PRESENTACIÓN RESULTADOS TERCER TRIMESTRE DE 2018
GIGAS HOSTING, S.A.

28 de noviembre de 2018

En virtud de lo previsto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 228 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, y disposiciones concordantes, así como en la Circular 6/2018 del Mercado Alternativo Bursátil (MAB), por la presente Gigas Hosting, S.A. (en adelante "GIGAS") publica la presentación que se utilizará hoy para comentar los resultados del tercer trimestre y primeros nueve meses del año, cuya información detallada fue ya publicada en Hecho Relevante de fecha 22 de noviembre de 2018.

La presentación de resultados se ha programado a través de una conferencia telemática o webinar que tendrá lugar en el día de hoy, donde se explicarán los detalles de las cifras publicadas y que estará abierta a todos aquellos inversores, analistas y personas interesadas, que podrán seguir dicha presentación online y realizar las preguntas que consideren oportunas. Posteriormente a la presentación, el vídeo quedará almacenado y podrá ser consultado en la página web de GIGAS.

WEBINAR PRESENTACIÓN DE RESULTADOS Q3

FECHA Y HORA: Miércoles 28 de Noviembre, 10:30am
ENLACE PARA INSCRIPCIÓN: http://gigas.com/ResultadosGigas/2018Q3

En Madrid, a 28 de noviembre de 2018,

Diego Cabezudo Fernández de la Vega
Consejero Delegado
GIGAS HOSTING, S.A

Third Quarter 2018 Results Investors Presentation

NOVEMBER | 2018

Diego Cabezudo
CEO

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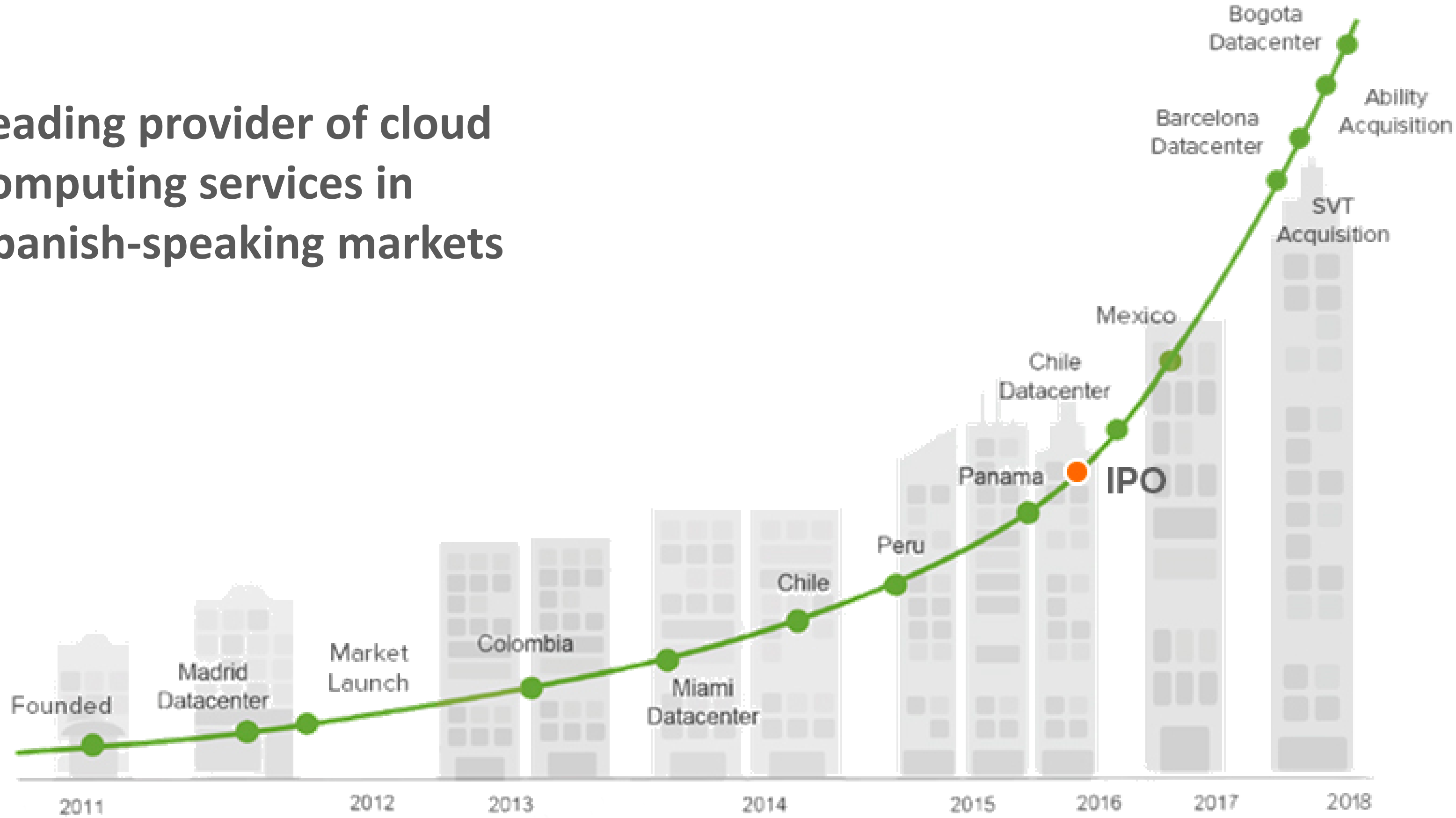
Gigas' Timeline

Leading provider of cloud computing services in Spanish-speaking markets



9M 2018 Key Highlights

Growth continues strong, 9M18 revenues up 40,8% YoY through organic & inorganic growth

EBITDA in 9M18 almost triple than the same period last year and reaches €0.53M in Q3

Cloud Datacenter customers continue growing in number and above all in ARPU

Two companies acquired, SVT and ABILITY, and integration and synergies going well

Two new datacenters added to Gigas' footprint: Barcelona (Spain) and Bogotá (Colombia)

2018 Budget

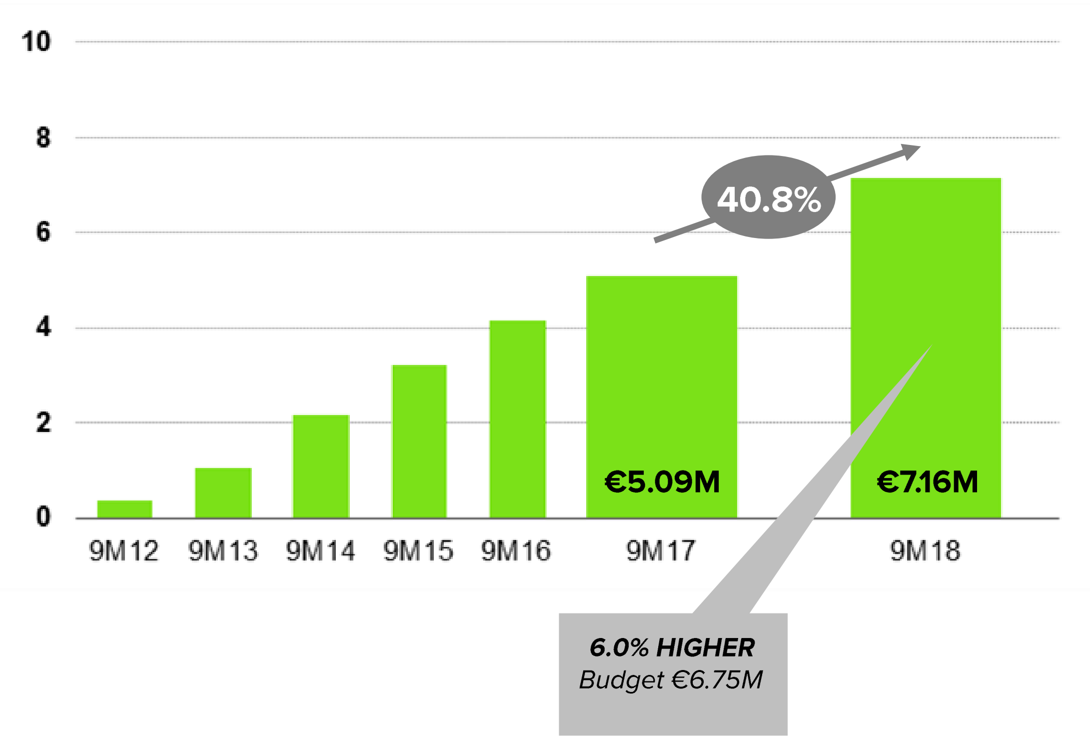
CONSOLIDATED GROUP BUDGET

Figures in EUR	Q1	Q2	Q3	Q4	2018est	% Chg.	2017
Customer revenue	2.138.015	2.222.952	2.391.316	2.541.191	9.293.474	31,8%	7.053.165
Accrued sales	(18.965)	39.143	8.865	(59.557)	(30.514)	17,1%	(26.058)
Sales discounts and promotions	(288.006)	(287.715)	(305.554)	(310.116)	(1.191.392)	10,3%	(1.080.281)
Net revenue	**1.831.044**	**1.974.380**	**2.094.627**	**2.171.517**	**8.071.568**	**35,7%**	**5.946.826**
Own R&D costs capitalised	**54.708**	**55.083**	**53.788**	**54.368**	**217.947**	**31,4%**	**165.833**
Non-recurring income, grants and other	**18.338**	**18.663**	**17.483**	**18.098**	**72.582**	**106,5%**	**35.151**
Cost of sales	(410.973)	(442.529)	(480.896)	(499.897)	(1.834.295)	70,3%	(1.077.128)
Online and third-party customer acquisition costs	(18.505)	(19.190)	(18.416)	(20.564)	(76.675)	4,5%	(73.384)
Datacenters and connectivity	(180.546)	(192.182)	(208.471)	(217.467)	(798.666)	38,8%	(575.416)
Other supplies	(211.922)	(231.157)	(254.009)	(261.865)	(958.953)	123,9%	(428.328)
Personnel expenses	**(747.115)**	**(802.556)**	**(841.967)**	**(840.493)**	**(3.232.132)**	**11,8%**	**(2.891.301)**
Salaries and wages	(611.532)	(651.743)	(685.045)	(681.510)	(2.629.830)	10,7%	(2.375.557)
Social security costs	(135.583)	(150.814)	(156.922)	(158.983)	(602.302)	16,8%	(515.744)
Other operating expenses	**(457.919)**	**(499.181)**	**(490.788)**	**(508.956)**	**(1.956.844)**	**22,1%**	**(1.603.090)**
External services	(420.995)	(460.966)	(441.929)	(459.405)	(1.783.295)	18,8%	(1.500.460)
Professional services and other	(294.541)	(307.183)	(319.649)	(309.306)	(1.230.679)	15,3%	(1.066.996)
Marketing and publicity	(46.427)	(59.272)	(35.166)	(58.527)	(199.391)	37,6%	(144.936)
International expenses, except marketing	(80.027)	(94.511)	(87.114)	(91.572)	(353.224)	22,4%	(288.528)
Losses, impairment and changes in trade provisions	(36.924)	(38.214)	(48.859)	(49.551)	(173.549)	69,1%	(102.630)
Other income and expenses	-	-	-	-	-	-	(4.265)
EBITDA	**288.083**	**303.859**	**352.247**	**394.637**	**1.338.827**	**134%**	**572.026**
EBITDA margin, %	*15,7%*	*15,4%*	*16,8%*	*18,2%*	*16,6%*	*72,4%*	*9,6%*
Gross margin	*1.383.146*	*1.493.636*	*1.564.872*	*1.622.070*	*6.063.724*	*30,4%*	*4.649.643*
Gross margin, %	*75,5%*	*75,7%*	*74,7%*	*74,7%*	*75,1%*	*(3,9%)*	*78,2%*

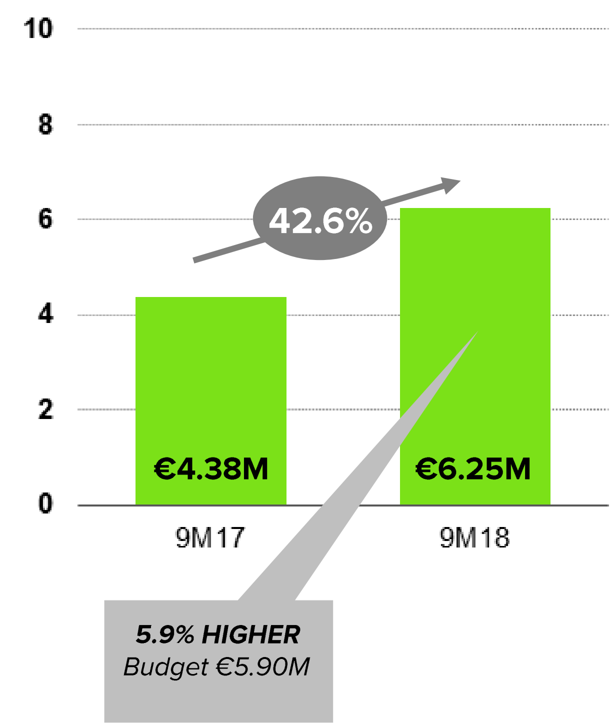
Revenues 9M18

- **Revenues continue to grow strong, both due to organic growth and acquisitions**
- SVT and Ability acquisitions contributing to higher than budgeted revenues, despite Ability only consolidating for a bit less than half of the period

Gross Revenues



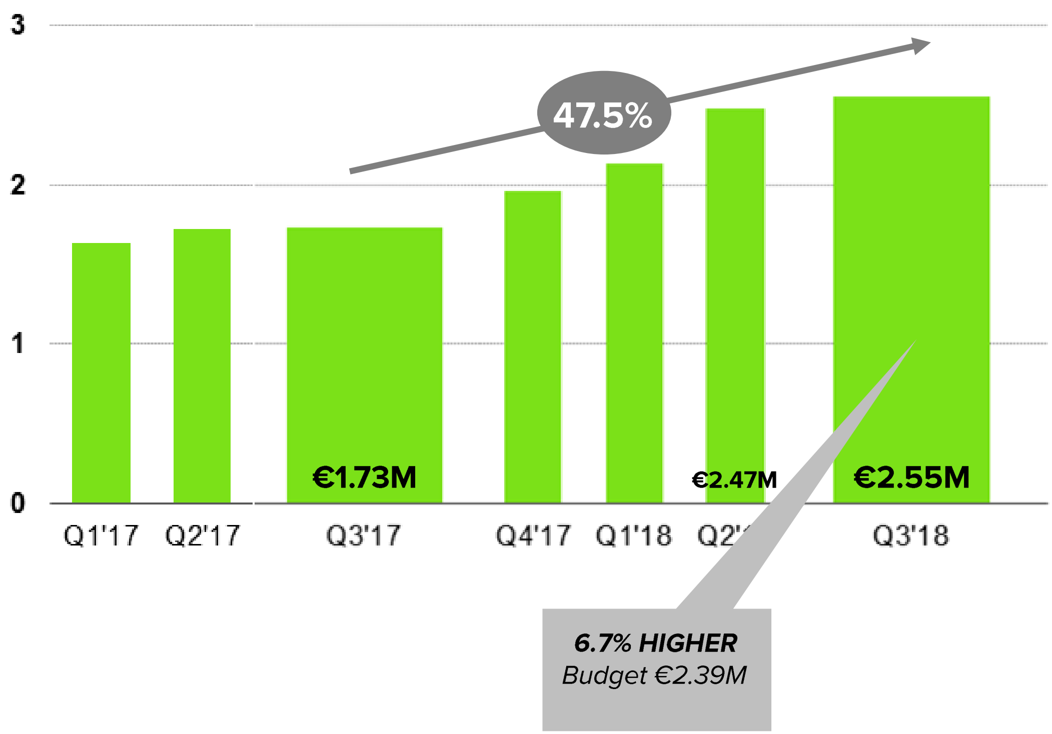
Net Revenues



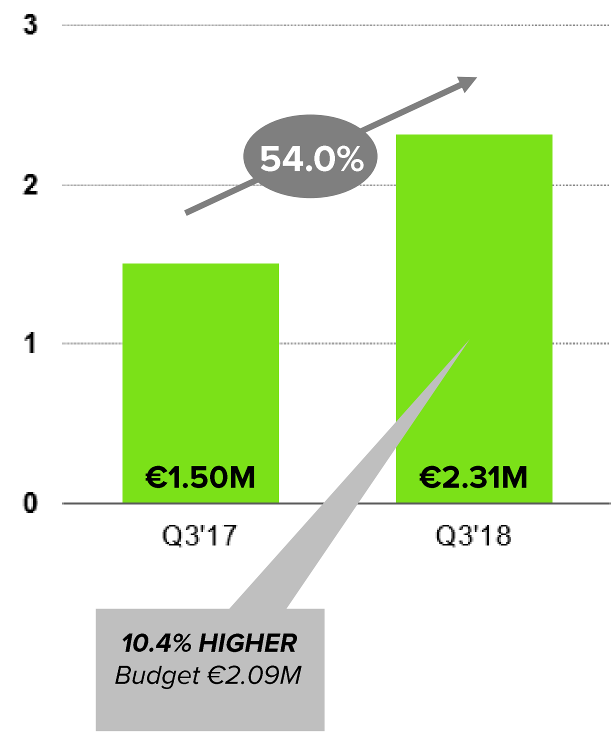
Revenues Q3

- **Growth Y-o-Y very significant in the quarter, due to the contribution of SVT and Ability**, which bring in more than half of the growth in the period
- Large customer lost in June impacted results, since it would have added almost €50K in the quarter

Gross Revenues



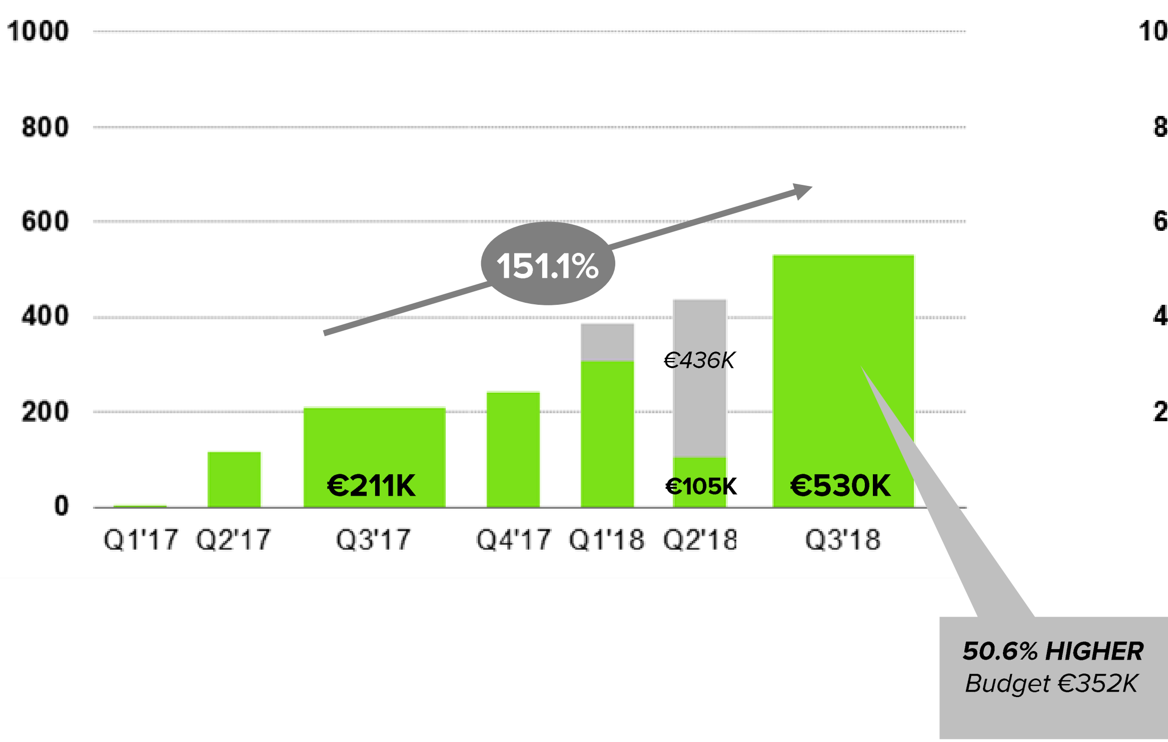
Net Revenues



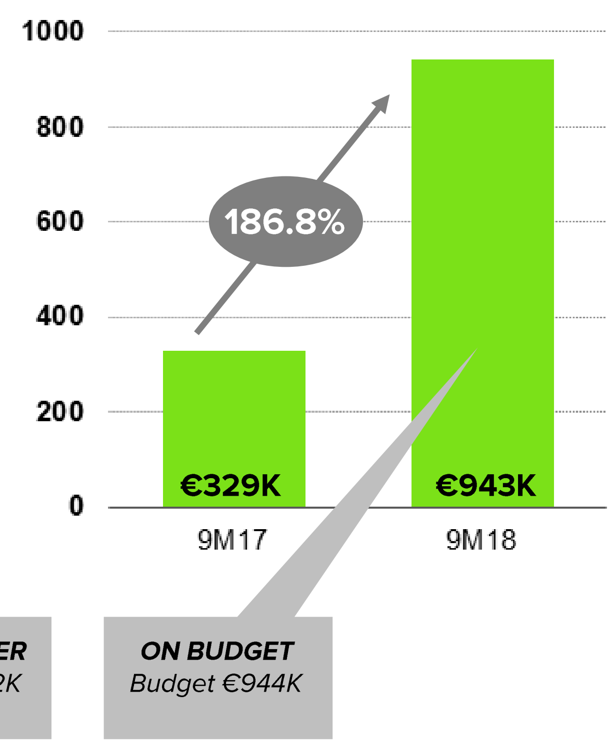
EBITDA

- **Much higher than budgeted EBITDA in the quarter, reaching €0.53M**, due to Ability (not included in original budget) and cost efficiencies, including SVT synergies
- A total of €411K of non-recurring costs related to M&A and a extraordinary bad debt provision were accounted in the first half of the year. Without those, EBITDA in the 9M18 would have reached €1.53M, 43.4% higher than budgeted

Quarterly EBITDA



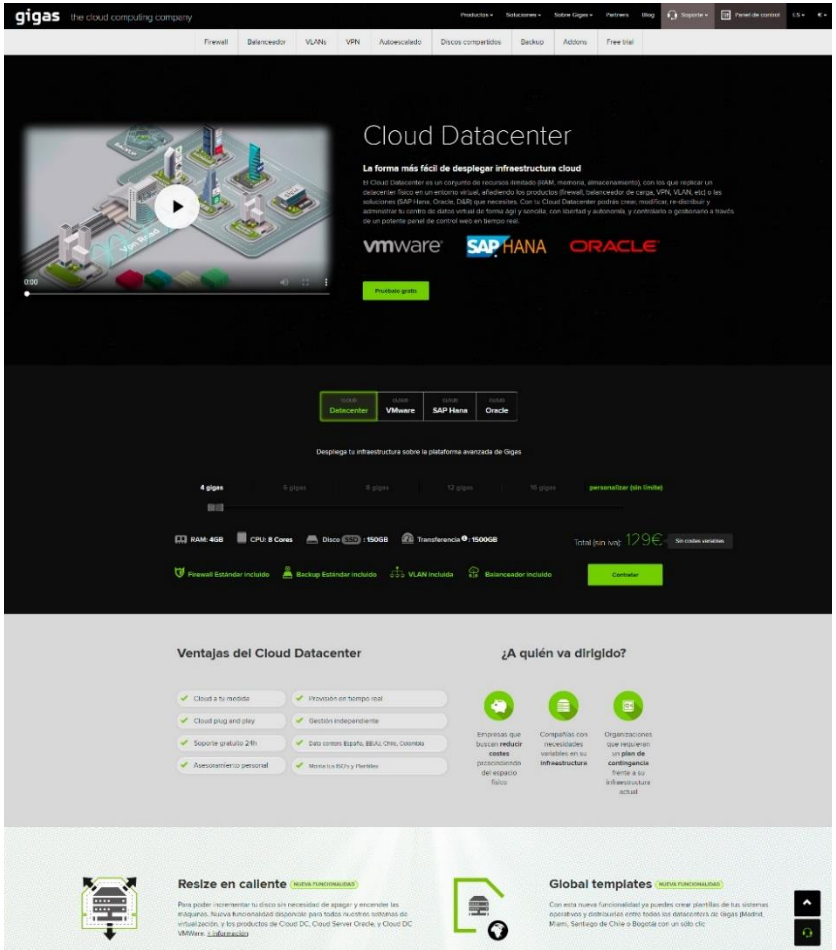
9M EBITDA



2018 YTD Results Compared to 2017 and Budget

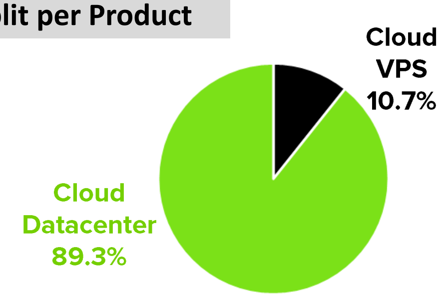
CONSOLIDATED INCOME STATEMENT *Figures in Euros*	2018 JAN-MAR	2018 APR-JUN	2018 JUL-SEP	2018 JAN-SEP	% Delta	2017 JAN-SEP	% Delta	2018budget JAN-SEP
Customer revenue	2,134,305	2,475,065	2,550,951	7,160,321	40.8%	5,087,107	6.0%	6,752,283
Accrued sales	27,111	(61,228)	64,910	30,793	(50.5%)	62,269	6.0%	29,043
Sales discounts and promotions	(318,162)	(319,648)	(303,285)	(941,095)	22.7%	(766,941)	6.8%	(881,275)
Net revenue	**1,843,254**	**2,094,189**	**2,312,576**	**6,250,019**	**42.6%**	**4,382,435**	**5.9%**	**5,900,051**
Own R&D costs capitalised	**55,152**	**69,082**	**64,602**	**188,836**	**75.0%**	**107,936**	**15.4%**	**163,579**
Non-recurring income, grants and other	**8,376**	**31,486**	**9,673**	**49,534**	**143.8%**	**20,314**	**(9.1%)**	**54,484**
Cost of sales	**(381,246)**	**(459,284)**	**(517,033)**	**(1,357,563)**	**71.3%**	**(792,523)**	**1.7%**	**(1,334,398)**
Online and third-party customer acquisition costs	(15,755)	(13,680)	(18,443)	(47,877)	2.1%	(46,882)	(14.7%)	(56,112)
Datacenters and connectivity	(161,486)	(207,433)	(219,144)	(588,063)	37.5%	(427,778)	1.2%	(581,199)
Other supplies	(204,006)	(238,171)	(279,446)	(721,623)	127.0%	(317,863)	3.5%	(697,088)
Personnel expenses	**(735,276)**	**(802,673)**	**(830,402)**	**(2,368,351)**	**10.4%**	**(2,145,715)**	**(1.0%)**	**(2,391,638)**
Salaries and wages	(610,604)	(657,593)	(685,739)	(1,953,936)	10.5%	(1,768,668)	0.3%	(1,948,320)
Social security costs	(124,672)	(145,080)	(144,663)	(414,415)	9.9%	(377,047)	(6.5%)	(443,319)
Other operating expenses	**(482,385)**	**(827,530)**	**(508,932)**	**(1,818,846)**	**46.7%**	**(1,240,235)**	**25.6%**	**(1,447,888)**
External services	(423,980)	(512,212)	(453,258)	(1,389,449)	18.3%	(1,174,560)	5.0%	(1,323,890)
Professional services and other	(347,241)	(387,301)	(279,403)	(1,013,945)	19.4%	(849,471)	10.0%	(921,373)
Marketing and publicity	(31,409)	(57,657)	(65,600)	(154,665)	44.0%	(107,408)	9.8%	(140,865)
International expenses, except marketing	(45,330)	(67,254)	(108,255)	(220,839)	1.5%	(217,681)	(15.6%)	(261,652)
Losses, impairment and changes in trade provisions	(58,405)	(315,318)	(55,674)	(429,397)	553.8%	(65,675)	246.3%	(123,998)
Other income and expenses	**(600)**	**-**	**(261)**	**(861)**	**(75.1%)**	**(3,461)**		**-**
EBITDA	**307,274**	**105,270**	**530,223**	**942,768**	**186.8%**	**328,751**	**(0.2%)**	**944,189**
EBITDA margin, %	*16.7%*	*5.0%*	*22.9%*	*15.1%*		*7.5%*		*16.0%*
Gross margin	*1,462,008*	*1,634,905*	*1,795,543*	*4,892,456*	*36.3%*	*3,589,913*	*7.2%*	*4,565,652*
Gross margin, %	*79.3%*	*78.1%*	*77.6%*	*78.3%*		*81.9%*		*77.4%*

Cloud Datacenter

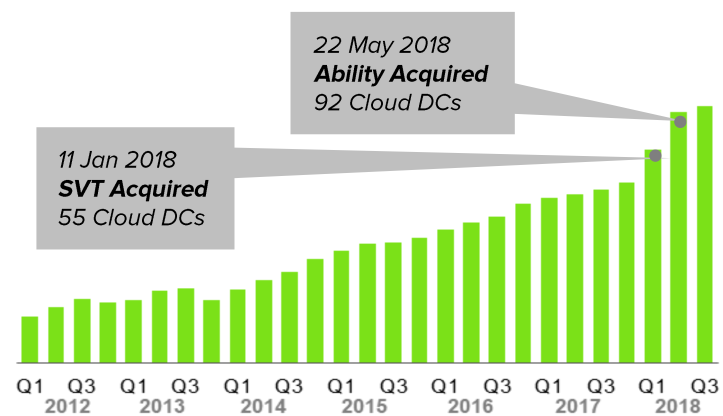


- The **Cloud Datacenter**, aimed at medium and large corporates, with **89.3% of total ytd 2018 gross revs.** is the focus of Gigas and continues to grow both in terms of customers and ARPU

Revenue Split per Product

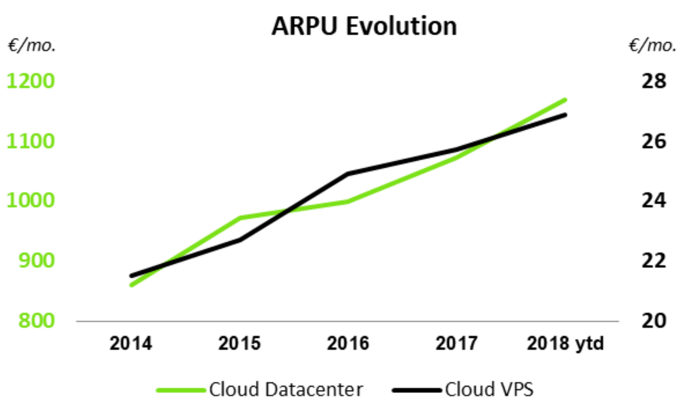


- **Cloud Datacenter customers reached 714 at the end of the Q3 (15 more than Q2'18 and 232 more than a year ago),** helped by the customers brought in by the SVT and Ability acquisitions



Cloud VPS and ARPUs

- The Cloud VPS segment is very price sensitive. Gigas focuses only on high value customers and trades growing customers for higher ARPU and margins, together with low acquisition costs
- **Cloud VPS customers reached 3,243 at the end of the Q3** (21 less than Q2'18 and 124 more than a year ago), helped by the customers brought in by the SVT acquisition (207 VPS customers)



- ARPU continues to grow strong for both segments
- **Cloud DC ARPU reached €1,168/mo. during 2018, 9% higher than in 2017**, due to customer upgrades and winning of larger projects
- **Cloud VPS ARPU averaged €26.5/mo. during 2018, 4.5% higher than in 2017**

Datacenter Footprint

- **Two new datacenters added to the Gigas' network, inherited from the SVT (datacenter in Barcelona, Spain) and the Ability (datacenter in Bogotá, Colombia) acquisitions**
- Getting the cloud infrastructure as closest to the customer as possible is key for technical and regulatory reasons
- In-country datacenter is a key selling point and differentiator when competing against the large cloud providers such as Amazon Web Services or Microsoft Azure
- Gigas already has infrastructure deployed in six datacenters (Madrid -two datacenters-, Miami, Santiago de Chile, Barcelona and Bogota)
- Plan is to continue opening new datacenters, with Mexico probably being the next location

Inorganic Growth

- The cloud and hosting market is dominated by 3-4 large players (c.50% of the market) whereas the other half is extremely fragmented.
- Gigas is exploiting the opportunity to acquire companies with good business customer bases which bring volume and significant synergies.
- **Two companies already acquired this year (January and May) and integration progressing well, with the first phase of integration completed.**

SVT	ABILITY
Country: Spain	Country: Colombia
Est. 2018 Revenue: €0.83M	Est. 2018 Revenue: €1.63M
EBITDA 2017: €0.15M (18%)	EBITDA 2017: €0.4M (25%)
EV: 0.8x sales	EV: 1.2x sales

- The Company continues to evaluate new acquisition opportunities, both in Spain and in Latinamerica

FY 2018 Guidance Update

- Guidance provided in September, when releasing H1 results was to close 2018 with €9.8M in gross revenues and €8.5M in net revenues, higher than the €9.3M and €8.1M included in Budget
- **The Company confirms such estimates and given the good performance of the past few months believes revenues could be a bit higher**
- **EBITDA for H2 estimated to surpass €1M, closing 2018 with a total of approximately €1.5M in EBITDA (higher than €1.3M budgeted)**

Est. Revs. 2018 Growth

40%+

Est. EBITDA 2018 Growth

160%+

Market Milestones

- IPO three years ago, November 3rd 2015, at €3.25 per share, raising €4.12M
- Inorganic strategy starts in January 2018
- €2.5M convertible bonds issued on April 2018 to finance acquisitions, subscribed by investor Inveready

- **Share price up 101.5% since IPO**
- **Quarterly revenues up almost 2.5x since IPO** (€1.13M gross revs in Q3’15)

MaB MERCADO ALTERNATIVO BURSÁTIL BME

12 Month Share Price Evolution

- Share price developing very well: **156.9% up in the last 12 months and 93.8% up ytd**
- **Second most liquid stock in MAB-EE** in relative terms and fourth in absolute terms

GIGA Share Price 12M

6 DEC 2017
Inveready Bonds Announced

11 JAN 2018
SVT Acquisition

22 MAR 2018
Convertible Bonds EGM Announced

22 NOV 2018
Q3 '18 Results

Liquidity Scores

	Negotiated Vol. (€'000s) JAN-OCT	Avg. Daily
#1 Atrys Health	9,824	46
#2 Ebioss Energy	9,019	42
#3 Eurona Telecom	8,908	42
#4 Gigas Hosting	**8,281**	**39**
#5 AB Biotics	6,705	31

	% of Total Shares Negotiated (10M18)
#1 Ebioss Energy	98%
#2 Gigas Hosting	**36%**
#3 VozTelecom	33%
#4 Facephi	29%
#5 Catenon	27%

Source: renta4banco CORPORATE FINANCE

Q&A

Third Quarter 2018 Results
Investors Presentation

gigas

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Thank
you