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ISSUER'S NOTICE

UNDER ARTICLE 103, PARAGRAPHS 3 AND 3-*BIS* OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AND ARTICLE 39 OF CONSOB REGULATION ADOPTED BY RESOLUTION NO. 11971 OF 14 MAY 1999, AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED

*Notice from the Board of Directors of Cellularline S.p.A. issued under and for the purposes of Article 103, paragraphs 3 and 3-*bis*, of Legislative Decree No. 58 of 24 February 1998 No. 58, as subsequently amended and supplemented, and Article 39 of the Regulation approved by CONSOB with resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented, in relation to the overall voluntary public tender offer launched by 4 Side S.r.l. under Article 102 of Legislative Decree No. 58 of 24 February 1998 , as subsequently amended and supplemented*

DISTRIBUTION TO PERSONS RESIDENT OR LOCATED IN COUNTRIES WHERE DISTRIBUTION HEREOF IS PROHIBITED BY THE APPLICABLE LEGISLATION IS PROHIBITED

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DEFINITIONS

A list of the main definitions used in this Issuer's Notice is shown below. Where the context so requires, terms defined in the singular have the same meaning in the plural and vice versa.

Subscribers	The Issuer's shareholders, natural or legal persons, who have tendered their Shares to the Offer.
Other Countries	United States, Canada, Japan and Australia, as well as any other Country where the Offer is not permitted in the absence of authorisation by the competent authorities or the fulfilment of any other obligation on the Offeror's part.
Cellularline Shares or **Shares**	The 21,868,189 ordinary shares representing Cellularline's share capital, with no value and listed on Euronext STAR Milan (ISIN code: IT0005244618).
Offer Shares	Each of the (or in plural, depending on the context, all or part of) maximum number of 21,868,188 Shares, representing 99.999995% of the Issuer's share capital as at the Date of the Offer Document, and corresponding to all the Shares, including the Treasury Shares held by the Issuer, less 1 Share (acquired by the Offeror on 9 August 2022 for a consideration equal to EUR 3.73), representing 0.000005% of the Issuer's share capital as at the Date of the Offer Document, held by the Offeror.
Treasury Shares	The treasury shares held by the Issuer from time to time. The number of treasury shares held by the Issuer may change depending on the purchase or disposal of such shares by Cellularline to implement the authorisation granted by the Issuer's ordinary shareholders' meeting on 27 April 2022 under Articles 2357 and 2357-*ter* of the Italian Civil Code.
Italian Stock Exchange	Borsa Italiana S.p.A., with its registered office at Piazza Affari No. 6, Milan.
Cash Confirmation Letter	The performance guarantee, under Article 37-*bis* of the Issuers' Regulation, consisting of a declaration of guarantee issued by Unicredit S.p.A. in favour of the Offeror, whereby, under the terms set out therein, the latter has irrevocably and unconditionally undertaken to make available to the Intermediary in Charge of Coordinating the Collection of Subscriptions the amount due from the Offeror as consideration for the Shares tendered to the Offer up to a maximum total amount equal to the Offer Maximum Payout.

Issuer's Notice or **103 Notice**	This notice prepared under Article 103, paragraphs 3 and 3-*bis*, of the CFA and Article 39 of the Issuers' Regulation, approved by the Board of Directors on 15 September 2022, containing all useful data for the assessment of the Offer and its own evaluation of the Offer.
Offeror Notice or **102 Notice**	The notice sent by 4SIDE to CONSOB and the Issuer and disclosed to the market, under Article 102 of the CFA and Article 37 of the Issuers' Regulation, on 19 July 2022.
Offer Conditions	The conditions described in Section A, Paragraph A.1 of the Offer Document, the fulfilment of which (or the waiver of which, in whole or in part, by the Offeror, or, with regard to the Antitrust Condition, to the extent permitted by law) is a prerequisite for the completion of the Offer.
Board of Directors	Cellularline's Board of Directors.
CONSOB	The Italian Stock Exchange Regulatory Body, with its registered office in Via G.B. Martini, No. 3, Rome.
Price	The price offered by the Offeror under the Offer is EUR 3.75 for each Share tendered to the Offer and purchased by the Offeror.
Date of the Offer Document	The publication date of the Offer Document, i.e., 8 September 2022.
Announcement Date	The date on which the public was notified of Esprinet's submission to the Board of Directors of the Expression of Interest, i.e., 7 May 2022 (with markets closed).
Payment Date	The date on which the payment of the Price shall be made, together with the transfer of the right of ownership to the Shares to the Offeror, corresponding to the fifth Trading Day following the closing of the Subscription Period and, therefore, 21 October 2022 (unless the Subscription Period is extended in accordance with the applicable legislation), as indicated in Section F, Paragraph F.5, of the Offer Document.
Delisting	The delisting of the Shares from Euronext STAR Milan.

Right to Squeeze-Out	The Offeror's right to purchase the remaining Shares, under Article 111 of the CFA, in the event that, after the Offer, the Offeror and the Parties Acting in Concert hold - including as a result of any purchases made outside the Offer, directly or indirectly, by the Offeror and/or Persons Acting in Concert, after the Date of the Offer Document and within the Subscription Period as may be extended and/or the fulfilment of the Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA - at least 95% of the Issuer's share capital. It should be noted that, for the purpose of calculating the above-mentioned threshold, Treasury Shares will be calculated in the Offeror's Shareholding (numerator) without being subtracted from the Issuer's share capital (denominator).
Offer Document	The document relating to the Offer, drawn up under Article 102 and following of the CFA and applicable provisions of the Issuers' Regulation.
Issuer or **Cellularline**	Cellularline S.p.A., with registered office at Via G. Lambrakis No. 1/A, Reggio Emilia, registration number with the Reggio Emilia Companies' Register, tax code and VAT No. 09800730963, share capital of EUR 21,343,189, divided into 21,868,189 ordinary shares with no par value, listed on Euronext STAR Milan.
Equita	Equita SIM S.p.A., with registered office at Via Filippo Turati No. 9, Milan appointed by the Issuer on 14 May 2022 as financial advisor to the Board of Directors.
Offer Maximum Payout	The maximum total countervalue of the Offer, equal to EUR 82,005,705.00, calculated on the basis of the Price, equal to EUR 3.75 per Share, and assuming that all the Offer Shares are tendered to the Offer.
Esprinet	Esprinet S.p.A., with registered office at Via Energy Park No. 20, Vimercate (MB), registration number with the Milan Monza Brianza Lodi Companies' Register and tax code 05091320159, VAT No. 02999990969, share capital of EUR 7,860,651.00, whose shares are listed on Euronext STAR Milan organised and managed by the Italian Stock Exchange.
Euronext STAR Milan	The STAR segment of Euronext Milan, a regulated market organised and managed by the Italian Stock Exchange.
Merger	The merger of the Issuer into the Offeror (unlisted company).

Trading Day	Each day on which the Italian regulated markets are open for business according to the trading calendar established annually by the Italian Stock Exchange.
Group or **Cellularline Group**	The Issuer and the companies directly and/or indirectly controlled by it under Article 93 of the CFA.
Esprinet Group	Esprinet and the companies directly and/or indirectly controlled by it under Article 93 of the CFA.
Depositary Intermediaries	Authorised intermediaries such as banks, securities brokerage firms, investment firms or stockbrokers adhering to the centralised administration system at Monte Titoli who may collect and submit Subscription Forms to the Appointed Intermediaries, as specified in Section B, Paragraph B.3 of the Offer Document.
Intermediary in Charge of Coordinating the Collection of Subscriptions	The intermediary in charge of coordinating the collection of subscriptions to the Offer, i.e., Intermonte SIM S.p.A., with registered office at Galleria De Cristoforis No. 7/8, Milan, VAT No., Tax Code and registration number with the Milan Monza Brianza Lodi Companies' Register 01234020525.
Expression of Interest	The non-binding expression of interest provided by Esprinet on 7 May 2022 to the Board of Directors in launching, directly or indirectly through a company under Italian law wholly owned by it, a voluntary public tender offer for the entirety of Cellularline's ordinary shares, for the purposes of delisting it.
Monte Titoli	Monte Titoli S.p.A., with its registered office at Piazza degli Affari, No. 6, Milan.
Commitment to Squeeze-Out under Article 108, paragraph 1 of the CFA	The Offeror's obligation to purchase the remaining Shares from whoever so requests, under Article 108, paragraph 1 of the CFA, in the event that the Offeror and the Parties Acting in Concert hold, as a result of subscriptions to the Offer, and of any purchases made outside the Offer, directly or indirectly, by the Offeror and/or Persons Acting in Concert, and within the Subscription Period as may be extended and/or the fulfilment of the Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA, an overall shareholding of at least 95% of the Issuer's share capital. It should be noted that, for the purpose of calculating the above-mentioned threshold, Treasury Shares will be calculated in the Offeror's Shareholding (numerator) without being subtracted from the Issuer's share capital (denominator).

Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA	The Offeror's obligation to purchase, from whoever so requests, the Shares not tendered to the Offer, under Article 108, paragraph 2 of the CFA, in the event that the Offeror and the Parties Acting in Concert hold, as a result of subscriptions to the Offer, and of any purchases made outside the Offer, directly or indirectly, by the Offeror and/or Persons Acting in Concert, and within the Subscription Period as may be extended, an overall shareholding of more than 90% but less than 95% of the Issuer's share capital. It should be noted that, for the purpose of calculating the above-mentioned threshold, Treasury Shares will be calculated in the Offeror's Shareholding (numerator) without being subtracted from the Issuer's share capital (denominator).
Offeror or **4 SIDE**	4 SIDE S.r.l., with registered office at Via Energy Park No. 20, Vimercate (MB), registered with the Milan Monza Brianza Lodi Companies' Register under number 13400090158, whose share capital of EUR 100,000.00 is wholly owned by Esprinet.
Offer	The voluntary public tender offer for the Offer Shares, launched by the Offeror under Articles 102 and 106, paragraph 4 of the CFA, as described in the Offer Document.
Equita Opinion	The fairness opinion provided on 14 September 2022 by Equita as financial advisor appointed by the Board of Directors, attached to this 103 Notice as Annex A.
Subscription Period	The Offer's subscription period, agreed with the Italian Stock Exchange, running from 8.30 a.m. (Italian time) on 19 September 2022 to 5.30 p.m. (Italian time) on 14 October 2022, inclusive, unless extended in accordance with applicable legislation.
Persons Acting in Concert	Jointly, the persons acting in concert with the Offeror under Article 101-*bis*, paragraph 4-*bis* of the CFA, i.e., the Esprinet Group companies, as set out in more detail in Section B, Paragraph B.1.11 of the Offer Document.
Joint Procedure	The joint procedure for (i) the fulfilment of the Commitment to Squeeze-Out under Article 108, paragraph 1 of the CFA and (ii) the exercise of the Right to Squeeze-Out Right under Article 111, paragraph 1 of the CFA, agreed with CONSOB and the Italian Stock Exchange under Article 50-*quinquies*, paragraph 1 of the Issuers' Regulation.
Stock Exchange Regulation	The regulation of the markets organised and managed by the Italian Stock Exchange in force on the Date of the Offer Document.

Issuers' Regulation	The regulation approved by CONSOB resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented, and in force on the Date of the Offer Document.
Related Parties Regulation	The regulation adopted by CONSOB with resolution No. 17221 of 12 March 2010, as subsequently amended and supplemented and in force on the Date of the Offer Document.
CFA	Italian Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented and in force on the Date of the Offer Document.

INTRODUCTION

The transaction consists of an overall voluntary tender offer (the "**Offer**") launched by 4 Side S.r.l. (the "**Offeror**" or "**4 Side**"), a wholly-owned subsidiary of Esprinet S.p.A. ("**Esprinet**"), under Article 102 of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented ("**CFA**"), and the implementing provisions contained in the regulation, regulating issuers, adopted by CONSOB with resolution No. 11971 of 14 May 1999, as subsequently amended and integrated ("**Issuers' Regulation**") - of all the Issuer's ordinary shares with no par value (the "**Shares**" or "**Cellularline Shares**"), including the treasury shares held by the Issuer from time to time (the "**Treasury Shares**"), less 1 Share held by the Offeror, equal to a total of 21,868,188 shares, representing 99.999995% of the Issuer's share capital (the "**Offer Shares**").

The Offeror announced its intention to launch the Offer by means of a notice issued on 19 July 2022, also under Article 102, paragraph 1 of the CFA and Article 37, paragraph 1 of the Issuers' Regulation (the "**102 Notice**" or the "**Offeror Notice**").

In addition, on 8 August 2022, the Offeror filed the offer document relating to the Offer (the "**Offer Document**") with CONSOB under Article 102, paragraph 3 of the CFA and disclosed it to the market by means of a specific press release.

Subsequently, on 11 August 2022, CONSOB asked the Offeror, under Article 102, paragraph 4 of the CFA, for certain additional information, ordering the suspension of the terms of the preliminary investigation for the approval of the Offer Document until the information framework was completed. On 26 August 2022, CONSOB, under the same provision, ordered the reopening of the preliminary investigation terms, with effect from 26 August 2022 and expiry on 7 September 2022.

On 6 September 2022, CONSOB, by resolution No. 22436, approved the Offer Document under Article 102, paragraph 4 of the CFA, which was subsequently published on 8 September 2022.

1. MAIN TERMS AND CONDITIONS OF THE OFFER

Set out below is a brief description of the main terms and conditions of the Offer set out in the Offer Document, acknowledged by the Board of Directors. Please refer to the Offer Document for further details.

1.1 Offer Shares

The Offer is addressed indiscriminately, and on equal terms, to all the Issuer's shareholders and, as mentioned above, concerns the entirety of the Shares, less 1 Share held by the Offeror, equal to a total of 21,868,188 Shares, representing 99.999995% of the Issuer's share capital.

Through the Offer, the Offeror intends to acquire all the Offer Shares and, accordingly, to proceed with the delisting of the Shares (the "**Delisting**") from the regulated market Euronext Milan, STAR segment, organised and managed by Borsa Italiana S.p.A. (respectively "**Euronext STAR Milan**" and the "**Italian Stock Exchange**"). Therefore, if the relevant conditions are met, the Offeror does not intend to restore a sufficient amount of floating shares to ensure that the Shares have a regular trading performance.

Following the publication of the Offer Document, as well as during the Offer subscription period (agreed upon with the Italian Stock Exchange as being between 8:30 a.m. (Italian time) on 19 September 2022 and 5:30 p.m. (Italian time) on 14 October 2022, inclusive (the "**Subscription Period**") (as may be extended), the Offeror reserves the right to purchase additional Shares outside the Offer within the limits set out in applicable laws and regulations.

1.2 Conditions to which the Offer is subject

As indicated in Warning A.1 of the Offer Document, the effectiveness of the Offer is subject to the following cumulative conditions (the "**Offer Conditions**") which are acknowledged by the Board of Directors:

a) that the Offeror holds, after completion of the Offer - as a result of the subscriptions to the Offer and/or any purchases made outside of the Offer itself by the Offeror, directly or indirectly, also through Persons Acting in Concert with the Offeror under the applicable legislation during the Subscription Period (as may be extended) - a direct and/or indirect shareholding higher than 66.67% of the Issuer's share capital, taking into account in the Offeror's shareholding any Shares purchased by the Persons Acting in Concert with the Offeror (the "**Threshold Condition**");

b) that by the end of the second Trading Day prior to the Price Payment Date, the transaction proposed by the Offeror, which will result in the acquisition by the Offeror of sole control of the Issuer, has been approved without conditions, requirements or measures by the Italian Competition Authority and any other competent antitrust authority in accordance with applicable legislation, or the time limits (as may be extended) set for the adoption of a decision by such authorities have expired without an in-depth investigation of the transaction proposed by the Offeror (the "**Antitrust Condition**");

c) that by the Second Trading Day prior to the Price Payment Date, (i) no extraordinary circumstances or events have occurred or may occur which entail or may entail serious changes in the political, financial, economic, currency, regulatory or market situation, at a national and/or international level, which have a substantially detrimental effect on the Offer and/or on the financial, asset, economic or income situation of the Issuer (and/or its subsidiaries and/or associated companies) compared to the situation shown in the Issuer's consolidated financial statements as at 31 December 2021 and (ii) no facts or situations relating to the Issuer, not known to the market and/or the Offeror as at the Date of the Offer Document, have arisen which would materially affect the business and/or financial, asset, economic or income situation of the Issuer (and/or its subsidiaries and/or associated companies) with respect to the situation shown in the Issuer's consolidated financial statements as at 31 December 2021. It is understood that this Effectiveness Condition also includes, among others, all events listed under (i) and (ii) above, which occur as a consequence of, or in connection with, the COVID-19 pandemic and/or the ongoing Russian/Ukrainian conflict (which, although they are known phenomena and in the public domain as at the Date of the Offer Document, may give rise to consequences which are not currently foreseeable for the Offer and/or for the asset, economic or financial situation of the Issuer and its subsidiaries and/or associated companies with respect to the situation shown in the Issuer's consolidated financial statements as at 31 December 2021 such as, without limitation, any crisis, temporary and/or permanent blockade and/or closure of financial and production markets and/or commercial activities relating to the markets in which the Issuer operates which would have substantially detrimental effects on the Offer and/or changes in the Issuer's assets, economic, income or financial situation with respect to the situation shown in the Issuer's consolidated financial statements as at 31 December 2021) (the "**MAC Condition**").

Warning A.1 of the Offer Document states that the Offeror has identified the subscription threshold referred to under a) above on the basis of its intention to make a significant investment in the Shares and to achieve the Issuer's Delisting. In the event that the Threshold Condition is not fulfilled, the Offeror reserves the right, in its sole discretion, to waive, at any time, the Threshold Condition and to purchase a smaller quantity of Shares, provided that - upon completion of the Offer - the Offeror holds in total more than 50% plus one Cellularline Share.

In addition, the Offeror reserves the right to waive or modify, in whole or in part, one or more of the Offer Conditions at any time and in its sole discretion (and, as far as the Antitrust Condition is concerned, to the extent permitted by law), in accordance with the provisions of Article 43 of the Issuers' Regulation, by giving notice thereof under Article 36 of the Issuers' Regulation.

In the event that even one of the Offer Conditions is not fulfilled and the Offeror does not exercise its right to waive that condition, the Offer will not be completed.

Please refer to the Offer Document for further information on the terms and procedures for the communication of the Offer results, the fulfilment of the Offer Conditions or the waiver thereof.

1.3 The Price and the Offer Maximum Payout

In Section E, Paragraph E.1 of the Offer Document, the Offeror confirmed its intention to pay for each Share tendered to the Offer a Price equal to EUR 3.75 (three Euros and seventy-five cents), which shall be fully paid in cash on the Payment Date.

Furthermore, the Offer Document states that the Price has been determined on the assumption that the Issuer will not approve and implement any distribution of ordinary or extraordinary dividends from profits or reserves prior to the Date of Payment. In that case, the Price shall be automatically reduced by an amount equal to the dividend per Share.

In the Offer Document (Recital 3) and Section E, Paragraph E.1.1), the Offeror specifies that the Price includes: **(i)** a premium equal to 11.8% with respect to the official ex-dividend price of the Shares on 6 May 2022 (the last Trading Day prior to the Announcement Date - as defined below - to the market of the transaction by Esprinet); as well as **(ii)** a premium equal to 4.9% with respect to the weighted arithmetic average of the official ex-dividend prices recorded by the Shares in the 3 months prior to the date on which the public was notified of the submission by Esprinet to the Issuer's Board of Directors (the "**Board of Directors**") of the Expression of Interest, i.e., on 7 May 2022 with markets closed (the "**Announcement Date**").

The Offer Document also specifies that the payout in the event of a full subscription to the Offer by all the holders of the Shares will amount to EUR 82,005,705.00 (the "**Offer Maximum**

Payout").

1.4 Procedures for financing the Offer and Performance Guarantee

As specified in Paragraph A.3.1 and in Section G, Paragraph G.1 of the Offer Document, to cover the financial requirements arising from the payment obligations connected to the Offer, calculated assuming full subscription of the Offer by all the holders of the Shares, and therefore equal to the Offer Maximum Payout, the Offeror will use shareholder loans made available by Esprinet which may be converted prior to any potential Merger into capital injections and/or other equity contributions. Esprinet, in turn, shall raise the funds for such contributions by means of the disbursement in its favour, to the extent and in the proportions to be determined by Esprinet close to the Payment Date, of a term loan structured as follows (i) a guarantee facility of up to a maximum amount of EUR 120,000,000.00 (the "A1 Facility"), which may be used for the purpose of issuing, on behalf of the Offeror, the Cash Confirmation Letters; and (ii) a term loan facility up to a maximum amount of EUR 120,000,000.00 (the "A2 Facility"), to finance, among other things, the price paid or to be paid by the Offeror for each Share in relation to the Offer, as well as for the purposes set out in Section G, Paragraph G.1 of the Offer Document, it being understood that there will be no duplication between the amounts of the A1 Facility and the A2 Facility and that, therefore, the amounts available from time to time under the above credit lines will not exceed, in aggregate, EUR 120,000,000.00. The terms and conditions of the above facilities are governed by a facility agreement entered into on 29 July 2022 (the "Facility Agreement") by Esprinet as beneficiary, on the one hand with, among others, (i) UniCredit S.p.A., Intesa Sanpaolo S.p.A., Banca Nazionale del Lavoro S.p.A. - BNP Paribas Group, Banco BPM S.p.A., Crédit Agricole Italia S.p.A. as original lenders and mandated lead arrangers (together the "Original Lenders" and the "Arrangers"); (ii) UniCredit S.p.A., Intesa Sanpaolo S.p.A. and Banca Nazionale del Lavoro S.p.A. - BNP Paribas Group, as "Bookrunners" and "Global Coordinator"; (iii) Intesa Sanpaolo S.p.A., as Agent; and (iv) UniCredit S.p.A., as performance guarantor bank (the "Performance Guarantor Bank"), on the other hand.

Under the Facility Agreement, Esprinet will also have at its disposal an additional term cash facility up to a maximum amount of EUR 35,000,000.00 (the "**B Facility**" and, together with the A Facility, the "**Facilities**"), made available by the Original Lenders, which may be used to refinance, in whole or in part, Cellularline's financial indebtedness. These amounts will be made available to the Issuer by means of direct financing by Esprinet and/or shareholder financing by the Offeror, which will obtain the relevant funding, if any, by means of shareholder financing made available by Esprinet, which may be converted prior to any potential Merger into capital injections and/or other equity contributions (the "**Refinancing**").

Furthermore, the Offer Document states that the Issuer has a medium-long term cash facility agreement with Banca Popolare di Milano S.p.A., as agent and lender, and Intesa Sanpaolo S.p.A. as lender. According to the report on corporate governance and ownership structure prepared under Article 123-*bis* of the CFA for the 2021 financial year, approved by the Board of Directors on 17 March 2022, that facility agreement is subject to a mandatory early repayment clause in the event of a change of control, understood as the case in which any person or group of persons, acting in concert, acquires control of the Issuer under Article 93 of the CFA. The Offeror points out that, as indicated in the annual financial report as of 31 December 2021, comprising the Cellularline Group's consolidated financial statements and the draft financial statements as of 31 December 2021 (the "**Annual Financial Report**"), the outstanding debt under the aforementioned Issuer's medium-long term cash facility is EUR 35,000,000.00.

In connection with the above, it should be noted that, under the facility agreement, the delisting of the Company also gives rise to mandatory early repayment.

In connection with the foregoing, the Offer Document clarifies that the Facilities may not be used (including for the purpose of the issuance of the Cash Confirmation Letter) unless certain conditions precedent are satisfied, without prejudice to the Original Lenders' right to waive them. Specifically, under the Facility Agreement:

a) the Performance Guarantor Bank's undertaking to issue the Cash Confirmation Letter is subject to certain conditions precedent being satisfied, which are typical for transactions of this nature which, as at the Date of the Offer Document, have already occurred;

b) the Lenders' undertaking to provide drawdowns on the A2 Facility for the purpose of financing the payment of the price paid or to be paid by the Offeror for each Share in relation to (a) the Offer, (b) the Commitment to Squeeze-Out under Article 108, paragraph 1 of the CFA, and the Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA, (c) the exercise of the Right to Squeeze-Out is subject to the occurrence of certain conditions typical for transactions of this nature (the "**Conditions Precedent for Cash Drawdowns**"), including, without limitation, the delivery to the Agent of (a) a copy of CONSOB's authorisation of the publication of the Offer Document; (b) a schedule of the payment flows to be made for the payment of the consideration; (c) evidence that the necessary regulatory or governmental authorisations for the purposes of the Offer have been obtained or a declaration by an Esprinet legal representative that such authorisations are not required; (d) evidence of the absence of amendments to the Offer which are not permitted under the terms of the Facility Agreement and that the number of Issuer shares tendered as of the date of expiry of the initial offer period represents no less than 50% (fifty per cent) plus 1 share of the Issuer's share capital of the Issuer at that date; (d) evidence of the payment of fees and commissions due under the Facility Agreement.

c) More specifically, the Conditions Precedent for Cash Drawdowns include the delivery to the Agent of the following legal opinions, in accordance with market practice for transactions of this nature: (i) a legal opinion from Esprinet's advisors confirming the valid incorporation, capacity and existence of, among others, Esprinet or the Offeror, as well as the capacity and powers of each legal representative of Esprinet or the Offeror who has signed the related financial documentation in their name and on their behalf; and (ii) a legal opinion from the advisors to the Lenders and the Agent confirming the validity, effectiveness and binding nature for the respective parties of the obligations arising from the Facility Agreement and the related financial documentation.

For further information, reference is made to Section G, Paragraph G.1 of the Offer Document.

1.5 Possible alternative scenarios for holders of Shares

Warning A.10 of the Offer Document, to which reference should be made for further information, sets out the possible scenarios for the Issuer's existing shareholders in relation to the scenarios in which the Offer:

(i) is completed (a) as a result of the fulfilment of the Offer Conditions or, alternatively (b) as a result of the Offeror waiving the Offer Conditions, distinguishing the case of subscription to the Offer from the case of non-subscription to the Offer; or

(ii) is not completed because the Offer Conditions are not fulfilled and the Offeror has not waived them.

A. Subscription to the Offer

In case of fulfilment of the Offer Conditions (or where the Offeror waives the Offer Conditions, to the extent permitted by law) and, therefore, of completion of the Offer, the Issuer's shareholders who have subscribed to the Offer during the offer period will receive the Price of EUR 3.75 for each Share tendered to the Offer (unless the Subscription Period is extended in accordance with applicable legislation).

The Price will be paid on the fifth Trading Day following the close of the Subscription Period and, therefore, on 21 October 2022.

As also indicated in Section F, Paragraph F.1.1., of the Offer Document, the Subscription Period agreed with the Italian Stock Exchange, under Article 40, paragraph 2 of the Issuers' Regulation, starts at 8:30 a.m. (Italian time) on 19 September 2022 and ends at 5:30 p.m. (Italian time) on 14 October 2022 (inclusive), unless extended.

B. Non-subscription to the Offer

In the event of fulfilment of the Offer Conditions (or if the Offeror waives the Offer Conditions) and, therefore, completion of the Offer, the Issuer's shareholders who did not subscribe to the Offer during the Subscription Period would be faced with one of the possible scenarios described below.

(B1) In the event that, following the completion of the Offer, as a result of the subscriptions to the Offer and of any purchases of Shares made outside of the Offer in accordance with the applicable legislation during the Subscription Period (as may be extended) and/or in fulfilment of the Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA, the Offeror and the Persons Acting in Concert hold a total shareholding equal to at least 95% of the Issuer's share capital, the Offeror will commence (also on behalf of the Persons Acting in Concert) the Joint Procedure for the exercise of the Right to Squeeze-Out and the fulfilment of the Commitment to Squeeze-Out under Article 108, paragraph 1 of the CFA. In such a case, the holders of Shares who did not subscribe to the Offer will be required to transfer to the Offeror the ownership of the Shares held by them and, accordingly, for each Share held by them they will receive a consideration determined under Article 108, paragraph 3 or 4 of the CFA, applying paragraph 3 or paragraph 4 depending on the number of Shares tendered to the Offer, and may be, either, equal to the Offer Price or determined by CONSOB in accordance with the criteria set out in Article 50, paragraph 5 of the Issuers' Regulation.

Following the Joint Procedure for the exercise of the Right to Squeeze-Out and the fulfilment of the Commitment to Squeeze-Out under Article 108, paragraph 1 of the CFA, in accordance with Article 2.5.1, paragraph 6 of the Stock Exchange Regulation, the Italian Stock Exchange will order the suspension from listing and/or delisting of the Issuer's ordinary shares, taking into account the timeframe provided for the exercise of the Right to Squeeze-out.

(B2) In the event that, following the completion of the Offer, as a result of the subscriptions to the Offer and of any purchases of Shares made outside of the Offer in accordance with applicable legislation during the Subscription Period as may be extended, the Offeror and the Persons Acting in Concert hold a total shareholding of more than 90% but less than 95% of the Issuer's share capital, the Offeror hereby confirms that it does not intend to restore floating shares in an amount sufficient to ensure the regular performance of the trading of the Issuer's Shares.

In such a case, the Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA will be fulfilled by the Offeror at a price per Share determined under Article 108, paragraph 3 or 4 of the CFA, applying paragraph 3 or paragraph 4 depending on the number of Shares tendered to the Offer, and may be, either, equal to the Offer Price or determined by CONSOB in accordance with the criteria set out in Article 50, paragraph 5, of the Issuers' Regulation. In the Offer Document it is noted that, following the fulfilment of the Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA, in accordance with Article 2.5.1, paragraph 6 of the Stock Exchange Regulation, the Italian Stock Exchange will order, without prejudice to the provisions of (B.1) above, the delisting of the Issuer's ordinary shares starting from the Trading Day following the day of payment of the price for the Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA.

* * *

In the Offer Document it is noted that, for the purpose of calculating the thresholds provided for in Articles 108 and 111 of the CFA, the Treasury Shares are added to the total shareholding held by the Offeror and the Persons Acting in Concert taken together.

(B.3) The Offeror does not reach a shareholding of more than 90% of the share capital: merger of the Issuer into the Offeror

Issuer's Shareholders who did not subscribe to the Offer would remain holders of (listed) Shares.

In the Offer Document, without prejudice to the remarks and warnings concerning the possible scarcity of free float referred to in Paragraph A.8 of the Offer Document (also in consideration of the potential permanence in the Issuer's shareholders' structure of shareholders with relevant shareholdings under applicable provisions), which could lead to the Delisting, the Offeror reserved the right to achieve the objective of the Delisting through the Merger.

In this regard, the Offer Document states that:

(i) any Issuer's shareholders who did not vote in favour of the resolution approving the Merger could exercise the right to exit under Article 2437-*quinquies* of the Italian Civil Code, since - as a result of the exchange - they would receive shares of the acquiring company that are not listed on a regulated market;

(ii) in this case, the liquidation value of the shares subject to withdrawal would be determined in accordance with Article 2437-*ter*, paragraph 3, of the Italian Civil Code, by reference to the average closing price in the six months preceding the notice of call of the shareholders' meeting called to approve the Merger.

* * *

Set out below is the table, contained in Warning A. 10 of the Offer Document, which provides an indication as to how the Price that a Cellularline shareholder might receive in the event of a divestment of its Cellularline Shares in the (among other) potential divestment scenarios set out below would be determined.

As specified in the Offer Document, potential investors should take into consideration the fact that the following table does not illustrate all possible divestment scenarios that could materialise in the context of the Offer or subsequent to it. The scenarios below are based, among other things, on certain assumptions relating to potential future events that could occur and actions that the Offeror may decide to undertake; there is no guarantee that such events will actually occur or that such actions will actually be taken. Consequently, potential investors should not place excessive reliance on the scenarios outlined below.

Possible divestment scenario	**Method of determining the price**
A Cellularline shareholder tenders its Cellularline Shares to the Offer (during the Subscription Period) and the Offer is successful.	The Cellularline shareholders who subscribed to the Offer (during the Subscription Period) will receive the Price equal to EUR 3.75 for each Share tendered to the Offer.
(A) A Cellularline shareholder does not tender its shares to the Offer (during the Subscription Period), and (B) the Offeror holds a shareholding at least equal to the threshold set out in Article 108, paragraph 1 [of the CFA] and exercises the Right to Squeeze-Out, acquiring all outstanding Cellularline Shares under the Joint Procedure.	The Cellularline shareholders who did not subscribe to the Offer (during the Subscription Period) will be required to transfer to the Offeror the ownership of the Shares held by them and, accordingly, for each Share held by them they will receive a price determined under Article 108, paragraph 3 or 4 of the CFA, applying paragraph 3 or paragraph 4 depending on the number of Shares tendered to the Offer. More specifically, the price will be equal to either the Offer Price or the price determined by CONSOB according to the criteria set out in Article 50, paragraph 4 of the Issuers' Regulation, as the case may be.
(A) Cellularline's shareholder does not tender its shares in the Offer (during the Subscription Period), (B) the Offeror holds a shareholding falling within the thresholds set out in Article 108, paragraph 2 of CFA, and (C) Cellularline's shareholder asks the Offeror to purchase its shares as part of the procedure to fulfil the Commitment to Squeeze-Out under Article 108, paragraph 2 of the CFA.	The Commitment to Squeeze-Out under Article 108, paragraph 2 of CFA will be fulfilled by the Offeror at a Price per Share determined under Article 108, paragraphs 3 or 4 of CFA, applying paragraph 3 or paragraph 4 depending on the number of Shares tendered to the Offer. More specifically, the consideration will be equal to either the Offer Price or the consideration determined by CONSOB according to the criteria set out in Article 50, paragraph 4 of the Issuers' Regulation, as the case may be.

(A) a Cellularline shareholder does not tender its shares in the Offer (during the Subscription Period), (B) the Offeror does not reach a shareholding exceeding the threshold set out in Article 108, paragraph 2 of CFA and subsequently decides to pursue the Delisting by means of the merger by incorporation of the Issuer into the Offeror (unlisted), and (C) the Cellularline shareholder does not contribute with his vote to the resolution approving such merger in the Cellularline's extraordinary shareholders' meeting and subsequently exercises its right of withdrawal.	Liquidation value of the shares subject to withdrawal determined pursuant to Article 2437-ter paragraph 3 of the Italian Civil Code.

2. ISSUER'S NOTICE

Pursuant to Article 103 paragraphs 3 and 3-bis of the CFA and Article 39 of the Issuers' Regulation, the Board of Directors is required to issue a press release containing all useful data for the assessment of the Offer and its own evaluation thereof (the "**Issuer's Notice**" or "**103 Notice**").

For these purposes, the Board of Directors appointed Equita SIM S.p.A. ("**Equita**") as financial advisor in charge of issuing a fairness opinion to the Board of Directors on the fairness, from a financial point of view, of the Offer Price (the "**Equita Opinion**").

In particular, in the context of the Offer, Equita was appointed to perform the following activities:

(i) preparation of analysis documents aimed at providing the Board of Directors with elements to support their decisions in relation to the Offer;

(ii) assistance to the Board of Directors in evaluating the economic conditions of the Offer;

(iii) support to the Board of Directors in the preparation of documents falling within the Board's competence pursuant to the CFA and the Issuers' Regulation and, in particular, 103 Notice;

(iv) issuance of a fairness opinion to the Board of Directors on the fairness, from a financial point of view, of the Price (i.e. the Equita Opinion).

Equita issued the Equita Opinion on 14 September 2022. A copy of the Equita Opinion – to which reference should be made for an in-depth illustration of the analyses carried out and the methodologies used – is attached to this 103 Notice as Schedule A.

The Board of Directors first met on 8 September 2022, pending the publication of the Offer Document, to hear and preliminarily examine the first analyses carried out by Equita for the purpose of issuing the fairness opinion on the fairness, from a financial point of view, of the Offer Price and to carry out the first and preliminary assessments on the Offer and the fairness of the Price.

Subsequently, the Board of Directors met on 13 September 2022 to examine, also with the support of Equita to the extent of its competence, the Offer Document and to carry out further preliminary assessments of the Offer and the fairness of the Price.

Lastly, the Board of Directors, having acquired Equita Opinion, met on 15 September 2022 to complete its examination of the Offer and the Offer Document, to hear Equita's presentation and its conclusions in the aforesaid opinion, as well as to formulate its reasoned assessment of the Offer and the fairness of the Price and, consequently, to resolve on the approval of this 103 Notice.

** ** **

Please note that for a full and complete understanding of the assumptions, terms and conditions of the Offer, reference must be made exclusively to the Offer Document published and made available by the Offeror pursuant to applicable laws and regulations.

This 103 Notice is therefore in no way intended to replace the Offer Document or any other document relating to the Offer which is within the Offeror's competence and responsibility and disseminated by the Offeror, and does not constitute in any way, nor can it be construed as, a recommendation to accept or not to accept the Offer, nor does it replace the need for each individual to carry out its own personal assessment in relation to accepting the Offer and any other transaction involving the Issuer and the financial instruments issued by the Issuer, on the basis of what the Offeror has represented in the Offer Document.

The findings of the Board of Directors, with particular reference to the fairness of the Offer Price, are in fact, by their very nature, independent of any broader consideration that a shareholder, recipient of the Offer, must autonomously carry out for the purpose of accepting or not accepting the Offer, also taking into account, in particular, the market trend of the Shares during the Subscription Period, his own investment strategies and the characteristics of the shareholding held by him.

This Issuer's Notice – drawn up exclusively on the basis of, pursuant to and for the purposes and within the limits of Article 103 of the CFA and Article 39 of the Issuers' Regulation – is in no way intended to comply with regulations other than the Italian ones, nor can it be construed and/or used in the light of or in application of any other regulations.

This Issuer's Notice has been drafted in Italian. Any translation, whether full or partial, has not been prepared by the Board of Directors and, therefore, the content of this Issuer's Notice, prepared in Italian, shall take precedence over any such translation.

Finally, it should be noted that the findings of the Board of Directors are based on the Offer Document, from which, inter alia, the quotations and references in the Issuer's Notice are also taken, as well as on the assessments expressed by the financial advisor appointed by the Issuer and, specifically, Equita, as advisor of the Board of Directors.

More generally, this Issuer's Notice necessarily takes into account only the factual circumstances actually occurring prior to its issuance.

3. DESCRIPTION OF THE BOARD OF DIRECTORS' MEETING

3.1 Attendees at the Board of Directors' Meeting and specification of relevant interests pursuant to Article 2391 of the Italian Civil Code and Article 39(1)(b) of the Issuers' Regulation

The Board of Directors in office as at the date of this 103 Notice consists of 11 members and was appointed by the Issuer's shareholders' meeting of 24 April 2020, with the exception of Davide Danieli, who was co-opted by the Board of Directors at its meeting of 9 February 2022 and whose appointment was confirmed by the shareholders' meeting on 27 April 2022.

At the meeting of the Board of Directors held on 15 September 2022, at which the Offer was examined, the Board of Directors' assessment of the Offer was formulated and this Issuer's Notice was approved; the following directors attended - in person or by audio/video conference -:

Antonio Luigi Tazartes	Chairman
Christian Aleotti	Vice Chairman and Managing Director
Marco Cagnetta	Managing Director
Carlo Moser	Director
Cristian D'Ippolito	Director
Davide Danieli	Director
Gaia Marisa Carlotta Guizzetti	Director
Marco Di Lorenzo	Director
Giorgina Gallo	Independent Director
Alberto Grignolo	Independent Director
Paola Schwizer	Independent Director

The meeting was attended – either in person or by audio/video conference – by the Chairman of the Board of Statutory Auditors, Cristiano Proserpio, and the Standing Auditors, Paolo Chiussi and Daniela Bainotti.

Preliminarily, the following directors: Antonio Luigi Tazartes, Christian Aleotti, Marco Cagnetta, Davide Danieli, Cristian D'Ippolito, Marco Di Lorenzo and Carlo Moser, pursuant to Article 2391 of the Italian Civil Code, declare that they hold an interest, relating to the first item on the agenda and deriving from their capacity as shareholders and/or beneficiaries of the Issuer's incentive plans, as follows:

- Antonio Luigi Tazartes directly and indirectly holds 509,812 Shares, corresponding to 2.33% of the share capital;
- Christian Aleotti holds 1,926,521 Shares, corresponding to 8.81% of the share capital, and is the assignee of 30,000 rights as beneficiary of the "Cellularline S.p.A. 2021-2023 Incentive Plan" (the "**Incentive Plan**");
- Marco Cagnetta holds 267,093 Shares, corresponding to 1.22% of the share capital, and is the assignee of 105,000 rights as beneficiary of the Incentive Plan;
- Davide Danieli is the assignee of 30,000 rights as a beneficiary of the Incentive Plan;
- Carlo Moser holds 105,690 Shares, corresponding to 0.48% of the share capital;
- Marco Di Lorenzo holds 1,000 Shares, corresponding to 0.005% of the share capital;

- Cristian D'Ippolito directly and indirectly holds 152,088 Shares, corresponding to 0.70% of the share capital.

3.2 Analyzed documentation

The Board of Directors, in expressing its assessment of the Offer, and for the purposes of this Issuer's Notice, has:

taking into account:

(i) the Annual Financial Report;

(ii) the consolidated half-year financial report of the Issuer as at 30 June 2022 (the "Half-Year Financial Report");

(iii) the Cellularline Group Plan 2022-2025 (the "**2022-2025 Plan**")

and examined

(iv) 102 Notice;

(v) the Offer Document approved by CONSOB on 6 September 2022 and published on 8 September 2022;

(vi) the Equita Opinion.

For the purpose of its assessment of the Offer and the fairness of the Price, the Board of Directors did not make use of any other assessment documents other than those indicated above.

3.3 Outcome of the meeting of the Board of Directors

The Board of Directors, which met on 15 September 2022, approved, among other things, this Issuer's Notice, unanimously, granting the Chairman Antonio Tazartes and the Managing Director Christian Aleotti, the broadest and/or most appropriate powers, to be exercised severally, to: (i) disseminate 103 Notice and, where appropriate, make such amendments and additions to it as may be required by CONSOB or any other competent authority, or to make such updates as may be required, pursuant to Article 39(4) of the Issuers' Regulation, if necessary due to changes in the information set out in 103 Notice or any amendments of a non-substantial nature that may be appropriate; (ii) in general, to implement the resolution adopted by the Board of Directors during the same meeting, including to take any action and fulfil any requirements under applicable laws and regulations.

4. USEFUL DATA AND INFORMATION FOR ASSESSING THE OFFER

For a complete and analytical understanding of all the terms and conditions of the Offer, as well as information on the parties participating in the transaction, please refer to the contents of the Offer Document and the further documentation made available on Esprinet's website at www.esprinet.com, as well as on the Issuer's *website* atwww.cellularlinegroup.com. In particular, the following Paragraphs of the Offer Document should be noted:

- Section A – *"Warnings"*
- Section B, Paragraph B.1 – *Information on the Offeror";*
- Section C – *"Categories and quantities of the securities subject to the Offer";*
- Section E – *"Unit Price for the financial instruments and its justification"*;
- Section F – *"Terms and conditions of subscription to the Offer, dates and procedures for the payment of the price and the return of the ordinary shares";*
- Section G – *"Financing arrangements, performance guarantees and future plans for the Offeror".*

5. ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE OFFER AND THE FAIRNESS OF THE PRICE

5.1 Assessments of the Board of Directors on the reasons for the Offer and the plans drawn up by the Offeror

The Board of Directors notes that the Offer, according to the Offer Document (Warning A.4 and Section G, Paragraph G.2.1), would represent the means by which the Offeror intends to acquire all of the Offer Shares and, consequently, to proceed with the Delisting.

As specified in the Offer Document, the Offeror, on the basis of what is envisaged in the Esprinet Group's Strategic Plan 2022-2024, through the integration of the Cellularline brand in Esprinet's portfolio, intends to pursue and develop a multi-brand approach with the aim of reaching a wider and more differentiated audience. In addition, the Offeror believes that, in the event of the acquisition of the entirety of the Offer Shares or, in any event, of the Delisting of the Issuer, the integration of Cellularline in the Esprinet Group could allow the development of potential cost and revenue synergies deriving from the circumstance of being part of the same industrial group.

For further information, please refer to Warning A.1 and Section G, Paragraph G.2, of the Offer Document, as well as Paragraph 1.2 above of this Issuer's Notice.

The Board of Directors also takes note of what is indicated by the Offeror in the Offer Document (Section G, Paragraph G.2, to which reference is made for further details), with respect to (**i**) programmes relating to the management of assets; (**ii**) investments and related financing sources; (**iii**) any restructuring and/or reorganisation (**iv**) planned changes to the Issuer's articles of association; and (**v**) planned changes in the composition of the corporate bodies.

First of all, the Board of Directors notes that the indications formulated by the Offeror in the Offer Document concerning the plans relating to the management of the assets are not suitable to allow the Board of Directors to make a specific and complete assessment, due to the type and limited level of detail of the information contained in the aforesaid document.

Secondly, the Board of Directors believes that the Offeror did not give due consideration to the characteristics and specificities of Cellularline. In particular, the latter holds a significant market share in Italy with an absolute leadership for about 20 years, which gives it access to the main sales channels through active supply contracts with almost all *trade partners*. The sales force covers the entire country and is able to provide commercial services and merchandising support in every channel, covering more than 2,000 points of sale. In addition to Italy, the Group has a significant presence in EMEA, where it generates more than 50% of its turnover. The ongoing consolidation process in the international market offers opportunities for further growth both organically and through M&A. Hundreds of millions of products distributed over the years, constant communication campaigns and a widespread presence in the territory guarantee high brand awareness of the Cellularline brand in Italy (highest total brand awareness on the market among non-original brands), while the Skross brand boasts high recognition in the international travel retail channel. The Group has developed a strong marketing specialisation in the individual sub-categories that make up the accessories market with professional expertise in managing all development levers, gaining a distinctive positioning as a multi-category specialist.

Revenues for the first half of 2022 confirmed the Group's ongoing growth, thanks also to the success of strategic initiatives implemented by management and the very positive contribution coming from the recently acquired companies Worldconnect and Coverlab (for further information on the Half-Year Financial Situation, please refer to Section 6.2 below of this Issuer's Notice). In particular, the objectives set out in the strategic development plan are based on four main directives: (i) *brand and products:* innovation and expansion of the product range, interpreting market trends in order to meet the needs of the end consumer; (ii) *core business*: confirmation of *leadership* in the domestic market by strengthening partnerships with major retailers and expansion in international markets through the acquisition of new customers and agreements with strategic local distributors; (iii) *e-commerce:* implementation of both business-to-consumer - through the Group's websites and marketplaces - and business-to-business with the strengthening of partnerships with the online sites of the main players in the sector with a view to omnichannel; and (iv) *M&A:* scouting for potential deals in channels, products and markets deemed strategic, also taking advantage of the opportunities given by the current market context.

Based on the performance recorded in the first half of 2022 and the further benefits expected from the numerous strategic actions undertaken, management remains ambitious about the remainder of the year in terms of consolidating the growth achieved in the first half of 2022 compared to the year 2021 also for the second half of 2022, despite a difficult macroeconomic environment mainly related to the generalised increase in prices - primarily energy and transport - and the economic consequences of the conflict between Russia and Ukraine.

In light of the above, the Board of Directors believes that the Offer does not reflect an adequate valuation with respect to the Issuer's recent performance and its growth prospects.

** ** **

Furthermore, the Board of Directors, pursuant to and for the purposes of Article 103, paragraph 3-bis of the CFA and Article 39, paragraph 1, lit. g), of the Issuers' Regulation, takes note of the information provided in the Offer Document, under Warning A.4, concerning the effects that the possible success of the Offer will have "*on employment and on the location of the production sites*" and in particular that Esprinet intends to preserve the organisational structures of Cellularline and of the Celly division with continuity of operations in their respective locations. The Board of Directors also notes that the Offeror has not ruled out the possibility of considering, at its own discretion, possible market opportunities in the future, also through extraordinary transactions. In this regard, it has been noted that the Offeror has not made explicit any possible effects on the employment and/or the localisation of production sites in the event of any future extraordinary transactions involving the Issuer.

102 Notice and the Offer Document were transmitted to the employees in accordance with Article 102, paragraphs 2 and 5 of the CFA.

The Issuer's Notice is transmitted to the employees pursuant to Article 103, paragraph 3-bis of the CFA.

As at the date of approval of this 103 Notice, the Issuer has not yet received the opinion required by Article 103, paragraph 3-bis, of the CFA, which, if issued, will be made available to the public in accordance with the applicable laws and regulations.

5.2 Assessments of the Board of Directors on the fairness of the price

5.2.1 Main information on the Price contained in the Offer Document

The Board of Directors notes that the Offeror has declared its intention to pay a Price of EUR 3.75 (three euros and seventy-five cents) for each Share tendered as part of the Offer.

In the Offer Document, it is noted that the Offer Price was determined on the assumption that the Issuer will not distribute any ordinary or extraordinary dividends from profits or reserves prior to the Payment Date. In that case, the Price shall be automatically reduced by an amount equal to the dividend per Share.

The Offer Document also specifies that the Price was determined after an independent evaluation by the Offeror's Board of Directors and with the advice and support of Intermonte SIM S.p.A.(the Offeror's financial advisor), which issued a fairness opinion in support of the decisions of the Offeror's administrative body.

As explained in the Offer Document (Recital 3 and Section E, Paragraph E.1.1, of the Offer Document), as well as in Paragraph 1.3 of this Issuer's Notice above, the Price includes: (i) a premium of 11.8% over the official ex-dividend price of the Shares as at 6 May 2022 (the last Trading Day prior to the Announcement Date – as defined below – to the market of the transaction by Esprinet); as well as (ii) a premium of 4.9% over the weighted arithmetic average of the official ex-dividend prices recorded by the Shares in the 3 months prior to the Announcement Date.

The Board of Directors notes that the Price, as set forth in the Offer Document (Section E, Paragraphs E.1.1, E.1.2, E.1.3 and E.1.4), has been determined by the Offeror also taking into account the following methods:

a) the price at which the Issuer's shares were listed on the Trading Day prior to the Announcement Date;

b) the daily weighted average price of the Shares, based on the official ex-dividend price, in certain time intervals i.e.: 1 month, 3 months, 6 months and 12 months before the Announcement Date;

c) application of the Discounted Cash Flow in the "Unlevered Discounted Cash Flow" method; and

d) the implied premiums recognised (i) in previous takeover offers and voluntary totalitarian takeover and exchange offers on majority stakes and (ii) in previous takeover offers and voluntary totalitarian takeover and exchange offers on majority stakes in which the Offeror did not hold any shares in the target company prior to the launch of the offer.

In the Offer Document, it is noted that, in considering the various methods indicated above for the purpose of determining the Price, the Discounted Cash Flow method as the main criterion and the analysis of the average ex-dividend share price of the Issuer's stock assumed greater significance.

The Board of Directors also notes that the Offeror has compared the Price with the main indicators for the Issuer, with reference to the financial years ending 31 December 2020 and 31 December 2021. For further information please refer to Section E, paragraph E.3 of the Offer Document.

5.2.2 Methodologies and summary of results by Equita, financial advisor appointed by the Board of Directors

As indicated in Paragraph 2 above of this 103 Notice, the Board of Directors appointed Equita as financial advisor to issue a fairness opinion for the benefit of the Board of Directors on the fairness, from a financial point of view, of the Price for holders of Shares (i.e. the Equita Opinion).

Equita rendered the Equita Opinion in which it considered the Price not unfair from a financial point of view. A copy of the Equita Opinion is attached to this 103 Notice as Schedule A.

For the purpose of preparing the Equita Opinion, Equita referred to the following data and information concerning the Issuer:

- The 2022–2025 Plan.
- The background document on the 2022–2025 Plan, approved by Cellularline's Board of Directors on 9 March 2022.
- The 2022 consolidated budget approved by the Board of Directors on 15 December 2021.
- The background paper on the 2022 budget, approved by the Board of Directors on 11 January 2022.
- The Annual Financial Report.
- The presentation of Cellularline's Q1 2022 consolidated results.
- The press release of 13 July 2022 regarding Cellularline's preliminary consolidated results for the first half of 2022.
- The impairment test as at 31 December 2021 prepared with the assistance of the advisor Deloitte & Touche S.p.A on goodwill and approved by the Board of Directors on 17 March 2022.
- The impairment test as at 31 December 2021 prepared with the assistance of the advisor Deloitte & Touche S.p.A. on Cellularline's customer list and approved by the Board of Directors on 17 March 2022.

- Analysts' research following the stock, provided by the Company.
- The Expression of Interest.
- The 102 Notice.
- The 2022 Consolidated Forecast approved by Cellularline's Board of Directors on 28 July 2022.
- Cellularline's income statements preliminary drafts as at 30 June 2022 received on 31 August 2022 and subsequently approved by the Board of Directors on 8 September 2022.
- Cellularline's balance sheet preliminary drafts as at 30 June 2022 received on 31 August 2022 and subsequently approved by the Board of Directors on 8 September 2022.
- The impairment test as at 30 June 2022 prepared with the assistance of the advisor Deloitte & Touche S.p.A on goodwill and approved by the Board of Directors on 8 September 2022.
- The Half-Year Financial Report as at 30 June 2022.
- The press release of 8 September regarding Cellularline's consolidated half-year figures as at 30 June 2022.
- Other detailed files prepared by Cellularline's management.

In-depth teleconference sessions were held with Cellularline's management on the business plan and some tax and valuation issues.

Finally, Equita used publicly available data and information. In particular, data and information collected through the Italian Stock Exchange, FactSet and Bloomberg related to Cellularline and selected listed companies that Equita deemed relevant in view of the purpose of its mandate.

The valuation considerations made by Equita for the purposes of the Equita Opinion presented the following main limitations and difficulties, which Equita took into account for the purposes of the assessments.

- Prospective data from multiple sources were used; in particular:
    - for the financial year 2022, the 2022 Consolidated Forecast Data and the current economic and balance sheet data for the first half of 2022 were used.
    - for the years 2023, 2024 and 2025, the assumptions contained in the 2022-2025 Plan have been maintained.
    - Since an updated business plan taking into account the 2022 Forecast was not available, the Company provided Equita with the adjustments to be made to the 2023 cash flows, consistent with the new 2022 closing expectations.
- In the context of the determination of the weighted average cost of capital ("WACC"), with reference to beta and financial structure (D/E), Equita took into consideration the listed benchmarks most akin to Cellularline, which are, however, only marginally comparable to the Issuer.
- The stock market multiples method is not applicable due to the lack of listed companies that are adequately comparable to Cellularline: the listed benchmarks taken as reference have growth profiles, operating margins, exposure to geographic markets and business

models that differ from those of Cellularline.

- The methodology of comparable M&A transactions is not very meaningful: the targets identified are not perfectly comparable to the Company; the expressed economic values of the transactions may also be impacted by transaction-specific negotiating elements (e.g. synergies, scarcity value, etc.) and therefore may not be representative of fair value.
- The DCF valuation based on fundamentals is based on the Issuer's business plan assumptions as well as an estimate of the rate to be used for discounting future cash flows, which is a further difficult element to assess given the macroeconomic context of rising inflation and rising interest rates.

In the context of the analyses carried out concerning the fairness of the Price, Equita decided to adopt the following methodologies for the purpose of preparing the Equita Opinion.

Main method

- Discounted Cash Flow method ("**DCF**"), which determines the company's worth by discounting the future unlevered cash flows of the company at a given weighted average cost of capital ("WACC"), minus the net debt and debt-like items; A sensitivity test was also conducted to consider a more conservative scenario within the valuation range.

Control methods

- The target prices methodology published by research analysts ("**Target Price**") who cover the Cellularline stock published before the Expression of Interest; this methodology determines the value of a company on the basis of the target assessments that financial analysts publish on the company analysed.
- The method regarding premiums paid out in previous public offers ("**Voluntary Public Tender Offer Premiums**"), based on applying the premiums embedded in the prices of selected public offers to the average stock market prices recorded by the security under review. The weighted average prices must be increased by a premium in order to be comparable with the Offer in question.

Methods given for illustrative purposes

- The methodology for stock market multiples of comparable listed companies ("**Trading Multiples**"), applied to certain expected economic parameters of the company.
- The methodology of multiples of previous comparable transactions ("**M&A Multiples**"), which determines the economic value of a company by applying the implicit multiples of precedent transactions to certain economic and financial metrics of the company.

According to best valuation practice, the assessments carried out by Equita for the purposes of the Equita Opinion were conducted on a stand-alone basis, assuming the operational autonomy of the Issuer and ignoring the impact of any synergies and/or extraordinary costs resulting from the Offer or the fiscal, accounting, financial and/or operational impacts of the Offer on the Issuer. The analysis was also conducted considering the Issuer on a going-concern assumption, without substantial changes in its management or corporate structure.

Equita has also assumed that all governmental, regulatory or other authorizations and approvals necessary for the execution of the Offer will be obtained without any negative impact on the Company and that the execution of the Offer will be completed in accordance with the terms and conditions outlined in the 102 Notice according to the CFA, without exceptions, modifications or changes to any of the relevant terms or conditions.

Applying these methods, as described in the Equita Opinion attached to this Issuer's Notice as Schedule A and to which reference is made in full, and taking into account the difficulties and limitations of the assessments adopted and the underlying assumptions, Equita has considered that the Price of EUR 3.75 recognised in the context of the Offer is not fair from a financial point of view.

The table below shows the value ranges per share indicated by Equita in the Equita Opinion, compared with the Price, for each valuation method used.

Method	Applicability	Minimum value (Euro)	Maximum Value (Euro)
DCF	Main method	6.6	8.7
Target Price	Control method	4.0	5.3
Voluntary Public Tender Offer Premiums (*ex-dividend*)	Control method	4.4	5.6
Voluntary Public Tender Offer Premiums (*cum-dividend*)	Control method	4.6	5.8
Trading Multiples	For illustrative purposes	4.7	6.5
M&A Multiples	For illustrative purposes	5.2	6.0

6. UPDATES ON INFORMATION AVAILABLE TO THE PUBLIC AND NOTICE OF SIGNIFICANT EVENTS PURSUANT TO ARTICLE 39 OF THE ISSUERS' REGULATION

6.1 Information on significant events after the approval of the Half-Year Financial Report

There are no updates on significant events subsequent to the approval of the Half-Year Financial Report, which took place on 8 September 2022.

6.2 Issuer's recent performance and business outlook, unless contained in the Offer Document

On 8 September 2022, the Board of Directors of Cellularline reviewed and approved the Half-Year Financial Report, which is available on the Issuer's website at www.cellularlinegroup.com.

The following is a summary of the main information already disclosed to the market, referring for further details to the Half-Year Financial Report available as indicated above. With regard to the Issuer's outlook, please refer to Section 5.1 of this Issuer's Notice on the Board of

Directors' assessments and the section *"Foreseeable evolution of the management"* contained in the Half-Year Financial Report (see page 32 of the Half-Year Financial Report).

In the first half of 2022, the Group realised Revenues from sales of Euro 54.6 million, up 37.4% compared to the same period of the previous year (Euro 39.7 million), thanks to the recovery of demand in both the domestic and international markets; the latter is also benefiting from the strong increase in sales by Worldconnect, thanks to the increase in traffic recorded in the Airport Travel Retail channel compared to the previous year.

It should be noted that Coverlab - start-up company active in the social commerce channel - contributed Euro 0.6 million in the period under review, so that the like-for-like revenue development (i.e., the comparison of sales with last year) amounted to +36.0%.

Turning to the analysis of costs in the first half of 2022:

- the Cost of Goods Sold, amounting to Euro 32.9 million, was substantially unchanged in terms of percentage of sales (60.3%) compared with the same period of the previous year (59.8%);
- Selling and Distribution Costs, General and Administrative Costs and Other Non-Operating Income amounted to Euro 66.4 million in the period under review (Euro 20.9 million as of 30 June 2021) and were mainly influenced by the result of the impairment test performed on Goodwill, which had an impact of Euro 39.9 million.

EBIT is Euro -44.8 million (Euro -4.9 million in the period ended 30 June 2021). In relation to this indicator, it should be noted that the Group, also with the support of a consultant (Deloitte & Touche), carried out an impairment test consistent in its methodological approach to that adopted with reference to the consolidated financial statements for the year ended 31 December 2021, updating all relevant parameters based on information obtainable from external sources - used for the determination of the discount rate (WACC) and the perpetual growth rate subsequent to the explicit forecast (g-rate), also incorporating in the WACC a factor to increase the risk of execution of the plan as a consequences of macroeconomics uncertainty.

At the end of the test, an impairment loss on Goodwill of Euro 39.9 million was recognised in the income statement, which is attributable to the effect of the significant increase in the discount rate used for the purposes of the test, which firstly reflects the significant worsening seen during the first half of the year (and in particular during the second quarter) of macroeconomic parameters.

The WACC determined as at 30 June 2022 was 10.4%, compared to 7.7% as at 31 December 2021. For further information on the Goodwill impairment test, see also Section 2 of this press release "Disclosure required by Consob pursuant to article 114, paragraph 5 of the TUF".

Adjusted EBITDA, an indicator considered by management to be representative of the Group's operating profitability trend, amounted to Euro 3.3 million in the period under review, an increase of Euro 1.7 million. The adjustments to EBITDA are shown below: *i*) impairment of

Goodwill deriving from the impairment testing (Euro 39.9 million), *ii*) Purchase Price Allocation[1] (Euro 3.2 million), *iii*) D&A (Euro 2.8 million), *iv*) Non-recurring expenses (Euro 1.0 million)[2] and *v*) Foreign Exchange Gains (Euro 1.1 million) resulting from hedging transactions for purchases from the Far East of products denominated in US dollars[3].

Net financial expenses for H1 2022 comes to Euro 0.7 million, while in H1 2021, expense was recorded for Euro 1.3 million. This difference is mainly attributable to the change in the fair value of outstanding warrants, which in 2021 had generated a cost of Euro 0.8 million, while in 2022 it had a positive effect of Euro 0.3 million. There were also higher charges related to premiums paid on derivative contracts for hedging against exchange rate risk in US dollars in the amount of Euro 0.5 million.

The Net Result for the first half of 2022, due to high net non-recurring expenses (mainly the write-down of Goodwill in the amount of Euro 39.9 million), was negative in the amount of Euro 43.0 million (Euro -3.2 million in 2021).

Net of adjustments for extraordinary and non-recurring items, the Adjusted Net Result for the first half of 2022, negative for Euro 0.3 million, is essentially in line with the first half of 2021 (Euro -0.2 million).

Net financial debt as of 30 June 2022 amounted to Euro 40.2 million (Euro 37.4 million at the end of 2021) and includes the recognition of IFRS16 effects related to a new lease agreement entered into as of 1 January 2022 in the amount of Euro 3.2 million. The net financial debt is therefore - prior to IFRS 16 - substantially in line with 31 December 2021, despite the strong growth in sales volumes, the investments envisaged in the development plan, and the payment of dividends in the amount of Euro 1.0 million recorded in the first half of 2022.

Operating cash flow for the period amounted to Euro 3.6 million, mainly due to the operating profitability generated and an effective management of Operating Working Capital, whose ratio to sales decreased to 58.9% in the period under review compared to 67.1% in H1 2021.

Cash and cash equivalents (Euro 9.7 million), the committed credit facility for M&As inherent in the existing medium/long-term loan agreement (Euro 20.0 million) and unused available trade credit facilities (Euro 14.3 million) ensure the Group's financial solidity, as well as adequate flexibility for possible future acquisitions.

[1]*The purchase price allocation mainly originated from the accounting effects of the business combination in June 2018 and the acquisitions of Systema, Worldconnect and Coverlab.*

[2] *They refer to income and expenses related to non-recurring, non-core events or related to extraordinary transactions.*

[3] *It should be noted that although not being non-recurring income, the Group intends this adjustment to represent operating performance net of currency effects*

DISCLOSURE REQUIRED BY CONSOB PURSUANT TO ART. 114, PARAGRAPH 5 OF THE TUF

In compliance with Consob's request pursuant to article 114, paragraph 5 of Legislative Decree No. 58/1998 ("TUF") received on 6 September 2022, the Company makes the following public.

"Request 1) The Company's considerations regarding the recoverable amount determined upon impairment testing of goodwill as of 31 December 2021 and 30 June 2022 and the reasons underlying the differential between the carrying amount of net assets, respectively, with (i) the stock market capitalisation as of the relevant dates and (ii) the value of the Cellularline Group implied in the target price of analysts monitoring the stock as of the above dates.

With reference to this first point, it should be firstly noted that the difference existing between stock market capitalisation and net book value of shareholders' equity was considered as an indicator of impairment in accordance with the provisions of the reference accounting standards and the internal accounting procedure, and led to the impairment test on goodwill being conducted on both of the above dates.

In particular, the impairment test was carried out with reference to both reference dates and in relation to the entire Cellularline Group (hereinafter "Group"), which represents the Cash Generating Unit to which the goodwill was allocated, on the basis of the economic and financial forecasts contained in the 2022-2025 Plan (hereinafter "Plan") approved on 9 March 2022 by the Company's Board of Directors, and using the discounted cash flow method. For the date of 30 June 2022, the same Plan was used, however also taking into account the forecast data for the year 2022 approved by the Company's Board of Directors on 28 July 2022. The value configuration chosen to determine the recoverable value for impairment testing purposes is therefore that of the 'value in use', used consistently with the principles of international accounting standards, which define the recoverable value that can be used for impairment testing as the greater of the value in use and the fair value (approximated by market capitalisation and analysts' target price).

The method of calculating value in use remained essentially the same at the two reference dates, providing for a physiological update of the market parameters at 30 June 2022 compared to 31 December 2021, and giving significant relevance to the market parameters observable in the second part of the first half of 2022, consistent with the recent pronouncements of valuation practice on the matter[4]. These market parameters showed significant deviations over this time horizon, leading to a significant increase in the discount rate used, represented by the Weighted Average Cost of Capital or WACC. Since the Plan has not yet been updated, an additional incremental component has also been taken into account in determining the WACC, which reflects in the valuation the performance delay expected for 2022 at EBITDA Adjusted level deriving from the forecast data, in order to appropriately take into account, in determining the value in use, the indications coming from the most recent forward-looking data approved by the Company and the uncertainty of the economic framework as a whole (execution risk premium).

It should be noted that a growth rate g (g-rate), representative of long-term inflationary expectations,

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[4] *Consistent with OIV document, Discussion Paper n.1/2022 "Non-financial assets Impairment test (IAS 36) due to war in Ukraine.*

was applied to determine the Terminal Value.

Below are the WACC and g-rates determined as at 30 June 2022 and 31 December 2021.

Parameter	*31/12/2021*	*30/06/2022*	*Comments*
WACC	*7.70%*	*10.40%*	*The WACC as at 30/06/2022 increased compared to 31/12/2021 mainly due to the increase in the risk free rate and the cost of debt, and also due to the introduction of an incremental plan execution risk factor*
g-rate	*1.39%*	*1.85%*	*The g-rate increased as a result of expected long-term inflation in the countries where the Group operates (Source: FMI)*

The additional incremental component of the WACC was not applied when impairment testing goodwill at 31 December 2021 as the projections used to determine the value were approved on 9 March 2022, therefore substantially concurrently with the approval of the 2021 annual financial statements, which took place on 17 March 2022.

With reference to the Plan, it should be noted that the estimates and figures related to the economic-financial forecasts to which the above-mentioned parameters are applied had been determined by the management at the date of approval of the Plan as their best estimate of the future evolution of the Company's performance based on past experience and expectations of developments in the markets in which the Group operates.

The result obtained from the impairment test at 31 December 2021 had not led to any impairment of goodwill, as the recoverable amount, in the value in use configuration, was higher than the carrying amount of the CGU (see Annual Report 2021); on the other hand, at 30 June 2022, an impairment loss of Euro 39.9 million was determined for the goodwill recognised. As a result, the book value of shareholders' equity, which amounted to approximately Euro 205.4 million as of 31 December 2021, decreased to Euro 162.3 million mainly due to the goodwill impairment mentioned above, which implies a book value of approximately Euro 7.8 per outstanding share (compared to approximately Euro 10.2 per share as of 31 December 2021).

The market capitalisation of the Company, as reported above, was lower at both of the above-mentioned reference dates than the net equity, and stood at approximately Euro 4.29 per share as of 31 December 2021 and Euro 4.09 per share as of 30 June 2022, respectively.

With reference to the trend in the market capitalisation of Cellularline's stock, it should be noted that the significant reduction in the value per share occurred in conjunction with the outbreak of the Covid-19 pandemic in the first half of 2020, which, as is known, had a major impact on the Company's results, and that the stock has subsequently not regained levels comparable to those recorded prior to the pandemic. A graphical representation of the above is provided below.

Over the same time horizon, analysts covering the stock gradually adjusted their expectations in line with the stock's performance, while maintaining the target prices of the reports (available on the Company's website, www.cellularlinegroup.com "Investors" section) available at the reference dates were on average always higher than the market price as of 31 December 2021 and 30 June 2022. In this sense, it is worth mentioning that the last published report covering the stock dated 21 July 2022, although indicating a target price aligned to the reference price of the takeover bid launched by 4 SIDE S.r.l., states a fair value of Euro 5.0 per share as a result derived from its DCF model.

Differences between value in use and stock market capitalisation / analysts' target prices hedging the stock are generally attributable to the following factors:

- *different inputs used for the calculation of value in use, in terms of cash flows, discount rates (WACC) and any other key variables in the valuation (e.g. g-rate);*
- *presence of information asymmetries between the market and management (e.g. in the case of forecast data not disclosed to the market and used by management for its own internal evaluations);*
- *different relevant time horizons, i.e. the market generally has an investment horizon that implies a shorter-term view than the increased logic oriented towards the long term typically reflected by the DCF applied to a medium- to long-term business plan drawn up by management;*
- *different value configuration in valuation (value in use and fair value).*

In particular, the difference in the estimate of the price per share between what was found in the Company's impairment test and what was expected by analysts is reasonably attributable to the different forecast data used. In fact, the Plan, from which the cash flows used for impairment testing originate, differs both in the operating flows and in the time horizon (2025, the year of reference of the terminal flow in the goodwill impairment test), with the latter year not considered by any analysts' forecasts. In addition, differences with the DCF exercises carried out by the analysts also emerge with regard to the discount rate (WACC) and the g-rate.

Request 2) With reference to the deviations between the preliminary figures disclosed on 13 July 2022 and actual figures as at 30 June 2022 and the forecasts of the 2022-2025 Plan approved by the Directors on 9 March 2022 used for goodwill impairment testing purposes, information on i) the factors that contributed to the said deviations, ii) the remedies implemented by management to mitigate their effects and iii) the manner in which said deviations are considered in the goodwill impairment test as at 30 June 2022.

With reference to this second point, the Company first of all notes that the first half of 2022 saw an increase in revenues compared to the corresponding period of the previous year, recording growth of 37.4%; this highly positive trend in terms of revenue growth is due to a recovery in the domestic and international markets, with the latter positively impacted by the growth of Worldconnect AG in the Airport Travel Retail channel. It should be noted that the above took place during a six-month period in which the market is still in a phase of progressive normalisation with respect to the Covid-19 pandemic, which, however, has not yet been fully resolved, as shown by the trend in the pandemic curve in the first part of the year 2022, and by the complex macroeconomic framework in place.

The growth reported above, although significant, is nevertheless slightly lower than expected, as there were some delays in terms of turnover attributable to various factors, including in particular a delay in turnover in Italy, mainly in the channel of the so-called Associated Groups, and in the Food mass distribution channel, while abroad, mainly in Germany and the Benelux countries, only partly offset by the healthy performance of the Blue Division and the subsidiary Worldconnect AG, as reported above.

In terms of profit margins (measured as EBITDA Adjusted), there was a slight decrease compared to what was forecast in the Plan, due to a mix of factors:

- *increased transport costs from China and transport to customers;*
- *appreciation of the US dollar;*
- *mix effect on revenues (greater weight of lower margin product lines compared to the mix envisaged in the Plan).*

Management has undertaken a number of initiatives to mitigate the effects described above:

- *top line development through:*
    - *strengthening partnerships with major Italian retailers (such as enlargement commercial agreement with one of the main player in the Consumer Electronics channel),*
    - *agreements with major strategic European distributors,*
    - *increasing promotional activities,*
    - *price list increase, aimed at mitigating the effects on typical costs reported above, with particular reference to the significant increases in transport costs and the appreciation of the USD;*
- *variation of the modalities of transport from China favouring sea transport rather than air transport,*
- *initiatives to contain indirect operating costs related to personnel, marketing and trade marketing and other structural costs.*

The expected performance deviations for 2022, as reported above, were taken into account in the impairment test as of 30 June 2022 through the application of an incremental correction of the WACC, which affects the final rate by 0.83%, determined accurately assuming that the aforementioned 2022 performance lag resulting from the most recent forecasts for the current year, remains constant in proportion also in the subsequent explicit forecast years and in the terminal flow.

Request 3) Considerations of the Company with reference to the updated nature of the economic-financial forecasts contained in the 2022-2025 Plan and an indication of a foreseeable time-frame for updating said Plan, also in order to incorporate the impacts connected to the changed macroeconomic context

Despite the slight deviations from the Plan for 2022, the revenue trend is substantially confirmed to date with respect to the 2022 Budget (corresponding to the first year of the Plan), albeit with a partially different mix of revenues, as mentioned above, which saw a greater weight of product lines with lower margins (eg the increase on WorldConnect AG) to the detriment of the Red Division. It should be noted that the Red Division is growing, but slightly below expectations, especially on foreign markets where the implementation of some initiatives has slowed down compared to what was expected, while on the domestic market the Company has strengthened its ties with major customers through the renewal of multi-year agreements, partly already in place and partly in an advanced stage of negotiations. At the moment, no substantial changes in the activity are expected over the period of the Plan that could impact on the forecasts of turnover.

Similar considerations apply to the data in terms of margins, where the contraction in EBITDA Adjusted margin compared to the Budget originates from a mix of factors, largely related to the present macroeconomic situation, already illustrated for the half-year differences and expressed above.

Therefore, based on the information available to date, the Company overall confirms the main long-term strategic guidelines of the Plan and the soundness of the development activities implemented, corroborated by the current year's performance and actions taken, and expects to update the Plan forecasts by the date of approval of the 2022 Financial Statements."

Below are the Issuer's consolidated financial statements as at 30 June 2022.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of Euro)	**Balance as at 30 June 2022**	**Of which related parties**	**Balance as at 31 December 2021**	**Of which related parties**
ASSETS				
Non-current assets				
Intangible assets	58,245		61,355	
Goodwill	69,290		108,773	
Property, plant and equipment	7,690		7,487	
Equity investments in associates and other companies	58		58	
Right-of-use assets	4,906		1,774	
Deferred tax assets	5,789		4,748	
Financial assets	0		0	
Total non-current assets	**145,978**		**184,195**	
Current assets				
Inventories	43,590		30,518	
Trade receivables	44,197	4,198	52,117	4,702
Current tax assets	990		1,214	
Financial assets	61		60	
Other assets	2,261		4,948	
Cash and cash equivalents	9,651		8,138	
Total current assets	**100,750**		**96,995**	
TOTAL ASSETS	**246,728**		**281,190**	
SHAREHOLDERS' EQUITY AND LIABILITIES				
Equity				
Share capital	21,343		21,343	
Other reserves	168,365		159,174	
Retained earnings	15,648		28,688	
Profit (loss) for the year attributable to owners of the parent	(43,011)		(3,846)	
Equity attributable to owners of the parent	**162,345**		**205,359**	
Minorities' equity	-		-	
TOTAL SHAREHOLDERS' EQUITY	**162,345**		**205,359**	
LIABILITIES				
Non-current liabilities				
Financial liabilities	20,682		25,642	
Deferred tax liabilities	2,451		2,349	
Employee benefits	551		772	
Provisions for risks and charges	1,415		1,616	
Other financial liabilities	10,114		7,494	
Total non-current liabilities	**35,213**		**37,872**	
Current liabilities				
Financial liabilities	16,824		10,129	
Trade payables	22,680		19,825	
Current tax liabilities	621		1,230	
Provisions for risks and charges	-		-	
Other liabilities	6,737		4,489	
Other financial liabilities	2,308		2,285	
Total current liabilities	**49,170**		**37,958**	
TOTAL LIABILITIES	**84,383**		**75,831**	
TOTAL EQUITY AND LIABILITIES	**246,728**		**281,190**	

CONSOLIDATED INCOME STATEMENT

(In thousands of Euro)	**Half year ending on 30 June 2022**	**Of which related parties**	**Half year ending on 30 June 2021**	**Of which related parties**
Revenue from sales	54,558	1,996	39,707	1,554
Cost of sales	(32,885)		(23,753)	
Gross operating profit	**21,673**		**15,954**	
Sales and distribution costs	(15,001)		(11,375)	
General and administrative costs	(52,224)	(6)	(11,470)	(5)
Other non-operating (costs)/revenue	802		1,979	
Operating profit/(loss)	**(44,750)**		**(4,912)**	
Financial income	308		244	
Financial expenses	(998)		(1,587)	
Foreign exchange gains/(losses)	1,329		(6)	
Gains/(losses) on equity investments	-		120	
Profit/(loss) before taxes	**(44,111)**		**(6,141)**	
Current and deferred taxes	1,100		2,916	
Profit/(loss) before minority interests	**(43,011)**		**(3,225)**	
Profit/(loss) pertaining to minority interests	-		-	
Profit for the year attributable to owners of the parent	**(43,011)**		**(3,225)**	
Basic earnings per share (Euro per share)	**(2.11)**		**(0.16)**	
Diluted earnings per share (Euro per share)	**(2.11)**		**(0.16)**	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In thousands of Euro)	**Half year ending on 30 June 2022**	**Half year ending on 30 June 2021**
Profit for the year attributable to owners of the parent	**(43,011)**	**(3,225)**
Other components of comprehensive income that will not be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit plans	194	64
Actuarial gains (losses) on provisions for risks	298	10
Gains/(losses) on translation of foreign operations	588	(237)
Income taxes	(137)	(21)
Other components of comprehensive expense for the year	**943**	**(184)**
Total comprehensive income for the year	**(42,068)**	**(3,409)**

CONSOLIDATED CASH FLOW STATEMENT

(In thousands of Euro)	**Half year ending on 30 June 2022**	**Half year ending on 30 June 2021**
Profit for the year	(43,011)	(3,225)
Amortisation, depreciation and impairment losses	46,000	5,673
Net impairment losses and accruals	(492)	89
Accrued financial (income)/expense	643	1,344
(Gains)/losses on equity investments	-	(120)
Current and deferred taxes	(1,100)	(2,916)
Other non-monetary changes (*)	66	(7)
	2,106	**838**
(Increase)/decrease in inventories	(13,156)	1,018
(Increase)/decrease in trade receivables	8,156	15,947
Increase/(decrease) in trade payables	2,855	(2,844)
Increase/(decrease) in other assets and liabilities	5,653	2,288
Payment of employee benefits and change in provisions	(81)	-
Cash flow generated (absorbed) by operating activities	**5,531**	**17,247**
Interest and other net charges paid	(998)	(410)
Income taxes paid	(941)	(1,367)
Net cash flow generated (absorbed) by operating activities	**3,592**	**15,470**
Acquisition of subsidiary, net of cash acquired	-	(1,732)
Purchase of property, plant and equipment and intangible assets (*)	(2,829)	(1,527)
Cash flows generated (absorbed) by investing activities	**(2,829)**	**(3,259)**
Other financial assets and liabilities (*)	(962)	941
Decrease in bank loans and borrowings and loans and borrowings from other financial backers	1,735	(4,521)
Payment of transaction costs relating to financial liabilities	48	167
(Dividends/reserves distributed)	(1,012)	-
Other changes to equity	355	60
Net cash flows generated by (used in) financing activities	**164**	**(3,354)**
Increase/(decrease) in cash and cash equivalents	**925**	**8,857**
Effect of exchange rate fluctuations (*)	588	(232)
Total cash flow	**1,513**	**8,625**
Opening cash and cash equivalents	**8,138**	**8,629**
Closing cash and cash equivalents	**9,651**	**17,254**

(*) some items for H1 2021 have been reclassified

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(In thousands of Euro)	**Half year ending on 30 June 2022**	**Of which related parties**	**% of revenue**	**Half year ending on 30 June 2021**	**Of which related parties**	**% of revenue**
Revenue from sales	54,558	1,996	*100.0%*	39,707	1,554	*100.0%*
Cost of sales	(32,885)		*-60.3%*	(23,753)		*-59.8%*
Gross operating profit	**21,673**		***39.7%***	**15,954**		***40.2%***
Sales and distribution costs	(15,001)		*-27.5%*	(11,375)		*-28.6%*
General and administrative costs	(52,224)	(6)	*-95.7%*	(11,470)	(5)	*-28.9%*
Other non-operating (costs)/revenue	802		*1.5%*	1,979		*5.0%*
Operating profit/(loss)	**(44,750)**		***-82.0%***	**(4,912)**		***-12.4%***
* of which depreciation and amortisation (including PPA depreciation and amortisation)	6,060		*11.1%*	5,673		*14.3%*
* of which impairment of goodwill	39,925		*73.2%*	-		*0.0%*
* of which non-recurring expense/(revenue)	968		*1.8%*	811		*2.0%*
* of which operating foreign exchange gains/(losses)	1,116		*2.0%*	4		*0.0%*
Adjusted operating profit/loss (Adjusted EBITDA)	**3,319**		***6.1%***	**1,576**		***4.0%***
Financial income	308		*0.6%*	244		*0.6%*
Financial expenses	(998)		*-1.8%*	(1,587)		*-4.0%*
Foreign exchange gains/(losses)	1,329		*2.4%*	(6)		*0.0%*
Gains/(losses) on equity investments	0		*0.0%*	120		*0.3%*
Profit/(loss) before taxes	**(44,111)**		***-80.9%***	**(6,141)**		***-15.5%***
* of which PPA depreciation	3,225		*5.9%*	3,213		*8.1%*
* of which impairment of goodwill	39,925		*73.2%*	-		*0.0%*
* of which non-recurring expense/(revenue)	968		*1.8%*	811		*2.0%*
* of which impact of fair value warrants	(307)		*-0.6%*	757		*1.9%*
Adjusted profit/loss before taxes	**(300)**		***-0.5%***	**(1,360)**		***-3.4%***
Current and deferred taxes	1,100		*2.0%*	2,916		*7.3%*
Profit (loss) for the period attributable to the Group	**(43,011)**		***-78.8%***	**(3,225)**		***-8.1%***
* of which PPA depreciation	3,225		*5.9%*	3,213		*8.1%*
* of which impairment of goodwill	39,925		*73.2%*	-		*0.0%*
* of which non-recurring expense/(revenue)	968		*1.8%*	811		*2.0%*
* of which impact of fair value warrants	(307)		*-0.6%*	757		*1.9%*
* of which tax effect on the above items	(1,080)		*-2.0%*	(1,708)		*-4.3%*
Adjusted Group profit (loss) for the period	**(280)**		***-0.5%***	**(152)**		***-0.4%***

7. Information on participation of members of the Board of Directors in negotiations held for the conclusion of the transaction

No member of the Board of Directors participated in any capacity whatsoever in the negotiations for the conclusion of the transaction in the context of which the Offer was made.

8. Conclusions of the Board of Directors

The Board of Directors at its meeting on 15 September 2022 approved this Issuer's Notice, unanimously.

The Board of Directors has taken note of (i) the work carried out and the fairness opinion issued by Equita and (ii) the contents of the Offer Document.

In particular, the Board of Directors took into account the assessments made by Equita, as advisor to the Board of Directors. The work performed by the advisor, as a professional expert in the sector and in financial assessments, led him to issue the fairness opinion in which, in addition to the description of the methodologies used, he expressed his qualified opinion as to the unfairness, from a financial point of view, of the Price.

The Board of Directors has carried out its own independent assessments of the Offer both in industrial terms and in terms of valuation of the Offer as set out in Section 5.1 above of this Issuer's Notice.

The Board of Directors, on the basis of the foregoing and also taking into account the content of the Equita Opinion, considered the Price to be unfair, from a financial point of view.

The Board of Directors, at its meeting held on 15 September 2022, in light of the conclusions reached regarding the unfairness of the price, resolved not to tender Treasury Shares to the Offer.

The above resolutions were approved unanimously.

* * *

In any event, it is understood that: (i) this 103 Notice is not intended in any way to replace the Offer Document or any other document relating to the Offer falling within the Offeror's competence and responsibility and disseminated by the Offeror, and does not constitute in any way, nor may it be construed as, a recommendation to accept or not to accept the Offer, nor does it replace the need for each individual person to carry out their own personal assessment in relation to acceptance of the Offer and any other transaction involving the Issuer and the financial instruments issued by the Issuer, on the basis of what is represented by the Offeror in the Offer Document (ii) the economic convenience of accepting the Offer must be assessed autonomously by the individual holder of Shares, also taking into account, in particular, the market trend of the Shares during the Subscription Period, its own investment strategies and the characteristics of the shareholding held by them.

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This 103 Notice, together with the following schedules, is published on Cellularline's website at www.cellularlinegroup.com, in the section "Investors/OPA 4 SIDE S.r.l.":

– **Schedule A:** Equita Opinion

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Reggio Emilia, 15 September 2022

For the Board of Directors

Antonio Luigi Tazartes

Chairman

* * *

IMPORTANT NOTICE

DISTRIBUTION TO PERSONS RESIDENT OR LOCATED IN COUNTRIES WHERE DISTRIBUTION IS PROHIBITED BY THE APPLICABLE LEGISLATION IS PROHIBITED

This document constitutes the original and official version of the notice, prepared pursuant to Article 103, paragraphs 3 and 3-bis of Legislative Decree No. 58/1998 and Article 39 of CONSOB Regulation No. 11971/1999, approved by the Board of Directors of Cellularline S.p.A. on 15 September 2022 (the "**103 Notice**").

This 103 Notice and the information contained herein may only be accessed by persons who are not domiciled or located in the United States of America, Australia, Canada, Japan, as well as any other country where authorisation by the competent authorities is required (collectively, the "**Other Countries**"). This 103 Notice and the information contained herein are not and shall not be sent, or in any way transmitted, or otherwise distributed in the Other Countries. This 103 Notice and the information contained herein are not and shall not be sent, nor in any way transmitted, or in any way distributed, to persons resident or physically present in the Other Countries, and do not constitute and shall not be construed as an offer to purchase or a solicitation of an offer to sell Cellularline S.p.A.'s financial instruments in the Other Countries.

Schedule A: Equita Opinion

STRICTLY PRIVATE AND CONFIDENTIAL

This is an English courtesy translation of the original documentation prepared in Italian language. Please consider that only the original version in Italian language has legal value.

Dear
Cellularline S.p.A.
Via Lambrakis, 1/A
42122 - Reggio Emilia (RE)

To the kind attention of the Cellularline S.p.A. Board of Directors

Milan, 14 September 2022

Subject: Fairness opinion, from a financial stand point, on the consideration offered by 4 Side S.r.l. in the context of the voluntary tender offer launched on the entire share capital of Cellularline S.p.A.

Dear Sirs

On 6 May 2022, Cellularline S.p.A. ("**Cellularline**", the "**Company**" or the "**Issuer**"), received an expression of interest (the "**Expression of Interest**") from Esprinet S.p.A. ("**Esprinet**"), for the purpose of launching a voluntary public tender offer, pursuant to articles 102 and following of the Italian Consolidated Law on Finance, regarding Cellularline's shares (the "**Offer**") at a price of EUR 4.41 per share including a dividend of EUR 0.16 per share (the "**Initial Price**"), subject to certain conditions including the possibility of conducting limited confirmatory due diligence on certain items in the Company's financial statements.

On 19 July, 2022, Esprinet published the notice pursuant to Article 102 and following of the Italian Consolidated Law on Finance in which it formalised the Offer - through its wholly owned subsidiary 4 Side S.r.l. (the "**Offeror**") - at a price of EUR 3.75 per share (the "**Price**"), calculated as the difference between the Initial Price and (a) the amount of EUR 0.16 per share corresponding to the dividend in kind and cash approved by the April 27, 2022 Shareholders' Meeting with an ex-dividend date of 23 May 2022 and payment date of 25 May 2022, as well as (b) the amount of EUR 0.50 per share relating to capital adjustments as a result of the limited due diligence period.

The Company requested an opinion from Equita SIM S.p.A. ("**Equita**") regarding the fairness, from a financial stand point, of the Price for the holders of the shares covered by the Offer (the "**Opinion**"). The Opinion is subject to the terms of the engagement letter signed between the Issuer and Equita on 14 May 2022 (the "**Engagement"**).

Equita acts as financial advisor to the Issuer, therefore it has not provided and does not provide any advisory services relating to, but not limited to, those of an accounting, legal, tax, actuarial, industrial or environmental nature. Equita shall receive under the terms of the Engagement a remuneration which is not affected by the completion of the Offer.

Documentation used

For the purpose of preparing this Opinion, Equita referred to the following data and information concerning the Company:

- 2022 - 2025 Business Plan (the "**Business Plan**").

- The presentation document of the Business Plan, approved by Cellularline's Board of Directors on 9 March 2022.
- The 2022 consolidated budget approved by the Board of Directors on 15 December 2021.
- The presentation document on the 2022 budget, approved by the Board of Directors on 11 January 2022.
- The annual consolidated financial report 2021 of Cellularline.
- The presentation of Cellularline's Q1 2022 consolidated results.
- The press release of 13 July 2022 regarding Cellularline's preliminary consolidated results for the first half of 2022.
- The impairment test as at 31 December 2021 prepared with the support of the advisor Deloitte & Touche S.p.A. on goodwill and approved by the Board of Directors on 17 March 2022.
- The impairment test as at 31 December 2021 prepared with the support of the advisor Deloitte & Touche S.p.A. on Cellularline's customer list and approved by the Board of Directors on 17 March 2022.
- Analysts' equity researches covering the stock, provided by the Company.
- The Expression of Interest issued by the Offeror, signed on 6 May 2022.
- The 19 July 2022 notice pursuant to Article 102 of the Italian Consolidated Law on Finance, concerning the promotion of the Offer by Esprinet.
- The 2022 Consolidated Forecast approved by Cellularline's Board of Directors on 28 July 2022.
- Cellularline's preliminary income statements as at 30 June 2022 received on 31 August 2022 and subsequently approved by the Board of Directors on 8 September 2022.
- Cellularline's preliminary balance sheet as at 30 June 2022 received on 31 August 2022 and subsequently approved by the Board of Directors on 8 September 2022.
- The impairment test as at 30 June 2022 prepared with the support of the advisor Deloitte & Touche S.p.A. on goodwill and approved by the Board of Directors on 8 September 2022.
- The half-year consolidated financial report as at 30 June 2022.
- The press release of 8 September regarding Cellularline's consolidated half-year figures as at 30 June 2022.
- Other detailed files prepared by Cellularline’s management.

In-depth teleconference sessions were held with Cellularline's management on the business plan and some tax and valuation issues.

Eventually, Equita used publicly available data and information, in particular: data and information collected through Borsa Italiana, FactSet and Bloomberg related to Cellularline and selected listed companies that Equita deemed relevant in view of the purpose of the Engagement.

For the purposes of preparing this Opinion, Equita relied entirely, without independent verification, on the truthfulness, fairness, accuracy and completeness of all documentation and information used. Equita has not undertaken any independent review, investigation or assessment of such documentation and of such information and has not performed any independent accounting, financial, tax, legal, commercial and, in general, administrative audit and/or technical review. In addition, Equita has not provided, obtained, or reviewed any specialised opinions - such as, by way of example, but not limited to, legal, accounting, actuarial, environmental, IT or tax opinions - and, accordingly, this Opinion does not consider the possible implications relating to such matters and possibly subject of such types of specialised opinions.

Therefore, Equita assumes no responsibility for the truthfulness, correctness, accuracy, and completeness of all the documentation and information used for its analyses and for the preparation and drafting of the Opinion.

The analyses and valuations made for the purposes of the Opinion are based on and refer to currently prevailing market and economic conditions and the data and information available up to 13 September 2022. Any developments after that date shall not entail any obligation for Equita to update, revise or restate the contents or conclusions expressed in the Opinion.

Warnings and limitations of analyses

This Opinion is not intended as an analysis of the merits of the Offer and of the effects and prospects that the Offer may have on the Company, and it doesn't constitute a recommendation to accept or not the Offer.

This Opinion is not addressed to any person other than Cellularline's Board of Directors and, therefore, no other individual shall be entitled to rely on this Opinion, and any judgement of third parties, with reference to the valuation of the Price, shall remain their sole responsibility and competence.

Individual sections of the Opinion should not be read independently of the others. Each section must be considered purely and exclusively in conjunction with the other sections of the document, in its entirety. In particular, the conclusions set out in the Opinion are based on the valuations performed as a whole and, therefore, no single conclusion should be used for other purposes or considered separately from the context in which they were formulated. The partial use of the content of the Opinion and/or the use of the Opinion for different purposes than those for which it was prepared may lead to a misinterpretation, even significantly, of all the considerations included in the Opinion and/or its conclusions. Under no circumstances should the valuations performed for the purposes of the Opinion be considered in a different context. In particular, the Opinion and the conclusions contained herein do not constitute the provision of investment services or activities pursuant to the Italian Consolidated Law on Finance. The Opinion constitutes neither an Offer to the public nor advice or recommendation to buy or sell any financial product.

The Opinion shall not be published or disclosed, either in whole or in part, to third parties or used for purposes other than those described in the Opinion itself, except in cases where publication or disclosure is expressly requested by the competent supervisory authorities, including Borsa Italiana S.p.A., Bank of Italy and CONSOB, or in compliance with legal and regulatory requirements or any administrative or judicial provisions. Furthermore, Equita authorises Cellularline's Board of Directors to include this Opinion in Cellularline company records and documents, only within the limits required by the provisions in force and by the applicable regulations in relation to the Offer. Any other use requires Equita's prior written authorisation. Equita assumes no liability, either directly and / or indirectly, for damages or loss that may result from improper use and / or use by parties other than Cellularline's Board of Directors of the information contained in this Opinion.

Equita is a leading financial operator offering a wide range of investment and ancillary services, such as investment banking, investment advice, management, trading, research and corporate broking, to Italian and foreign institutional clients. In the ordinary course of such activities, Equita may trade, on its own behalf or on behalf of its clients, and, accordingly, may at any time hold a long or short position in equity securities (and/or related derivative instruments) of the Issuer. Equita may also provide investment banking services to the Issuer in the future, for which it expects to receive fees.

Limitations and constraints of the valuation analyses

It should be noted that the following main limitations and difficulties have been taken into account in the valuation considerations carried out for the purposes of this Opinion:

- Prospective data from multiple sources were used; in particular:
  - for the 2022 financial year, the 2022 Consolidated Forecast Data and the income statement and balance sheet data for the first half of 2022 were used.

- for the years 2023, 2024 and 2025, the assumptions contained in the Business Plan 2022-2025 have been maintained.
- since an updated business plan taking into account the 2022 Forecast was not available, the Company provided Equita with the adjustments to be made to the 2023 cash flows, consistent with the new 2022 closing expectations. In agreement with the Company, the 2024 and 2025 cash flows projected in the approved business plan were maintained.

- In the context of the determination of the weighted average cost of capital ("WACC"), with reference to beta and financial structure (D/E), the listed most comparable benchmarks to Cellularline were taken into consideration, which are, however, only marginally comparable to the Company.
- The trading multiples method (described below) is not applicable due to the lack of listed companies that are adequately comparable to Cellularline: the listed benchmarks taken as reference have growth profiles, operating margins, exposure to geographic markets and business models that differ from those of Cellularline.
- The methodology of comparable M&A transactions (described below) is not very meaningful: the targets identified are not perfectly comparable to the Company; the expressed economic values of the transactions may also be impacted by transaction-specific negotiating elements (e.g. synergies, scarcity value, etc.) and therefore may not be representative of fair value.
- The DCF valuation based on fundamentals (described below) is based on the Company's business plan assumptions as well as an estimate of the rate to be used for discounting future cash flows, which is a further difficult element to assess given the macroeconomic context of rising inflation and rising interest rates.

Valuation methodologies

The valuations carried out for this Opinion are aimed solely at expressing an opinion regarding the fairness from a financial stand point of the Price, by means of a comparison with the estimated value of the economic capital attributable to Cellularline ordinary shares. Such valuations are therefore meaningful in the context of the Engagement and in no event may (i) be considered as possible indications of the market price or the economic value, current or prospective, of the shares subject to the Offer and (ii) be compared with other valuations made in different contexts or for different purposes.

According to best valuation practice, the valuations carried out for the purposes of the Opinion were conducted on a stand-alone basis, assuming the operational autonomy of the Company and ignoring the impact of any synergies and/or extraordinary costs resulting from the Offer or the tax, accounting, financial and/or operational impacts of the Offer on the Company. The analyses were also carried out assuming the continuity of the Company current business, without substantial changes in its management or corporate structure.

Equita has also assumed that all governmental, regulatory or other authorisations and approvals necessary for the execution of the Offer will be obtained without any negative impact on the Issuer and that the execution of the Offer will be completed in accordance with the terms and conditions outlined in the announcement pursuant to Article 102 of the Italian Consolidated Law on Finance, without exceptions, modifications or changes to any of the relevant terms or conditions.

In line with national and international best valuation practices, the following valuation methods were used in determining the Company's estimated value of economic capital, having regard to its own characteristics, the type of business and reference markets in which it operates, and the limitations and difficulties encountered:

- **Main method**
  - Discounted Cash Flow method ("**DCF**"), which determines the company's Equity Value by discounting the future unlevered cash flows of the company at a given weighted average cost of capital ("**WACC**"), minus the net debt and debt-like items. A sensitivity test was also conducted to consider a more conservative scenario within the valuation range.

- **Control methods**
  - The methodology based on target prices published by research analysts ("**Target Prices**") who cover the Cellularline stock before the Expression of Interest; this methodology determines the Equity Value of a company on the basis of the target valuations that financial analysts publish on their reports.
  - Method related to premiums paid in previous voluntary public tender offers ("**Voluntary Public Tender Offers Premiums**"), based on applying the premiums embedded in the prices of selected public tender offers to the weighted average *ex-dividend* and *cum-dividend* stock market prices recorded by the stock under review. The weighted average market prices must be increased by a premium in order to be comparable with the Offer.

- **Methods given for illustrative purposes**
  - The trading multiples methodology ("**Trading Multiples**"), which is based on the relative valuations of comparable companies, applied to certain expected economic parameters of the company under review.
  - The methodology of multiples of previous comparable transactions ("**M&A Multiples**"), which determines the Equity Value of a company by applying the implied multiples paid in precedent transactions to certain economic and financial metrics of the company minus the net financial position and other debt-like items.

In the application of the aforementioned methodologies, the characteristics and limitations underlying each of them were considered, based on professional valuation practice normally applied in the sector.

Taking into account the Company's operational and financial profile, the nature of the Offer and the limitations of the analysis described above, we consider the DCF to be the appropriate methodology for the purposes of the Opinion.

Summary of assessments

The table below shows the value ranges per share, compared with the Price, for each valuation method used.

Method	Applicability	Minimum Value (Euro)	Maximum Value (Euro)
DCF	Main method	6.6	8.7
Target Prices	Control method	4.0	5.3
Voluntary Public Tender Offer premiums (*ex-dividend*)	Control method	4.4	5.6
Voluntary Public Tender Offer Premiums (*cum-dividend*)	Control method	4.6	5.8
Trading Multiples	For illustrative purposes	4.7	6.5
M&A Multiples	For illustrative purposes	5.2	6.0

The above valuation conclusions should not be considered on a stand-alone basis, but rather interpreted as an inseparable part of a single valuation process and, therefore, any analysis of the results obtained with each method must be read in light of the complementarity created with the other criteria within a unified valuation process. The valuation ranges derived from each analysis should not be considered as representative of the current value of the shares as attributed by Equita or of the price at which the shares will or should be traded at any point in time. It should be noted that in its Opinion, Equita does not give a specific range for the value of the Shares, but rather expresses its opinion as to the fairness of the Price from a financial stand point.

Conclusion

On the basis of the valuation analyses described above and the considerations set out above, as of today, Equita deems that the Price of EUR 3.75 recognised in the context of the Offer is not fair from a financial stand point.

Your faithfully,

EQUITA SIM S.p.A.