

Madrid, 17 October 2018

RELEVANT EVENT

LLEIDANETWORKS SERVEIS TELEMÀTICS S.A

3Q 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 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. (hereinafter, "Lleida.net" or the "Company"): The information outlined in this report is an estimate of the LLEIDA.NET Income Statement third quarter 2018 which was drawn up based on the unaudited accounting information available to the Board of Directors. Therefore, this information does not in any way replace or may be considered the equivalent of the annual financial information set forth in Circular 6/2018 MAB.

Relevant milestones:

- Sales show a double-digit growth topping two million euro, the cumulative sales as of September 30, 2017.
- Gross margin grows 18% standing at 4,4 million euros.
- EBITDA reaches 1.4 million euros which represents an increase of 43% compared to the amount of the fiscal year 2017.
- Accumulated ordinary activities results accrued to 30 September 2018 was close to 0.5 million euros.
- After nine consecutive quarters, the group achieves a positive EBITDA as happened each quarter of 2018 with positive earnings before tax.

Consolidated quarterly results and accumulated as of September 30, 2017 and 2018

<i>Figures in thousands of euros</i>	Accumulated 3Q 2017	Accumulated 3Q 2018	Var. €	Var.%	Q3' 2017	Q3 2018	Var. €	Var.%
Sales	7,179	9,337	2,158	30%	2,487	3,058	571	23%
Sale costs	(3,414)	(4,913)	1,499	44%	(1,299)	(1,632)	333	26%
Gross Margin	3,765	4,424	659	18%	1,188	1,426	238	20%
Personnel expenses	(1,835)	(1,947)	112	6%	(629)	(659)	30	5%
External services	(1,532)	(1,585)	53	3%	(333)	(466)	133	40%
Other incomes	9	4	(5)	-56%	2	(5)	(7)	-350%
Activations	609	552	(57)	-9%	222	224	2	1%
EBITDA	1,016	1,448	432	43%	450	520	70	16%
Depreciation	(795)	(863)	68	9%	(273)	(290)	17	6%
Other results	(21)		(21)		(9)	0	(9)	
Compensations	(67)	(111)	44		0	(107)	107	0%
Ordinary activities results	133	474	341	256%	168	123	(45)	27%
Net Financial Debt	(90)	(69)	(21)	-23%	(40)	(15)	(25)	-63%
Exchange Rate Differences	(73)	(42)	(31)	-42%	3	(34)	(37)	-1233%
Earnings before Tax	(30)	363	393	1310%	131	74	(57)	-44%



Turnover increase continues with its double-digit growth with a slower increase in SaaS services compared to the same quarter of the previous year due to summer season, where the entry into production of new customer circuits has been frozen up to the end of September. In addition, the increase in international leads suggests an increase in sales for the last quarter to the same amounts during the first 3 quarters of 2018.

The sales of Wholesale, continue to growth by 60% over the same quarter last year and involves an increase of more than 2 million euros in cumulative figures as of 30 September 2017.

<i>Sales per business line Thousand euros</i>	Accumulated 3Q 2017	Accumulated 3Q 2018	Var. €	Var.%	Q3 2017	Q3 2018	Var. €	Var.%
SaaS services	2,010	2,345	335	17%	708	725	17	2%
SMS solutions	2,128	1,944	(184)	-9%	648	518	(130)	-20%
Interconnection WHOLESale solutions	3,041	5,048	2,007	66%	1,131	1,815	684	60%
Total	7,179	9,337	2,158	30%	2,487	3,058	571	23%

Gross margin amounts to 4.4 million euros and entails an increase of 18% with respect to 2017.

Personal expenses stand at 30 thousand euros compared to the same period in 2017. The variation is due to recruitment of new staff, in particular workforce has increased over 19%. External personnel expenditure is included. New staff are mostly graduates and post graduates joining the technical and R + D + i department.

There is an exceptional circumstance, in relation to a dismissal that has had an impact on the financial statement of more than 100 thousand euros.

The increase in external service expenses is due to R & D collaborations for an amount of almost 50 thousand euros during this quarter year 2018, as well as to the costs derived from international activity.

The consolidated EBITDA exceeds 1.4 million euros and represents 15.5% of the total sales.

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.

Thousands of euros	H1 2018	30/09/2018	Var. €	Var.%
Total Financial debt	3,495	3,492	-3	0%
S/T Financial assessments + liquid assets	1,507	1,768	261	17%
NFD	1,988	1,724	-264	-13%



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ES https://www.lleida.net/docs/inversores/es/20181017_HRelev.pdf

FR https://www.lleida.net/docs/inversores/fr/20181017_HRelev.pdf

ZH https://www.lleida.net/docs/inversores/zh/20181017_HRelev.pdf

It should be emphasized the decrease in the net financial debt (NFD) with respect to the data presented in the first half 2018 which exceeded 264,000 euros. The group in this quarter has a proper balance sheet having obtained more long-term financial debt and thus improving the negative working capital obtained during the first half.

We are available for any clarifications needed.

Sincerely

Francisco Sapena Soler

CEO and Chairman of the Board of Directors