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Q3 2022 Results Presentation for Investors



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YTD Q3'22 Key Highlights



YTD SEP'22 net revenues reached €45.8M, 23.7% up YoY (€37.0M), due organic growth and consolidation of MVNO acquired in Sept. 2021



Gross margin of €28.3M (61.7%) YTD, 29.3% higher than €21.9M from same period last year. Margin % significantly above budget (56.9%)



Adj. EBITDA for the 9 months reached €11.0M, up 23.3% YoY (€8.9M) and 7.0% higher than €10.3M budgeted for the period



Low leverage (NFD of 2.2x EBITDA budgeted) and good cash position (€12.2M), after TPartner acquisition in September 2022



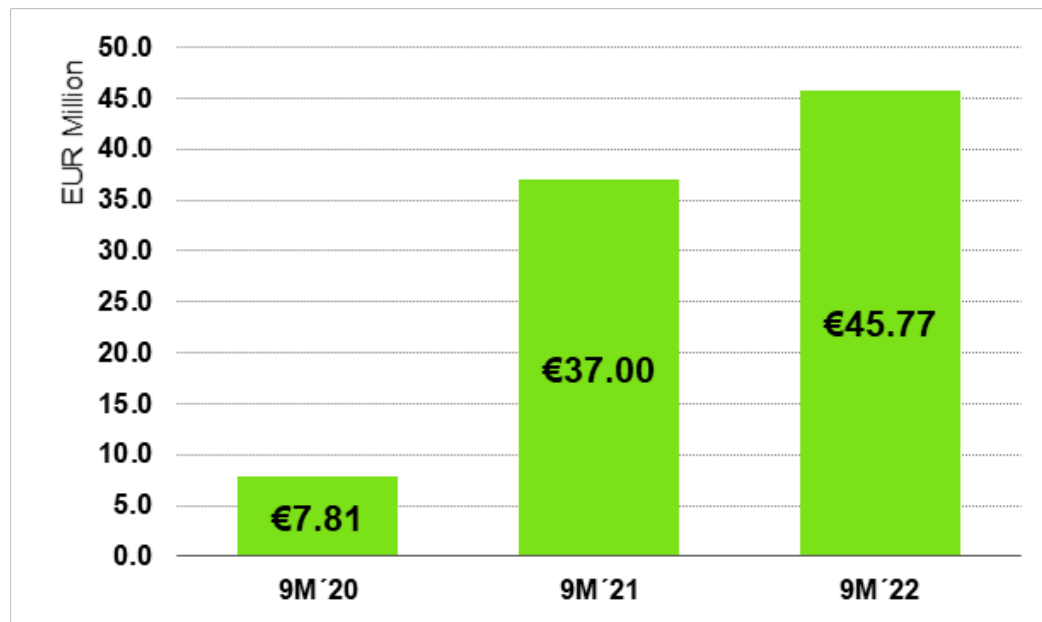
Five acquisitions in the last 20 months. UCaaS provider just acquired in Spain, which brings in €6.0M in revs. and €1.8M in EBITDA (2021 figures)



Revenues 2022 SEP YTD

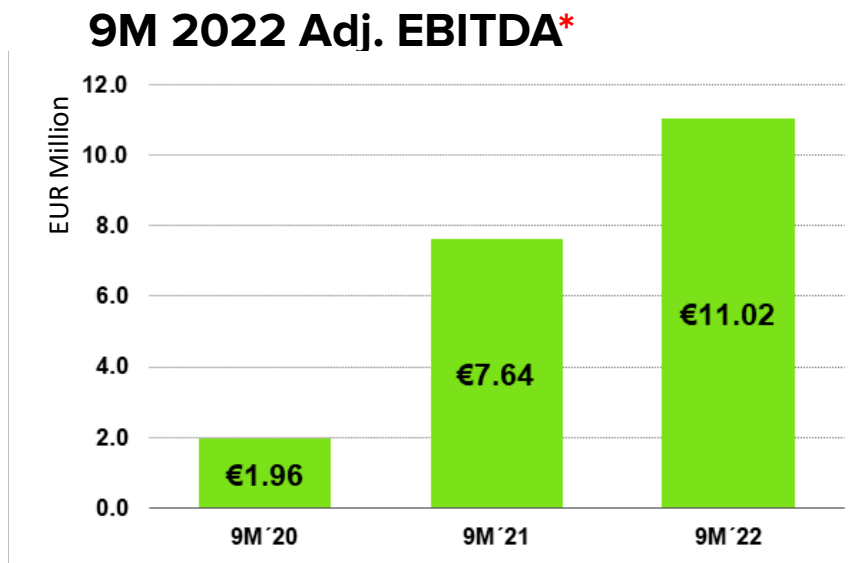
- Net revenues grew to €45.8M in the first nine months of the year, 23.7% higher than the €37.0M from same period last year, due mainly to the consolidation of MVNO Onmovil acquired in September 2021 and cloud organic growth, although slightly below budget (5.3% lower)
- Telecommunications services represented 67.9% of total revenues while **cloud and cybersecurity** represented 32.1%.

9M Net Revenues



Gross Margin and EBITDA SEP YTD

- **Gross Margin of €28.3M in YTD Q3'22**, 29.3% better than the €21.86M of YTD SEP'21
- **Gross Margin reached 61.7% of net revenues** substantially better than the 59.1% of same period of last year, and much better than the 56.9% budgeted, thanks to renegotiation of wholesale telecommunications contracts and other efficiencies
- **Adjusted EBITDA reached €11.0M** (before M&A costs and long term remuneration plans and other extraordinary), **23.3% higher than first 9 months last year (€8.94M)**
- **EBITDA margin totaled 24.1% over Revenues**, in line with same period last year but **significantly better than budgeted (21.3%)**, due to higher gross margin, operating leverage and synergies obtained from acquisitions



*Adjusted EBITDA represents recurring EBITDA excluding M&A related costs, multiyear remuneration plans and other extraordinary

YTD 2022 RESULTS

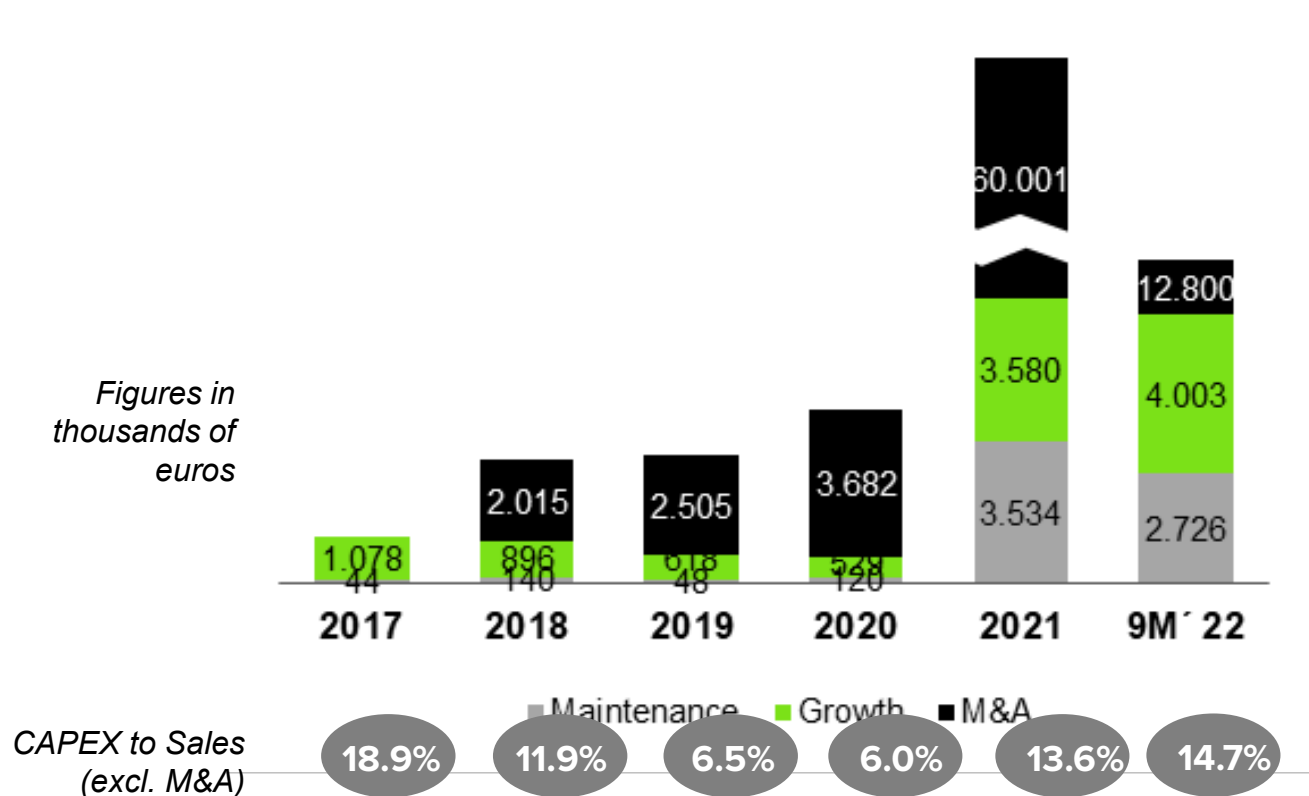
Consolidated P & L	REAL	REAL	REAL	REAL	REAL	REAL	Budget 2022
Figures in euros	Q1 22	Q2 22	Q3 22	JAN-SEP	% Var	YTD 2021	% Var YTD 2022B
Net Revenues	14,760,883	15,423,006	15,586,680	45,770,569	23.7%	37,000,095	-5.3% 48,308,979
Cloud, IT & Cybersecurity Services	4,557,357	5,038,165	5,054,950	14,650,473	21.7%	12,040,674	3.5% 14,157,232
Telecommunications Services	10,193,473	10,371,899	10,510,974	31,076,347	24.7%	24,926,960	-9.0% 34,151,746
Extraordinary Income, Subsidies and Other	10,052	12,942	20,755	43,749	34.8%	32,461	- -
Cost of Sales	(6,361,911)	(5,644,864)	(5,505,793)	(17,512,568)	15.7%	(15,137,076)	-15.8% (20,798,440)
Direct Product Costs	(5,876,940)	(5,161,961)	(5,045,672)	(16,084,573)	16.6%	(13,791,268)	-15.9% (19,117,712)
Operations and Technical costs	(484,971)	(482,903)	(460,120)	(1,427,994)	6.1%	(1,345,808)	-15.0% (1,680,728)
Gross Margin	8,398,971	9,778,142	10,080,887	28,258,001	29.3%	21,863,019	2.7% 27,510,539
<i>Gross Margin %</i>	<i>56.9%</i>	<i>63.4%</i>	<i>64.7%</i>	<i>61.7%</i>		<i>59.1%</i>	<i>56.9%</i>
Personnel Costs	(2,766,854)	(2,710,509)	(2,919,808)	(8,397,170)	19.9%	(7,000,807)	0.1% (8,386,382)
Salaries and Social Security	(3,322,545)	(3,382,127)	(3,517,850)	(10,222,522)	23.0%	(8,309,002)	1.4% (10,084,287)
Capitalised R&D	555,692	671,619	598,042	1,825,352	39.5%	1,308,195	7.5% 1,697,904
Corporate Costs	(2,586,713)	(3,021,608)	(3,234,190)	(8,842,510)	49.3%	(5,923,800)	0.2% (8,825,674)
Customer Operations and Marketing	(788,601)	(994,972)	(956,772)	(2,740,344)	218.9%	(859,368)	-17.2% (3,310,702)
Network, Operations and IT	(920,935)	(945,850)	(1,062,913)	(2,929,698)	5.7%	(2,772,637)	-13.7% (3,395,388)
Other Corporate Costs	(877,177)	(1,080,787)	(1,214,505)	(3,172,469)	38.4%	(2,291,794)	49.7% (2,119,585)
Adjusted EBITDA * -	3,045,405	4,046,025	3,926,890	11,018,320	23.3%	8,938,412	7.0% 10,298,482
<i>Adjusted EBITDA %</i>	<i>20.6%</i>	<i>26.2%</i>	<i>25.2%</i>	<i>24.1%</i>		<i>24.2%</i>	<i>21.3%</i>
Maintenance CAPEX (**)	1,271,845	950,790	502,881	2,725,517	-40.6%	4,587,572	-53.2% 5,827,494
<i>% over Revenues</i>	<i>8.6%</i>	<i>6.2%</i>	<i>3.2%</i>	<i>6.0%</i>		<i>12.4%</i>	<i>12.1%</i>
EBITDA - Maintenance CAPEX	1,773,560	3,095,235	3,424,009	8,292,803	90.6%	4,350,840	85.5% 4,470,988
<i>% over Revenues</i>	<i>12.0%</i>	<i>20.1%</i>	<i>22.0%</i>	<i>18.1%</i>		<i>11.8%</i>	<i>9.3%</i>

*Adjusted EBITDA represents recurring EBITDA excluding M&A related costs, multiyear remuneration plans and other extraordinary

**Maintenance CAPEX represents recurring investments to maintain existing infrastructures and current cloud capacity

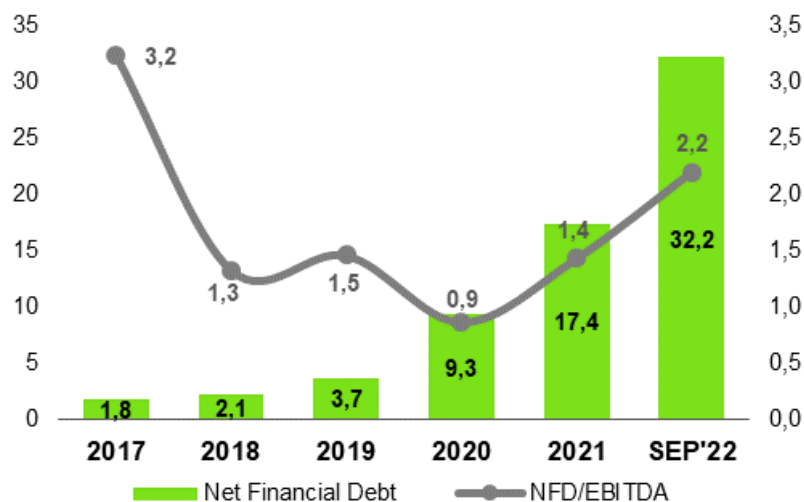
CAPEX Evolution 2017-2022

- **CAPEX (excl. M&A and R&D) YTD reached €6.7M, representing 14.7% of revenues, higher than the 13.6% from 2021**, due to full consolidation of ONI and to investments related to the 10G fiber deployment in Portugal, data and voice platforms and business support systems in Spain, together with new products launched.
- **Growth CAPEX for the period reached €4.0M, representing 59.7% of total CAPEX and 8.7% of revenues. Budget for the year is €10.9M (€7.1M in 2021) but guidance is to end the year with investments below €10M** and therefore about 10% lower than budgeted



Debt and Cash Evolution

- **Gross Debt at 30/SEP reached €44.4M**, reflecting the new debt agreements signed in the period linked to CAPEX investments and the TPartner acquisition
- **Cash at hand amounted €12.2M as of 30/SEP**, resulting in a **net financial debt position of €32.2M**, or **2.2x EBITDA budgeted for the year**
- 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, €23.1M)
- A reduction in debt for the amount of €1.8M has been estimated, related to dispute from the acquisition of a portfolio of telco customers in Spain, although final figure will be determined by a trusted third party



2022 Budget and End of Year Guidance

- The Company estimates **net revenues between €61M and €62M for the end of the year**, including the contribution from recently acquired TPartner
- In terms of Adjusted EBITDA, the Group expects to end the year between €14.5M and €15M, in line or slightly higher than the €14.6M budgeted for the year

GIGAS GROUP

CONSOLIDATED BUDGET 2021

<i>Figures in euros</i>	Q1 22	Q2 22	Q3 22	Q4 22	2022	% Var.	2021
Net Revenues	15,219,384	16,066,147	17,023,448	18,224,811	66,533,790	27.5%	52,183,320
Cloud, IT & Cybersecurity Services	4,440,047	4,625,454	5,091,732	5,534,996	19,692,229	19.5%	16,475,902
Telecommunications Services	10,779,337	11,440,693	11,931,717	12,689,814	46,841,561		35,658,130
Extraordinary Income, Subsidies and Others	0	0	0	0	0	-100.0%	49,288
Cost of Sales	(6,443,628)	(6,932,985)	(7,421,827)	(8,041,446)	(28,839,886)	34.1%	(21,499,611)
Direct Product Costs	(5,906,253)	(6,368,694)	(6,842,765)	(7,420,008)	(26,537,720)	34.7%	(19,698,007)
Operations and Technical costs	(537,375)	(564,292)	(579,062)	(621,438)	(2,302,166)	27.8%	(1,801,603)
							-
Gross Margin	8,775,756	9,133,161	9,601,621	10,183,365	37,693,904	22.8%	30,683,709
Gross Margin %	57.7%	56.8%	56.4%	55.9%	56.7%	-3.6%	58.8%
Personnel Costs	(2,742,630)	(2,814,098)	(2,829,655)	(2,850,523)	(11,236,906)	17.4%	(9,574,693)
Salaries and Social Security	(3,306,910)	(3,387,075)	(3,390,302)	(3,431,804)	(13,516,091)	18.3%	(11,422,698)
Capitalised R&D	564,280	572,977	560,647	581,281	2,279,186	23.3%	1,848,005
Corporate Costs	(2,919,685)	(2,915,516)	(2,990,473)	(3,067,086)	(11,892,760)	32.6%	(8,968,187)
Customer Operations and Marketing	(1,088,249)	(1,124,744)	(1,097,708)	(1,152,860)	(4,463,562)	158.7%	(1,725,165)
Network, Operations and IT	(1,138,301)	(1,141,493)	(1,115,594)	(1,151,797)	(4,547,184)		(4,010,653)
Other Corporate Costs	(693,135)	(649,279)	(777,171)	(762,429)	(2,882,014)	-10.8%	(3,232,368)
Adjusted EBITDA	3,113,442	3,403,547	3,781,494	4,265,756	14,564,238	20.0%	12,140,830
Adjusted EBITDA %	20.5%	21.2%	22.2%	23.4%	21.9%	-5.9%	23.3%



Share Evolution

- **Share price ended at €10.75 in 2021** and it has been influenced during 2022 by high market volatility and market consolidation trends
- **Share Price closed at €10.50** yesterday, below the price at start of the year but still a **significant premium (64.8%)** since last capital increase in **Q4'20 (€6.25)**
- At current prices, **market cap is €121.7M**
- **Analysts very positive about the Company. GVC Gaesco, for example, targets a €12.5 price** in its latest report last month

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**Thank
you**

