



Lleida.net

La Primera Operadora Certificadora

ES https://www.lleida.net/docs/inversores/es/20181010_HRelev.pdf

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RELEVANT EVENT

Madrid, 10 October 2018

LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.

Comparison with advanced data of H1 2018, limited audit reporting and consolidated accounts H1 2018 and presentation of the limited audit reporting and individual parent accounts

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 6/2018 of the Spanish Alternative Investment Market (MAB), we are hereby informing you of the following information relating to LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A (the “ Company” or Lleida.net):

- Comparison between the provisional results presented by the Company in the Relevant Event of July 16, 2018
- Limited revision by independent auditors and consolidated annual accounts of Lleida.net for H1 2018.
- Limited revision by independent auditors and Individual parent annual accounts of Lleidanetworks Serveis Telemàtics, S.A for H1 2018.

We are available for any clarifications needed. Sincerely

Francisco Sapena Soler

Madrid, 10 October 2018



Lleida.net earnings report between January 1, 2018 and June 30, 2018

On 16 July Lleida.net Group published a result preview with the available provisional data.

After the limited reviewing by the company's auditors, the variation between the account data preview and those included in the consolidated annual accounts prepared by the Board of Directors is appended.

<i>Figures in thousands of euros</i>	ESTIMATED RESULTS	HALF YEARLY ACCOUNTS	Var. €	Var. %
Sales	6,281	6,279	(2)	0%
Sale costs	(3,273)	(3,281)	8	0%
Gross Margin	3,008	2,998	(10)	0%
Personnel expenses	(1,292)	(1,210)	(82)	-6%
External services	(1,132)	(1,201)	69	6%
Other incomes	4	9	5	125%
Activations	328	328	0	0%
EBITDA	916	924	8	1%
Depreciation	(573)	(573)	0	0%
Other results			0 -	
Ordinary activities results	343	351	8	2%
Net Financial Debt	(53)	(54)	1	2%
Exchange Rate Differences	(14)	(8)	(6) -	
Earnings before Tax	276	289	13	5%

Variations are therefore insignificant, the main one is related to a variation in personnel expenses, since the cost of independent third parties was initially included as personnel expenses and with a view to the formulation of financial statements it has been included in external services.

All the other provisions do not have significant variations and consequently we have:

<i>Figures in thousands of euros</i>	H1 2017	H1 2018	Var. €	Var. %
Sales	4,692	6,279	1,587	34%
Sale costs	(2,115)	(3,281)	(1,166)	55%
Gross Margin	2,577	2,998	421	16%
Personnel expenses	(1,273)	(1,210)	(63)	-5%
External services	(1,199)	(1,201)	2	0%
Other incomes	7	9	2	29%
Activations	387	328	(59)	-15%
EBITDA	499	924	425	85%
Depreciation	(522)	(573)	51	10%
Other results	(12)		(12) -	
Ordinary activities results	(35)	351	386	1103%
Net Financial Debt	(50)	(54)	4	8%
Exchange Rate Differences	(76)	(8)	(68)	-89%
Earnings before Tax	(161)	289	450	280%



- Turnover increase continues with its double-digit growth with significant growth this last quarter of sales, there are no variations with respect to the data presented in July advanced results. The new Data Protection regulation has allowed an increase in the turnover but above all to the launch of new processes in relevant customers that will create recurring sales

<u>Sales per business line</u> <u>Thousands of euros</u>	ESTIMATED RESULTS	HALF YEARLY ACCOUNTS	Var. €	Var.%
SaaS services	1,622	1,622	0	0%
SMS solutions	1,426	1,426	0	0%
Interconnection WHOLESale solutions	3,233	3,231	-2	0%
Total	6,281	6,279	-2	0%

- Wholesale sales continue to grow with quarterly sales exceeding 3.2 million and representing an increase of 69% in the cumulative figures for the same period of 2017.

<u>Sales per business line</u> <u>Thousands of euros</u>	H1 2017	H1 2018	Var. €	Var.%
SaaS services	1,302	1,622	320	25%
SMS solutions	1,480	1,426	-54	-4%
Interconnection WHOLESale solutions	1,910	3,231	1,321	69%
Total	4,692	6,279	1,587	34%

- EBITDA reaches 3 million euros which represents an increase of 16% compared to H1 previous year.

- EBITDA has experienced a great boom thanks to the policy of optimization and cost reduction that exists within the group.

- The consolidated EBITDA of the first half year is almost one million euros and it represents 15% of the 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, 15% less is activated in the semester compared to 2017.

In terms of Balance, the main intangible variations are explained by the R + D + i developments that have been undertaken this year, for an amount of 328 thousand euros which are aimed at strengthening the SaaS line services.

As per current assets, the variation in the customer figure accounts for the 34% increase in sales, there is no expected loss ratio that entail significant provisions for uncollected sales.



	Annual accounts	Half yearly accounts	Difference
	2017	2018	
(Assets) Thousands of euros			
Intangible fixed assets	3,847	3,742	(105)
Tangible fix assets	388	385	(3)
LT Investments in group and associated companies	17	17	0
LT Financial investments	189	188	(1)
Deferred tax assets	138	138	0
Total non-current assets	4,579	4,470	(109)
Advances to suppliers			
Trade receivables and other receivable accounts	2,290	2,701	411
ST financial investments	1,013	703	(310)
ST Accruals	225	204	(21)
Cash and other equivalent liquid assets	530	804	274
Total current assets	4,058	4,412	354
Total assets	8,637	8,882	245

	Annual accounts	Half yearly accounts	Difference
	2017	2018	
(Assets) Thousands of euros			
Capital	321	321	0
Share Premium	5,244	5,244	0
Reserves	(1,924)	(1,884)	40
(Own shares)	(935)	(924)	11
Profit attributable to the parent company	59	271	212
Conversion differences	105	86	(19)
External partners	1	1	0
Total Equity	2,871	3,115	244
Long Term Debts	1,143	1,004	(139)
Total non - current liabilities	1,143	1,004	(139)
ST amortizations	31	33	2
Short term debts	2,810	2,491	(319)
Trade payables and other payable accounts	1,782	2,239	457
Total current liabilities	4,623	4,763	140
TOTAL EQUITY AND LIABILITIES	8,637	8,882	245

In terms of liabilities, it should be noted that there are no significant variations with respect to the data published in the Relevant event on net indebtedness, which stands at 1,988 million euros as previously mentioned. The increase in commercial creditors and other receivables comes from the increase in purchases to fulfil the growth in sales.