

Madrid, 16 July 2018

RELEVANT EVENT 1Q 2018 ESTIMATED CONSOLIDATED RESULTS

Under the provisions of Article 17 of the Regulation (EU) No 596/2014 regarding market abuse and article 228 of the modified text of the Spanish Stock Market Act, approved by Spanish Royal Legislative Decree 4/2015, of 23 October and related provisions, as well as Circular 15/2016 of the Spanish Alternative Investment Market (MAB), we are hereby informing you of the following information relating to LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A. (hereinafter, "Lleida.net" or the "Company"):

The information outlined in this report is an estimate of the Lleida.net income statement for first semester 2018 which was prepared based on the unaudited accounting information made available to the Board of Directors. Therefore, this information does not in any way substitute or may be considered the equivalent of the annual financial information provided for by Circular 15/2016 MAB.

Relevant milestones:

- Half year sales amounted to 6.2 million euros, representing a growth in the H1 2017 of 34%.
- The gross margin grew by 17% (435 thousand euros) in relation to the first half of 2017.
- EBITDA reaches 1 million euros which represents an increase of 84% compared to same period previous year.
- Earnings before taxes is positive and exceeds 275 thousand euros, multiplying by 5 the result for the year 2017 which amounted to 54 thousand euros.

Consolidated quarterly and half-yearly results account for 2017 by 2018

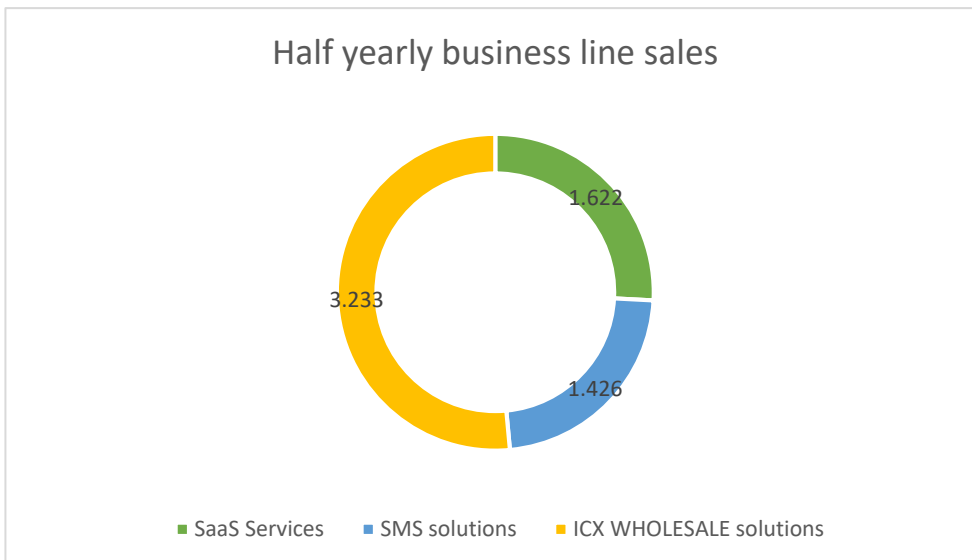
<i>Figures in thousands of euros</i>	Q2 2017	Q2 2018	Var. €	Var.%	H1 2017	H1 2018	Var. €	Var.%
Sales	2,449	3,140	691	28%	4,692	6,281	1,589	34%
Sale costs	(1,177)	(1,676)	(499)	42%	(2,115)	(3,273)	(1,158)	55%
Gross Margin	1,272	1,464	192	15%	2,577	3,008	431	17%
Personnel expenses	(606)	(645)	(39)	6%	(1,273)	(1,292)	(19)	1%
External services	(635)	(459)	176	-28%	(1,199)	(1,132)	67	-6%
Other incomes	2	4	2	100%	7	4	(3)	-43%
Activations	203	162	(41)	-20%	387	328	(59)	-15%
EBITDA	236	526	290	123%	499	916	417	84%
Depreciation	(271)	(283)	(12)	4%	(522)	(573)	(51)	10%
Other results	(12)	0	12	-	(12)	0	12	-
Ordinary activities results	(47)	243	290	617%	(35)	343	378	1080%
Net Financial Debt	(14)	(31)	(17)	121%	(50)	(53)	(3)	6%
Exchange Rate Differences	(76)	(31)	45	-	(76)	(14)	62	-
Earnings before Tax	(137)	181	318	232%	(161)	276	437	271%



- Turnover increase continues with its double-digit growth with significant growth this last quarter of sales of SaaS lines with an increase of 32% compared to the second quarter of 2017. The new regulation of Data Protection regulation has allowed an increase the turnover but above all, the launch of new processes in relevant customers that will create recurring sales.
- Wholesale sales continue to grow with quarterly sales that exceed 1.5 million and represent an increase of 69% in the cumulative figures for the same period of 2017.

Sales per business line Thousand euros

	Q2 2017	2 2018	Var. €	Var.%	H1 2017	H1 2018	Var. €	Var.%
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SaaS services	608	803	195	32%	1,302	1,622	320	25%
SMS solutions	769	779	10	1%	1,480	1,426	-54	-4%
ICX WHOLESale solutions	1,072	1,558	486	45%	1,910	3,233	1,323	69%
Total	2,449	3,140	691	28%	4,692	6,281	1,589	34%



- EBITDA reaches 3 million euros which represents an increase of 17% compared to same period previous year.
- EBITDA has experienced a great boom thanks to the policy of optimization and cost reduction that exists within the group. The reduction in external services expenses of 28% compared to the same quarter of 2017 reflects this situation. It should also be noted that staff costs have increased this quarter by almost 40 thousand euros if we compare with the quarterly data for 2017, it is 6% although the staff has increased by 19%. New staff are mostly graduates and post graduates joining the technical and R + D + i department. The cost of independent third parties and the staff costs are included.



Lleida.net

La Primera Operadora Certificadora

ES https://www.lleida.net/docs/inversores/es/20180716_HRelev.pdf

FR https://www.lleida.net/docs/inversores/fr/20180716_HRelev.pdf

ZH https://www.lleida.net/docs/inversores/zh/20180716_HRelev.pdf

- The consolidated EBITDA of the first half year is almost one million euros and it represents 15% of sales compared to 11% in 2017.
- Pursuing a criterion of prudence, the group has chosen to activate a lower amount of R & D activities to avoid possible fiscal contingencies, although the current pace of R & D spending is maintained. Currently, less than 15% is activated during the semester than in 2017.

Thousands of euros	H1 2017	H1 2018	Var. €	Var.%
L/t debts	1,385	1,023	-362	-26%
S/t debts	2,651	2,338	-313	-12%
Total Debt	4,036	3,361	-675	-17%
S/t Financial assessments + liquid assets	1,828	1,373	-455	-25%
NFD	2,208	1,988	-220	-10%

- Net financial debt is less than 2 million euros, highlighting the improvement in the NFD / EBITDA ratio, which is 2.2 times when in the first half of 2017 it was 4.4.

We are available for any clarifications needed.

Sincerely,

Francisco Sapena Soler, CEO

Madrid, 16 July 2018.