



Diego Cabezudo
CEO



Javier Cañete
CFO

Q1 2023 Results Presentation for Investors



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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



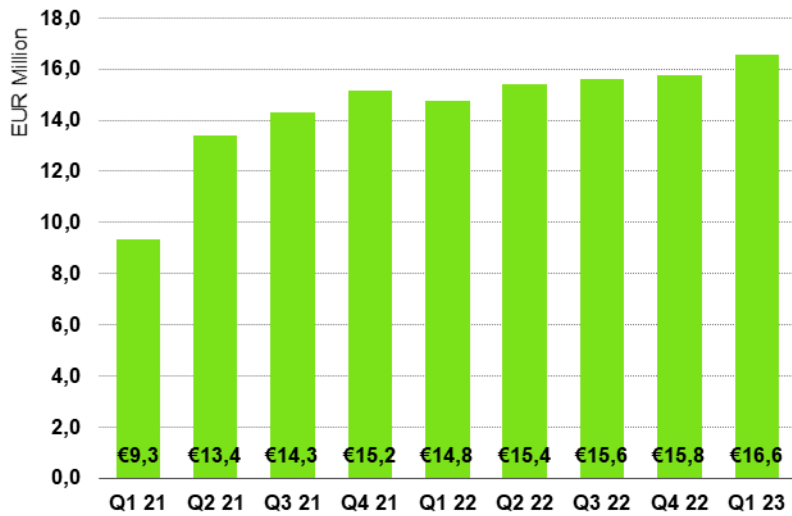
Strong commercial growth in Cloud and Cyber services (double digit growth compared to the previous quarter) to become a convergent operator



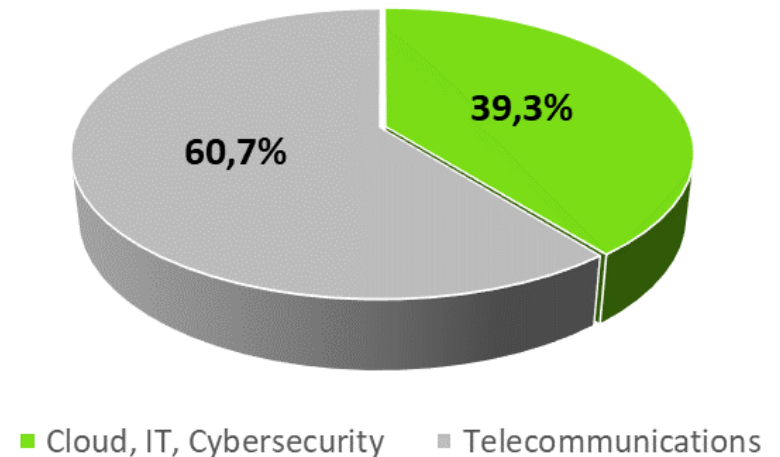
Q1 2023 Revenues

- **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%**.

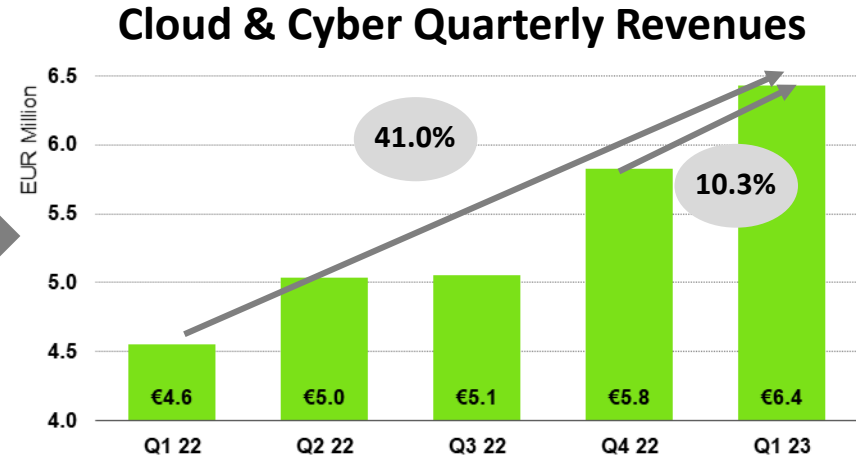
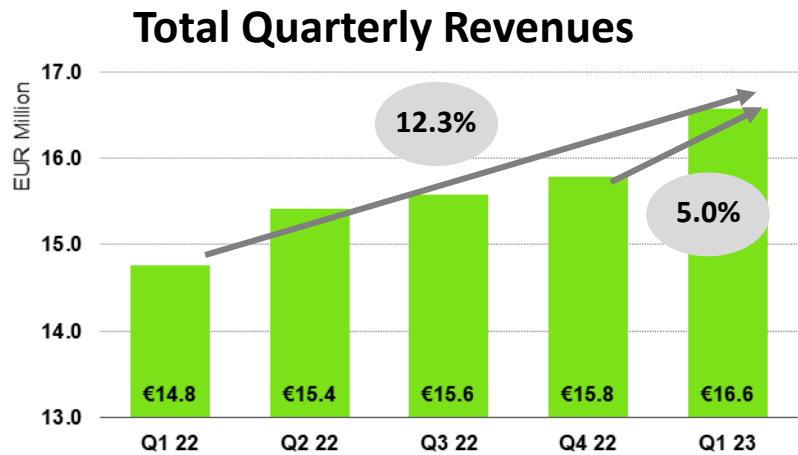
Quarterly Net Revenues



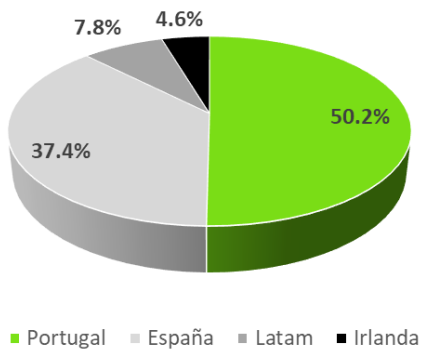
Revenue Contribution by Service



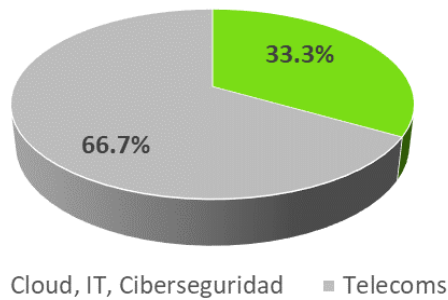
Revenue Evolution



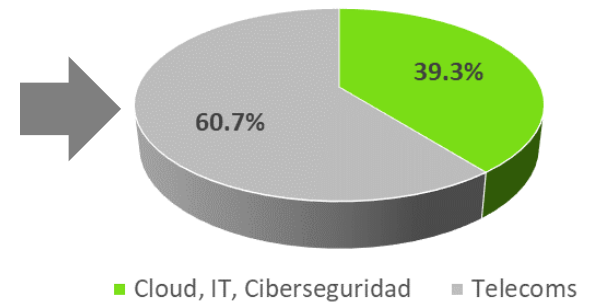
2022 Rev by Geography



2022 Rev by Service



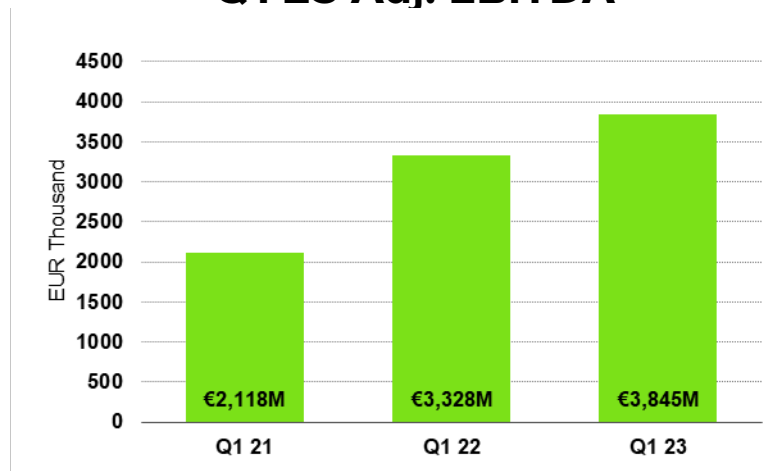
Q1'23 Rev by Service



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%
Telecommunications Services	9,915,597	-2.7%	10,193,473	-0.1%
Extraordinary Income, Subsidies & O.	234,990	2237.8%	10,052	4.4%
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%
Operations and Technical costs	(779,390)	60.7%	(484,971)	54.6%
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%
Capitalised R&D	811,060	46.0%	555,692	35.7%
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%
Network, Operations and IT	(1,069,007)	41.7%	(754,212)	24.8%
Other Corporate Costs	(991,700)	30.2%	(761,782)	11.5%
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

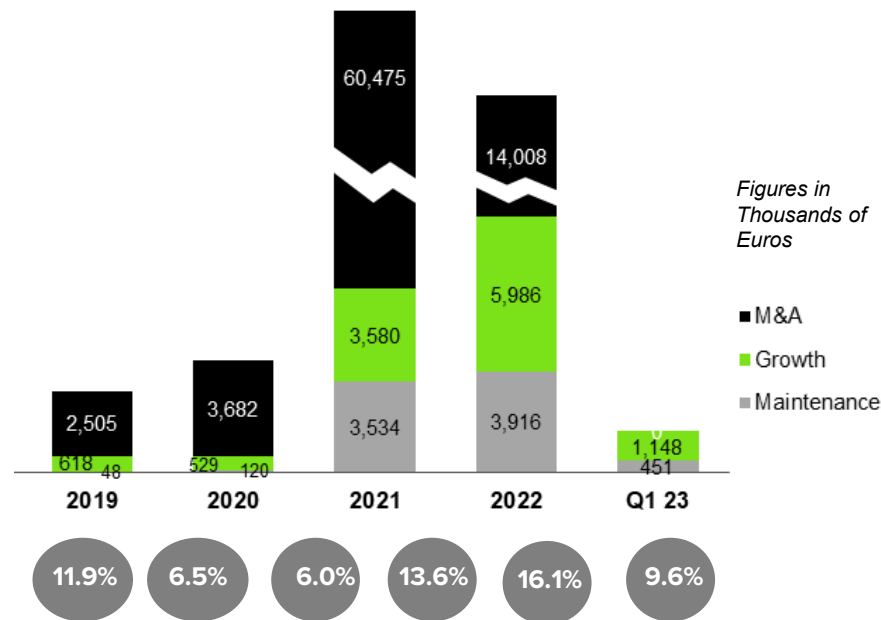
**Maintenance CAPEX represents recurring investments to maintain existing infrastructures and current cloud capacity

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.**



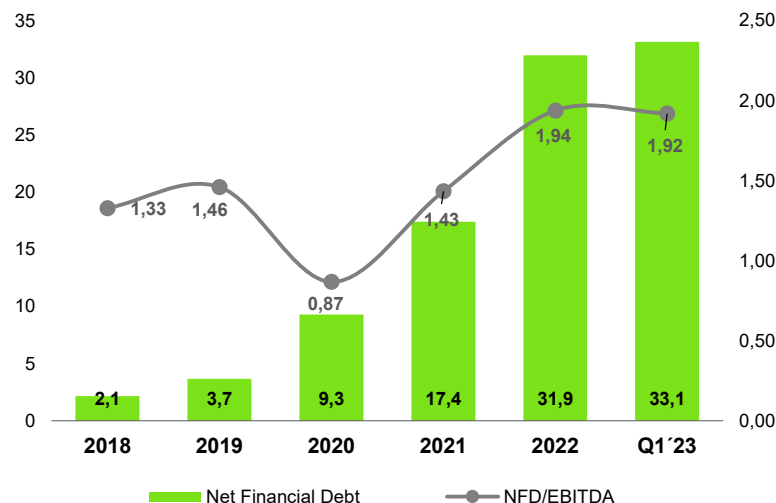
Capex to Sales
(excl. M&A)



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>	59.1%	58.5%	58.7%	58.2%	58.6%	-5.3%	61.9%
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>	22.3%	22.9%	24.5%	25.0%	23.8%		26.8%



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	 wiit The Private Cloud	IONOS	 redcentric	 DHHI	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**

