

Claranova

Acquisition

PlanetArt acquires CafePress

Claranova has bolstered its position in the personalised product market with the acquisition of CafePress for an undisclosed amount. The acquisition brings new product categories, a marketplace platform and licences from properties such as Marvel and Hasbro. We see scope for both cost and revenue synergies once integrated into the PlanetArt division; we will update our forecasts with FY20 results on 30 September.

Year end	Revenue (€m)	EBITDA** (€m)	PBT* (€m)	Diluted EPS* (€)	DPS (€)	P/E (x)
06/18	161.5	3.9	3.1	0.06	0.0	110.3
06/19	262.3	16.0	12.0	0.25	0.0	28.2
06/20e	408.6	16.0	11.1	0.20	0.0	35.3
06/21e	459.3	29.3	24.1	0.35	0.0	19.8

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments. **Pre-IFRS 16.

On 1 September, Claranova's photo printing and personalised gifting subsidiary PlanetArt acquired the assets of CafePress from Shutterfly for an undisclosed amount. CafePress (CP) is an online personalised product company headquartered in Kentucky, US. CP products are developed almost entirely by third-party content contributors and sold via CafePress websites in the US, the UK, Canada and Australia as well as via custom stores that can be set up by any user. CP is a licensee of hundreds of high-profile properties including Hasbro and Marvel. CP was acquired by Shutterfly subsidiary Snapfish in 2018 for \$25m. Recent financial data is not available, but CP reported revenue of \$86m (-16% y-o-y) and an EBITDA loss of \$4m in CY17. We see scope for Claranova to create cost synergies by integrating CP with PlanetArt's back-office functions and possibly using the Personal Creations manufacturing facility. PlanetArt does not currently operate in Canada or Australia so CP could offer an entry into those markets. We will update our forecasts when the company reports FY20 results on 30 September.

Software & comp services

3 September 2020

Price €6.96

Market cap €273m

Net cash (€m) at end H120 27.5

Shares in issue 39.2m

Free float 91%

Code CLA

Primary exchange Euronext Paris

Secondary exchange N/A

Share price performance



Business description

Claranova consists of three businesses focused on mobile and internet technologies: Printing & Gifting (digital photo printing; personalised gifts), Software and Internet of Things (IoT). Its headquarters are in Paris, and it has operations in Europe, the US and Canada.

Analyst

Katherine Thompson +44 (0)20 3077 5730

tech@edisongroup.com

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