

OTRA INFORMACIÓN RELEVANTE



PRESENTACIÓN RESULTADOS
FINANCIEROS Q3 2021
GIGAS HOSTING, S.A.

29 de noviembre de 2021

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 3/2020 del BME Growth.

Con motivo de la presentación de los resultados de los primeros nueve meses y tercer trimestre del año, se adjunta la presentación corporativa que será usada en el *webinar* de presentación de resultados que tendrá lugar hoy 29 de noviembre, a las 11.30am (CET).

Alcobendas, 29 de noviembre de 2021

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

gigas



Diego Cabezudo
CEO



Javier Cañete
CFO

Q3 2021 Results Investors' Presentation

NOVEMBER 2021



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This document and the conference-call webcast (including the Q&A session) may contain forward-looking statements and information (hereinafter, the "Information") relating to GIGAS HOSTING S.A. or GIGAS GROUP (hereinafter "Gigas", the "Company" or the "Gigas Group"). This Information may include financial forecasts and estimates based on assumptions or statements regarding plans, objectives and expectations that make reference to different matters, such as the customer base and its evolution, organic growth, potential acquisitions, Company's results and other aspects related to the activity and financial situation of the Company. The Information can be identified, in some cases, through the use of words such as "forecast", "expectation", "anticipation", "projection", "estimates", "plan" or similar expressions or variations of such expressions.

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2021 has been transformational

First Converged
Telco & Cloud
Operator

Leading provider
of cloud
computing
services in Spain,
Portugal and
Latam

2021

February 2021 - Gigas acquires a portfolio of +3k business customers from

MÁSMÓVIL

- Adds fixed telephony, cloud PBX and connectivity services
- Kickstarts Gigas transformation towards converged telecoms, cloud and security provider

March 2021 - Gigas buys ONI, Portugal's leading B2B telecom operator

oni 

- Gigas acquires ONI, for €39.5M in a mix of cash and Gigas' shares
- Adds scale, presence in Portugal and strong technical capabilities in voice and networking

April 2021 - Gigas acquires Valoradata's cybersecurity unit

 VALORA
DATA®

- Adds backup and business continuity services, strengthening portfolio of cybersecurity services
- Contributes with €1.6M revenues and €0.4M EBITDA

June 2021 - Gigas reported more than 4-fold increase in H1 revenue y-o-y



- Gigas reaches €22.72M of revenues and €5.52M of EBITDA in the first half of 2021, outperforming the budget by 16.8% and 34.7%, respectively
- >4-fold increase in y-o-y figures with an EBITDA in Q2 in line with the expected for Q4

Sept. 2021 - Gigas acquires the virtual mobile operator OnMovil





on móvil

- MVNO offering mobile services to 85K customers through almost 200 regional operators
- Adds €10M in revenues and positions Gigas as one of the largest independent MVNOs in Spain
- Strengthens the company's strategy of being a one-stop-shop provider for business customers

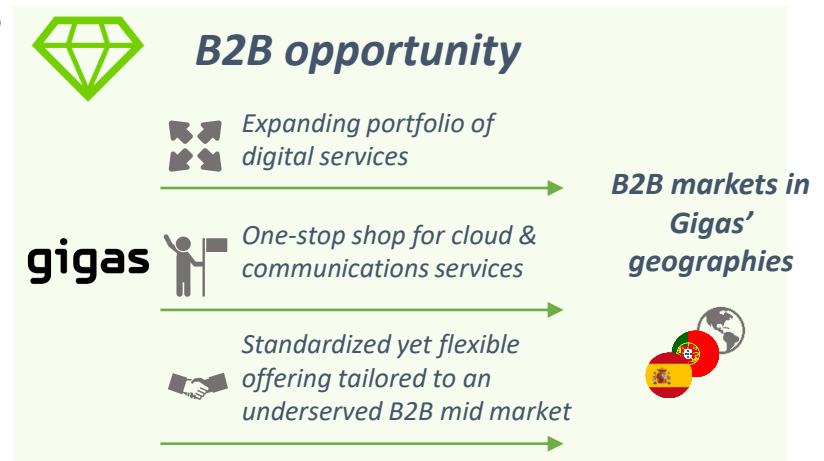
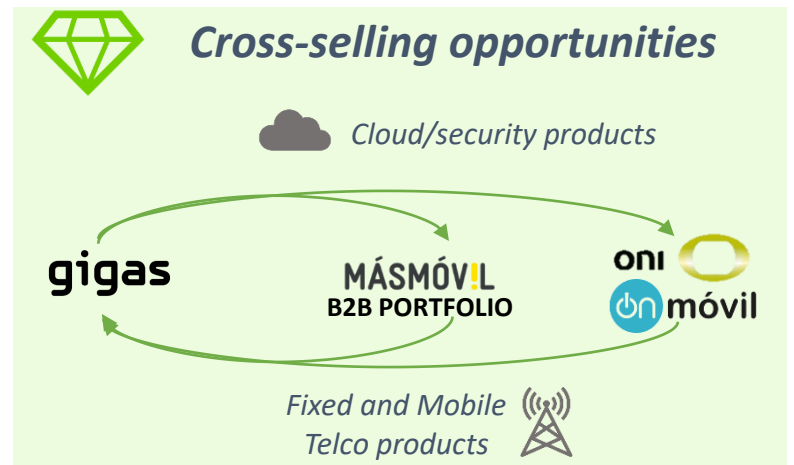
**From €11M revs. and €2.5M EBITDA in 2020
to €64M revs. and €14M EBITDA proforma today**

A B2B portfolio built for the digital era

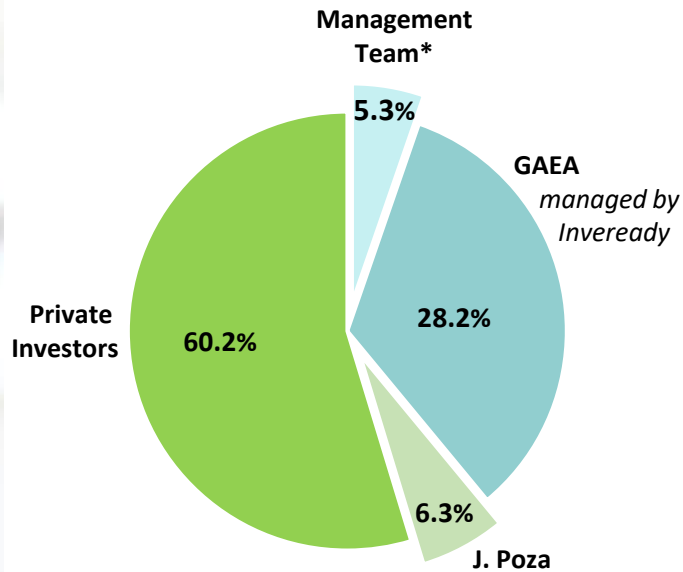
Building a forward-looking portfolio...

	<i>Current</i>	<i>New services</i>
 Cloud	IaaS PaaS SAP™ Cloud	Hybrid and multi Cloud
 Cyber-security	Disaster recovery Cloud Backup Firewall as a service Disaster Recovery	SD-WAN Managed services Clean traffic Secure access service edge
 Connectivity	Internet connectivity Site interconnection	Global load balancing Secure remote access & VPN
 Unified comms.	SIP Trunk VoIP Collaborative services Fixed Voice	Mobile communications Cloud PBX Fixed Mobile Convergence

...unlocking significant value for Gigas and its clients

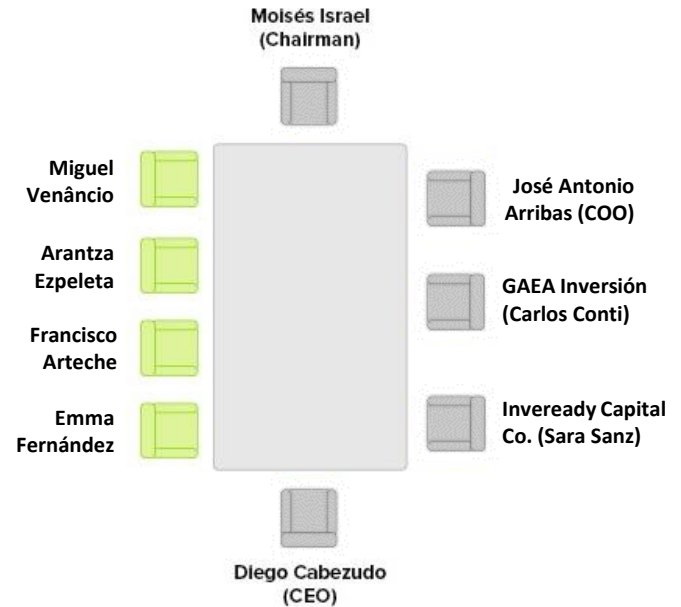


Shareholders and Board of Directors



100% of Gigas 11.6 million shares are listed on the Alternative Stock Market (BME Growth) in the Madrid Stock Exchange

*There is also a vested stock option plan for the two executive founders which represents approx. 3.5% of the issued shares.



Board of Directors Secretary: **Javier Mateos, PwC**

Auditor: **Ernst & Young**



Independent Board Members

Q3 2021 Key Highlights



YTD Q3'21 net revenues reached **€37.0M**, **4.7x growth YoY** and **9.2% higher than budgeted**, due mainly to acquisitions and consolidation of OnMovil, new MVNO acquired in September.



Adj. **EBITDA for the 9 months of the year 2021** reached **€8.9M**, up **356% YoY** and 22.5% higher than €7.3M in the budget.



Adj. **EBITDA for Q3** amounted **€3.4M**, reaching the figure budgeted for **Q4** and representing **23.9% of sales** versus 22.1% budgeted



Low leverage, NFD at 1.8x EBITDA budget for 2021 and **strong cash position (€10M+)**. After OnMovil acquisition in SEP (fully debt funded), **NFD reaches 1.4x EBITDA runrate (Q3x4)**



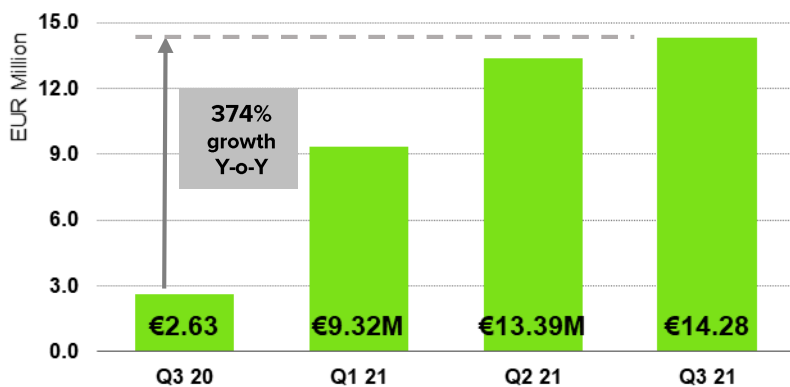
Five acquisitions in last 12 months **shaping a group with circa €64M annual revenues and €14M EBITDA**. **OnMovil**, recently acquired, contributes with €10M revs and **85K mobile lines**, positioning **Gigas as one of the largest MVNOs in Spain**



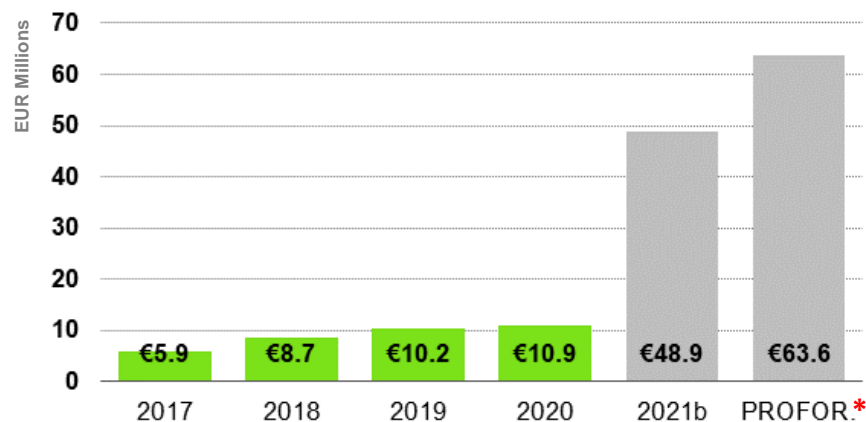
Revenues 9M and Q3 2021

- Net revenues grew to **€37.0M** in the first 9 months of 2021, 4.7x higher than the **€7.8M** of same period last year, thanks mainly to acquisitions carried out in the first quarter of 2021: ONI, customers acquired from MasMovil, cybersecurity business unit acquired from ValoraData, and OnMovil, the MVNO acquired in September.
- Revenues in the first 9 months of 2021 were **9.2% higher than budgeted**, partly due to earlier consolidation of ONI's business in Portugal. **OnMovil consolidation in September contributed with €0.8M in revenues**, but revenues slightly below budget mostly because assets divested before ONI acquisition.
- Telecommunications services represented 67.4% of total revenues, while cloud and cybersecurity represented 32.6%.
- **Proforma* annual revenues amount €63.6M**, taking into account full consolidation of all acquisitions. (Almost 100% of revenues are recurring).

QUARTERLY NET REVENUES



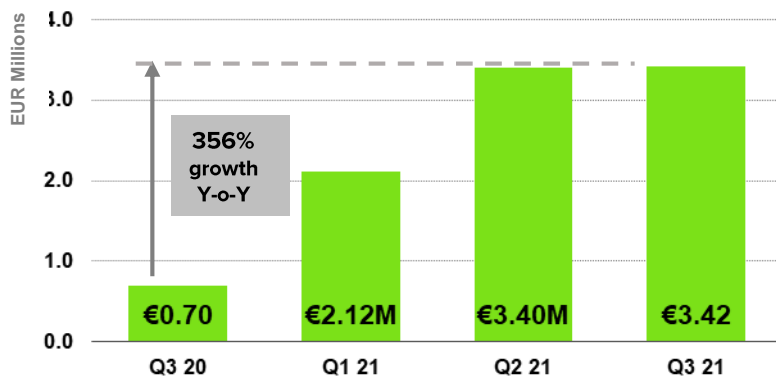
ANNUAL NET REVENUES EVOLUTION



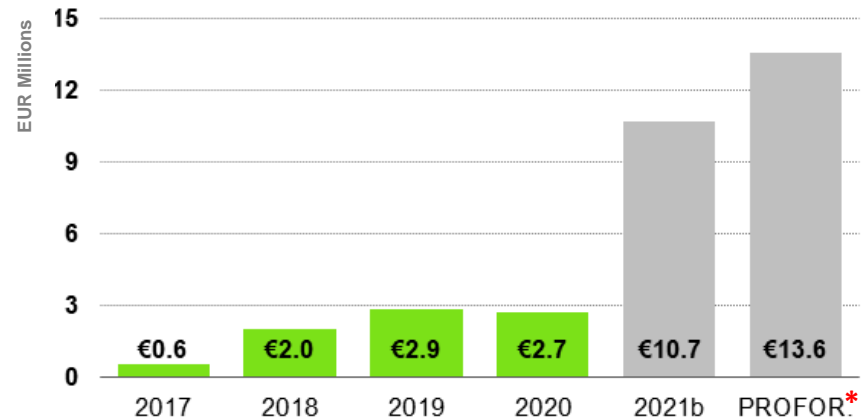
EBITDA 9M and Q3 2021

- **Adjusted (recurring) EBITDA reached €8.9M in the first 9 months of the year, 356% higher than the €2.0M in the same period a year ago and 22.5% higher than the €7.3M budgeted** due to earlier consolidation of ONI, acquisition of ValoraData business unit and synergies
- Moreover, profitability grew sustainably thanks to synergies and optimisations, with **EBITDA amounting €3.4M in Q3, 7.0% higher than budgeted (€3.2M), and reaching the EBITDA figure expected for Q4**
- **EBITDA margin reached 24.2% in the first 9 months of the year, much better than the 21.5% budgeted.**
- **Proforma* annual adj. EBITDA reaches €13.6M**, calculated by multiplying the Q3 adjusted EBITDA times four.

QUARTERLY ADJ. EBITDA**



ANNUAL ADJ. EBITDA EVOLUTION**



** Adjusted EBITDA represents recurring EBITDA, excluding M&A related costs and multiyear remuneration plans (stock options, etc.)

9M 2021 Results Compared to 9M 2020 and Budget

GIGAS GROUP

CONSOLIDATED INCOME STATEMENT

Figures in Euros

	2021	2021	2021	2021		2020	BUDGET 2021
	Q1	Q2	Q3	JAN - SEP	% Chang	JAN - SEP	% Chang JAN - SEP
Net Revenue	9,323,108	13,394,517	14,282,470	37,000,095	374%	7,810,632	9.2% 33,897,560
Cloud, IT and cybersecurity services	3,523,012	4,166,538	4,351,124	12,040,674	55%	7,755,909	18.5% 10,158,613
Telecommunications services	5,789,479	9,216,911	9,920,570	24,926,960	-	-	5.1% 23,707,356
Non recurring income, grants and others	10,618	11,067	10,776	32,461	-41%	54,723	2.8% 31,591
Cost of Sales	(3,721,243)	(5,351,090)	(6,064,744)	(15,137,076)	596%	(2,176,160)	6.7% (14,185,759)
Product direct costs	(3,301,024)	(4,892,918)	(5,597,327)	(13,791,268)	1330%	(964,669)	7.5% (12,826,369)
Technical and operations costs	(420,219)	(458,172)	(467,417)	(1,345,808)	11%	(1,211,490)	-1.0% (1,359,390)
Gross Margin	5,601,865	8,043,427	8,217,726	21,863,019	288%	5,634,473	10.9% 19,711,801
<i>Gross Margin %</i>	<i>60.1%</i>	<i>60.1%</i>	<i>57.5%</i>	<i>59.1%</i>		<i>72.1%</i>	<i>1.6% 58.2%</i>
Personnel expenses	(1,961,782)	(2,484,962)	(2,554,063)	(7,000,807)	190%	(2,414,205)	12.4% (6,229,896)
Salaries and social security	(2,248,699)	(2,995,242)	(3,065,061)	(8,309,002)	199%	(2,783,177)	11.2% (7,474,575)
Own R&D expenses capitalised	286,917	510,280	510,997	1,308,195	255%	368,972	5.1% 1,244,679
Other corporate costs	(1,522,282)	(2,154,627)	(2,246,891)	(5,923,800)	370%	(1,261,698)	-4.3% (6,187,569)
Customer operations and marketing	(284,425)	(147,083)	(427,860)	(859,368)	846%	(90,809)	-40.4% (1,442,885)
Network, operations and IT expenses	(631,897)	(1,166,444)	(974,296)	(2,772,637)	-	-	5.0% (2,640,396)
Other G&A costs	(605,960)	(841,099)	(844,735)	(2,291,794)	96%	(1,170,889)	8.9% (2,104,289)
Other results	-	-	-	-	-	-	-
Adjusted EBITDA *	2,117,802	3,403,838	3,416,772	8,938,412	356%	1,958,570	22.5% 7,294,335
<i>Adjusted EBITDA %</i>	<i>22.7%</i>	<i>25.4%</i>	<i>23.9%</i>	<i>24.2%</i>	<i>-4%</i>	<i>25.1%</i>	<i>12.3% 21.5%</i>
CAPEX	1,023,813	2,024,219	1,539,540	4,587,572	856%	480,085	-37.9% 7,388,947
<i>% of revenues</i>	<i>11.0%</i>	<i>15.1%</i>	<i>10.8%</i>	<i>12.4%</i>	<i>102%</i>	<i>6.1%</i>	<i>-43.1% 21.8%</i>
EBITDA - CAPEX	1,093,989	1,379,619	1,877,232	4,350,840	194%	1,478,486	4498.6% (94,612)
<i>% of revenues</i>	<i>11.7%</i>	<i>10.3%</i>	<i>13.1%</i>	<i>11.8%</i>	<i>-38%</i>	<i>18.9%</i>	<i>-0.3%</i>

*Adjusted EBITDA represents recurring EBITDA excluding M&A related costs and multiyear remuneration plans (stock options, etc)

2021 Budget

- New strategy to offer converged telco/cloud/cybersecurity services, fueled by acquisitions, have changed the scale of the Company
- EBITDA growing better than expected
- **Proforma figures, including all companies acquired, would reach approx. €64M in net revenues and €14M in EBITDA**

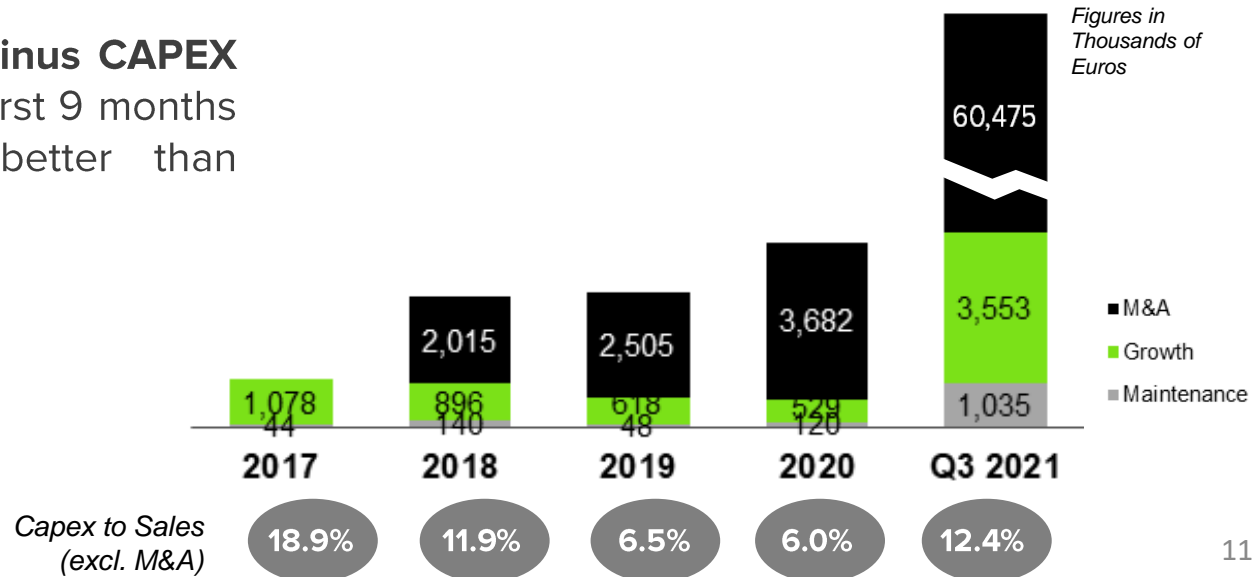
2021 CONSOLIDATED BUDGET

EUR	Q1b	Q2b	Q3b	Q4b	2021b	% Chg.	2020real
Gross Sales	6,008,274	14,511,659	14,955,975	15,709,415	51,185,322	298.0%	12,862,085
Accrued sales	(122,834)	113,818	54,134	(121,395)	(76,277)	264.5%	(20,928)
Sales, discounts and promotions	(497,746)	(575,954)	(581,357)	(593,459)	(2,248,515)	12.4%	(2,001,077)
Non-recurring income, grants and other	10,530	10,530	10,530	10,530	42,121	-35.8%	65,646
Net revenue	5,398,224	14,060,054	14,439,283	15,005,091	48,902,652	348.4%	10,905,727
Cost of sales	(2,210,656)	(5,918,162)	(6,056,941)	(6,260,849)	(20,446,608)	493.7%	(3,444,085)
Direct product costs	(1,759,503)	(5,469,145)	(5,597,722)	(5,790,811)	(18,617,181)	919.2%	(1,826,656)
Technical and operating expenses	(451,154)	(449,016)	(459,219)	(470,038)	(1,829,427)	13.1%	(1,617,429)
Gross Margin	3,187,568	8,141,892	8,382,342	8,744,242	28,456,044	284.7%	7,395,995
Gross Margin, %	59.0%	57.9%	58.1%	58.3%	58.2%	-14.7%	68.2%
Personnel Costs	(1,261,995)	(2,479,296)	(2,488,605)	(2,502,098)	(8,731,994)	137.0%	(3,684,198)
Salaries, wages and social security	(1,420,225)	(3,023,014)	(3,031,336)	(3,045,816)	(10,520,391)	151.6%	(4,182,010)
Own work capitalised	158,230	543,718	542,731	543,718	1,788,397	259.3%	497,811
Other overhead costs	(707,566)	(2,780,707)	(2,699,297)	(2,816,328)	(9,003,898)	735.5%	(1,077,710)
Adjusted EBITDA*	1,218,007	2,881,889	3,194,440	3,425,816	10,720,152	297.1%	2,699,733
Adjusted EBITDA %	22.6%	20.5%	22.1%	22.8%	21.9%	-12.0%	24.9%

* Excludes M&A costs and multiyear remuneration plan (stock options and others)

CAPEX Evolution 2017-2021

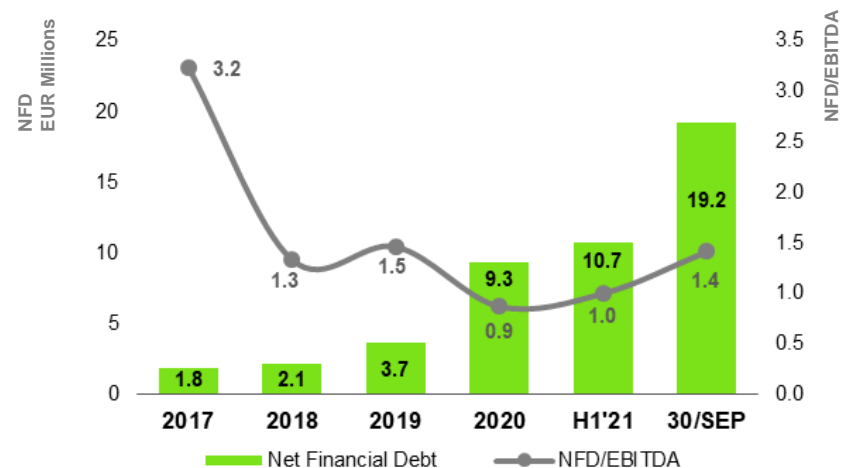
- CAPEX (excl. M&A and R&D) growing significantly this year, due to the new telco profile of Gigas and one-off integration and new product investments
- **Budget for the year is €10.3M** (€0.7M in 2020), but **€4.6M invested in 9M** (€1.5M in Q3), 37.9% lower than budgeted and representing a Capex to sales ratio of 12.4%
 - Lower Capex due to delays of certain projects and to greater efficiency in investments and achievement of **significant synergies between Spain and Portugal lowering Capex needs**. Capex for the year will be lower than expected
 - R&D personnel works capitalized not included as CAPEX
- Large M&A Capex (€60.5M) invested this year so far (ONI, MásMóvil portfolio, ValoraData Business Unit and OnMovil). €29.4M paid in cash, €24.5M paid in Gigas' shares and €6.1M deferred
- **Operating Cashflow minus CAPEX totalled €4.4M** in the first 9 months of the year, 194% better than budgeted.



Debt Evolution as of 30/SEP

- **€60.5M invested in four acquisitions this year so far (€51.4M in H1'21):**
 - ONI: €39.5M (€15.0M paid in cash, rest in Gigas' shares)
 - MasMovil Customer Portfolio: €9M (€7.2M paid, rest in 12m)
 - ValoraData Business Unit: €2.38M (€1.7M paid, rest in 12m)
 - OnMovil: €9.1M (€5.46M paid, rest payable after 15m and 24m)
- New debt raised for OnMovil acquisition, increasing gross debt at 30/SEP to €29.3M. Cash at hand reached €10.1M at 30/SEP (€9.8M at 30/JUN), resulting in a **net financial debt position of €19.2M, or 1.4x recurring EBITDA** (Q3'21 EBITDA x 4)
- Gross debt does not include convertible bonds (€2.5M, expected to be converted since they are *deep in the money*) or long-term rental agreements liabilities (IFRS 16 related)
- Long term financial leases related to the Lisbon Datacenter and several long term network rights of use contracts (IRUs) are accounted as fixed asset suppliers and finance leases, and represent a total of €24.6M

Net Financial Debt





In Summary

- The Company has gone through a significant transformation this year, both from a scale (€11M to €64M in revenues) and scope (cloud to cloud/telco/cybersec.) perspective and the management team has been focused on the corporate transactions, the integration of the targets acquired and the launch of the new cloud based communication services
- Total issued shares have increased to 11.64 million shares, due to the capital increased of 2020 and 2021. At current prices (~€11.2 per share), **market cap has a value of €130M and EV €150M, representing less than 11x EBITDA proforma**
- **End of Year Guidance:** Net revenues for 2021 are estimated to be over €52M (€48.9M budgeted), almost 5x 2020 revenues, and EBITDA is expected to reach €12M (13% higher than the €10.7M budgeted).

Q&A



9M and Q3 2021 Results Investors Presentation



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**Thank
you**