

PRESS RELEASE

**CONSOLIDATED INTERIM FINANCIAL REPORT AS AT 31 MARCH 2024 APPROVED**

**CONSOLIDATED REVENUES UP TO €31.8 MLN (+5.1% COMPARED TO Q1 2023)**

**ADJ EBITDA AT €1.2 MLN COMPARED TO €0.5 MLN IN Q1 2023**

**NET FINANCIAL DEBT IMPROVED, DOWN TO €31.4 MLN (€35.4 MLN AT 31 December 2023)**

- **Revenue from sales** of Euro 31.8 million (Euro 30.2 million at 31 March 2023).
- **Adjusted EBITDA<sup>1</sup>** of Euro 1.2 million (Euro 0.5 million in the period ended 31 March 2023).
- **Profit for the period** of Euro -2.6 million (Euro -2.4 million at 31 March 2023).
- **Adjusted Net Profit<sup>2</sup>** of Euro -1.3 million (Euro -1.0 million in the period ended 31 March 2023).
- **Net Financial Indebtedness** of Euro 31.4 million (Euro 35.4 million at 31 December 2023). Leverage ratio<sup>3</sup> at 1.5x as at 31 March 2024 (compared to 1.7x as at 31 December 2023).

Reggio Emilia, 08 May 2024 - The Board of Directors of Cellularline S.p.A. (hereinafter "**Cellularline**" or the "**Company**" or the "**Group**"), a European leader in the sector of accessories for smartphones and tablets listed on the Euronext STAR Milan, today examined and approved the Consolidated Interim Financial Report as at 31 March 2024.

**Marco Cagnetta, Director and General Manager Sales and Marketing** of the Cellularline Group, declared: *"The distribution expansion actions undertaken in specific countries and channels, and the implementation of innovative commercial strategies with the market's main retail partners, made it possible to again pursue revenue growth during the first three months of 2024. Despite the challenges of a complex macroeconomic environment, we remain firmly focused on the development of our Group, continuing to act proactively on our core business to consolidate the new opportunities generated"*.

## **Overview of Q1 2024**

The first quarter of the current year closed with a positive revenue trend thanks to the development of initiatives undertaken by management, despite a complex macroeconomic environment. In particular, the performance of the Red and Blue Italia and Black International lines was satisfactory.

---

<sup>1</sup> Adjusted EBITDA is calculated as EBITDA adjusted for: *i*) non-recurring charges/(income), *ii*) the effects of non-recurring events, *iii*) events relating to extraordinary transactions and *iv*) operating foreign exchange gains/(losses).

<sup>2</sup> *Adjusted Net Result* is calculated as adjusted Result of the Period of the *i*) adjustments incorporated in Adjusted EBITDA, *ii*) adjustments of amortisation and depreciation relating to the Purchase Price Allocation, *iii*) adjustments of non-recurring financial charges/(income) and *iv*) the theoretical tax impact of these adjustments.

<sup>3</sup> Leverage ratio is the ratio of net financial indebtedness to Adjusted EBITDA.

## Analysis of consolidated revenue

In the first quarter of 2024, the Group's **sales revenues** totalled Euro 31.8 million, a rise (+5.1%) on the same period last year.

## Revenue by product line

The table below shows sales by product line:

<i>(In millions of Euro)</i>	Period ended				Change	
	31 March 2024	% of revenue	31 March 2023	% of revenue	Δ	%
Red – Italy	8.3	26.1%	7.8	25.8%	0.5	6.3%
Red – International	17.0	53.7%	16.8	55.5%	0.3	1.6%
<b>Revenue from sales - Red</b>	<b>25.3</b>	<b>79.8%</b>	<b>24.6</b>	<b>81.3%</b>	<b>0.8</b>	<b>3.1%</b>
Black – Italy	0.7	2.3%	0.7	2.3%	0.0	1.9%
Black – International	1.1	3.3%	0.6	2.2%	0.5	63.0%
<b>Revenue from sales - Black</b>	<b>1.8</b>	<b>5.6%</b>	<b>1.3</b>	<b>4.5%</b>	<b>0.5</b>	<b>31.2%</b>
Blue – Italy	4.2	13.2%	3.7	12.1%	0.5	14.7%
Blue – International	0.5	1.4%	0.6	2.1%	(0.1)	-27.7%
<b>Revenue from sales - Blue</b>	<b>4.7</b>	<b>14.6%</b>	<b>4.3</b>	<b>14.2%</b>	<b>0.4</b>	<b>8.5%</b>
<b>Total revenue from sales</b>	<b>31.8</b>	<b>100.0%</b>	<b>30.2</b>	<b>100.0%</b>	<b>1.6</b>	<b>5.1%</b>

The analysis of sales for the individual product lines shows that:

- the **Red Line**, which represents the core business through the marketing of accessories for smartphones and tablets and the audio products of the **Group's proprietary brands**<sup>4</sup>, accounted for 80% of total period revenues, recording a rise of 3.1% (Euro 0.8 million).  
The performance is linked to 6.3% growth in the domestic market and a resilience in international markets;
- the **Black Line**, which mainly includes Interphone-branded motorbike accessories, recorded an excellent performance, with revenues of Euro 1.8 million, up 31.2% compared to the same period of the previous year (Euro 1.3 million), thanks mainly to a rebranding strategy and expansion of the product range;
- the **Blue Line**, dedicated to the sale of **third-party brand** products in distribution, amounted to Euro 4.7 million (approximately 15% of total sales), with an overall net growth of 8.5%, compared to the same period of the previous year, mainly driven by the domestic market.

<sup>4</sup> Cellularline, Interphone, AQL, MusicSound, Ploos+, Skross, Q2Power, Nova, Coverlab, Allogio, Peter Jäckel, Newrban, Untags, Film&Go and Style&Go.

## Revenue by geographical area

The table below shows sales by geographical area:

<i>(In millions of Euro)</i>	Period ended				Change	
	31 March 2024	% of revenue	31 March 2023	% of revenue	Value	%
Italy	13.2	41.5%	12.1	40.2%	1.1	8.5%
Main European markets	15.7	49.5%	15.7	51.9%	0.0	0.3%
Other countries	2.9	9.0%	2.4	7.9%	0.5	19.9%
<b>Total revenue from sales</b>	<b>31.8</b>	<b>100.0%</b>	<b>30.2</b>	<b>100.0%</b>	<b>1.6</b>	<b>5.1%</b>

Regarding the analysis by geographical area, it should be noted that in the first quarter **international markets** accounted for approximately 58.5% of total sales (59.8% of the first quarter of 2023).

The domestic market shows a growth of 8.5% compared to Q1 2023.

## Analysis of operating profit and consolidated net profit

Turning to an analysis of the Income Statement in the first quarter 2024:

- the **Gross Margin**<sup>5</sup> increased from Euro 10.4 million to Euro 12.1 million as a result of to the increase in revenues, while Cost of Sales remained essentially stable;
- **Costs of Sale and Distribution, General and Administrative Costs and Other Non-Operating Costs/Revenues** amounted to Euro 14.2 million in the period under review and accounted for 44.6% of revenue in the period, compared to Euro 13.2 million in the first quarter of the previous year (43.8% of revenue).

**Adjusted EBITDA** came to Euro 1.2 million, increasing by Euro 0.7 million compared with the same period of the previous year, with an improvement in the incidence on turnover of approximately two percentage points (3.6% Q1 2024 vs 1.6% Q1 2023). It should be noted that, due to the seasonality of the business, the first quarter of the year is the one most penalised in terms of absorption of fixed costs.

**Net Financial Income and Expense** in the first quarter of 2024 amounted to Euro -1.1 million, compared to a result of Euro -0.8 million in the first quarter of 2023; the increase of Euro 0.3 million was mainly due to exchange rate losses recorded following the depreciation of the Swiss Franc.

The **Adjusted Net Profit** for the period was Euro -1.3 million compared to Euro -1.0 million in the first quarter of 2023, due to the above and a lower contribution of recoverable taxes, allocated exclusively to the Parent Company, whose result in the first quarter of 2024 was higher than in the corresponding period of the previous year.

## Analysis of consolidated net debt

**Net financial debt**, which amounted to Euro 31.4 million as of 31 March 2024 (Euro 35.4 million as of 31 December 2023), is mainly related to the reduction in net working capital, due to both seasonality-related effects and the actions undertaken to make it more efficient.

The leverage ratio, calculated as the ratio of net financial indebtedness to adjusted EBITDA for the last 12 months, is 1.5x (compared with 1.7x at 31 December 2023).

<sup>5</sup> The Gross Margin is the difference between sales revenue and the cost of sales.

## **Significant events in Q1 2024**

- During the first few months of 2024, as per internal dealing and relevant shareholding disclosures pursuant to Art. 120 of Legislative Decree no. 58/98, it appears that:
  - the Chief Executive Officer, Christian Aleotti, purchased 500,368 ordinary shares, reaching a total shareholding of 12.15%;
  - the Chairman of the Board of Directors, Antonio Luigi Tazartes, purchased a total of 920,368 ordinary shares, reaching a total shareholding of 7.08%.

## **Significant events after 31 March 2024**

- **24 April:** the Shareholders' Meeting approved all the items on the agenda and, in particular:
  - i. the separate and consolidated financial statements as at 31 December 2023, as proposed by the Board of Directors on 13 March 2024;
  - ii. the distribution of a dividend, partly in cash and partly through the assignment of treasury shares held in the portfolio, in accordance with the following procedures: a) for the monetary portion: the distribution of an amount equal to Euro 0.087 gross for each ordinary share in circulation (excluding treasury shares); b) as regards the portion in shares: the assignment of treasury shares in portfolio at a ratio of 1 share for every 64 ordinary shares of Cellularline S.p.A. (rounded down to the nearest unit), for a total maximum of 329,420 shares (corresponding to 1.5% of the share capital) that can be entirely withdrawn from the treasury shares held by the Company;  
The resolution on the dividend distribution schedule is as follows: ex-dividend date 20 May 2024; payment entitlement date 21 May 2024; payment date 22 May 2024;
  - iii. the Report on the Remuneration Policy and fees paid;
  - iv. the incentive remuneration plan based on financial instruments called the "Cellularline S.p.A. 2024-2026 Incentive Plan"
- **7 May:** From the beginning of FY 2024 until 07 May 2024, Cellularline S.p.A., within the scope of the authorisation to purchase treasury shares resolved by the Issuer's Shareholders' Meeting on 22 November 2023, purchased 354,370 treasury shares for a total equivalent value of approximately EUR 969 thousand, reaching a number of treasury shares held of 881,577 shares, or 4.03% of the share capital;

## **Outlook**

Based on the information available to date, management believes that the commercial initiatives implemented will produce further benefits in the remainder of the year. In addition, based on the revenue trend in the last two years, information available as of today and the strategic actions taken by management, the Company overall confirms its long-term direction and soundness of the development activities implemented.

## Legal statements

The Manager responsible for preparing the financial information, Mauro Borgogno, states, pursuant to paragraph 2 of article 154-*bis* of the Consolidated Finance Act, that the financial reporting in this press release corresponds with the documentary records, ledgers and accounting entries.

The following are appended:

- **Annex A:** the IFRS financial statements of the consolidated interim financial report as at 31 March 2024, examined and approved by the Board today;
- **Annex B:** the consolidated income statement, reclassified as deemed more representative of the Group's operating profitability by the management.

\*\*\*

## Analyst conference call

Management will present the consolidated results as at 31 March 2024 to the financial community during a conference call to be held on 09 May 2024 at 09:30 CET.

To participate in the conference call, you will need to register at the following link "[CLICK HERE TO REGISTER FOR THE CONFERENCE CALL](#)".

The slides from the presentation and any supporting material will be available before the start of the conference call, on the site [www.cellularlinegroup.com/investors/presentazioni](http://www.cellularlinegroup.com/investors/presentazioni).

\*\*\*

In accordance with applicable regulations, the consolidated interim financial report at 31 March 2024 is available from the Company's registered office and may be consulted on its website at the address [www.cellularlinegroup.com](http://www.cellularlinegroup.com), in addition to the authorised storage facility "1infostorage" operated by Computershare S.p.A. at the address [www.1info.it](http://www.1info.it).

\*\*\*

*Cellularline S.p.A., founded in Reggio Emilia in 1990, is, with the brands **Cellularline, Interphone, AQL, MusicSound, Ploos+, Skross, Q2Power, Nova, Coverlab, Allogio, Peter Jäckel, Newrban, Untags, Film&Go and Style&Go**, the leading company in the smartphone and tablet accessories sector. The Group is at the technological and creative forefront of the multimedia device accessories industry, striving to deliver products synonymous with outstanding performance, ease of use and a unique user experience. The Group currently has 300 employees. Cellularline brand products are sold in over 60 countries.*

**Cellularline S.p.A. - Investor Relations**  
[ir@cellularlinegroup.com](mailto:ir@cellularlinegroup.com)

**Close to Media – Press Office**

Enrico Bandini +39 335 8484706  
[enrico.bandini@closetomedia.it](mailto:enrico.bandini@closetomedia.it)

Alberto Selvatico +39 334 6867480

[alberto.selvatico@closetomedia.it](mailto:alberto.selvatico@closetomedia.it)

Davide Casi

[davide.casi@closetomedia.it](mailto:davide.casi@closetomedia.it)

**ANNEX A**

**CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31 March 2024**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<i>(In thousands of Euro)</i>	31 March 2024	Of which related parties	31 December 2023	Of which related parties
<b>ASSETS</b>				
Intangible assets	48,381		50,594	
Goodwill	37,720		38,505	
Property, plant and equipment	7,564		7,816	
Equity investments in associates and other companies	331		331	
Right-of-use assets	3,643		3,994	
Deferred tax assets	6,426		5,805	
Financial assets	52		54.00	
<b>Total non-current assets</b>	<b>104,117</b>		<b>107,099</b>	
Inventories	44,175		46,931	
Trade receivables	43,565	3,528	51,459	3,761
Current tax assets	543		473	
Financial assets	217		338	
Other assets	11,722		13,066	
Cash and cash equivalents	15,493		14,041	
<b>Total current assets</b>	<b>115,715</b>		<b>126,308</b>	
<b>TOTAL ASSETS</b>	<b>219,832</b>		<b>233,407</b>	
Share capital	21,343		21,343	
Other reserves	102,180		107,056	
Retained earnings	9,148		2,665	
Profit (loss) for the period attributable to owners of the parent	(2,564)		3,595	
<b>Equity attributable to owners of the parent</b>	<b>130,107</b>		<b>134,659</b>	
Equity attributable to non-controlling interests	-		-	
<b>Total Equity</b>	<b>130,107</b>		<b>134,659</b>	
<b>LIABILITIES</b>				
Financial liabilities	8,000		8,600	
Deferred tax liabilities	3,449		3,547	
Employee benefits	552		544	
Provisions for risks and charges	1,949		1,939	
Other financial liabilities	8,740		9,061	
<b>Total non-current liabilities</b>	<b>22,690</b>		<b>23,691</b>	
Financial liabilities	27,431		29,170	
Trade payables	27,978		32,330	
Current tax liabilities	1,728		1,686	
Provisions for risks and charges	-		-	
Other liabilities	7,180		8,939	
Other financial liabilities	2,717		2,932	
<b>Total current liabilities</b>	<b>67,034</b>		<b>75,057</b>	
<b>TOTAL LIABILITIES</b>	<b>89,724</b>		<b>98,748</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>219,832</b>		<b>233,407</b>	

**ANNEX A**

**CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31 March 2024**

**CONSOLIDATED INCOME STATEMENT**

<i>(thousands of Euro)</i>	<b>31 March 2024</b>	<i>of which with related parties</i>	<b>31 March 2023</b>	<i>of which with related parties</i>
Revenue from sales	31,756	984	30,212	1,056
Cost of sales	(19,664)		(19,850)	
<b>Gross operating profit</b>	<b>12,091</b>		<b>10,362</b>	
Sales and distribution costs	(7,336)		(6,967)	
General and administrative costs	(7,199)	(3)	(6,686)	(3)
Other non-operating costs/(revenue)	380		414	
<b>Operating profit/(loss)</b>	<b>(2,064)</b>		<b>(2,877)</b>	
Financial income	122		109	
Financial expense	(981)		(845)	
Foreign exchange gains/(losses)	(197)		(70)	
Gains on equity investments	0		0	
<b>Profit/(loss) before taxes</b>	<b>(3,119)</b>		<b>(3,684)</b>	
Current and deferred taxes	556		1,255	
<b>Profit for the period before non-controlling interests</b>	<b>(2,564)</b>		<b>(2,429)</b>	
Profit (loss) for the period attributable to non-controlling interests	-		-	
<b>Profit (loss) for the period attributable to owners of the parent</b>	<b>(2,564)</b>		<b>(2,429)</b>	

**STATEMENT OF COMPREHENSIVE INCOME**

<i>(thousands of Euro)</i>	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>Profit (loss) for the period attributable to owners of the parent</b>	<b>(2,564)</b>	<b>(2,429)</b>
<i>Other components of comprehensive income that will not be reclassified to profit or loss</i>		
Actuarial gains (losses) on defined benefit plans	(3)	0
Actuarial gains (losses) on provisions for risks	0	0
Gains/(losses) on translation of foreign operations	(1,052)	(13)
Income taxes	1	0
<b>Total other components of comprehensive expense for the period</b>	<b>(1,054)</b>	<b>(13)</b>
<b>Total comprehensive economic results for the period</b>	<b>(3,617)</b>	<b>(2,442)</b>

**ANNEX A**

**CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31 March 2024**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

<i>(thousands of Euro)</i>	<b>31 March 2024</b>	<b>31 March 2023</b>
Profit for the period	(2,564)	(2,429)
Amortisation, depreciation and impairment of goodwill	3,193	3,038
Net impairment losses and accruals	597	395
(Gains)/losses on equity investments	-	-
Accrued financial (income)/expense	1,056	807
Current and deferred taxes	(556)	(1,255)
Other non-monetary changes (*)	(309)	21
<b>Flow generated (absorbed) by operating activities net of NWC</b>	<b>1,418</b>	<b>576</b>
(Increase)/decrease in inventories	2,581	(6,206)
(Increase)/decrease in trade receivables	7,702	2,197
Increase/(decrease) in trade payables	(4,352)	6,051
Increase/(decrease) in other assets and liabilities	(618)	(6,365)
Payment of employee benefits and change in provisions	(12)	(50)
<b>Cash flow generated (absorbed) by operating activities</b>	<b>6,719</b>	<b>(3,797)</b>
Interest paid and other net charges paid	(365)	(807)
Income taxes paid	(192)	(68)
<b>Net cash flows generated by operating activities</b>	<b>7,304</b>	<b>(4,672)</b>
Acquisition of subsidiaries, net of cash acquired	-	(4,421)
Purchase of property, plant and equipment and intangible assets	(880)	(625)
<b>Cash flows generated (absorbed) by investing activities</b>	<b>(880)</b>	<b>(5,046)</b>
(Dividends distributed)	-	-
Other financial assets and liabilities	(223)	3,120
Other changes in equity	(868)	-
Increase/(decrease) in bank loans and borrowings and loans and borrowings from other financial backers	(2,740)	6,995
Payment of transaction costs relating to financial liabilities	-	23
<b>Net cash flows generated by (used in) financing activities</b>	<b>(3,831)</b>	<b>10,137</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>1,452</b>	<b>419</b>
<b>Opening cash and cash equivalents</b>	<b>14,041</b>	<b>9,916</b>
<b>Closing cash and cash equivalents</b>	<b>15,493</b>	<b>10,335</b>



## ANNEX B

### RECLASSIFIED CONSOLIDATED INCOME STATEMENT

<i>(thousands of Euro)</i>	31 March 2024	Of which related parties	% of revenue	31 March 2023	Of which related parties	% of revenue
Revenue from sales	31,756	984	100%	30,212	1,056	100%
Cost of sales	(19,664)		-61.9%	(19,850)		-65.7%
<b>Gross profit margin</b>	<b>12,091</b>		<b>38.1%</b>	<b>10,362</b>		<b>34.3%</b>
Sales and distribution costs	(7,336)		-23.1%	(6,967)		-23.1%
General and administrative costs	(7,199)	(3)	-22.7%	(6,686)	(3)	-22.1%
Other non-operating (expense)/revenue	380		1.2%	414		1.4%
<b>Operating profit/(loss)</b>	<b>(2,064)</b>		<b>-6.5%</b>	<b>(2,877)</b>		<b>-9.5%</b>
* of which PPA amortisation	1,670		5.3%	1,617		5.4%
* of which non-recurring expense/(revenue)	15		0.0%	344		1.1%
* of which foreign exchange gains/(losses)	6		0.0%	(9)		0.0%
<b>Adjusted operating profit/loss (Adjusted EBIT)</b>	<b>(372)</b>		<b>-1.2%</b>	<b>(925)</b>		<b>-3.1%</b>
* of which depreciation and amortisation (excluding PPA amortisation)	1,523		4.8%	1,421		4.7%
<b>Adjusted EBITDA</b>	<b>1,151</b>		<b>3.6%</b>	<b>496</b>		<b>1.6%</b>
Financial income	122		0.4%	109		0.4%
Financial expense	(981)		-3.1%	(845)		-2.8%
Foreign exchange gains/(losses)	(197)		-0.6%	(70)		-0.2%
Gains/(losses) on equity investments	0		0.0%	0		0.0%
<b>Profit/(loss) before taxes</b>	<b>(3,119)</b>		<b>-9.8%</b>	<b>(3,684)</b>		<b>-12.2%</b>
* of which PPA amortisation	1,670		5.3%	1,617		5.4%
* of which non-recurring expense/(revenue)	15		0.0%	344		1.1%
* of which fair value impact on the warrant and put&call	0		0.0%	0		0.0%
<b>Adjusted profit/loss before taxes</b>	<b>(1,434)</b>		<b>-4.5%</b>	<b>(1,723)</b>		<b>-5.7%</b>
Current and deferred taxes	556		1.8%	1,255		4.2%
<b>Profit (loss) for the period attributable to owners of the parent</b>	<b>(2,564)</b>		<b>-8.1%</b>	<b>(2,429)</b>		<b>-8.0%</b>
* of which PPA amortisation	1,670		5.3%	1,617		5.4%
* of which non-recurring expense/(revenue)	15		0.0%	344		1.1%
* of which fair value impact on the warrant and put&call	0		0.0%	0		0.0%
* of which tax effect on the above items	(462)		-1.5%	(539)		-1.8%
<b>Adjusted profit (loss) for the period attributable to owners of the parent</b>	<b>(1,340)</b>		<b>-4.2%</b>	<b>(1,006)</b>		<b>-3.3%</b>