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Madrid, 4 November 2021

**OTHER RELEVANT
INFORMATION
LLEIDANETWORKS SERVEIS TELEMÀTICS S.A.**

Third quarter 2021 results preview

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 3/2020 of BME MFT Equity on information to be provided by Growing Companies, we are hereby informing you of the following information relating to LLEIDANETWORKS SERVEIS TELEMÀTICS, S.A.: (hereinafter “Lleida.net”, or the “Company ”or the “Enterprise”) brings to your attention the following information that has been prepared under the exclusive responsibility of the issuer and its administrators:

The information outlined in this report is an estimate of Lleida.net Income Statement for 3Q 2021. It has been drawn up from unaudited accounting information available to the Board of Directors. Therefore, this information in no way replaces or is equivalent to the publication of financial information provided for in MAB Circular 6/2018.

We remain at your disposal for any further clarifications you may require.

Sincerely,

Madrid, 4 November 2021.



Lleida.net

Q3 RESULTS PREVIEW 2021

(OTCQX:LLEIF · EPA:ALLN · BME:LLN)

Disclaimer

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MAIN MILESTONES

- Increase in SaaS sales by 984 thousand euros, or 26%, in cumulative data as of 30 September 2021.
- The margin increased by 8% to EUR 6.2 million and stood at 49.8% on sales.
- The "new normal" is now in place and events and commercial travel are in full swing.
- Talent investment is on track thanks to the 14% increase in headcount to 105 people in the group.
- EBITDA decreases by 19%, reflecting travel expenses, together with the exceptional expenses from the due diligence on the acquisition of inDenova, S.L.
- This leads to a profit before taxes of EUR 788 thousand.
- Debt remains negative another quarter, reflecting the new financing of the equity shares purchased for inorganic growth.

FORECAST OF THE INCOME STATEMENT

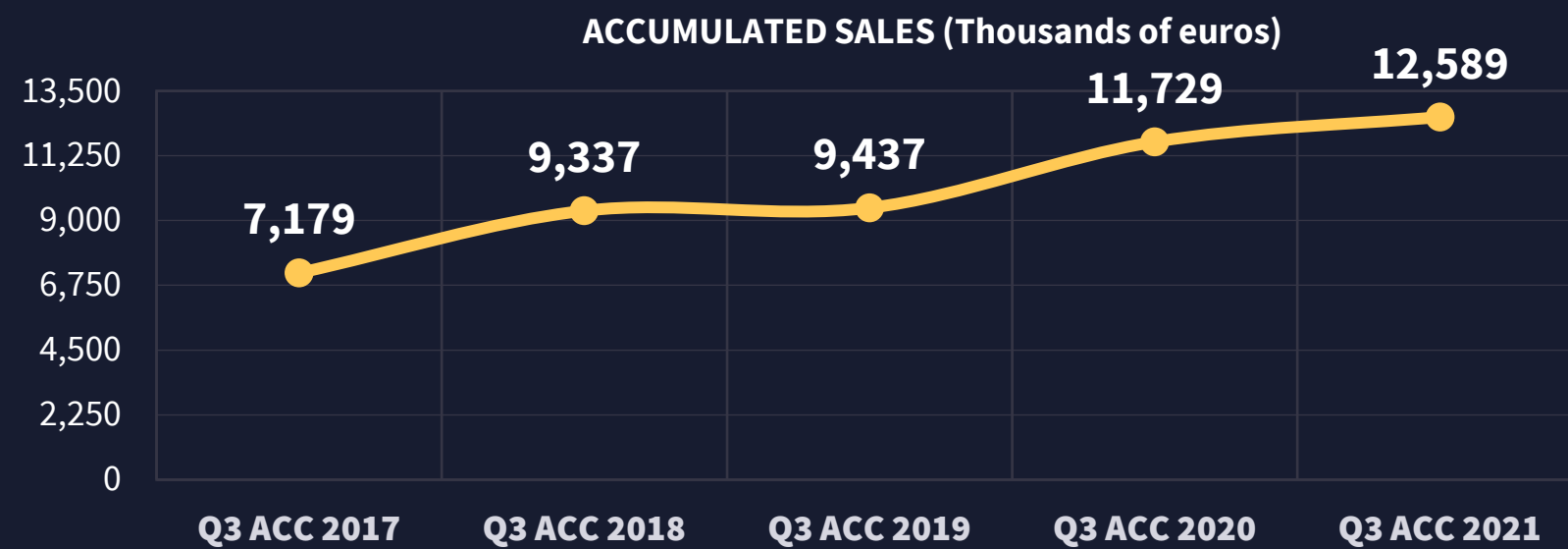
Figures estimated in thousands of euros
Consolidated

	Q3 2020	Q3 2021	YoY €	YoY %	Acc. Q3 2020	Acc. Q3 2021	YoY €	YoY %
Sales	3,896	4,294	398	10%	11,729	12,589	860	7%
Sale costs	(1,861)	(2,231)	370	20%	(5,897)	(6,309)	412	7%
Gross Margin	2,035	2,063	28	1%	5,832	6,280	448	8%
% Gross margin	52,23%	48,04%			49,72%	49,88%		
Personnel expenses	(903)	(1,133)	230	25%	(2,653)	(3,165)	512	19%
External services	(463)	(684)	221	48%	(1,741)	(2,106)	365	21%
EBITDA WITHOUT CAPITALIZATIONS	669	246	(423)	-63%	1,438	1,009	(429)	-30%
% of Gross margin	33%	12%			25%	16%		
Capitalizations	174	166	(8)	-5%	505	566	61	12%
EBITDA	843	412	(431)	-51%	1,943	1,575	(368)	-19%
% of Gross margin	41%	20%			33%	25%		
Depreciation	(298)	(277)	(21)	-7%	(883)	(813)	(70)	-8%
Other incomes	194	27	(167)	86%	160	57	(103)	-
Other earnings		(1)			(41)	(9)		
Ordinary result	739	161	(578)	-78%	1,179	810	(369)	-31%
Net Financial Debt	(6)	(10)	(4)	-67%	(51)	(48)	3	6%
Impairment and earnings for disposal	(144)				(144)			
Exchange rate differences	(65)	(22)	43	66%	(145)	26	171	118%
Earnings before Tax	524	129	(364)	-74%	839	788	(51)	-6%

SALES FORECAST BY BUSINESS LINE

	Q3 2020*	Q3 2021	YoY €	YoY %	Q3 ACC 2020	Q3 ACC2021	YoY €	YoY %
SaaS services	1,271	1,577	306	24%	3,720	4,704	984	26%
SMS solutions	748	671	-77	-10%	1,846	2,025	179	10%
ICX wholesale solutions	1,877	2,046	169	9%	6,163	5,860	-303	-5%
Total	3,896	4,294	398	10%	11,729	12,589	860	7%

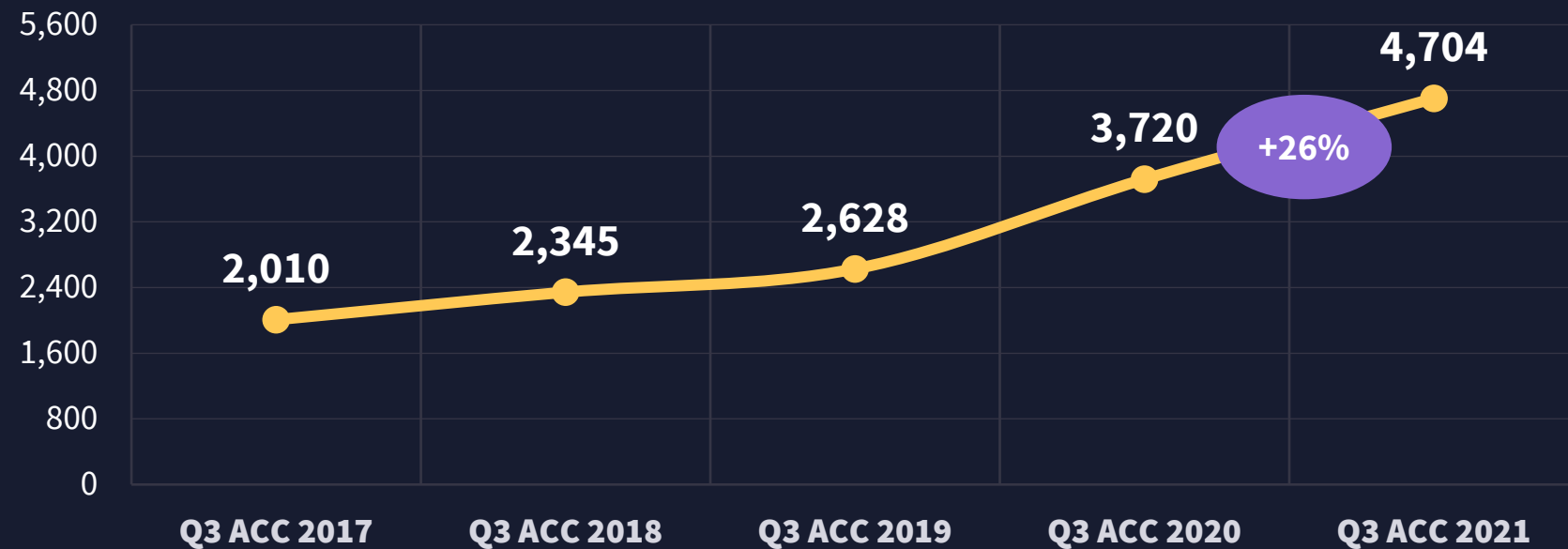
reclassified upon further revisions



The two main lines of business experienced growth this quarter, representing an overall 10% increase over the third quarter of 2020. SaaS sales were up 24% and accounted for 37% of total sales in the quarter.

SaaS SALES EVOLUTION

SaaS SERVICE SALES
(Thousands of euros)



SaaS sales increased by €1 million in the accumulated data and have doubled the accumulated figures for 2018. Existing growth follows the same trend as in FY2020, driven by the pandemic.

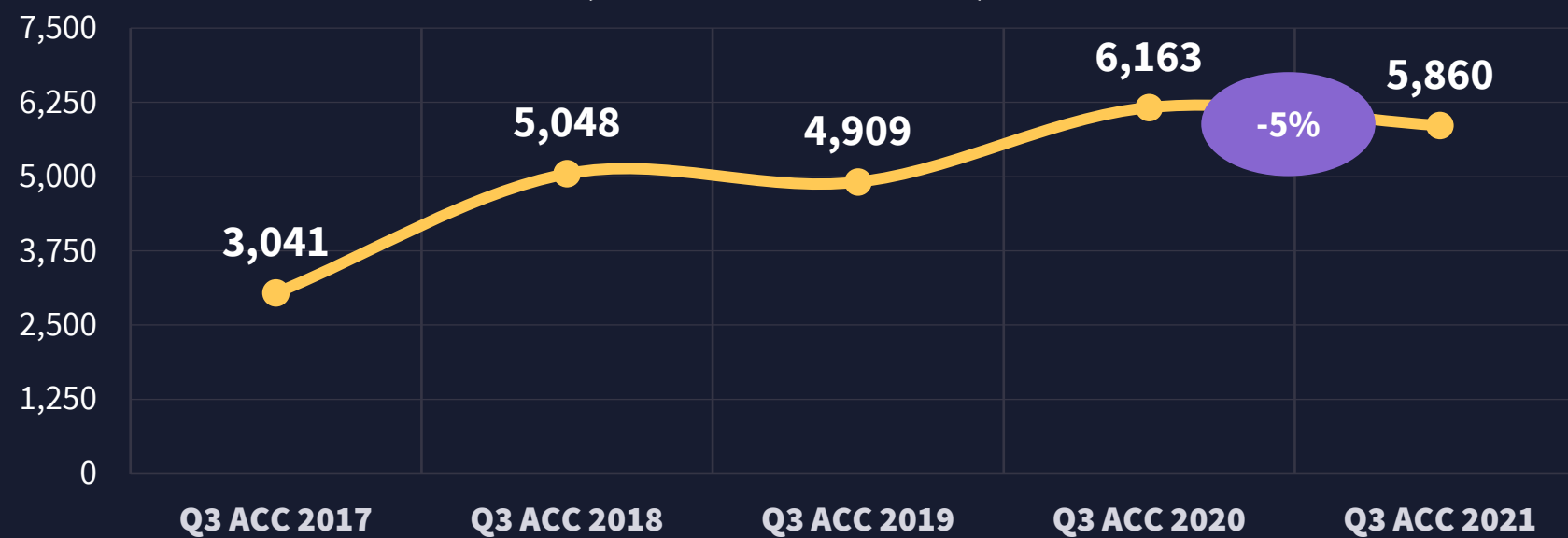
SaaS SERVICES SALES
(Thousands of euros)



International network of Lleida.net is focused on international growth. We highlight the postal services business, services with international banking, international insurance and the acquisition of InDenova, where 65% of its sales are international, focused on the international Public Sector.

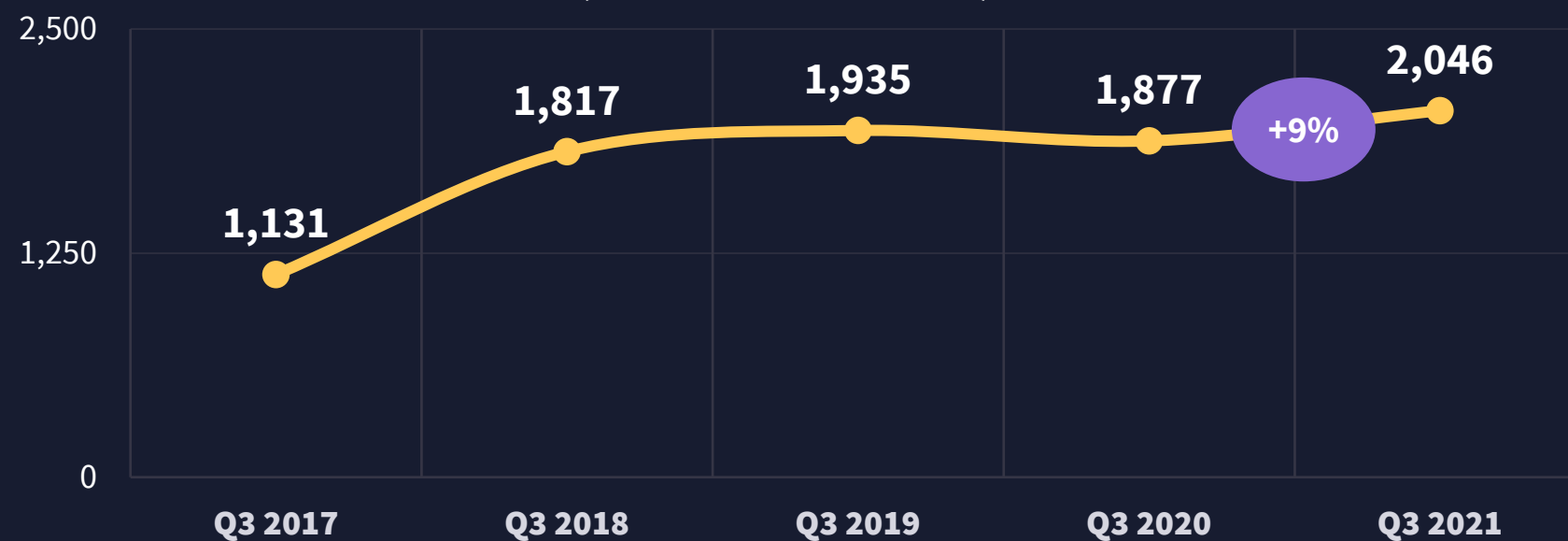
EVOLUTION OF SALES OF THE WHOLESALE SMS LINE

SMS Wholesale Services Sales
(thousands of euros)



The sales increase is due to different sales destinations. During this quarter, we have sold to more expensive destinations, but with fewer quantities and a lower gross margin per sale.

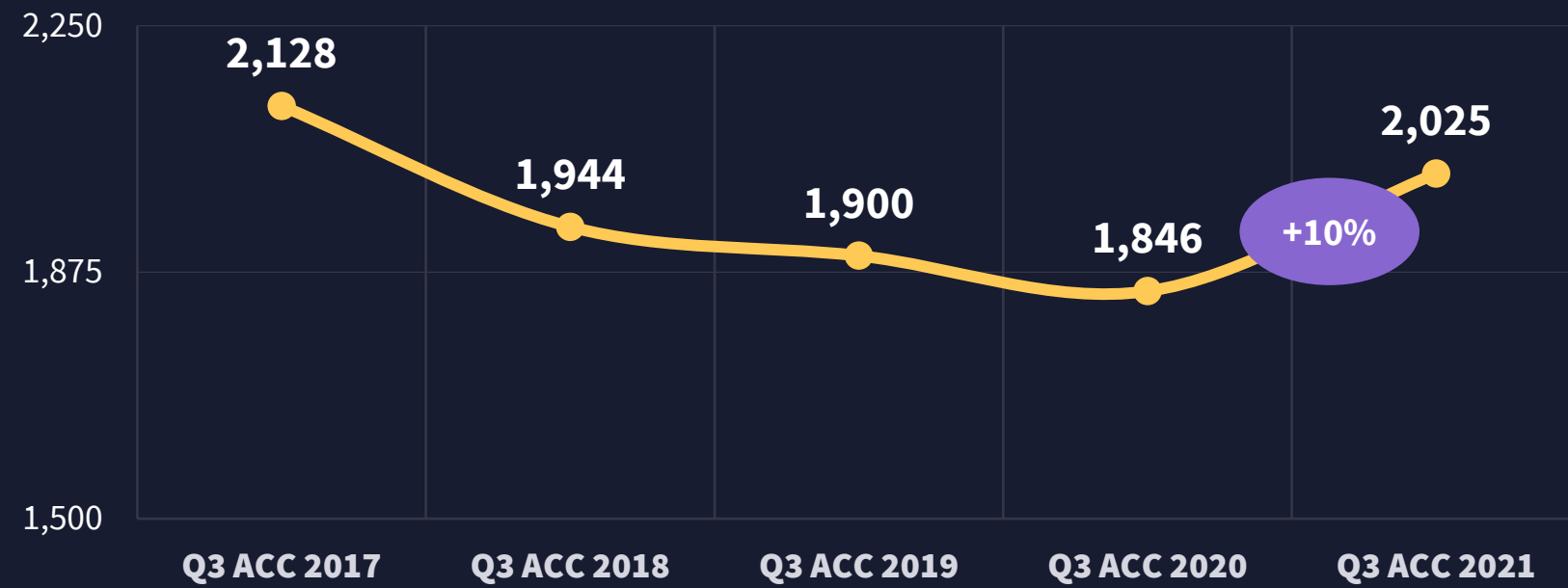
SMS Wholesale Services Sales
(Thousands of euros)



As described recently in previous previews, market trends are moving towards margin squeezes and increasingly aggressive competition.

EVOLUTION OF SALES OF COMMERCIAL SMS

Sales Commercial SMS services
(thousands of euros)

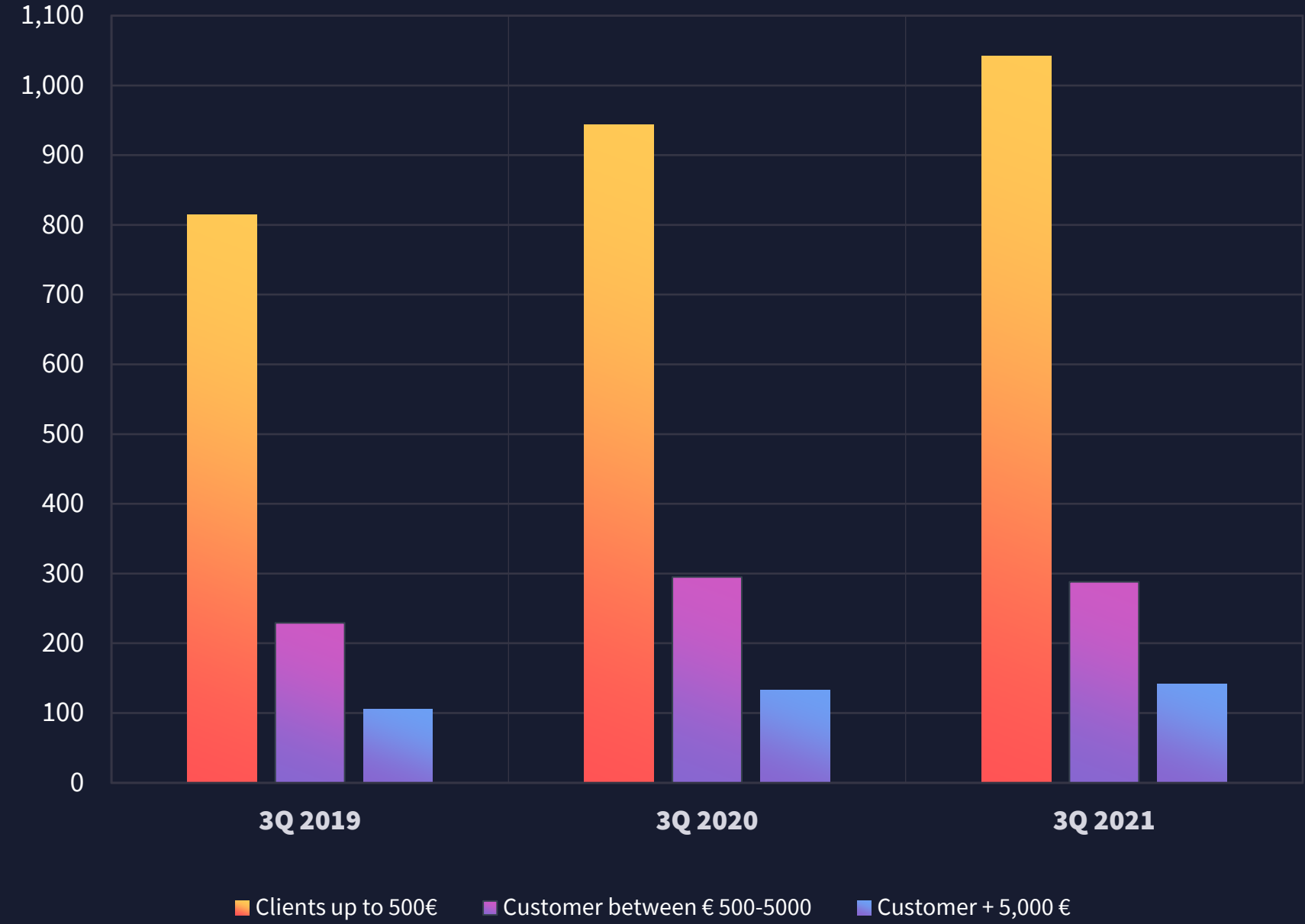


Commercial SMS sales decreased by EUR 77 thousand quarter-on-quarter compared to the third quarter of FY2020 and maintained a 10% growth in the accumulated data. The domestic SMS market is increasing in market size, reflecting the recovery in quantities, but the margins are squeezed.

Sales Commercial SMS services
(thousands of euros)



TURNOVER BREAKDOWN BY TYPE OF CUSTOMER



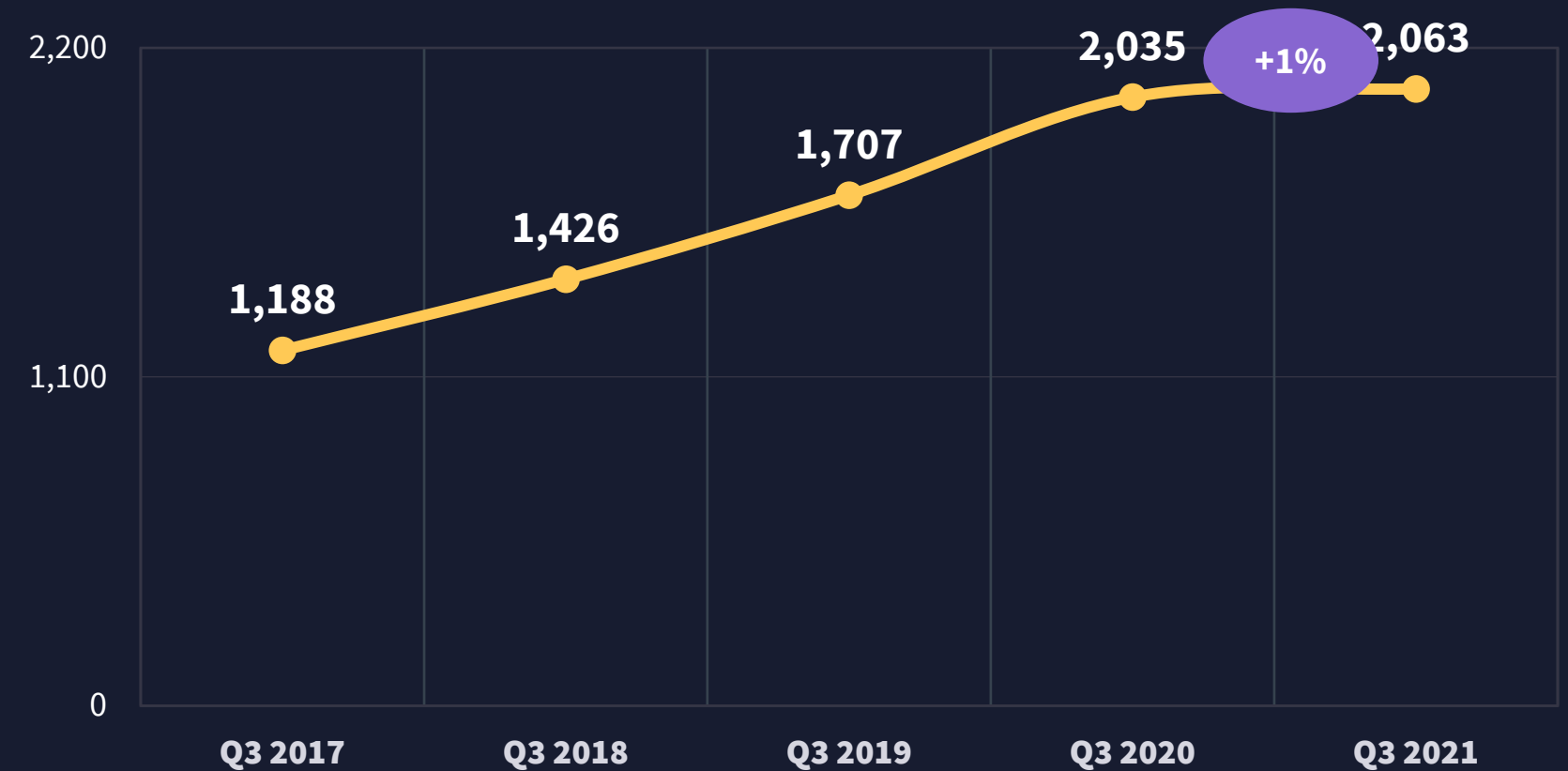
Turnover by type of customer increased by 7% during this quarter. Customers with a turnover of less than EUR 500 grew by 10.5% and customers with a turnover of more than EUR 5,000 during the quarter increased by 6.8%.

GROSS MARGIN EVOLUTION

Gross margin evolution
(Thousand of euros)



Gross margin evolution
(Thousand of euros)

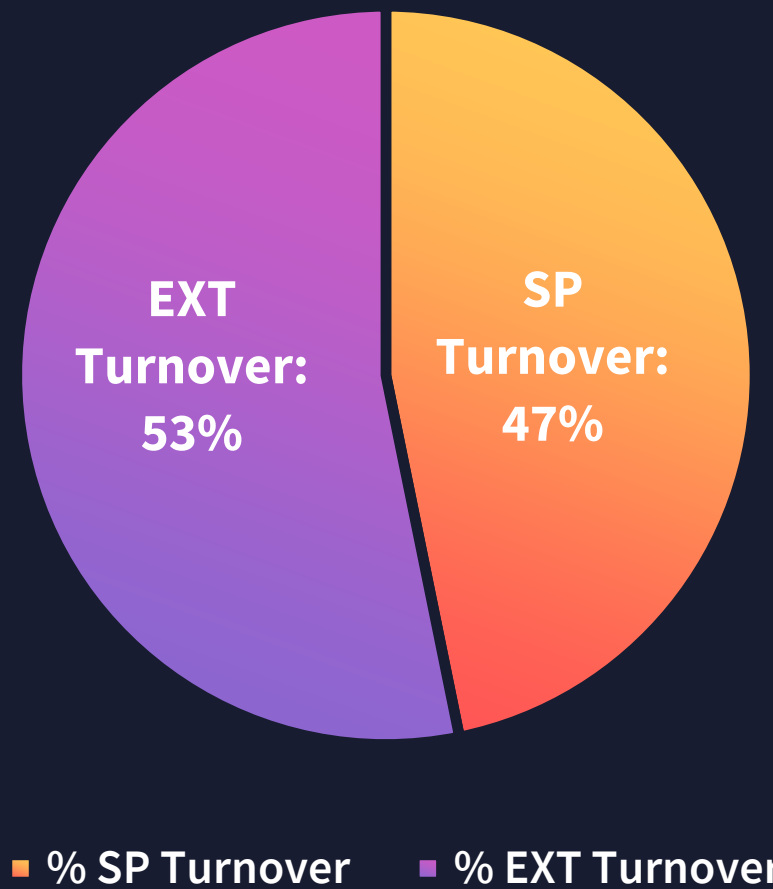


The gross margin for the first half was 50% on quarterly sales, compared to 48% in Q3.

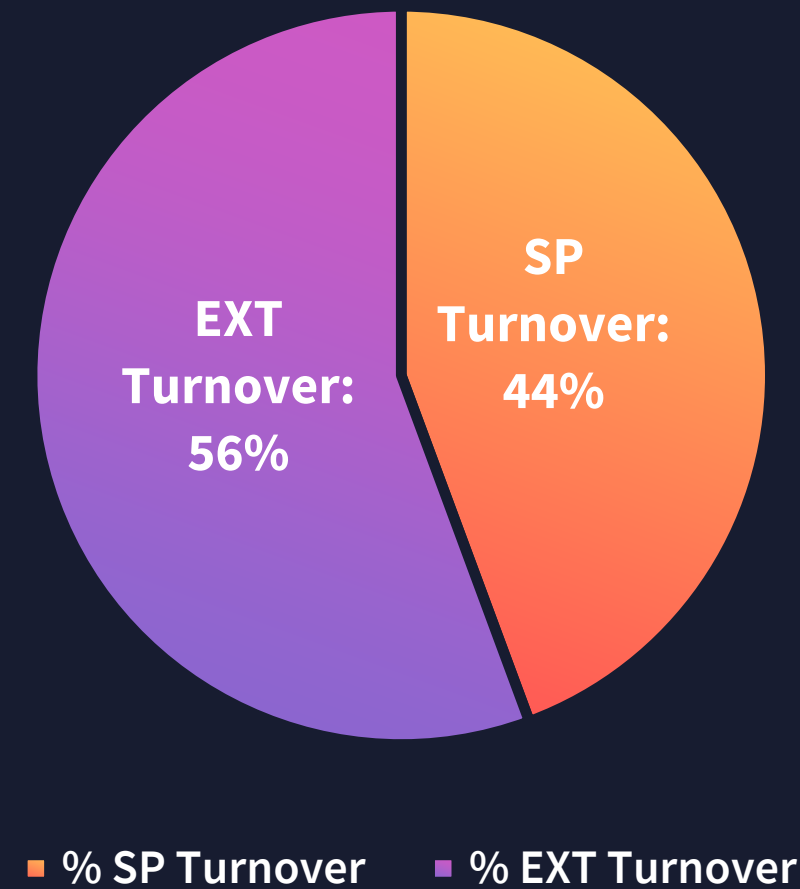
The decrease is explained by lower margins on Wholesale and commercial SMS sales.

GEOGRAPHICAL BREAKDOWN OF SALES

Geographical turnover Q3 2020



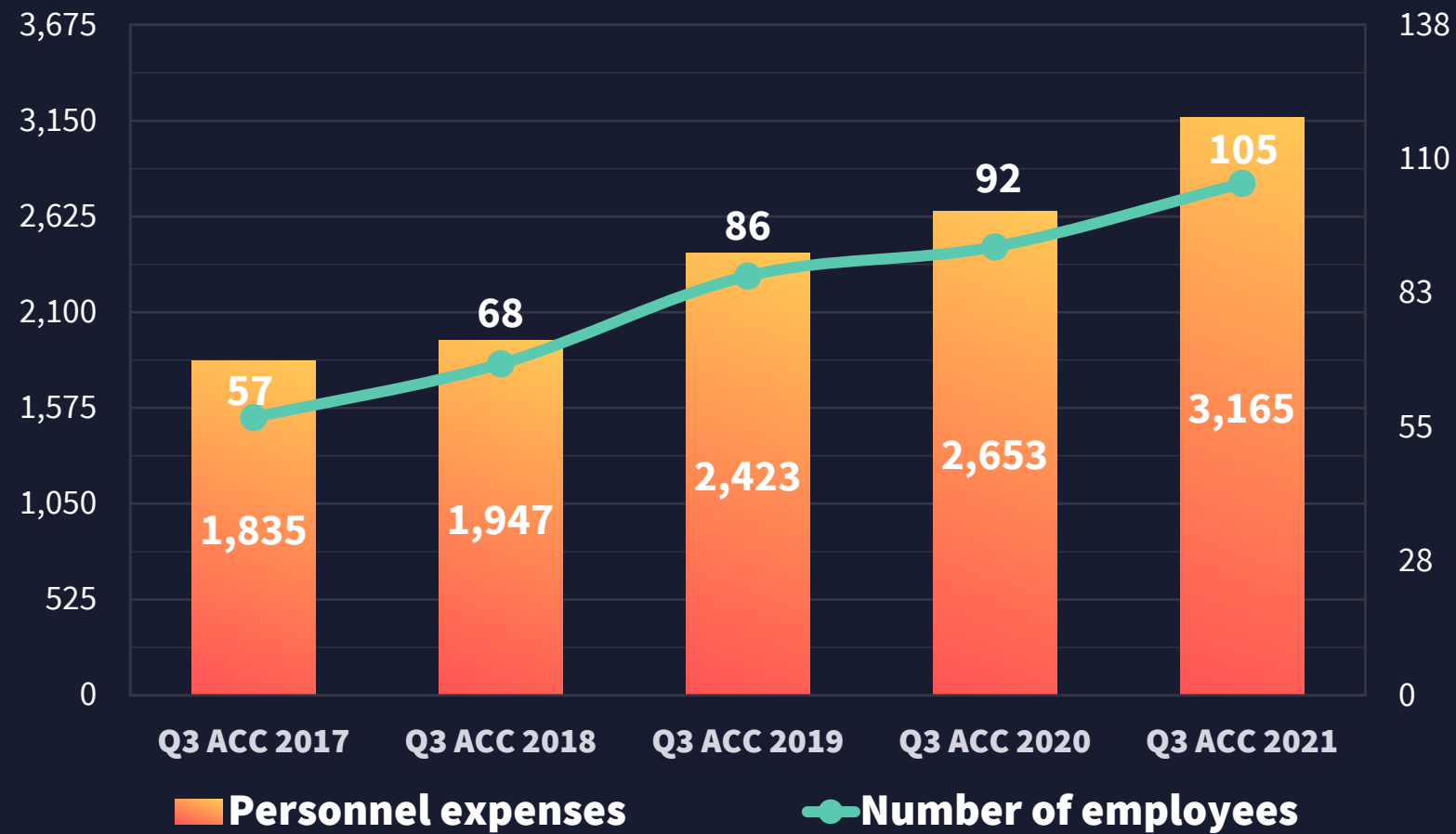
Geographical turnover Q3 2021



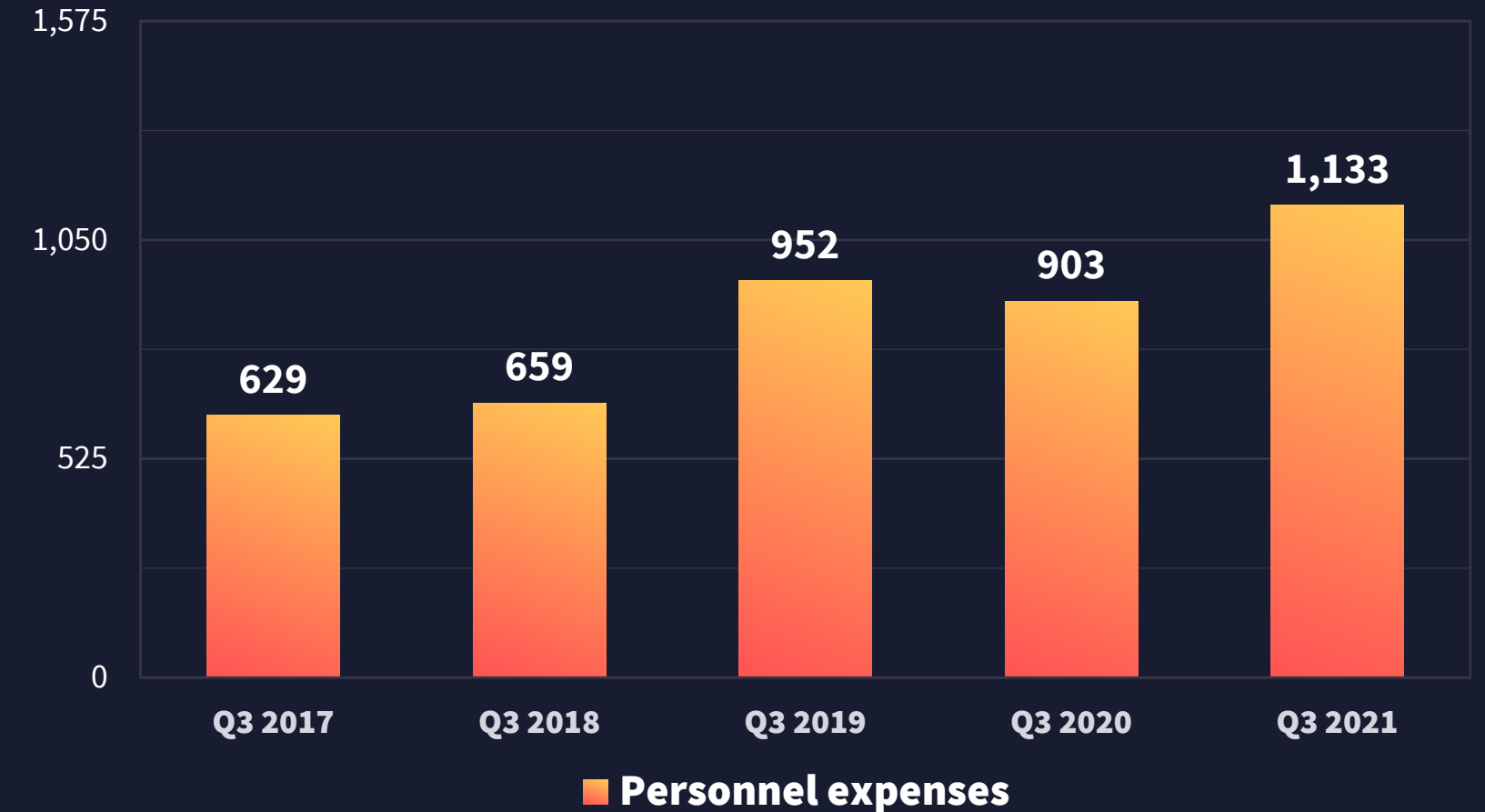
The commitment to internalisation is evidenced by the increasing weight of the international sales, rising from 53% in Q3 2020 to 56% in the same period of the current financial year.

PERSONNEL EXPENSES

Evolution of Personnel expenses
(Thousands of euros)



Evolution of personnel expenses
(thousands of euros)

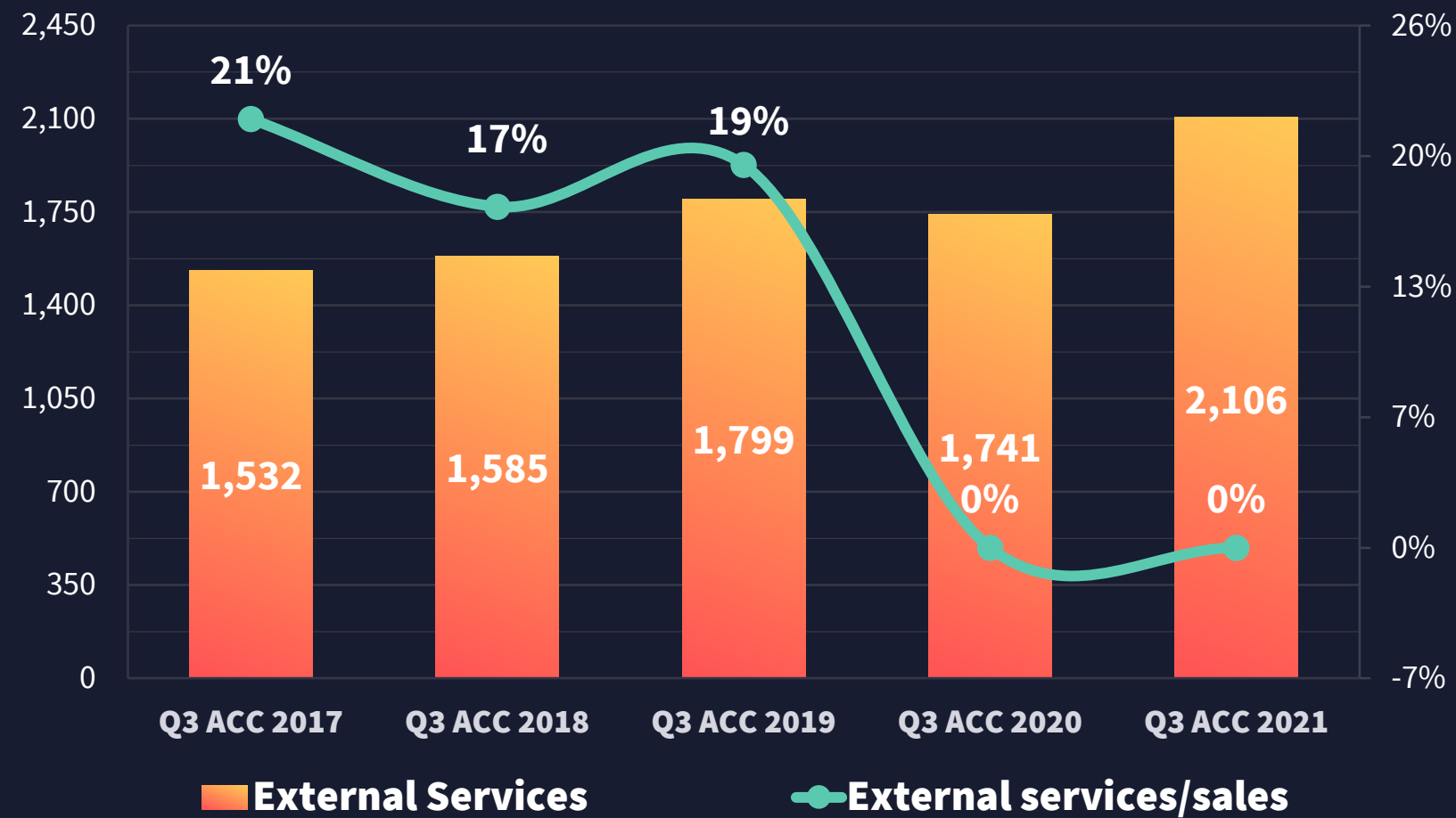


Lleida.net keeps steadily building a solid talent structure within the company, recruiting 13 new professionals. The European commercial department was strengthened this quarter and other structural departments, such as compliance and human resources too.

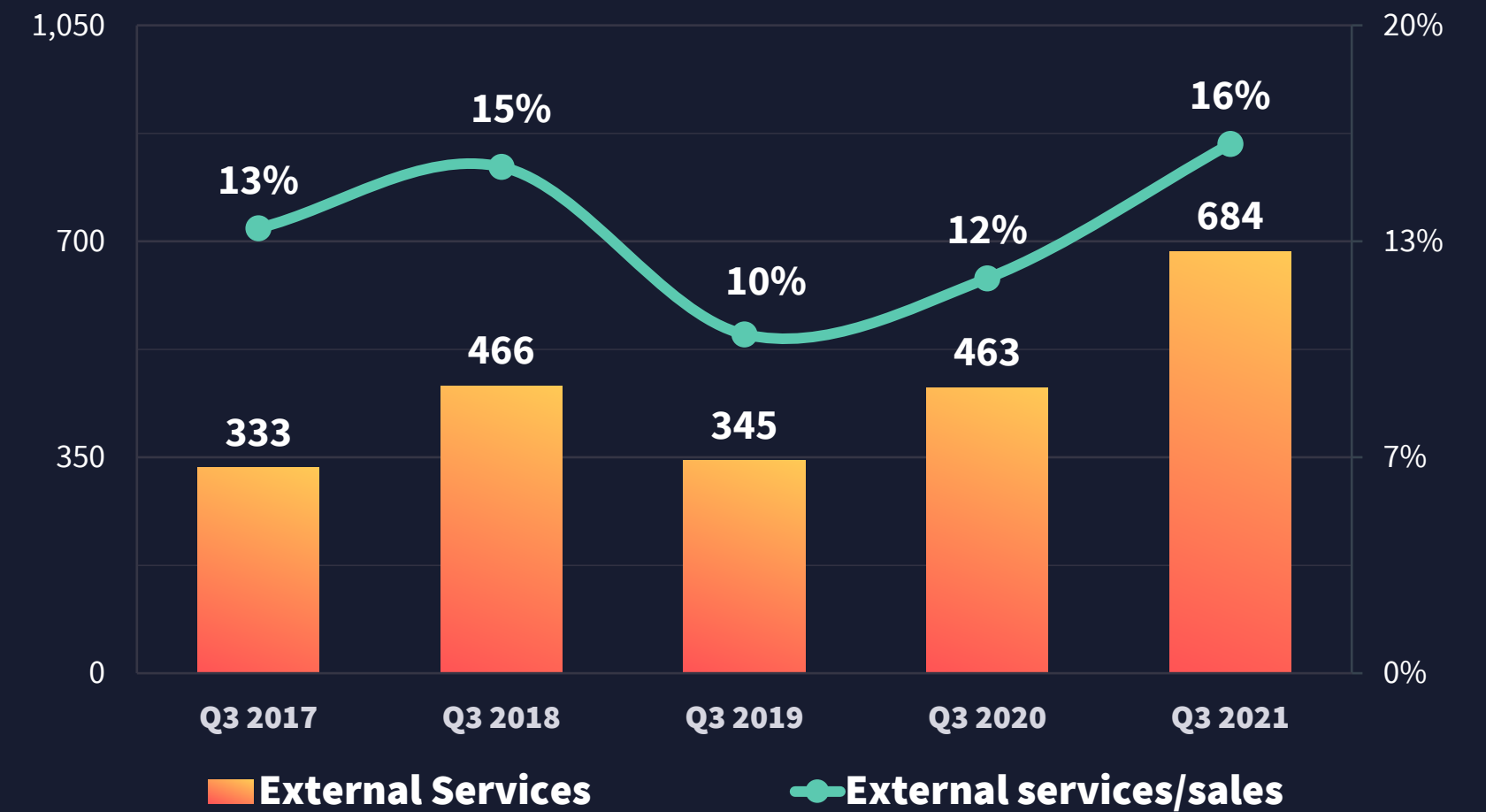
A further factor driving up personnel costs is the allowances that Lleida.net has agreed with team members in 2021 to cover the costs of teleworking.

EXTERNAL SERVICES EXPENDITURES

External services evolution
(Thousands of euros)



External services evolutions
(thousands of euros)

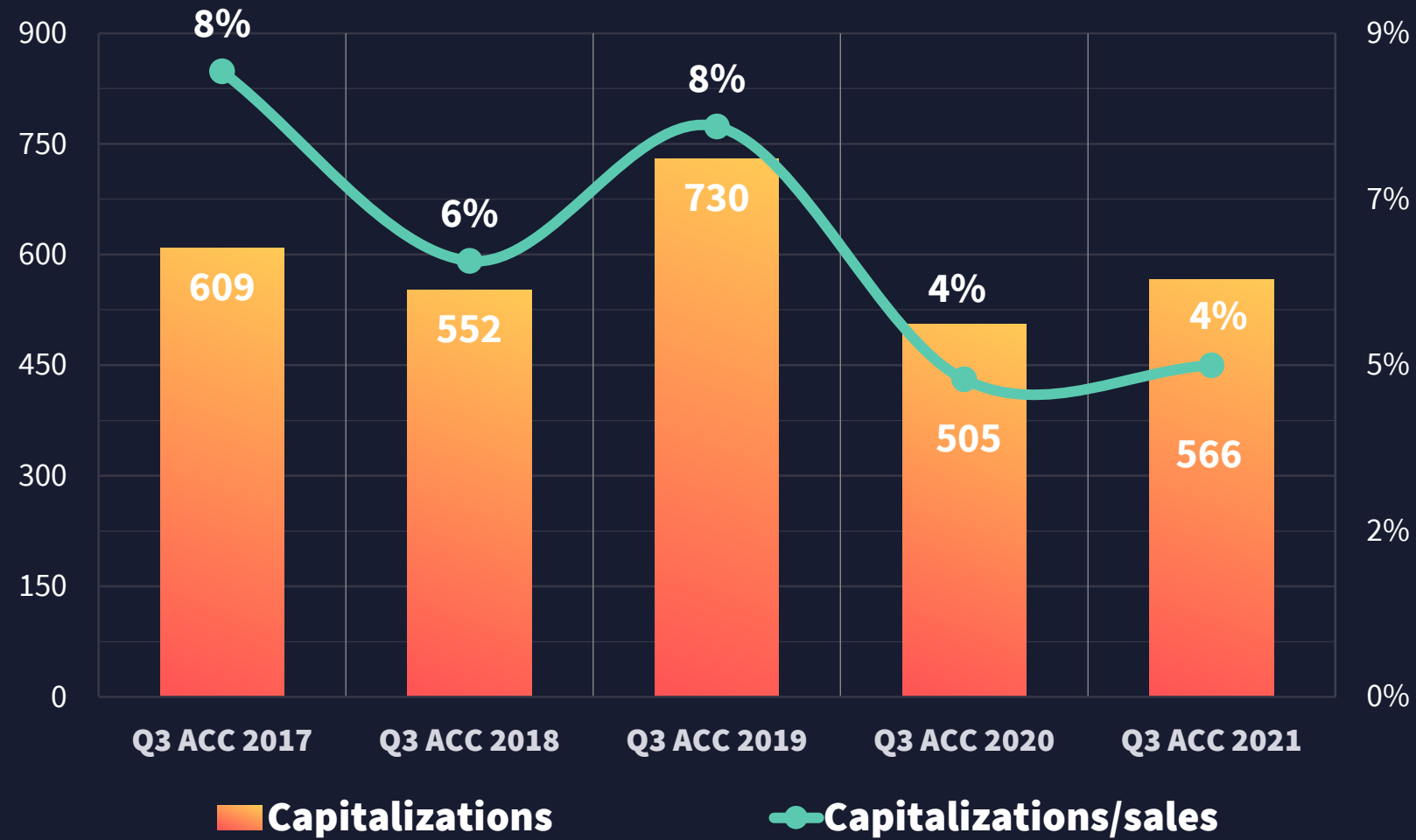


This third quarter is new normality for Lleida.net. We are committed to participating in face-to-face trade events, as the Postal Congress of the Universal Postal Union in Ivory Coast, the WWC in Madrid, or the Investor Access in Paris. Business face-to-face trips have mushroomed, mainly national but also international, in Europe and Dubai.

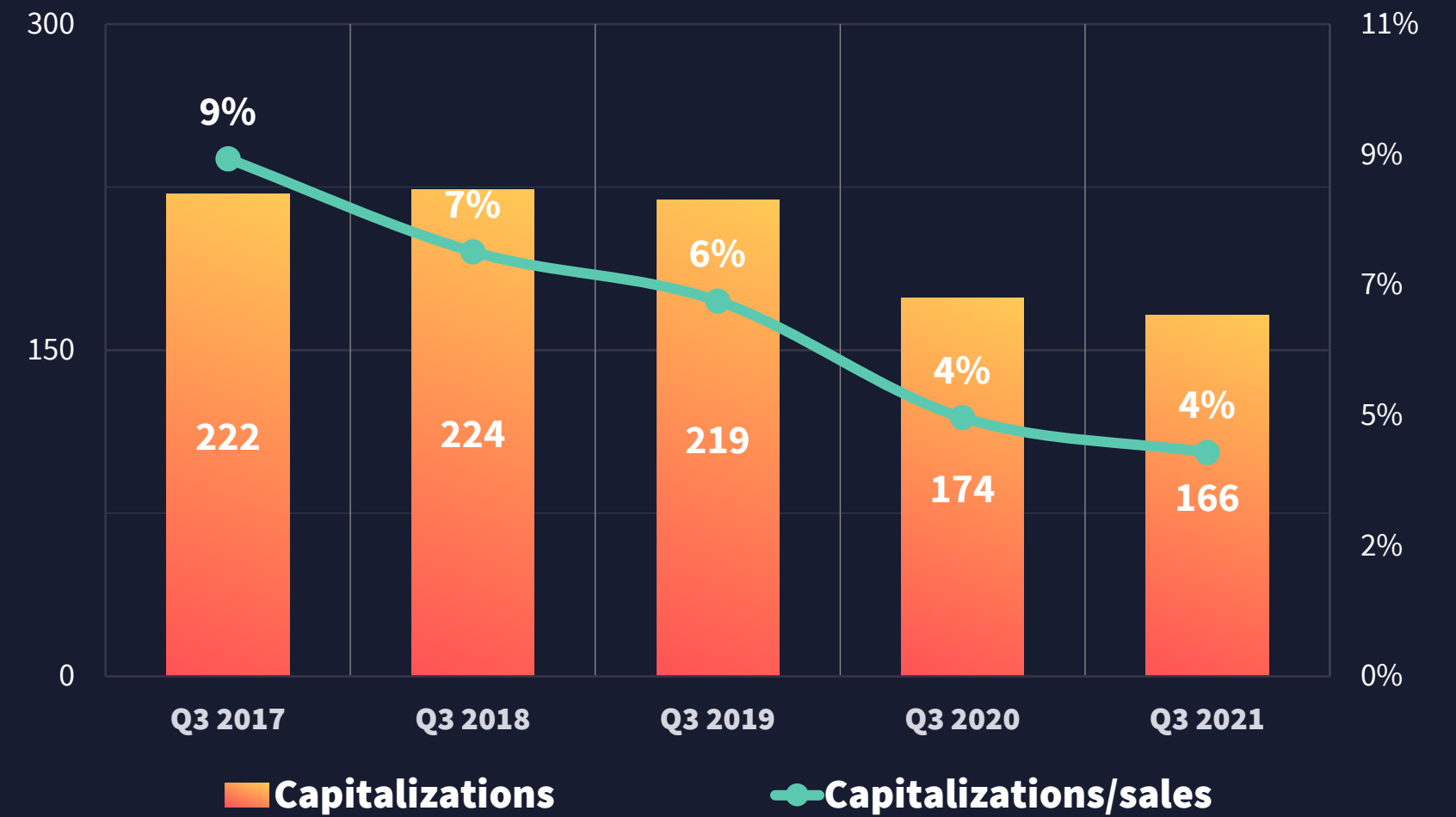
The extraordinary cost of the advisory services and the Due Diligence for the acquisition of inDenova which was approved on 26 October and is pending ratification by the shareholders at the Annual General Meeting, has also been charged to our accounts.

EVOLUTION OF CAPITALIZATIONS

Evolution of capitalizations
(Thousands of euros)



Evolution of capitalizations
(Thousands of euros)

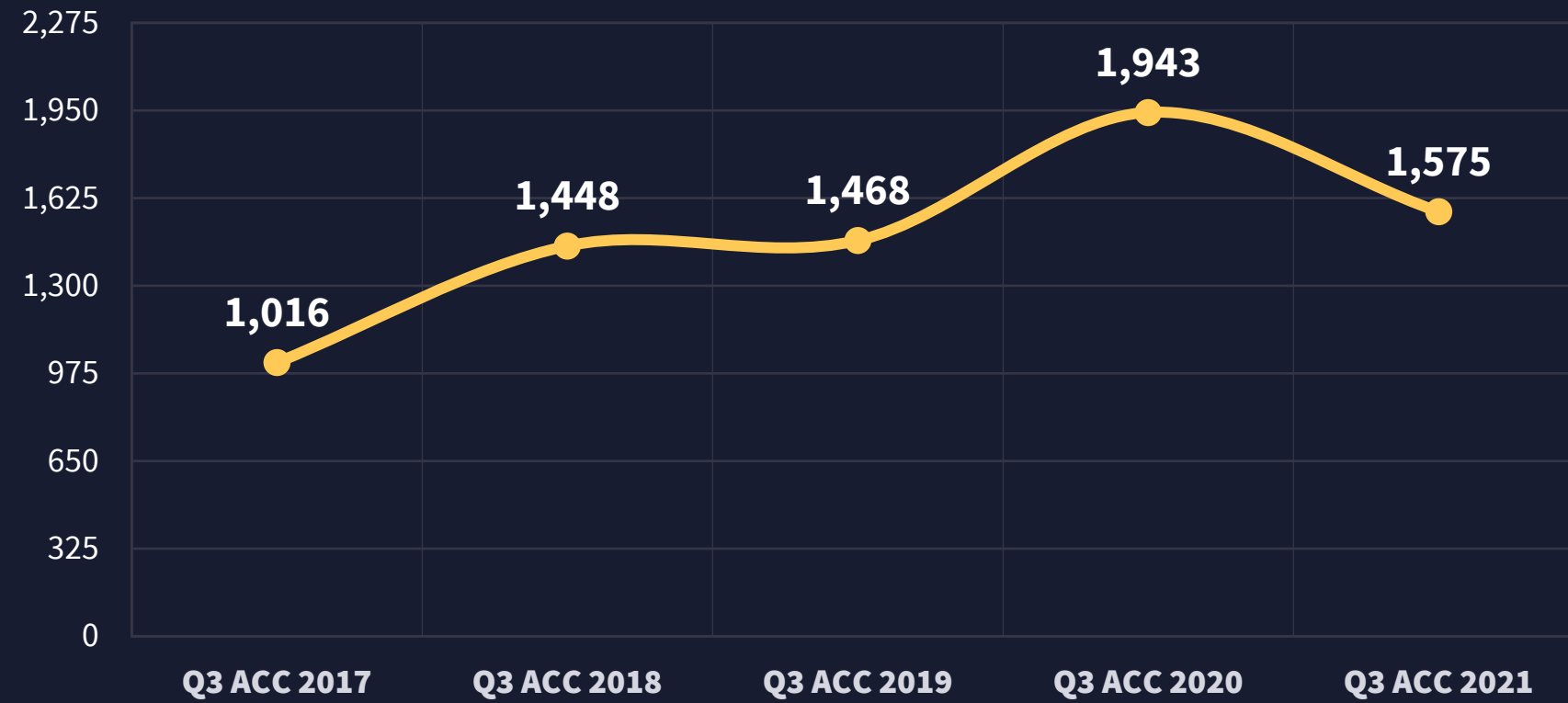


Lleida.net keeps its constant investment in R&D, focused on its SaaS line, to continue as a pioneer company in the sector.

Capitalizations have been stable at 4% of sales, and will result in new projects in forthcoming years.

EBITDA EVOLUTION

EBITDA (Thousands of euros)



EBITDA (Thousands of euros)

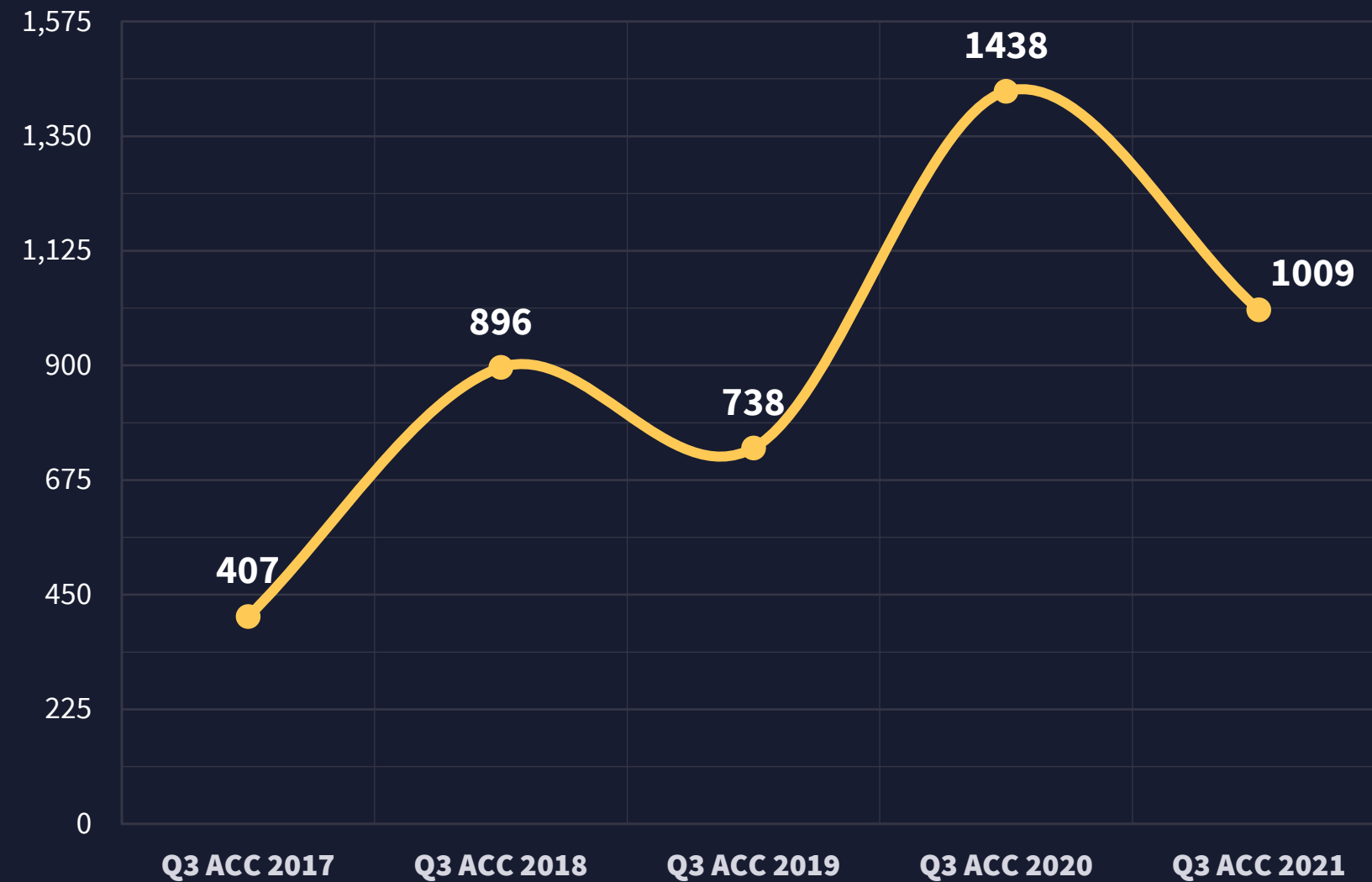


Our objective for 2021 is to have a stable structure for future growth. Investment in talent, internationalisation and R&D has led to a slowdown in EBITDA, but has maintained positive figures.

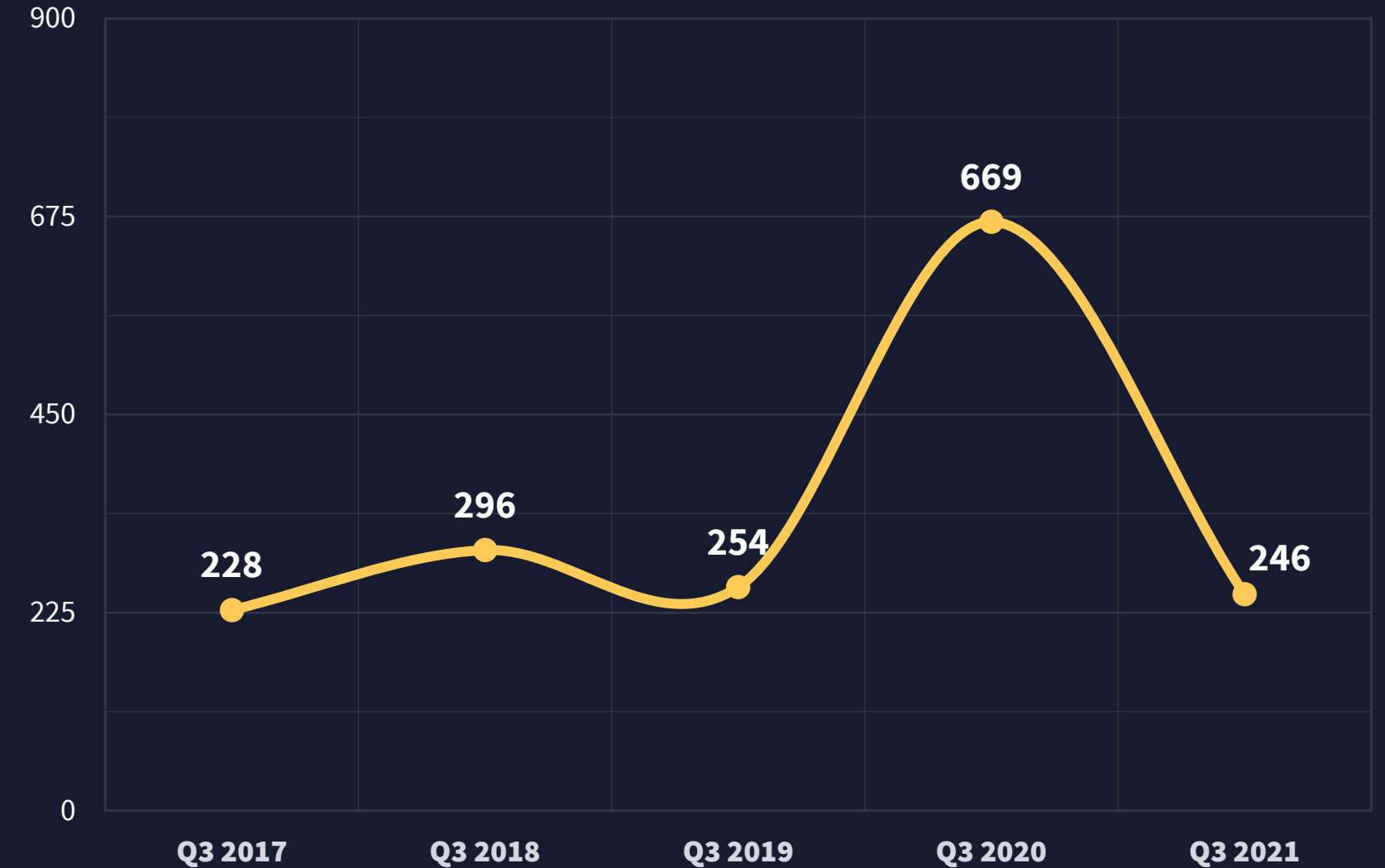
Extra investments for inorganic growth did not prevent this from being the 21st quarter with a positive EBITDA.

EBITDA EVOLUTION WITHOUT CAPITALIZATIONS

EBITDA WITHOUT CAPITALIZATIONS
(thousands of euros)



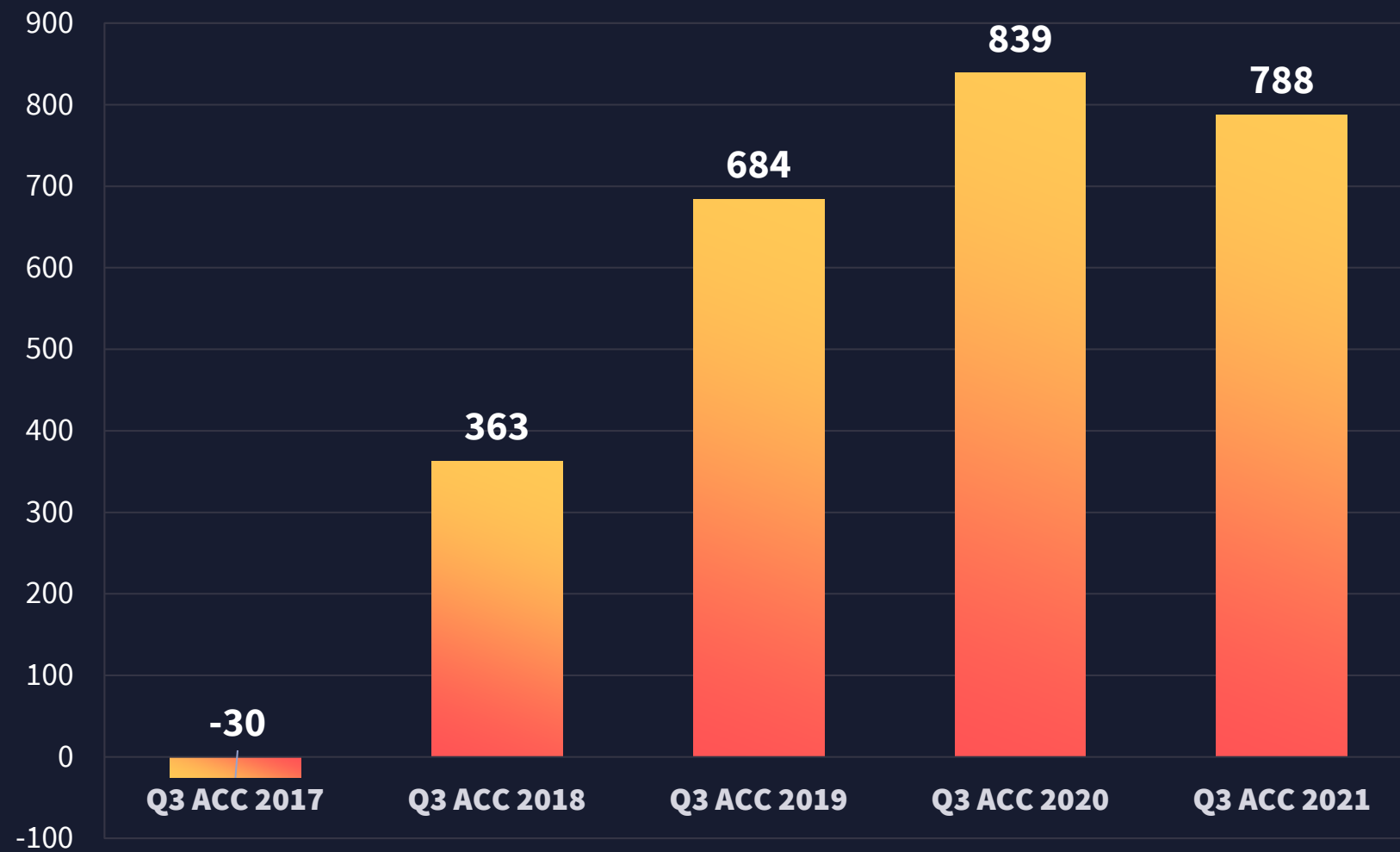
EBITDA WITHOUT CAPITALIZATIONS
(thousands of euros)



The EBITDA without capitalizations shows Lleida.net's long-term growth investment, generating resources to grow organically and inorganically in a sustainable way.

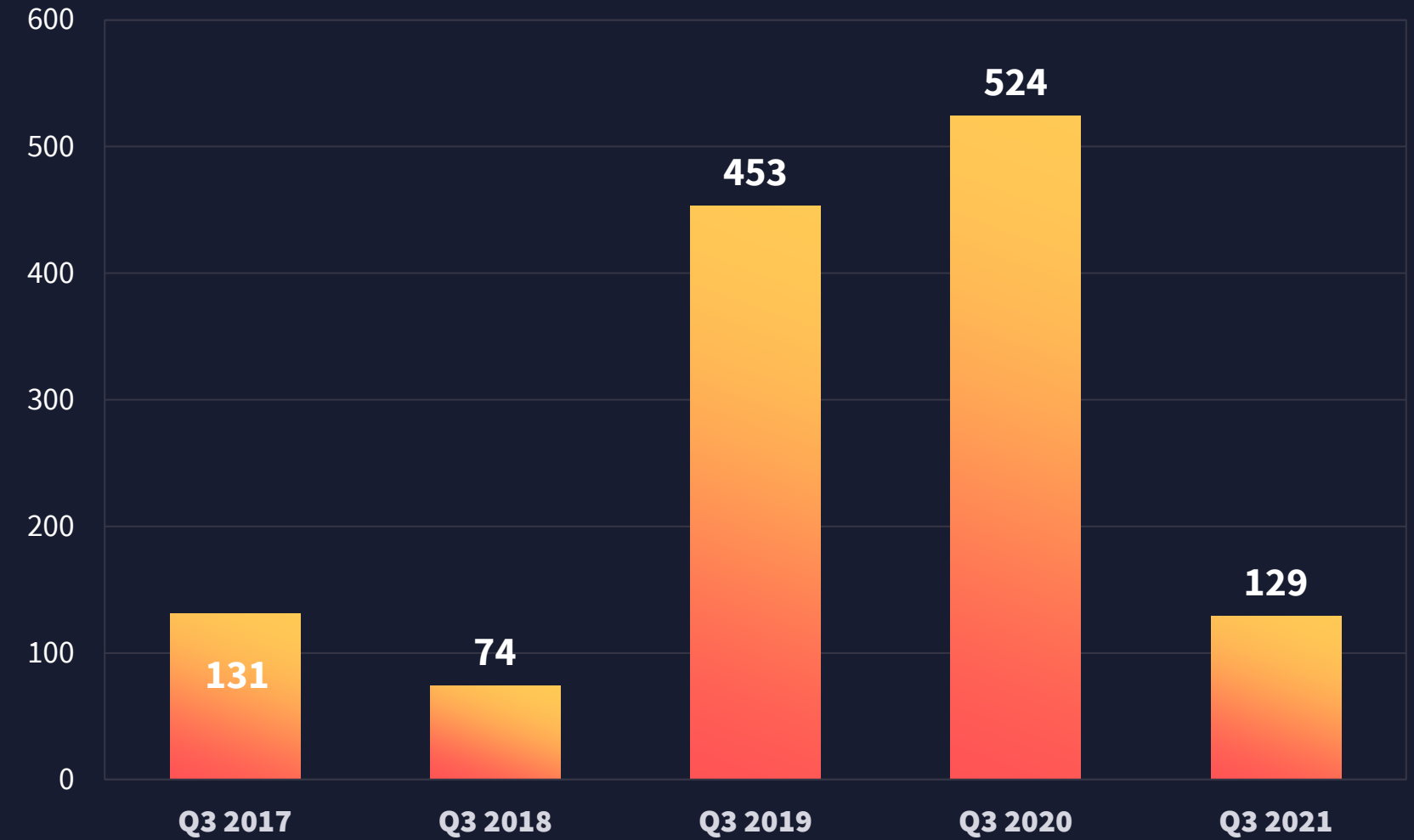
EVOLUTION OF EARNINGS BEFORE TAXES

EARNINGS BEFORE TAXES
(Thousands of euros)



The accumulated earnings before taxes in the third quarter amounted to 788 thousand euros. Exchange rate trends, especially in the first half of the year, generated a profit of 26 thousand euros, while the accumulated figures for the third quarter of 2020 generated a loss of 145 thousand euros.

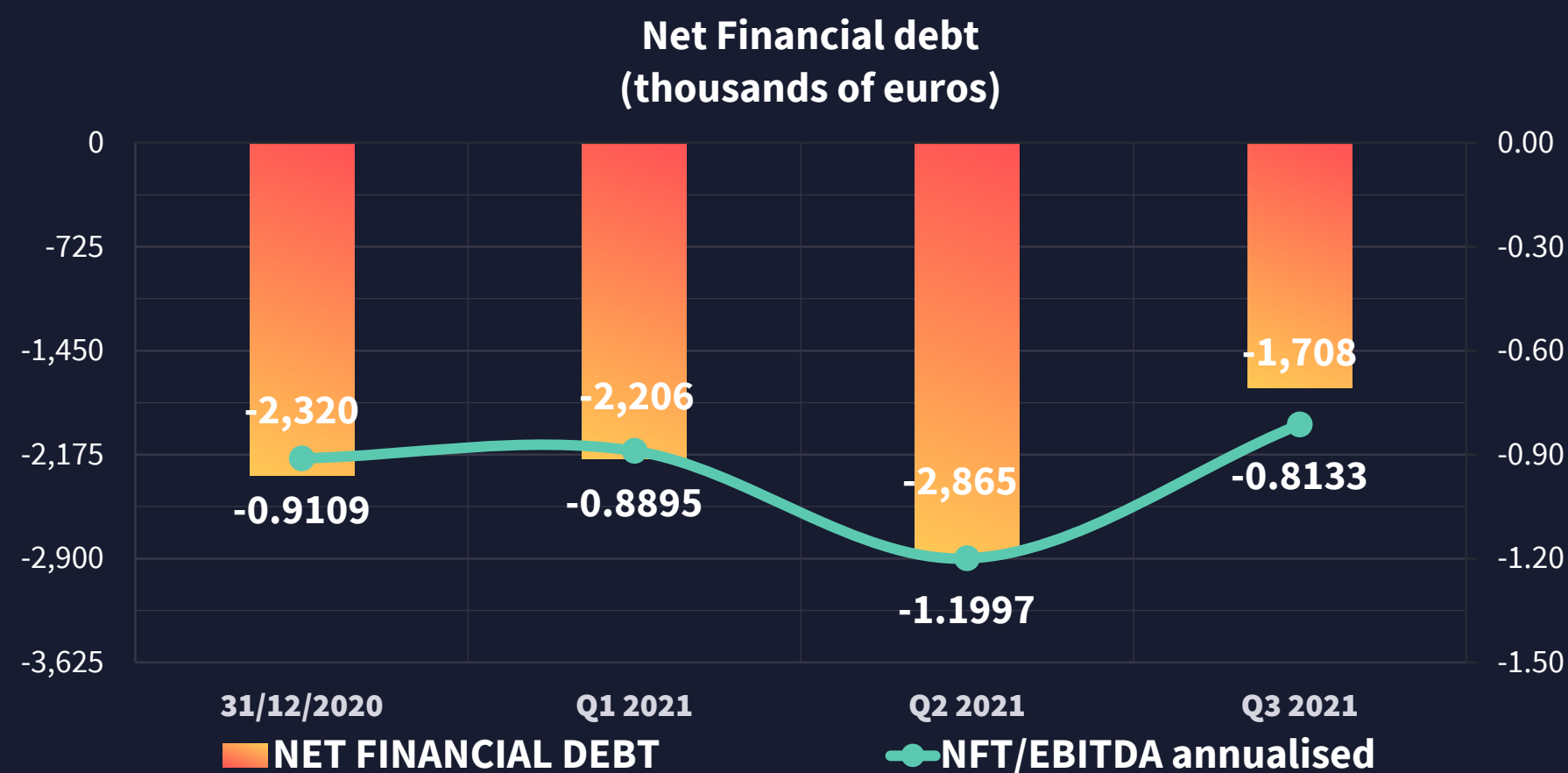
EARNINGS BEFORE TAXES
(Thousands of euros)



This difference over the third quarter results from the extraordinary income of 194 thousand euros recorded in 2020.

EVOLUTION OF NET FINANCIAL DEBT

Thousands of euros	2,020	Q1 2021	Q2 2021	Q3 2021	Difference Q2 2021-Q3 2021	
					Thousands of euros	Percentage
Short term debt	910	1,117	995	1,707	712	42%
Long term debt	2,100	2,281	2,054	6,610	4,556	69%
Total Financial debt	3,010	3,398	3,049	8,317	5,268	63%
Available cash	5,331	5,604	5,914	10,025	4,111	41%
NFD	-2,321	-2,206	-2,865	-1,708	1,157	(68%)



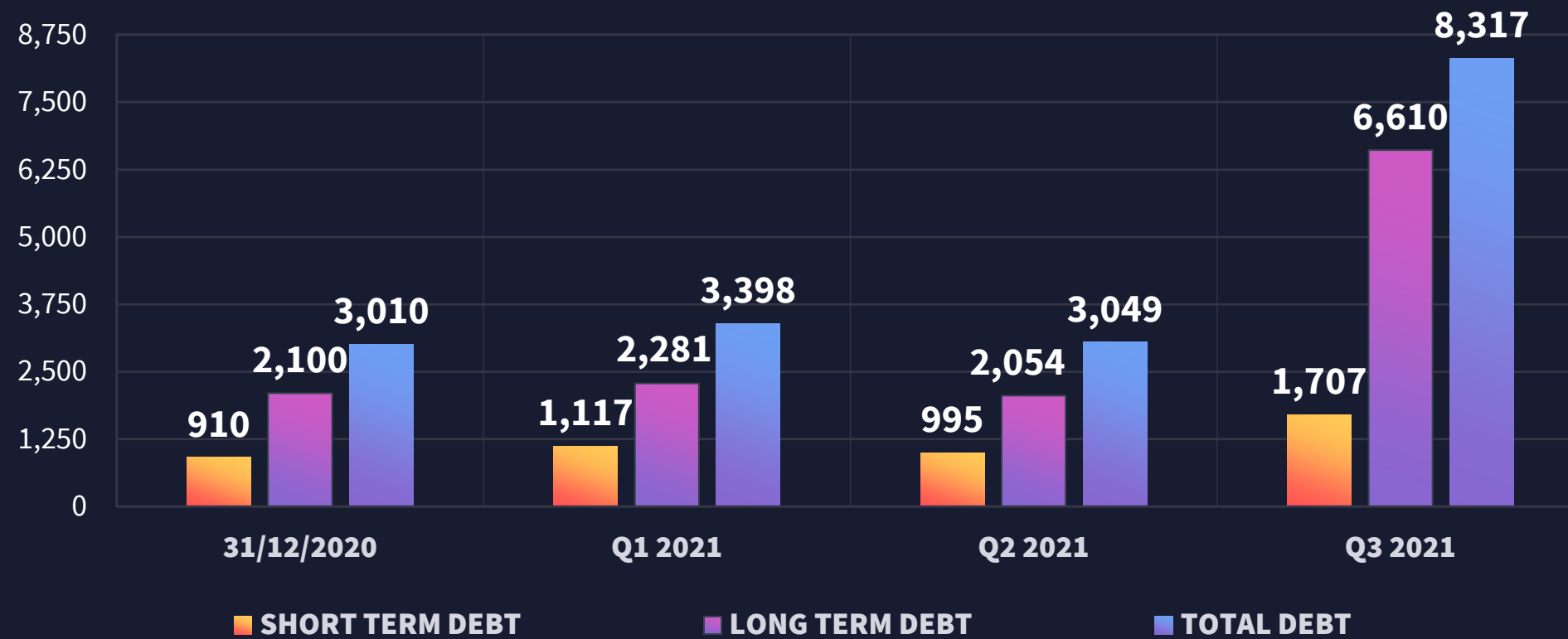
Net financial debt remains, yet another quarter, negative at EUR 1.7 million.

As we announced to the market, during this quarter, the company has acquired one million euros in treasury shares to make the payments for the acquisition of inDenova SL.

The purchases have been carried out in two blocks:

- The first block of 500,000 euros for the purchase of 85,400 shares at an average of 5.85 euros per share.
- A second block of 500,000 euros to purchase 90,134 shares at an average price of 5.53 euros per share.

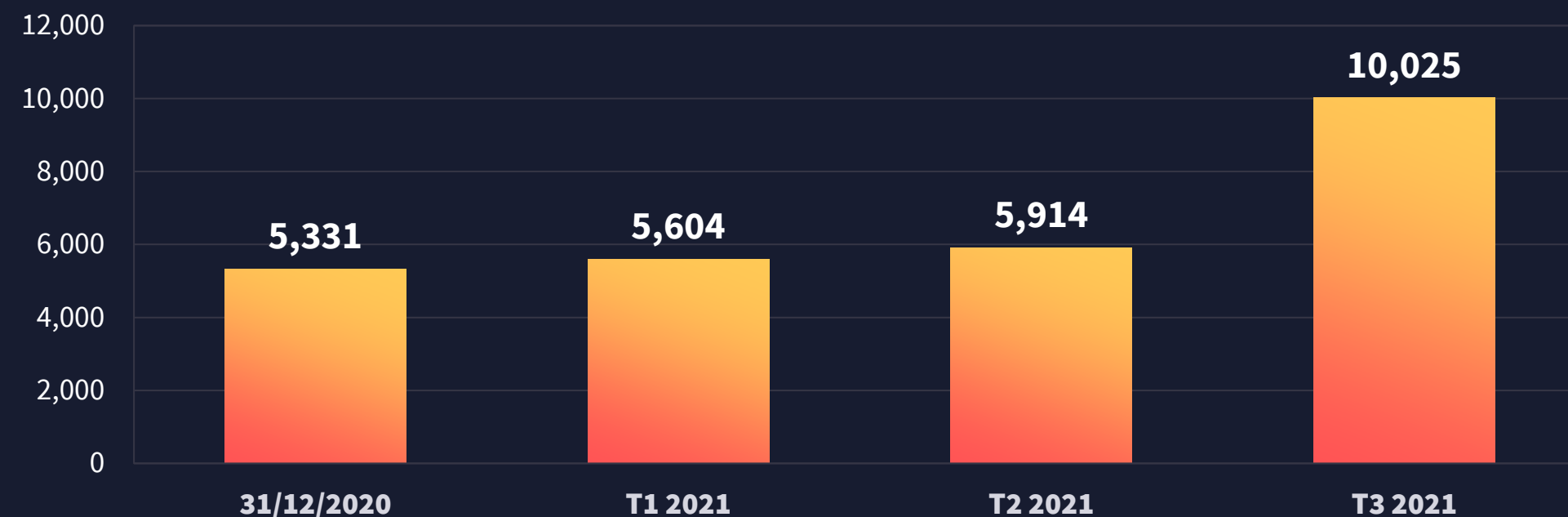
EVOLUTION OF NET FINANCIAL DEBT



During this third quarter, the group signed loans amounting to 5.65 million euros in July, at an average rate of 0.83%, to finance the purchase of 100% of inDenova S.L.'s share capital.

These funds, as we can see, are available in the parent company's current accounts.

Available cash
(thousands of euros)



Furthermore, the acquisition of inDenova S.L. will be supported by additional bank financing, along with the resources generated by the group's own activity, and will not lead to any value dilution.



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