



WEBINAR PRESENTACIÓN RESULTADOS FINANCIEROS
DEL PRIMER TRIMESTRE DE 2023
GIGAS HOSTING, S.A.

1 de junio de 2023

En cumplimiento con lo dispuesto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 227 de la Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión 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”) comunica al mercado la presentación de resultados financieros consolidados del primer trimestre de 2023 del Grupo GIGAS que será utilizada en el *webinar*.

Dicho *webinar* se ha programado a través de una conferencia telemática que tendrá lugar el día de hoy, jueves 1 de junio del 2023, donde su Consejero Delegado y su Director Financiero explicarán 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 RESULTADOS 1T 2023

FECHA Y HORA: 1 de junio 2023, 16:30 horas

ENLACE PARA INSCRIPCIÓN: <http://gigas.com/ResultadosGigas/Q12023>

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, 1 de junio de 2023

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

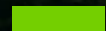


Diego Cabezudo
CEO



Javier Cañete
CFO

Q1 2023 Results Presentation for Investors



MAY

2023



Disclaimer



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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Q1'23 Key Highlights



Q1 2023 net revenues reached €16.6M, 12.3% up YoY (€14.8M), due organic growth and consolidation of TPartner acquired in Sept. 2022



Gross margin of €9.9M in Q1'23, 17.6% higher than €8.4M from same period last year. Margin % significantly above last year (59.6% vs 56.9%)



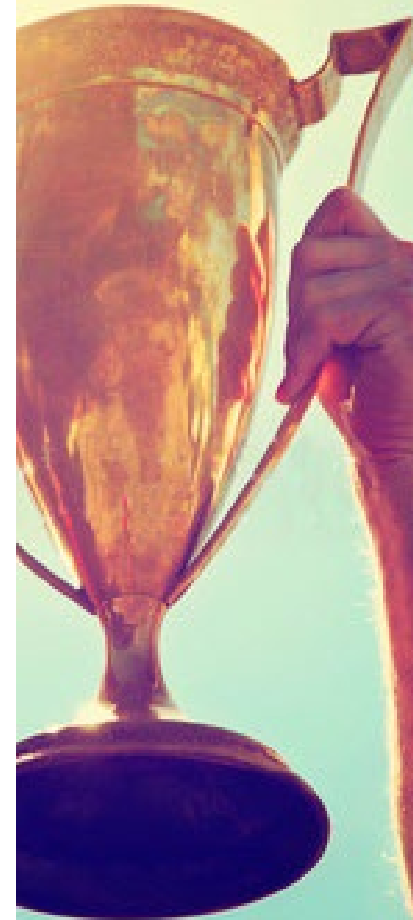
Adj. EBITDA for the 3 first months of the year reached €3.8M, up 15.5% YoY (€3.3M) and 2.7% higher than €3.7M budgeted for the period



Low leverage (NFD of 1,92x EBITDA Budget) and good cash position (€9.9M), after TPartner acquisition in September 2022



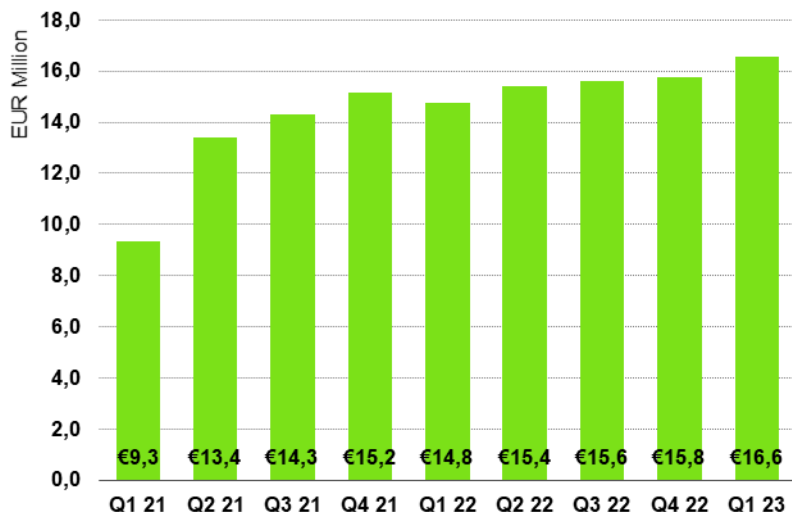
Strong commercial growth in Cloud and Cyber services (double digit growth compared to the previous quarter) to become a convergent operator



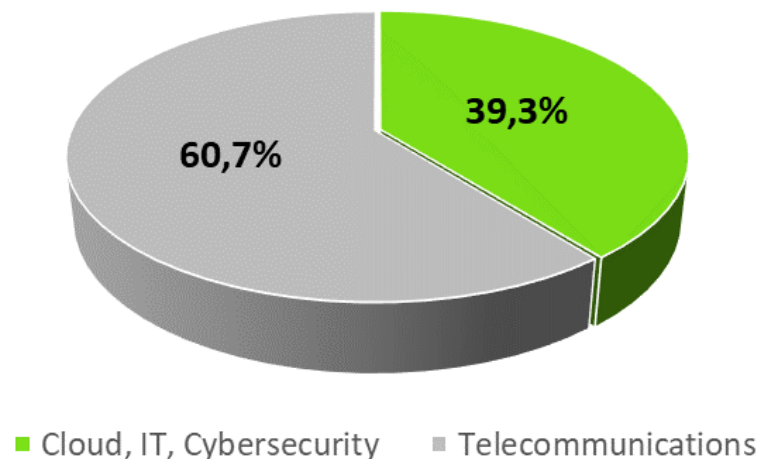
Q1 2023 Revenues

- Net revenues grew to €16.6M in the first three months of the year, 12.3% higher than the €14.8M from same period last year and 5.0% growth over previous quarter, due mainly to cloud organic growth (and the consolidation of TPartner acquired in September 2022 in the annual growth), although slightly below budget (1.0% lower)
- Telecommunications services represented 60.7% of total revenues while cloud and cybersecurity represented 39.3%.

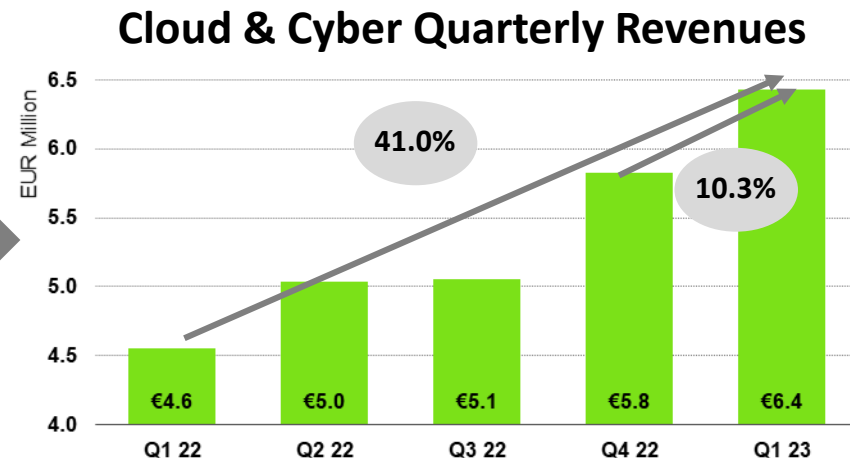
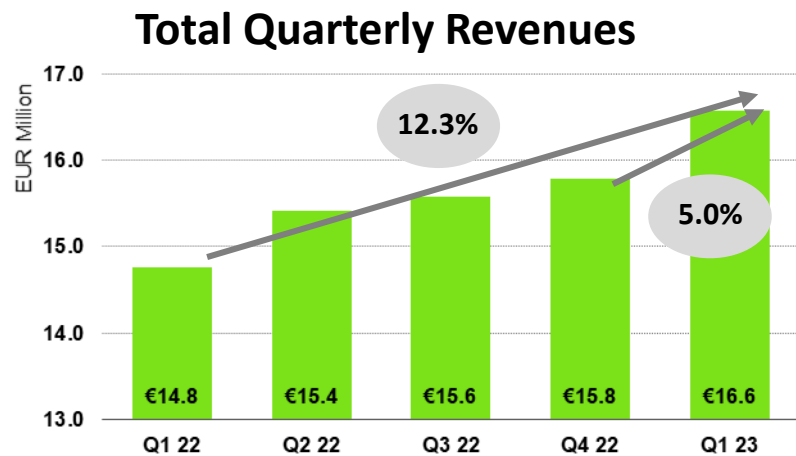
Quarterly Net Revenues



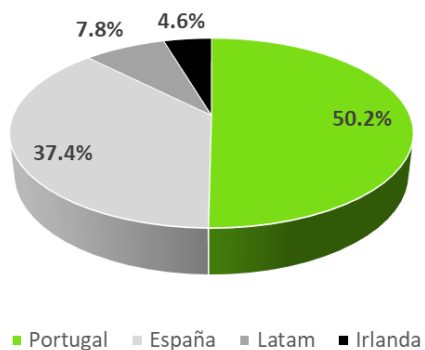
Revenue Contribution by Service



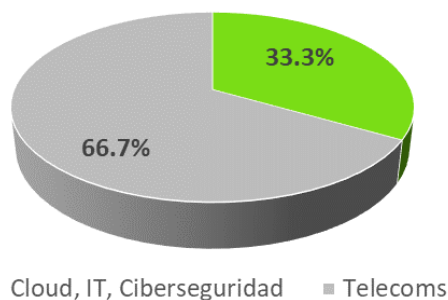
Revenue Evolution



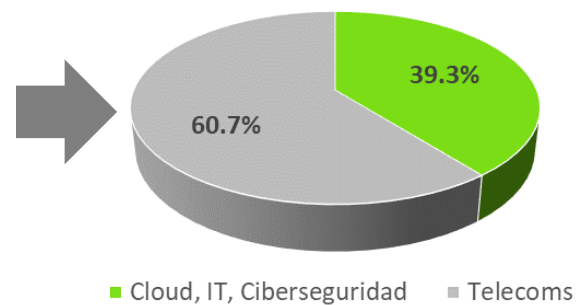
2022 Rev by Geography



2022 Rev by Service



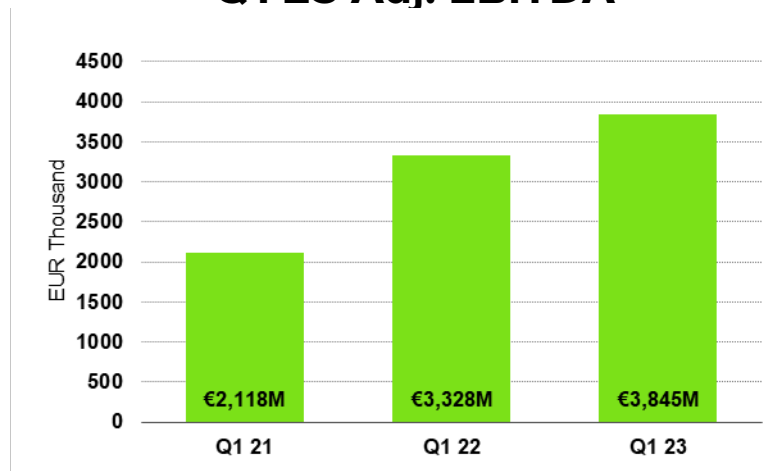
Q1'23 Rev by Service



Q1 2023 Gross Margin and EBITDA

- **Gross Margin of €9.9M in Q1'23**, 17.6% better than the €8.4M of Q1'22
- **Gross Margin reached 59.6% of net revenues** substantially better than the 56.1% of same period of last year, and slightly better than the 59.1% budgeted, thanks to renegotiation of wholesale telecommunications contracts and other efficiencies
- **Adjusted EBITDA reached €3.8M** (before M&A costs and long term remuneration plans and other extraordinary), **15.5% higher than the same quarter last year (€3.3M)**
- **EBITDA margin totaled 23.2% over Revenues, above the budget (22.3%), and significantly better than same period of last year (21.3%),** due to higher gross margin, operating leverage and synergies obtained from acquisitions

Q1'23 Adj. EBITDA*



* Adjusted EBITDA represents recurring EBITDA excluding M&A related costs, multiyear remuneration plans and other extraordinary

Q1 2023 RESULTS

GIGAS

CONSOLIDATED RESULTS

Figures in euros

	REAL	REAL	REAL	BUDGET 2023	
	Q1 23	% Var	Q1 22	% Var	Q1 23
Net Revenues	16,575,987	12.3%	14,760,883	-1.0%	16,751,303
Cloud, IT & Cybersecurity Services	6,425,401	41.0%	4,557,357	-2.6%	6,596,652
Telecommunications Services	9,915,597	-2.7%	10,193,473	-0.1%	9,929,652
Extraordinary Income, Subsidies & O.	234,990	2237.8%	10,052	4.4%	225,000
Cost of Sales	(6,699,844)	5.3%	(6,361,911)	-2.3%	(6,855,476)
Direct Product Costs	(5,920,454)	0.7%	(5,876,940)	-6.8%	(6,351,359)
Operations and Technical costs	(779,390)	60.7%	(484,971)	54.6%	(504,117)
Gross Margin	9,876,142	17.6%	8,398,971	-0.2%	9,895,827
<i>Gross Margin %</i>	<i>59.6%</i>		<i>56.9%</i>		<i>59.1%</i>
Personnel Costs	(3,153,978)	14.0%	(2,766,854)	-6.8%	(3,382,468)
Salaries and Social Security	(3,965,039)	19.3%	(3,322,545)	-0.4%	(3,980,249)
Capitalised R&D	811,060	46.0%	555,692	35.7%	597,780
Corporate Costs	(2,877,623)	24.9%	(2,304,594)	3.9%	(2,770,639)
Customer Operations and Marketing	(816,916)	3.6%	(788,601)	-20.3%	(1,024,583)
Network, Operations and IT	(1,069,007)	41.7%	(754,212)	24.8%	(856,749)
Other Corporate Costs	(991,700)	30.2%	(761,782)	11.5%	(889,307)
Adjusted EBITDA *	3,844,542	15.5%	3,327,524	2.7%	3,742,720
<i>Adjusted EBITDA %</i>	<i>23.2%</i>		<i>20.6%</i>		<i>22.3%</i>
Maintenance CAPEX (**)	451,085	-64.5%	1,271,845	-45.0%	820,283
<i>% over Revenues</i>	<i>2.7%</i>		<i>8.6%</i>		<i>4.9%</i>
EBITDA - Maintenance CAPEX	3,393,456	91.3%	1,773,560	16.1%	2,922,437
<i>% over Revenues</i>	<i>20.5%</i>		<i>12.0%</i>		<i>17.4%</i>

*Adjusted EBITDA represents recurring EBITDA excluding M&A related costs, multiyear remuneration plans and other extraordinary

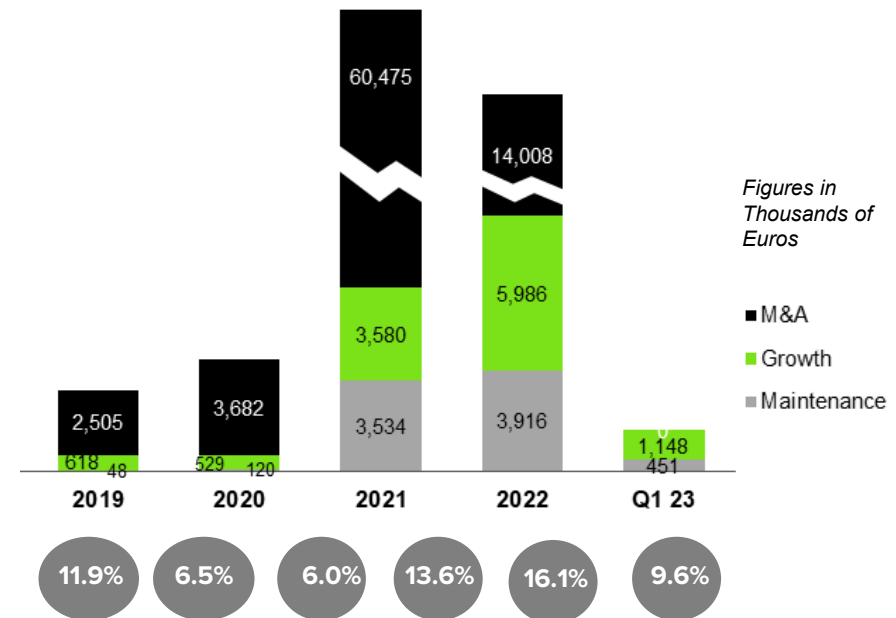
**Maintenance CAPEX represents recurring investments to maintain existing infrastructures and current cloud capacity

CAPEX 2019-2023

- **Total CAPEX incurred in the first Quarter, including growth CAPEX and maintenance CAPEX, amounted to EUR 1.60 million**, representing 19.5% of the total budgeted CAPEX for the year (EUR 8.2 million). **Capex to Sales is 9.6%, lower than in previous years.**
- **Maintenance CAPEX amounted to EUR 0.45 million in the first three months of 2023**, representing 2.7% of revenues, vs. 4.9% of the budget, due partly to savings and partly to temporary movements.
- **Growth CAPEX made was mostly focused on acquisitions of equipment for customer installation, and investments in cloud and data storage platforms.**



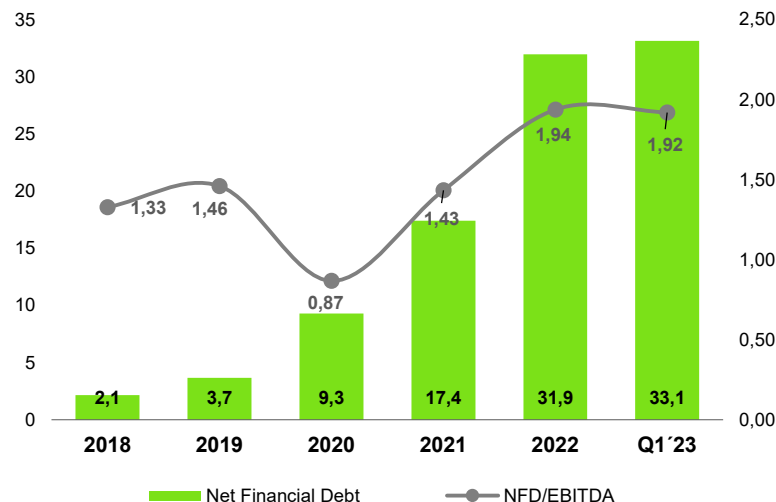
Capex to Sales
(excl. M&A)



Debt and Cash Evolution

- **Gross Debt at 30/MAR reached €43.0M**, after TPartner acquisition but previous to New Debt Structured, signed mid April 2023.
- **Cash at hand amounted €9.9M as of 30/MAR**, resulting in a **net financial debt position of €33.1M**, or **1.92x EBITDA budgeted for 2023**.
- 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)

DFN and Leverage Ratio



2023 Budget

- The budget for the year foresees an 18% growth in the top line, representing 11% organic growth (excluding the full year consolidation effect from Tpartner)
- In terms of **Adjusted EBITDA**, the Group expects €17.3M, representing a growth of 4.7%, lower than top line growth due to extraordinary savings in 2022 from renegotiation of wholesale telecommunication contracts





CONSOLIDATED P&L	<i>BUDGET</i>	<i>BUDGET</i>	<i>BUDGET</i>	<i>BUDGET</i>	<i>BUDGET</i>	<i>2023b vs 2022</i>
<i>Figures in euros</i>	Q1 23	Q2 23	Q3 23	Q4 23	2023b	% Var 2022
Net Revenues	16,751,303	17,405,301	18,731,644	19,751,930	72,640,178	18.0% 61,555,737
Cloud, IT & Cybersecurity Services	6,596,652	6,949,232	7,284,355	7,964,922	28,795,161	40.6% 20,474,348
Telecommunications Services	9,929,652	10,231,068	11,222,289	11,562,008	42,945,017	4.8% 40,960,030
Extraordinary Income, Subsidies & O.	225,000	225,000	225,000	225,000	900,000	641.6% 121,359
Cost of Sales	(6,855,476)	(7,215,824)	(7,735,390)	(8,259,195)	(30,065,886)	28.3% (23,442,549)
Direct Product Costs	(6,351,359)	(6,696,770)	(7,204,770)	(7,734,680)	(27,987,579)	30.0% (21,536,781)
Operations and Technical costs	(504,117)	(519,054)	(530,621)	(524,515)	(2,078,307)	9.1% (1,905,768)
Gross Margin	9,895,827	10,189,476	10,996,254	11,492,735	42,574,292	11.7% 38,113,187
<i>Gross Margin %</i>	<i>59.1%</i>	<i>58.5%</i>	<i>58.7%</i>	<i>58.2%</i>	<i>58.6%</i>	<i>-5.3% 61.9%</i>
Personnel Costs	(3,382,468)	(3,374,869)	(3,365,321)	(3,389,121)	(13,511,779)	19.5% (11,304,027)
Salaries and Social Security	(3,980,249)	(3,972,649)	(3,963,101)	(3,986,901)	(15,902,900)	14.6% (13,874,925)
Capitalised R&D	597,780	597,780	597,780	597,780	2,391,121	-7.0% 2,570,898
Corporate Costs	(2,770,639)	(2,824,075)	(3,044,950)	(3,156,625)	(11,796,289)	14.3% (10,319,737)
Customer Operations and Marketing	(1,024,583)	(1,105,265)	(1,117,717)	(1,227,216)	(4,474,780)	20.2% (3,721,985)
Network, Operations and IT	(856,749)	(856,749)	(856,749)	(856,749)	(3,426,997)	11.6% (3,070,615)
Other Corporate Costs	(889,307)	(862,061)	(1,070,484)	(1,072,660)	(3,894,511)	10.4% (3,527,137)
	-	-	-	-	-	-
Adjusted EBITDA	3,742,720	3,990,532	4,585,983	4,946,989	17,266,225	4.7% 16,489,424
<i>Adjusted EBITDA %</i>	<i>22.3%</i>	<i>22.9%</i>	<i>24.5%</i>	<i>25.0%</i>	<i>23.8%</i>	<i>26.8%</i>



Share Evolution

- **Share ended at €10.30 in 2022** and it was influenced by high market volatility in the first months of 2023
- **Share Price closed at €7.64** on the 29th of May, significantly below the price at the start of the year
- At current prices, **market cap is €89M**
- Adding current Net Financial Debt, **Enterprise Value would reach €122M, which implies a multiple of 7.4x EBITDA 2022**, lower than most comparable companies
- **Analysts very positive about the Company. GVC Gaesco, for example, targets a €12.5 price** in its latest report

Comparables

	 Gamma	 Wilt <small>The Private Cloud</small>	IONOS	 redcentric	 DHMH	gigas
Country	UK	IT	DE	UK	IT	ES
Annual Revenues 2022	£484.6M	€118.8M	€1,293M	£110.5M	€29.6M	€61.6M
EBITDA 2022 (*) (margin %)	£92.6M (19%)	€37.0M (31%)	€346M (26%)	£19.1M (17%)	€7.1M (24%)	€16.5M(**) (27%)
Enterprise Value (EV)	£947M	€684M	€3,223M	£270M	€78M	€122M
EV/ Revenues	2.2x	5.5	2.5x	2.5	2.6x	2.0x
EV/ EBITDA	11.5x	16.9x	9.3x	10.3x	11.0x	7.4x
Net debt 2022 (NFD/EBITDA)	-£82M	€177M (5.4x)	€1,277M (3.7x)	£66M (3.4x)	€6M (0.9x)	€33M (1.9x)

(*) EBITDA 2022 of other companies, obtained from Yahoo Finance.

(**) EBITDA GIGAS 2022 is Adjusted EBITDA.

Investor relations contact:
investor@gigas.com
accionista@gigas.com



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Thank you

