



ACQUISITION OF CLOUD BACKUP SERVICES
BUSINESS UNIT
GIGAS HOSTING, S.A.

31 March 2021

Pursuant to article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse and article 228 of the Consolidated Text of the Securities Market Act approved by Royal Legislative Decree 4/2015, of 23 October, and related provisions, and Circular 3/2020 of the BME Growth Segment of BME MTF Equity ("BME Growth"), Gigas Hosting, S.A. ("Gigas" or the "Company") hereby discloses the following information.

Gigas has completed the acquisition of the cloud backup services business unit (the "Business") of VALORA DATA S.L. Set up 1989 as ESABE INFORMÁTICA DISTRIBUIDA SL, this unit focuses on providing backup and disaster recovery services to some 300 medium-sized companies. Backup services comprise desktop and cloud backup services, and hybrid local (on-premise) cloud backup structures.

These services make a good fit with the type of cloud infrastructure and telecommunications services Gigas offers and are aligned with the Company's new strategy of offering one-stop cloud, telecommunications and IT services for businesses. Backup services are becoming more important as digitalisation has grown and are increasingly crucial for protecting companies from disasters and fending off cyberattacks. Coincidentally, today, 31 March, is World Backup Day.

The acquisition not only complements Gigas' services portfolio, but it also brings in new business customers that match its target customer profile and strengthens its presence in Spain, with a highly skilled technical and sales team specialised in backup and business continuity.

In 2020, the Business contributed EUR 1.62 million of revenue and EUR 426 thousand of normalised EBITDA, leaving an EBITDA margin of 26.2%. It has its own backup platform in two external datacenters and **expects to contribute synergies by migrating that platform to Gigas, leaving scope for considerably higher EBITDA in 2021.**

The Business has a **staff of 14 people, mostly working in Madrid**, who will join Gigas' team and play a vital role in providing backup services to business customers in all countries where the Group operates.

The Business unit was valued at EUR 2.3 million, of which 75% would be paid in cash up front on signing. Payment of the remaining 25%, also in cash, would be deferred over 12 months.

The transaction marks Gigas' fourth acquisition in the past six months and adds momentum to its strategy of combining organic growth with M&A. In addition, **the Business will help round out**

INSIDE INFORMATION

Gigas' services portfolio, in line with its aim of offering a one-stop solution to business customers.

Gigas engaged Crea Inversión, ILV Silver and PriceWaterhouseCoopers as advisors on the acquisition.

Alcobendas, Madrid, 31 March 2021,

Diego Cabezudo
Chief Executive Officer
GIGAS HOSTING, S.A