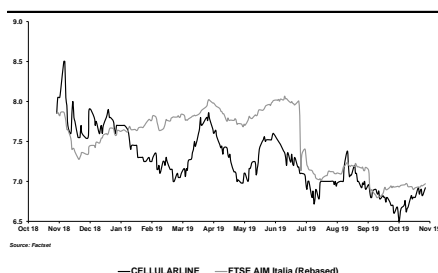


Company Flash Note

Buy			
Recommendation unchanged			
Share price: EUR	6.92		
closing price as of 25/11/2019			
Target price: EUR	9.50		
Target Price unchanged			
Upside/Downside Potential	37.3%		
Reuters/Bloomberg CELL.MI/CELL IM			
Market capitalisation (EURm)	150		
Current N° of shares (m) 22			
Free float	79%		
Daily avg. no. trad. sh. 12 mth 17			
Daily avg. trad. vol. 12 mth (m) 463.74			
Price high/low 12 months 8.50 / 6.50			
Abs Perfs 1/3/12 mths (%) 4.85/-1.14/-12.96			
Key financials (EUR)	12/18	12/19e	12/20e
Sales (m)	130	143	152
EBITDA (m)	34	33	34
EBITDA margin	26.1%	23.3%	22.6%
EBIT (m)	19	22	26
EBIT margin	14.6%	15.5%	17.0%
Net Profit (adj.)(m)	23	24	23
ROCE	5.8%	6.8%	7.5%
Net debt/(cash) (m)	25	30	16
Net Debt Equity	0.1	0.1	0.1
Net Debt/EBITDA	0.7	0.9	0.5
Int. cover(EBITDA/Fin.int)	4.5	55.5	23.0
EV/Sales	1.5	1.2	1.0
EV/EBITDA	5.6	5.2	4.6
EV/EBITDA (adj.)	5.6	5.2	4.6
EV/EBIT	10.0	7.8	6.2
P/E (adj.)	7.0	5.7	6.0
P/BV	0.9	0.7	0.7
OpFCF yield	13.0%	10.0%	13.3%
Dividend yield	4.3%	4.3%	4.3%
EPS (adj.)	1.13	1.21	1.16
BVPS	8.97	9.48	10.05
DPS	0.30	0.30	0.30

Shareholders

S.L.M.K. Funds 9%; Christian Aleotti 7%; Treasury 6%;



Analyst(s)

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Reason: Company newsflow

26 November 2019

Fine tuning of forecasts with inclusion of ifrs 16. Value still there. PT confirmed.

The facts: We are updating our forecasts on the back of the 9M19 results (see next page for full table).

Our analysis: Results were somewhat weak on the profitability side despite the growth in sales. More in particular, Q3'19 results have seen organic growth of +1.8% (after +6.3% in H1'19) and contribution from Systemaitalia acquisition of 8.1% (from 7.2% in H1'19). The correspondent figures for the 9M'19 were +4.4% organic and +7.6% from acquisitions/Systemaitalia. Despite the solid top line expansion profitability was down by app. 6% before ifrs 16 being essentially the result of combination of factors like lower mix (the new Audio AQL has lower than average margins for instance as it is still being roll out in Europe), and some weaknesses with more profitable existing clients (in Europe and Italy) which might be partly related to the slow-down of the mobile phone sector related to the Huawei saga. In the light of this we have decided to take a more realistic view on the Q4'19e of the year and we decided to trim our sales growth for the year to 10% from 13% and our EBITDA margin 23.3% from 23.8%. The latter have some knock on effects also in 2020e and 2021e. Net net we reduce out 2019e and 2020e/2021e EPS by 3% and 4% respectively. On the latter the ifrs 16 impact is nil and we highlight to investors that we have specified the ifrs 16 impact at profitability level below the EBITDA adjust to allow a same basis comparison. In Q4'19e we are now projecting sales growth of +7% and EBITDA decline of 4%. As far as the net debt is concerned we are now adding the EUR 3m estimated for the ongoing buyback which should terminate in 2019e and for which we adjust our EPS, the EUR 3m for the ifrs 16 and some EUR 3m of higher stock to stay on the conservative side. This takes our 2019e net debt forecast from app. EUR 20m to EUR 29m. The same delta on net debt app. applies to the following years (see next page for new/old forecasts).

Conclusion & Action: Clearly the earnings momentum is not yet strong but at app. 6x 2020e PE the market is discounting a much gloomier scenario. The company needs to digest in its profitability the new contracts signed in 2018/2019e and to bring to average profitability its new AQL audio line. All in all however at these price levels the shares remains extremely cheap and attractive from a value standpoint. We confirm our rounded PT based on the average of some peers' multiples and our DCF and a 15% liquidity discount (see next pages for full tables).

	2020 PE	2019e-2023e DCF
Avg. PE Peers (x)	10.6	
2020e Adj Net Pr. Eurm	23.2	DCF Equity FV 244
Implied Mkt. Cap.	247	Implied Mkt. Cap. 244
Implied N. of Shares	21554	Implied N. of Shares 21554
Implied PT	11.4	Implied PT 11.3
Average PT	11.4	
Liquidity/Exec. Risk Disc. 15%	9.7	
Current Price	6.9	
Upside	41%	

<i>P&L (Euro mn)</i>	2017PF	H118a	Q318a	9M18a	Q4'18a	2018A	%Ch.	H119a	%Ch.	Q319a	%Ch.	9M19a	%Ch.	Q4'19e	%Ch.	2019E	%Ch.
Acq.	na	na	na	na	na	0.0	0.0%	3.5	7.2%	2.8	8.1%	6.3	7.6%	1.7	3.7%	8.0	6.2%
Org.	na	na	na	na	na	(9.7)	-7.0%	3.1	6.3%	0.6	1.8%	3.7	4.4%	1.6	3.4%	5.3	4.1%
Sales	139.5	48.7	34.5	83.2	46.5	129.7	-7.0%	55.3	13.5%	37.9	9.9%	93.2	12.0%	49.8	7.1%	143.0	10.3%
EBITDA adj.	39.5	8.3	10.2	18.5	15.4	33.9	-14%	8.9	6.8%	9.6	-5.6%	18.5	0.0%	14.8	-3.6%	33.3	-1.7%
EBITDA Margin	28.3%	17.0%	29.6%	22.2%	33.1%	26.1%		16.0%		25.4%		19.8%		29.8%		23.3%	
TOT. D&A	(3.0)	(1.3)	(0.9)	(2.2)	(0.7)	(2.9)	-4%	(1.6)	20.4%	(1.0)	11%	(2.5)	17%	(1.0)	35%	(3.5)	21%
Provisions/ifrs 16	(0.1)	(5.0)	(0.3)	(5.3)	4.8	(0.5)		0.3		0.2		0.5		0.2		0.7	
Non-rec.	(0.7)	0.0	0.0	0.0	(5.9)	(5.9)		(1.6)	na	(0.7)	nm	(2.2)		(0.3)		(2.5)	
EBITA	35.7	2.0	9.0	11.0	13.6	24.6	-31%	6.1	2.0	8.2	-9%	14.3		13.7		28.0	14%
EBITA Margin	25.6%	4.1%	26.2%	13.3%	29.2%	19.0%		11.0%		21.6%		15.3%		27.5%		19.6%	
PPA	0.0	(2.9)	(1.4)	(4.3)	(1.4)	(5.8)		(2.9)		(1.4)		(4.3)		(1.4)		(5.8)	
EBIT	35.7	(0.9)	7.6	6.7	12.2	18.9	-47%	3.2	nm	6.8	-11%	10.0	48%	12.3	1%	22.2	18%
EBIT margin	25.6%	-1.8%	22.0%	8.1%	26.2%	14.6%		5.8%		17.8%		10.7%		24.6%		15.5%	
Forex	0.0	0.3	0.1	0.4	0.1	0.5		0.0		(0.2)		(0.2)		(0.0)		(0.2)	
Associates	(0.3)	(0.3)	(0.0)	(0.3)	0.0	(0.3)		0.0		0.0		0.0		0.0		0.0	
Net fin. Costs	(2.1)	(8.8)	0.0	(8.8)	1.3	(7.5)	nm	(0.8)	nm	0.4		(0.4)		(0.2)		(0.6)	-92%
Pre-tax profit	33.2	-9.6	7.7	-1.9	13.5	11.6	-65%	2.4	nm	7.0	-9%	9.4	nm	12.0	nm	21.4	85%
Taxes	(9.5)	9.2	(1.5)	7.7	(2.4)	5.3		0.2		(0.4)		(0.2)		(3.7)		(3.9)	-173%
Tax rate	28.7%	nm	nm	nm	nm	nm		nm		6%		2%		31%		18.0%	
Net profit	23.7	(0.4)	6.2	5.8	11.1	16.8	nm	2.6	-85%	6.6	7%	9.2	60%	8.3	nm	17.6	4%
Net margin	17.0%	-0.9%		6.9%		13.0%		4.7%				9.9%				12.3%	
Net fin. Debt	65.0	na	na	na	24.6	24.6		39.6		39.0		39.0		29.6		29.6	

Source: Company Data, Banca Akros forecasts

2019E Sales Bridge (EURm)			2020E Sales Bridge (EURm)		
2018 Sales	129.7	Comment	2019e Sales	143.0	Comment
Major client recovery	6.0	Resumption of sales; larger perimeter	Major client recovery	0.0	Inc. in organic growth
Distrib. Agreem. 1	1.0	Spanish Phonehouse on 500+ pos	Distrib. Agreem. 1	0.0	Inc. in organic growth
Distrib. Agreem. 2	1.0	Samsung/Huawei It. Dist. (H2)	Distrib. Agreem. 2	1.0	H1'20 effect
Distrib. Agreem. 3	1.5	French DS Nord 4000 pos (H2 effect)	Distrib. Agreem. 3	1.0	H1'20 effect
Systemaitalia acq.	8.0	Consolidation from April 2019e	Systemaitalia acq.	3.0	Jan-March consolid.
Organic growth	-4.2	Germany, Other Clients	Organic Growth 2%	4.3	Driven likely by Europe
2019e Sales	143.0		2020e Sales	152.3	
% Change	10.3%		% Change	6.5%	

2019E EBITDA Bridge (EURm)			2020E EBITDA Bridge (EURm)		
2018 EBITDA	33.9	Comment	2019e EBITDA	33.3	Comment
Ebitda Margin	26.1%		Ebitda Margin	23.3%	
Major client recovery	0.6	10% EBITDA margin	Major client recovery	0.0	Inc. in organic growth
Distrib. Agreem. 1	0.2	20% EBITDA margin	Distrib. Agreem. 1	0.0	Inc. in organic growth
Distrib. Agreem. 2	0.1	10% EBITDA margin	Distrib. Agreem. 2	0.1	10% EBITDA margin
Distrib. Agreem. 3	0.3	20% EBITDA margin	Distrib. Agreem. 3	0.2	20% EBITDA margin
Systemaitalia acq.	0.8	10% EBITDA margin (syn. not inc.)	Systemaitalia acq.	0.8	10% EBITDA margin +500k synergies
Organic growth	-1.3	30% EBITDA margin	Organic Growth 2%	0.4	10% EBITDA margin
Opex Inflation, USD, Oth.	-1.3	Star listing, M&A, USD, inflation	Opex Inflation, USD, Oth.	-0.4	Star listing, M&A, USD, inflation
2019e EBITDA	33.3	Before ifrs 16	2020e EBITDA	34.5	Before ifrs 16
Ebitda Margin	23.3%		Ebitda Margin	22.6%	
% Change	-1.7%		% Change	3.4%	

Source: Company Data, Banca Akros forecasts

Eurm	New			Old			New			Old			
	2018A	2019E	%Ch.	2019E	%Ch.	2020E	%Ch.	2020E	%Ch.	2021E	%Ch.	2021E	%Ch.
Sales	129.7	143.0	10%	147.2	13%	152.3	6%	155.2	5%	156.9	3%	159.8	3%
EBITDA	33.9	33.3	-2%	35.0	3%	34.5	3%	36.0	3%	35.5	3%	37.1	3%
% Sales	26.1%	23.3%		23.8%		22.6%		23.2%		22.6%		23.2%	
D&A	-2.9	-3.5		-3.0		-3.5		-3.0		-3.5		-3.0	
Prov./Non-Rec./if	-6.4	-1.8		-2.5		0.7		0.5		0.7		0.5	
EBITA	24.6	28.0	14%	29.5	20%	31.6	13%	33.5	14%	32.7	3%	34.6	3%
% Sales	19.0%	19.6%		20.0%		20.8%		21.0%		20.8%		21.0%	
PPA	-5.8	-5.8		-5.8		-5.8		-5.8		-5.8		-5.8	
EBIT	18.9	22.2	18%	23.8	26%	25.9	16%	26.8	13%	26.9	4%	27.8	4%
% Sales	14.6%	15.5%		16.1%		17.0%		17.2%		17.1%		17.4%	
Associates	-0.3	0.0		0.0		0.0		0.0		0.0		0.0	
Fin. Charges	-7.5	-0.6		-1.7		-1.5		-1.5		-1.3		-1.3	
Pretax	11.1	21.6	95%	22.1	99%	24.4	13%	25.3	14%	25.6	5%	26.5	5%
Taxes	5.3	-3.9		-4.0		-5.6		-5.8		-5.9		-6.1	
Tax Rate	nm	18%		18%		23%		23%		23%		23%	
Net Profit	16.8	17.6	4%	18.1	7%	18.8	7%	19.5	7%	19.7	5%	20.4	5%
Net Profit Adj.	23.0	24.3		24.5		23.2		23.9		24.1		24.9	
EPS	0.78	0.81		0.83		0.87		0.90		0.91		0.94	
% Diff.		-3%				-4%				-4%			
NFP	24.6	29.6		20.4		16.1		4.8		-0.5		-13.1	

Source: Company Data, Banca Akros forecasts

	Mkt Cap (Eurm)	EV/SALES			EV/EBITDA			EV/EBIT			P/E (adj.)		
		2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
LOGITECH	6817	2.4 x	2.2 x	2.1 x	17.4 x	15.4 x	14.3 x	18.8 x	17.0 x	16.0 x	20.6 x	19.0 x	19.0 x
PLANTRONICS	924	1.4 x	1.4 x	1.3 x	8.6 x	7.5 x	4.6 x	NA	NA	NA	8.1 x	6.5 x	6.5 x
ZAGG	214	0.6 x	0.6 x	0.5 x	6.1 x	5.2 x	4.3 x	NA	NA	NA	10.0 x	6.4 x	6.5 x

Average		1.5 x	1.4 x	1.3 x	10.7 x	9.4 x	7.7 x	18.8 x	17.0 x	16.0 x	12.9 x	10.6 x	10.7 x
Samples' Size		3	3	3	3	3	3	1	1	1	3	3	3
Max		2.4 x	2.2 x	2.1 x	17.4 x	15.4 x	14.3 x	18.8 x	17.0 x	16.0 x	20.6 x	19.0 x	19.0 x
Min		0.6 x	0.6 x	0.5 x	6.1 x	5.2 x	4.3 x	18.8 x	17.0 x	16.0 x	8.1 x	6.4 x	6.5 x
CELL (Akros)	150	0.4 x	1.5 x	1.2 x	5.2 x	4.6 x	4.0 x	7.8 x	6.2 x	5.3 x	5.7 x	6.0 x	5.8 x
Pr./(Disc.) vs. (1)		-71%	12%	-6%	-52%	-51%	-48%	-59%	-64%	-67%	-56%	-44%	-46%

Source: Banca Akros forecasts; Bloomberg

DCF MODEL	2019	2020	2021	2022	2023
EBITA	28.0	31.6	32.7	33.6	34.6
Taxes	-5.0	-7.3	-7.5	-9.4	-9.7
Tax rate	18%	23%	23%	28%	28%
NOPLAT	23	24	25	24	25
D&A	3.5	3.5	3.5	3.6	3.7
Op. CF	26	28	29	28	29
Capex/acq.	-16.5	-3.0	-3.0	-3.6	-3.7
Chg. In NWC	-8.1	-4.4	-2.2	-2.2	-1.8
Free Op. Flow (FOCF)	2	20	23	22	23

NPV FCF	2019	2020	2021	2022	2023
WACC	8.5%	8.5%	8.5%	8.5%	8.5%
Discount Rate	1.00	0.92	0.85	0.78	0.72
Disc. Free Cash Flow	2	19	20	17	17
Cumulated DFOCF	2	21	41	58	74

DCF ANALYSIS	
Perpetual Growth Rate	0.0%
WACC	8.5%
Terminal Value	272
TV Disc. Rate	0.72
Disc. TV	196
Cumulated DFOCF	74
EV (€ mn)	271
Net Debt	(25)
Minorities	(1.7)
Retirement provisions	(0)
Equity Value (€ mn)	244
Share Out. ('000)	21,554
FV per share (€)	11.3
Price	6.92
<i>Nominal Upside/(Ds)</i>	<i>64%</i>

Source: Company Data, Banca Akros forecasts

Equity Value (EURm)

WACC	terminal growth rate						
	-0.75%	-0.50%	-0.25%	0.00%	0.25%	0.50%	0.75%
7.75%	243	249	256	263	271	279	288
8.00%	237	243	249	256	264	271	280
8.25%	232	237	243	250	257	264	272
8.50%	227	232	238	244	250	257	265
8.75%	222	227	233	238	244	251	258
9.00%	218	222	228	233	239	245	251
9.25%	213	218	223	228	234	239	245
9.50%	209	214	218	223	229	234	240

Source: Banca Akros forecasts

Cellularline : Summary tables

PROFIT & LOSS (EURm)	12/2017	12/2018	12/2019e	12/2020e	12/2021e
Sales	139.5	129.7	143.0	152.3	156.9
Cost of Sales & Operating Costs	-80.6	-82.3	-93.3	-83.2	-85.7
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0
EBITDA	39.5	33.9	33.3	34.5	35.5
EBITDA (adj.)*	39.5	33.9	33.3	34.5	35.5
Depreciation	0.0	0.0	0.0	0.0	0.0
EBITA	39.5	33.9	33.3	34.5	35.5
EBITA (adj)*	39.5	33.9	33.3	34.5	35.5
Amortisations and Write Downs	-3.8	-15.0	-11.1	-8.6	-8.6
EBIT	35.7	18.9	22.2	25.9	26.9
EBIT (adj.)*	35.7	18.9	22.2	25.9	26.9
Net Financial Interest	-2.1	-7.5	-0.6	-1.5	-1.3
Other Financials	0.0	0.5	-0.2	0.0	0.0
Associates	-0.3	-0.3	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	33.2	11.6	21.4	24.4	25.6
Tax	-9.5	5.3	-3.9	-5.6	-5.9
<i>Tax rate</i>	<i>28.7%</i>	<i>nm</i>	<i>18.0%</i>	<i>23.0%</i>	<i>23.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	23.7	16.8	17.6	18.8	19.7
Net Profit (adj.)	23.7	23.0	24.3	23.2	24.1

CASH FLOW (EURm)	12/2017	12/2018	12/2019e	12/2020e	12/2021e
Cash Flow from Operations before change in NV	27.1	26.2	26.2	27.4	28.3
Change in Net Working Capital	-4.1	-1.0	-8.1	-4.4	-2.2
Cash Flow from Operations	23.0	25.2	18.0	22.9	26.1
Capex	-8.0	-3.0	-3.0	-3.0	-3.0
Net Financial Investments	20.0	-12.3	-13.5	0.0	0.0
Free Cash Flow	35.0	9.9	1.5	19.9	23.1
Dividends	-60.0	0.0	-6.0	-6.0	-6.0
Other (incl. Capital Increase & share buy backs)	-13.8	30.5	-0.5	-0.5	-0.5
Change in Net Debt	-38.8	40.4	-5.0	13.4	16.6
NOPLAT	25.7	14.5	18.2	19.9	20.7

BALANCE SHEET & OTHER ITEMS (EURm)	12/2017	12/2018	12/2019e	12/2020e	12/2021e
Net Tangible Assets	7.5	7.2	20.9	21.1	21.2
Net Intangible Assets (incl. Goodwill)	102.5	172.5	166.7	161.0	155.2
Net Financial Assets & Other	1.5	1.0	1.0	1.0	1.0
Total Fixed Assets	111.5	180.7	188.6	183.0	177.4
Inventories	17.8	20.6	22.7	24.2	24.9
Trade receivables	74.0	59.4	67.5	71.9	74.1
Other current assets	1.6	9.9	9.9	9.9	9.9
Cash (-)	-12.0	-42.0	-40.1	-45.0	-52.0
Total Current Assets	105.3	131.9	140.2	151.0	160.9
Total Assets	216.9	312.6	328.8	334.0	338.3
Shareholders Equity	104.9	194.4	205.5	217.7	230.9
Minority	0.0	0.0	0.0	0.0	0.0
Total Equity	104.9	194.4	205.5	217.7	230.9
Long term interest bearing debt	65.0	51.7	54.0	47.4	40.0
Provisions	0.4	0.4	0.4	0.4	0.4
Other long term liabilities	1.6	22.6	22.6	22.6	22.6
Total Long Term Liabilities	67.0	74.7	77.1	70.5	63.0
Short term interest bearing debt	12.0	14.9	15.6	13.7	11.5
Trade payables	28.5	20.2	22.3	23.7	24.4
Other current liabilities	4.4	8.4	8.4	8.4	8.4
Total Current Liabilities	44.9	43.5	46.3	45.8	44.4
Total Liabilities and Shareholders' Equity	216.9	312.6	328.8	334.0	338.3
Net Capital Employed	171.9	242.0	258.1	256.9	253.5
Net Working Capital	60.4	61.3	69.5	73.9	76.1

Cellularline : Summary tables

GROWTH & MARGINS	12/2017	12/2018	12/2019e	12/2020e	12/2021e
Net Profit growth	n.m.	-2.7%	5.7%	-4.7%	4.1%
EPS adj. growth		-36.5%	7.4%	-4.7%	4.1%
DPS adj. growth		n.m.	0.0%	0.0%	0.0%
EBITDA (adj)* margin	28.3%	26.1%	23.3%	22.6%	22.6%
EBITA (adj)* margin	28.3%	26.1%	23.3%	22.6%	22.6%
EBIT (adj)* margin	25.6%	14.6%	15.5%	17.0%	17.1%

RATIOS	12/2017	12/2018	12/2019e	12/2020e	12/2021e
Net Debt/Equity	0.6	0.1	0.1	0.1	0.0
Net Debt/EBITDA	1.6	0.7	0.9	0.5	0.0
Interest cover (EBITDA/Fin.interest)	18.5	4.5	55.5	23.0	27.3
Capex/D&A	209.0%	32.5%	56.3%	105.9%	105.9%
Capex/Sales	5.7%	2.3%	2.1%	2.0%	1.9%
NWC/Sales	43.3%	47.3%	48.6%	48.5%	48.5%
ROE (average)	45.1%	15.4%	12.2%	11.0%	10.8%
ROCE (adj.)	14.9%	5.8%	6.8%	7.5%	7.9%
WACC	8.5%	8.5%	8.5%	8.5%	8.5%
ROCE (adj.)/WACC	1.8	0.7	0.8	0.9	0.9

PER SHARE DATA (EUR)**	12/2017	12/2018	12/2019e	12/2020e	12/2021e
Average diluted number of shares	13.3	20.4	20.1	20.1	20.1
EPS (reported)	1.78	0.78	0.81	0.87	0.91
EPS (adj.)	1.78	1.13	1.21	1.16	1.20
BVPS	7.89	8.97	9.48	10.05	10.65
DPS	0.00	0.30	0.30	0.30	0.30

VALUATION	12/2017	12/2018	12/2019e	12/2020e	12/2021e
EV/Sales	1.4	1.5	1.2	1.0	0.9
EV/EBITDA	4.9	5.6	5.2	4.6	4.0
EV/EBITDA (adj.)*	4.9	5.6	5.2	4.6	4.0
EV/EBITA	4.9	5.6	5.2	4.6	4.0
EV/EBITA (adj.)*	4.9	5.6	5.2	4.6	4.0
EV/EBIT	5.4	10.0	7.8	6.2	5.3
EV/EBIT (adj.)*	5.4	10.0	7.8	6.2	5.3
P/E (adj.)	5.7	7.0	5.7	6.0	5.8
P/BV	1.3	0.9	0.7	0.7	0.6
Total Yield Ratio	0.0%	4.0%	4.0%	4.0%	
EV/CE	1.1	0.8	0.7	0.6	0.6
OpFCF yield	11.2%	13.0%	10.0%	13.3%	15.4%
OpFCF/EV	7.8%	11.7%	8.7%	12.5%	16.2%
Payout ratio	0.0%	38.5%	37.0%	34.7%	33.0%
Dividend yield (gross)	0.0%	4.3%	4.3%	4.3%	4.3%

EV AND MKT CAP (EURm)	12/2017	12/2018	12/2019e	12/2020e	12/2021e
Price** (EUR)	10.10	7.90	6.92	6.92	6.92
Outstanding number of shares for main stock	13.3	21.7	21.7	21.7	21.7
Total Market Cap	134	171	150	150	150
Net Debt	65	25	30	16	-1
<i>o/w Cash & Marketable Securities (-)</i>	<i>-12</i>	<i>-42</i>	<i>-40</i>	<i>-45</i>	<i>-52</i>
<i>o/w Gross Debt (+)</i>	<i>77</i>	<i>67</i>	<i>70</i>	<i>61</i>	<i>52</i>
Other EV components	-6	-6	-6	-6	-6
Enterprise Value (EV adj.)	193	189	173	160	143

Sector: Personal Goods/Personal Products

Company Description: The group is the largest European player in the design, distribution and commercialisation of accessories and items related to connected devices like smartphones and tablets. More in particular, CELL conceives, distributes and trades a large range of products divided into three lines: 1) Red division (90% 2018 Sales - the bulk of its product range) 2) Black division (4.8% 2018 Sales - items for moto and motorbikes) and 3) Blue division (4.5% 2018 Sales - third party products). CELL subcontracts the production of its products to leading accessories manufacturers and it distributes them in over 5000 pos over 60 countries through mostly B2C sales channels: CE chains, Mass Merchandisers, Telco and Travel Retail chains. The company has app. EUR 130m of sales of which app. 46% achieved abroad. Employees were 215 units as of end 2018.

Il presente documento è stato redatto da Andrea Bonfà (Socio AIAF) che svolge funzioni di analista presso Banca Akros SpA ("Banca Akros"), soggetto responsabile della produzione del documento stesso.

Banca Akros è una banca autorizzata anche alla prestazione di servizi di investimento appartenente al Gruppo Banco BPM (il "Gruppo"), ed è soggetta all'attività di direzione e coordinamento di Banco BPM (la "Capogruppo"). La banca è iscritta all'albo delle Banche al n. 5328 ed è soggetta alla regolamentazione e alla vigilanza di Banca d'Italia e Consob.

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Esso è prodotto e distribuito dal giorno 26 novembre 2019, ore 08:56 italiane.

Ai sensi degli artt. 5 e 6 del Regolamento Delegato 2016/598, **Banca Akros ha specifici interessi nei confronti della società oggetto di analisi nel presente documento, in quanto e' Corporate Broker.**

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L'analista Andrea Bonfà (e/o i suoi familiari) detiene Strumenti Finanziari emessi da Cellularline.

Banca Akros, nell'ultimo anno, ha pubblicato sulla società oggetto di analisi tre studi in data 11, 14 e 15 novembre 2019.

Banca Akros rende disponibili informazioni sui conflitti di interesse, ai sensi delle disposizioni contenute nell'art. 20 del Regolamento EU 2014/596 (Regolamento sugli Abusi di Mercato) e in particolare ai sensi degli artt. 5 e 6 del Regolamento Delegato EU 2016/958, sul proprio sito internet:

<http://www.bancaakros.it/menu-informativa/analisi-finanziaria-e-market-abuse.aspx>.

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Recommendation history for CELLULARLINE

Date	Recommendation	Target price	Price at change date
25-Nov-19	Buy	9.50	6.92

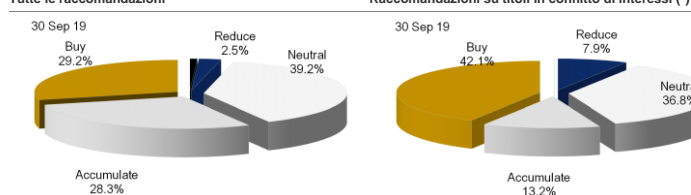
Source: Factset & ESN, price data adjusted for stock splits.

This chart shows Banca Akros continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Andrea Bonfà (since 04/09/2019)



Percentuale delle raccomandazioni al 30 settembre 2019

Tutte le raccomandazioni



(*) Si informa che la percentuale degli emittenti in potenziale conflitto di interessi con Banca Akros è pari al 31.67% del totale degli emittenti oggetto di copertura

ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a **total return**, measured by the upside potential (including dividends and capital reimbursement) over a **12 month time horizon**.



The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy (B)**, **Accumulate (A)**, **Neutral (N)**, **Reduce (R)** and **Sell (S)**.

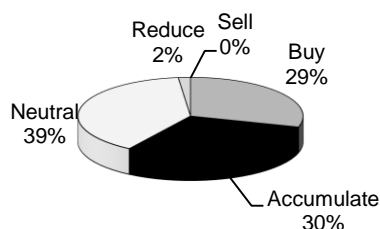
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Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 15%** during the next 12 months time horizon
- **Accumulate:** the stock is expected to generate total return of **5% to 15%** during the next 12 months time horizon
- **Neutral:** the stock is expected to generate total return of **-5% to +5%** during the next 12 months time horizon
- **Reduce:** the stock is expected to generate total return of **-5% to -15%** during the next 12 months time horizon
- **Sell:** the stock is expected to generate total return **under -15%** during the next 12 months time horizon
- **Rating Suspended:** the rating is suspended due to a change of analyst covering the stock or a capital operation (take-over bid, SPO, ...) where the issuer of the document (a partner of ESN) or a related party of the issuer is or could be involved
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Certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

Banca Akros Ratings Breakdown



For full ESN Recommendation and Target price history (in the last 12 months) please see ESN Website [Link](#)

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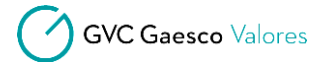
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