



## Company Flash Note

Reason: Estimates revision

13 April 2021

### Accumulate

Recommendation unchanged

Share price: EUR 10.35

closing price as of 12/04/2021

Target price: EUR 11.59

from Target Price: EUR 11.95

Upside/Downside Potential 12.0%

Reuters/Bloomberg

GIGAH.MC/GIGA SM

Market capitalisation (EURm) 121

Current N° of shares (m) 12

Free float 55%

Daily avg. no. trad. sh. 12 mth (k) 28

Daily avg. trad. vol. 12 mth (k) 139.84

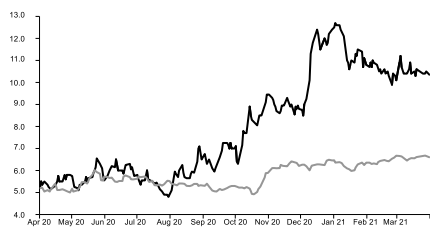
Price high/low 12 months 12.70 / 4.80

Abs Perfs 1/3/12 mths (%) 2.48/-16.53/99.04

Key financials (EUR)	12/20	12/21e	12/22e
Sales (m)	11	50	68
EBITDA (m)	2	11	15
EBITDA margin	19.4%	21.8%	22.2%
EBIT (m)	(0)	4	6
EBIT margin	nm	7.8%	8.9%
Net Profit (adj.)(m)	(0)	2	4
ROCE	-0.4%	4.7%	7.1%
Net debt/(cash) (m)	(16)	12	10
Net Debt Equity	-0.6	0.2	0.2
Net Debt/EBITDA	-7.4	1.1	0.7
Int. cover(EBITDA/Fin.int)	3.6	13.4	13.6
EV/Sales	3.1	2.7	1.9
EV/EBITDA	16.2	12.2	8.7
EV/EBITDA (adj.)	16.2	12.2	8.7
EV/EBIT	nm	34.3	21.9
P/E (adj.)	nm	nm	32.9
P/BV	2.0	2.6	2.4
OpFCF yield	1.0%	0.3%	3.8%
Dividend yield	0.0%	0.0%	0.0%
EPS (adj.)	(0.11)	0.20	0.31
BVPS	5.87	4.06	4.36
DPS	0.00	0.00	0.00

### Shareholders

GAEA 34%; Consejeros 6%; Key Wolf , S.L 6%;



Source: FactSet

### Analyst(s)

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## 2021: integrar y ejecutar en un contexto difícil

La compañía presentó ayer los resultados de 2020, que estuvieron en línea con nuestras estimaciones. Asimismo, presentó el presupuesto de 2021 que ya había presentado y explicó el cierre de la operación de Oni, así como las dos ampliaciones de capital dinerarias que la compañía ha realizado para su adquisición, y la futura ampliación de capital no dineraria que propiciará la entrada de GAEA en el accionariado. De esta manera actualizamos estimaciones con la consolidación de Oni desde el segundo trimestre en vez de todo el año como habíamos realizado en nuestro anterior informe.

- ✓ Los **resultados de 2020** estuvieron ligeramente por encima de nuestras estimaciones a nivel ingresos y en línea a nivel EBITDA. Destaca el **crecimiento del ARPU en sus dos productos**: Cloud VPS (+11%) y Cloud Datacenter (+4%), reforzando la estrategia de la compañía de centrarse en el valor de los clientes y no tanto en el volumen.
- ✓ En relación a los últimos updates corporativos, la compañía está en proceso de cerrar todos los pasos tras la adquisición de Oni y la cartera de clientes empresariales en España con la ampliación de capital no dineraria que dará entrada a GAEA en el capital de la compañía.
- ✓ La compañía presentó el **presupuesto de 2021** en el cual no se incluye la última operación corporativa realizada (Valoradata que aportará en torno a EUR2M de ingresos y EUR1M de EBITDA) y que hace que nuestras estimaciones para 2021 sean ligeramente superiores a la presentadas en presupuesto. Sin embargo, estas estimaciones no son muy superiores ya que nuestro *base case* exM&A contemplaba un 2021 ligeramente por debajo del presupuesto de la compañía dadas las dificultades sociales y económicas actuales para el lanzamiento y comercialización de unos nuevos productos y servicios.
- ✓ Estimamos que la **deuda neta** a cierre de 2021 esté en torno a los EUR12M debido al impacto de la última adquisición (pago de EUR1.6M en 2021). El **FCF** estará ligeramente en positivo por la aportación de Valoradata ya que la compañía estima en su presupuesto un FCF ligeramente negativo.
- ✓ Además de la inclusión de la última adquisición, la **principal variación frente a nuestras anteriores estimaciones** está en la consolidación de Oni a partir del segundo trimestre y no en el total del año, así como la realización del rollover de nuestro DCF tras los resultados de 2020.
- ✓ En **2021** la compañía tiene la **decisiva tarea de integrar** todas sus adquisiciones y comenzar a ejecutar su nueva estrategia, de la cual empezaremos a ver frutos a partir de la segunda mitad del año.
- ✓ Como ya comentamos en su momento, consideramos que la adquisición de Euskaltel por parte de Más Móvil puede suponer una **oportunidad para Gigas** dada la colaboración entre ambos operadores.
- ✓ Alcanzamos una nueva valoración de EUR11.6 por acción con una WACC ligeramente superior a la anterior (8.7% vs 8.5%, por el mayor riesgo de la operativa) y por los menores resultados en 2021 dada la consolidación a partir del segundo trimestre de Oni. Mantenemos nuestra recomendación de Acumular con los precios actuales.

## Resultados 2020

### GIGAS HOSTING. POST-FY'20 RESULTS.

EURm	Q4'19	Q4'20	Δ% y/y	FY'19	FY'20	Δ% y/y
<b>Total clients</b>				<b>3,664</b>	<b>3,396</b>	<b>-7.3%</b>
Cloud Datacenter				818	887	8.4%
Cloud VPS				2,846	2,509	-11.8%
<b>Customer billing</b>	<b>3.33</b>	<b>3.76</b>	<b>12.7%</b>	<b>11.85</b>	<b>12.86</b>	<b>8.6%</b>
Sales accruals	-0.10	-0.08	-21.8%	0.07	-0.02	-128.6%
Discounts & Promotions	-0.51	-0.59	17.3%	-1.69	-2.00	18.3%
<b>Net income</b>	<b>2.73</b>	<b>3.08</b>	<b>13.1%</b>	<b>10.23</b>	<b>10.84</b>	<b>6.0%</b>
Work carried out on its assets	0.12	0.13	6.0%	0.33	0.50	51.5%
Extraordinary income, subsidies, otl	0.01	0.01	4.6%	0.08	0.07	-21.9%
<b>Supplies</b>	<b>-0.69</b>	<b>-0.98</b>	<b>41.2%</b>	<b>-2.41</b>	<b>-3.15</b>	<b>31.1%</b>
Online and third parties SAC	-0.01	-0.01	76.4%	-0.06	-0.04	-26.0%
Datacenters & Connectivity	-0.29	-0.32	10.2%	-1.07	-1.26	17.3%
Other supplies	-0.39	-0.64	63.8%	-1.27	-1.85	45.3%
<b>Personnel Expenses</b>	<b>-0.99</b>	<b>-1.11</b>	<b>12.4%</b>	<b>-3.74</b>	<b>-4.14</b>	<b>10.7%</b>
<b>Other Expenses</b>	<b>-0.56</b>	<b>-0.68</b>	<b>21.9%</b>	<b>-1.97</b>	<b>-2.02</b>	<b>2.4%</b>
<b>Other results</b>	<b>0.00</b>	<b>0.02</b>	<b>-1131.2%</b>	<b>-0.02</b>	<b>0.01</b>	<b>-133.8%</b>
<b>EBITDA</b>	<b>0.62</b>	<b>0.47</b>	<b>-24.0%</b>	<b>2.50</b>	<b>2.10</b>	<b>-16.1%</b>
<b>EBITDA M.</b>	<b>22.7%</b>	<b>15.2%</b>	<b>-7.4pp</b>	<b>24.5%</b>	<b>19.4%</b>	<b>-5.1pp</b>

Source: Gigas Hosting & GVC Gaesco Valores

## Presupuesto 2021 de la compañía

### PRESUPUESTO 2021 CONSOLIDADO

Cifras en euros	Q1	Q2	Q3	Q4	2021b	% Var.	2020
<b>Facturación a clientes</b>	<b>6.008.274</b>	<b>14.511.659</b>	<b>14.955.975</b>	<b>15.709.415</b>	<b>51.185.322</b>	<b>298,0%</b>	<b>12.862.085</b>
Periodificaciones de ventas	(122.834)	113.818	54.134	(121.395)	(76.277)	264,5%	(20.928)
Descuentos y promociones sobre ventas	(497.746)	(575.954)	(581.357)	(593.459)	(2.248.515)	12,4%	(2.001.077)
Ingresos Extraord., Subvenciones y Otros	10.530	10.530	10.530	10.530	42.121	-35,8%	65.646
<b>Ingresos Netos</b>	<b>5.398.224</b>	<b>14.060.054</b>	<b>14.439.283</b>	<b>15.005.091</b>	<b>48.902.652</b>	<b>348,4%</b>	<b>10.905.727</b>
<b>Aprovisionamientos</b>	<b>(2.210.656)</b>	<b>(5.918.162)</b>	<b>(6.056.941)</b>	<b>(6.260.849)</b>	<b>(20.446.608)</b>	<b>548,3%</b>	<b>(3.153.986)</b>
Costes Directos de Producto	(1.759.503)	(5.469.145)	(5.597.722)	(5.790.811)	(18.617.181)	905,4%	(1.851.654)
Costes Técnicos y de Operaciones	(451.154)	(449.016)	(459.219)	(470.038)	(1.829.427)	40,5%	(1.302.332)
<b>Margen bruto</b>	<b>3.187.568</b>	<b>8.141.892</b>	<b>8.382.342</b>	<b>8.744.242</b>	<b>28.456.044</b>	<b>267,1%</b>	<b>7.751.741</b>
<b>Margen bruto %</b>	<b>59,0%</b>	<b>57,9%</b>	<b>58,1%</b>	<b>58,3%</b>	<b>58,2%</b>	<b>-18,1%</b>	<b>71,1%</b>
<b>Gastos de personal</b>	<b>(1.261.995)</b>	<b>(2.479.296)</b>	<b>(2.488.605)</b>	<b>(2.502.098)</b>	<b>(8.731.994)</b>	<b>140,0%</b>	<b>(3.638.272)</b>
Sueldos, salarios y Seguridad Social	(1.420.225)	(3.023.014)	(3.031.336)	(3.045.816)	(10.520.391)	154,4%	(4.136.083)
Trabajos realizados para su activo	158.230	543.718	542.731	543.718	1.788.397	259,3%	497.811
<b>Otros Costes de Estructura</b>	<b>(707.566)</b>	<b>(2.780.707)</b>	<b>(2.699.297)</b>	<b>(2.816.328)</b>	<b>(9.003.898)</b>	<b>346,1%</b>	<b>(2.018.536)</b>
<b>Otros resultados</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.185</b>
<b>Resultado bruto expl. (EBITDA)</b>	<b>1.218.007</b>	<b>2.881.889</b>	<b>3.194.440</b>	<b>3.425.816</b>	<b>10.720.152</b>	<b>410,0%</b>	<b>2.102.117</b>
<b>Resultado bruto explotac. (EBITDA) %</b>	<b>22,6%</b>	<b>20,5%</b>	<b>22,1%</b>	<b>22,8%</b>	<b>21,9%</b>	<b>13,0%</b>	<b>19,4%</b>

## DCF

### GIGAS HOSTING. DCF VALUATION CONSIDERING ORGANIC GROWTH

CASH FLOW (EURm)	2017	2018	2019	2020	2021e	2022e	2023e	2024e	2025e	VR
Sales	5.947	8.684	10.228	10.840	50.077	67.838	72.859	78.825	84.703	87.108
<b>EBITDA</b>	<b>0.572</b>	<b>1.615</b>	<b>2.505</b>	<b>2.102</b>	<b>10.895</b>	<b>15.034</b>	<b>16.754</b>	<b>18.781</b>	<b>20.916</b>	<b>22.213</b>
<b>EBITDA M.</b>	<b>9,6%</b>	<b>18,6%</b>	<b>24,5%</b>	<b>19,4%</b>	<b>21,8%</b>	<b>22,2%</b>	<b>23,0%</b>	<b>23,8%</b>	<b>24,7%</b>	<b>25,5%</b>
DDA	-1.014	-1.524	-1.825	-2.170	-7.011	-9.022	-9.012	-9.067	-9.061	-9.319
<b>EBIT</b>	<b>-0.442</b>	<b>0.091</b>	<b>0.679</b>	<b>-0.067</b>	<b>3.884</b>	<b>6.012</b>	<b>7.742</b>	<b>9.714</b>	<b>11.855</b>	<b>12.894</b>
<i>Effective tax rate</i>	-22.9%	-43.0%	-20.4%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
NOPLAT	-0.544	0.130	0.818	-0.051	2.913	4.509	5.806	7.285	8.891	9.670
Depreciation&other provisions	1.014	1.524	1.825	2.170	7.011	9.022	9.012	9.067	9.061	9.319
<b>Gross Operating Cash Flow</b>	<b>0.470</b>	<b>1.654</b>	<b>2.643</b>	<b>2.119</b>	<b>9.924</b>	<b>13.531</b>	<b>14.818</b>	<b>16.353</b>	<b>17.953</b>	<b>18.989</b>
Capex	-1.204	-2.599	-2.315	-1.951	-8.764	-7.801	-8.014	-7.882	-7.623	-7.404
Capex/sales	20.2%	29.9%	22.6%	18.0%	17.5%	11.5%	11.0%	10.0%	9.0%	8.5%
Change in Net Working Capital	-0.110	-0.364	-0.379	0.715	-0.159	-0.252	-0.152	-0.172	-0.192	0.000
Financials	-0.197	-0.353	-0.408	-0.582	-0.811	-1.102	-1.011	-0.929	-0.855	-0.700
<b>Cash Flow to be discounted</b>	<b>-1.041</b>	<b>-1.662</b>	<b>-0.459</b>	<b>0.301</b>	<b>0.190</b>	<b>4.376</b>	<b>5.640</b>	<b>7.369</b>	<b>9.282</b>	<b>10.885</b>
<b>DCF VALUATION (EUR m)</b>										
WACC					8.7%	8.7%	8.7%	8.7%	8.7%	8.7%
Discount Rate factor					1.00	0.92	0.85	0.78	0.72	0.66
Discounted Cash Flow					0.190	4.025	4.771	5.734	6.643	
Cumulated DCF					0.190	4.215	8.987	14.721	21.364	
<b>WACC &amp; DCF ANALYSIS</b>										
Free Risk Rate (10y Govn. Bonds)	3.5%									11.8
Company Risk Factor or Beta	1.4									0.0
Mkt Risk Premium	5.0%									0.0
Cost of Equity (Ke or COE)	10.3%									0.0
Cost of Debt (gross)	5.5%									0.0
Debt Tax Rate	25.0%									0.0
Cost of Debt net (kd or COD)	4.1%									0.0
Target Gearing (D/E) or % Kd	25%									0.0
% Ke	75%									0.0
Normative Tax Rate	25%									0.0
<b>WACC</b>	<b>8.7%</b>									0.0
Equity Market Value (EUR m)										135.9
Number of shares (m)*										11.7
<b>Fair Value per share (EUR)</b>										<b>11,6</b>
Price (EUR)										10.5
Potential upside (downside)										10%

Source: GVC Gaesco Valores Estimates \* Post capital increases

## Gigas Hosting: Summary tables

<b>PROFIT &amp; LOSS (EURm)</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
<b>Sales</b>	<b>8.7</b>	<b>10.2</b>	<b>10.8</b>	<b>50.1</b>	<b>67.8</b>	<b>72.9</b>
Cost of Sales & Operating Costs	-7.1	-7.7	-8.7	-39.2	-52.8	-56.1
Non Recurrent Expenses/Income	0.0	0.0	-0.0	0.0	0.0	0.0
<b>EBITDA</b>	<b>1.6</b>	<b>2.5</b>	<b>2.1</b>	<b>10.9</b>	<b>15.0</b>	<b>16.8</b>
<b>EBITDA (adj.)*</b>	<b>1.6</b>	<b>2.5</b>	<b>2.1</b>	<b>10.9</b>	<b>15.0</b>	<b>16.8</b>
Depreciation	-1.5	-1.8	-2.2	-7.0	-9.0	-9.0
<b>EBITA</b>	<b>0.1</b>	<b>0.7</b>	<b>-0.1</b>	<b>3.9</b>	<b>6.0</b>	<b>7.7</b>
<b>EBITA (adj)*</b>	<b>0.1</b>	<b>0.7</b>	<b>-0.1</b>	<b>3.9</b>	<b>6.0</b>	<b>7.7</b>
Amortisations and Write Downs	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>0.1</b>	<b>0.7</b>	<b>-0.1</b>	<b>3.9</b>	<b>6.0</b>	<b>7.7</b>
<b>EBIT (adj.)*</b>	<b>0.1</b>	<b>0.7</b>	<b>-0.1</b>	<b>3.9</b>	<b>6.0</b>	<b>7.7</b>
Net Financial Interest	-0.4	-0.4	-0.6	-0.8	-1.1	-1.0
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
<b>Earnings Before Tax (EBT)</b>	<b>-0.3</b>	<b>0.3</b>	<b>-0.6</b>	<b>3.1</b>	<b>4.9</b>	<b>6.7</b>
Tax	0.1	-0.1	0.2	-0.8	-1.2	-1.7
<i>Tax rate</i>	<i>43.0%</i>	<i>20.4%</i>	<i>29.0%</i>	<i>25.0%</i>	<i>25.0%</i>	<i>25.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Profit (reported)</b>	<b>-0.1</b>	<b>0.2</b>	<b>-0.5</b>	<b>2.3</b>	<b>3.7</b>	<b>5.0</b>
<b>Net Profit (adj.)</b>	<b>-0.1</b>	<b>0.2</b>	<b>-0.5</b>	<b>2.3</b>	<b>3.7</b>	<b>5.0</b>
<b>CASH FLOW (EURm)</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
Cash Flow from Operations before change in NWC	1.4	2.0	1.7	9.3	12.7	14.1
Change in Net Working Capital	-0.4	-0.4	0.7	-0.2	-0.3	-0.2
<b>Cash Flow from Operations</b>	<b>1.0</b>	<b>1.7</b>	<b>2.4</b>	<b>9.2</b>	<b>12.5</b>	<b>13.9</b>
Capex	-2.6	-2.3	-2.0	-8.8	-7.8	-8.0
Net Financial Investments	0.0	0.0	0.0	0.0	0.0	0.0
<b>Free Cash Flow</b>	<b>-1.6</b>	<b>-0.7</b>	<b>0.5</b>	<b>0.4</b>	<b>4.7</b>	<b>5.9</b>
Dividends	0.0	0.0	0.0	0.0	0.0	0.0
Other (incl. Capital Increase & share buy backs)	-1.2	-0.6	16.0	-27.0	-1.8	-3.3
<b>Change in Net Debt</b>	<b>-3</b>	<b>-1</b>	<b>16</b>	<b>-27</b>	<b>3</b>	<b>3</b>
NOPLAT	0.1	0.5	-0.0	2.9	4.5	5.8
<b>BALANCE SHEET &amp; OTHER ITEMS (EURm)</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
Net Tangible Assets	3.0	3.1	2.7	4.5	4.4	4.4
Net Intangible Assets (incl. Goodwill)	4.0	6.2	9.4	56.9	58.4	61.5
Net Financial Assets & Other	2.4	2.5	3.2	3.2	3.2	3.2
<b>Total Fixed Assets</b>	<b>9.5</b>	<b>11.7</b>	<b>15.3</b>	<b>64.6</b>	<b>66.0</b>	<b>69.1</b>
Inventories	0.0	0.0	0.0	0.0	0.0	0.0
Trade receivables	1.6	2.4	2.5	3.1	3.5	3.8
Other current assets	0.3	0.4	0.3	0.3	0.3	0.3
Cash (-)	-2.2	-1.6	-22.8	-7.6	-7.6	-7.6
<b>Total Current Assets</b>	<b>4.0</b>	<b>4.4</b>	<b>25.7</b>	<b>11.0</b>	<b>11.4</b>	<b>11.7</b>
<b>Total Assets</b>	<b>13.5</b>	<b>16.2</b>	<b>40.9</b>	<b>75.6</b>	<b>77.4</b>	<b>80.8</b>
Shareholders Equity	5.1	5.1	25.4	47.6	51.1	56.1
Minority	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Equity</b>	<b>5.1</b>	<b>5.1</b>	<b>25.4</b>	<b>47.6</b>	<b>51.1</b>	<b>56.1</b>
Long term interest bearing debt	2.0	4.1	5.9	15.3	14.0	12.8
Provisions	0.0	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	2.5	2.6	4.0	3.8	3.7	3.5
<b>Total Long Term Liabilities</b>	<b>4.5</b>	<b>6.7</b>	<b>9.9</b>	<b>19.1</b>	<b>17.6</b>	<b>16.3</b>
Short term interest bearing debt	2.4	1.1	1.3	4.2	3.7	3.4
Trade payables	0.7	1.2	2.0	2.5	2.6	2.8
Other current liabilities	0.8	1.9	2.3	2.3	2.3	2.3
<b>Total Current Liabilities</b>	<b>3.9</b>	<b>4.3</b>	<b>5.6</b>	<b>9.0</b>	<b>8.7</b>	<b>8.4</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>13.5</b>	<b>16.2</b>	<b>40.9</b>	<b>75.6</b>	<b>77.4</b>	<b>80.8</b>
<b>Net Capital Employed</b>	<b>9.7</b>	<b>11.4</b>	<b>13.8</b>	<b>63.2</b>	<b>64.9</b>	<b>68.1</b>
<b>Net Working Capital</b>	<b>0.8</b>	<b>1.2</b>	<b>0.5</b>	<b>0.7</b>	<b>0.9</b>	<b>1.1</b>
<b>GROWTH &amp; MARGINS</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
<i>Sales growth</i>	<i>46.0%</i>	<i>17.8%</i>	<i>6.0%</i>	<i>362.0%</i>	<i>35.5%</i>	<i>7.4%</i>
<b>EBITDA (adj.)* growth</b>	<b>184.5%</b>	<b>55.1%</b>	<b>-15.8%</b>	<b>416.5%</b>	<b>38.0%</b>	<b>11.4%</b>
<i>EBITA (adj.)* growth</i>	<i>n.m.</i>	<i>648.5%</i>	<i>n.m.</i>	<i>n.m.</i>	<i>54.8%</i>	<i>28.8%</i>
<i>EBIT (adj.)* growth</i>	<i>n.m.</i>	<i>648.5%</i>	<i>n.m.</i>	<i>n.m.</i>	<i>54.8%</i>	<i>28.8%</i>

## Gigas Hosting: Summary tables

<b>GROWTH &amp; MARGINS</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
Net Profit growth	n.m.	n.m.	n.m.	n.m.	59.8%	37.1%
EPS adj. growth	n.m.	n.m.	n.m.	n.m.	59.8%	37.1%
DPS adj. growth						
EBITDA (adj)* margin	18.6%	24.5%	19.5%	21.8%	22.2%	23.0%
EBITA (adj)* margin	1.0%	6.6%	-0.6%	7.8%	8.9%	10.6%
EBIT (adj)* margin	1.0%	6.6%	n.m.	7.8%	8.9%	10.6%
<b>RATIOS</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
Net Debt/Equity	0.4	0.7	-0.6	0.2	0.2	0.2
Net Debt/EBITDA	1.3	1.5	-7.4	1.1	0.7	0.5
Interest cover (EBITDA/Fin.interest)	4.6	6.1	3.6	13.4	13.6	16.6
Capex/D&A	170.5%	126.8%	89.9%	125.0%	86.5%	88.9%
Capex/Sales	29.9%	22.6%	18.0%	17.5%	11.5%	11.0%
NWC/Sales	9.5%	11.8%	4.5%	1.3%	1.3%	1.4%
ROE (average)	-3.3%	4.2%	-3.0%	6.3%	7.5%	9.4%
ROCE (adj.)	0.9%	4.9%	-0.4%	4.7%	7.1%	8.7%
WACC	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%
ROCE (adj.)/WACC	0.1	0.6	0.0	0.5	0.8	1.0
<b>PER SHARE DATA (EUR)***</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
Average diluted number of shares	4.3	4.3	4.3	11.7	11.7	11.7
EPS (reported)	-0.03	0.05	-0.11	0.20	0.31	0.43
EPS (adj.)	-0.03	0.05	-0.11	0.20	0.31	0.43
BVPS	1.17	1.19	5.87	4.06	4.36	4.78
DPS	0.00	0.00	0.00	0.00	0.00	0.00
<b>VALUATION</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
EV/Sales	3.5	3.2	3.1	2.7	1.9	1.8
EV/EBITDA	18.7	13.2	16.2	12.2	8.7	7.7
<b>EV/EBITDA (adj.)*</b>	<b>18.7</b>	<b>13.2</b>	<b>16.2</b>	<b>12.2</b>	<b>8.7</b>	<b>7.7</b>
EV/EBITA	333.3	48.8	-505.8	34.3	21.9	16.8
<b>EV/EBITA (adj.)*</b>	<b>333.3</b>	<b>48.8</b>	<b>-566.1</b>	<b>34.3</b>	<b>21.9</b>	<b>16.8</b>
EV/EBIT	n.m.	48.8	n.m.	34.3	21.9	16.8
<b>EV/EBIT (adj.)*</b>	<b>n.m.</b>	<b>48.8</b>	<b>n.m.</b>	<b>34.3</b>	<b>21.9</b>	<b>16.8</b>
<b>P/E (adj.)</b>	<b>n.m.</b>	<b>n.m.</b>	<b>n.m.</b>	<b>n.m.</b>	<b>32.9</b>	<b>24.0</b>
P/BV	5.6	5.7	2.0	2.6	2.4	2.2
Total Yield Ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/CE	3.9	3.2	2.7	2.1	2.1	1.9
OpFCF yield	-5.7%	-2.2%	1.0%	0.3%	3.8%	4.9%
OpFCF/EV	-5.3%	-2.0%	1.4%	0.3%	3.5%	4.5%
Payout ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend yield (gross)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>EV AND MKT CAP (EURm)</b>	<b>12/2018</b>	<b>12/2019</b>	<b>12/2020</b>	<b>12/2021e</b>	<b>12/2022e</b>	<b>12/2023e</b>
Price** (EUR)	6.50	6.82	11.50	10.35	10.35	10.35
Outstanding number of shares for main stock	4.3	4.3	4.3	11.7	11.7	11.7
<b>Total Market Cap</b>	<b>28.1</b>	<b>29.5</b>	<b>49.7</b>	<b>121.3</b>	<b>121.3</b>	<b>121.3</b>
Gross Financial Debt (+)	4.3	5.2	7.2	19.4	17.7	16.1
Cash & Marketable Securities (-)	-2.2	-1.6	-22.8	-7.6	-7.6	-7.6
<b>Net Financial Debt</b>	<b>2.1</b>	<b>3.6</b>	<b>-15.6</b>	<b>11.8</b>	<b>10.1</b>	<b>8.5</b>
Lease Liabilities (+)						
<b>Net Debt</b>	<b>2.1</b>	<b>3.6</b>	<b>-15.6</b>	<b>11.8</b>	<b>10.1</b>	<b>8.5</b>
<b>Other EV components</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Enterprise Value (EV adj.)</b>	<b>30.2</b>	<b>33.1</b>	<b>34.1</b>	<b>133.1</b>	<b>131.4</b>	<b>129.8</b>

Source: Company, GVC Gaesco Valores estimates.

### Notes

\* Where EBITDA (adj.) or EBITA (adj.) = EBITDA (or EBITA) -/+ Non Recurrent Expenses/Income and where EBIT (adj.) = EBIT -/+ Non Recurrent Expenses/Income - PPA amortisation

\*\*Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

\*\*\*EPS (adj.) diluted = Net Profit (adj.) / Avg DIL. Ord. (+ Ord. equivalent) Shs. EPS (reported) = Net Profit reported / Avg DIL. Ord. (+ Ord. equivalent) Shs.

Sector: Software & Computer Services/Computer Services

Company Description: Gigas Hosting was founded in 2011 and provides technology services and hosting, internet domains, application hosting, and consulting and connectivity. Its products and solutions include cloud datacenter, cloud virtual private server, contingency solution, system applications products certified platform, and cloud server for oracle.

Information regarding Market Abuse and Conflicts of Interests and recommendation history available in our web page: [www.gvcgaesco.es](http://www.gvcgaesco.es) and our offices

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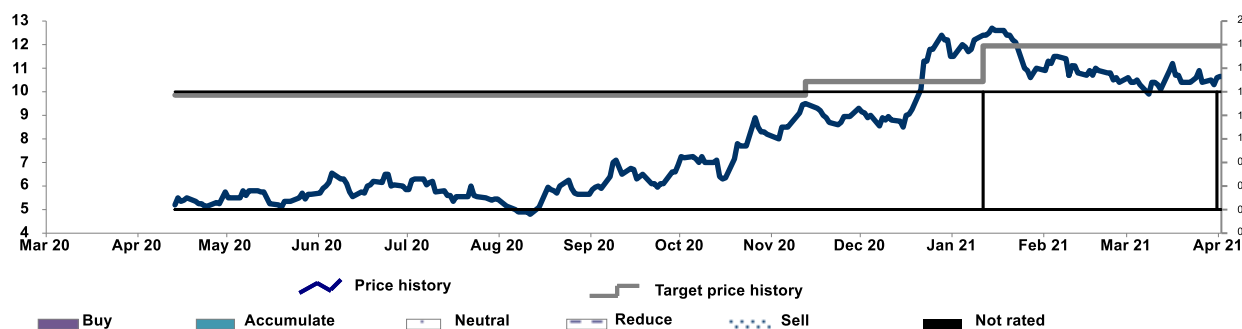
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#### Recommendation history for GIGAS HOSTING

Date	Recommendation	target price	Price at change date
12-Apr-21	Accumulate	11.59	10.35
31-Mar-21	Accumulate	11.95	10.60
11-Jan-21	Neutral	11.95	12.40
12-Nov-20	Buy	10.43	9.50
31-Mar-20	Buy	9.86	4.50
03-Dec-19	Buy	10.47	6.24
28-May-19	Buy	10.00	6.74
15-Apr-19	Buy	9.10	6.80
05-Feb-19	Buy	8.30	6.60
22-Jan-19	Accumulate	8.30	7.10

Source: Factset & ESN, price data adjusted for stock splits.

This chart shows GVC Gaesco Valores continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. Current analyst: Juan Peña (since 24/10/2019)





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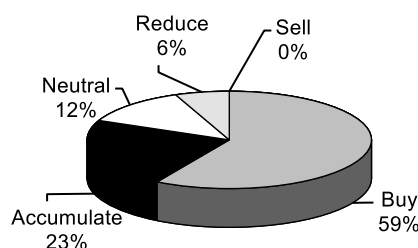
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Note: a certain flexibility on the limits of total return bands is permitted especially during higher phases of volatility on the markets

### GVC Gaesco Valores, S.V., S.A. Ratings Breakdown



For full ESN Recommendation and Target price history (in the last 12 months) please see ESN Website [Link](#)

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