



## PRESS RELEASE

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2019 first-half results release

# **Gigas triples EBITDA in one year and posts a EUR 155 thousand profit**

- *The company multiplied its operating cash flow by 6, approaching €1 million*

Gigas (GIGA.MAB), a Spanish multinational specialising in cloud computing services, has released figures on its performance in the half-year ended 30 June 2019 that show 25.8% year-on-year growth in revenue, a 211.1% leap in EBITDA and profit of EUR 155 thousand. The company was in profit for the second consecutive six-month reporting period and started to generate operating cash flow, reaching EUR 0.95 million in the first half.

Gross sales came to EUR 5.76 million, in line with guidance (1.9% higher than forecast), making for an increase of 24.9%, versus EUR 4.61 million in the first half of 2018. Revenue came to EUR 4.95 million, showing growth of 25.8% compared to the same period last year.

Gigas closed the first half with EBITDA of EUR 1.28 million, more than treble the EUR 0.41 million figure achieved in the same period the previous year and accounting for 25.9% of revenue. EBITDA for the period was 22% higher than the EUR 1.05 million estimate in earlier guidance, strongly outperforming the expected 21% EBITDA margin.

Gigas multiplied positive cash flow in the first half by a factor of more than six, from EUR 0.15 million in the first half of 2018 to EUR 0.95 million in the first half of 2019. So despite using EUR 0.97 million for debt service, EUR 0.54 million for buying fixed assets (borrowing EUR 0.4 million) and EUR 0.31 million for buying back own shares to support our employee stock option scheme while avoiding shareholder dilution, the net decrease in cash and cash equivalents in the period was only EUR 0.36 million.

Leaving potential new takeovers aside, Gigas estimates it will end the year with gross borrowings of around EUR 2.5 million (compared to EUR 4.32 million at the end of 2018), excluding convertible bonds. Net borrowings are expected to end the year at around EUR 1 million, making for a net debt-to-EBITDA ratio of about 0.4 times forecast EBITDA for 2019.

### **About Gigas.com**

Gigas is a Spanish cloud computing company listed on the Mercado Alternativo Bursátil (Spanish Alternative Equity Market or MAB) (GIGA.MAB). Founded in 2011, it has become one of the world's leader providers in the sector, according to Gartner's "Magic Quadrant for Cloud Infrastructure as a Service" report. Gigas, which offers cloud computing solutions to large corporations and SMEs alike, is widely known for its cutting-edge technology and unrivalled technical support. The company has data centres in Madrid, Miami and Santiago de Chile and offices in Spain, Colombia, Chile, Peru, Miami, Panama and Mexico.

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