

## Lleida.net

## BUY

2Q19 results: SaaS is back with a vengeance, more to come

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The overall operational results were a marked improvement from 1Q19, confirming the company is on the path to another year of continued growth. The reported 2Q19 profit before tax of €192k was flat compared to a year ago.

The most salient number this quarter belongs to the SaaS division with a 24% sales increase to almost €1 million, the highest ever. New product development and a successful international expansion boosted this division.

Gross profits were up by 15% relative 2Q18, a marked acceleration from the -3% reported in 1Q19 and paving the way for more acceleration in 3Q19 and 4Q19.

The cost base rose by 29% on the back of recent hiring (net increase of 17 employees to 84), more R&D related expenses (+64%), additional costs of increased presence abroad and some one-off consultancy items. We expect operational expenses to level off during the remainder of the year.

The reported Ebitda was flat on the quarter at €534k, although down 27% to €270k if capitalizations are excluded. Financial expenses were, as in recent quarters, relatively minor at €61k.

Net debt stood at €1.5 million as of 2Q19 and remains on course for our €1.1 million target by year-end. The continued decline in the net debt of the company is a reflection of the cash generative nature of the business.

We maintain our financial forecasts and target price unchanged, with an expectation of an even stronger 2H19 (partly based on the softer 2H18 relative to 1H18).

**We maintain our BUY recommendation and a target price of €1.40 per share.**

### Equities

#### Spain Telecom/Software Services

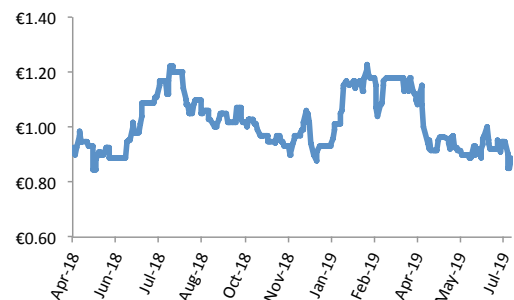
Price (4 pm 23/07/19): €0,87 (LLN.MC),  
€1.05 (ALLLN.PA)

Target Price: €1.40

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Trading Data

52 week range (€): 0.84 - 1.23  
Mkt Cap (€ millions): 14,28  
No. Shares (millions): 16.04  
Avg Daily vol (€ LTM): 10,656

#### Share Price Chart (LTM)



(€ millions)	2017a	2018a	2019f	2020f
Turnover	9,9	12,4	13,2	14,4
<b>Ebitda</b>	<b>0,5</b>	<b>0,9</b>	<b>1,4</b>	<b>1,9</b>
Net Profit	0,0	0,2	1,1	1,5
<b>EPS</b>	<b>0,00</b>	<b>0,02</b>	<b>0,07</b>	<b>0,09</b>
<b>Net Debt</b>	<b>2,4</b>	<b>1,9</b>	<b>1,1</b>	<b>-0,1</b>
<b>EV/Ebitda</b>	<b>34,4</b>	<b>18,3</b>	<b>10,8</b>	<b>7,3</b>
P/E	377,6	57,2	12,8	9,4
FCY	2%	4%	8%	11%

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## The core area of SaaS has delivered a strong 2Q19.

Lleida.net has reported a net income of €192k in 2Q19, almost identical to the €194k reported in 2Q18. This time, the comparisons with 2Q18 were particularly tough (sales were up by 28% and Ebitda rose 11x relative to 2Q17) and yet Lleida.net has been able to maintain a similar net result.

Beneath the reported net profit, the moving parts revealed that the higher margin SaaS division continues to rebound strongly with a Wholesale (ICX) SMS division holding its ground and a Customer SMS one falling expectedly behind. Together, these three divisions drove Gross Profits up by 15% to €1.7 million, a reflection of the underlying improvement in performance.

The cost base rose by 29% to €1.4 million on the back of recent hiring (net increase of 17 employees to 84), more R&D related expenses (+64%), additional costs associated to increase presence abroad and some one-off consultancy items. Although it looks like a large spike in the quarter, a particularly low comparable number of 2Q18 is partly to blame and we expect the 2019 average increase to be below 15%.

Within the costs increase, there was €264k (up 63%) that were capitalized as R&D which was also a reflection on the continued investment in product development.

As a result, the reported Ebitda was identical to 2Q18 to €535k and 27% down if the capitalizations are excluded from the calculation. Again, if on the top line the comparisons with 2Q18 were tough, at the operational cost level the comparisons were even tougher with a 12% decline in 2Q18 vs. 2Q17. The 27% decline does not reflect accurately the underlying trend in the results (on a QoQ basis, the cash Ebitda has increased 3.4x from the reported €80k in 1Q19).

The financial costs hardly weigh on the overall result as the net debt continues to decline to the current €1.5 million. Behind the net debt, the company reported financial debt of €3.7 million (with a % average cost in the low single digits) and a cash position of €2.2 million.

**In sum, Lleida.net has gone through a potentially challenging 2Q19 with good numbers that should provide a positive springboard for the second half on 2019.**

(€ 000´)	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	% y-o-y	
Software Services	819	803	725	732	781	993	-5	24
SMS Solutions	647	779	518	724	709	599	10	-23
ICX	1.675	1.556	1.815	1.575	1.343	1.631	-20	5
<b>Turnover</b>	<b>3.141</b>	<b>3.138</b>	<b>3.058</b>	<b>3.031</b>	<b>2.833</b>	<b>3.223</b>	<b>-10</b>	<b>3</b>
Cost of sales	-1.597	-1.684	-1.632	-1.434	-1.337	-1.544	-16	-8
<b>Gross Profit</b>	<b>1.544</b>	<b>1.454</b>	<b>1.426</b>	<b>1.597</b>	<b>1.496</b>	<b>1.679</b>	<b>-3</b>	<b>15</b>
<i>Gross Margin</i>	<i>49%</i>	<i>46%</i>	<i>47%</i>	<i>53%</i>	<i>53%</i>	<i>52%</i>	<i>7</i>	<i>12</i>
Cap. costs (R&D)*	166	162	224	235	239	264	44	63
Personnel Expenses	-690	-642	-659	-692	-755	-823	9	28
Other SG&A	-630	-449	-466	-721	-667	-585	6	30
Depreciation	-290	-283	-290	-289	-286	-281	-1	-1
Other	0	9	-5	19	6	-1	n.m.	n.m.
<b>Total Operating Costs</b>	<b>-1.610</b>	<b>-1.365</b>	<b>-1.420</b>	<b>-1.683</b>	<b>-1.702</b>	<b>-1.690</b>	<b>6</b>	<b>24</b>
<b>Operating Income</b>	<b>100</b>	<b>251</b>	<b>230</b>	<b>149</b>	<b>33</b>	<b>253</b>	<b>-67</b>	<b>1</b>
<i>Operating Margin</i>	<i>3%</i>	<i>8%</i>	<i>8%</i>	<i>5%</i>	<i>1%</i>	<i>8%</i>	<i>-63</i>	<i>-2</i>
<b>Ebitda</b>	<b>390</b>	<b>534</b>	<b>520</b>	<b>438</b>	<b>319</b>	<b>534</b>	<b>-18</b>	<b>0</b>
<i>Ebitda Margin</i>	<i>3%</i>	<i>8%</i>	<i>8%</i>	<i>5%</i>	<i>1%</i>	<i>8%</i>		
<b>Ebitda**</b>	<b>224</b>	<b>372</b>	<b>296</b>	<b>203</b>	<b>80</b>	<b>270</b>	<b>-64</b>	<b>-27</b>
<i>Ebitda Margin</i>	<i>7%</i>	<i>12%</i>	<i>10%</i>	<i>7%</i>	<i>3%</i>	<i>8%</i>		
Extraordinaries	0	0	-107	-87	0	0		
Financial Costs	-22	-32	-15	-23	-20	-20	-9	-38
FX	17	-25	-34	33	25	-41	47	64
<b>Non-op. Results</b>	<b>-5</b>	<b>-57</b>	<b>-156</b>	<b>-77</b>	<b>5</b>	<b>-61</b>	<b>-200</b>	<b>7</b>
<b>Profit Before Tax</b>	<b>95</b>	<b>194</b>	<b>74</b>	<b>72</b>	<b>38</b>	<b>192</b>	<b>-60</b>	<b>-1</b>
<b>Cash Flow</b>	<b>202</b>	<b>331</b>	<b>179</b>	<b>74</b>	<b>54</b>	<b>251</b>	<b>-73</b>	<b>-24</b>

\* Ebitda with no exceptional items and no R&D capitalization  
Source: Lleida.Net, Checkpoint Partners

## Outlook for the remainder of 2019 and beyond: now, we can be enthusiastic.

Back in April, with our 1Q19 results comment, we started the review of our expectations for 2019 with the title of “with more caution, we remain confident of future growth” following the then soft result.

The conclusion following the 2Q19 results is that we have grown in confidence on our expectations for the whole year. The momentum behind the 2Q19 is positive, specially with the SaaS division where most of the R&D and spending efforts is going to.

We are therefore maintaining our 2019 and 2020 EPS estimates at €0.07 and €0.09 respectively and our target price to €1.40. We are making some slight adjustments to our SaaS forecasts, which we raise by €300k for the year which we take out of our SMS Solutions forecasts. The expected €100k improvement in the Gross Profit line is then cancelled out by our expectation of a €100k increase in the operational cost line item that leaves our operating profit line item unchanged at €1.3 million. The remaining parts of the P&L remain unchanged.

As far as the outlook for 3Q19 and 4Q19, we remain far more optimistic than in both 1Q19 and 2Q19 given that the comparisons will be far easier. The second half of 2018 was comparatively weaker than its corresponding first half, so we are likely to see double-digit growth across the relevant line items.

Fundamentally, we remain confident of the fundamentals of Lleida.net given that its core SaaS division is expected to continue to benefit from the increased digitalization of economic transactions. The communication and software products provide the legal security, at an affordable cost, that is required by the parties involved in the process in an environment that is increasingly abandoning paper. Lleida.net is and will continue to be a strong player in the space, with over 100 granted patents.

**From a valuation perspective, the forward 2020 multiples are now in single digits both on the PE as well as on the EV/Ebitda (using cash Ebitda) front. Further evidence of the attractive valuation is the 11% in the Free Cash Flow yield on 2020 expected numbers.**

**We maintain our BUY recommendation unchanged.**

## Profit and Loss (consolidated)

(€ millions)	2017	2018	2019f	2020f
<b>Sales by division</b>				
Software Services	2,7	3,1	4,0	4,7
SMS Solutions	2,8	2,7	2,6	2,7
ICX	4,4	6,6	6,6	7,1
<b>Sales by division (%)</b>				
Software Services	27%	25%	31%	32%
SMS Solutions	29%	22%	20%	19%
ICX	44%	54%	50%	49%
<b>Turnover</b>	<b>9,9</b>	<b>12,4</b>	<b>13,2</b>	<b>14,4</b>
Cost of sales	-4,6	-6,3	-6,2	-6,7
<b>Gross Profit*</b>	<b>5,2</b>	<b>6,0</b>	<b>7,0</b>	<b>7,8</b>
<i>% y-o-y growth</i>	27%	15%	17%	11%
<i>Gross Margin</i>	53%	49%	53%	54%
Capitalized costs (R&D)*	0,8	0,8	1,0	1,0
Personnel Expenses	-2,3	-2,6	-3,1	-3,2
Other SG&A	-2,4	-2,5	-2,6	-2,7
Depreciation	-1,1	-1,2	-1,1	-1,1
<b>Total Operating Costs</b>	<b>-5,8</b>	<b>-6,3</b>	<b>-6,8</b>	<b>-7,0</b>
<i>% y-o-y growth</i>	13	8	7	4
<b>Operating Income</b>	<b>0,2</b>	<b>0,5</b>	<b>1,3</b>	<b>1,8</b>
<i>Operating Margin</i>	2%	4%	10%	13%
<b>Ebitda</b>	<b>1,3</b>	<b>1,7</b>	<b>2,4</b>	<b>2,9</b>
<i>Ebitda Margin</i>	13%	13%	18%	20%
<b>Ebitda (ex-capitalizations)</b>	<b>0,5</b>	<b>0,9</b>	<b>1,4</b>	<b>1,9</b>
<i>Ebitda Margin</i>	5%	7%	11%	13%
Financial Income	0,0	0,0	0,0	0,0
Financial Costs	-0,1	-0,1	-0,1	-0,1
FX and Other	-0,1	0,0	0,0	0,0
<b>Financial Results</b>	<b>-0,2</b>	<b>-0,1</b>	<b>-0,1</b>	<b>-0,1</b>
<b>Profit Before Tax</b>	<b>0,0</b>	<b>0,4</b>	<b>1,2</b>	<b>1,7</b>
Tax	0,0	-0,1	-0,1	-0,3
<b>Net Income</b>	<b>0,0</b>	<b>0,2</b>	<b>1,1</b>	<b>1,5</b>
<b>Cash Flow</b>	<b>0,3</b>	<b>0,6</b>	<b>1,2</b>	<b>1,6</b>

Source: Lleida.net and Checkpoint Partners

## Balance Sheet (consolidated)

(€ millions)	2017	2018	2019f	2020f
<b>Fixed Assets</b>	<b>4,6</b>	<b>4,4</b>	<b>4,5</b>	<b>4,6</b>
Intangible Assets	3,8	3,8	4,0	4,1
Tangible Assets	0,4	0,3	0,4	0,4
Inv. in Group Companies	0,0	0,0	0,0	0,0
Other Investments	0,2	0,2	0,2	0,2
Deferred Assets	0,1	0,0	0,0	0,0
<b>Current Assets</b>	<b>4,1</b>	<b>4,5</b>	<b>5,0</b>	<b>6,3</b>
Inventory	0,0	0,0	0,0	0,0
Debtors	2,3	2,4	2,8	3,2
Short Term Investments	1,0	0,7	0,7	0,7
Short Term Accruals	0,2	0,2	0,2	0,3
Cash	0,5	1,1	1,2	2,1
<b>Assets</b>	<b>8,6</b>	<b>8,9</b>	<b>9,5</b>	<b>10,9</b>
<b>Shareholders' Funds</b>	<b>2,9</b>	<b>3,1</b>	<b>4,1</b>	<b>5,6</b>
<i>Capital</i>	0,3	0,3	0,3	0,3
<i>Share Premium</i>	5,2	5,2	5,2	5,2
<i>Reserves</i>	-1,9	-1,9	-1,6	-0,5
<i>Repurchase of share capital</i>	-0,9	-1,0	-1,0	-1,0
<i>Profit and Loss account</i>	0,1	0,3	1,1	1,5
<b>Long Term Debt</b>	<b>1,1</b>	<b>1,4</b>	<b>0,6</b>	<b>0,3</b>
<b>Current Liabilities</b>	<b>4,6</b>	<b>4,4</b>	<b>4,8</b>	<b>5,0</b>
Short Term Debt	2,8	2,3	2,4	2,4
Provisions	0,0	0,1	0,1	0,1
Creditors	1,8	2,0	2,3	2,5
<b>Liabilities</b>	<b>8,6</b>	<b>8,9</b>	<b>9,5</b>	<b>10,9</b>
<b>(€ millions)</b>				
Working Capital	0,5	0,4	0,6	0,7
Debtor Turnover (days)	84	70	73	77
Creditor Turnover (days)	63	60	67	71
Financial Debt	4,0	3,7	3,0	2,7
Cash	1,5	1,8	1,9	2,8
<b>Net Debt</b>	<b>2,4</b>	<b>1,9</b>	<b>1,1</b>	<b>-0,1</b>

Source: Lleida.net and Checkpoint Partners

## Sum of the parts valuation

Sector	Division	DCF (€)	Year	EV/Sales	EV/Ebitda
Software	Saas	10,5	2019	2,9	29,9
			2020	2,5	17,2
Telecom	SMS	4,5	2019	1,5	10,5
			2010	1,5	10,2
	ICX	9,4	2019	1,4	10,7
			2020	1,3	9,0
Sum of Parts		24,5	2019	1,9	14,7
			2020	1,7	11,7
Net Debt		1,5			
Equity Valuation		23,1			
Target Price		1,40			
Share Price		0,87			
Upside		61%			

Source: Checkpoint Partners

To arrive at our sum of the parts valuation of €24.5 million we have assumed Lleida.net has the potential to deliver a 15% Ebitda margin in the context of a long term average growth in sales of 7%. We have used a WACC of 9.2%.



## Comparable Valuations

	Price	Mkt Cap.	Net Debt			EV		
	(22/7/19)		2017	2018e	2019e	2017e	2018e	2019e
	(€)	(€ m)	(€ m)	(€ m)	(€ m)	(€ m)	(€ m)	(€ m)
Altia	21,40	147,2	-16,4	-20,0	-23,4	130,8	127,2	123,7
Catenon	0,50	9,4	3,7	3,5	6,0	13,1	12,9	15,3
Commcenter	0,96	6,3	8,6	7,0	6,2	14,9	13,4	12,5
Eurona	0,28	11,9	91,8	120,9	146,7	103,7	132,8	158,7
FacePhi	1,91	25,4	2,1	2,3	3,3	27,4	27,6	28,6
Gigas	7,32	31,3	1,8	2,3	2,0	33,1	33,6	33,3
Lleida.Net	0,87	14,0	2,4	1,9	1,1	16,4	15,9	15,1
Voz Telecom	4,30	19,3	2,4	2,9	2,9	21,7	22,2	22,2
<b>Total</b>		264,8	96,4	120,8	144,7	361,2	385,5	409,5

Stock	Shares	Price	Cost	Price (22/7/19)	Valuation	Diff.	Return
	(#)	(01/01/18)	(€)	(€)	(€)	(€)	(%)
		(€)					
Altia	61	16,39	1.000	21,40	1.306	306	<b>31</b>
Catenon	1.613	0,62	1.000	0,50	807	-194	<b>-19</b>
Commcenter	758	1,32	1.000	0,96	727	-273	<b>-27</b>
Eurona	474	2,11	1.000	0,28	134	-866	<b>-87</b>
FacePhi	917	1,09	1.000	1,91	1.752	752	<b>75</b>
Gigas	287	3,48	1.000	7,32	2.103	1.103	<b>110</b>
Lleida.Net	1.493	0,67	1.000	0,87	1.299	299	<b>30</b>
Voz Telecom	513	1,95	1.000	4,30	2.206	1.206	<b>121</b>
<b>Total</b>			<b>8.000</b>		<b>10.334</b>	<b>2.333</b>	<b>29</b>

Source: MAB, Checkpoint Partners

	Turnover			Ebitda			Net Profit			Cash Flow		
	2017 (€ m)	2018 (€ m)	2019e (€ m)	2017 (€ m)	2018 (€ m)	2019e (€ m)	2017 (€ m)	2018 (€ m)	2019e (€ m)	2017 (€ m)	2018 (€ m)	2019e (€ m)
Altia	64,7	69,3	72,1	8,9	9,8	9,5	6,1	6,8	6,8	7,0	7,6	7,7
Catenon	8,1	8,1	8,7	1,3	1,3	-2,0	-0,1	0,5	-2,2	0,7	1,1	-1,5
Commcenter	47,5	43,3	45,1	1,9	1,4	0,2	0,0	-0,4	-1,5	1,6	1,3	0,3
Eurona	118,8	77,2	78,0	-4,3	-1,7	-0,4	-28,1	-30,1	-26,6	-13,1	-14,2	-11,5
FacePhi	2,7	4,5	5,1	0,5	0,8	1,1	0,5	1,2	1,1	0,4	1,1	0,9
Gigas	5,9	8,7	10,0	0,4	1,4	2,2	-0,5	-0,1	0,4	0,4	1,1	1,7
Lleida.Net	9,9	12,4	13,2	0,5	0,9	1,3	0,0	0,2	1,0	0,3	0,8	1,7
Voz Telecom	9,7	10,5	11,3	-0,3	0,4	0,8	-1,5	-0,6	0,0	-0,4	0,3	0,7
	<b>267,3</b>	<b>233,9</b>	<b>243,4</b>	<b>9,0</b>	<b>14,3</b>	<b>12,7</b>	<b>-23,5</b>	<b>-22,5</b>	<b>-20,9</b>	<b>-3,1</b>	<b>-1,0</b>	<b>-0,1</b>

	Turnover growth			Ebitda growth			Net Profit growth			Cash Flow Growth		
	2017 (€ m)	2018 (€ m)	2019e (€ m)	2017 (€ m)	2018 (€ m)	2019e (€ m)	2017 (€ m)	2018 (€ m)	2019e (€ m)	2017 (€ m)	2018 (€ m)	2019e (€ m)
Altia	-3%	7%	4%	-4%	10%	-4%	-3%	10%	1%	-4%	8%	1%
Catenon	-43%	0%	8%	-	-1%	-	-97%	-	-	-	53%	-
Commcenter	-15%	-9%	4%	-	-26%	-84%	-	-	259%	-	-22%	-79%
Eurona	-26%	-35%	1%	-	-60%	-74%	135%	7%	-12%	-	9%	-19%
FacePhi	35%	66%	14%	-	65%	37%	-	151%	-10%	-	166%	-12%
Gigas	23%	46%	15%	-	236%	59%	-36%	-70%	-	-	216%	52%
Lleida.Net	25%	25%	7%	-	82%	52%	0%	561%	328%	-	181%	121%
Voz Telecom	4%	8%	7%	-	-	82%	65%	-61%	-94%	-	-	116%
	<b>0%</b>	<b>-12%</b>	<b>4%</b>	<b>-8%</b>	<b>59%</b>	<b>-12%</b>	<b>87%</b>	<b>-4%</b>	<b>-7%</b>	<b>-222%</b>	<b>-66%</b>	<b>-93%</b>

	EV/sales			EV/Ebitda			P/E			FCY		
	2017 (x)	2018 (x)	2019e (x)	2017 (x)	2018 (x)	2019e (x)	2017 (x)	2018 (x)	2019e (x)	2017 (x)	2018 (x)	2019e (x)
Altia	2,0	1,8	1,7	14,6	12,9	13,0	24,0	21,8	21,6	5%	5%	5%
Catenon	1,6	1,6	1,8	10,0	9,9	-	-	20,3	-	8%	12%	-16%
Commcenter	0,3	0,3	0,3	7,7	9,3	55,8	333,8	-	-	25%	20%	4%
Eurona	0,9	1,7	2,0	-24,2	-76,7	-352,8	-	-	-	n.m.	n.m.	-97%
FacePhi	10,1	6,2	5,6	55,3	33,7	25,5	53,6	21,4	23,7	2%	4%	4%
Gigas	5,6	3,9	3,3	81,6	24,6	15,3	-	-	81,0	1%	4%	5%
Lleida.Net	1,7	1,3	1,1	34,4	18,3	10,8	377,6	57,2	12,8	2%	4%	8%
Voz Telecom	2,2	2,1	2,0	-	51,2	28,0	-	-	-	-2%	2%	3%
	<b>1,4</b>	<b>1,6</b>	<b>1,7</b>	<b>40,1</b>	<b>26,9</b>	<b>32,2</b>	<b>-</b>	<b>-11,7</b>	<b>-12,7</b>	<b>-1%</b>	<b>0%</b>	<b>0%</b>

Source: Checkpoint Partners

## Checkpoint Recommendation System

The Checkpoint Recommendation System is based on absolute returns, measured by the upside potential (including dividends and capital reimbursement) over a 12-month time horizon.

Checkpoint recommendations (or ratings) for each stock comprises 3 categories: Buy (B), Neutral (N) and Sell (S).

- **Buy:** the stock is expected to generate total return of over 20% during the next 12 months time horizon
- **Neutral:** the stock is expected to generate total return of -20% to +20% during the next 12 months time
- **Sell:** the stock is expected to generate total return under -20% during the next 12 months time horizon.

Our rating system applies to companies with market capitalizations of below €50 million that in most cases refer to stocks that are illiquid and more volatile than its larger sized peers.

## History of recommendations

Date	Recommen.	Price (€)	Target P.(€)	Period	Analyst
27.10.2016	BUY	0,71	0,95	12 months	Guillermo Serrano
16.01.2017	BUY	0,62	1,05	12 months	Guillermo Serrano
28.04.2017	BUY	0,66	1,25	12 months	Guillermo Serrano
20.07.2017	BUY	0,75	1,25	12 months	Guillermo Serrano
26.10.2017	BUY	0,52	1,13	12 months	Guillermo Serrano
31.01.2018	BUY	0,80	1,13	12 months	Guillermo Serrano
16.03.2018	BUY	0,84	1,13	12 months	Guillermo Serrano
17.03.2018	BUY	1.11	1.53	12 months	Guillermo Serrano
17.07.2018	BUY	1.15	1.53	12 months	Guillermo Serrano
17.10.2018	BUY	1.03	1.53	12 months	Guillermo Serrano
24.01.2019	BUY	1.06	1.53	12 months	Guillermo Serrano
24.04.2019	BUY	0.92	1.40	12 months	Guillermo Serrano

Checkpoint does and seeks to do business with companies covered in its research reports. As a result, investors may take the view this could affect the objectivity of the report and therefore should consider this report as only a single factor in making their investment decision.

## Frequency of analyst reports

At present Checkpoint has committed to a quarterly update of Lleida.net financial and operational performance.

## Investment horizon

Our reports focus mainly on small capitalization and illiquid stocks where standard Venture Capital investment criteria should apply. An investment into sub €50 million market capitalization stock should be done on a 3-5 year time horizon in order to realized the full potential of the investment opportunity.

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