

OTRA INFORMACIÓN RELEVANTE



WEBINAR PRESENTACIÓN RESULTADOS FINANCIEROS H1 2022 GIGAS HOSTING, S.A.

20 de octubre de 2022

En virtud de lo previsto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 227 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 Segmento BME Growth de BME MTF Equity (en adelante “BME Growth”) sobre información a suministrar por empresas incorporadas a negociación en el segmento BME Growth de BME MTF Equity, por la presente Gigas Hosting S.A. (en adelante “Gigas”, la “Compañía” o la “Sociedad”) publica la presentación que se utilizará hoy para comentar los resultados del primer semestre del año 2022, cuya información fue ya publicada con fecha 10 de octubre de 2022.

La presentación de resultados se ha programado a través de un *webinar* donde su Consejero Delegado explicará los detalles de las cifras aquí presentadas, 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:

WEBINAR PRESENTACIÓN DE RESULTADOS H1 2021

FECHA Y HORA: Jueves 20 de octubre, 10:15am

ENLACE PARA INSCRIPCIÓN: <http://gigas.com/ResultadosGigas/2022H1>

En cumplimiento de lo dispuesto en la Circular 3/2020 de BME Growth se deja expresa constancia de que la información comunicada por la presente ha sido elaborada bajo la exclusiva responsabilidad de la Sociedad y sus administradores.

Alcobendas, 20 de octubre de 2022

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

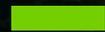


Diego Cabezudo
CEO



Javier Cañete
CFO

H1 2022 Results Presentation for Investors



OCT 2022



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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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H1 2022 Key Highlights



H1'22 net revenues reached €30.2M, 32.9% up YoY (€22.7M), due mainly to cloud growth and consolidation of MVNO acquired in Sept. 2021



Gross margin of €18.2M and 60.2% in H1 2022, 33.2% higher than €13.6M from same period last year. Margin perc. 3pp above budget (57.2%)



Adj. EBITDA for the semester reached €7.1M, up 28.4% YoY (€5.5M) and 8.8% higher than €6.5M budgeted for the first half of the year



Low leverage (NFD of 1.39x EBITDA budgeted) and good cash position (€15.3M)



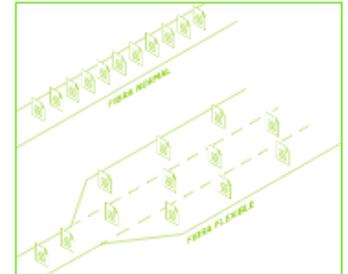
Five acquisitions in the last 20 months. UCaaS provider just acquired in Spain, which brings in €6.0M in revs. and €1.8M in EBITDA (2021 figures)



New Services: Bringing Telco, Cyber and Cloud together

New Innovative Services recently launched:

- **Fibra Flexible:** pay as you go, €1c per 100Mbps per hour
- **Private Cloud Connect:** Direct private fiber connection from your office to the Gigas cloud
- **gBackup:** New backup services launched, including workstation backups and antiransomware immutable backups



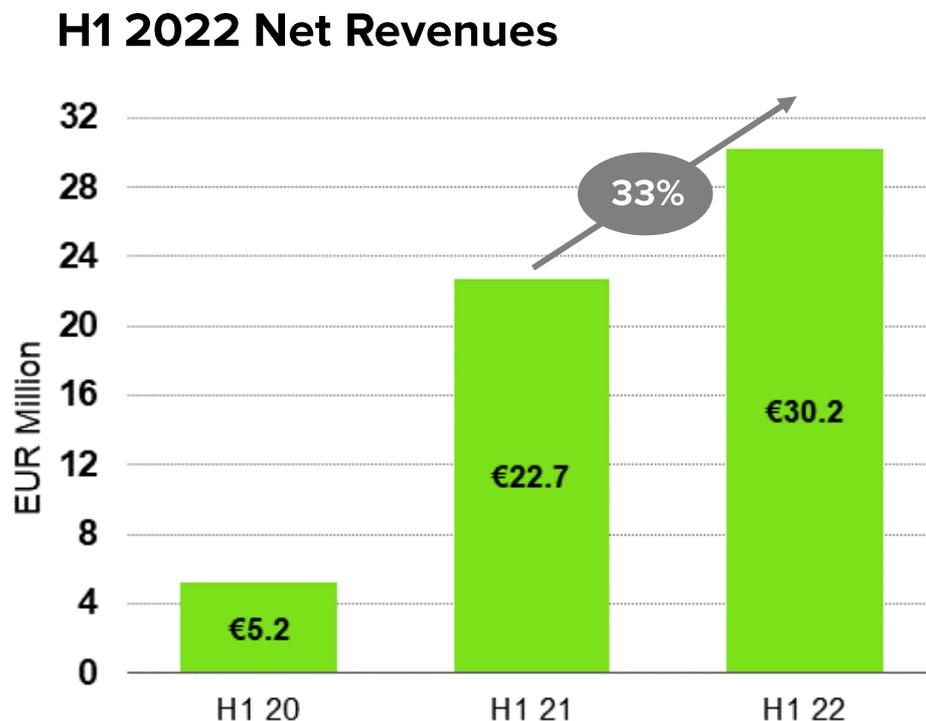
New Innovative Services being launched during H2 2022:

- **Cloud PBX:** Unified fixed mobile voice communications
- **Teams Voice:** Voice public services integrated with MS Teams
- **Disaster and Recovery:** High availability services at the cost of backup services to provide affordable redundancy and security to business customers



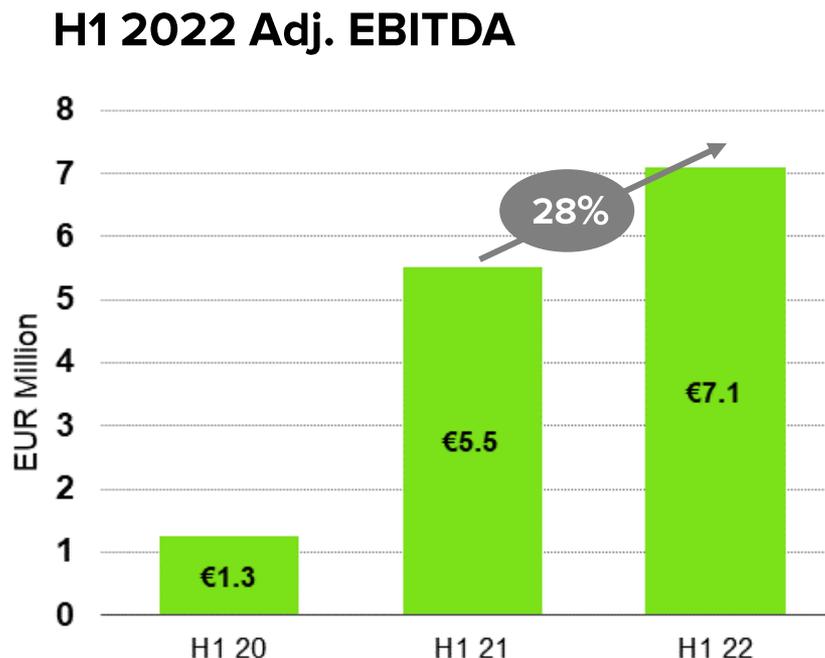
Revenues H1 2022

- Net revenues grew to €30.18M in the first semester, **32.9% higher** than the €22.72M from same period last year, due mainly to the consolidation of MVNO Onmovil acquired in September 2021 and cloud growth, although slightly below budget (3.5% lower)
- Telecommunications services represented 68.1% of total revenues while **cloud and cybersecurity represented 31.9%**.



Gross Margin and EBITDA H1

- **Gross Margin of €18.18M in H1'22**, 33.2% better than the €13.65M of H1'21
- **Adjusted EBITDA reached €7.09M** (before M&A costs and long term remuneration plans and other extraordinary), **28.4% higher than first half last year (€5.52M)**
- **EBITDA margin was 23.5% over Revenues, slightly worse than same period last year but significantly better than budgeted (20.8%)**, due to the higher gross margin coupled with operating leverage and synergies obtained from acquisitions



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

H1 2022 RESULTS

GIGAS

CONSOLIDATED RESULTS

Figures in euros

	REAL	REAL	REAL	REAL	REAL	BUDGET 2022	
	Q1 22	Q2 22	H1 22	% Var	H1 21	% Var	H1 22B
Net Revenues	14,760,883	15,423,006	30,183,889	32.9%	22,717,625	-3.5%	31,285,530
Cloud, IT & Cybersecurity Services	4,557,357	5,038,165	9,595,523	24.8%	7,689,550	5.8%	9,065,501
Telecommunications Services	10,193,473	10,371,899	20,565,373	37.0%	15,006,390	-7.4%	22,220,030
Extraordinary Income, Subsidies & O.	10,052	12,942	22,993	6.0%	21,684	-	-
Cost of Sales	(6,361,911)	(5,644,864)	(12,006,775)	32.3%	(9,072,332)	-10.2%	(13,376,613)
Direct Product Costs	(5,876,940)	(5,161,961)	(11,038,901)	34.7%	(8,193,941)	-10.1%	(12,274,947)
Operations and Technical costs	(484,971)	(482,903)	(967,874)	10.2%	(878,391)	-12.1%	(1,101,666)
Gross Margin	8,398,971	9,778,142	18,177,114	33.2%	13,645,292	1.5%	17,908,917
<i>Gross Margin %</i>	<i>56.9%</i>	<i>63.4%</i>	<i>60.2%</i>		<i>60.1%</i>		<i>57.2%</i>
Personnel Costs	(2,766,854)	(2,710,509)	(5,477,362)	23.2%	(4,446,744)	-1.4%	(5,556,727)
Salaries and Social Security	(3,322,545)	(3,382,127)	(6,704,673)	27.9%	(5,243,941)	0.2%	(6,693,985)
Capitalised R&D	555,692	671,619	1,227,310	54.0%	797,197	7.9%	1,137,257
Corporate Costs	(2,586,713)	(3,021,608)	(5,608,321)	52.5%	(3,676,909)	-3.9%	(5,835,201)
Customer Operations and Marketing	(788,601)	(994,972)	(1,783,572)	313.3%	(431,509)	-19.4%	(2,212,994)
Network, Operations and IT	(920,935)	(945,850)	(1,866,785)	3.8%	(1,798,341)	-18.1%	(2,279,794)
Other Corporate Costs	(877,177)	(1,080,787)	(1,957,964)	35.3%	(1,447,059)	45.9%	(1,342,414)
Adjusted EBITDA *	3,045,405	4,046,025	7,091,431	28.4%	5,521,640	8.8%	6,516,989
<i>Adjusted EBITDA %</i>	<i>20.6%</i>	<i>26.2%</i>	<i>23.5%</i>		<i>24.3%</i>		<i>20.8%</i>
Maintenance CAPEX (**)	1,271,845	950,790	2,222,636	-27.1%	3,048,032	-61.9%	5,827,494
<i>% over Revenues</i>	<i>8.6%</i>	<i>6.2%</i>	<i>7.4%</i>		<i>13.4%</i>		<i>18.6%</i>
EBITDA - Maintenance CAPEX	1,773,560	3,095,235	4,868,795	96.8%	2,473,608	606.1%	689,495
<i>% over Revenues</i>	<i>12.0%</i>	<i>20.1%</i>	<i>16.1%</i>		<i>10.9%</i>		<i>2.2%</i>

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

**Maintenance CAPEX represents recurring investments to maintain existing infrastructures and current cloud capacity

2022 H1 P&L

- **Loss of €3.4M** in the semester due mainly to amortization of Customer Relations an Goodwill (over €3M) linked to acquisitions and, to a lesser extent, to financial expenses linked to long term rentals (0.6M€)
- Without the amortization of the business combinations, **GIGAS would have had a profit in the period**

The figures shown here in this P&L are an analytical view of the financials of the Company and therefore slight differences exist when compared to the statutory accounts due to certain reclassifications to better understand the business

CONSOLIDATED P&L

Figures in euros

	2022 JAN-JUN
Net Revenues	30,183,889
Cloud, IT & Cybersecurity Services	9,595,523
Telecommunications Services	20,565,373
Extraordinary Income, Subsidies and Others	22,993
Cost of Sales	(12,006,775)
Direct Product Costs	(11,038,901)
Operations and Technical costs	(967,874)
Gross Margin	18,177,114
<i>Gross Margin %</i>	<i>60.2%</i>
Personnel Costs	(5,477,362)
Salaries and Social Security	(6,704,673)
Capitalised R&D	1,227,310
Corporate Costs	(5,608,321)
Customer Operations and Marketing	(1,783,572)
Network, Operations and IT	(1,866,785)
Other Corporate Costs	(1,957,964)
Adjusted EBITDA *	7,091,431
<i>Adjusted EBITDA %</i>	<i>23.5%</i>
M&A Costs, Stock Options, Long term rem.plan and Others	(1,141,486)
Depreciation and Amortization	(8,112,623)
Operating Profit (Loss) (EBIT)	(2,162,678)
Financial income	516
Finance costs	(1,313,261)
Exchange gains and others	175,970
Net Financial Result	(1,136,775)
Profit (Loss) Before Tax (EBT)	(3,299,454)
Income Tax	(127,280)
Profit or Loss from continuing operations	(3,426,734)
Profit (Loss) for the period	(3,426,734)

2022 H1 Balance Sheet

- **Other Intangible Assets** represent the rights of use from long term network contracts at the Portuguese subsidiary (ONI)
- **Customer relationships and Goodwill** come from the M&A activity of the company and decrease over time through amortization, plus a downward adjustment made in one of the acquisitions
- **Accounts Receivable** has grown due to higher revenues but also strong commercial activity during Q2
- **Cash at hand** has increased **€3.2M** due mainly to new loans raised along the semester

ASSETS	30/06/2022	31/12/2021
NON.CURRENT ASSETS	108,394,104	111,537,008
Intangible assets	79,826,388	85,308,584
Development	443,333	476,816
Licenses, patents	3,070,006	3,249,159
Software	1,185,253	1,282,611
Other Intangible Assets	20,409,238	20,411,002
Customer Relations	23,422,282	26,744,780
Goodwill	31,296,275	33,144,215
Property, Plant and Equipment	23,385,772	21,215,942
Lands and Buildings	3,926,276	4,037,319
Technical Assets	16,465,447	15,426,577
Investment in progress	2,994,049	1,752,047
Long term financial investments	47,924	62,969
Deferred tax assets	5,134,020	4,949,513
CURRENT ASSETS	33,698,694	26,996,436
Stocks	649,753	170,652
Trade and Other Receivables	16,553,125	13,359,518
Trade Receivables	13,785,524	11,024,174
Other receivables	1,041,424	1,007,724
Personnel	27,143	10,208
Current Tax Assets	574,718	563,148
Other receivables	1,124,317	754,264
Short Term Financial Investments	22,047	144,313
Current Accruals	1,135,380	1,173,293
Cash and cash equivalents	15,338,389	12,148,659
TOTAL ASSETS	142,092,798	138,533,444

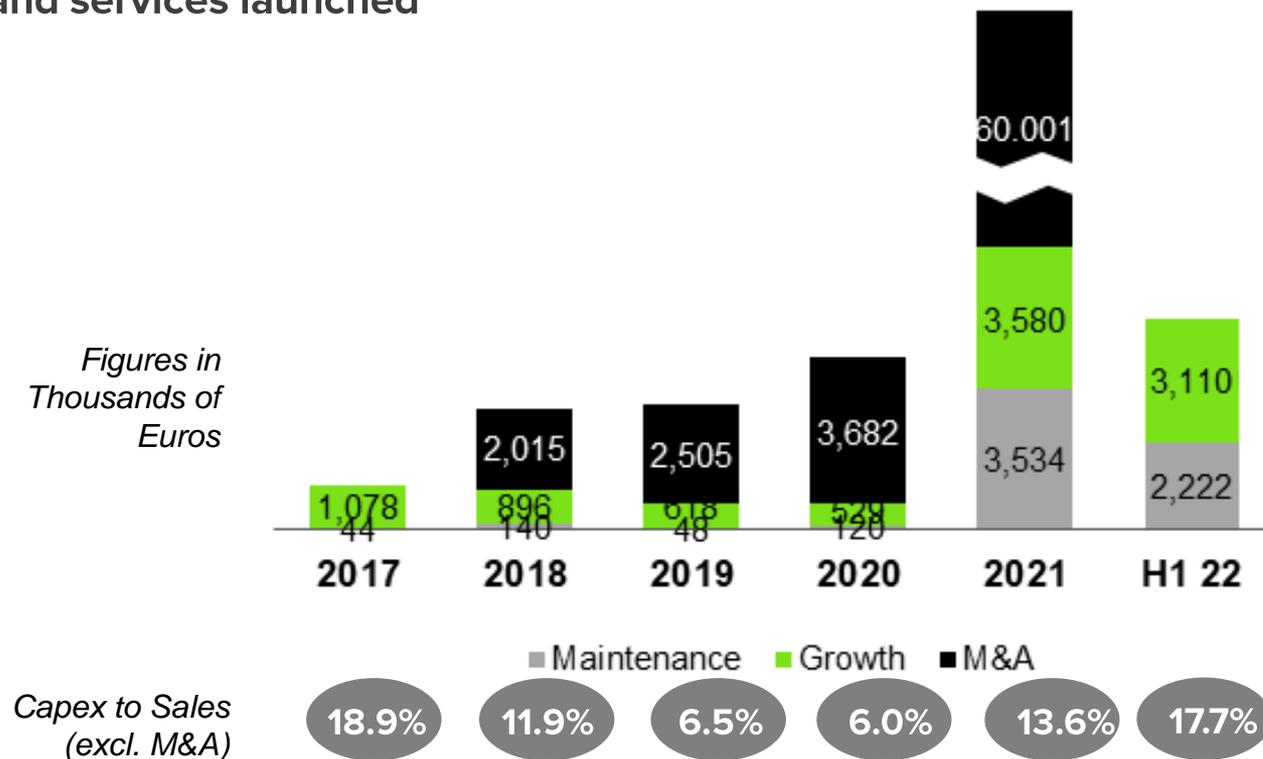
2022 H1 Balance Sheet

- **Equity reduced by €3.7M** mainly due to the losses of the period, linked mainly to goodwill and customer relations amortization and the financial expenses of long term network rental agreements in Portugal
- **Non current liabilities increased by €5.1M€**, due to new loans signed during the first half
- **Current liabilities also grew by €2.0M** due to accounts payable increase, linked mainly to additional capex in the period versus the same period last year

EQUITY AND LIABILITIES	30/06/2022	31/12/2021
EQUITY	40,988,854	44,709,747
Shareholders Equity	41,145,572	44,944,676
Capital	232,887	232,887
Share Premium	54,325,581	54,325,581
Reserves	-900,448	-900,389
Treasury shares	-443,965	-176,397
Prior year Losses	-9,578,698	-4,616,093
Profit and Loss for the period	-3,431,099	-4,962,605
Profit for the minority interest	4,365	7,848
Other equity instruments	936,948	1,033,844
Translation differences	-167,325	-240,434
Grants and donations received	2,759	5,504
Minority Shareholders	7,848	
NON-CURRENT LIABILITIES	57,984,031	52,815,619
Long Term Provisions	1,178,991	892,163
Non current payables	47,457,862	42,107,533
Convertible bonds	2,385,943	2,285,768
Bank borrowings	22,755,402	17,060,691
Finance leases	518,456	30,718
Other Finance Leases (IRUs)	19,582,047	20,069,341
Other payables	2,216,014	2,661,014
Deferred tax liabilities	4,709,095	4,996,015
Long Term Accruals	4,638,082	4,819,909
CURRENT LIABILITIES	43,119,913	41,008,078
Current provisions	2,440,522	3,801,332
Current payables	17,801,460	14,863,957
Bank borrowings	7,364,508	4,317,208
Finance leases	270,660	237,170
Other Finance Leases (IRUs)	3,585,267	2,468,500
Capex suppliers	3,703,756	2,185,138
Other payables	2,877,268	5,655,941
Trade and other payables	21,364,695	20,736,394
Current accruals	1,513,236	1,606,394
TOTAL EQUITY AND LIABILITIES	142,092,798	138,533,444

CAPEX Evolution 2017-2022

- **CAPEX** (excl. M&A and R&D) in H1 2022 reached €5.3M, representing 17.7% of revenues, significantly higher than the 13.6% from 2021, due to full consolidation of ONI in the period and more importantly to extraordinary integration and new platform and product investments. **Budget for the year is €10.9M** (€7.1M in 2021)
- **Growth CAPEX** for the period reached **€3.1M**, representing **58% of total CAPEX** and 10.3% of revenues. **Main investments were related to 10G fiber network deployment in Portugal, Data and Voice Platforms and Business Support Systems in Spain, and new products and services launched**



Debt and Cash Evolution

- **Gross Debt at 30/JUN reached €35.5M**, reflecting the new debt agreements signed in the period
- **Cash at hand amounted €15.3M as of 30/JUN**, resulting in a **net financial debt position of €20.3M**, or **1.39x EBITDA budgeted for the year**
- Gross debt does not include convertible bonds (€2.5M) or long term rental agreements liabilities (IFRS 16 related) linked to the Lisbon datacenter and telecoms infrastructure indefeasible rights of use contracts (IRUs, €23.1M)
- Due to an ongoing dispute, a reduction in debt related to the acquisition of a portfolio of telco customers in Spain for the amount of €1.8M has been estimated, although the final figure will be determined by a trusted third party

Net Financial Debt

	JUN 2022	DEC 2021	Diff %
Banks Debt LT	27,652,256	16,525,064	67.3%
M&A Related Debt LT	2,207,500	2,177,500	1.4%
Banks Debt ST	3,746,645	5,682,250	-34.1%
M&A Related Debt ST	1,920,000	5,305,000	-63.8%
GROSS FINANCIAL DEBT	35,526,401	29,689,815	19.7%
Cash at hand	15,272,064	12,292,022	24.2%
Net Financial Debt	20,254,336	17,397,793	16.4%
Adj. EBITDA	14,564,238	12,140,830	20.0%
NFD/EBITDA	1.39	1.43	-3.0%

Debt Maturity



2022 Budget and End of Year Guidance

- The Company estimates **revenues between €61M and €62M for the end of the year** (lower than budgeted), including the contribution from recently acquired TPartner
- The Company expects to end the year with over €15M in adj. EBITDA, higher than the €14.6M budgeted for the year

GIGAS GROUP

CONSOLIDATED BUDGET 2021

Figures in euros

	Q1 22	Q2 22	Q3 22	Q4 22	2022	% Var.	2021
Net Revenues	15,219,384	16,066,147	17,023,448	18,224,811	66,533,790	27.5%	52,183,320
Cloud, IT & Cybersecurity Services	4,440,047	4,625,454	5,091,732	5,534,996	19,692,229	19.5%	16,475,902
Telecommunications Services	10,779,337	11,440,693	11,931,717	12,689,814	46,841,561		35,658,130
Extraordinary Income, Subsidies and Others	0	0	0	0	0	-100.0%	49,288
Cost of Sales	(6,443,628)	(6,932,985)	(7,421,827)	(8,041,446)	(28,839,886)	34.1%	(21,499,611)
Direct Product Costs	(5,906,253)	(6,368,694)	(6,842,765)	(7,420,008)	(26,537,720)	34.7%	(19,698,007)
Operations and Technical costs	(537,375)	(564,292)	(579,062)	(621,438)	(2,302,166)	27.8%	(1,801,603)
							-
Gross Margin	8,775,756	9,133,161	9,601,621	10,183,365	37,693,904	22.8%	30,683,709
Gross Margin %	57.7%	56.8%	56.4%	55.9%	56.7%	-3.6%	58.8%
Personnel Costs	(2,742,630)	(2,814,098)	(2,829,655)	(2,850,523)	(11,236,906)	17.4%	(9,574,693)
Salaries and Social Security	(3,306,910)	(3,387,075)	(3,390,302)	(3,431,804)	(13,516,091)	18.3%	(11,422,698)
Capitalised R&D	564,280	572,977	560,647	581,281	2,279,186	23.3%	1,848,005
Corporate Costs	(2,919,685)	(2,915,516)	(2,990,473)	(3,067,086)	(11,892,760)	32.6%	(8,968,187)
Customer Operations and Marketing	(1,088,249)	(1,124,744)	(1,097,708)	(1,152,860)	(4,463,562)	158.7%	(1,725,165)
Network, Operations and IT	(1,138,301)	(1,141,493)	(1,115,594)	(1,151,797)	(4,547,184)		(4,010,653)
Other Corporate Costs	(693,135)	(649,279)	(777,171)	(762,429)	(2,882,014)	-10.8%	(3,232,368)
Adjusted EBITDA	3,113,442	3,403,547	3,781,494	4,265,756	14,564,238	20.0%	12,140,830
Adjusted EBITDA %	20.5%	21.2%	22.2%	23.4%	21.9%	-5.9%	23.3%



Share Evolution

- **Share price ended at €10.75 in 2021** and it has been influenced during 2022 by high market volatility and market consolidation trends
- **Share Price closed at €10.30** yesterday, below the price at start of the year but still a **significant premium (64.8%)** since last capital increase in **Q4'20 (€6.25)**
- At current prices, **market cap is €121.1M**
- **Analysts very positive about the Company. GVC Gaesco, for example, targets a €12.7 price** in its latest report this year

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gigas

**Thank
you**

