

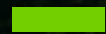


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# Full Year 2023 Results Presentation for Investors



APRIL 2024



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# FY 2023 Key Highlights



FY23 net revenues grew **9.9% YoY** up to **€67.7M** helped by corporate transactions and organic growth



Adj. EBITDA **€16.7M**, **1.2% higher** than the **€16.5M** of 2022 albeit **3.3% lower** than the **€17.3M** budgeted for the year



Focus on **organic growth** and **innovative services**. **Alterlinks** acquired in Portugal, strengthening our infrastructure position and strategic agreement with Lyntia signed



Ops Cashflow **€9.45M** in 2023. **Strong cash position** of **€19.3M** by end of year, despite almost **€2.7M** cash payments in M&A.

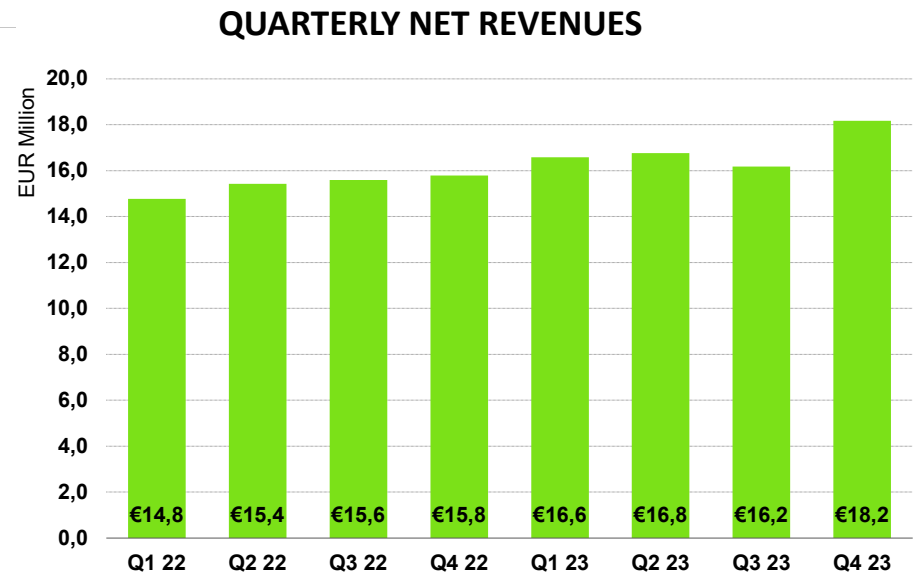
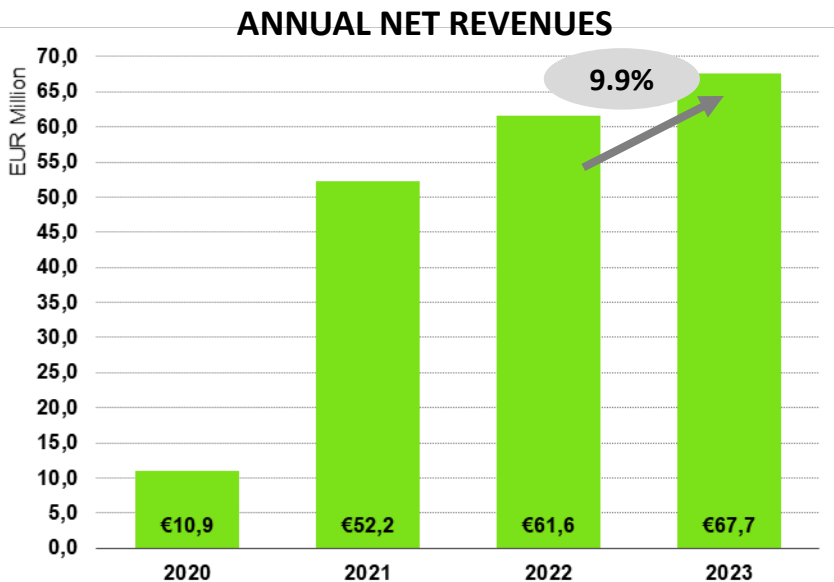


**New Financing deal** with **7 banks**, up to **€90M**; **€60M** initially with potential for an additional **€30M** in case a large acquisition was to be made



# Revenues 2023

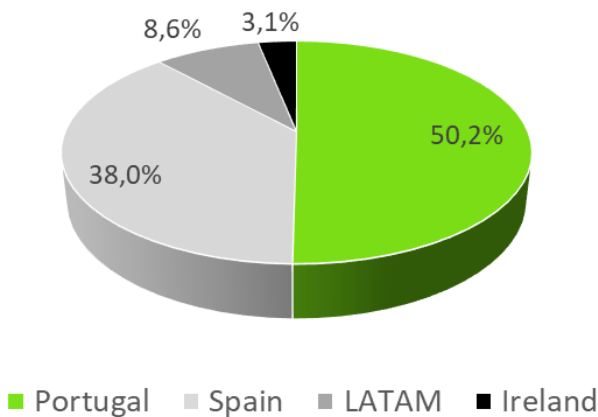
- Net revenues reached €67.7 million in 2023, 9.9% higher than in 2022 (€61.6M). Growth driven mainly by TPartner acquisition (Sept 2022) consolidating the full year and by organic growth, specially in the cloud segment (24.7% growth YoY) and Latam
- Very good organic growth albeit impacted by portfolio acquired from MasMovil
  - As a consequence of adjusting the perimeter of the MasMovil customer portfolio and a number of customers lost in the migration process ended in April 2023, impacting 2023 growth with -€1.5M revenues. Additional impact of €1M for 2024
  - Rest of business performed well in 2023, with relevant growth YoY. Significant growth in LATAM (20.3% growth YoY) and ONI, 7.3% growth YoY, reversing the decreasing trend ONI had over the past few years



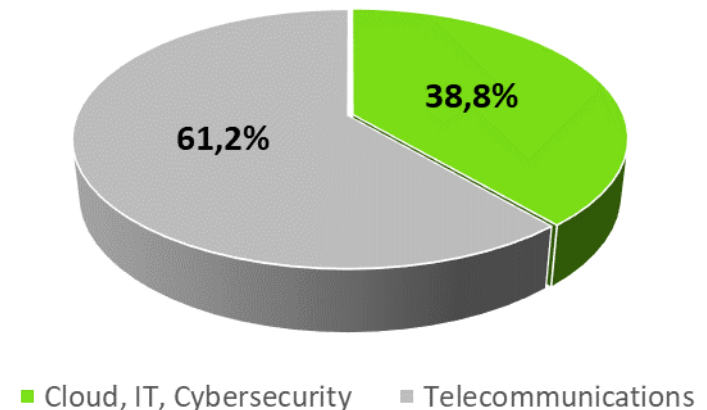
# Revenue Split, Customers and ARPU 2023

- Telecom represented 61.2% of net revenues, followed by Cloud, IT and Cybersecurity with 38.8%. Cloud, IT & Cyber has increased 5.5pp vs previous year
- In terms of geographies, the Iberian Peninsula contributes with 88.2% of total net revenues (Portugal 50.2%), followed by LATAM (8.6%) and Ireland (3.1%)
- GIGAS had a total of **4,954 business customers** by the end of 2023, including over 200 partner customers from ONMOVIL, who manage over 91,000 mobile lines
- **Blended average monthly ARPU of €772.6 in 2023**, considering all revenues (telecom, cloud and cybersecurity) and all customer segments (SMEs, Corporate, etc.)

Revenue Distribution by Geography



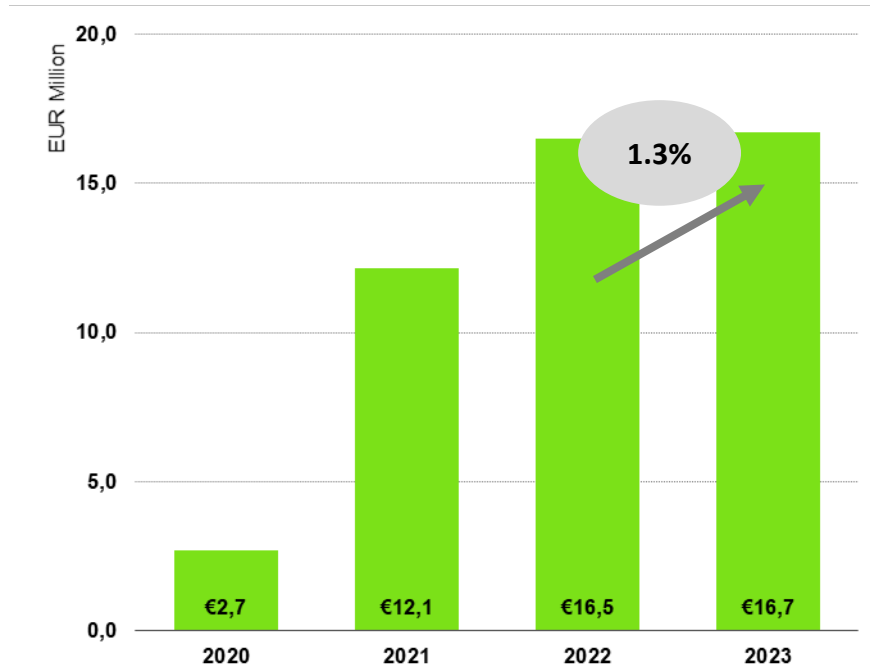
Revenue Contribution by Service



**NOTE:** For simplicity, revenues are accounted by location of subsidiary since 2022, whereas previously they had been reported by location of the customer

# Gross Margin and EBITDA 2023

- **Gross Margin of 60.3% during 2023**, a bit below the 61.9% achieved in 2022, due to extraordinary savings obtained that year related to wholesale contracts negotiations, but better than budgeted (58.6%)
- **Adjusted EBITDA reached €16.70M** (before long term remuneration plans and M&A and other extraordinary costs), **1.3% higher than previous year (€16.49M)**
- **EBITDA Margin was 24.7% over Revenues**, lower than 2022 (26.8%, impacted by the extraordinary savings mentioned), **but better than budgeted (23.8%)** due to operating leverage and synergies obtained in 2023



# 2023 P&L Compared to 2022 and Budget

## GIGAS

### CONSOLIDATED RESULTS

*Figures in euros*

	REAL		REAL		BUDGET 2023
	FY 23	% Var	FY 22	% Var	FY 23B
<b>Net Revenues</b>	<b>67,676,885</b>	<b>9.9%</b>	<b>61,555,737</b>	<b>-6.8%</b>	<b>72,640,178</b>
Cloud, IT & Cybersecurity Services	25,528,283	24.7%	20,474,348	-11.3%	28,795,161
Telecommunications Services	41,192,746	0.6%	40,960,030	-4.1%	42,945,017
Extraordinary Income, Subsidies & O.	955,855	687.6%	121,359	6.2%	900,000
<b>Cost of Sales</b>	<b>(26,842,039)</b>	<b>14.5%</b>	<b>(23,442,549)</b>	<b>-10.7%</b>	<b>(30,065,886)</b>
Cloud, IT & Cybersecurity Services	(7,719,449)	55.4%	(4,968,298)	-9.3%	(8,506,330)
Telecommunications Services	(19,122,591)	3.5%	(18,474,251)	-11.3%	(21,559,556)
<b>Gross Margin</b>	<b>40,834,845</b>	<b>7.1%</b>	<b>38,113,187</b>	<b>-10.5%</b>	<b>42,574,292</b>
<i>Gross Margin %</i>	60.3%		61.9%		58.6%
<b>Personnel Costs</b>	<b>(12,864,706)</b>	<b>13.8%</b>	<b>(11,304,027)</b>	<b>-4.8%</b>	<b>(13,511,779)</b>
Salaries and Social Security	(16,276,169)	17.3%	(13,874,925)	2.3%	(15,902,900)
Capitalised R&D	3,411,463	32.7%	2,570,898	42.7%	2,391,121
<b>Corporate Costs</b>	<b>(11,267,056)</b>	<b>9.2%</b>	<b>(10,319,737)</b>	<b>-4.5%</b>	<b>(11,796,289)</b>
Customer Operations and Marketing	(3,490,370)	-6.2%	(3,721,985)	-22.0%	(4,474,780)
Network, Operations and IT	(4,257,498)	38.7%	(3,070,615)	24.2%	(3,426,997)
Other Corporate Costs	(3,519,188)	-0.2%	(3,527,138)	-9.6%	(3,894,511)
<b>Adjusted EBITDA *</b>	<b>16,703,083</b>	<b>1.3%</b>	<b>16,489,423</b>	<b>-3.3%</b>	<b>17,266,225</b>
<i>Adjusted EBITDA %</i>	24.7%		26.8%		23.8%
<b>Maintenance CAPEX (**)</b>	<b>1,985,796</b>	<b>-49.3%</b>	<b>3,915,585</b>	<b>-37.6%</b>	<b>3,181,375</b>
<i>% over Revenues</i>	2.9%		6.4%		4.4%
<b>EBITDA - Maintenance CAPEX</b>	<b>14,717,287</b>	<b>17.0%</b>	<b>12,573,838</b>	<b>4.5%</b>	<b>14,084,850</b>
<i>% over Revenues</i>	21.7%		20.4%		19.4%



# Other Financials

- **Amortizations** grew to **€16.05M** in 2023 (€13.56M in 2022) mostly related to Customer Relations. Goodwill is not amortized under IFRS criteria
- **Financial expenses** grew to €5.36M in 2023 (€2.80M in 2022), due to IRUs (*Indefeasible Rights of Use*, telecom infrastructure long term rental agreements) in ONI (€1.54M), financial expenses related to bank debt (€3.3M) and interest from convertible bonds (€0.35M)
- **Net Loss of €4.88M in 2023, from €3.78M in 2022** mainly due to growth in the amortization of intangible assets and interest expenses due to new debt and higher interest rates
- **Cashflow from Operations** reached €9.45M and cash at the end of the year amounted to €19.30M (€13.7M in 2022)
- **Net Financial Debt of €37.8M**, representing a ratio of 2.27x EBITDA





# 2023 Balance Sheet

- CAPEX in intangible assets and property, plant and equipment, excluding the capitalisation of leases under IFRS 16 and in-house labour, of €6.5M (2022: €9.9M), equivalent to 9.7% of revenue (2022: 16.1%). Growth CAPEX linked to investments in new customers, R&D Projects and cloud and datacenter capacity
- As part of Alterlinks acquisition, IRU related to Network Access Agreement between ONI and Alterlinks (€15.8M) eliminated in the consolidated balance sheet as interco transaction
- M&A investments are reflected in Intangible assets, mainly in Customer Relations and Goodwill. Alterlinks acquisition by the end of October 2023, generated a Goodwill of €12.3M
- Trade and receivables increased slightly due to integration of Alterlinks in the last two months of the year. DSO remains stable. Trade and other payables grew slightly as well. DPO grew slightly to 50 days in 2023
- Gross Debt of €57.15M, excluding IRUs and IFRS16 leases and convertible bonds, with a cash position of €19.30M (NFD of €37.8M at year end) and a leverage ratio of 2.27x EBITDA

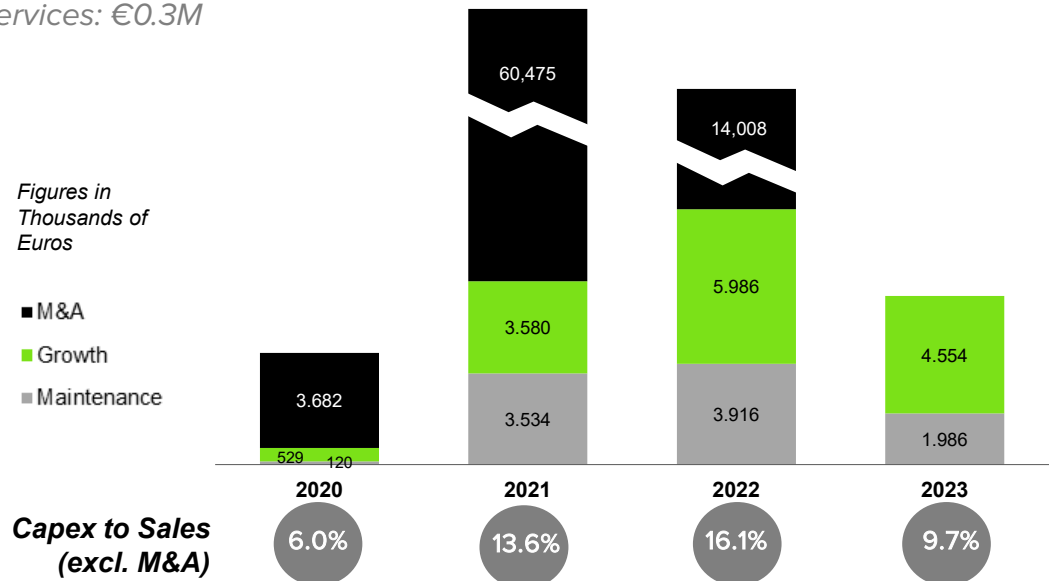
# 2023 Balance Sheet

ASSETS	31/12/2023	31/12/2022
<b>NON-CURRENT ASSETS</b>	<b>133,137,045</b>	<b>131,119,649</b>
<b>Intangible assets</b>	<b>90,875,474</b>	<b>95,398,511</b>
Research and development	504,731	442,945
Patents, licences, trademarks and similar rights	3,518,198	3,559,859
Computer software	1,663,789	1,503,709
Other intangible assets	6,208,251	20,137,887
Customer relations	22,651,719	25,845,249
Goodwill	56,328,786	43,908,863
<b>Property, plant and equipment</b>	<b>29,515,075</b>	<b>25,216,218</b>
Land and buildings	3,813,139	3,912,628
Technical installations and other property, plant and equipment	22,740,297	18,345,638
Assets in development and advances	2,961,640	2,957,952
<b>Non-current investments</b>	<b>62,817</b>	<b>70,779</b>
<b>Deferred tax assets</b>	<b>6,601,563</b>	<b>5,492,491</b>
<b>Right-of-use assets</b>	<b>6,082,115</b>	<b>4,941,649</b>
<b>CURRENT ASSETS</b>	<b>38,927,402</b>	<b>29,869,917</b>
<b>Inventories</b>	<b>1,077,119</b>	<b>697,340</b>
<b>Trade and other receivables</b>	<b>13,948,983</b>	<b>12,466,050</b>
Trade receivables	13,052,831	12,063,159
Other receivables and receivables from employees	896,151	402,891
<b>Current tax assets and other tax receivables</b>	<b>2,469,057</b>	<b>1,621,027</b>
<b>Current financial assets</b>	<b>21,738</b>	<b>24,884</b>
<b>Derivative hedging</b>	<b>334,197</b>	
<b>Current accruals</b>	<b>1,774,440</b>	<b>1,365,033</b>
<b>Cash and cash equivalents</b>	<b>19,301,869</b>	<b>13,695,584</b>
<b>TOTAL ASSETS</b>	<b>172,064,447</b>	<b>160,989,567</b>

EQUITY AND LIABILITIES	31/12/2023	31/12/2022
<b>EQUITY</b>	<b>38,703,571</b>	<b>43,344,918</b>
<b>CAPITAL AND RESERVES</b>		
<b>Capital</b>	<b>232,887</b>	<b>232,887</b>
<b>Share premium</b>	<b>54,325,581</b>	<b>54,325,581</b>
<b>Treasury shares</b>	<b>(1,054,377)</b>	<b>(1,277,191)</b>
<b>Prior years' losses</b>	<b>(10,168,580)</b>	<b>(6,716,244)</b>
<b>Profit/(loss) for the year attributable to the parent</b>	<b>(4,877,420)</b>	<b>(3,787,229)</b>
<b>Profit/(loss) attributable to non-controlling interests</b>	<b>(1,474)</b>	<b>4,293</b>
<b>Other equity instruments</b>	<b>799,777</b>	<b>1,047,674</b>
<b>EXCHANGE DIFFERENCES</b>	<b>(564,963)</b>	<b>(492,701)</b>
<b>NON-CONTROLLING INTERESTS</b>	<b>12,140</b>	<b>7,848</b>
<b>NON-CURRENT LIABILITIES</b>	<b>92,823,195</b>	<b>71,876,506</b>
<b>Deferred income</b>	<b>540,365</b>	<b>1,464,238</b>
<b>Non-current provisions</b>	<b>7,579,411</b>	<b>1,570,471</b>
<b>Convertible bonds and debentures</b>	<b>2,721,369</b>	<b>2,490,475</b>
<b>Bank borrowings</b>	<b>44,150,193</b>	<b>27,231,957</b>
<b>Vendor loans (inorganic growth)</b>	<b>3,187,686</b>	<b>6,450,000</b>
<b>Lease liabilities - premises</b>	<b>4,853,926</b>	<b>3,668,156</b>
<b>Lease liabilities, other infrastructure - IRUs</b>	<b>19,848,002</b>	<b>19,017,320</b>
<b>Fixed asset suppliers and other</b>	<b>-</b>	<b>44,819</b>
<b>Deferred tax liabilities</b>	<b>5,175,639</b>	<b>5,485,829</b>
<b>Non-current accruals</b>	<b>4,082,700</b>	<b>4,453,242</b>
<b>Derivative hedging</b>	<b>683,905</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>	<b>40,537,682</b>	<b>45,768,143</b>
<b>Current provisions</b>	<b>2,939,424</b>	<b>3,057,602</b>
<b>Bank borrowings</b>	<b>4,916,807</b>	<b>9,283,553</b>
<b>Vendor loans (inorganic growth)</b>	<b>3,200,000</b>	<b>2,602,871</b>
<b>Lease liabilities - premises</b>	<b>1,771,880</b>	<b>1,269,876</b>
<b>Lease liabilities, other infrastructure - IRUs</b>	<b>4,163,787</b>	<b>2,698,950</b>
<b>Fixed asset suppliers and other</b>	<b>2,611,173</b>	<b>3,400,732</b>
<b>Trade and other payables</b>	<b>17,498,362</b>	<b>20,123,065</b>
<b>Other tax payables</b>	<b>1,271,966</b>	<b>1,283,581</b>
<b>Current accruals</b>	<b>2,164,283</b>	<b>2,047,913</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>172,064,447</b>	<b>160,989,567</b>

# CAPEX 2023

- CAPEX reached **€6.54M** in 2023, (€9.9M in 2022) significantly below last year due to CAPEX optimization and end of strong investments in telco and OSS during 2021-22
- Budget for the year was **€8.45M** (€10.9M in 2022) and therefore **investment was €1.91M lower than budgeted** and represented a CAPEX to sales ratio of 9.7%
- **M&A CAPEX represented €0M** in 2023 (€14M in 2022, linked to TPartner acquisition. €7.05M paid that year in cash -including €1.2M of NFD adj- and €6.95M deferred)
- **Main growth projects in 2023:**
  - *SAC and Customer Installations: €2.2M*
  - *R&D Project (Infinite Back Up): €1.1M*
  - *Cloud Capacity (Storage and Computing): €0.7M*
  - *New Systems, Platforms and Services: €0.3M*
  - *IT Licenses : €0.2M*



# 2023 Cash Flow

Figures in Euros

FY 23

<b>EARNING BEFORE TAXES</b>	<b>(6,188,300)</b>
<b>Result Adjustments</b>	<b>26,394,281</b>
Changes in accruals and bad debt	5,890,980
D&A	16,052,180
Other non-cash items (R&D capital, ESOP, Subsidies...)	(910,525)
Net financial result	5,361,646
<b>Changes in working capital</b>	<b>(10,571,372)</b>
<b>Taxes outflows</b>	<b>(185,668)</b>
<b>CASH FLOW FROM OPERATIONS</b>	<b>9,448,941</b>
<b>Investment Outflows</b>	<b>(12,628,797)</b>
Intangible asset payments	(5,614,356)
PP&E payments	(4,336,941)
Payment Related to acquisitions	(2,677,500)
<b>Investment inflows</b>	<b>(323,089)</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>(12,951,886)</b>
<b>Financing Outflows</b>	<b>(45,768,619)</b>
Debt amortisation	(40,753,934)
Interest payments	(5,014,685)
<b>Financing Inflows</b>	<b>54,877,849</b>
Equity issues	24,725
New debt raised	54,853,123
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>9,109,230</b>
<b>NET INCREASE (DECREASE) ACTIVITIES</b>	<b>5,606,285</b>
Cash at beginning of period	13,695,584
Cash at end of period	19,301,869

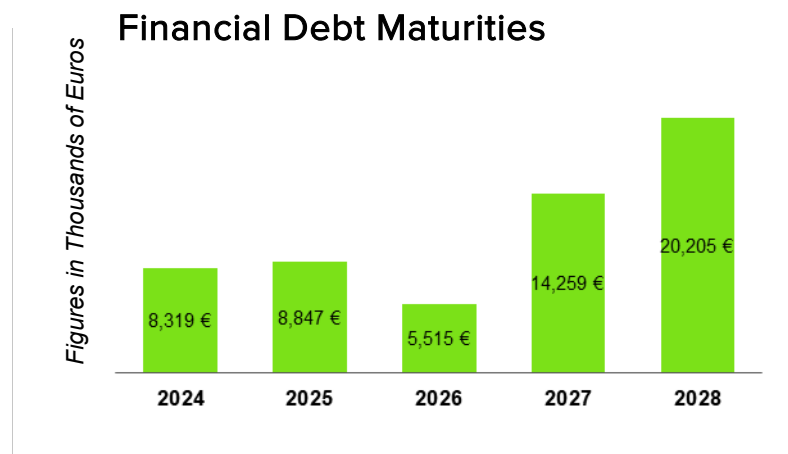
- Cashflow from Operations reached **€9.45M** in spite of working capital consumption of €10.5M, due to payments from previous year
- **New Financing Agreement closed in April 2023**. Financial expenses reached €5.3M in 2023 (€2.8M in 2022), mostly from IRU and IFRS16 expenses (€1.5M). €3.3M financial expenses come from bank debt and €0.35M come from convertible bonds
- **CAPEX paid in the year reached €12.95M**, €2.7M linked to M&A transactions
- **€40.7M of debt amortized in 2023 and €54.8M of new debt raised**, through new syndicated structure, signed with 7 banks, to fund transactions and new projects
- **Cash at year end reached €19.30M**, significantly higher than €13.7M in 2022

# Debt Evolution as of 31<sup>st</sup> DEC 2023

- Gross Debt at 31<sup>st</sup> DEC 2023 reached €57.1M
- Cash at hand amounted €19.30M at year end, resulting in a Net Financial Debt position of €37.84M, or 2.27x EBITDA 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, €30.8M)

<i>Figures in Euros</i>	DEC 2023	DEC 2022	<i>Diff %</i>
R&D and Banks Debt LT	45,575,817	27,229,872	67.4%
M&A Related Debt LT	3,250,000	6,450,000	-49.6%
R&D and Banks Debt ST	5,119,380	9,285,638	-44.9%
M&A Related Debt ST	3,200,000	2,677,500	19.5%
<b>GROSS FINANCIAL DEBT</b>	<b>57,145,197</b>	<b>45,643,010</b>	<b>25.2%</b>
Cash at hand	19,301,869	13,695,585	40.9%
<b>Net Financial Debt</b>	<b>37,843,329</b>	<b>31,947,426</b>	<b>18.5%</b>
Adj. EBITDA	16,703,083	16,489,424	1.3%
<b>NFD/EBITDA</b>	<b>2.27</b>	<b>1.94</b>	<b>16.9%</b>

- *NFD/EBITDA calculated over adjusted EBITDA*
- *Convertible bonds not included as financial debt*



# 2024 Guidance



## Guidance for 2024

- In line with current trends in corporate governance and a focus on the medium and long term, **the Company has decided to cease publishing detailed quarterly results and to publish results twice a year**, to coincide with the half-yearly results (with a limited review by the auditors) and the annual results (together with the auditors' report)
- Similarly, **the company will provide guidance on the key annual metrics of its business**, rather than a detailed quarterly budget. In this regard, the Board of Directors of GIGAS approved the Company's budget forecasting **net revenues of EUR 70.4 million in 2024**, which would represent a growth of 4% compared to the revenues achieved in 2023. In terms of EBITDA, the company has set **a target of €17.6 million of adjusted EBITDA**, which would represent a growth of 5.4% compared to 2023
- **The Group is very focused on generating organic growth and is very confident of achieving the targets set for this year.** Indeed, following a very good fourth quarter, the company has started the year strongly, with results above budget, and is optimistic about its annual targets





## Share Evolution

- Share ended at **€6.92** in **2023** and it was influenced by high market volatility in the first months of 2024
- Share Price closed at **€7.70** on 15<sup>th</sup> of April, representing a **YTD growth of 11.3%**, and **23.2% growth** since last capital increase in Q4'20 (**€6.25**)
- At current prices, market cap is **€89.7M**
- Adding current Net Financial Debt, **Enterprise Value would reach €127.5M**, which implies a multiple of **7.6x EBITDA 2023**, lower than most comparable companies
- Analysts very positive about the Company, with analyst consensus in the range of **€10** a share, representing a potential increase of c. **30%** over current price

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**Thank  
you**

