

In consequence, the Information should be read and understood with reference to the Guidelines, the material elements of which are set out in the Statement and are available on request from the Company's head office.

Limitations inherent in the preparation of information

The Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The entity's responsibility

The Board of Directors is responsible for:

- selecting or determining the appropriate criteria for the preparation of the Information;
- preparing a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- and implementing the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by applying the Company's Guidelines as referred to above.

Responsibility of the independent third party

Based on our work, our role is to formulate a reasoned opinion expressing moderate assurance as to:

- the Statement's compliance with the provisions of Article R. 225-105 of the French Commercial Code;
- the accuracy of the historical information (observed or extrapolated) provided in accordance with Article R. 225-105 I, 3° and II of the French Commercial Code, i.e. the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

As it is our responsibility to issue an independent conclusion on the Information prepared by management, we are not authorized to participate in the preparation of the Information, as this could compromise our independence. It is not our responsibility to provide a conclusion on:

It is not our responsibility to provide a conclusion on:

- the Company's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set out in Article 8 of Regulation (EU) 2020/852 (green taxonomy), the duty of vigilance and the fight against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (green taxonomy); and tax evasion;
- compliance of products and services with applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement and acting as the verification program and with the international standard ISAE 3000 (revised)[1].

Independence and quality control

Our independence is defined in the provisions of L. 822-11 of the French Code of Commerce and the profession's Code of Conduct. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional doctrine and applicable legal and regulatory texts.

Means and resources

Our work was carried out by a team of three people between September and October 2022 and took a total of three weeks.

In the performance of this engagement, we obtained assistance from our specialists in the fields of sustainable development and social responsibility. We met with the individuals responsible for preparing the Statement representing in particular the human resources, health and safety departments.

Nature and scope of our work

We planned and performed our work taking account of the risk of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- we assessed the appropriateness of the Guidelines regarding their relevance, exhaustiveness, reliability, neutrality and comprehensibility, taking into account, where applicable, best practices in the sector;
- we verified that the Statement includes each category of social and environmental information set out in Article L. 225-102-1-III;
- we verified that the Statement provides the information required under Article R. 225-105-II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1-III, Paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks

(1) ISAE 3000 (revised) - ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented,
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. For certain risks (lack of adequate human resources, poor integration of new employees or inadequate training of employees and inadequate health and safety measures in the workplace), our work was carried out on the consolidating entity. For the other risks, our work was carried out on the consolidating entity and on a selection of entities listed hereafter: PlanetArt United States ;
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
  - analytical procedures consisting in verifying the correct consolidation of collected data as well as the consistency of changes in them,
  - substantive tests, based on sampling or another means of selection, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. This work was carried out on a selection of contributing entities listed above and covers 60% of the consolidated data selected for these tests (60% of the workforce);
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed for a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine whereas a higher level of assurance would have required more extensive audit work.

Paris-La Défense, October 28, 2022

Independent third party

Ernst & Young et Associés

Christophe Schmeitzky

Partner, Sustainable Development

Appendix 1: Most important Non-Financial information

Employee information	
Quantitative information (including key performance indicators	**Qualitative information (measures and outcomes)**
Number of employees • Breakdown by gender • Breakdown by age • Employees working from home (partial and total) • Number of training hours • Hours worked • Number of lost-time accidents • Number of occupational diseases • Number of lost days due to workplace accidents	Measures implemented for the employment and recruitment of employees - Training program for Canadian employees - Measures relating to health and safety at work

Social information	
Quantitative information (including key performance indicators	**Qualitative information (measures and outcomes)**
• Percentage of subsidiaries with a Data Processing Coordinator (DPC) • Percentage of subsidiaries covered by the GDPR risk mapping • Percentage of customer inquiries concerning personal data	Personal data protection roadmap and measures implemented

7

Additional information

7.1 Persons responsible for the original French language version of the Universal Registration Document

7.1.1 Person responsible for the original French language version of the Universal Registration Document

Pierre Cesarini,

Chief Executive Officer, Chairman of the Board of Directors

Claranova

Immeuble Adamas

2, rue Berthelot, CS 80141

92414 Courbevoie Cedex, France

Tel.: +33 (0)1 41 27 19 75

7.1.2 Responsibility statement

I hereby certify that the information contained in this document is, to the best of my knowledge, true to fact and does not contain any omissions likely to affect its import.

I certify, to the best of my knowledge, that the financial statements have been prepared in accordance with applicable accounting standards and are a true representation of the assets, the financial position and the income of the Company and all the companies in the Group, and that the report on Corporate Governance, contained in this document as set out in the concordance tables on pages 203 to 206, provides a true representation of the business' development, the income and the financial position of the Company and all undertakings included in the consolidation taken as a whole and a description of the main risks and uncertainties to which they are exposed.

I obtained a letter from the Statutory Auditors at the end of their engagement indicating that they have verified the information concerning the financial position and financial statements presented in this document and have read the entire document.

Courbevoie, October 31, 2022, France

Pierre Cesarini

Chief Executive Officer, Chairman of the Board of Directors

7.1.3 Persons responsible for the financial information

Pierre Cesarini,

Chief Executive Officer, Chairman of the Board of Directors

Claranova

Immeuble Adamas

2, rue Berthelot, CS 80141

92414 Courbevoie Cedex

Tel.: +33 (0)1 41 27 19 75

Xavier Rojo

Deputy Chief Executive Officer with responsibility for Group administration and finance

Claranova

Immeuble Adamas

2, rue Berthelot, CS 80141

92414 Courbevoie Cedex

Tel.: +33 (0)1 41 27 19 75

7.2 Persons responsible for auditing the financial statements

7.2.1 Principal Statutory Auditors

Ernst & Young Audit

Tour First. 1/2, place des Saisons, 92400 Courbevoie.

On expiry of the term of office of Ernst & Young et Autres, the Combined Shareholders' Meeting of November 29, 2018 appointed Ernst & Young Audit for a term of six fiscal years ending at the close of the Ordinary General Meeting called to approve the financial statements for the year ending June 30, 2024. Ernst & Young Audit previously served as Statutory Auditor from 2006 to 2012 and Ernst & young et Autres previously served as statutory auditor from 2013 to 2018.

Ernst & Young Audit is represented by Jean-Christophe Pernet. The company is a member of the Association of Chartered Accountants of Versailles.

Aplitec

Les patios Saint-Jacques. 4-14, rue Ferrus, 75014 Paris.

Appointed on February 12, 1998 for a period of six fiscal years, Aplitec's term of office was initially renewed for a period of six additional fiscal years by the Ordinary General Meeting of May 27, 2004. It was renewed a second time for a period of six additional fiscal years by the Ordinary General Meeting of July 28, 2010, and then a third time for a period of six additional fiscal years by the Ordinary General Meeting of November 30, 2016, i.e. until the close of the Ordinary General Meeting called to approve the financial statements for the year ending June 30, 2022.

Aplitec is represented by Marie-Françoise Baritaux-Idir. The company is a member of the Association of Chartered Accountants of Paris.

7.2.2 Alternate Statutory Auditors

Bruno Dechance

Les patios Saint-Jacques, 4-14, rue Ferrus, 75014 Paris.

Appointed on November 30, 2016 for a period of six fiscal years, i.e. until the close of the Ordinary General Meeting called to approve the financial statements for the year ending June 30, 2022.

7.3 Statutory Auditor fees

	Aplitec				Ernst & Young Audit			
	Amount (in €)		%		Amount (in €)		%	
	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/20210	2021/2022	2020/2021
AUDIT SERVICES (STATUTORY AUDIT, REVIEW AND CERTIFICATION OF SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS)								
• Issuer	217,998	183,324	71%	70%	351,422	204,374	56%	33%
• Fully consolidated subsidiaries	62,700	50,000	21%	19%	259,993	371,406	42%	61%
Sub-total	**280,698**	**233,324**	**92%**	**89%**	**611,415**	**575,780**	**98%**	**94%**
NON-AUDIT SERVICES								
• Issuer	12,500	18,500	4%	7%	12,436	29,400	2%	5%
• Fully consolidated subsidiaries	13,000	10,000	4%	4%		8,000	0%	1%
Sub-total	**25,500**	**28,500**	**8%**	**11%**	**12,436**	**37,400**	**2%**	**6%**
TOTAL	**306,198**	**261,824**	**100%**	**100%**	**623,851**	**613,180**	**100%**	**100%**

7.4 Auditors who resigned or were dismissed during the period covered by the historical financial information

None.

7.5 Material contracts

No major contracts, other than those signed in the normal course of business, have been signed in the two years preceding the publication of this document.

7.6 Documents available to the public

7.6.1 Availability of the Universal Registration Document

The Universal Registration Document is available at the Company's head office at Immeuble Adamas, 2, rue Berthelot, CS 80141, 92414 Courbevoie Cedex – France, as well as on the Claranova group's website at www.claranova.com. It is also available on the French Financial Markets Authority's website (www.amf-france.org).

The following documents may be consulted at the Company's head office during the validity period of this document:

- the Company's Articles of Association;
- all reports, correspondence and other documents, historical financial information, evaluations and statements prepared by experts at the request of Claranova, certain of which are included or referred to in this document;
- the historical financial information of the issuer and its subsidiaries for each of the two fiscal years preceding the publication of the Registration Document.

Pursuant to Article 221-3 of the AMF's General Regulation, all regulatory information referred to in Article 221-1 of this regulation is available on the Company's website (www.claranova.com).

7.6.2 List of press releases

Please find below a list of the press releases published online by the Company since the 2020-2021 Registration Document was made available, i.e. since October 20, 2021 (excluding monthly disclosures of the number of shares and voting rights):

10/21/2021	Claranova ranks 6th among France's TOP 250 French software publishers and 2nd in the "Retail customers" category
10/27/2021	Invitation to attend the Combined General Meeting on December 1, 2021
11/01/2021	Buyout closing for Avanquest's minority interests
11/09/2021	Q1 2021-2022 revenue:
11/29/2021	Sodexo accelerates global IoT deployments in partnership with myDevices
12/02/2021	Report on Claranova's Ordinary and Extraordinary General Meeting of December 1, 2021
12/08/2021	Claranova 2022 financial calendar
12/10/2021	Execution of a liquidity contract with Kepler Cheuvreux as part of a share buyback program
12/16/2021	Bryan, Garnier & Co initiates coverage of Claranova's stock
01/05/2022	Agreement for the phased redemption of the minority interests in PlanetArt
01/07/2022	Half-year report on the liquidity contract for the six-month period ended December 31, 2021
02/09/2022	H1 2021-2022 revenue
03/30/2022	H1 2021-2022 results
04/04/2022	Avanquest enters into a binding agreement to acquire the German software publisher, PDF Forge
05/10/2022	Q3 2021-2022 revenue:
05/25/2022	Bryan, Garnier & Co initiates coverage of Claranova
05/31/2022	The Group strengthens its governance to accelerate growth in value
07/04/2022	pdfforge GmbH becomes a division of Avanquest Software
07/06/2022	Half-year report on the liquidity contract for the six-month period ended June 30, 2022
08/05/2022	FY 2021-2022 revenue
10/10/2022	Acquisition of Scanner App LLC by Avanquest to develop a mobile offering in PDF, Security and Photo
10/12/2022	FY 2021-2022 full-year results
10/14/2022	FY 2021-2022 results - Management's confidence renewed - Replay of FY 2021-2022 results available
10/24/2022	Information relating to the General Meeting of November 30, 2022

8

Annual financial statements

8.1 Income statement for the year ended June 30, 2022

(in € thousand)	Notes	FY 2021-2022	FY 2020-2021
Net revenue	**Note 5**	**3,765**	**1,467**
Operating subsidies		0	6
Reversals of amortization, depreciation, provisions, and expense transfers		3,840	364
Other income		13	5
Operating revenue		**7,618**	**1,842**
Other purchases and external expenses		8,722	5,770
Taxes, duties and similar payments		18	29
Wages and salaries		1,102	969
Payroll tax expenses		530	437
Depreciation and amortization on non-current assets		1,516	464
Provisions for current assets		22	52
Provisions for contingent liabilities		52	15
Other expenses		356	275
Operating expenses		**12,318**	**8,011**
Net income (loss) from operations		**(4,700)**	**(6,169)**
Income from other securities and real estate loans		1,166	1,200
Other interest and similar income	**Note 6**	14,633	78
Reversals of provisions and expense transfers		2,089	286
Foreign exchange gains		1,165	61
Financial income		**19,053**	**1,625**
Amortization and charges to provisions for financial items	**Note 6**	15,420	2,775
Interest and similar expenses	**Note 6**	6,509	2,744
Foreign exchange losses		530	92
Financial expenses		**22,459**	**5,611**
Net financial income (expense)	**Note 6**	**(3,406)**	**(3,986)**
Net income (loss) from ordinary activities before tax		**(8,106)**	**(10,155)**
Reversals of provisions and expense transfers		62	424
Extraordinary income		**62**	**424**
Extraordinary expenses on management transactions		1,235	763
Extraordinary amortization, depreciation and provisions		131	17
Extraordinary expenses		**1,366**	**780**
Net exceptional items	**Note 7**	**(1,304)**	**(356)**
Income before tax		**(9,410)**	**(10,511)**
Income tax	**Note 10**	(17)	(10)
Net income (loss) for the year		**(9,392)**	**(10,501)**

8.2 Balance sheet assets as of June 30, 2022

(in € thousand)	Notes	Gross amount	Depreciation, amortization and provisions	Net 06/30/2022	Net 06/30/2021
Intangible assets		11		11	11
Property, plant and equipment		16	4	12	7
Equity interests	Note 11	189,352	482	188,870	87,505
Other long-term financial assets	Note 11	39,824		39,824	21,361
Non-current assets		**229,203**	**486**	**228,717**	**108,884**
Inventories		**-**	**-**	**-**	**-**
Receivables	**Notes 13 to 15**				
Trade receivables and related accounts		843		843	5,378
Other receivables		1,653	4	1,649	2,345
Cash				**0**	
Marketable securities		775	188	587	2,084
Cash at bank and in hand		6,117		6,117	719
Prepayments and accrued income				**0**	
Prepaid expenses	Note 16	217		217	645
Current assets		**9,605**	**193**	**9,413**	**11,171**
Deferred loan issue costs	Note 17	4,016		4,016	1,129
Bond redemption premiums	Note 17	30,676		30,676	
Unrealized foreign exchange losses	Note 24	2,157		2,157	616
GRAND TOTAL		**275,657**	**679**	**274,978**	**121,800**

8.3 Balance sheet equity and liabilities as of June 30, 2022

(in € thousand)	Notes	06/30/2022	06/30/2021
Share capital		45,990	39,729
Share and merger premiums		162,353	125,975
Legal reserve		688	688
Other reserves		3,769	3,769
Retained earnings		(112,064)	(101,533)
Net income (loss) for the year		**(9,392)**	**(10,501)**
Regulated provisions		131	-
Equity	**Note 19**	**91,475**	**58,127**
Provisions	**Note 20**	**3,568**	**1,670**
Financial liabilities	**Note 22**		
Convertible bond issues		94,094	
Other bond issues		51,285	48,655
Bank borrowings		4,003	4,008
Other financial liabilities		26,307	5,744
Operating liabilities	**Note 23**		
Trade payables and related accounts		3,167	3,060
Tax and employee-related liabilities		671	424
Other liabilities			
Other payables		0	111
Liabilities		**179,527**	**62,002**
Unrealized foreign exchange gains	Note 25	408	1
GRAND TOTAL		**274,978**	**121,800**

8.4 Notes to the annual financial statements

Note 1 Annual highlights

A €15 million capital increase and €50 million OCEANE bond issue to finance the buyout of Avanquest minority interests

On August 11, 2021 Claranova announced an agreement with institutional investors Heights Capital Management and Ophir Asset Management for a strategic investment of €65 million to fund the acquisition of Avanquest's minority interests. This investment was carried out in the form of a reserved capital increase of €15 million (See Note 2.4) and a reserved issuance of €50 million of senior, unsecured bonds convertible into new shares and/or exchangeable for existing shares (obligations convertibles échangeables en actions nouvelles ou existantes - OCEANE) (the "Convertible Bonds") (See Note 2.10).

Buyout of Avanquest's minority interests

On October 29, 2021, Claranova SE acquired all minority interests in Avanquest for a total amount of €99.9 million. The buyout was financed by the payment of €47.7 million in cash, a share capital increase of €28.7 million (See Note 2.4) and €23.6 million in the form of promissory notes. Loans granted to former minority shareholders in the amount of €2.6 million were repaid during the period in the amount of €2.4 million.

Changes in Claranova SE's governance

The General Meeting of Claranova SE of December 1, 2021 ratified the Board of Directors' co-optation of Christine Hedouis, Viviane Chaine-Ribeiro and Chahram Becharat, as well as the appointment of Jean-Yves Quentel, who is also the Group's Chief Financial Officer, as members of Claranova's Board.

On May 24, 2022, Claranova's Board of Directors decided to strengthen its governance by co-opting as new Board members Roger S. Bloxberg and Eric Gareau, the CEOs of PlanetArt and Avanquest respectively. These appointments followed the resignation of Chahram Becharat on March 21, 2022 and the resignation of Jean-Yves Quentel on April 25, 2022. These appointments were with immediate effect and valid for the remainder of the latters' terms of office. They were also accompanied by the co-option of Todd Helfstein, Chairman of PlanetArt, as Observer (*Censeur*) of the Board of Directors, on an interim basis in accordance with Article 18 paragraph 5 of the Company's Articles of Association (statuts), for the remainder of Marc Goldberg's term of office, i.e., until the end of the General Meeting of Shareholders called to approve the Company's financial statements for the period ending June 30, 2022.

The appointments of Roger S. Bloxberg, Éric Gareau and Todd Helfstein will be submitted to the shareholders for ratification at Claranova SE's next Ordinary General Meeting. The next Ordinary General Meeting will also be asked to appoint Todd Helfstein as Observer for a further period of six (6) years, in accordance with Article 18 (Non-Voting Members) of the Company's Articles of Association.

Execution of a liquidity contract

In December 2021, Claranova entered into a liquidity contract with Kepler Cheuvreux effective as from December 10, 2021. At the date of signature of the contract, the liquidity account had a cash balance of €1 million and held 204,081 own shares. As of June 30, 2022, the liquidity account had a cash balance of €422,951.18 and held 339,915 shares recognized under "Cash and cash equivalents" and "Other long-term investments" respectively.

Full press releases may be consulted online at www.claranova.com.

Transfer of the registered office

On March 23, 2022, the Board of Directors of Claranova approved the transfer of the registered office of Claranova SE to 2 rue Berthelot, Immeuble Adamas, CS 80141, 92414 Courbevoie Cedex.

Activation of the financial recovery clause concerning amounts owed by Avanquest America Inc.

Claranova SE waived an aggregate amount of US$15.2 million (€12.8 million) in debt for its subsidiary Avanquest America Inc. The debt waiver is subject to a financial recovery clause based on profitability or disposal criteria for the physical subsidiary maturing on July 1, 2030. Because these criteria were met at the end of the previous fiscal year, the financial recovery clause was activated in the fiscal year ended June 30, 2022. This resulted in the recognition of a receivable in the amount of US$15.2 million (€14.5 million on June 30, 2022) for the period ended June 30, 2022.

Conflict in Ukraine

The Group's commercial exposure to the situation in Ukraine remains limited.

The Ukrainian conflict could however slow down certain projects already initiated or planned by the Avanquest division, without however calling into question the division's overall performance expected by the Group. This division used subcontractors located in the Kharkiv region of in Ukraine for certain IT development and customer support projects. From the outset of the conflict, Avanquest's management has done everything possible to ensure the safety of subcontractors with whom the division has maintained close relations for several years. In particular, private transportation was chartered and new offices in the west of the country were made available to move the division's service providers away from the hardest hit areas. In light of the prospects of a protracted conflict, the division set up a subsidiary in Poland, Avanquest Poland sp. z o.o., where it is already hosting certain Ukrainian employees, destined to serve as a center for developers and support.

The Group has also decided to stop accepting customers in Russia and also in Belarus and stop producing products able to be downloaded in these countries.

COVID-19 pandemic

Thanks to the overall success of public health measures adopted in various countries (masks, vaccinations, teleworking, etc.) the Group's activities have not been adversely affected by the circulation of the virus. As a result, all the Group's sites are open and fully operational.

Claranova however continues to be cautious and to apply health and safety measures to protect its employees. These include the provision of protective devices (hydroalcoholic gel and masks) and maintaining the option of working from home. The Group will also continue to closely monitor any new signs of the virus' resurgence.

Inflation

Europe and the United States are experiencing significant inflation in energy and raw material prices, which in turn is increasing the cost of goods sold and freight for the PlanetArt division.

To reduce its impact on production costs, the division has negotiated with its suppliers while raising the price of certain products to offset the increases. In addition, even though rates are contractually predetermined, the division is also confronted by increased freight costs caused by higher fuel charges applied by carriers.

The activities of the Avanquest software and myDevices divisions in contrast are not affected by these price increases.

While the Group will closely monitor geopolitical and macroeconomic developments, it is not in a position to determine their impact and prospects in the short and medium term.

Note 2 Accounting principles, rules and methods

The annual financial statements have been prepared in euros in accordance with the provisions of French law and with generally accepted accounting principles in France. Information is expressed in thousands of euros, unless otherwise noted.

General accounting conventions have been applied, in accordance with the principle of prudence, based on the basic assumptions of:

- going concern;
- consistency of accounting policies;
- independence of fiscal years;

and in accordance with the principles of French GAAP (notably, regulation No. 2016-07 of the French accounting standards authority (Autorité des Normes Comptables or ANC) of 4 November 2016, amending regulation No. 2014-03 of June 5, 2014 relating to French generally accepted accounting principles ("Plan Comptable Général") and approved by order of December 26, 2016).

Items recorded in the accounts are measured using the historical cost method.

2.1 Property, plant and equipment

2.1.1 Measurement

Property, plant and equipment are measured at acquisition cost (purchase price plus related costs included).

2.1.2 Depreciation

Economically justified depreciation is determined based on the estimated useful life. Depreciation periods are as follows:

- office furniture, straight-line: 5 years;
- computer hardware, straight-line: 3 years.

Additional impairment is booked in the event of a loss in value or a change in the useful life.

2.2 Long-term financial assets

2.2.1 Equity interests and receivables from equity interests, including subsidiary current accounts

Equity interests are measured at acquisition or contribution value, including acquisition-related costs.

The value of equity interests, receivables from equity interests and current accounts is reconciled with their estimated value in use at the reporting date.

This value in use is reviewed on an annual basis in light of:

- equity;
- unrealized capital gains;
- return on investment;
- forward-looking information;
- utility for the Company;
- market value.

When the value in use calculated in this way is lower than the acquisition value (including receivables from equity interests), an impairment is booked for the amount of the difference.

2.2.2 Other long-term financial assets

These items are measured at acquisition cost and consist mainly of receivables from equity interests.

2.3 Receivables

Receivables are measured at nominal value. Where relevant, a provision for impairment is recognized to take account of collection difficulties that may arise.

2.4 Foreign currency transactions

Income and expenditure denominated in foreign currencies are recorded at their euro equivalent using the exchange rate applicable in the month of the transaction. Foreign currency bank accounts are translated at the prevailing rate at the reporting date.

Translation gains and losses are recorded depending on the type of risk hedged using the matching principle, in accordance with the French accounting standards authority (Autorité des Normes Comptables or ANC) Regulation 2015-05. Translation differences on receivables and commercial debt are recognized in Net income from operations, under "Other income" and "Other expenses".

At the reporting date, translation differences resulting from the translation of foreign currency-denominated receivables or payables at the year-end exchange rate are recorded in accruals and deferred income. A provision is recognized in respect of unrealized foreign exchange losses.

2.5 Marketable securities

Marketable securities are measured at acquisition price, on a first in, first out (FIFO) basis.

Where relevant, a provision for impairment is recognized to take account of any loss in value that may arise at the reporting date.

2.6 Provisions for expenses

Provisions for charges are intended to cover probable or certain expenses that the Company will incur in the future. Provisions are recorded, reviewed and adjusted to reflect the Company's best estimate of the expense at the reporting date.

2.7 Net share-settled bonds convertible into new shares and/or exchangeable for existing shares (ORNANE)

The ORNANE bonds were issued at par and will be redeemable at par. They are therefore recorded in «Other bond issues».

The issue costs were capitalized and spread over the loan term.

Accrued interest is recognized at the period-end.

2.8 Euro Private Placement (Euro PP) bond issue

This debt issue comprises 19,655 bonds with a nominal value of €1,000.

The issue costs were capitalized and spread over the loan term.

Accrued interest is recognized at the period-end.

2.9 French State guaranteed loan (PGE)

This facility enabled Claranova to obtain a State guaranteed bank loan of €4 million.

As part of the COVID-19-relief measures available for businesses, Claranova SE applied in March 2021 for an additional amortization period of five (5) years. The company was granted in this way an extension for repayment of the principal for an additional year followed by an amortization period over the four following years, i.e. from May 22, 2023 to May 22, 2026.

Accrued interest is recognized at the period-end.

2.10 Senior, unsecured bonds convertible into new shares and/or exchangeable for existing shares (OCEANE)

3,846,154 senior, unsecured bonds convertible into new shares and/or exchangeable for existing shares (obligations convertibles échangeables en actions nouvelles ou existantes - OCEANE) were issued on August 16, 2021 for an amount totaling €50 million or €13 per bond subscribed in full by the investment fund Heights Capital Management Inc.

Characteristics

- Maturity at 5 years, i.e. August 16, 2026
- Coupon (interest) at 4.5% per annum payable in cash every six months.
- Current parity: 1 share for 1 bond.
- Conversion option (in whole or in part): at any time at the investor's initiative in the event of a public tender offer for Claranova SE shares, or from the 2nd anniversary of the issue at the investor's initiative until the maturity date of the bonds, or from the 3rd anniversary at the investor's initiative until the maturity date of the bonds if the Claranova share price exceeds €27 for at least 30 consecutive business days.
- Prepayment option:
- At the initiative of the investor (put right) from the 3rd anniversary of the issue for a maximum amount of 2 times the amount of the initial investment (including all interest already paid)
- At the initiative of Claranova (call right), before the 2nd anniversary of the issue for a maximum amount of 1.75 times the initial investment (including all interest already paid), between the 2nd and 3rd anniversary of the issue for a maximum amount of twice the initial investment (including all interest already paid), or after the 3rd anniversary of the issue for a maximum amount of 2.25 times the initial investment (including all interest already paid).

Unless converted, redeemed or repurchased and cancelled prior to maturity, the bonds are redeemable at par on August 16, 2026.

Accounting method

The OCEANE bonds have been accounted for using the following accounting policies:

- the bond debt was recorded at face value;
- bond issuance expenses (€3.6 million) were amortized over the term of the bond. In accordance with the terms of the contract, the amortization period for these costs was set at 3 years from the subscription date;
- the redemption premium (€43.2 million) payable upon redemption requested by the investor (put) as from the third anniversary was recognized as a bond liability, for the nominal value less interest due, and amortized over three years.

Financial impact on the period

As of June 30, 2022, the financial impacts were as follows:

- bond debt : €93.2 million, including €50 million in nominal value and €43.2 million in redemption premium;
- the balance of issuance costs to be amortized: €2.5 million;
- the balance of redemption premium to be amortized: €30.7 million;
- accrued interest: €0.9 million

2.11 Revenue recognition

Revenue comprises the sale of administrative, legal or financial assistance and development strategy services to Group subsidiaries as part of Claranova SE's coordination activity. Revenue is recognized based on the nature of services. In the case of administrative services, revenue is recognized when the service is performed.

For specific development or strategy projects, revenue is recognized on project completion.

2.12 Provision for post-employment obligations

Post-employment obligations, calculated using the retrospective method (projected unit credit method), amounted to €19,000 as of June 30, 2022 and were fully accrued for. The impact on the fiscal year was income of €10,000.The actuarial assumptions used are as follows:

- discount rate: 3.20%;
- retirement age: 65 years;
- salary escalation rate: 3%-6%, depending on age.

Note 3 Changes in accounting policies

A change of accounting method was introduced in the financial statements for the year ended June 30, 2022 for the purpose of applying the French GAAP "reference methods."

Pension and similar benefits

Claranova SE has decided to apply a new standard referred to as the "reference method" for termination benefits, in accordance with Article 221-1 of the French General Chart of Accounts (PCG), and on that basis henceforth records a provision for all employee pension obligations. The resulting impact of this change was the recognition of the existing obligation of €29,000 under retained earnings. At the end of the fiscal year, the pension obligation recorded as a provision for expenses amounted to €19,000, following a reversal of €10,000.

Asset acquisition costs

Claranova SE has decided to apply the reference method for costs linked to the acquisition of fixed assets, in accordance with Article 324-1 of the French General Chart of Accounts (PCG), and henceforth recognizes as assets the costs linked to the acquisition of equity interests.

Application of this new standard resulted in the recognition as an asset of the costs associated with the acquisition of Avanquest Software SAS shares during the fiscal year for a total amount of €978,000.

Note 4 Main judgments and estimates used in preparing the annual financial statements

The FY 2021-2022 annual financial statements were approved by the Board of Directors on October 28, 2022.

The financial statements were prepared on a going concern basis. The conditions underlying this principle are detailed in Note 22.7 of this Chapter concerning liquidity risk.

In preparing the Company's financial statements, management uses judgments, estimates, and assumptions that have an impact on the amounts recognized in the financial statements as assets, liabilities, income and expenses.

The Company's management regularly reviews its estimates and assessments based on past experience and other factors it considers reasonable, which constitute the basis for its assessments of the carrying amount of assets and liabilities. These estimates are prepared using information available when the accounts are being prepared. The estimates can be revised if new information becomes available. Actual results may differ from these estimates if actual experience or conditions are different from the assumptions made.

The main assumptions and estimates with an impact on the financial statements for the fiscal year ended June 30, 2022 concern:

- the measurement of investments in subsidiaries and affiliates (see Note 11 of this Chapter);
- the estimation of the redemption premium for the OCEANE bonds (See Note 2.10 of this Chapter);
- the measurement of certain managers' bonuses based on the attainment of annual objectives (see Note 21 of this Chapter);
- the calculation of provisions for contingencies and expenses (see Note 2.1.2 and Note 20 of this Chapter).

Notes to the income statement

Note 5 Revenue

Revenue by region *(in € thousand)*	**Amount**
France	3,112
Other European countries	23
United States	630
TOTAL	**3,765**

Note 6 Analysis of net financial income / (expense)

Net financial expense amounted to €3.4 million, down from a loss of €4 million last year. The change is mainly attributable to the amortization of the redemption premium on the OCEANE bonds, increased interest expenses on financing transactions and the provision for foreign exchange risk.

Net financial expenses for the year included mainly:

- €6.5 million in interest expense from financing activities;
- €12 million for the amortization of the redemption premium on the OCEANE bonds;
- €2.4 million for the provision for foreign exchange risks;
- €14.6 million in proceeds resulting from the execution of the financial recovery clause.

Note 7 Analysis of net exceptional items

Net exceptional items represent a net expense of €1.3 million, down from €0.4 million last year.

Net exceptional items were largely impacted by losses recognized in connection with the liquidity contract.

Note 8 Sumptuary costs and expenses (Article 39-4 of the French General Tax Code)

Claranova SE's annual financial statements show no costs or expenses covered by Article 39, Section 4, of the French General Tax Code, corresponding in consequence to a zero theoretical tax expense.

Note 9 Add-back of overheads in taxable profits (Articles 39-5 and 223 *quinquies* of the French General Tax Code)

To comply with legal requirements, during the fiscal year ended June 30, 2022, our Company did not incur any non-tax deductible costs and expenses within the meaning of Article 39-5 of the French General Tax Code.

Note 10 Income tax

As Claranova SE reported a tax loss, a tax expense was not recorded. The tax income recognized corresponds to a French family tax credit designed to assist companies in providing family-friendly initiatives for their employees. As of June 30, 2022, Claranova SE's loss carry-forward amounted to €49 million.

Additional information on assets

Note 11 Long-term financial assets

(in € thousand)	Gross 07/01/2021	Acquisitions	Mergers, disposals, transfers between line items	Gross 06/30/2022	Amort. and provisions 06/30/2022	Net 06/30/2022	Net 06/30/2021
Equity interests	87,987	101,365	0	189,352	482	188,870	87,505
Receivables from equity interests	21,269	19,458	2,087	38,640		38,640	21,269
Loans	92			92		92	92
Loans, other long-term financial assets	0	5,327	4,235	1,092		1,092	0
TOTAL	**109,348**	**126,150**	**6,322**	**229,176**	**482**	**228,694**	**108,866**

The figure for acquisitions under "Equity interests" represents the buyout of Avanquest Software's minority interests.

Changes in in "Receivables from equity interests" are mainly related to :

- capitalized interest of €1.1 million on the €16.1 million loan granted to Avanquest Software SAS to contribute to the Avanquest Canada Holding share capital increase;
- the €2.8 million advance granted to Avanquest America Inc. in connection with the capital increase of myDevices Inc.;
- activation of the financial recovery clause provided for in the debt waiver granted to Avanquest America Inc. on July 1, 2017 in the amount of €14.6 million.

In accordance with the principles described above and in Note 2.2 of this Chapter, Claranova performed an impairment test as of June 30, 2022 on its equity investments based on the cash flows generated by its operations. Cash flows generated by the subsidiaries' businesses are calculated on the basis of two-year budget forecasts, considered by management as the optimal period for ensuring the reliability of forecasts, based on the characteristics of their markets, growth trends and the maturity of their activities. Cash flows resulting from the two-year budget forecasts were extended for an additional three years (i.e. a total of five years) based on perpetuity growth rate integrating a normative inflation rate to identify normative "perpetual" cash flow of 2% at the end of the period. Discount rates from ranging between 15% to 15.1% were applied.

As of June 30, 2022, Claranova concluded that the value in use of the subsidiaries tested exceeded their carrying values. Management believes that no reasonable change in the above-mentioned key assumptions would result in a value in use for the CGU significantly lower than its carrying value. To validate these conclusions, Claranova performed sensitivity tests on the main assumptions used to calculate the value in use of the CGU, namely the discount rate, the operating margin rate and the perpetuity growth rate. On that basis, a combined 1.5% increase in the discount rate, a 2.0% decrease in the EBITDA margin after allowances for amortization and depreciation, and a 1.5% decrease in the perpetuity growth rate would not result in an impairment of the equity investments.

The equity investments of the subsidiary Claranova Development, with a gross value of €334,000, were fully written down as of June 30, 2022 given its negative equity. A provision for contingencies has also been recorded for the amount of the negative equity (see Note 20 of this Chapter).

The "Loans" item refers to the French housing levy contribution (known as the effort construction).

"Other financial assets" relates to treasury shares held under the liquidity contract (See Note 1).

Note 12 Fixed assets, amortization and impairment

Fixed assets

(in € thousand)	Gross 07/01/2021	Acquisitions	Disposals/ transfer between line items	Gross 06/30/2022	Amort. and provisions 06/30/2022	Net 06/30/2022	Net 06/30/2021
Intangible assets							
Licenses, patents	11	0	0	11	0	11	11
Property, plant and equipment							
Office and IT furniture and equipment	8	8	0	16	4	12	7
TOTAL	**19**	**8**	**0**	**27**	**4**	**23**	**18**

Amortization

(in € thousand)	Amortization 07/01/2021	Provisions for the period	Reversals, transfer between line items	Amortization 06/30/2022
Intangible assets				
Licenses, patents	0	0	0	0
Property, plant and equipment				
Fixtures, improvements and fittings	0	0	0	0
Office and IT furniture and equipment	1	3	0	4
TOTAL	**1**	**3**	**0**	**4**

Impairment

(in € thousand)	Provisions 07/01/2021	Provision	Reversal	Provisions 06/30/2022
Intangible assets				
Licenses, patents	0	0	0	0
Long-term financial assets				
Equity interests	482	0	0	482
TOTAL	**482**	**0**	**0**	**482**

Note 13 Breakdown of other receivables

(in € thousand)	As of 06/30/2022
Employees and social welfare bodies	3
Income tax[1]	25
Value added tax	328
Other taxes, duties and similar payments	8
Group and associate current accounts	210
Miscellaneous[2]	1,074
TOTAL OTHER RECEIVABLES	**1,649**

(1) The "Income Tax" line item comprises the tax reductions for corporate sponsorship initiatives in 2019/2020 and 2021/2022 and the family tax credit for 2020, 2021 and 2022

(2) The "Miscellaneous" line item consists mainly of credit notes receivable from Claranova Development in the amount of €1,065,000.

Note 14 Accounts receivable maturity schedule

(in € thousand)	As of 06/30/2022	Less than 1 year	More than 1 year
Non-current receivables			
Receivables from equity interests	38,640	24,751	13,889
Loans and other long-term financial assets	1,184	1,092	92
Current receivables			
Trade receivables	843	843	0
Social security and other social welfare bodies	3	3	0
State and other public bodies	361	361	0
Group and associates	210	210	0
Miscellaneous	1,074	1,074	0
Prepaid expenses	217	188	29
TOTAL	**42,532**	**28,522**	**14,010**

Note 15 Accrued income

(in € thousand)	As of 06/30/2022
Long-term financial assets	
Receivables from equity interests	6
Trade receivables and related accounts	
Sales invoice accruals	151
Other receivables	
VAT receivable	103
Other receivables	1,102
Marketable securities	
Interest receivable	25
TOTAL	**1,387**

Note 16 Prepaid expenses

(in € thousand)	As of 06/30/2022
Maintenance	12
Fees	163
Contributions/subscriptions	33
Others	9
TOTAL PREPAID EXPENSES	**217**

Note 17 Deferred charges

(in € thousand)	Net amount as of 07/01/2021	Increases	Amortization during the fiscal year	Net amount as of 06/30/2022
Debt issue costs	1,129	4,357	1,470	4,016
Bond redemption premiums		43,156	12,480	30,676

This item comprises loan issue costs for the ORNANE, Euro PP and OCEANE bond issues. The corresponding expenses are amortized on a straight-line basis over the term of the bonds' terms as follows:

- ORNANE: from June 19, 2018 to July 1, 2023;
- EURO PP: from June 27, 2019 to June 27, 2024 and
- OCEANE: from July 30, 2021 to August 1, 2024.

Note 18 Provisions for current assets

(in € thousand)	Provisions as of 06/30/2021	Provision	Reversal	Provisions as of 06/30/2022
Trade receivables and related accounts	52		52	0
Other receivables	829	4	829	4
Marketable securities	375	388	575	188
TOTAL	**1,256**	**392**	**1,456**	**192**

The reversal of impairment charges on trade receivables concern the subsidiary Claranova Development.

Notes to balance sheet liabilities

Note 19 Equity

19.1 Share capital

As of June 30, 2022, the share capital of Claranova SE was made up of 45,990,070 shares with a par value of €1 each, all of the same class.

19.2 Changes in the number of shares and share capital

	Number of shares	Amount in euros
As of June 30, 2021	**39,728,654**	**39,728,654**
Share capital increase [1]	2,142,857	2,142,857
Share capital increase [2]	4,100,000	4,100,000
Share capital increase [3]	18,559	18,559
AS OF JUNE 30, 2022	**45,990,070**	**45,990,070**

(1) Capital increase in cash
(2) Capital increase by a contribution of assets
(3) Exercise of stock options.

Treasury shares

	Number of shares
As of June 30, 2021	**242,125**
Liquidity contract	134,834
Exercise of stock options	(1,000)
AS OF JUNE 30, 2022	**376,959**

19.3 Other securities granting access to the share capital

Stock option plan

On November 30, 2015, Claranova's General Meeting authorized the Management Board to implement a grant plan for options to subscribe for or purchase new or existing shares of Claranova SE and its subsidiaries.

The General Meeting of November 30, 2015 authorized the issue of 18,765,927 stock options and at June 30, 2020, 245,100 of these stock options had not yet been exercised. The exercise of these 245,100 stock options would confer a right to 24,510 new Claranova SE shares.

195,594 stock options conferring rights to 19,559 shares were exercised during the year.

Share subscription warrant plans

Share subscription warrants plan of June 7, 2017

On June 7, 2017, Claranova's General Meeting authorized the Management Board to implement a grant plan for warrants to subscribe for, or purchase, new or existing shares of Claranova SE and its subsidiaries.

On November 13, 2017, the Management Board set up a subscription warrant plan, assigning 3,752,224 shares to members of Claranova's Management Board and Supervisory Board. Following the reverse stock split decided by the Extraordinary General Meeting of June 11, 2019, 3,752,200 warrants are exercisable and will result in 375,220 shares. Each warrant may be purchased for a value of €0.36 and gives entitlement to purchase one Claranova share for €6.1, during a period of ten years from the date of grant, namely until November 13, 2027.

As of June 30, 2022, no subscription warrants had been exercised by beneficiaries.

Claranova net share settled bonds convertible into new shares and/or exchangeable for existing shares (ORNANEs)

On June 19, 2018, Claranova SE issued 26,363,636 net share-settled bonds convertible into new shares and/or exchangeable for existing shares (ORNANE), maturing on July 1, 2023. As of June 30, 2022, no ORNANE bonds had been converted or redeemed before maturity.

Since December 28, 2018, Claranova SE has held 455,000 ORNANE bonds.

Assuming that all the rights attached to the stock options and warrants become exercisable and are exercised, Claranova SE's share capital would increase by €399,730.

This number does not take into account the June 2018 ORNANE bond issue, as the Company had not yet decided the method of redeeming these bonds at the date of this document.

The share capital would therefore increase from €45,990,070 to € 46,389,800, an increase of 0.87%, spread over the period from 2022 to 2027.

	06/30/2022
Number of shares existing as of 06/30/2022	45,990,070
Of which treasury shares	376,959
Number of shares outstanding	**45,613,111**
Dilutive effect of stock options	24,510
Dilutive effect of warrants	375,220
THEORETICAL WEIGHTED NUMBER OF SHARES	**46,012,841**

19.4 Change in equity

(in € thousand)	As of 06/30/2022
Equity as of 06/30/2021	58,127
Share capital increase and issue premium	42,640
Increase in regulated provisions	130
Net income of the period	(9,392)
Change in retained earnings - Change in accounting method (Note 3)	(30)
EQUITY AS OF 06/30/2022	**91,475**

The increase in capital and additional paid-in capital reflected the entry of investors and the purchase of minority interests in Avanquest Software SAS (see Note 1 of this Chapter).

Note 20 Provisions

(in € thousand)	Provisions 06/30/2021	Operating provision	Financial provision	Retained earnings	Operating reversal	Financial reversal	Exceptional reversal	Used	Provisions 06/30/2022
Provisions for foreign exchange risk	616	18	2,139		14	602		527	2,157
Provision for contingencies	1,027		328				15		1,340
Provisions for expenses	27	52					27		52
Provisions for retirement termination benefits				30	10				19
TOTAL	**1,670**	**70**	**2,467**	**30**	**24**	**602**	**42**	**527**	**3,568**

Provisions for contingencies concerned mainly the provision linked to the net equity of the subsidiary, Claranova Development.

Note 21 Measurement of certain managers' bonuses based on the attainment of annual objectives

Attainment of performance criteria for the payment of performance-based variable compensation for officers (and, where applicable, share-based payments) is assessed by the Board of Directors, based on the recommendations of the Appointments and Compensation Committee, as applicable. In the case of Claranova SE, only the Deputy Chief Executive Officer is concerned by this evaluation.

Note 22 Financial liabilities

As of June 30, 2022, financial liabilities fall due as follows:

(in € thousand)	Notes	As of 06/30/2022	Less than one year	One to five years
Convertible bond issues	Note 22.1	94,675	1,519	93,156
Other bond issues	Note 22.1	51,285	2,630	48,655
Bank borrowings	Note 22.2	4,003	996	3,007
Other financial liabilities	Note 22.3	25,726	5,234	20,492
Bank account overdrafts		0		
Financial instruments – Liabilities		0		
Accrued interest not yet due		3	3	
TOTAL		**175,692**	**10,385**	**165,307**

22.1 Bonds

ORNANE – June 2018

Claranova SE issued €29 million in bonds in June 2018, with the option for redemption in cash and/or new shares and/or existing shares maturing on July 1, 2023. As of the date of this document, the Company has not decided the bond redemption method.

The bonds bear interest at a fixed rate of 5% payable annually and have a nominal value of €1.10.

Euro PP – June 2019

In June 2019, Claranova SE successfully completed a Euro PP bond issue for €19.7 million, comprising 19,655 bonds with a nominal value of €1,000.

The 5-year bonds bearing 6 % annual interest will be redeemed on maturity, i.e. on June 27, 2024.

This loan is subject to covenants relating to :

- Annual consolidated net financial debt/EBITDA ratio ("Leverage Ratio") strictly less than three and a half (3.5) per year; and
- Annual EBITDA that is strictly positive.

As of June 30, 2022, Claranova was in compliance with all covenants related to this debt.

OCEANE – August 2021

In August 2021, Claranova SE successfully launched an OCEANE bond issue for €150 million, comprising 3,846,154 bonds with a nominal value of €13.

The 5-year bonds bearing 4.5% annual interest will be redeemed on maturity on August 1, 2026.

22.2 Credit facilities

French State guaranteed loan

In the context of the COVID-19 pandemic, Claranova SE secured a €4 million French state guaranteed loan (Prêt Garanti par l'Etat) on May 22, 2020, bearing interest at 0.50% and repayable on maturity in 12 months from the date of signature. This loan included an additional amortization option enabling Claranova SE to extend the loan maturity for an additional period of one (1), two (2), three (3), four (4) or five (5) year(s), with the desired repayment period (monthly, quarterly, half-yearly or annually) and at an interest rate equal to the bank financing rate plus the State guarantee premium.

In March 2021, Claranova SE exercised an additional amortization option which extended the loan maturity for an additional term of five (5) years. The Company was granted in this way an extension for repayment of the principal for an additional year followed by an amortization period over the four following years.

This amount is subject to annual interest of 0.30% to which is added the cost of the State Guarantee (€0.2 million) spread over the lifespan of the loan.

22.3 Other financial liabilities

PlanetArt Ltd loan

Claranova SE has a loan capped at €5.7 million, to be draw in monthly tranches, granted by PlanetArt Ltd on April 13, 2020. The loan agreement, which initially expired on April 30, 2022, was extended to July 11, 2023. The loan bears interest at the lower of 2% and the maximum rate authorized by Californian law. It may be mobilized and/or repaid at any moment within the limit of the cap.

Claranova requests advances according to its needs within the limit of the cap. As of June 30, 2022, Claranova SE has borrowed €5.7 million bearing interest of €0.1 million.

Promissory notes

CLARANOVA SE issued Promissory Notes in the Amount of €27.6 million on October 29, 2021 with an annual coupon of 4.5%. At fiscal year-end, total debt including accrued interest amounted to US$20.6 billion or €19.8 million.

The interest rates of four (4) of the Promissory Notes, as well as their maturity, were renegotiated after year-end (see Note 34), with the total principal amounting to US$18.2 million.

On that basis, in accordance with the new contractual terms, the repayment schedule for these Promissory Notes, which amount to a total of 19.8 million euros, is as follows, starting on July 1, 2022:

- €4.5 million with a maturity of less than 1 year;
- €14.7 million with a maturity of less than 5 year;
- €0.6 million in accrued interest.

The payment schedule takes into account these new terms and conditions.

Current account balances

Current account debts amounted to €675 euros as of June 30, 2022.

22.4 Foreign currency risk

The Company's exposure to foreign currency risks relates mainly to current accounts denominated in foreign currencies and to sales of services to its subsidiaries in dollars in the United States, minus expenses and investments or the repayment of loans denominated in this currency.

The Company may have foreign exchange hedge facilities depending on their short term hedging requirements. No hedging instruments were in place as of June 30, 2022.

22.5 Interest rate risk

The Company was not subject to risks associated with interest rate fluctuations.

There exist two fixed-rate bond loans in addition to the French State guaranteed loan. The PlanetArt Ltd loan is based on the lowest rate and may not exceed 2%.

As of June 30, 2022, the Company was not exposed to interest rate risk.

22.6 Equity risk

Equity risk is limited to the Company's own ORNANE bonds and shares that it holds. The Company's cash is mainly invested in risk-free money market investments.

Portfolio securities as of June 30, 2022 are presented in Note 33 of this Chapter

22.7 Liquidity risks

The Group's capacity to meet its repayment obligations, in particular for loans and commitments incurred by the parent company, is closely linked to cash flows generated by the subsidiaries operating the PlanetArt and Avanquest businesses.

In consequence, an abrupt interruption in the growth of these activities or a sudden and significant deterioration in their profitability could adversely affect the Group's ability to make repayments and its debt.

Prudent liquidity risk management involves maintaining sufficient cash and the availability of funding through appropriate credit facilities.

Amounts available immediately or almost immediately are more than sufficient to cover borrowing repayments and operating requirements during the next 12 months until the end of the fiscal year.

Covenants are presented in Note 27.2 of this Chapter. These ratios are respected.

Note 23 Supplier payment period disclosures

In accordance with the provisions of Article L. 441-14 of the French Commercial Code, the following tables provide a breakdown of trade payables and trade receivables by maturity as of June 30, 2020 and June 30, 2021.

23.1 Accounts payable as of June 30, 2022

	Article D. 441-I-1: Invoices received and not settled on the closing date and past due					
(amount in euros)	**0 days**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and over**	**Total (1 day and over)**
(A) Late payment period						
Number of invoices concerned	2	22	13	5	5	45
Total amount of invoices concerned (incl. tax)	95,199.00	526,388.37	356,577.13	64,232.13	35,877.79	983,075.45
Percentage of the total amount of purchases for the fiscal year (incl. tax)	0.91%	5.03%	3.41%	0.61%	0.34%	9.39%
(B) Invoices excluded from (A) relating to disputed or unrecognized liabilities and receivables						
Number of invoices						0

Accounts payable as of June 30, 2021

(amount in euros)	Article D. 441-I-1: Invoices received and not settled on the closing date and past due					
(A) Late payment period						
Number of invoices concerned	32	17	5	6	33	61
Total amount of invoices concerned (incl. tax)	522,582.64	436,117.46	62,923.02	76,883.32	308,966.61	884,890.41
Percentage of the total amount of purchases for the fiscal year (incl. tax)	7.79%	6.50%	0.94%	1.15%	4.61%	13.20%
(B) Invoices excluded from (A) relating to disputed or unrecognized liabilities and receivables						
Number of invoices						0

23.2 Trade receivables as of June 30, 2022

	Article D. 441-I-1: Invoices issued and not settled on the closing date and past due					
(amount in euros)	**0 days**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and over**	**Total (1 day and over)**
(A) Late payment period						
Number of invoices concerned	5	1	0	1	1	2
Total amount of invoices concerned (incl. tax)	684,060.01	180	0	2,798.10	5,409.37	8,387.47
Percentage of revenue for the fiscal year (incl. tax)	18.16%	0.00%	0.00%	0.07%	0.14%	0.22%
(B) Invoices excluded from (A) relating to disputed or unrecognized liabilities and receivables						
Number of invoices						0

Trade receivables as of June 30, 2021

(amount in euros)	Article D. 441-I-1: Invoices issued and not settled on the closing date and past due					
(A) Late payment period						
Number of invoices concerned	3	0	2	1	47	50
Total amount of invoices concerned (incl. tax)	473,594.35	(17,725.75)	385,375.20	3,596.17	4,532,830.34	4,904,075.96
Percentage of revenue for the fiscal year (incl. tax)	23.77%	(0.89%)	19.34%	0.18%	227.48%	246.11%
(B) Invoices excluded from (A) relating to disputed or unrecognized liabilities and receivables						
Number of invoices						0

Revenue for the fiscal year (including VAT) used for comparison purposes includes transfers of expenses. These solely concern intercompany receivables.

Note 24 Accrued expenses

(in € thousand)	As of 06/30/2022
Other bond issues	
Accrued interest	
Bank borrowings	
Accrued interest	3
Loans and borrowings	
Accrued interest	2,630
Trade payables	
Purchase invoice accruals	1,096
Tax and employee-related liabilities	114
Other payables	
TOTAL	**3,843**

Note 25 Translation adjustments on receivables and liabilities denominated in foreign currencies

Type of difference *(in € thousand)*	**Assets – unrealized loss**	**Offset by foreign exchange hedges**	**Provision for foreign exchange losses**	**Liability – unrealized gain**
On non-financial assets				
On long-term financial assets				404
On receivables				
On financial liabilities	2,139		2,139	3
On operating liabilities	18		18	1
On fixed asset liabilities				
TOTAL	**2,157**		**2,157**	**408**

Note 26 Expense reclassifications

Expense transfers comprise the expenses paid by Claranova SE on behalf of its subsidiaries and rebilled as part of the Group's operations.

Note 27 Off-balance sheet commitments

27.1 Earn-out clauses on acquisitions and equity interests

There are no earn-out clauses relating to acquisitions in prior periods applicable as of June 30, 2022 for Claranova SE.

27.2 Commitments and guarantees given

Beneficiaries	Company	Date	Type	Amount	Limits	Period
Acquirer of Avanquest Software Publishing Ltd	Claranova SE	04/30/2016	Share transfer agreement	Guarantee granted for the amount of losses, guarantees, costs and expenses provided for in some cases by the transfer agreement.	£ 750,000, plus the amount of the earn-out clause. Floor: • £ 2,500 if called for a single claim; • £ 25,000 if called for several claims.	Tax receivables: 7 years from the transaction completion date, i.e. until 04/30/2023.
Euro PP bondholders	Claranova SE	06/25/2019	Claranova commitments to maintain the annual consolidated net financial debt/ EBITDA ratio strictly below 3.5 and annual EBITDA above zero[1].	In the event of non-compliance with its financial commitments, bond holders could demand early redemption.	Bond issue of € 19,655,000.	For as long as the bonds are outstanding, i.e. until 06/27/2024, at the latest.
Partner of Upclick Malta Ltd (C 42231)	Claranova SE	05/27/2020	Parent company guarantee with Paysafe Group, the payment partner of these subsidiaries.	Should the subsidiaries fail to reimburse the sums paid by their customers in the event of a refund/ chargeback request	Customer Application Opportunity Legally Limited to 180 Days in Canada	As long as the underlying contracts between the subsidiaries and Paysafe are in force
Partner of Upclick Malta Ltd and UC Distribution LLC (9213015 Canada Inc.)	Claranova SE	12/14/2021	Parent company guarantee with Adyen NV, a service provider for the Avanquest division.	Relating to the effective fulfillment of all obligations and responsibilities of the Group entities concerned in connection with the service contract.	Up to €2.5 million	Until such time as the contract is terminated

(1) Covenants respected as of June 30, 2022.

27.3 Pledges granted

There were no pledges granted as of June 30, 2022.

27.4 Lease financing commitments

Claranova SE has no lease financing commitments.

27.5 Retirement termination benefits

Starting with the fiscal year ending June 30, 2022, provisions were recorded for retirement termination benefits (See Note 2.12).

27.6 Commitments and guarantees received

The shareholders of Micro Application Europe provided Claranova SA (ex-Avanquest Software SA) with a warranty covering the assets and liabilities in the financial statements of the Company and its subsidiaries as of February 11, 2011.

This guarantee is currently only valid for tax claims for which the legal limitation period is longer than five years, and for claims still pending and in accordance with the terms of the guarantee.

Note 28 Statutory Auditor fees

Claranova Group publishes consolidated financial statements. This information is reproduced in the FY 2021-2022 Universal Registration Document for the twelve-month period ending June 30, 2022 in Chapter 7.3 of this document.

Note 29 Information on associates and companies in which the Company has an equity interest

(in € thousand)	Associates as of 06/30/2022	Equity interests as of 06/30/2022
Net long-term financial assets	228,602	0
Net receivables	843	0
Liabilities	265	0
Financial income	15,924	0
Financial expenses	1,275	0

Note 30 Subsidiaries and associates

Companies	Share capital	Equity excluding share capital and before net income	Share of dividends	Gross value Net value of securities	Loans, advances, sureties	Revenue	Net income
Avanquest America Inc.							
7031 Koll Center Parkway 150				59,824,459	23,624,522		
Pleasanton, CA 94566 - USA	26,278,867	(20,535,614)	100%	59,824,459	-	371,457,974[1]	(6,128,474)[1]
Avanquest Software SAS							
Adamas building, 2 rue Berthelot							
CS 90142, 92414 Courbevoie				129,045,319	15,202,985		
Cedex – France	€71,956,691	40,780,826	100%[2]	129,045,319		102,197,596[3]	1,495,628[2]
Claranova Development SARL							
47 Côte d'Eich, 1450				334,000			
Luxembourg - Luxembourg	€334,000	(2,226,430)	100%	334,000		1,411,875	520,185
LastCard (10518590)[4]							
7075 Place Robert-Joncas, Suite 142							
Saint-Laurent, QC H4M 2Z2 – Canada	167	-4,279,879	35.91%	62	0	4,653,587	3,952,823
EQUITY INTERESTS							
Antvoice SAS							
28, rue du Sentier 75002 Paris –				148,000			
France	NA		1.7%	-			

(1) Consolidated data integrating the companies PlanetArt UK Ltd, PlanetArt LLC, FreePrints India Ltd, Avanquest China Ltd, myDevices Inc. and Avanquest America Holdings, LLC. Aggregate data for revenue and net income.
(2) 100% less one share held by Pierre Cesarini
(3) Consolidated data integrating the companies Avanquest North America Inc., Avanquest Deutschland GmbH, Avanquest Iberica SL, PCHelpsoft, Avanquest Canada Inc., Avanquest Canada Holding Inc., EMME Deutschland GmbH and the Canadian subsidiaries carrying the Adaware, SodaPDF and Upclick businesses. Aggregate data for revenue and net income.
(4) In June 2022, in the province of Quebec, Canada, LastCard's shareholders initiated insolvency proceedings in accordance with section 58 of the applicable Bankruptcy and Insolvency Act.

Claranova SE is the consolidating entity of the Claranova Group.

Note 31 Tax expense

31.1 Change in future tax liabilities

(in € thousand)	As of 06/30/2022	Income tax and corresponding contributions*
Unrealized foreign exchange gains	407	108
Provisions for impairment of investments	482	128
Provision for current accounts	0	0
Tax losses available for carry forward	49,370	13,083
NET DEFERRED TAX ASSET	**50,259**	**13,319**

* *Income tax rate adopted: 26.5%*

31.2 Family tax credit

Claranova SE was awarded a family tax credit of €13,300 in respect of the 2021 calendar year.

Note 32 Legal proceedings and disputes

There are no pending or potential government, legal or arbitration proceedings, including any proceedings of which the Company has knowledge, which may have or have had a material impact during the past twelve months on the Company's financial position or profitability.

Note 33 Portfolio securities

Type of security	Quantity as of 06/30/2022	Total purchase value in € thousand	Market value in € thousand as of 06/30/2022
Treasury shares	37,044	318	129
Claranova ORNANE bonds	455,000	432	514
TOTAL	**492,044**	**750**	**643**

Note 34 Subsequent events

Subscription of a €20 million loan

On July 1, 2022, Claranova SE obtained a 5-year €20 million acquisition financing agreement divided into two tranches as follows:

- tranche A: a €15 million variable interest loan. For the first year, this loan will bear interest of 2.30%;
- tranche B: a €5 million loan at a fixed interest rate of 4.50%.

Claranova also benefits from an additional credit line of €15 million under the terms of this loan agreement.

Amendment to the financing terms of the Promissory Notes

The interest rates and maturity of four (4) Promissory Notes with a value of US$18.2 million was renegotiated after fiscal year end. The initial rate of 4.50% was reduced to 3.50% and the maturity date, originally set at 10 years, was amended to October 31, 2025:

Note 35 Other information

35.1 Workforce

The Company had an average of eight (8) employees during the fiscal year compared with seven (7) last year, all of whom were qualified as Engineers and Managers.

35.2 Compensation of senior management

Fees paid to the members of Claranova SE's executive and management bodies for the performance of their services amounted to €50,000

Members of the Board of Directors received total compensation of €266,000 for their service on the Board. The following table provides a summary of the compensation of corporate officers

Gross annual amounts *(in euros)*	FY 2021-2022	FY 2020-2021
Pierre Cesarini	41,600	20000
Jean-Yves Quentel	12,060	-
Chahram Becharat	28,353	7,203
Viviane Chaine-Ribeiro	42,442	12,720
Christine Hedouis	44,800	22,222
Francis Meston	39,200	40,000
Jean-Loup Rousseau	31,733	40,000
TECH-IA IMPACTINVEST SASU*	26,000	40,000
Former Board members	-	61,536
TOTAL COMPENSATION	**266,128**	**223,681**

35.3 Related-party transactions

Apart from compensation paid to members of the management and administrative bodies (regulated agreements detailed in Note 35.2 of this document), there are no transactions with related parties in progress or at the date of closing of the accounts or having an effect on the financial year of material importance and not entered into under normal market conditions.

8.5 Statutory Auditors' report on the annual financial statements

Fiscal year ended June 30, 2022

This is a free translation into English of the issued in French and is provided solely for the convenience of English speaking readers.

It includes information specifically required by French law in such reports, whether qualified or not. This information is presented below in the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Claranova SE General Meeting,

Opinion

In compliance with the engagement entrusted to us by your general meetings we have audited the accompanying the consolidated financial statements of Claranova for the year ended June 30, 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of June 30, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit in compliance with independence rules applicable to us in accordance with the French commercial code (code de commerce) and the French code of ethics for statutory auditors, for the period from July 1, 2021 to the issue date of our report and in particular we did not provide any non-audit services prohibited by Article 5 (1) of Regulation (EU) No 537/2014.

Observation

Without qualifying the opinion expressed above, we draw your attention to paragraph "Note 3 Changes in accounting policies" in the notes to the financial statements, which indicates that the company has adopted a change in accounting policy in order to apply the French GAAP "reference methods" for pension and similar benefits and asset acquisition costs.

Justification of our assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 8237 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific items of the annual financial statements.

VALUATION OF EQUITY INTERESTS, RELATED RECEIVABLES AND CURRENT ACCOUNTS

Risk identified	Our response
As of June 30, 2022, the net value of equity interests, related receivables and current accounts was €27,720,000. As indicated in Section 2.2 "Long-term financial assets" of Note 2 "Accounting principles, rules and methods," to the annual financial statements, equity interests are valued at their acquisition cost or their contribution value. At the reporting date, the value of equity interests, related receivables and current accounts is reconciled with an estimated value in use. When the value in use is lower than the acquisition value (including receivables from equity interests), a provision for impairment is recorded for the difference. The value in use is estimated taking into account equity, unrealized capital gains, forecast items, etc. The valuation of equity interests and related receivables therefore requires the exercise of management's judgment in its choice of the items to be considered according to the relevant interests. In our opinion, therefore, the correct valuation of equity interests, related receivables and current accounts constituted a key audit matter.	Our audit procedures consisted in verifying the value in use of the main components of the securities portfolio. Accordingly, our work consisted of: • obtaining an understanding of the process adopted by management to estimate the value in use of equity interests, related receivables and current accounts and of the documentation of items selected by management to be considered according to the relevant interests; • assessing the consistency of key assumptions used to determine cash flows and long-term growth rates underlying these flows with regard to historical performance and operating budgets approved by management for the coming year, integrating growth forecast for subsequent years; • reviewing the report of your company management's valuation expert and analyzing the assumptions and models used with the assistance of our own valuation experts; • verifying the calculation formulas used and the accounting recognition of provisions where the value in use is lower than the acquisition value; • assess the appropriateness of the disclosures provided in the notes to the annual financial statements.

Specific verifications

We have also performed the other specific procedures required by French law and regulations, in accordance with professional practice standards applicable in France.

Information given in the management report and other documents addressed to the shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment terms, mentioned in Article D. 441-6 of the French Commercial Code.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance contains the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to remunerations and benefits paid or granted to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

Concerning the information relating to items that your company considers may have an impact in the case of a takeover bid or a public exchange offer provided in application of the provisions of L. 22-10-11 of the French Commercial Code, we have verified their consistency with relevant source documents. Based on this work, we have no matters to report in connection with the information given.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Other verifications or information required by law and regulations

Format of the presentation of the annual financial statements included in the annual financial report

We also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the annual financial statements included in the annual financial report mentioned in Article L. 451-1-2 of the French Monetary and Financial Code (Code Monétaire et Financier), prepared under the responsibility of the Chairman-CEO, complies with the format defined in the European Delegated Regulation No. 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the annual financial statements included in the consolidated financial report complies, in all material respects, with the European single electronic format.

Appointment of Statutory Auditors

We were appointed as statutory auditors of Claranova by the Annual General Meeting held on February 12, 1998 for APLITEC and on November 29, 2018 for ERNST & YOUNG Audit.

As of June 30, 2022, APLITEC and ERNST & YOUNG Audit were in their 24th year and 4th year of total uninterrupted engagement, respectively.

Ernst & Young Audit previously served as statutory auditor from 2006 to 2012 and Ernst & Young et Autres previously served as statutory auditor from 2013 to 2018.

Responsibilities of management and those charged with governance for the annual financial statements

Management is responsible for the preparation and fair presentation of the annual financial statements in accordance with French accounting principles, and for such internal control as management determines as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The annual financial statements have been approved by the Board of Directors.

Statutory Auditors' responsibilities for the audit of the annual financial statements

Objective and audit approach

Our role is to issue a report on the annual financial statements. Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified by Article L. 82310-1 of the French Commercial Code (Code de Commerce), the scope of our statutory audit does not include assurance on the future viability of the Company or the quality with which Company's management has conducted or will conduct the affairs of the your company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditors exercise professional judgment throughout the audit and furthermore: They also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal Control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the annual financial statements;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we draw attention in our audit report to the related disclosures in the annual financial statements or, if such disclosures are not provided or inadequate, we modify our opinion;
- Evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the audit committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes information about the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the annual financial statements of the current period and which are therefore the key audit matters. We describe these matters in the audit report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as defined in particular by articles L. 822-10 to L. 82214 of the French commercial code ("code de commerce") and in the French Code of ethics for statutory auditors. Where appropriate, we discuss with the audit committee the risks that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

Paris and Paris-La Défense, October 31, 2022

The Statutory Auditors

French original signed by:

APLITEC	Ernst & Young Audit
Marie Françoise Baritaux Idir	Jean-Christophe Pernet

8.6 Five-year financial summary

Fiscal year ended	06/30/2022	06/30/2021	06/30/2020	06/30/2019	06/30/2018
Length of fiscal year	12 months	12 months	12 months	12 months	12 months
SHARE CAPITAL AT END OF FISCAL YEAR					
Share capital *(in €)*	45,990,070	39,728,654	39,442,878	39,442,879	39,361,379
Number of shares					
• ordinary	45,990,070	39,728,654	39,442,878	394,428,788	393,613,788
• preferred					
Maximum number of new shares to be issued					
• by converting bonds[1]	-	-	-	-	-
• by exercising subscription rights	419,289	419,289	705,065	7,050,694	22,952,918
TRANSACTIONS AND RESULTS *(in €)*					
Revenue (excl. taxes)	3,764,616	1,467,243	1,689,477	1,777,820	1,197,318
Net income before income tax, profit-sharing, depreciation, amortization and provisions	5,521,511	(7,899,550)	(6,524,584)	(4,972,569)	(13,685,554)
Income tax	(17,530)	(10,500)	(12,350)	(9,602)	(6,937)
Employee profit-sharing	-	-	-	-	-
Depreciation, amortization and provisions	14,931,231	2,611,588	984,900	307,250	(9,074,282)
Net income (loss)	(9,392,190)	(10,500,638)	(7,497,134)	(5,270,217)	(4,604,335)
Dividend distribution					
EARNINGS PER SHARE *(in €)*					
Net income after income tax and profit-sharing but before depreciation, amortization and provisions	0.12	(0.2)	(0.17)	(0.01)	(0.03)
Net income after income tax, profit-sharing depreciation, amortization and provisions	(0.20)	(0.26)	(0.19)	(0.01)	(0.01)
Dividends paid	-	-	-	-	-
EMPLOYEES					
Average workforce	8	8	6	6	6
Payroll *(in €)*	1,102,374	968,591	563,328	2,534,487	1,195,590
Total employee benefits *(in €)* (social security, other employee welfare payments)	530,189	437,049	300,887	(2,233,957)	3,571,959

(1) As indicated in Note 18.3 of this Chapter, we do not take into account here the June 2018 ORNANE bond issue, as the Company has not yet decided the method of redeeming these bonds at the date of this document. These ORNANE bonds mature on July 1, 2023.

Concordance tables

Table of concordance with FY 2021-2022 Universal Registration Document (URD)

Information required by Annexes 1 and 2 of Delegated Regulation (EU) 2019/980 of March 14, 2019 in accordance with the URD model.

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5.3	Important events	20, 37 to 38 and 172 to 173	1.2, 2.5 note 1 and 8.4 note 1
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7.	**Review of financial position and earnings**		
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7.1.1	Development and performance of the issuer's business and of its position including financial and, where appropriate, non-financial Key Performance Indicators	3, 8 to 9, 21 to 26, 32 to 33 and 168	Introduction, 1.3, 2.1, 2.2 and 8.1
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8.3	Borrowing requirements and funding structure	27, 68 to 72, 75 to 76 and 183 to 184	1.5, 2.5 notes 27 and 32, 8.4 note 22
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		Pages	Sections
9.	**Regulatory environment**		
	Description of the regulatory environment that may affect the Company's business	101	3.2.3
10.	**Trend information**		
10.1	Description of the most significant trends and any significant change in the financial performance of the Group since the end of the last fiscal year	28 to 29	1.6
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14.	**Operation of management and supervisory bodies**		
14.1	Date of expiration of terms of office	89	3.1.1
14.2	Members of the administrative, management or supervisory bodies' service contracts with the Company	90, 116 and 122 to 124	3.1.1, 3.4 1 and 3.5
14.3	Information about the audit committee and compensation committee	89 and 99	3.1.1, 3.1.3.3 and 3.1.3.4
14.4	Statement of compliance with the applicable corporate governance regime	98	3.1.3.2
14.5	Potential future impacts on the corporate governance	n.a.	
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15.1	Number of employees	80, 145 to 146 and 190	2.5 note 35.1, 6.2.1 and 8.4 note 35.1
15.2	Shareholdings and stock options	63 to 67, 81, 116 and 136	2.5 notes 25.2 and 35.5, 3.3.4 and 5.3.8
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16.4	Arrangements, the operation of which may result in a change in control	n.a.	
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18.	**Financial information concerning the Company's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information		
18.1.1	Audited historical financial information covering the latest three fiscal years and the audit report	31 to 85 and 167 to 194	2 and 8
18.1.2	Change of accounting reference date	n.a.	
18.1.3	Accounting standards	39 and 174 to 176	2.5, note 2 and 8.4, note 2
18.1.4	Change in accounting framework	39	2.5 note 2
18.1.5	Balance sheet, income statement, statement of changes in equity, cash flow statement, accounting policies and explanatory notes	31 to 85 and 167 to 194	2 and 8
18.1.6	Consolidated financial statements	31 to 81	2
18.1.7	Age of latest financial information	31 to 85 and 167 to 194	2 and 8

		Pages	Sections
18.2	Interim and other financial information (audit or review reports, if any)	n.a.	
18.3	Auditing of historical annual financial information		
18.3.1	Independent auditing of historical annual financial information	82 to 85 and 191 to 194	2.6 and 8.5
18.3.2	Other audited information	n.a.	
18.3.3	Non-audited financial information	n.a.	
18.4	Pro forma financial information	n.a.	
18.5	Dividend policy		
18.5.1	Description of the policy on dividend distributions and any restrictions thereon	138	5.5
18.5.2	Amount of the dividend per share	n.a.	
18.6	Administrative, legal and arbitration proceedings	68 and 189	2.5 note 26 and 8.4 note 32
18.7	Significant change in the issuer's financial position	80	2.5 note 35.2
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19.1.5	Terms of any acquisition rights and/or obligations oversubscribed but unpaid capital or about any undertaking to increase the capital	118 to 121	3.4.3
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19.1.7	History of the share capital	135	5.3.1
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21.	**Documents on display**	**164**	**7.6**

9.1.1 Table of concordance of the annual financial report

To facilitate the reader's understanding of this document, the following concordance table identifies the information in this universal registration document that constitutes the annual financial report that must be published by listed companies in accordance with articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF's General Regulation.

		Page No.	Section No.
1.	**Annual financial statements**	**167 to 194**	**8**
2.	**Consolidated financial statements**	**31 to 85**	**2**
3.	**Statutory Auditors' report on the annual financial statements**	**191 to 194**	**8.5**
4.	**Statutory Auditors' report on the consolidated financial statements**	**82 to 85**	**2.6**
5.	**Management report**	**See the concordance table of the management report**	
6.	**Statutory Auditor fees**	**163**	**7.3**
7.	**Report on corporate governance**	**Refer to the tables of the corporate governance report**	
8.	**Statement of the person assuming responsibility for the annual financial report**	**162**	**7.1.2**

Table of concordance of the management report

In order to facilitate the reading of this document, the concordance table below identifies the information that must be included in the management report, in accordance with the provisions of the French Commercial Code applicable to public limited companies with a Board of Directors.

Reference texts		Comments on the fiscal year	Page No.	Section No.
1. SITUATION AND ACTIVITY OF THE COMPANY				
French Commercial Code	Articles L. 225-100-1, I.,1°, L. 232-1, II. and L. 233-6 and L. 233-26	Situation of the company and an objective and exhaustive analysis of the development of the business, and notably with respect to its debt, position with regard to the size and complexity of the business	2 and 21 to 27	Introduction, 1.3 and 1.5
French Commercial Code	Article L. 225-100-1, I., 2°	Key performance indicators of a financial nature	3 and 8 to 9	Introduction
French Commercial Code	Article L. 225-100-1, I., 2°	Key non-financial performance indicators relating to the company's specific activity	141 to 160	6
French Commercial Code	Articles L. 232-1, II and L. 233-26	Material events occurring between the closing date and the date of the Report	78 and 189	2.5 note 34 and 8.4 note 34
French Commercial Code	Article L. 232-1, II	Existing branch offices	n.a.	
French Commercial Code	Article L. 233-6 al. 1	Investment in a company with its head office in France on French territory	n.a.	
French Commercial Code	Articles L. 233-29, L. 233-30 and R. 233-19	Dispositions of cross-holdings	n.a.	
French Commercial Code	Articles L. 232-1, II and L. 233-26	Future operating trends and outlook of the company	2 and 28	Introduction and 1.6
French Commercial Code	Articles L. 232-1, II and L. 233-26	Research and development	80	2.5 note 35.3
French Commercial Code	Article R. 225-102	Company five-year financial summary	195	8.6
French Commercial Code	Articles L. 441-14 and D. 441-6	Statutory information on aged accounts receivable and payable trial balances	185	8.4 note 23
French Monetary and Financial Code	Articles L. 511-6 and R. 511-2-1-3	Amounts of intercompany loans granted and the auditors' statement	188 and 191	8.4, note 30 and 8.5
2. INTERNAL CONTROL AND RISK MANAGEMENT				
French Commercial Code	Article L. 225-100-1, I.,3°	Main risks and uncertainties faced by the company	125 to 129	4
French Commercial Code	Article L. 22-10-35, 1°	Financial risks linked to the effects of climate change and presentation of measures taken to reduce them	144 and 152 to 153	6.1.2 and 6.4
French Commercial Code	Article L. 22-10-35, 2°	Main features of internal control and risk management procedures relating to the preparation and processing of accounting and financial information	100 to 101	3.2
French Commercial Code	Article L. 225-100-1, I., 2°	Hedging objectives and policy for each transaction category and the company's exposure to price, credit, liquidity and cash flow risks. The information includes the company's use of financial instruments	129 and 184	4.3.2 and 8.4, note 22.7
Law No. 2016-1691 of December 9, 2016 ("Sapin 2")		Anti-corruption system	151	6.3.2
French Commercial Code	Article L. 225-102-4	Vigilance plan and report on its implementation	n.a.	
3. SHAREHOLDING AND CAPITAL				
French Commercial Code	Article L. 233-13	Structure, changes in the company's capital and crossing of thresholds	134 and 137 to 138	5.2.6 and 5.4
French Commercial Code	Articles L. 225-211 and R. 225-160	Acquisition and disposal by the company of its own shares	136	5.3.7

Reference texts		Comments on the fiscal year	Page No.	Section No.
French Commercial Code	Article L. 225-102 paragraph 1	Employee profit-sharing	136	5.3.8
French Commercial Code	Articles L. 228-90 and D. 228-91	Possible adjustments for securities giving access to capital in the event of repurchase of shares or financial transactions	n.a.	
French Monetary and Financial Code	Article L. 621-18-2	Information on transactions in the company's shares by executives and related parties	137 to 138	5.4.4
French General Tax Code	Article 243 bis	Dividends distributed in the last three fiscal years	138	5.5
4. NON-FINANCIAL STATEMENT (NFS)				
French Commercial Code	Articles L.225-102-1 and R. 225-105	Business model	12 to 17	1.1
French Commercial Code	Articles L.225-102-1 and R. 225-105, I.1	Description of the main risks related to the company's business	142 to 144	6.1.2
French Commercial Code	Articles L.225-102-1,III, L. 22-10-36, R. 22-10-29, R. 225-104 and R. 225-105, I, 2°	Information on how the company takes into account the social and environmental consequences of its activity, as well as the effects of this activity on respect for human rights and the fight against corruption (description of the policies applied and due diligence procedures implemented to prevent, identify and mitigate the main risks associated with the company's or group's activity)	145 to 153	6.2 to 6.4
French Commercial Code	Articles L. 225-102-1 and R. 225-105, I.3°	Result of policies implemented by the company or group, including key performance indicators	145 to 153	6.2 to 6.4
French Commercial Code	Articles L. 225-102-1 and R. 225-105, II, A, 1°	Employment related information (employment, work organization, health and safety, labor relations, training, equal treatment, etc.)	145 to 149	6.2
French Commercial Code	Articles L. 225-102-1 and R. 225-105, II, A, 2°	Environmental information (general environmental policy, pollution, circular economy, climate change, etc.)	152 to 153	6.4
French Commercial Code	Articles L. 225-102-1 and R. 225-105, II, A, 3°	Social information (CSR commitments to sustainable development, subcontracting and suppliers, fair practices)	150 to 152	6.3
French Commercial Code	Articles L .225-102-1, L. 22-10-36, R. 22-10-26 and R. 225-105, II, B, 1°	Information on the fight against corruption and tax evasion	151	6.3.2
French Commercial Code	Articles L. 225-102-1, L. 22-10-36, R. 22-10-29 and R. 225-105, II, B, 2°	Information on measures taken in favor of human rights	144	6.1.2
French Commercial Code	Article L. 225-102-2	Specific information on SEVESO-regulated sites	n.a.	
French Commercial Code	Articles L. 225-102-1, III and R. 225-105	Collective agreements concluded in the company and their impact on the economic performance of the company and on the working conditions of employees	n.a.	
French Commercial Code	Articles L.225-102-1 III and R. 225-105-2	Certification by the independent third-party entity on the inclusion of the indicators in the NFS	157 to 159	6.7
	Article 8 of the European Taxonomy regulation 2020/852 and delegated act of 6 July 2021	Publication of revenue, capital expenditure (CAPEX), operating expenditure (OPEX) of taxonomy-eligible economic activities	155	6.5.3
5. ADDITIONAL INFORMATION REQUIRED FOR THE PREPARATION OF THE MANAGEMENT REPORT				
French General Tax Code	Articles 223 quater and 223 quinquies	Additional tax information	177	8.4 note 9
French Commercial Code	Article L 464-2	Injunctions or monetary penalties for anti-competitive practices	n.a.	

9.1.2 Table of concordance for the report on corporate governance

In order to facilitate the reading of this document, the concordance table below identifies the information that must be included in the corporate governance report, in accordance with the provisions of the French Commercial Code applicable to public limited companies with a Board of Directors.

Reference texts		Comments on the fiscal year	Page No.	Section No.
1. INFORMATION ON COMPENSATION				
French Commercial Code	Articles L. 22-10-8, I., paragraph 2 and R. 22-10-14	Corporate officer compensation policy	102 to 116	3.3
French Commercial Code	Article L. 22-10-9, I.,1° and R. 22-10-15	Total compensation and benefits of any kind paid in or granted for the fiscal year under to each corporate officer	109 to 112	3.3
French Commercial Code	Article L. 22-10-9, I., 2°	Relative proportion of fixed and variable compensation	108 to 115	3.3.2
French Commercial Code	Article L. 22-10-9, I., 3°	Use of the possibility to request the return of variable compensation	108	3.3.1.5
French Commercial Code	rticle L. 22-10-9, I., 2°	Commitments of any kind undertaken by the company on behalf of its corporate officers	105 to 106, 106 to 107 and 112	3.3.1.3, 3.3.1.4 and 3.3.2.2
French Commercial Code	Article L. 22-10-9, I.,5°	Compensation paid or awarded by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code.	111	3.3.2.1.1
French Commercial Code	Article L. 22-10-9, I.,6°	Ratios between the level of compensation of each executive officer and the average and median compensation of the company's employees	113	3.3.2.3
French Commercial Code	Article L. 22-10-9, I.,7°	Annual changes in compensation, company performance, average compensation of company employees and the above ratios for the last five years	113 to 114	3.3.2.4
French Commercial Code	Article L. 22-10-9, I.,8°	Explanation on how total compensation meets the compensation policy, including how it contributes to the company's long-term performance and how the performance criteria were applied	114	3.3.2.5
French Commercial Code	Article L. 22-10-9, I.,9°	Manner in which the vote of the last ordinary general meeting provided for in Article L. 22-10-34 of the Commercial Code was taken into account	114	3.3.2.6
French Commercial Code	Article L. 22-10-9, I.,10°	Divergence from the procedure for implementing the compensation policy and any exceptions therefrom	n.a.	
French Commercial Code	Article L. 22-10-9, I.,11°	Application of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code	n.a.	
French Commercial Code	Article L. 225-185 and L. 22-10-57	Awards and holding conditions for options by corporate officers	n.a.	
French Commercial Code	Articles L. 225-197-1 and L. 22-10-59	Awards and holding conditions for restricted stock units ("actions gratuites" or free shares) to executive officers of the Company	n.a.	
2. INFORMATION ON GOVERNANCE				
French Commercial Code	Article L. 225-37-4, 1°	List of all offices and functions exercised by each corporate officer during the period	91 to 95	3.1.2
French Commercial Code	Article L. 225-37-4, 2°	Agreements executed between an executive or significant shareholder and a subsidiary	116 and 122 to 124	3.4.1 and 3.5
French Commercial Code	Article L. 225-37-4, 3°	Delegations of powers currently in force granted by the general meeting of the shareholders concerning capital increases	118 to 121	3.4.3
French Commercial Code	Article L. 225-37-4, 4°	Procedures for exercising executive management	96 to 97	3.1.3.1
French Commercial Code	Article L. 22-10-10-1	Composition of the Board of Directors and conditions in which its work is prepared and organized	89 to 90 and 96 to 97	3.1.1 and 3.1.3.2
French Commercial Code	Article L. 22-10-10-2	Application of the principle of balanced representation of women and men on the Board	90	3.1.1

Reference texts		Comments on the fiscal year	Page No.	Section No.
French Commercial Code	Article L. 22-10-10-3	Any limitations that the Board of Directors may impose on the powers of the Chief Executive Officer	96 to 97	3.1.3.2
French Commercial Code	Article L. 22-10-10-4°	Reference to a corporate governance code and application of the "comply or explain" principle	88 and 98	3 (introduction) and 3.1.3.2
French Commercial Code	Article L. 22-10-10-5°	Specific conditions governing shareholders' attendance at general meetings	117	3.4.2
French Commercial Code	Article L. 22-10-10-6°	Procedure for evaluating current agreements and its implementation	97	3.1.3.2
3. INFORMATION LIKELY TO HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID OR PUBLIC EXCHANGE OFFER				
French Commercial Code	Article L. 22-10-11	The Company's capital structure	134 to 136	5.3
French Commercial Code	Article L. 22-10-11	Restrictions imposed by the Articles of Association on the exercise of voting rights and transfers of shares or clauses of agreements brought to the attention of the company pursuant to Article L. 233-11 of the Commercial Code	133	5.2.3
French Commercial Code	Article L. 22-10-11	Direct or indirect holdings in the company's capital of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code	133	5.2.3
French Commercial Code	Article L. 22-10-11	List of holders of securities with special rights and the description of such rights	137	5.4.1
French Commercial Code	Article L. 22-10-11	Agreements between shareholders known to the company that could result in restrictions on share transfers and the exercise of voting rights	137	5.4.3
French Commercial Code	Article L. 22-10-11	Rules applicable to the appointment and replacement of members of the Board of Directors and amendments to the articles of association of the issuer	90 and 134	3.1.1 and 5.2.7
French Commercial Code	Article L. 22-10-11	Powers of the Board of Directors, in particular with respect to the issue or buyback of shares	136	5.3.7
French Commercial Code	Article L. 22-10-11	Agreements entered into by the company that are amended or terminated in the event of a change in control over the issuer, unless such disclosure would seriously violate its interests (excluding legal disclosure obligations)	138	5.6
French Commercial Code	Article L. 22-10-11	Agreements providing for compensation for members of the Board of Directors or employees, should they resign or be dismissed unjustifiably and without due cause or their employment be terminated due to a takeover bid or public exchange offer	96 and 112	3.1.3.2 and 3.3.2.2

Glossary

Ad blocker:

Software allowing users to block advertisements on the websites visited.

Adjusted Net Income:

Adjusted net income is equal to Net income before the impact of share-based payments, including the related social security contributions, other operating income and expenses and fair value remeasurement of financial instruments and excluding the IFRS 16 impact on the recognition of leases.

AFEP-MEDEF Code:

The AFEP-MEDEF code is the governance reference code for listed companies.

AMF:

The French Securities Regulator (AMF–*Autorité des marchés financiers*) is an independent public authority which has the status of a financially independent legal entity, tasked with protecting savings invested in financial instruments, informing investors and ensuring the proper functioning of the financial instruments markets in France.

B2B (BtoB):

Business-to-Business qualifies a commercial activity between two companies.

B2C (BtoC):

Business-to-Consumer qualifies a commercial activity between a company and a consumer who is the end-users of its products or services.

Black Friday:

Name given in the United States on the Friday following the celebration of Thanksgiving at the approach of Christmas and which historically represents the day of the year when the commercial activity is the most important. A large part of merchants benefit of this moment to offer significant sales.

Bond issue type Euro PP:

Euro Private Placement, a private financing transaction between a listed or unlisted company and a limited number of institutional investors through the issuance of euro-denominated bonds.

Cash flow from operations:

All the internal resources generated by the company in the course of its activity that enable it to finance.

Claranova SE:

A European SE company or European undertaking is a company which may carry on its activities in all the Member States of the European Union in a single legal form common to all these States, as defined by Community law.

CEO:

Chief Executive Officer.

CGU (Cash Generation Unit):

A cash generating unit is is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Cloud:

(or cloud computing) is an IT infrastructure in which computing power and storage are managed by remote servers to which users connect via a secure Internet link and a physical access point (desktop, smartphone, tablet, connected object).

Cox Ross Rubinstein Method:

The Cox, Ross and Rubinstein (CRC) model is a model for evaluating options.

Credit spread:

Difference in the interest rate of a bond and that of a benchmark bond of the same duration.

CSR:

Corporate Social Responsibility. refers to taking into account by companies social and ethical issues in their activities.

Data Protection Officer (DPO):

Person in charge of personal data protection within an organization.

Discount rate:

This is the rate used to calculate the present value of a future flow.

E-commerce:

Electronic commerce or internet commerce, refers to the buying and selling of goods or services using the internet.

EBITDA:

EBITDA (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 earnings before depreciation, amortization and share-based payments, including related social security contributions, and the IFRS 16 impact on the recognition of lease.

Effective interest rate:

The effective interest rate represents the annual rate capitalized annually equivalent to the nominal interest rate of a loan or financial product.

EGM:

Extraordinary General Meeting.

Euronext Paris – Eurolist Compartiment B:

Euronext Paris is a regulated market that hosts the trading of shares, bonds, warrants and trackers. It is divided into 4 compartments according to the market capitalization of the issuer and which fall under different admission and trading rules. Compartment B: companies valued between 150 million and 1 billion euros.

Ex-ante vote:

Vote regarding compensation approving the principle of the compensation proposed by the Board of Directors for all corporate officers as well as the individual compensation proposed for each executive corporate officer for the current year.

Ex-post vote:

Vote regarding compensation validating the compensation awarded or paid to all corporate officers during the last fiscal year, as well as the individual compensation awarded or paid to each executive corporate officer during the current period.

Fabless Model:

A term used to refer to an economic model based on outsourcing production to third-party partners.

Freemium:

Characterizes a business model in which a product or service is offered free of charge, with the provider remunerating itself by offering the same customer more advanced and paying complementary products or services.

FSC®:

Forest Stewardship Council. International organization promoting responsible forest management.

GAFAM:

Acronym for the Five Web Giants: Google, Apple, Facebook, Amazon and Microsoft.

GDPR:

Data Protection Regulation, a European regulatory framework for data processing.

Hospitality:

In the hotel industry, hospitality refers to quality services to treat clients as guests (services individualized, implementation of tools to automate tasks that keep staff away from customers,...).

IAS (International Accounting Standards):

IAS was the former name given to international accounting standards. New international standards issued from April 1, 2001 are known as IFRS.

IASB:

International Accounting Standards Board. Organization responsible for developing international accounting standards IAS / IFRS.

IFRIC:

International Financial Reporting Interpretations Committee (IFRIC) develops interpretations of IFRS International Accounting Standards to ensure consistent application, clarification, and practical solutions.

IFRS (International Financial Reporting Standards):

IFRS are the international standards used to report on financial information, which seek to standardize the presentation of accounting data worldwide.

IoT:

Internet of Things, global infrastructure for the Information Society, which provides advanced services by interconnecting objects (physical or virtual) through existing or evolving interoperable information and communication technologies (definition of the International Telecommunication Union).

ISIN Code:

International Securities Identification Numbers corresponds to the identification code of a stock exchange value.

LEI:

Legal Entity Identification Number, a unique identification number for entities trading in financial markets.

Lock-up:

Lock-up clause - a clause by which one or more shareholder investors undertake to retain their shares.

LoRa™:

Wireless long-distance telecommunication technology deployed via a Low-Power Wide-Area Network (LoRaWAN) as part of the Internet of Things.

LTE-M (Long-Term Evolution for Machines):

A low power and long range communication standard dedicated to the Internet of Things.

MiddleNext:

Independent French association representing listed SMEs and midcaps. It was founded in 1987 and exclusively represents companies from all different sectors that are listed on Euronext and Alternext.

Mobile apps:

Software package for mobile phones.

Mobile-to-Print:

A generic term for all mobile intermediation applications linking printers to buyers of printed products.

Monetizing traffic:

Valuation of the audience of a website or mobile application by turning it into revenue through a fee for the application or to get access to the content of a website, the introduction of the freemium model, affiliate schemes, advertising, or any other means that enable generation of income.

NB-IoT (Narrowband IoT):

A low-power and long-range communication standard dedicated to the Internet of Things.

NFS:

Non-Financial Statement reporting.

OCEANE:

Convertible bond exchangeable for new or existing shares. Bonds issued by a company that give the holder the right, but not the obligation, to convert them into shares, at any time or over a given period.

Operating income:

Income calculated on the basis of recurring operating income less other non-current operating income and expenses.

Organic growth:

Business development of a group (usually by measuring revenue growth at constant consolidation scope and exchange rates) achieved by acquiring new customers, as opposed to an acquisitions process, which results in changes to the Company's scope of consolidation.

ORNANE:

(*Obligation Remboursable en Numéraire et en Actions Nouvelles et Existantes*), Redeemable Bond in Cash and in New and Existing Shares, means a form of convertible bond offering its holder the possibility of being redeemed in cash or in shares.

PaaS:

Platform as a Service is a cloud computing model aimed primarily at professionals and especially developers. This cloud computing model integrates the hardware infrastructure and software tools to design, test and deploy online applications and services from the cloud.

Panic button Push & Protect:

Multi-network technology - emergency communication solution.

Paycheck Protection Program (PPP):

Business loan program established by the 2020 US Federal government in response to the COVID-19 pandemic.

PDF:

Portable Document Format. Electronic document exchange format that allows the transmission of documents containing text, graphics, images and color.

Personalized e-commerce:

All digital printing, photo and personalized gifts.

Pricing models:

Rate of return expected by the market for a financial asset based on its systematic risk.

Recurring Operating income:

Income calculated on the basis of revenue plus other recurring operating income, less current operating expenses.

Regulated agreement:

Contract between the company and a person related to it (agents, partners, etc.) requiring the approval of the shareholders.

Regulated agreements and commitments:

Contract between the company and related parties (agents, partners, etc.) requiring shareholder approval.

Related Parties:

Within the meaning of IFRS regulations, for a company: any shareholder who is a legal entity exercising control or significant influence over the company, shareholders with significant voting rights, associated or co-controlled companies, any company with a manager / agent joint with the company, the members of the supervisory and management bodies.

Revolving credit:

Credit renewable.

Right to disconnect:

The employee's right to disconnect form professional digital tool (smartphone, computer, tablet, email, software etc.) during non-work hours.

Royalties:

Payments that repeatedly occur in exchange of operating rights (licenses, copyrights, trademarks) or the rights to use a service.

SaaS:

Software as a Service. Method of software delivery and licensing in which software is accessed online via a subscription.

Sapin II:

Law on transparency, anti-corruption and economic modernization. Applies to French companies with more than 500 employees and revenues of more than 100 million euros.

Say on pay:

The remuneration of the executive officers of the listed companies is voted by the shareholders at the General Meeting.

Share subscription warrants:

Financial security that allows you to subscribe to a share for a specified period of time, at a fixed price in advance.

Sigfox:

Low power wide-reaching signal telecommunications network used to send small amounts of data between objects without a cell phone.

Smartphone:

Mobile phone with advanced features similar to those of a computer (internet browsing, video playback, office tools, etc.).

Software:

All programs, processes and instructions for computer hardware to execute.

State Guaranteed Loan:

(PGE–*Prêt Garanti par l'État*) Loan contracted as part of government aid put in place by the French government in its plan to support the economy in response to the COVID-19 pandemic.

Stock-option:

Right granted to an employee enabling him/her to buy shares from his/her company at a predetermined price (strike price) that includes a discount compared to the stock market price at the time of the grant and within a specific time frame.

Techno push:

The concept of "techno push" considers that innovation generates demand, unlike the concept of "demand pull", which considers that innovation is the result of market demand.

Treasury shares:

Refers to the share of the company's capital held by the company itself.

Vertical applications:

Application that responds to the specific issues of a profession, an activity.

VPN (Virtual Private Network):

Service allowing to navigate on the web in a confidential and secure way by passing the internet connection through a server.

Web-to-Print:

Generic term for all web-based intermediation applications linking printers to buyers of printed products.

White Label:

A white label is a service or product designed by a company that other companies, such as distributors, take over and market under their own brand.

Working capital:

The amount required for the business to pay its current expenses while waiting to receive the payment due from its customers.

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