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Full Year 2022 Results Presentation for Investors



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FY 2022 Key Highlights



FY22 net revenues grew 18.0% YoY up to €61.6M fuelled by corporate transactions and organic growth



Adj. EBITDA €16.5M, 25.8% higher than the €12.1M of 2021 and 13.2% higher than the €14.6M budgeted for the year



Focus on **integrating companies** (4 acquisitions in 2021) and **launch of innovative convergent servs.** UCaaS provider TPartner acquired in 2022



Ops Cashflow €11.6M in 2022. Cash Position of €13.7M by end of year, despite almost €8.4M cash payments in M&A.







New Financing deal with 6 banks, up to €90M; €60M initially with potential for an additional €30M in case a large acquisition was to be made

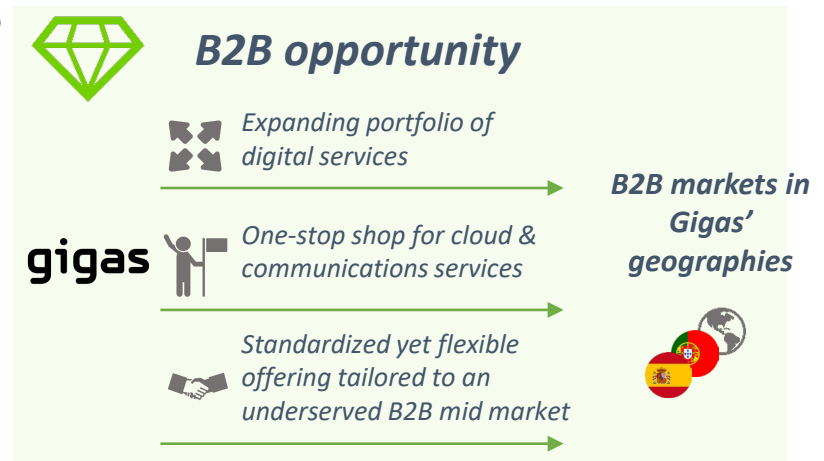
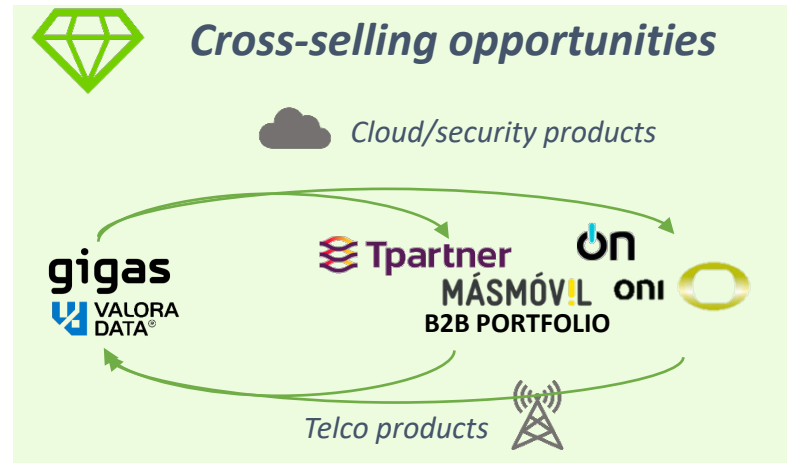


A B2B portfolio built for the digital era

Building a forward-looking service portfolio...

...unlocking significant value for Gigas and its clients

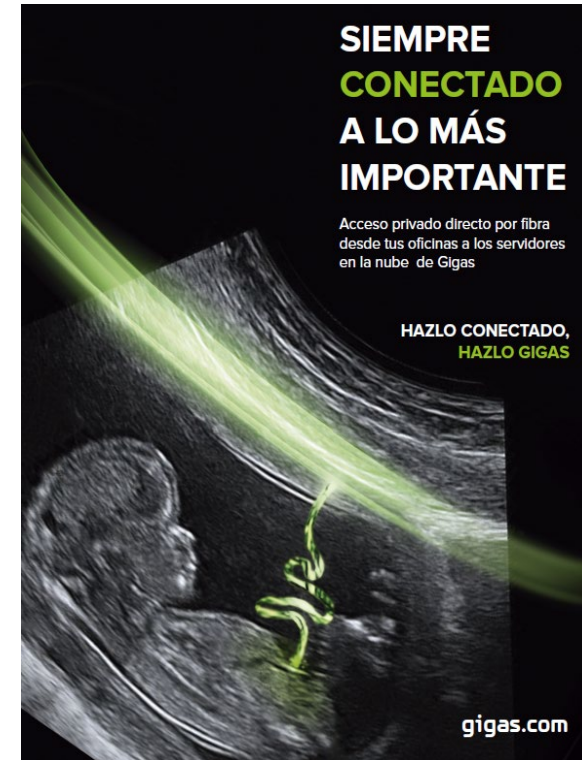
	<i>Initial Services</i>	<i>Convergent Services</i>
 Cloud	IaaS PaaS SAP™ Cloud	Hybrid and multi Cloud
 Cyber-security	Disaster recovery Cloud Backup Firewall as a service Disaster Recovery	SD-WAN Managed services Clean traffic Secure access service edge
 Connectivity	Internet connectivity Site interconnection	Flexible Fiber (pay per use) Global load balancing Secure remote access & VPN Private Cloud Connect
 Unified comms.	SIP Trunk VoIP Collaborative services Fixed Voice	Mobile communications Cloud PBX Fixed Mobile Convergence



New Services: Bringing Telco, Cyber and Cloud together

New Innovative Convergent Services:

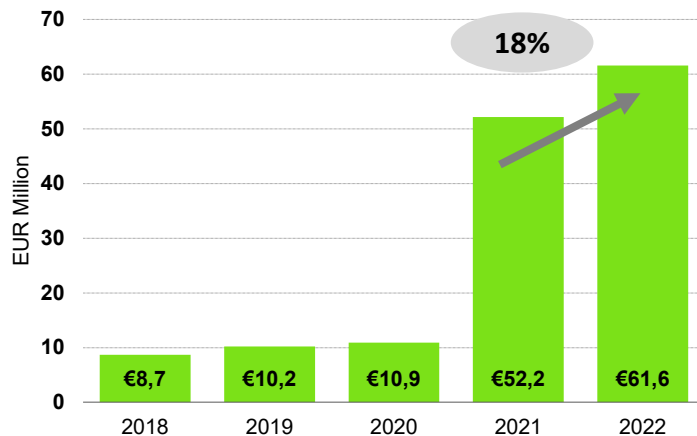
- **Fibra Flexible:** pay as you go, €1c per 100Mbps per hour
- **Private Cloud Connect:** Direct private fiber connection from your office to the Gigas cloud
- **gBackup:** New backup services launched, including workstation backups and antiransomware immutable backups
- **Cloud PBX:** Unified fixed mobile voice communications
- **Disaster and Recovery:** High availability services at the cost of backup services to provide affordable redundancy and security to business customers
- **Teams Voice:** Voice public services integrated with MS Teams



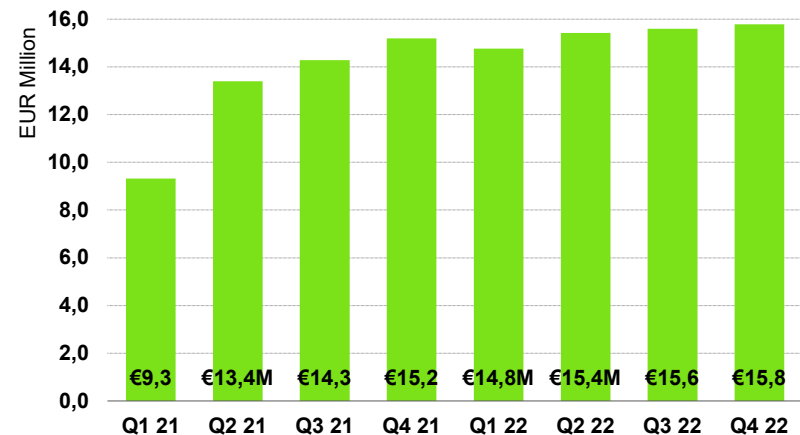
Revenues 2022

- **Net revenues reached €61.56 million in 2022, 18.0% higher than in 2021 (€52.18M).** Growth driven by the last 2 acquisitions closed in Sept 2021 (OnMovil) and Sept 2022 (TPartner) and by organic growth, specially in the cloud segment
- **Very good organic growth albeit impacted by portfolio acquired from MasMovil**
 - **Perimeter of MasMovil customer portfolio adjusted and a number of customers lost in the migration process, resulting in a significant reduction in size for this acquisition, heavily impacting 2022 growth.** Migration process now completed and a **€1.8M price reduction** agreed with MasMovil
 - Nevertheless, **rest of the business performed well in 2022, with 7.9% growth YoY.** Significant growth in **LATAM, with 26.7% increase in revs over 2021**

ANNUAL NET REVENUES



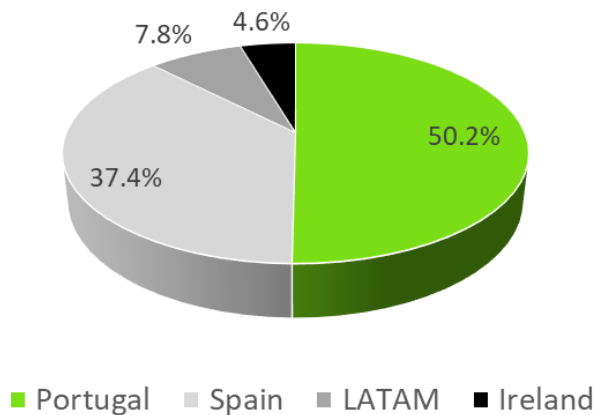
QUARTERLY NET REVENUES



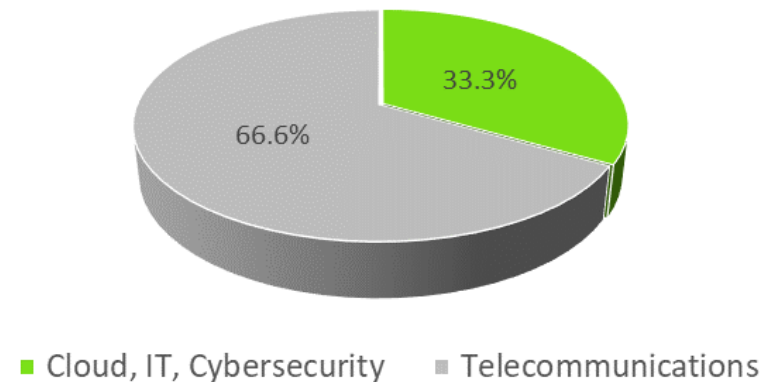
Revenue Split, Customers and ARPU 2022

- In terms of revenues, Telecom leads with **66.6%** of net revenues, followed by Cloud, IT and Cybersecurity with **33.3%**
- In terms of geographies, the **Iberian Peninsula contributes with 87.6%** of total net revenues (Portugal 50.1%), followed by LATAM (7.8%) and Ireland (4.6%).
- GIGAS had a total of **6,952 business customers by the end of 2022**, including 201 partner customers from ONMOVIL, who manage over 80,000 mobile lines.
- **Blended average monthly ARPU of €754,5 in 2022**, considering all revenues (telecom, cloud and cybersecurity) and all customer segments (SMEs, Corporate, etc.)

Revenue Distribution by Geography



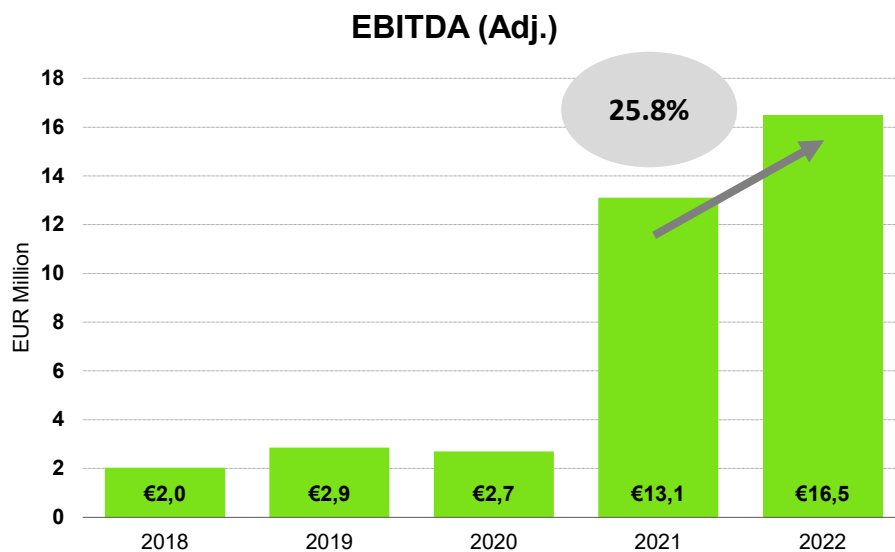
Revenue Contribution by Service



NOTE: For simplicity, revenues are now accounted by location of subsidiary, whereas historically they have been reported by location of the customer

Gross Margin and EBITDA 2022

- **Gross Margin of 61.9% during 2022, better than 58.8% of last year, and better than budgeted (56.7%),** due mostly to extraordinary saving related to renegotiated telecom contracts in 2022
- **Adjusted EBITDA reached €16.49M** (before long term remuneration plans and M&A and other extraordinary costs), **25.8% higher than previous year (€13.1M).** IFRS Conversion contributed with approx. €1.0M additional EBITDA in both years
- **EBITDA Margin was 26.8% over Revenues, higher than 2021 (25.1%),** due to higher gross margin, operating leverage and synergies obtained with acquisitions



2022 IFRS Results Compared to 2021 and Budget

GIGAS

CONSOLIDATED P&L

<i>Figures in euros</i>	2022		2021		Budget 2021	
	Jan-Dec	% Var	Jan-Dec	% Var	Jan-Dec	% Var
Net Revenues	61,555,737	18.0%	52,183,320	-7.5%	66,533,790	
Cloud, IT & Cybersecurity Services	20,474,348	24.3%	16,475,902	4.0%	19,692,229	
Telecommunications Services	40,960,030	14.9%	35,658,130	-12.6%	46,841,561	
Extraordinary Income, Subsidies & O.	121,359	146.2%	49,288	-	-	
Cost of Sales	(23,442,549)	9.0%	(21,499,611)	-18.7%	(28,839,886)	
Direct Product Costs	(21,536,781)	9.3%	(19,698,007)	-18.8%	(26,537,720)	
Operations and Technical costs	(1,905,768)	5.8%	(1,801,603)	-17.2%	(2,302,166)	
		-		-		
Gross Margin	38,113,187	24.2%	30,683,709	1.1%	37,693,904	
<i>Gross Margin %</i>	61.9%	5.3%	58.8%		56.7%	
Personnel Costs	(11,304,027)	18.1%	(9,574,693)	0.6%	(11,236,906)	
Salaries and Social Security	(13,874,925)	21.5%	(11,422,698)	2.7%	(13,516,091)	
Capitalised R&D	2,570,898	39.1%	1,848,005	12.8%	2,279,186	
Corporate Costs	(10,319,737)	29.0%	(7,997,208)	-13.2%	(11,892,760)	
Customer Operations and Marketing	(3,721,985)	112.2%	(1,753,861)	-16.6%	(4,463,562)	
Network, Operations and IT	(3,070,615)	-10.2%	(3,419,878)	-32.5%	(4,547,184)	
Other Corporate Costs	(3,527,137)	24.9%	(2,823,468)	22.4%	(2,882,014)	
Adjusted EBITDA	16,489,424	25.8%	13,111,809	13.2%	14,564,238	
<i>Adjusted EBITDA %</i>	26.8%		25.1%		21.9%	
Maintenance CAPEX	3,915,585	10.1%	3,556,687	-28.5%	5,473,332	
<i>% over Revenues</i>	6.4%		6.8%		8.2%	
EBITDA - Maintenance CAPEX	12,573,839	31.6%	9,555,122	38.3%	9,090,906	
<i>% over Revenues</i>	17.2%		18.3%		13.7%	

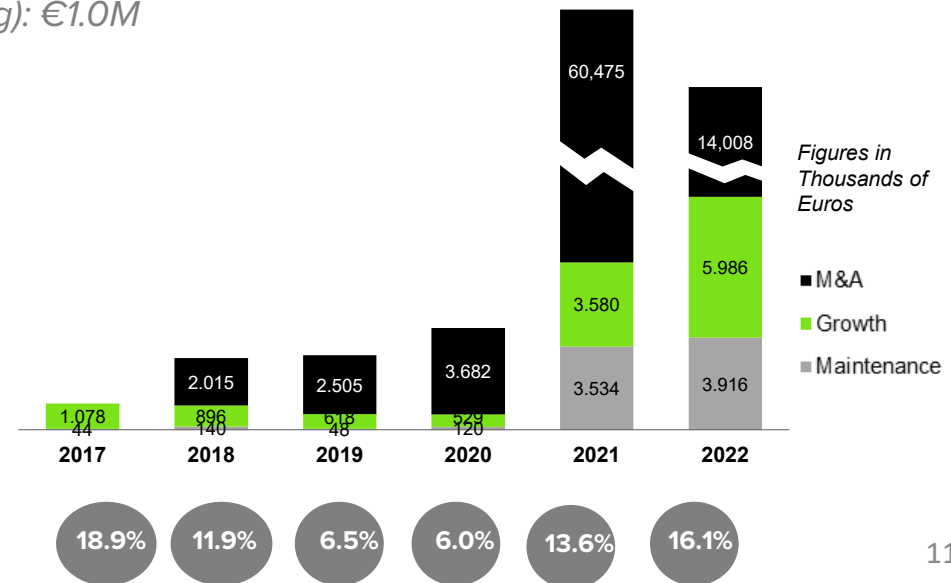
Other Financials

- **Amortizations grew to €13.56M** in 2022 (€12.12M in 2021) mostly related to Customer Relations. Goodwill is not amortized under IFRS criteria
- **Financial expenses** grew to €2.80M in 2022 (€1.90M in 2021), due to IRUs (*Indefeasible Rights of Use*, telecom infrastructure long term rental agreements) in ONI (€1.35M), financial expenses related to bank debt (€1.0M) and interest from convertible bonds (€0.35M)
- **Net Loss of €3.78M in 2022, from €2.10M in 2021**, mainly due to amortization increase of intangible assets and extraordinary items related to the MasMovil portfolio already mentioned
- **Cashflow from Operations reached €11.64M and cash at the end of the year amounted to €13.72M**
- **Net Financial Debt of €31.9M, representing a ratio of 1.9x EBITDA**



CAPEX 2022

- **CAPEX (excl. M&A and R&D) grew to €9.9M this year**, due to 10Gbps fiber deployment, new systems and platforms, migration and integration and full consolidation of ONI
- **Budget for the year was €10.9M** (€7.1M in 2021), and therefore **investment was one million euros lower than budgeted**, representing a Capex to sales ratio of 16.1%
- **M&A CAPEX represented €14M** in 2022 linked to TPartner acquisition. €7.05M paid this year in cash (including €1.2M of NFD adjustment) and €6.95M deferred
- **Main growth projects in 2022:**
 - *GPON Network and other Fiber Deployment: €2.4M*
 - *SAC and Customer Installations: €1.2M*
 - *New Systems, Platforms and Services: €1.0M*
 - *Cloud Capacity (Storage and Computing): €1.0M*



Capex to Sales
(excl. M&A)

Debt Evolution as of 31st DEC 2022

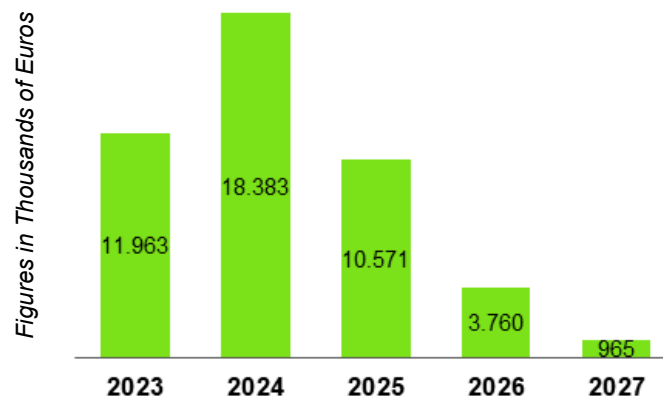
- Gross Debt at 31 DEC22 reached €45.6M.
- Cash at hand amounted €13.69M as of 31/DEC22, resulting in a net financial debt position of €31.9M, or 1.9x EBITDA 2022
- Gross debt does not include convertible bonds (€2.5M) or long term rental agreements liabilities (IFRS 16 related) linked to the Lisbon datacenter and telecoms infrastructure indefeasible rights of use contracts (IRUs, €26.7M)

Figures in Euros

	DEC 2022	DEC 2021
R&D and Banks Debt LT	27.229.872	16.525.064
M&A Related Debt LT	6.450.000	2.177.500
R&D and Banks Debt ST	9.285.638	5.682.250
M&A Related Debt ST	2.677.500	5.305.000
GROSS FINANCIAL DEBT	45.643.010	29.689.814
Cash at hand	13.695.585	12.292.022
Net Financial Debt	31.947.426	17.397.792
Adj. EBITDA	16.489.424	13.111.809
NFD/EBITDA	1,94	1,33

- NFD/EBITDA calculated over adjusted EBITDA
- Convertible bonds not included as financial debt
- Current Investments included in Cash at hand (€144K)

Financial Debt Maturities



New Debt Agreement

- **Six Banks: Banco Santander, Banco Sabadell, BBVA, CaixaBank, HSBC and Deutsche Bank**
- A tranche of up to **€60M, secured by Santander Bank**, divided into 4 sub-tranches:
 - Tranche A: €36M, to substitute existing bank debt
 - Tranche B1 and B2: €16M, to finance growth CAPEX and small corporate operations.
 - Tranche RCF: €8M
- The **term of the Secured financing will be a maximum of 5 years.**
- Growing amortization scheme, with most amortization happening at the last year
- Interest rate will be EUR 3M or 6M plus a margin between 1.6% and 3.1% depending on the leverage ratio.
- The €60M is subject to **covenants related** such as maximum leverage or restricted dividend distribution
- **Permitted additional financing up to €5M**, and a **promissory note programme.**
- Additionally, there is an **uncommitted tranche of up to €30M** for large corporate deals, linked to certain requirements

2023 Budget

- Net revenues estimated to reach €72.6M in 2023, 18.0% higher than in 2022 and representing an organic growth of 11%
- EBITDA to reach €17.3M, 4.7% higher than 2022 (lower growth due to lower gross margin as compared to the extraordinary margin of 2022)

CONSOLIDATED P&L <i>Figures in euros</i>	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	2023b vs 2022est	
	Q1 23	Q2 23	Q3 23	Q4 23	2023b	% Var	2022est
Net Revenues	16,751,303	17,405,301	18,731,644	19,751,930	72,640,178	18.0%	61,555,737
Cloud, IT & Cybersecurity Services	6,596,652	6,949,232	7,284,355	7,964,922	28,795,161	40.6%	20,474,348
Telecommunications Services	9,929,652	10,231,068	11,222,289	11,562,008	42,945,017	4.8%	40,960,030
Extraordinary Income, Subsidies & O.	225,000	225,000	225,000	225,000	900,000	641.6%	121,359
Cost of Sales	(6,855,476)	(7,215,824)	(7,735,390)	(8,259,195)	(30,065,886)	28.3%	(23,442,549)
Direct Product Costs	(6,351,359)	(6,696,770)	(7,204,770)	(7,734,680)	(27,987,579)	30.0%	(21,536,781)
Operations and Technical costs	(504,117)	(519,054)	(530,621)	(524,515)	(2,078,307)	9.1%	(1,905,768)
Gross Margin	9,895,827	10,189,476	10,996,254	11,492,735	42,574,292	11.7%	38,113,187
<i>Gross Margin %</i>	59.1%	58.5%	58.7%	58.2%	58.6%	-5.3%	61.9%
Personnel Costs	(3,382,468)	(3,374,869)	(3,365,321)	(3,389,121)	(13,511,779)	19.5%	(11,304,027)
Salaries and Social Security	(3,980,249)	(3,972,649)	(3,963,101)	(3,986,901)	(15,902,900)	14.6%	(13,874,925)
Capitalised R&D	597,780	597,780	597,780	597,780	2,391,121	-7.0%	2,570,898
Corporate Costs	(2,770,639)	(2,824,075)	(3,044,950)	(3,156,625)	(11,796,289)	14.3%	(10,319,737)
Customer Operations and Marketing	(1,024,583)	(1,105,265)	(1,117,717)	(1,227,216)	(4,474,780)	20.2%	(3,721,985)
Network, Operations and IT	(856,749)	(856,749)	(856,749)	(856,749)	(3,426,997)	11.6%	(3,070,615)
Other Corporate Costs	(889,307)	(862,061)	(1,070,484)	(1,072,660)	(3,894,511)	10.4%	(3,527,137)
	-	-	-	-	-	-	-
Adjusted EBITDA	3,742,720	3,990,532	4,585,983	4,946,989	17,266,225	4.7%	16,489,424
<i>Adjusted EBITDA %</i>	22.3%	22.9%	24.5%	25.0%	23.8%		26.8%



Share Evolution

- **Share ended at €10.30 in 2022** and it was influenced by high market volatility in the first months of 2023
- **Share Price closed at €8.20** on 21st of April, unfortunately below the price at start of the year but still a **significant premium (31.2%)** since last capital increase in **Q4'20 (€6.25)**
- At current prices, **market cap is €95.5M**
- Adding current Net Financial Debt, **Enterprise Value would reach €127.4M, which implies a multiple of 7.7x EBITDA 2022**, lower than most comparable companies
- **Analysts very positive about the Company. GVC Gaesco, for example, targets a €12.5 price** in its latest report

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**Thank
you**

