

# Claranova

## PlanetArt disposal agreement signed

Claranova has finalised the agreement to sell the PlanetArt business. The deal is subject to shareholder approval, with the shareholder meeting scheduled for 27 June, and Claranova is targeting completion on 30 June. The company plans to use the c €112m initial proceeds to pay down debt, which should result in a gross debt position of c €50m post disposal.

Year end	Revenue (€m)	Adj. EBITDA (€m)	PBT (€m)	EPS (€)	P/E (x)
6/23	507.0	32.5	2.2	0.05	56.2
6/24	495.6	45.9	5.8	0.09	28.6
6/25e	498.2	53.0	29.6	0.40	6.5
6/26e	534.6	58.2	33.7	0.45	5.7

Note: EBITDA is pre-IFRS 16. PBT and diluted EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments. From FY25e, excludes myDevices as held for sale.

## Proceeds broadly in line with original deal valuation

The agreed sale price of \$175m (c €154m at current exchange rates) takes into account intra-group debts cancelled in favour of Claranova and transaction-related costs. This is split as cash proceeds of \$140m to Claranova, debt forgiven of \$6m and minority interests (existing PlanetArt management team) reinvesting \$29.5m in PlanetArt. The buyers will retain \$12.1m of the proceeds (\$10m from Claranova, \$2.1m from the minorities) for one year after completion as a guarantee for certain liabilities. After transaction costs and the retention, Claranova will receive net cash proceeds of \$127m/c €112m on completion.

## Becoming a pure-play software business

Post disposal, continuing operations will consist of the Avanquest SaaS software business, and the myDevices business will continue to be reported in discontinued operations while a buyer is sought. The company estimates that it will have a gross debt position of €50m (down from €153m at the end of H125) after paying down a large proportion of the Cheyne debt and all of the SaarLB pool debt. This leaves Avanquest with a more sustainable balance sheet and the potential to invest to grow the business. We will update our forecasts to reflect the disposal once it has completed and more detailed information on the split between divisions is available.

## Valuation unchanged

From our sum-of-the-parts valuation, we calculate an enterprise value after minority interests of €312m and an equity value of €176m or €3.1 per share. This takes into account the disposal proceeds before retention. We have placed a relatively conservative valuation on Avanquest. If the latest initiatives to expand into the B2B market successfully accelerate revenue growth, we see scope for upside to our valuation.

## Disposal confirmed

Software and comp services

26 June 2025

<b>Price</b>	<b>€2.58</b>
<b>Market cap</b>	<b>€153m</b>
	US\$1.16/€
Net cash/(debt) at end FY24	€(102.0)m
Shares in issue	57.2m
Free float	84.0%
Code	CLA
Primary exchange	NXT PA
Secondary exchange	N/A

## Share price performance



%	1m	3m	12m
Abs	(4.5)	5.1	48.1
52-week high/low		€3.2	€1.1

## Business description

Claranova consists of three businesses focused on mobile and internet technologies: PlanetArt (digital photo printing; personalised gifts), Avanquest (consumer software) and myDevices (IoT).

## Next events

Q425 revenue update	31 July
---------------------	---------

## Analyst

Katherine Thompson	+44 (0)20 3077 5700
--------------------	---------------------

[tmt@edisongroup.com](mailto:tmt@edisongroup.com)

[Edison profile page](#)

## PlanetArt disposal on track

---

On 23 June, Claranova announced that it had signed an agreement to sell the PlanetArt division to General Atlantic Credit's Atlantic Park fund and PlanetArt's management team. The [proposed deal](#) was originally announced on 3 March when the company entered into negotiations with the buyers.

The deal is subject to approval at the shareholders' meeting on 27 June and satisfaction of other contractual and regulatory conditions, with a target closing date of 30 June.

The agreed sale price is \$175m (c €154m at current exchange rates), which takes into account intra-group debts cancelled in favour of Claranova and transaction-related costs. This is split as follows:

- cash proceeds of \$140m to Claranova,
- debt forgiven of \$6m, and
- minority interests (existing PlanetArt management team) reinvesting \$29.5m in PlanetArt.

Of the proceeds, the buyers will retain \$12.1m (\$10m from Claranova, \$2.1m from the minorities) for one year after completion as a guarantee for certain liabilities.

After transaction costs and the retention, Claranova will receive net cash proceeds of \$127m/c €112m on completion.

### Planned use of proceeds

The company intends to use the proceeds to pay down debt, namely the Cheyne and SaarLB debts. Of the proceeds of c €112m, €93m will be used to pay down loan principal, €4m for accrued interest and €8.3m for an early repayment penalty. This leaves €6.7m to bolster cash.

### Cheyne debt to be materially reduced

Cheyne debt stood at €121m at the end of H125 (31 December 2024) and was net of fees yet to be amortised. The final capital amount repayable is €128m (€108m original debt taken out on 1 April 2024 plus an additional €20m borrowed in November 2024). In addition, there will be accrued interest to pay dependent on how much interest the company has paid over the term of the loan. The loan has guaranteed interest until 1 April 2026, so the company will incur a penalty of €8.3m for early repayment of the debt.

The company intends to pay down €87.5m of the principal, pay accrued interest of €3.8m and pay the €8.3m penalty. This leaves principal outstanding of €40.5m before accrued interest.

### Fully paying off the SaarLB pool debt

At the end of H125, the SaarLB pool debt stood at €9.1m. The company repaid €4m on 1 January 2025 and intends to pay down the remaining €5.5m plus €0.2m in accrued interest with the completion proceeds.

The company estimates that post disposal, the group will have gross debt of €50m including €3m of current debt.

## Pro forma estimates for Avanquest

---

Post the disposal of PlanetArt, Claranova's continuing operations will consist of the Avanquest software business; myDevices is accounted for in discontinued operations while a buyer is sought for it. In the table below we show the pre- and post-disposal headline data. As divisional data is only available to the level of EBITDA, we have not attempted to model continuing operations earnings post disposal. The company noted that with PlanetArt included in the accounts at a value of €36.2m, the gain on disposal will be at least €84m.

**Exhibit 1: Pro forma estimates**

€m	FY25e	FY26e	FY27e
<u>Pre-disposal</u>			
Revenue	498.2	534.6	567.8
Adjusted EBITDA	53.0	58.2	62.7
Adjusted EBITDA margin	10.6%	10.9%	11.0%
Net debt	118.0	90.9	61.9
<u>Post-disposal</u>			
Revenue	126.4	137.0	146.3
Adjusted EBITDA	27.1	29.5	31.6
Adjusted EBITDA margin	21.4%	21.5%	21.6%
Net debt*	39.6	30.4	19.7

Source: Edison Investment Research. Note: \*Initial estimate.

**Exhibit 2: Financial summary**

Year end 30 June, €m	2021	2022	2023	2024	2025e	2026e	2027e
<b>INCOME STATEMENT</b>							
Revenue	470.6	473.7	507.0	495.6	498.2	534.6	567.8
EBITDA	36.5	28.3	36.3	51.2	58.8	64.1	68.7
Company adjusted EBITDA	32.9	25.5	32.5	45.9	53.0	58.2	62.7
Normalised operating profit	31.0	23.7	30.3	40.2	49.7	54.1	57.6
Amortisation of acquired intangibles	(3.1)	(3.8)	(4.8)	(1.2)	(1.2)	(1.2)	(1.2)
Exceptionals	(4.4)	(0.7)	(5.3)	(7.7)	(3.1)	0.0	0.0
Share-based payments	0.0	(1.2)	(0.9)	(0.5)	0.0	0.0	0.0
Reported operating profit	23.5	18.0	19.3	30.8	45.4	52.9	56.4
Net Interest	(6.8)	(16.5)	(28.1)	(34.4)	(20.1)	(20.4)	(20.2)
Exceptionals	0.0	(5.7)	0.0	0.0	0.0	0.0	0.0
Profit Before Tax (norm)	24.2	7.2	2.2	5.8	29.6	33.7	37.4
Profit Before Tax (reported)	16.7	(4.2)	(8.8)	(3.6)	25.2	32.5	36.2
Reported tax	(3.5)	(5.7)	(2.0)	(8.4)	(8.3)	(7.5)	(8.3)
Profit After Tax (norm)	18.6	5.5	2.1	4.4	22.8	25.9	29.0
Profit After Tax (reported)	13.2	(10.0)	(10.8)	(12.0)	17.0	25.0	27.8
Minority interests	(3.7)	(0.5)	0.2	0.7	0.0	0.0	0.0
Discontinued operations	0.0	0.0	0.0	0.0	(1.7)	(1.0)	(1.0)
Net income (normalised)	14.9	5.0	2.3	5.1	22.8	25.9	29.0
Net income (reported)	9.5	(10.5)	(10.6)	(11.3)	15.3	24.0	26.8
Basic average number of shares outstanding (m)	39.3	42.6	45.6	56.7	56.7	56.7	56.7
EPS - basic normalised (€)	0.38	0.12	0.05	0.09	0.40	0.46	0.51
EPS - diluted normalised (€)	0.37	0.11	0.05	0.09	0.40	0.45	0.51
EPS - basic reported (€)	0.24	(0.25)	(0.23)	(0.20)	0.27	0.42	0.47
Dividend (€)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue growth (%)	15.0	0.7	7.0	(2.2)	0.5	7.3	6.2
EBITDA Margin (%)	7.7	6.0	7.2	10.3	11.8	12.0	12.1
Company adjusted EBITDA margin (%)	7.0	5.4	6.4	9.3	10.6	10.9	11.0
Normalised Operating Margin (%)	6.6	5.0	6.0	8.1	10.0	10.1	10.1
<b>BALANCE SHEET</b>							
Fixed Assets	96.6	123.3	151.8	145.9	146.8	147.4	147.7
Intangible Assets	77.5	96.6	120.1	117.2	118.5	119.2	119.4
Tangible Assets	12.2	18.2	18.2	16.7	16.3	16.2	16.3
Investments & other	6.9	8.5	13.5	12.0	12.0	12.0	12.0
Current Assets	128.4	146.8	112.6	82.4	80.5	104.6	133.0
Stocks	16.1	22.0	20.4	15.7	20.9	22.4	23.8
Debtors	9.2	8.3	9.8	12.0	12.3	13.2	14.0
Cash & cash equivalents	90.4	100.3	66.8	36.8	29.4	51.1	77.4
Other	12.7	16.2	15.6	17.9	17.9	17.9	17.9
Current Liabilities	(76.7)	(106.0)	(176.2)	(110.3)	(94.0)	(100.1)	(104.8)
Creditors	(63.8)	(78.1)	(74.1)	(78.5)	(72.2)	(78.3)	(83.0)
Tax and social security	(2.0)	(1.9)	(2.1)	(2.4)	(2.4)	(2.4)	(2.4)
Short-term borrowings	(7.7)	(22.6)	(93.8)	(24.6)	(14.6)	(14.6)	(14.6)
Other	(3.2)	(3.4)	(6.2)	(4.8)	(4.8)	(4.8)	(4.8)
Long-term liabilities	(66.1)	(162.2)	(104.6)	(125.7)	(144.3)	(138.9)	(136.1)
Long-term borrowings	(57.4)	(148.9)	(85.0)	(114.2)	(132.8)	(127.4)	(124.6)
Other long-term liabilities	(8.7)	(13.3)	(19.6)	(11.5)	(11.5)	(11.5)	(11.5)
Net Assets	82.2	1.9	(16.4)	(7.7)	(11.0)	13.0	39.8
Minority interests	(16.2)	(3.3)	(2.9)	(2.2)	(2.2)	(2.2)	(2.2)
Shareholders' equity	66.0	(1.4)	(19.3)	(9.9)	(13.2)	10.8	37.6
<b>CASH FLOW</b>							
Op Cash Flow before W/C and tax	36.5	28.3	36.3	51.2	58.8	64.1	68.7
Working capital	(3.1)	3.2	(12.9)	8.0	(11.8)	3.7	2.5
Exceptional & other	(8.9)	(4.2)	(8.1)	16.5	(4.8)	(1.0)	(1.0)
Tax	(5.1)	(9.4)	(6.0)	(10.0)	(8.3)	(7.5)	(8.3)
Net operating cash flow	19.4	17.9	9.3	65.7	34.0	59.3	61.9
Capex	(3.8)	(2.2)	(10.9)	(5.2)	(6.5)	(7.2)	(7.9)
Acquisitions/disposals	(3.8)	(73.3)	(21.2)	0.0	(18.5)	0.0	0.0
Net interest	(0.7)	(1.7)	0.0	(7.3)	(13.5)	(18.3)	(18.1)
Equity financing	2.4	13.3	(0.3)	1.9	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	(2.6)	1.9	(3.4)	(5.1)	(4.7)	(4.7)	(4.7)
Net Cash Flow	11.0	(44.1)	(26.5)	50.0	(9.2)	29.2	31.2
Opening net debt/(cash)	(13.9)	(25.3)	71.2	112.0	102.0	118.0	91.0
FX	1.8	2.1	(0.5)	0.3	(0.2)	0.0	0.0
Other non-cash movements	(1.3)	(54.5)	(13.8)	(40.3)	(6.6)	(2.1)	(2.1)
Closing net debt/(cash)	(25.3)	71.2	112.0	102.0	118.0	91.0	61.9

Source: Claranova, Edison Investment Research

---

## General disclaimer and copyright

This report has been commissioned by Claranova and prepared and issued by Edison, in consideration of a fee payable by Claranova. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

**Accuracy of content:** All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

**Exclusion of Liability:** To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out of or in connection with the access to, use of or reliance on any information contained on this note.

**No personalised advice:** The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

**Investment in securities mentioned:** Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2025 Edison Investment Research Limited (Edison).

---

## Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

---

## New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

---

## United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

---

## United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.