

Lleida 22 July 2019.

Relevant event:

2Q 2019 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 06/2018 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 “Group”).

The information outlined in this report is an estimate of the LLEIDA.NET Income Statement for Two quarter 2019 which was prepared based on the unaudited accounting information made 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 15/2016 MAB.

Relevant Milestones:

- EBITDA and results before taxes were once again, positive in 2Q19.
- Sales and gross margin increased by 3% and 15% respectively.
- The gross margin on sales increases from 46% to 52%, compared to 2Q18, boosted by sales in the SaaS line that increase by 24%.
- The workforce grew during the last 12 months by 28%, up to 83 people, reaffirming the commitment of Lleida.net with its future growth. The reinforced areas are Latin America and Europe sales force, as well as technicians and project management.
- The international market is becoming increasingly important in the SaaS division.
- The R + D + i investment increases by 63% compared to 2Q 2018 and continues to be a key factor to the Lleida.net.
- Net debt continues to decline and falls by €300 thousand during the first semester.

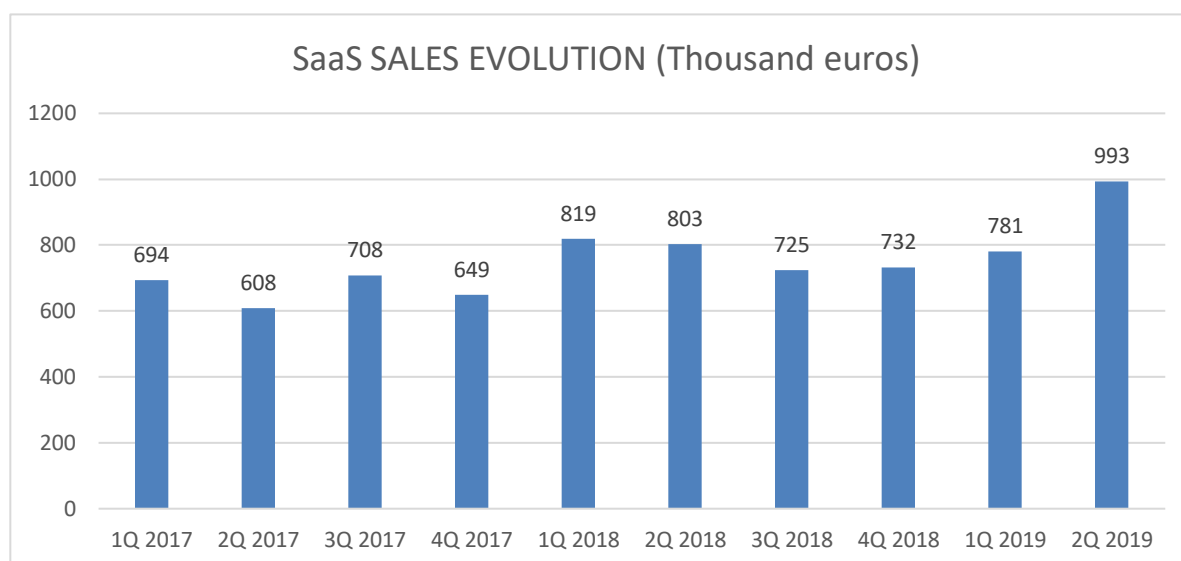
Figures in thousands of euros

	Q2 2018	Q2 2019	Var. €	Var.%	S1 2018	S1 2019	Var. €	Var.%
Sales	3,138	3,223	85	3%	6,279	6,056	(223)	-4%
Sale costs	(1,684)	(1,544)	140	-8%	(3,281)	(2,881)	400	-12%
Gross Margin	1,454	1,679	225	15%	2,998	3,175	177	6%
% Margin out of sales	46%	52%			48%	52%		
Staff expenses	(642)	(823)	(181)	28%	(1,289)	(1,578)	(289)	22%
External services	(449)	(585)	(136)	30%	(1,122)	(1,253)	(131)	12%
Other incomes	9	(1)	(10)	-111%	9	5	(4)	-44%
Activations	162	264	102	63%	328	503	175	53%
EBITDA	534	535	1	0%	924	853	(71)	-8%
Depreciation	(283)	(282)	1	0%	(573)	(568)	5	-1%
Other results	0	0	0		0	0	0	
Ordinary activities result	251	253	2	-1%	351	285	(66)	-19%
Net Financial Debt	(32)	(20)	12	-38%	(54)	(40)	14	-26%
Exchange Rate Differences	(25)	(41)	(16)		(8)	(16)	(8)	-100%
Earnings before Tax	194	192	(2)	-1%	289	229	(60)	-21%

Sales per business line Thousands of euros

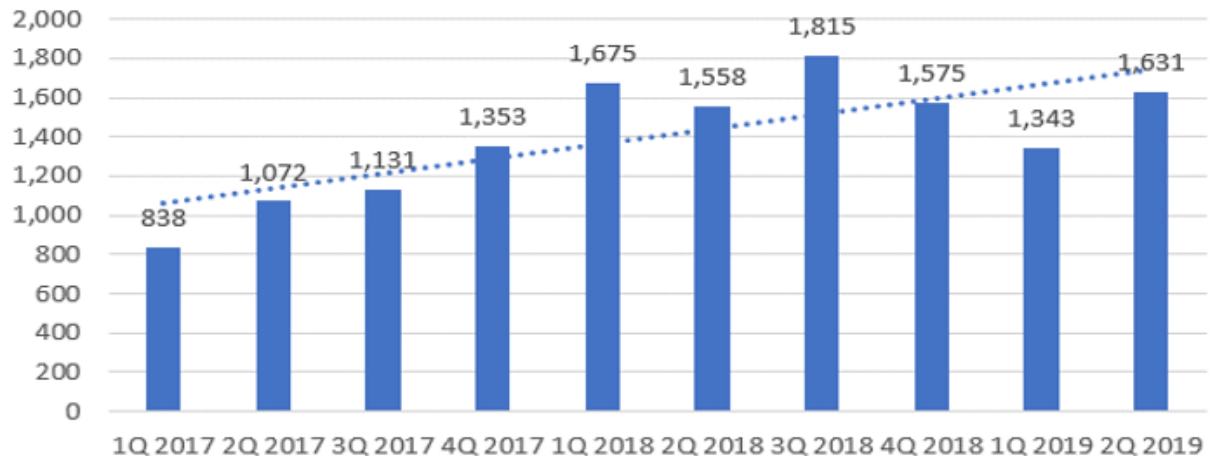
	Q2 2018	Q2 2019	Var. €	Var.%	S1 2018	S1 2019	Var. €	Var.%
SaaS services	803	993	190	24%	1,622	1,774	152	9%
SMS solutions	779	599	-180	-23%	1,426	1,308	-118	-8%
Interconnection WHOLESale solutions	1,556	1,631	75	5%	3,231	2,974	-257	-8%
Total	3,138	3,223	85	3%	6,279	6,056	-223	-4%

Sales of SaaS reached a historical high of almost one million euros each quarter. We have an increase of 24% compared to the second quarter of 2018, where we already had a growth of 32%. The new functionalities of our standard contracting product, **Click & Sign**, as well as the start-up of customised contracting work flows for large accounts, have allowed us to maintain the upward trend in the sales of this business line.



The sales of SMS of the Wholesale division have recovered the decline of the first quarter of 2019 and increase by 5% compared to the second quarter of 2018. The Wholesale division continues to be a strategic part of the company, where the volatility of both demand and price causes fluctuation in sales figures. The key factor is the margin that each operation leaves in the group.

ICX WHOLESALE SALES EVOLUTION (Thousand euros)



Gross margin out of sales Lleida.net services increase to 52% due to the weight SaaS line has over the global sales.

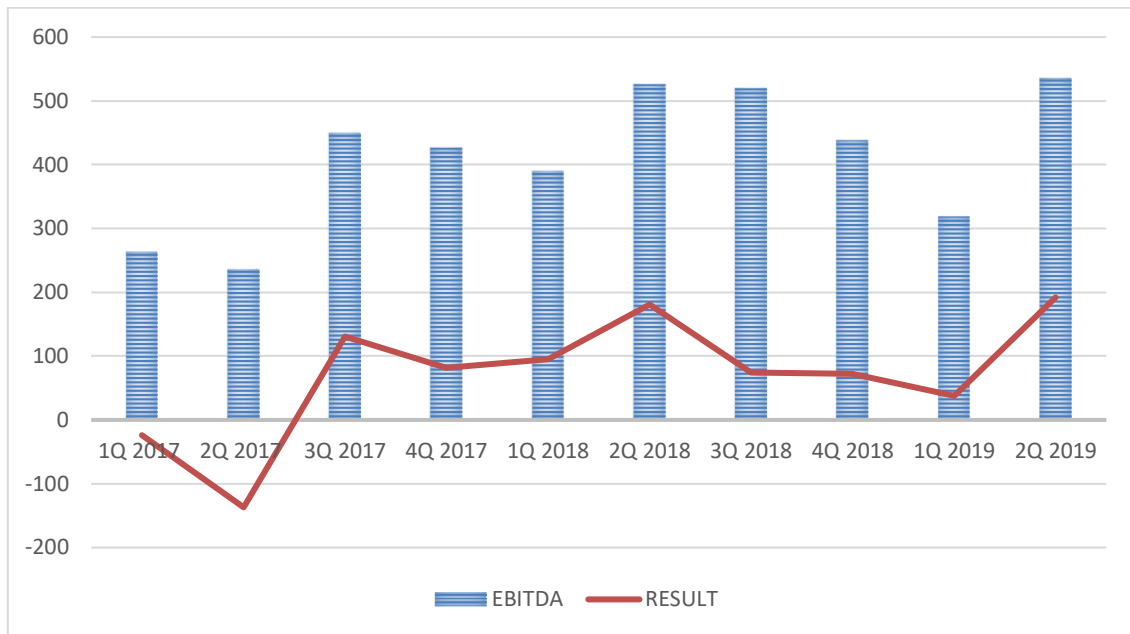
We expect the trend to continue as the products we are promoting for 2019, are focused on areas of **high added value** such as identity verification and validation systems, via video conference (eKYC).

Our growth plan continues to support strategies to attract talent. **The new employees recruited over the last 12 months were focused not only on sales force in Perú, Colombia and México but also with the incorporation of higher qualifications and engineering profiles.** This 28% increase in the recruited staff, has led to an increase in personnel spending of 22% during the first semester of 2019.

Likewise, Lleida.net project involves a constant and intense investment in R & D+i , with an increase of 175 thousand euros compared to the same period of 2018.

The costs of external services are increased by 12% during the semester, derived from the expenses arising from the new personnel hired as well as by the participation in a greater number of commercial events worldwide.

Both the EBITDA and the result before taxes continue in positive figures, the increase in sales and the gross margin, have enabled the company to continue with the strategic plan by attracting talent.



The net financial debt has decreased by 503 thousand euros compared to the first half of 2018 and has focused on a short-term debt reduction.

In this second quarter, new bank loans have been agreed at medium and long term, which will support the company's organic growth.

NFD/EBITDA annualised ratio is 0.8 in the first semester of 2019.

Thousands of euros	S1 2018	S1 2019	Var. €	Var. %
L/T debts	1,023	2,053	1030	101%
S/T debts	2,338	1,634	-704	-30%
Total Debt	3,361	3,687	326	10%
S/T Financial assessments + liquid assets	1,373	2,202	829	60%
NFD	1,988	1,485	-503	-25%

We are available for any clarifications needed

Yours sincerely

Francisco Sapena Soler

CEO and Chairman of the Board of Directors