

The Company releases its consolidated earnings for the first half

Gigas gains momentum, posts a more than 4-fold increase in H1 revenue and delivered EBITDA in Q2 in line with the amount expected for Q4

The Company reported €22.72M of revenue and €5.52M of EBITDA in the first half of 2021, outperforming the budget by 16.8% and 34.7%, respectively

Madrid, 1 September 2021.- Gigas, a Spanish multinational specialised in converged telecommunications, cybersecurity and cloud services for companies, has released its results for the first half of 2021. The numbers underscore the marked change in the consolidated group and the Company's considerable growth in the wake of the acquisitions made in the year's first quarter, as well as improved profitability and wider margins.

With the latest acquisitions in 2021 (i.e. Portugal's leading enterprise communications operators, ONI; MásMóvil's B2B telecommunications customer portfolio; and ValoraData's cybersecurity business unit), Gigas has become a group with annual revenue of c. €54M and adjusted EBITDA (i.e. excluding M&A costs, stock options and multiyear remuneration plans) of €13M.

Net revenue in the first half of 2021 totalled **€22.72M**, up 338% year-on-year, and outperformed the budget, thanks mostly to the earlier-than-expected consolidation of ONI's earnings and the inclusion in the second quarter of results from the business unit acquired from ValoraData, which were not factored in the budget.

Gross margin amounted to €13.65M, up 261% from €3.78M in H1 2020. This represented 60.1% of revenue, 1.9 percentage points higher than budgeted.

Adjusted EBITDA totalled €5.52M, an increase of 338% year-on-year (€1.26M in H1 2020) and 34.7% above the €4.10M budgeted. Noteworthy was the Q2 EBITDA margin of 25.4%, nearly 5 percentage points above budget. EBITDA for the quarter reached €30.4M, closely in line with the €3.45M budgeted for Q4 this year, signalling that the Company achieved its growth and profitability targets six months earlier than expected.

Gross financial debt at 30 June 2021 stood at €20.51M which, coupled with the Company's cash, left net financial debt at the end of the period of €10.67M, with an estimated ratio for the year of 1.0x EBITDA. The Company enjoys low leverage and a healthy cash position, leaving it with plenty of room to increase leverage in future acquisitions.

The reported earnings illustrate not only the Company's exponential growth, but also its emergence as one of the leading convergent operators at present, offering its customers quality, proximity and security.

According to **Diego Cabezudo, CEO and co-founder of Gigas**, *"we fared extremely well in the first half of 2021, not merely because of the acquisitions made, but also for the synergies and the improvements in profitability we are achieving. We are extremely upbeat about our new strategy to become the leading converged operator in the Iberian Peninsula's enterprise market. We expect to see considerable cross-selling opportunities in existing customer portfolios and organic growth in business customers, which are increasingly demanding a personalised one-stop shop that meets*

gigas *their IT needs".*

About Gigas

Gigas is a Spanish multinational specialised in converged telecommunications, cybersecurity and cloud services for companies, and is listed on the BME Growth market (GIGA.MAB). Set up in 2011, Gigas is now a group that provides services to over 10,000 customers world-wide, partnering them in their digital transformation and offering "Peace of mind-as-a-Service" underpinned by four values: cutting-edge advanced technology, security, flexibility and proximity. It has offices in eight countries and 11 datacenters in Europe, the USA and Latin America.

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