



PRESS RELEASE

January 4, 2021

The Group announces its second transaction in the telecommunications sector

Gigas acquires a portfolio of more than 3,000 business telecommunications customers from operator MásMóvil

- **The Group's pro-forma consolidated revenue and EBITDA post-transaction for 2020 amount to EUR 59 million and EUR 11.8 million, respectively**
- **Gigas is embarking on a new stage aimed at becoming a relevant operator in the converging enterprise telecommunications, cloud and security market in the Iberian Peninsula**

Gigas (GIGA.MAB), has announced an agreement with MásMóvil to acquire a portfolio of 3,000 business telecommunications customers, for EUR 9 million. This marks the second transaction in the telecommunications sector announced by the Company on 16 October. The purchase agreement will have economic effect as of 1 January 2021, although it will be completed on 1 February following approval by the General Meeting of Shareholders of Gigas.

The portfolio acquired comprises primarily medium-sized and large enterprises, which fit perfectly with the Group's target customer profile. The services provided to these customers include connectivity, voice, and hosting and cloud services. Forecasts for 2020 indicate that this portfolio could produce revenue of EUR 9.2 million and EBITDA of approximately EUR 1.6 million for Gigas, giving an EBITDA margin of 17.4%. With these figures and the two acquisitions made this year (Ignitar in Ireland and ONI in Portugal), the Group expects pro-forma revenue for 2020 of EUR 59.0 million and pro-forma adjusted consolidated EBITDA (excluding MampA costs) of EUR 11.8 million, implying a nearly six-fold increase in revenue and a nearly five-fold increase in EBITDA from 2019.

The transaction price is EUR 9 million, of which 80% will be paid in close at the close of the transaction (immediately after authorisation is given by the General Meeting of Shareholders of Gigas) and the remaining 20%, also in cash, 12 months later. The Company has the funds thanks to the two capital increases carried out recently which were both widely successful, and also leverage capacity, enabling it to undertake the acquisition without any additional dilution for shareholders. The Company estimates that its net financial debt post-acquisition of the portfolio and the acquisition of telecommunications operator ONI in Portugal, will stand at approximately EUR 14 million; i.e. 1.2x pro-forma consolidated EBITDA.

GIGAS continues to press on with its strategy of becoming a relevant and pioneering operator in the converging enterprise telecommunications, cloud and security market in the Iberian Peninsula, strengthening its product offering to become a one stop shop for businesses and bringing in more human resources and telecommunications capabilities Spain, in addition to



those acquired in Portugal, to enable the launch of OTT (i.e. over the top or use of third-party networks) telecommunications services in other countries. The Group has grown exponentially with the acquisitions carried out this year, increase revenue from EUR 10.2 million in 2019 to EUR 59.0 million pro-forma in 2020.

2020 has been an excellent year for Gigas, in which in addition to multiplying its turnover by almost six, it saw its share price practically double and its market capitalization increased from 30 million euros at the beginning of 2020 to approximately more than 130 million euros currently, including all newly issued shares and shares. pending issuance of the referred capital increases.

About Gigas.com

Gigas is a Spanish operator in the converging telecommunications, cloud and security company listed on the BME Growth since 2015 (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 telecommunications and 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, Barcelona, Lisbon, Porto, Dublin, Miami, Bogota and Santiago de Chile and offices in Spain, Portugal, Ireland, Colombia, Chile, Peru, USA, Panama and Mexico.

