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La Primera Operadora Certificadora

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Madrid, 8 March 2021

Regulatory announcement
LLEIDANETWORKS SERVEIS TELEMÀTICS S.A.

Q4 2022 and annual results preview 2022

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 4Q 2022 and Annual 2022 prepared on the unaudited accounting information available to the Board of Directors. It was drafted based on the unaudited accounting information from the Board of Directors. Therefore, this information in no way replaces or is equivalent to the financial information published in MAB Circular 6/2018. The press release that will be sent out to the media today is attached

On Thursday, 9 March, Sisco Sapena, CEO of the company, and Arrate Usandizaga, CFO of the company, will hold a webinar at 10.30 a.m. to discuss the progress of Q4 2022, the progress of 2022 and to provide answers to questions from the attendees at <https://www.lleida.net/es/streaming/4T2022>. Pre-registration is required to attend the webinar.

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

Sincerely,

Madrid, 8 March 2023

Sisco Sapena, CEO and Chairman of the Board



Lleida.net

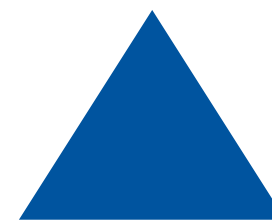
**PRESENTATION OF INTERIM
RESULTS CUMULATIVE
FOR FY 2022 AND Q4 2022**



Disclaimer

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“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 the LLEIDA.NET Income Statement for fiscal year 2022 which was prepared based on the unaudited accounting information made 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.



MAIN MILESTONES

- Sales increased to EUR 2.7 million in 2022 compared to 2021, amounting to EUR 20.7 million.
- Growth in almost all business lines, excluding contracting.
- Gross margin rose 15% YoY, representing 59% of revenues in Q4.
- The group launched the first hybrid contracts.
- EBITDA reaches 1.9 million euros, reflecting the cost of the group's investment in talent for future growth.
- Profit before tax losses of EUR 314k, reflecting the impact of goodwill amortisation and the financial costs of new loans and former shareholders.

FORECAST OF THE INCOME STATEMENT

<i>Figures estimated in thousands of euros Consolidated</i>	Q4 2021	Q4 2022	QoQ €	QoQ %	2021	2022	YoY €	YoY%
Sales	5,386	4,960	(426)	-8%	17,975	20,671	2,696	15%
Sale costs	(2,307)	(2,031)	(276)	-12%	(8,616)	(9,891)	1,275	15%
Gross Margin	3,079	2,929	(150)	-5%	9,359	10,780	1,421	15%
<i>% Gross margin</i>	<i>57%</i>	<i>59%</i>			<i>52%</i>	<i>52%</i>		
Personnel expenses	(1,216)	(1,612)	396	33%	(4,381)	(6,340)	1,959	45%
External services	(1,371)	(1,144)	(227)	-17%	(3,477)	(3,687)	210	6%
EBITDA WITHOUT CAPITALIZATIONS	492	173	(319)	-65%	1,501	753	(748)	-50%
<i>% of Gross margin</i>	<i>16%</i>	<i>6%</i>			<i>16%</i>	<i>7%</i>		
Activations	210	259	49	23%	776	1,156	380	49%
EBITDA	702	432	(270)	-38%	2,277	1,909	(368)	-16%
<i>% of Gross margin</i>	<i>23%</i>	<i>15%</i>			<i>24%</i>	<i>18%</i>		
Depreciation	(444)	(531)	87	20%	(1,257)	(2,073)	816	65%
Other incomes	57	25	(32)	-56%	114	64	(50)	-44%
Other earnings	0	1			(9)	(1)	8	89%
Total operation costs	315	(73)	(388)	-123%	1,125	(101)	(1,226)	-109%
Net Financial Debt	(36)	(29)	7	19%	(84)	(167)	(83)	-99%
Exchange rate differences	(34)	(198)	(164)	-482%	(8)	(46)	(38)	475%
Earnings before Tax	245	(300)	(545)	-222%	1,033	(314)	(1,347)	-130%

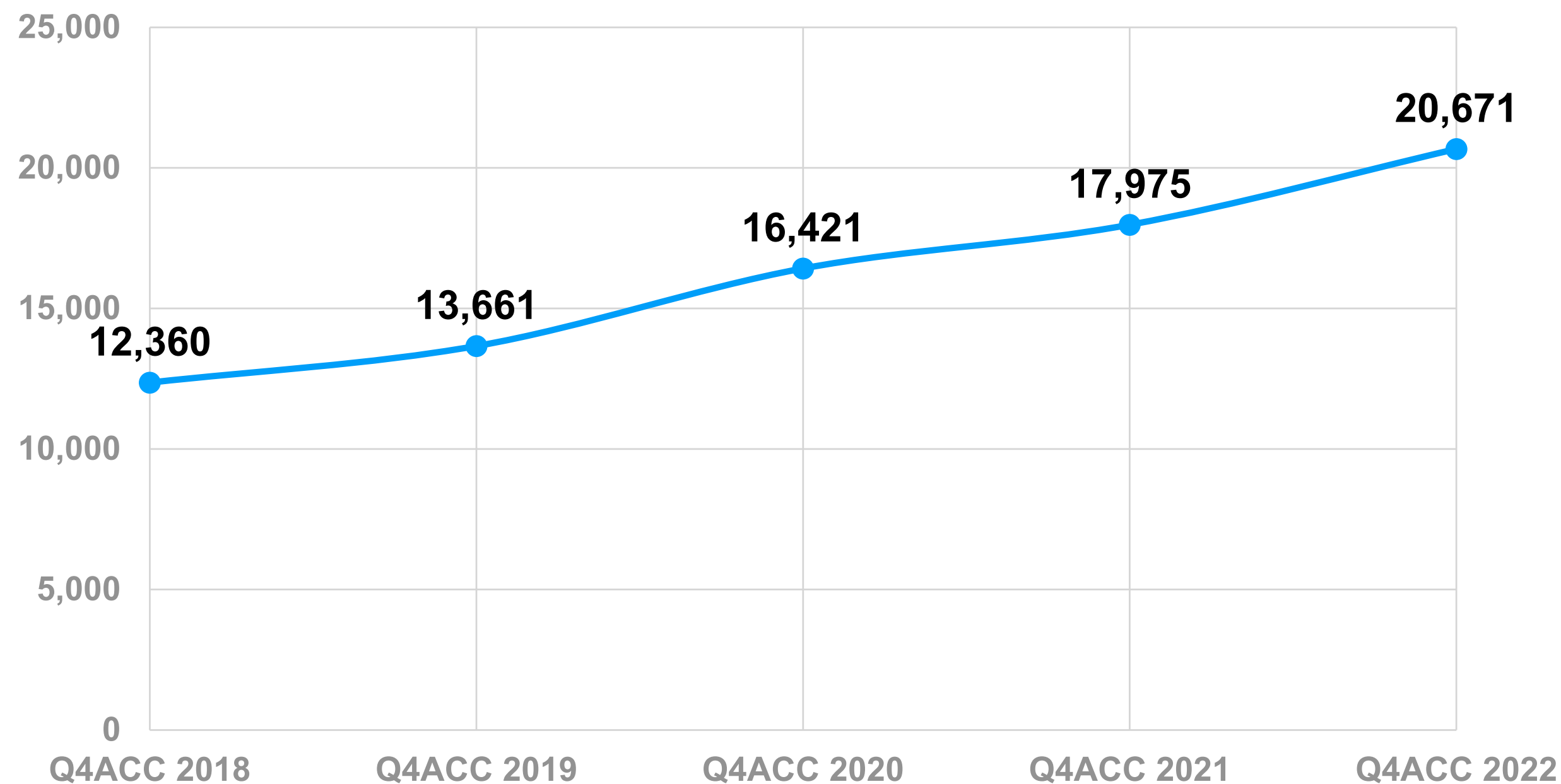
In the 2022 data within the consolidation perimeter, the profit and loss account of Indenova for the year 2022 is included. Within the 2021 data, the data of Indenova from November 1, 2021, is included.

SALES FORECAST BY BUSINESS LINE

Estimated consolidated sales per business line Thousand euros

	Q4 2021	Q4 2022	QoQ €	QoQ %	Acc. Q4 2021	Acc. Q4 2022	YoY €	YoY %
Contracts	915	611	-304	-33%	3,219	2,999	-220	-7%
Notification	824	701	-123	-15%	2,359	2,468	109	5%
Other SaaS	1,004	1,089	85	8%	1,869	3,115	1,246	67%
SMS solutions	685	838	153	22%	2,710	3,634	924	34%
ICX-WHOLESALE solutions	1,958	1,721	-237	-12%	7,818	8,455	637	8%
Total	5,386	4,960	-426	-8%	17,975	20,671	2,696	15%

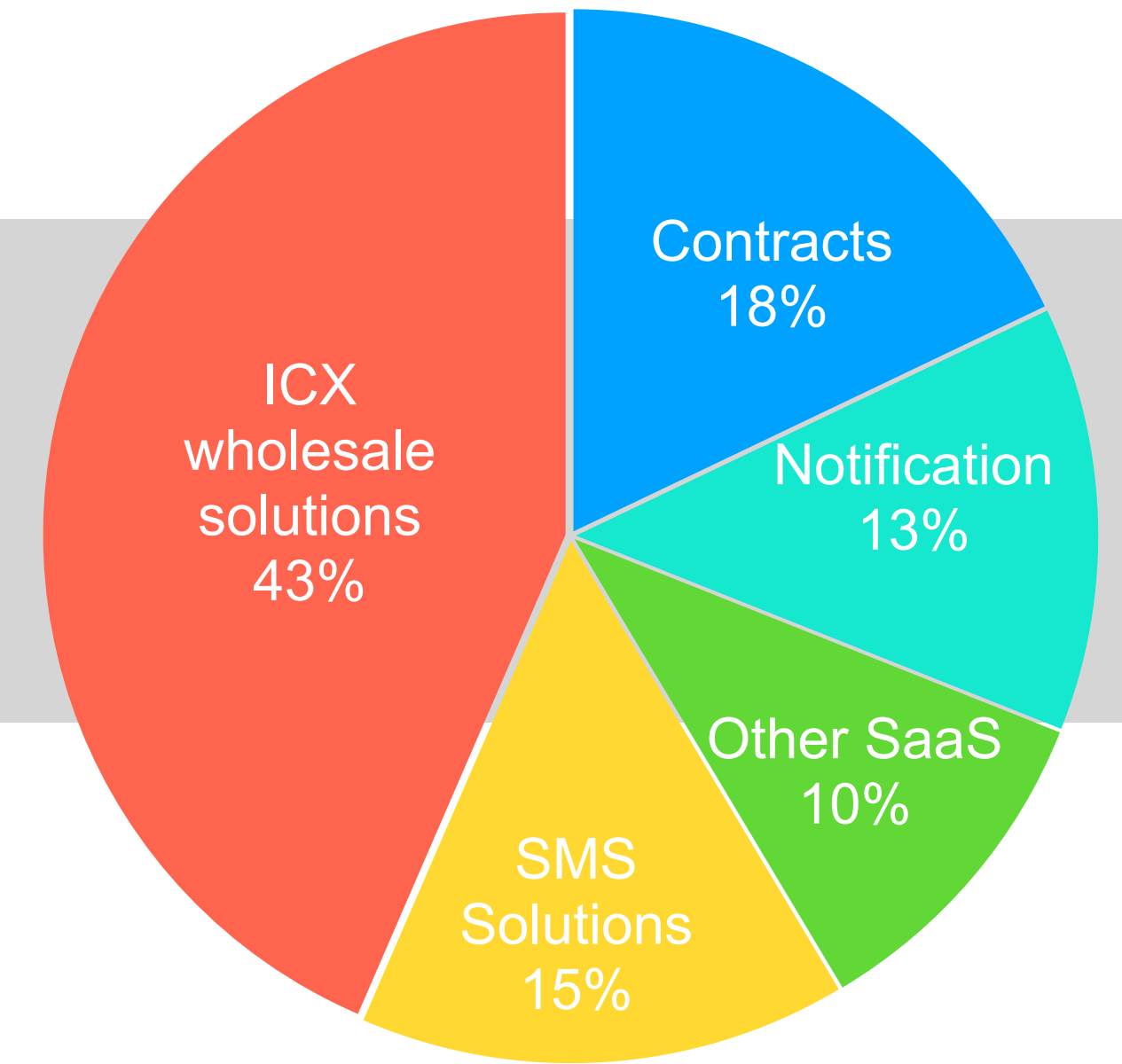
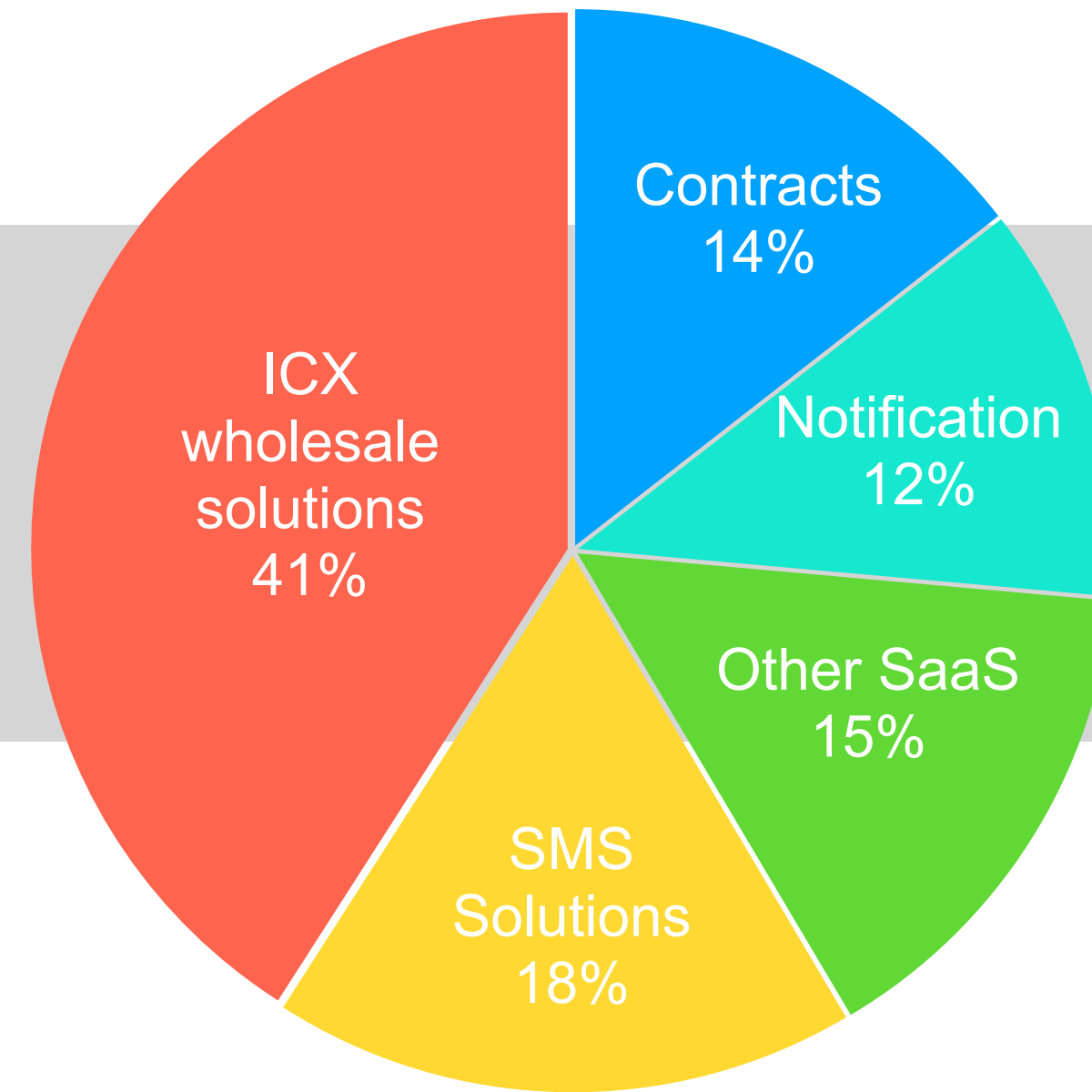
ACCUMULATED SALES (Thousands of euros)



The group has reported cumulative sales of over 20.6 million euros, significantly increasing the SMS business line.

To enhance transparency and standardise criteria with production data, we have kept the breakdown from Q1 2022; in particular, the SaaS business line has been split into three business lines, e-contracting, notification services and all other SaaS. The commercial SMS and Wholesale SMS business lines remain unchanged.

DESCRIPTION OF SALES BY BUSINESS LINE



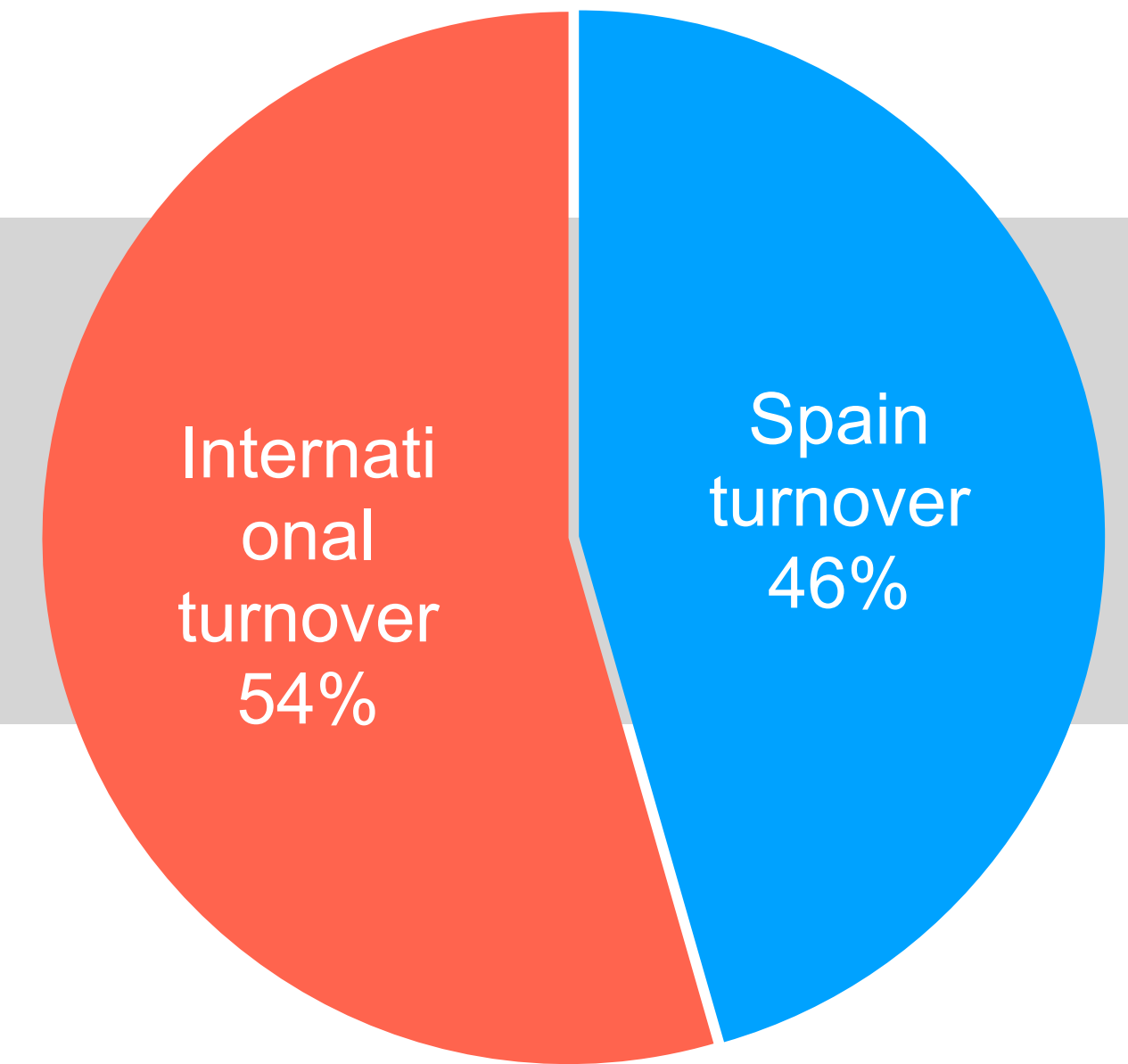
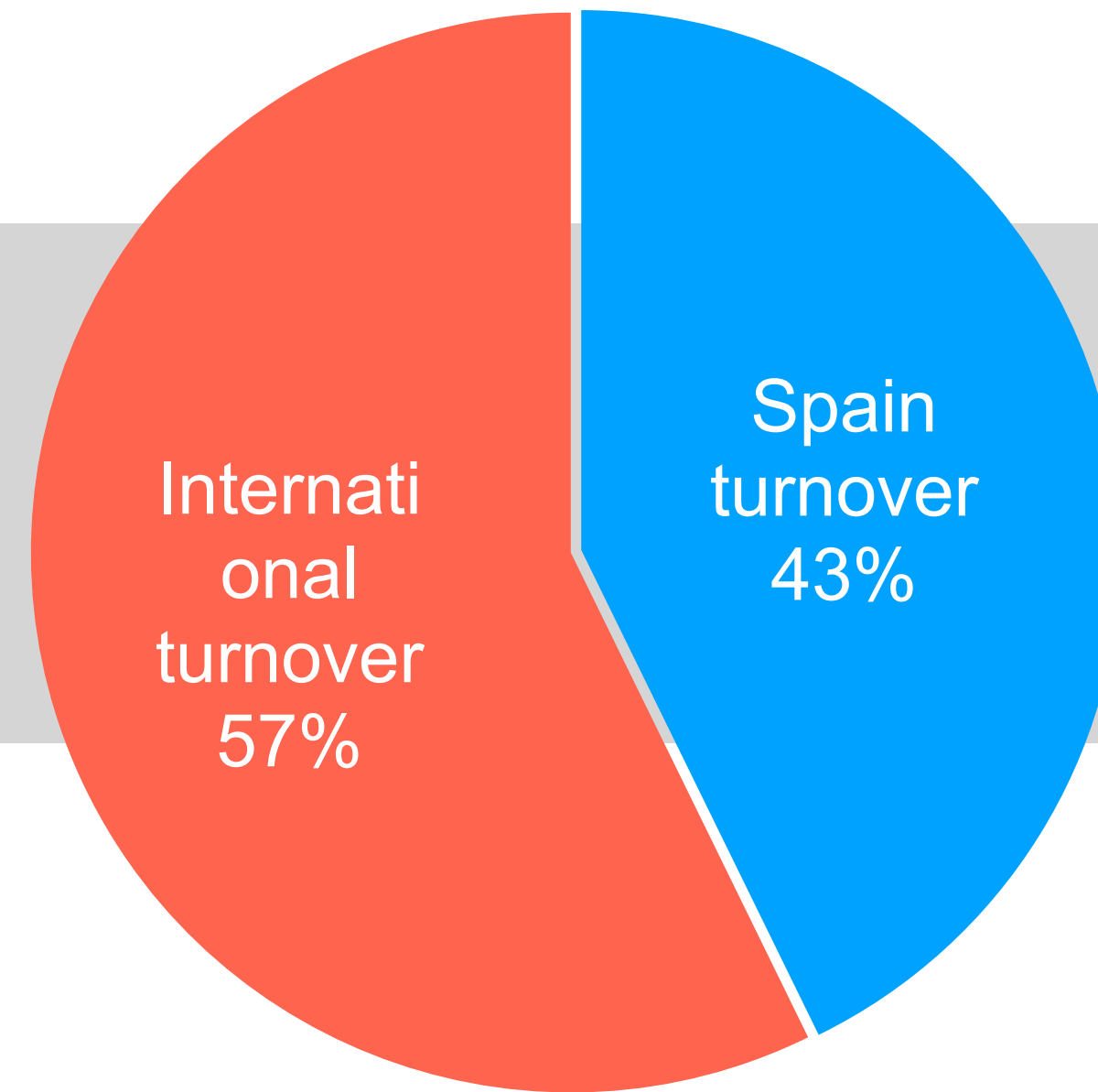
The significant increase in cumulative commercial SMS sales increases its relative weight from 15% to 18%.

The SaaS share accounts for 41% of total sales in 2021 and 2022.

2022

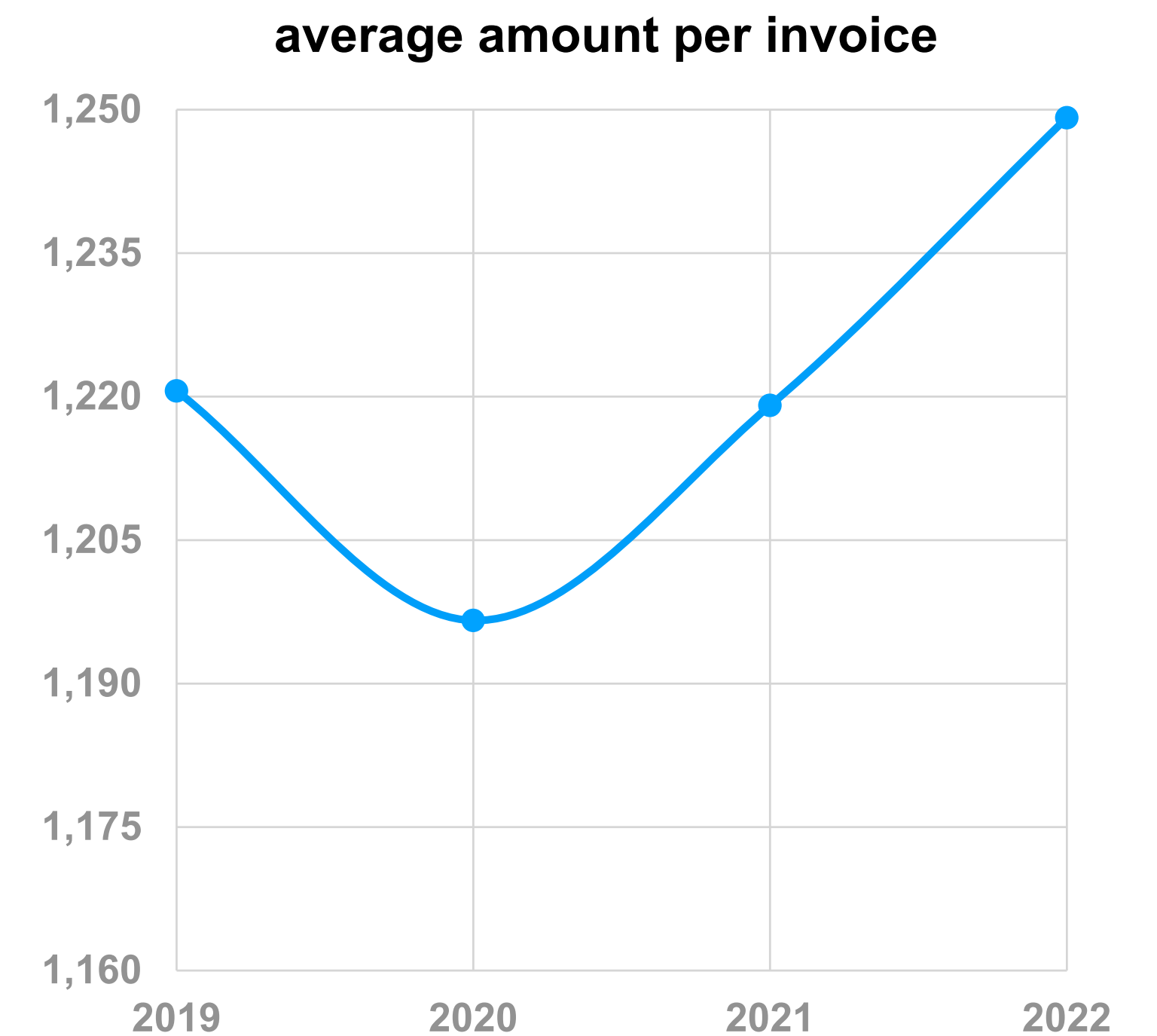
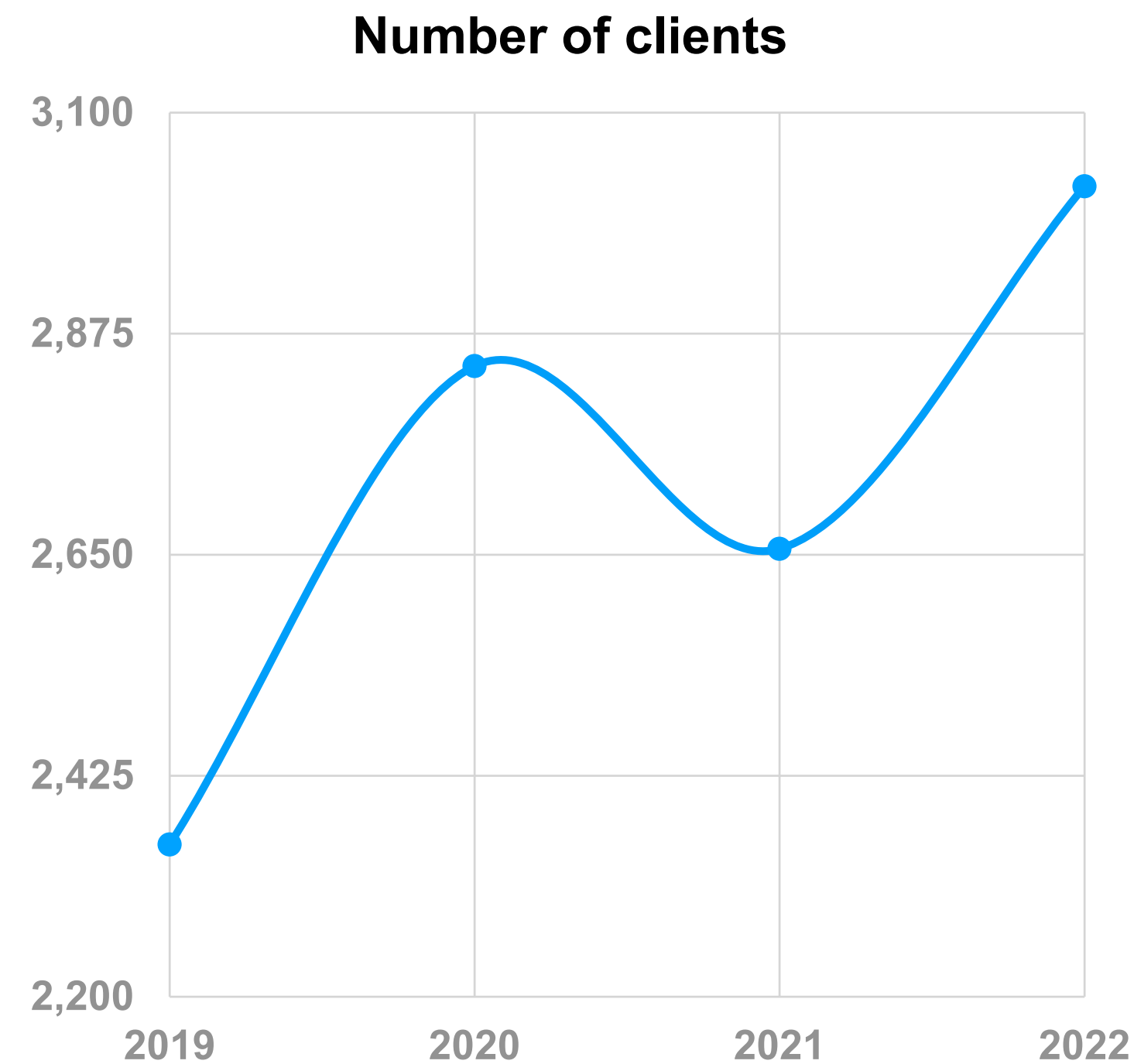
2021

DESCRIPTION OF SALES BY GEOGRAPHICAL AREA



Our international sales remain strong, accounting for 57% of the group's overall sales, particularly in Europe and Latin America.

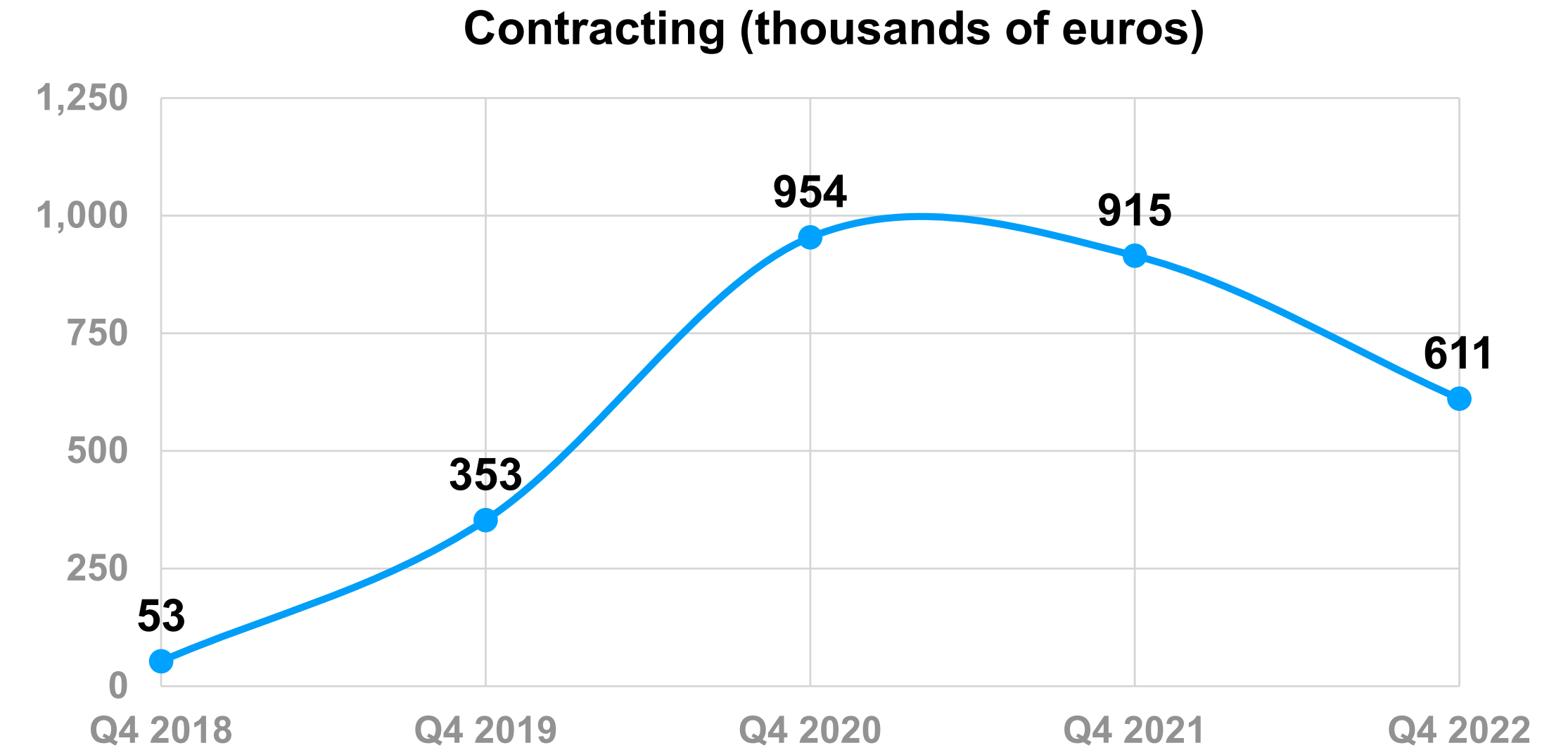
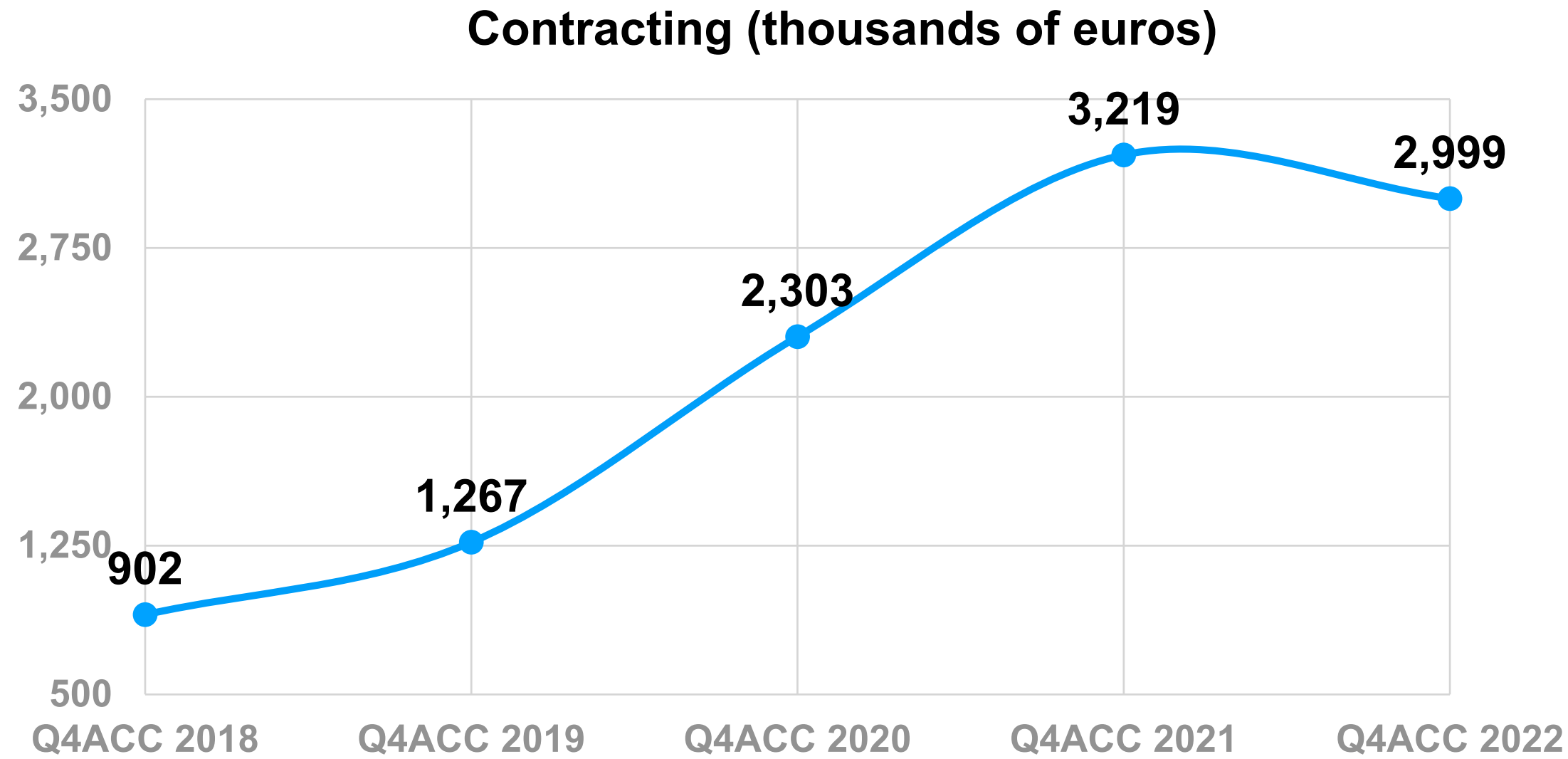
TYOLOGY OF CUSTOMERS OVER THE QUARTER



Lleida.net has achieved over the last three quarters a 14% increase in its customer portfolio compared to 2021 in terms of the total number of customers to whom an invoice has been sent. Likewise, the average invoicing is still increasing by 2% compared to the annual data for 2021.

The company has built up a loyal customer base, as the number of customers using our services each month increases every month.

EVOLUTION OF SALES CONTRACTING SERVICES

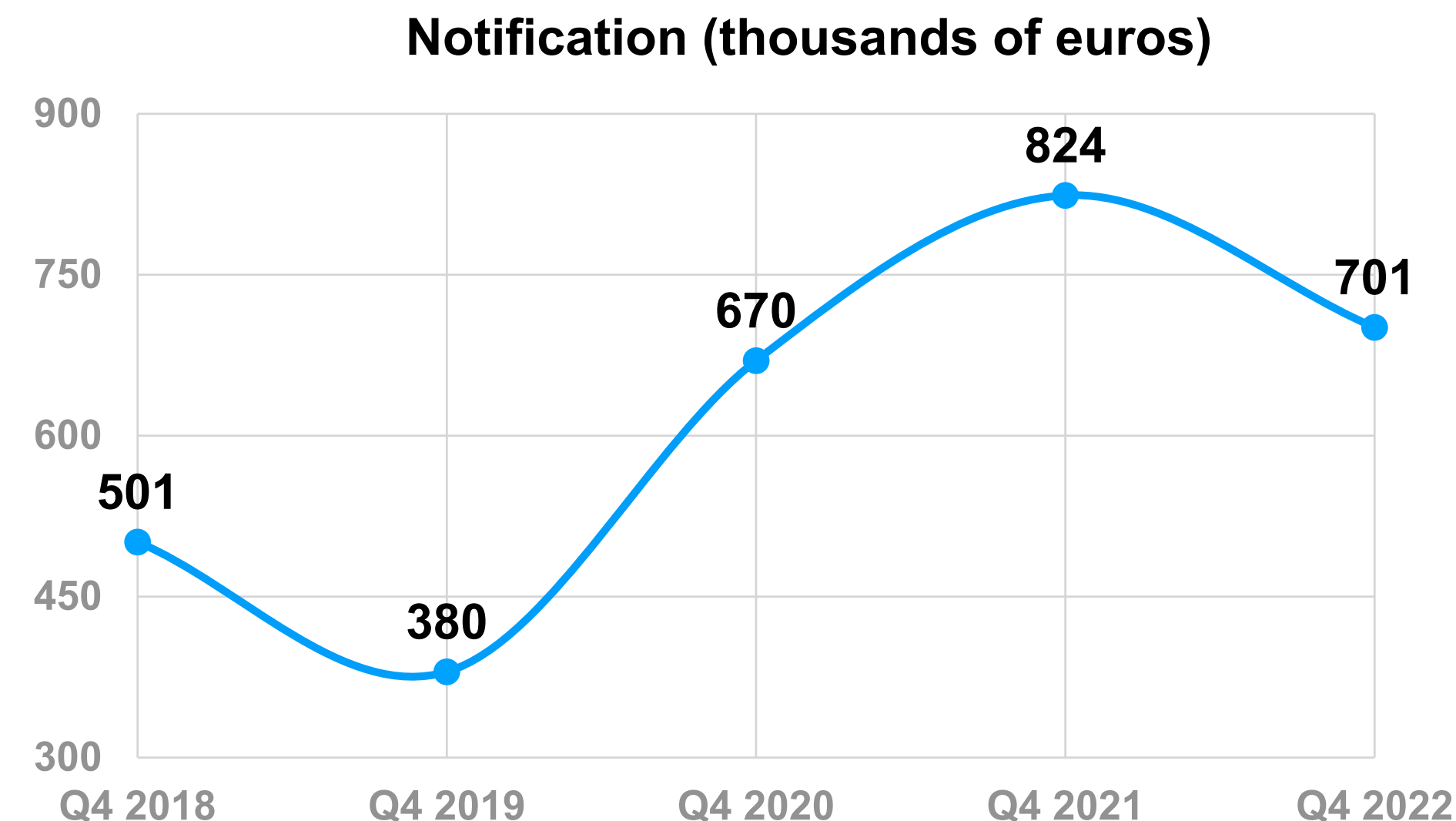
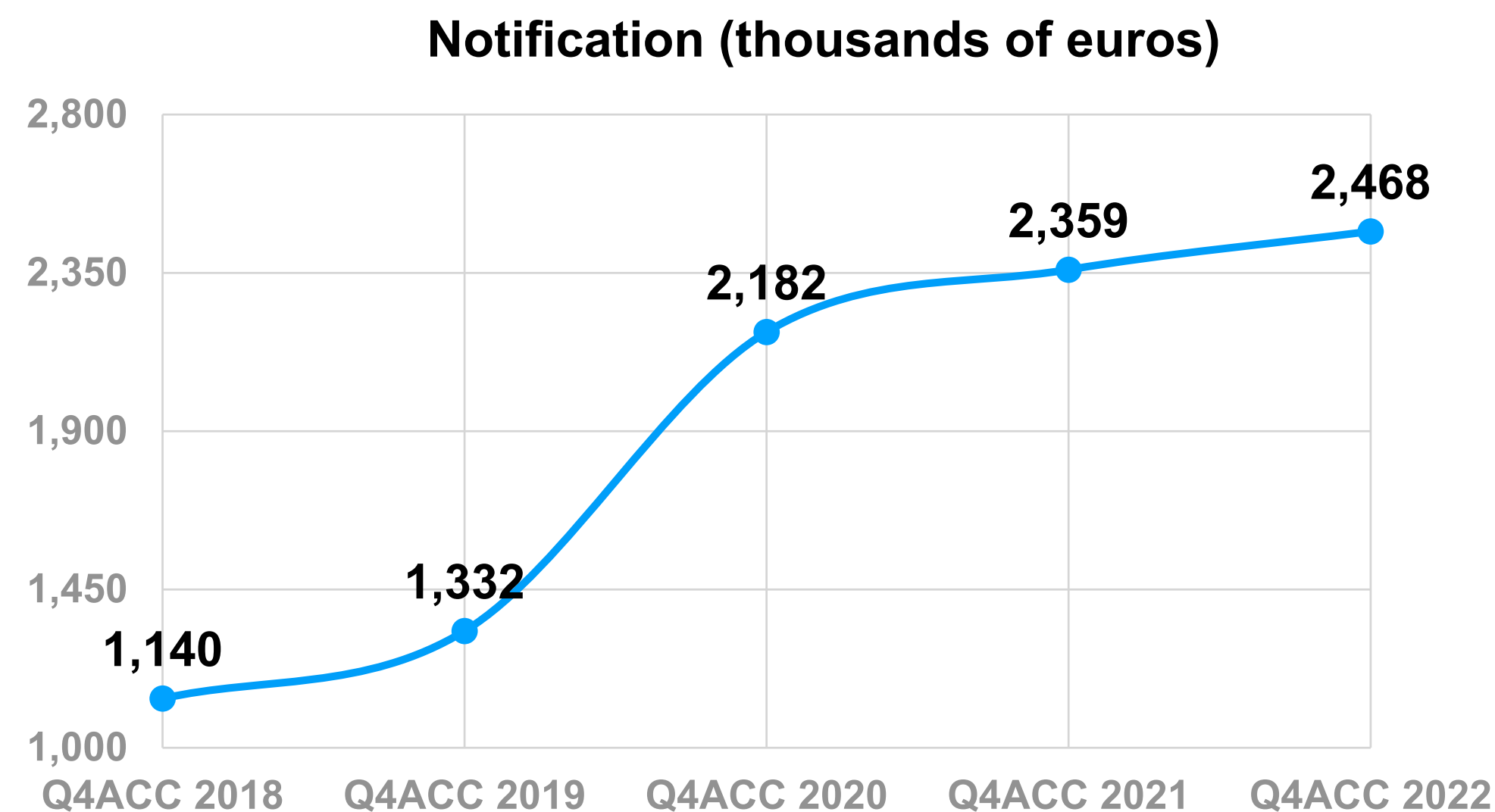


The contracting business line covers standard products such as Click&Sign Standard, email and SMS contracts, and Click & Sign Pro, the most complex one offered by Lleida.net.

The contracting sales amount to almost 3 million euros in 2022, 7% lower than in 2021. There has been a drop in the number of circuits carried out by our customers, coupled with a reduction in sales prices, mainly from national customers.

Current economic times have reduced the number of new contracts, as evidenced in previous quarters. Furthermore, in the last quarter of 2021, there was an important campaign by banks using our services to notify the change of contractual conditions of credit cards, something that we have yet to see in the last quarter of 2022.

EVOLUTION OF SALES NOTIFICATION SERVICES



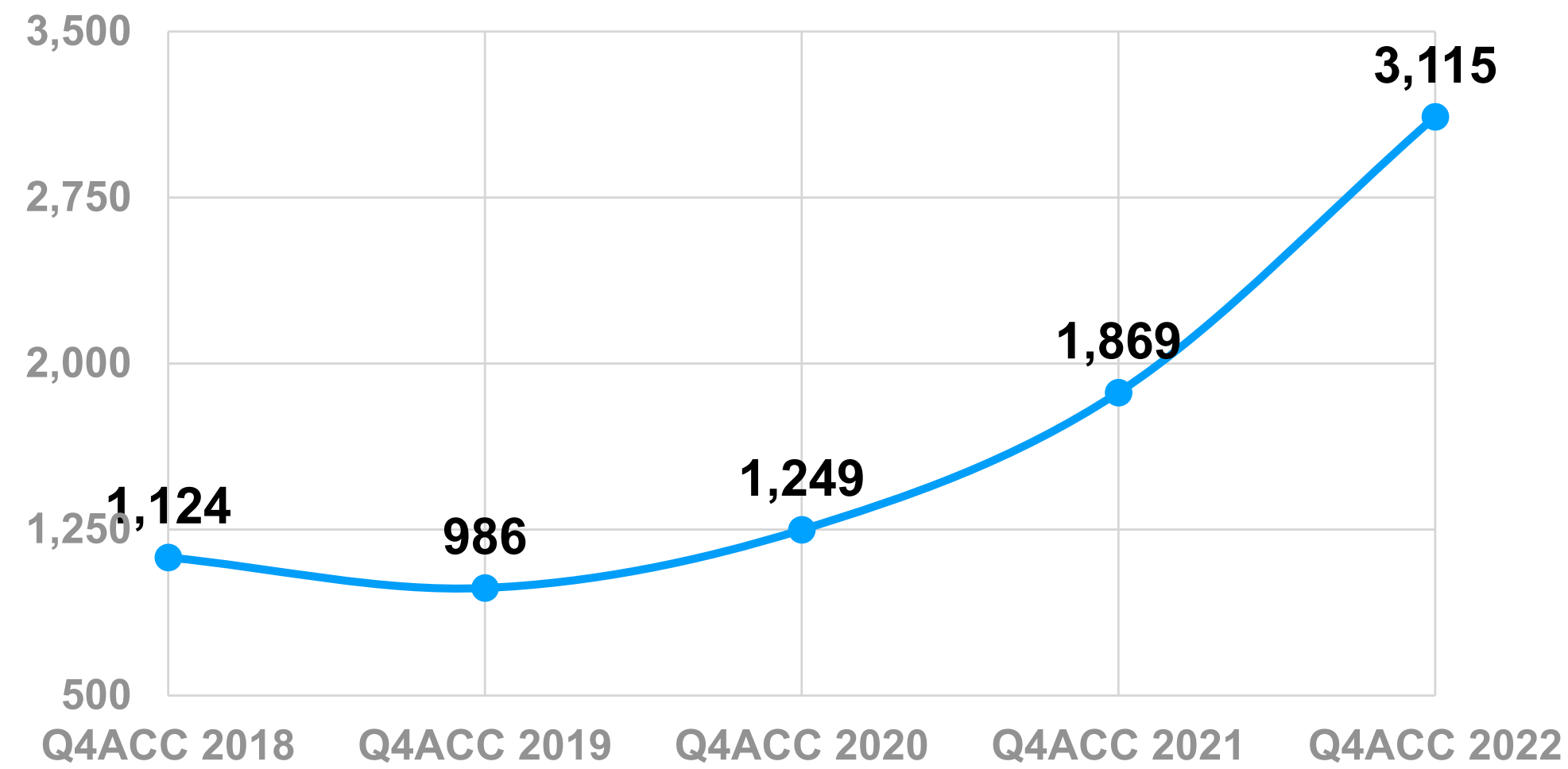
Notification sales include Registered email and Registered SMS products. Annual sales are up 5% compared to the 2021 data.

As previously seen in the forecast on production, we do not see a decrease in units sold. There have been no significant changes in customer pricing policies, but the evolution of currencies in Latin America has had an impact this quarter. Sales from Colombia are largely focused on this product, and although we have sold the same units, the amount in euros is lower in the consolidated accounts.

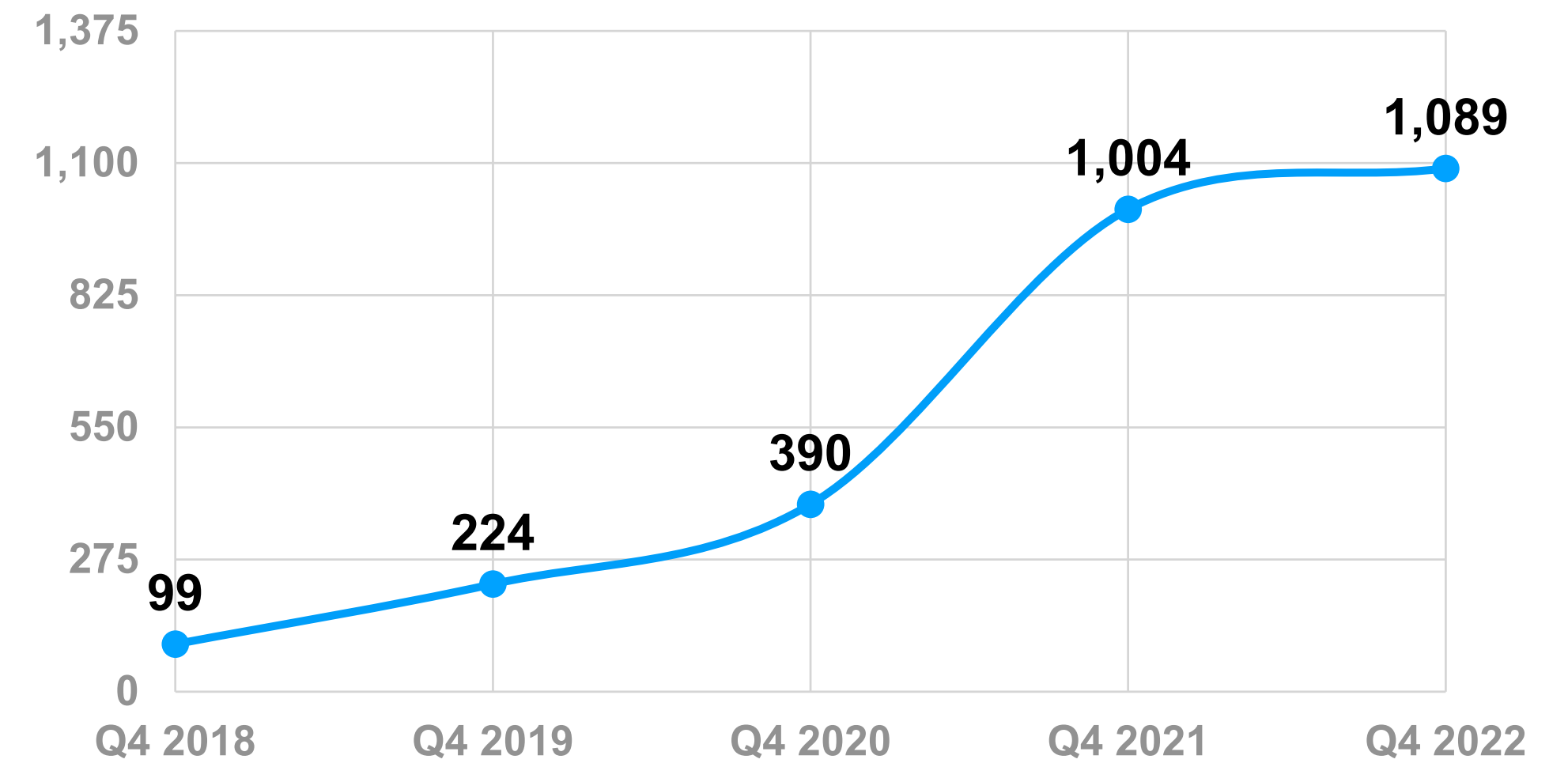
Colombia remains an axis of strategic growth within the Group, although exchange rate insurance measures must be studied to mitigate the current volatility of the currency.

EVOLUTION OF SALES OF OTHER SAAS PRODUCTS

Other SaaS products (thousands of euros)

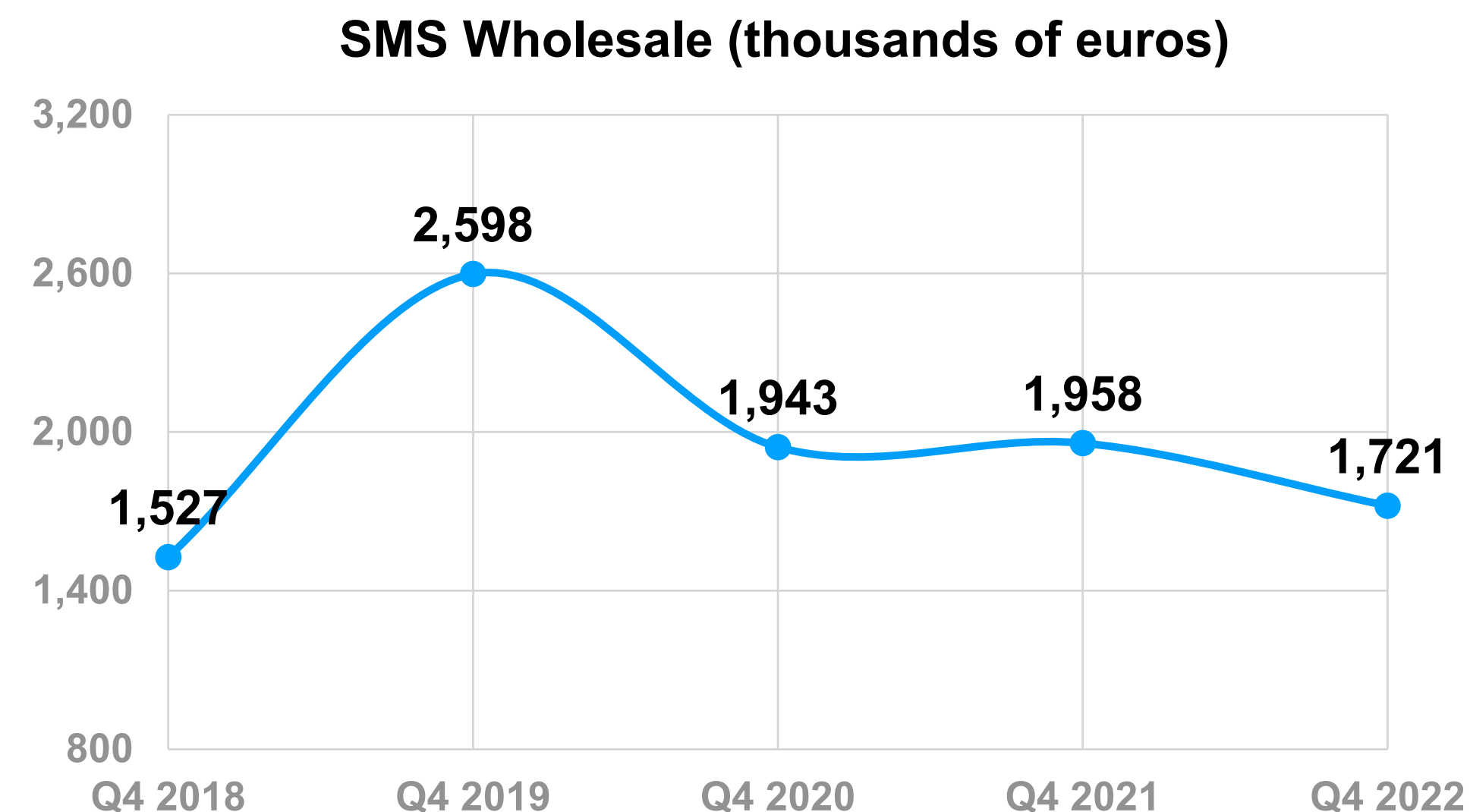
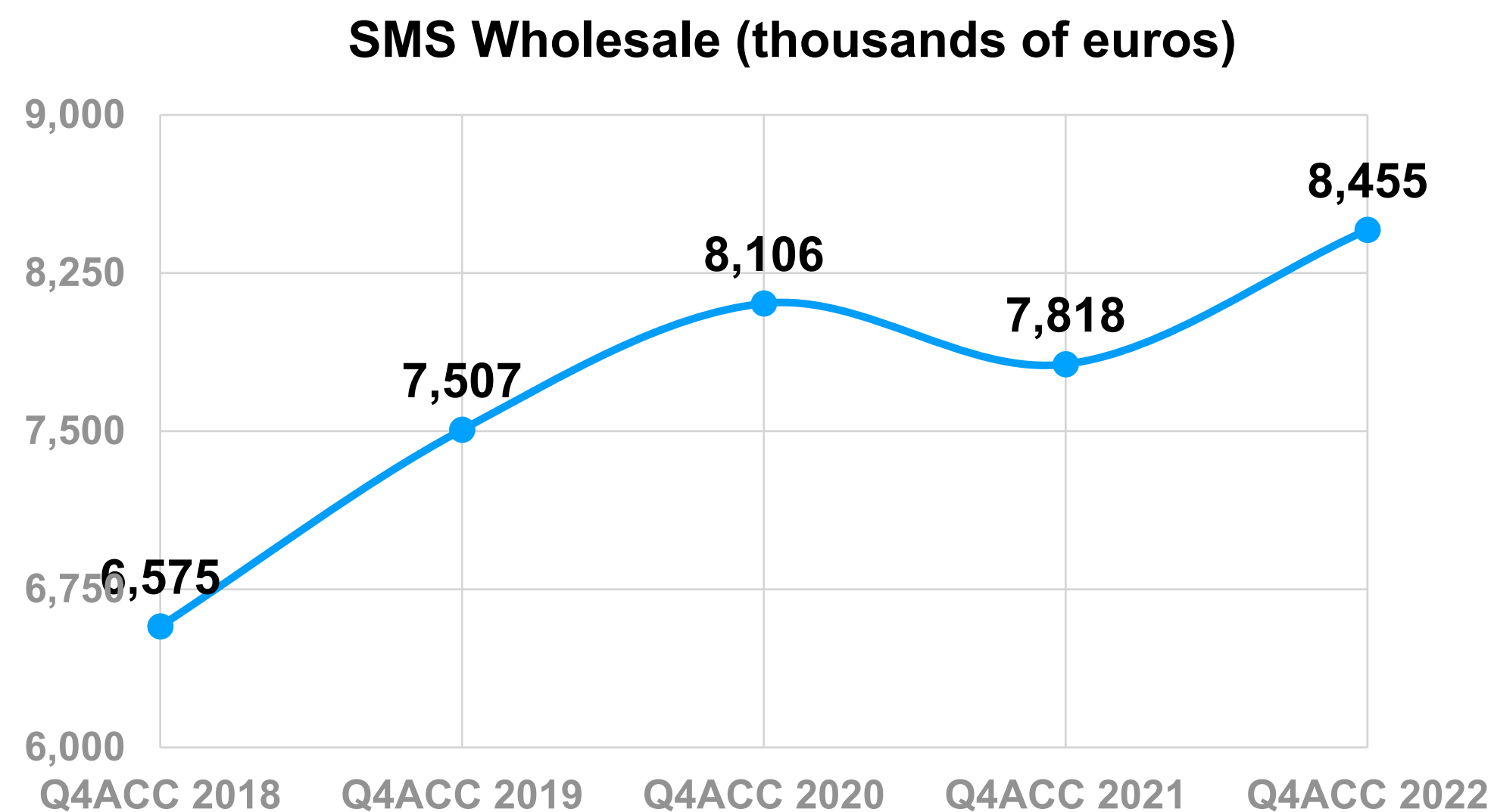


Other SaaS products (thousands of euros)



This line of services has increased the most due to the incorporation of Indenova's sales in the 2022 data. In the accumulated data, it represents sales of 2.1 million euros.

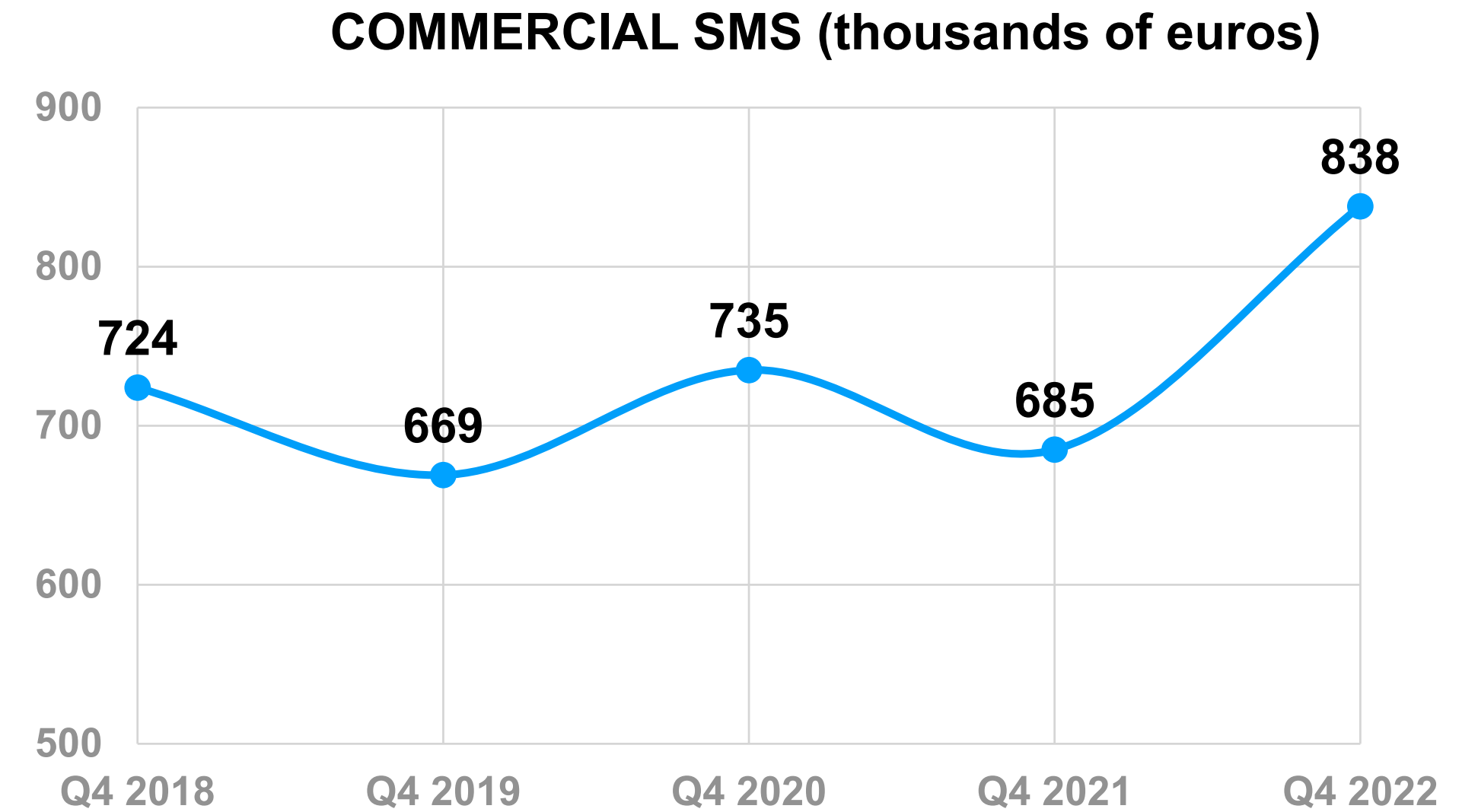
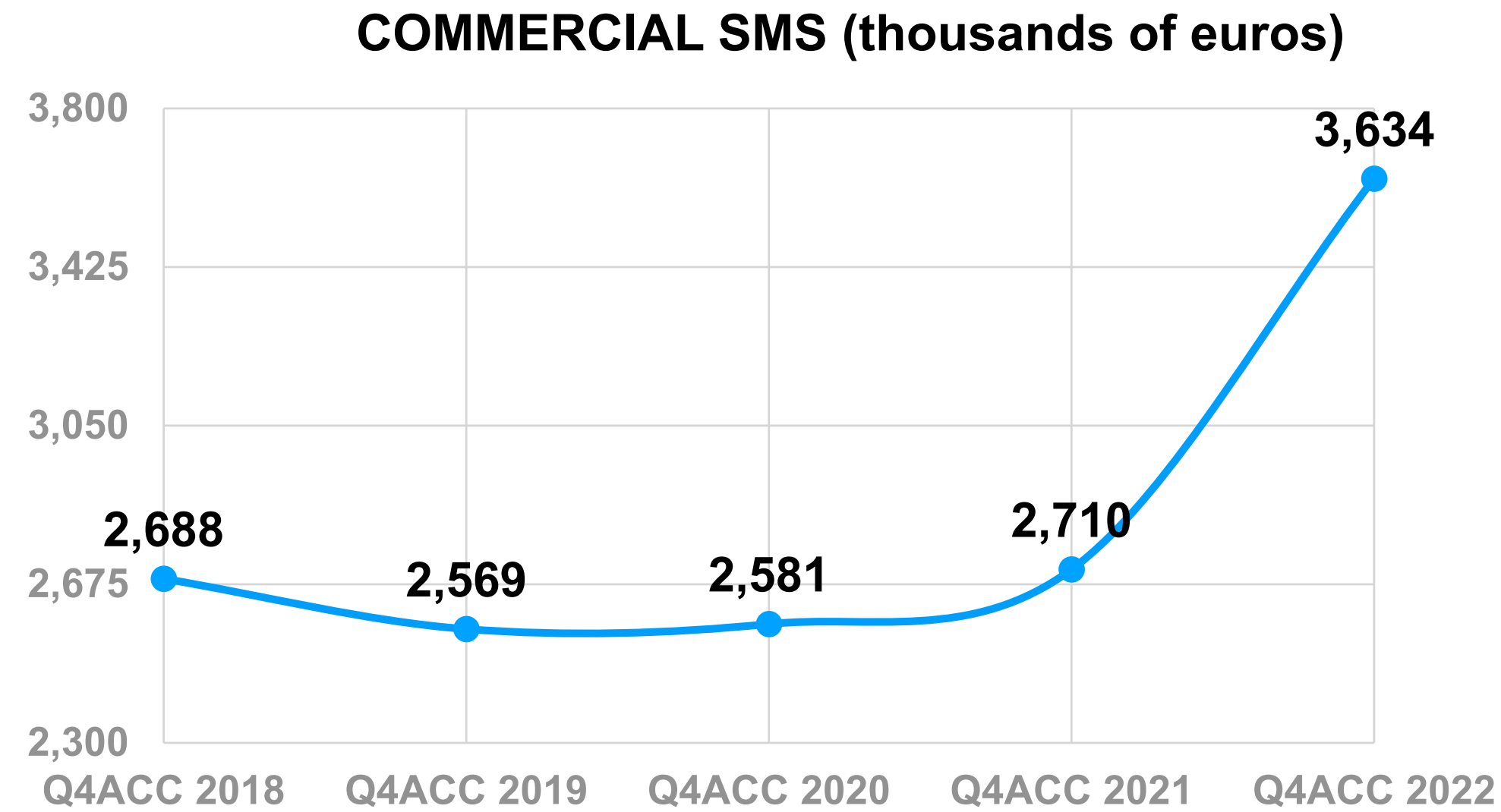
EVOLUTION OF SALES OF THE WHOLESALE SMS LINE



Wholesale sales grew 8% YoY and declined 12% during the quarter.

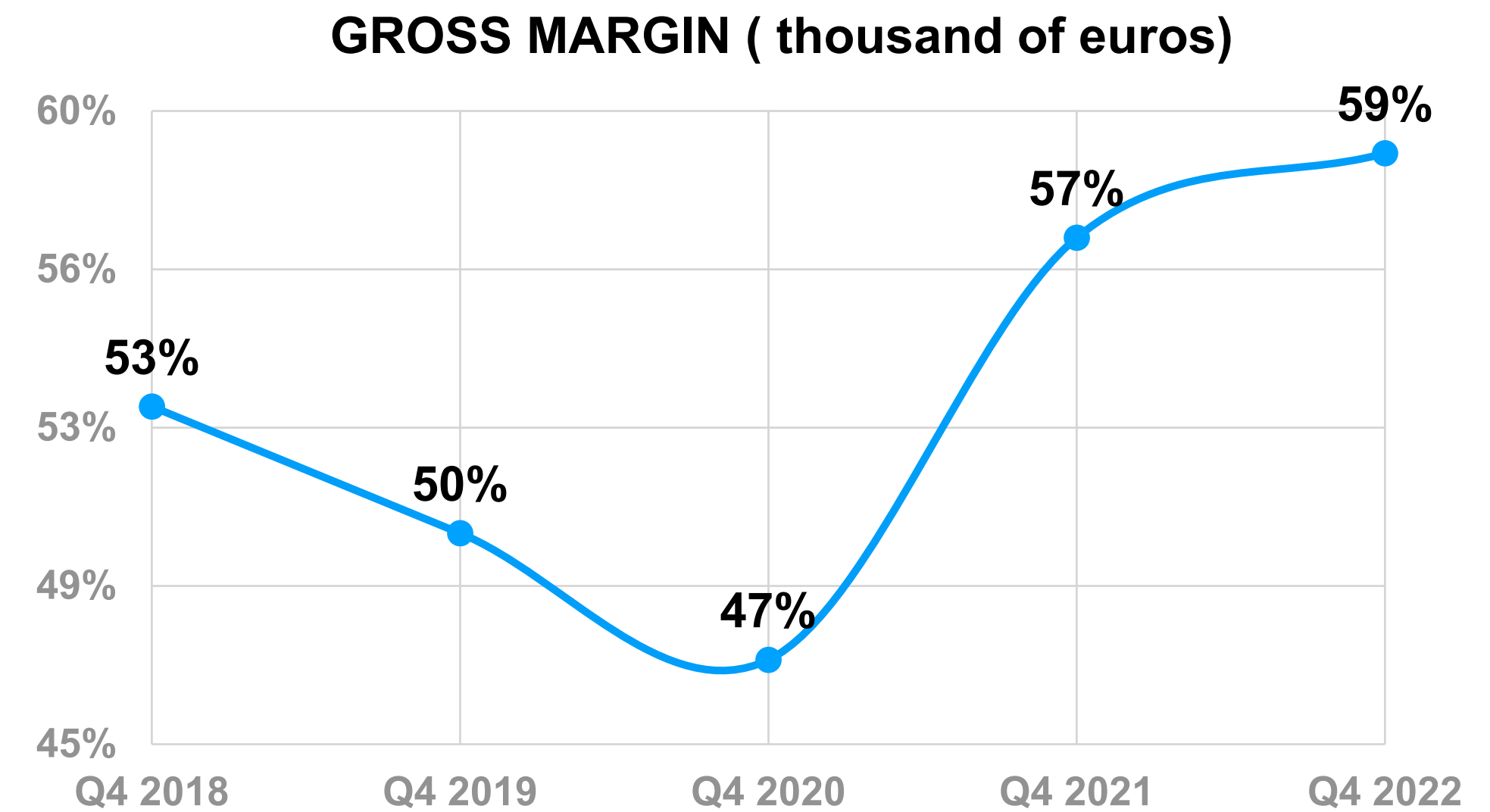
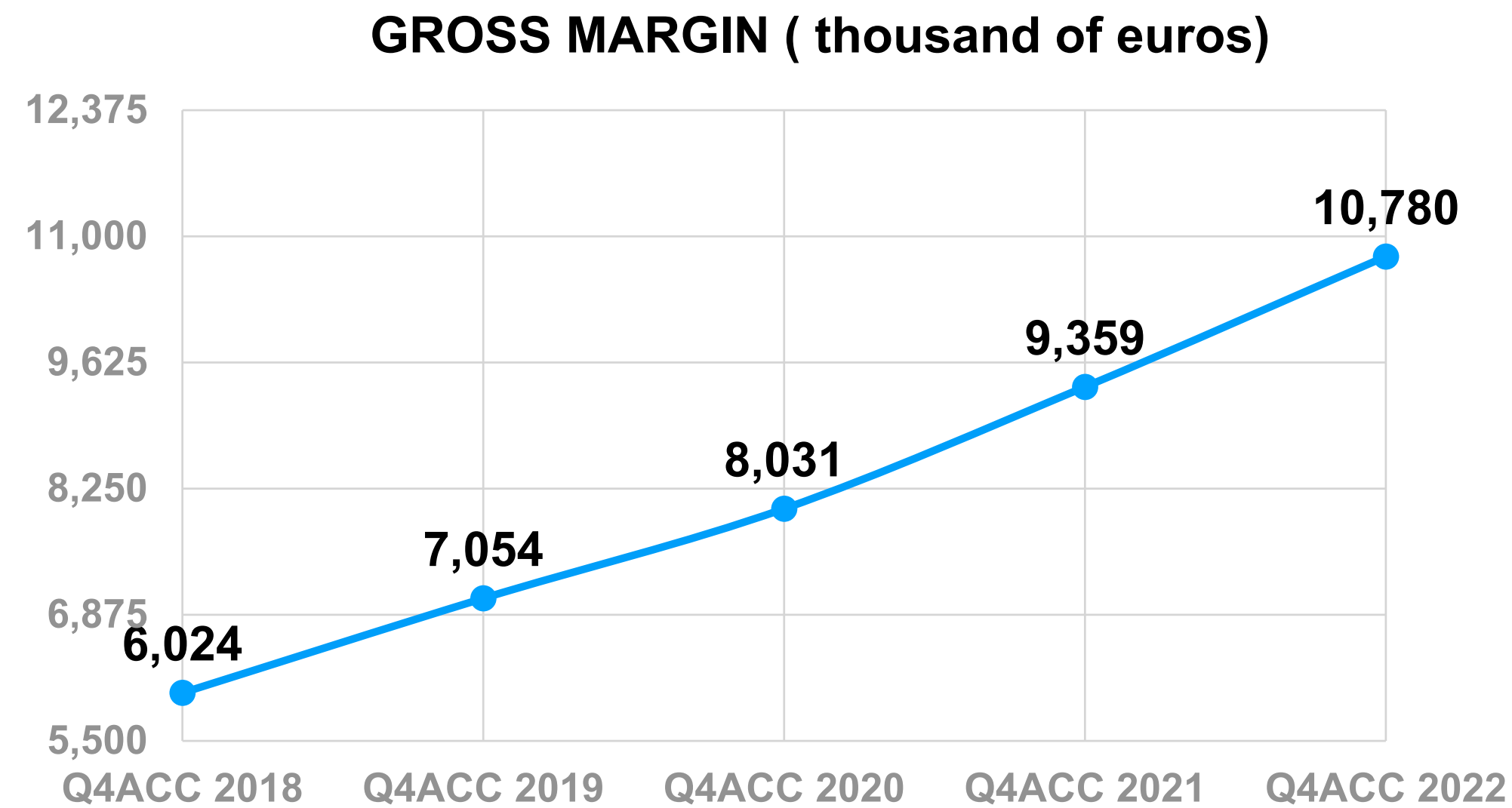
This quarter's main impacts include fewer SMS traffic during the period due to the reduced Black Friday and Christmas campaigns via SMS.

EVOLUTION OF SALES OF COMMERCIAL SMS



The business line has increased the most this year, 34%. This increase results from an increase in recurring customer consumption, price increases, and the number of new small customers.

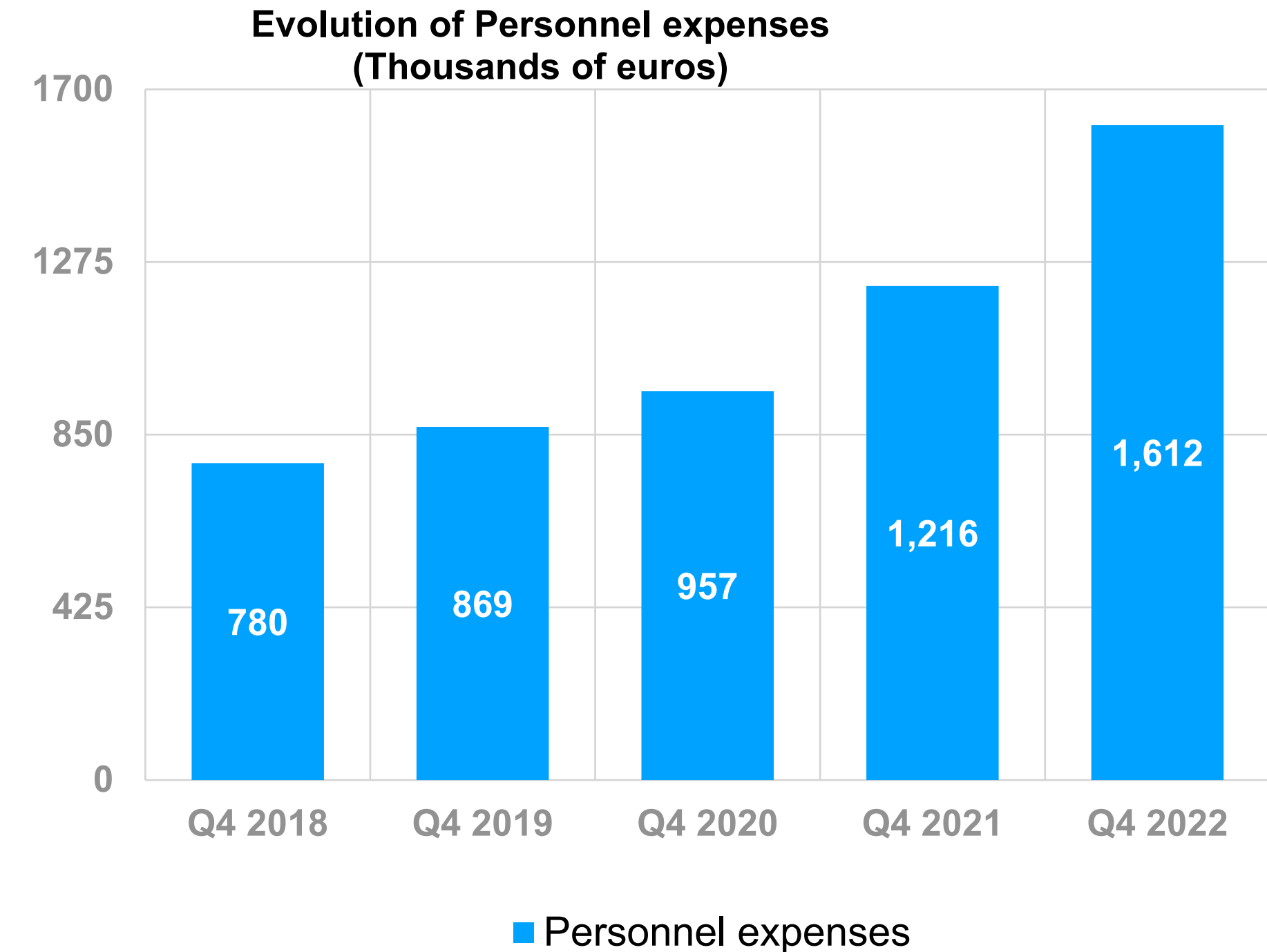
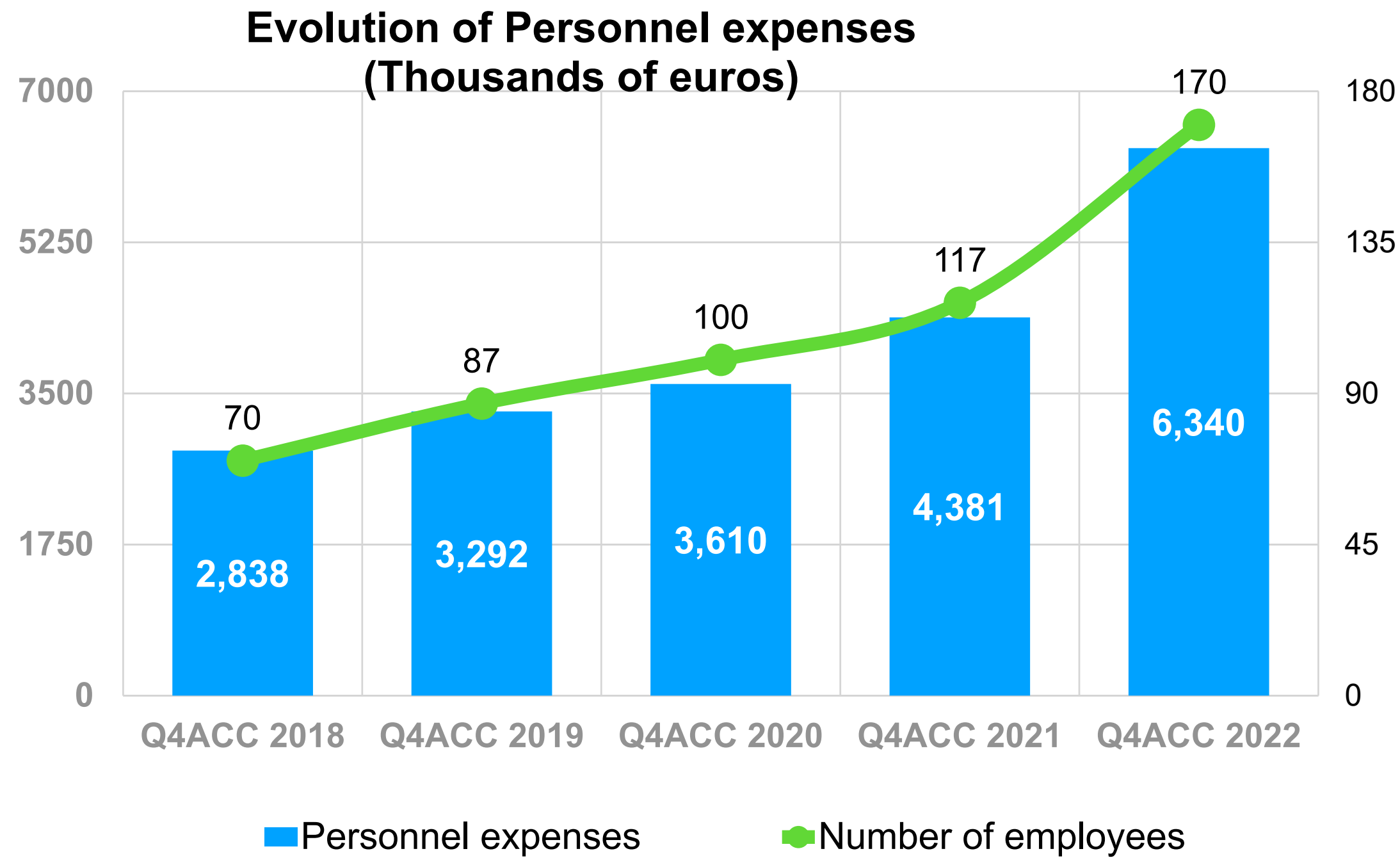
GROSS MARGIN EVOLUTION



We surpassed the EUR 10 million annual gross margin, representing 52% of sales.

During the quarter, the percentage regarding sales increased to 59% due to sales of other SaaS.

PERSONNEL EXPENSES

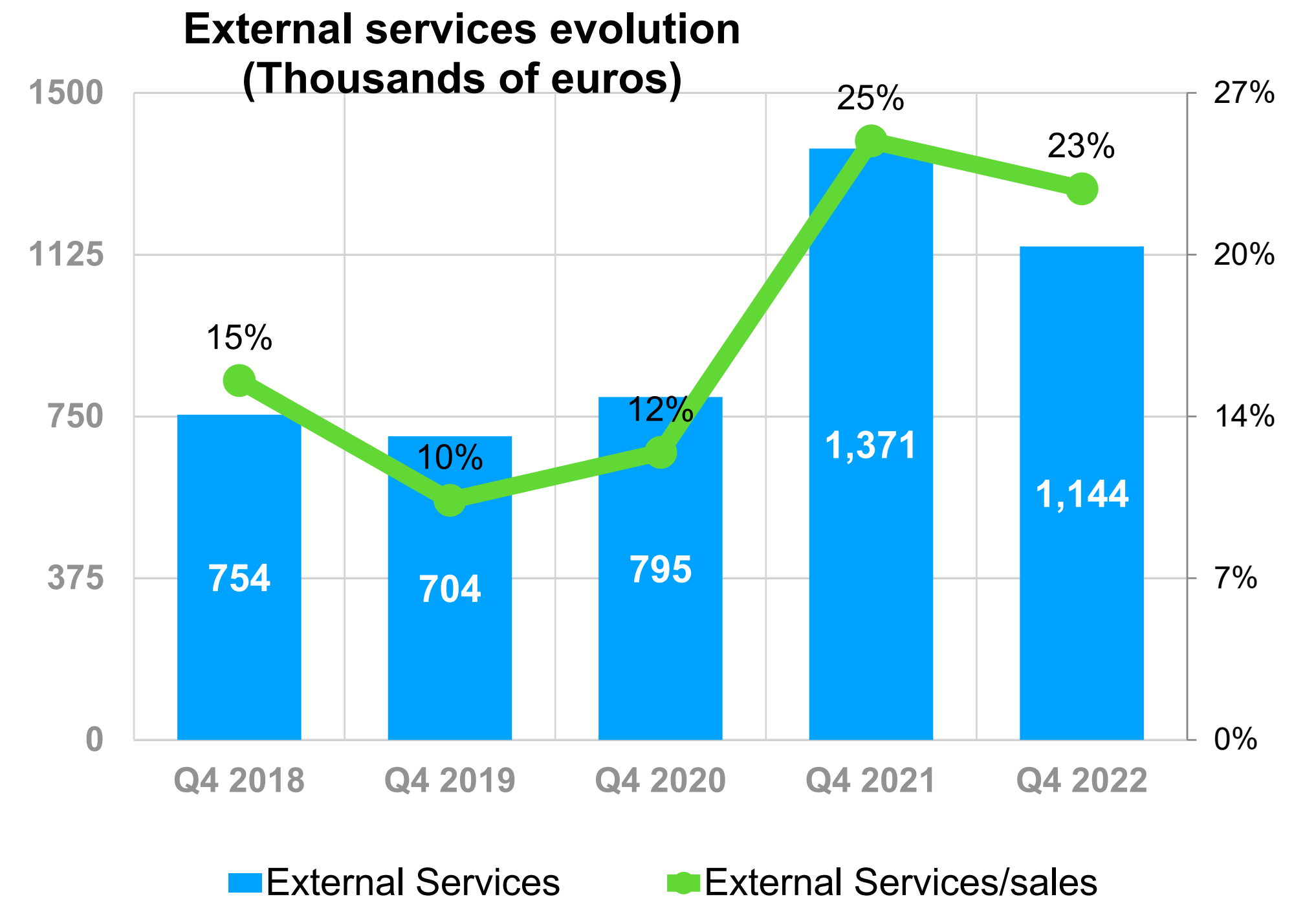
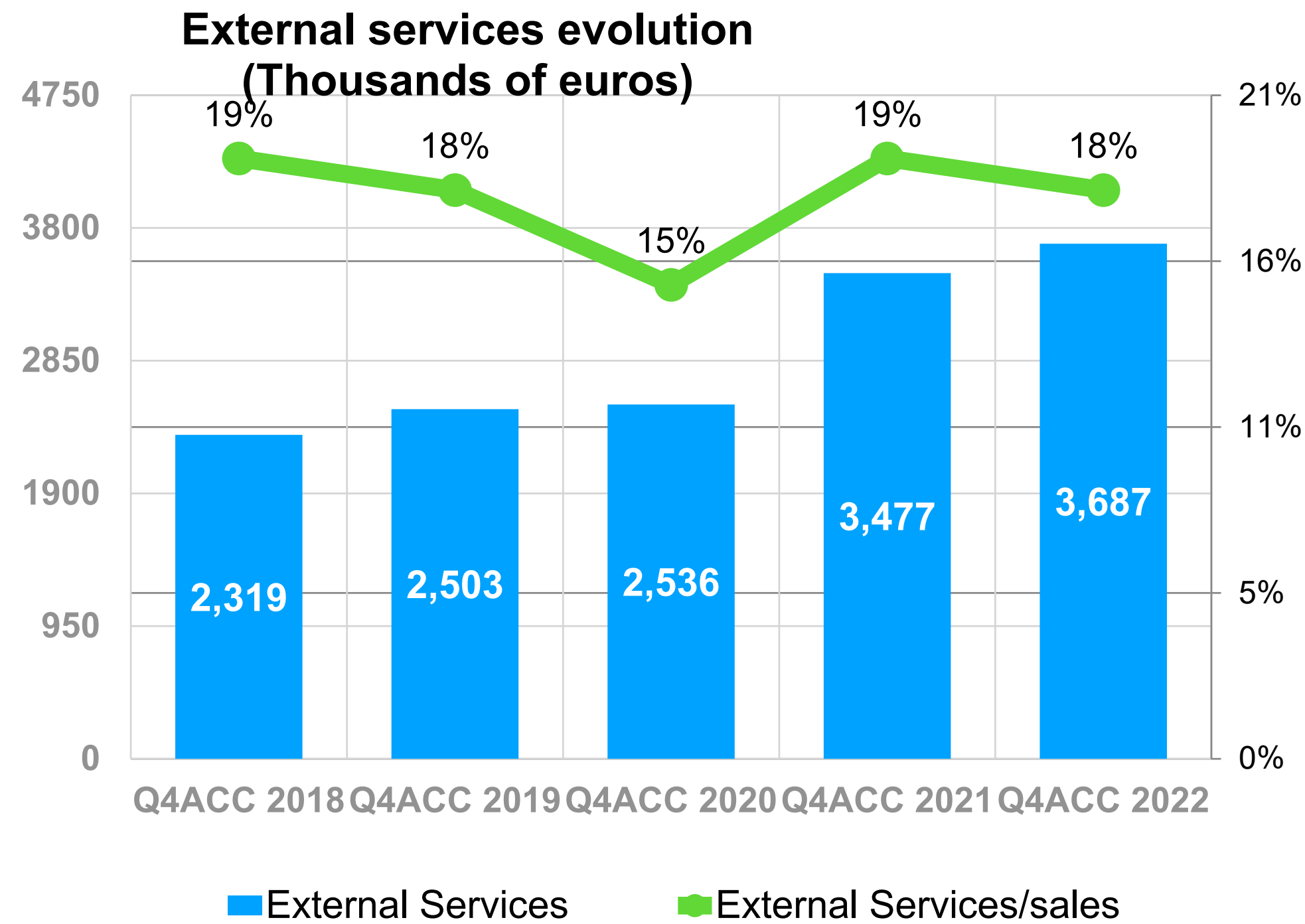


The increase in personnel expenses of 1.9 million euros resulted from incorporating Indenova's personnel in November 2021. Indenova brings an expense of 1.8 million euros, which explains almost the totality of the increase.

Currently, there are 170 employees, a significant reduction compared to the third quarter when there were 181 employees. Lleida.net is tailoring its staff needs to the evolution of sales data. The staff leaving has been focused on increasing efficiency and boosting commercial resources in Latin America, with lower costs than national ones.

Our talent recruitment strategy is focused on incorporating personnel in R&D&I and commercial agents to increase international sales and support to deal with the increase in activity.

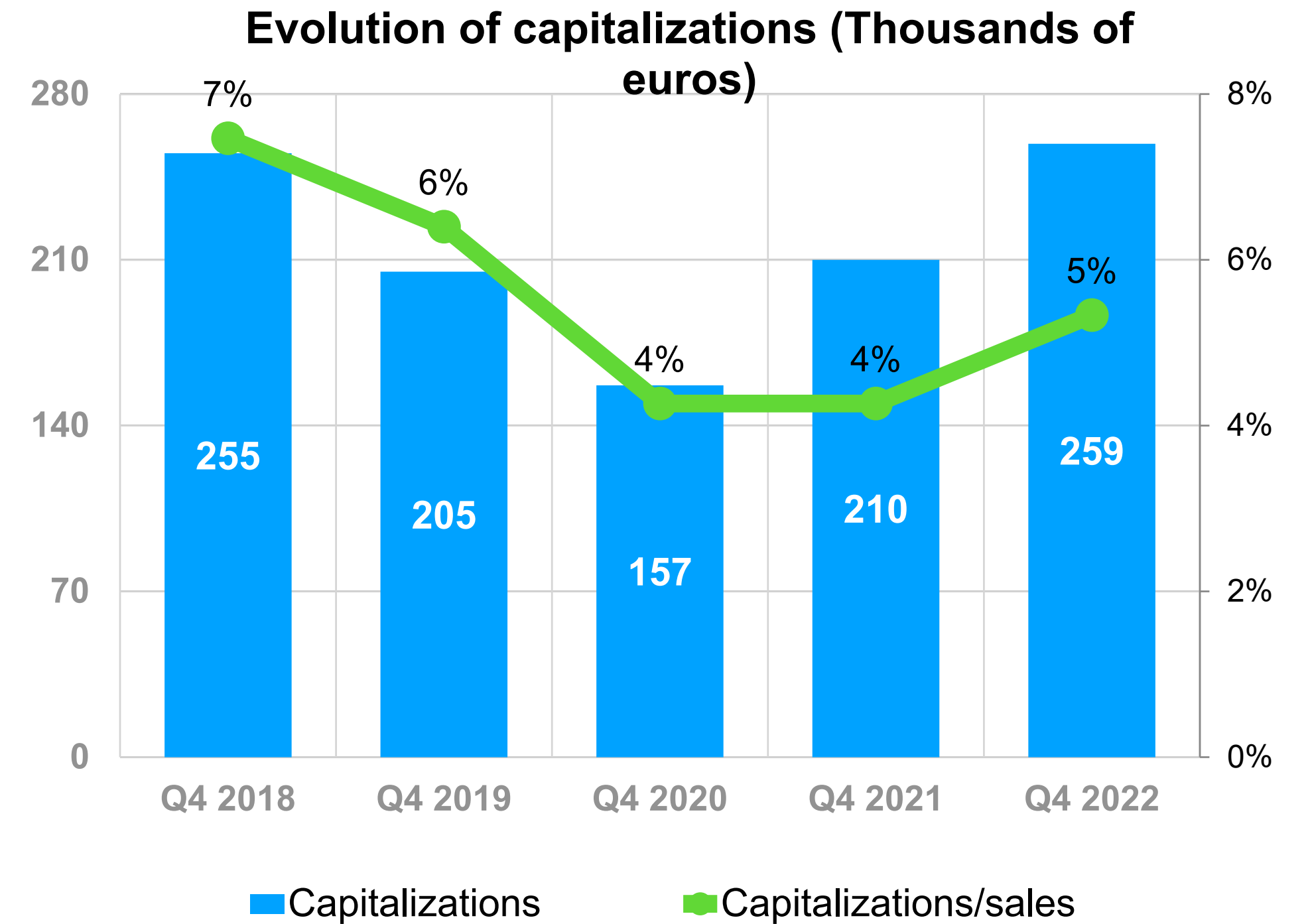
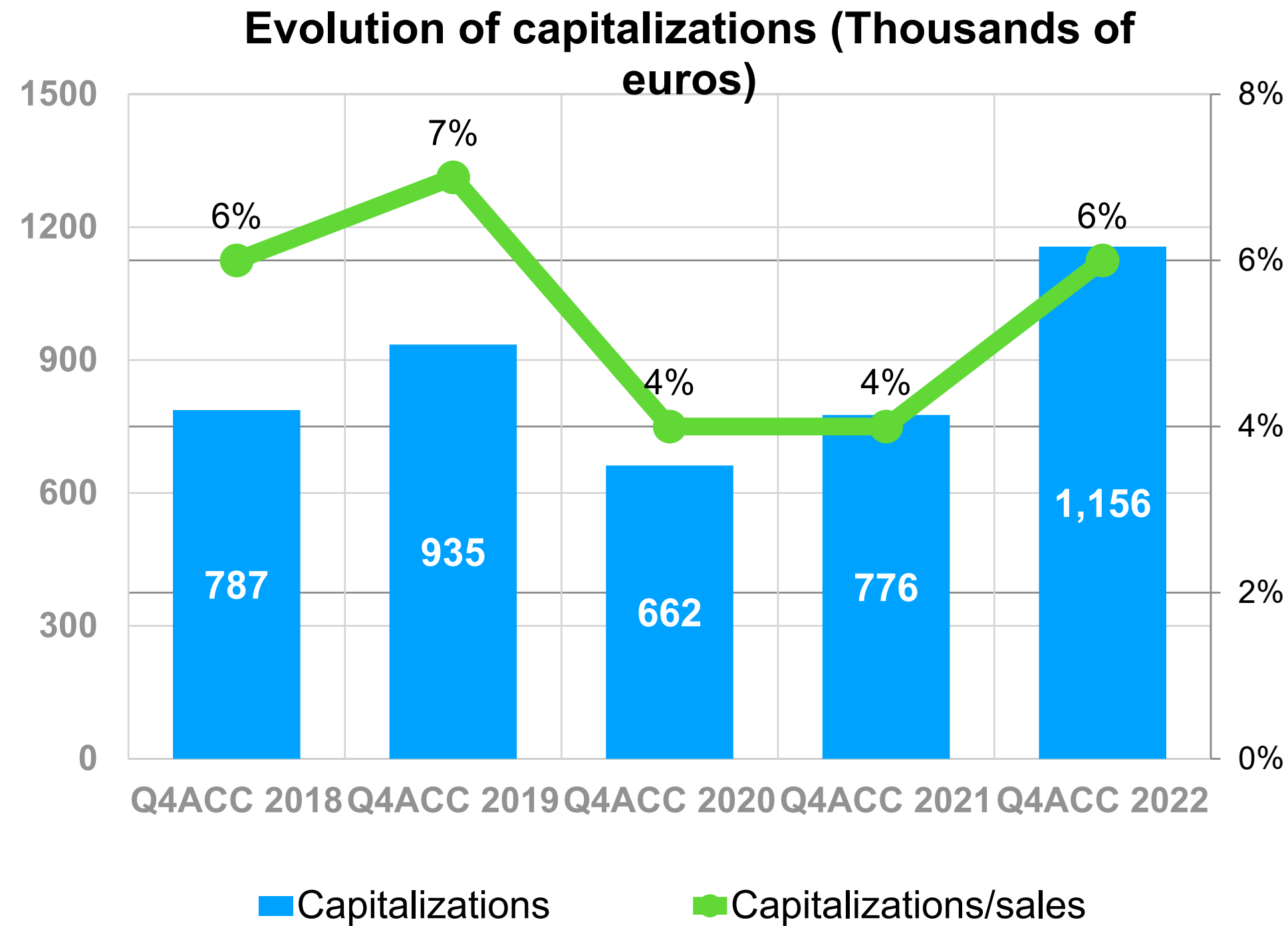
EXTERNAL SERVICES EXPENDITURES



There is a decrease in the external services costs due to an optimisation of resources, along with the absence of the Indenova acquisition costs incurred last year.

Compared to 2022, the increase is marked by the incorporation of all of Indenova's external services expenses, which amount to 568 thousand euros. With no such variable, we should have a cost containment of 358 thousand euros.

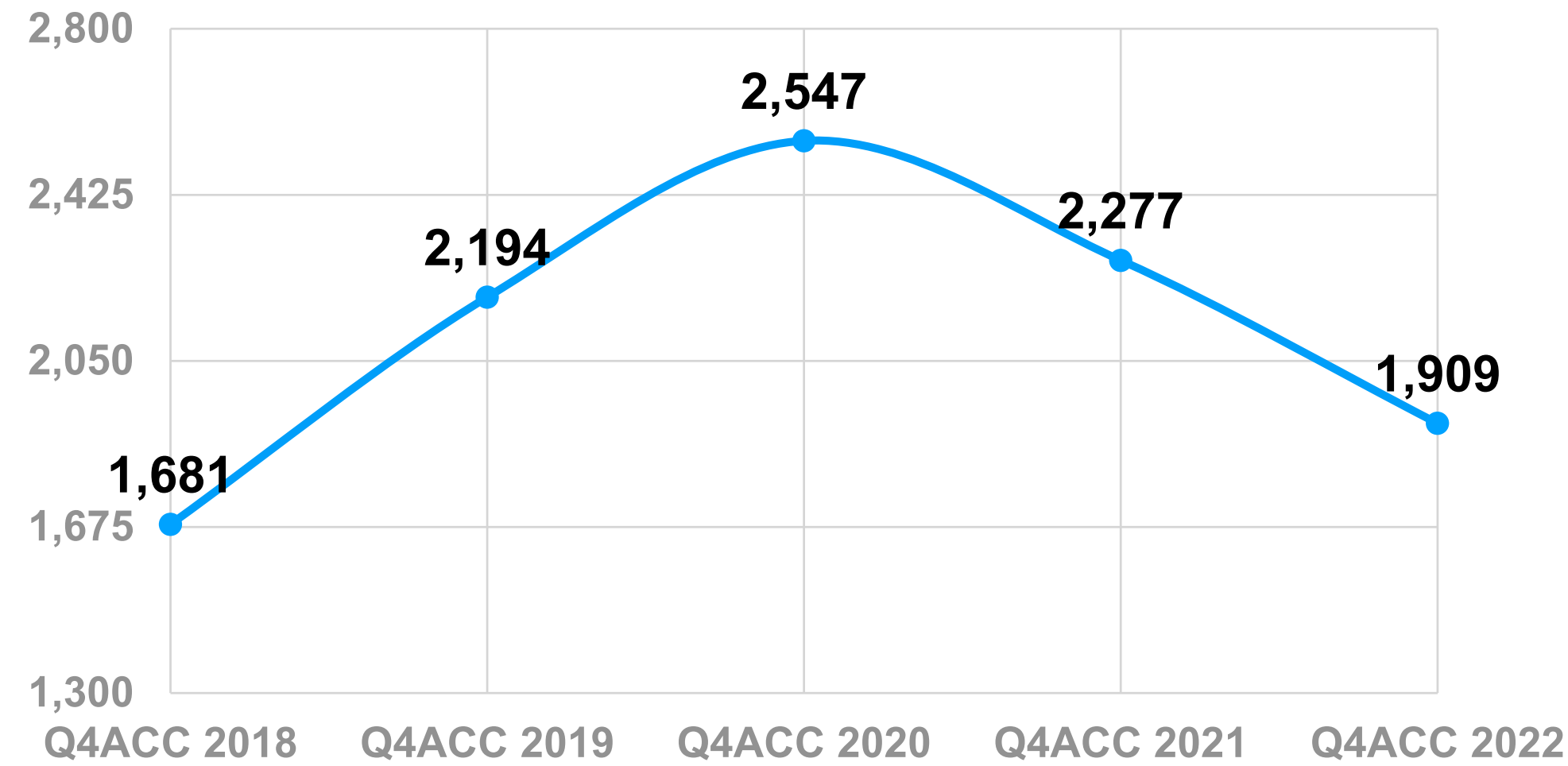
EVOLUTION OF CAPITALIZATIONS



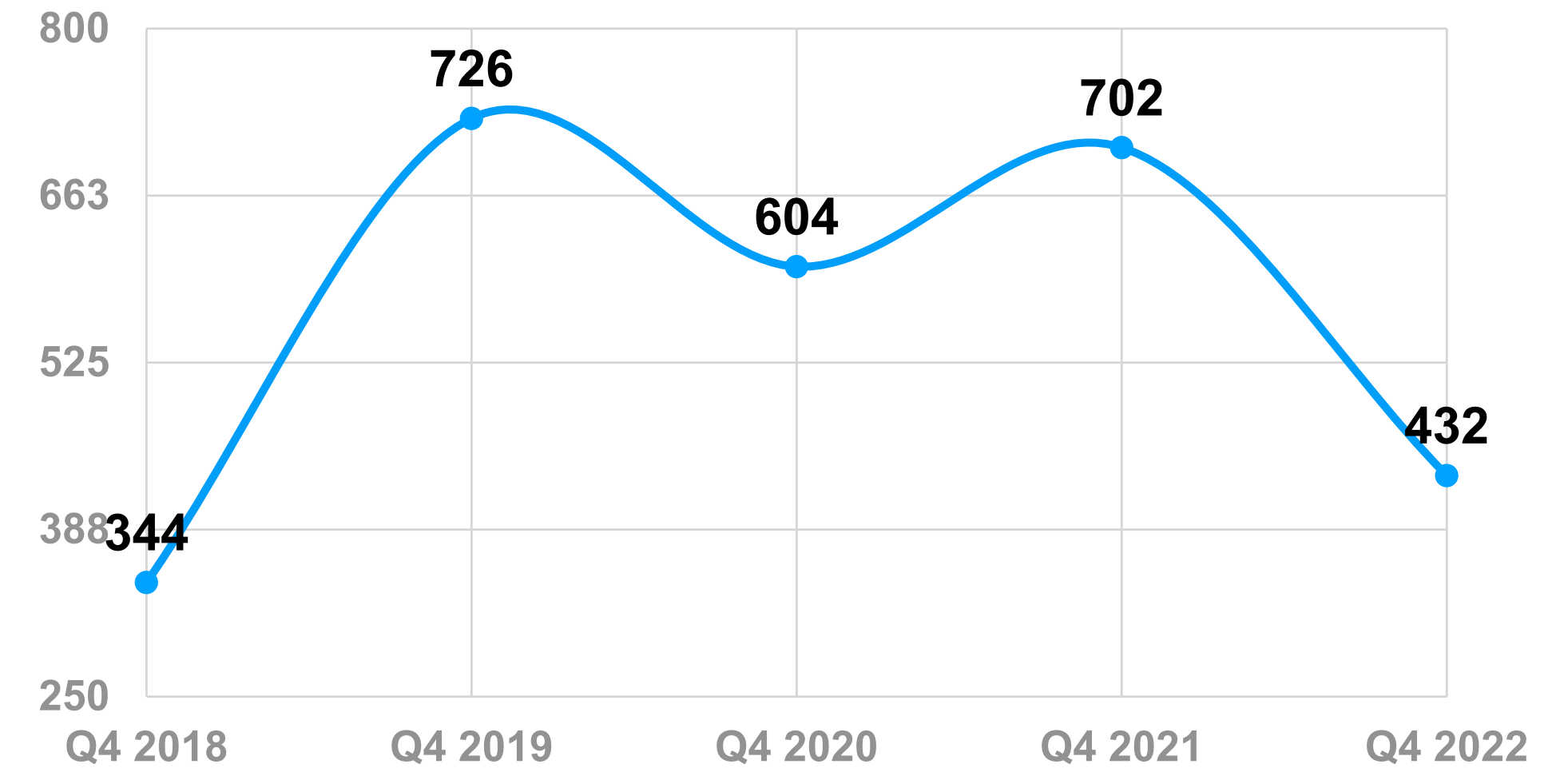
R&D is a distinctive factor in the group's strategy, ensuring our position as a pioneer in the sector. Following the principle of moderation, we maintained a 6% capitalisation rate concerning sales. The increase was driven by the R&D work carried out by the subsidiary Indenova.

This quarter's main developments focused on the launch of hybrid products in the SaaS line. This quarter, we launched the universal signature validator certificate (USVC), the first hybrid product of the two companies that is completely SaaS.

EBIDTA evolution (thousands of euros)



EBIDTA evolution (thousands of euros)



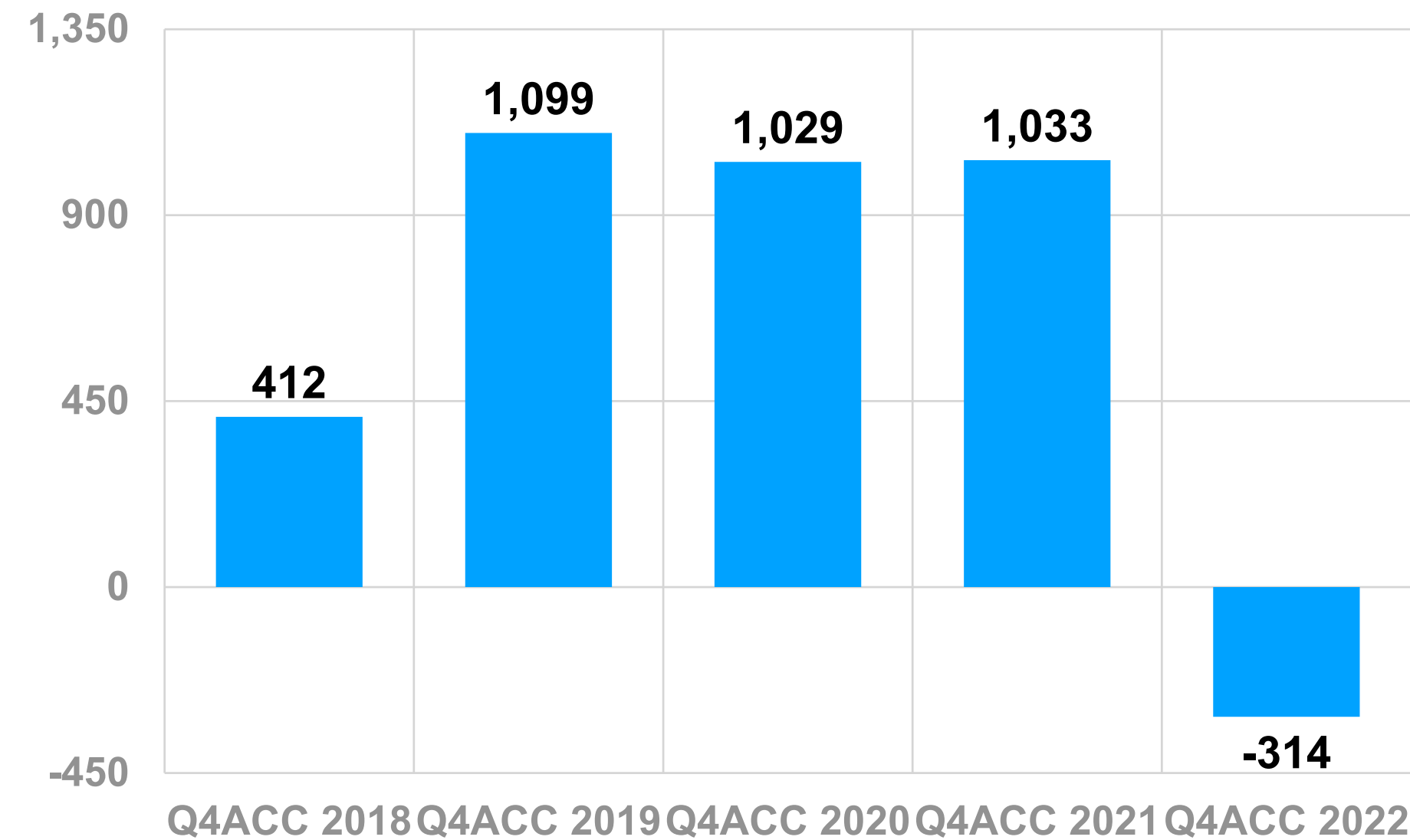
Lleida.net invested in 2022 in optimising processes and products once Indenova joined the company. We have made an important investment in personnel and innovation that has yet to be reflected in sales. Therefore, it can be concluded that 2022 has been a year of integration to build momentum for future growth.

Last quarter, EBITDA was lower due to the lower sales in the quarter, derived from the lower demand we are currently experiencing.

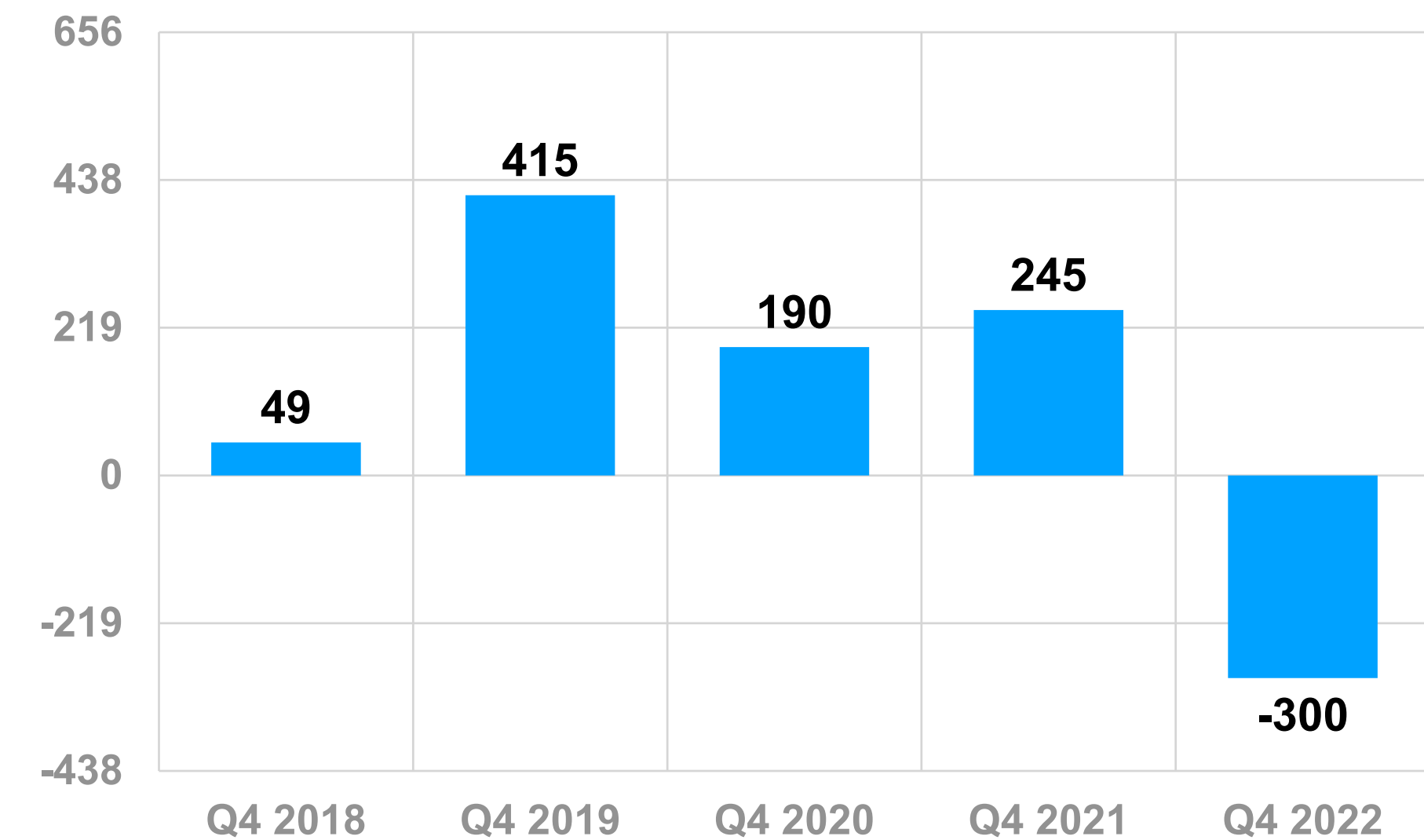
Indenova has provided a negative EBITDA of 50 thousand euros, which in 2023 will be positive again thanks to the transformation of the commercial model that we have been working on throughout 2022.

EVOLUTION OF EARNINGS BEFORE TAXES

EARNINGS BEFORE TAXES
(Thousands of euros)



EARNINGS BEFORE TAXES
(Thousands of euros)



Profit before tax has been affected by the evolution of currencies, mainly the dollar and the Colombian peso, during the last quarter, and has caused an expense of 198 thousand euros in the quarter.

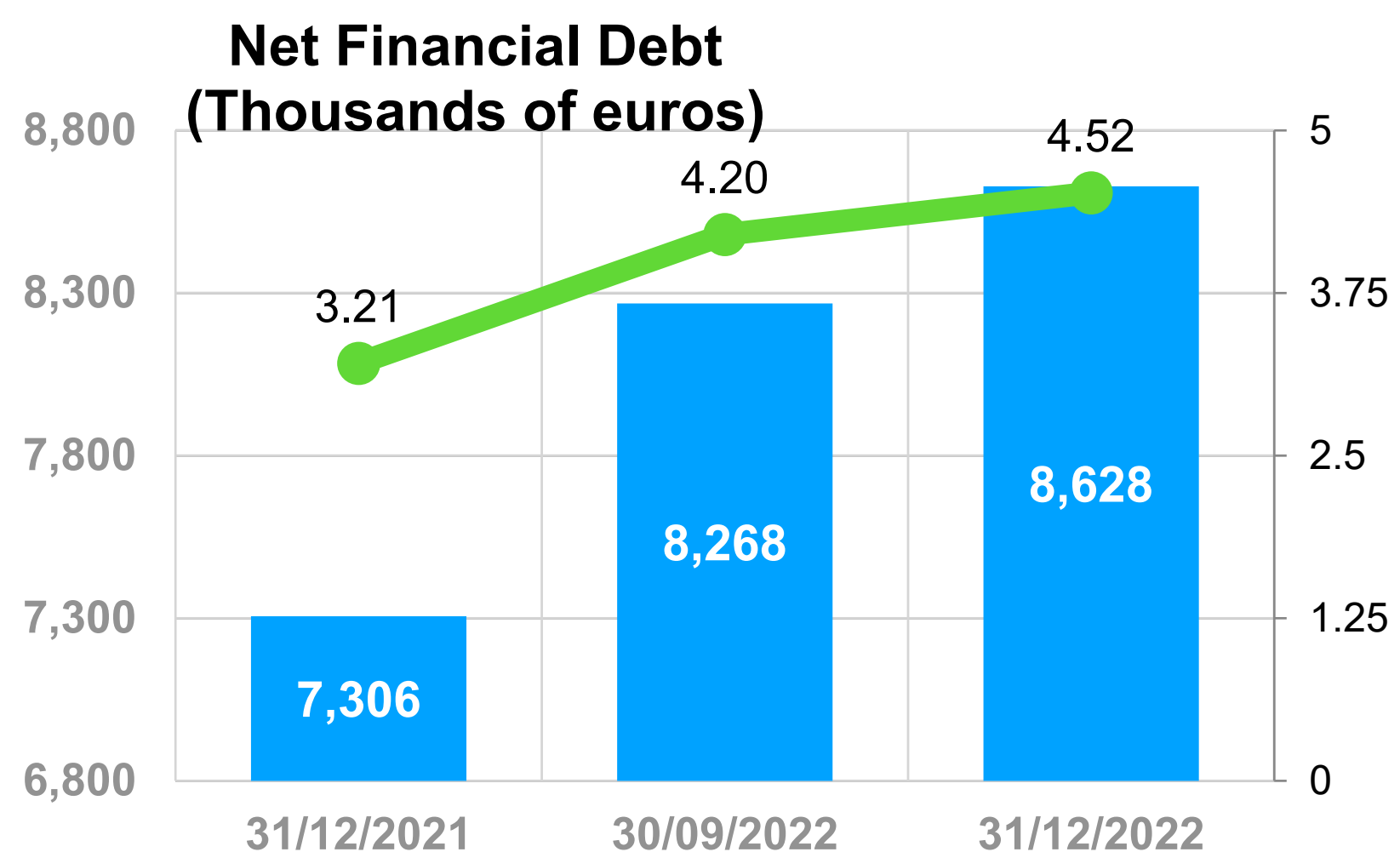
Financial expenses increased in the quarter as a result of loans from former Indenova partners with interest rates higher than the group's financial cost, coupled with the new interest on the bank loans signed for the purchase, leading to an increase in the financial cost of 83 thousand euros compared to 2022. (+99%)

The profit before tax has also been hit by the amortisation cost of the goodwill allocation, which amounts to an additional 469 thousand euros annually.

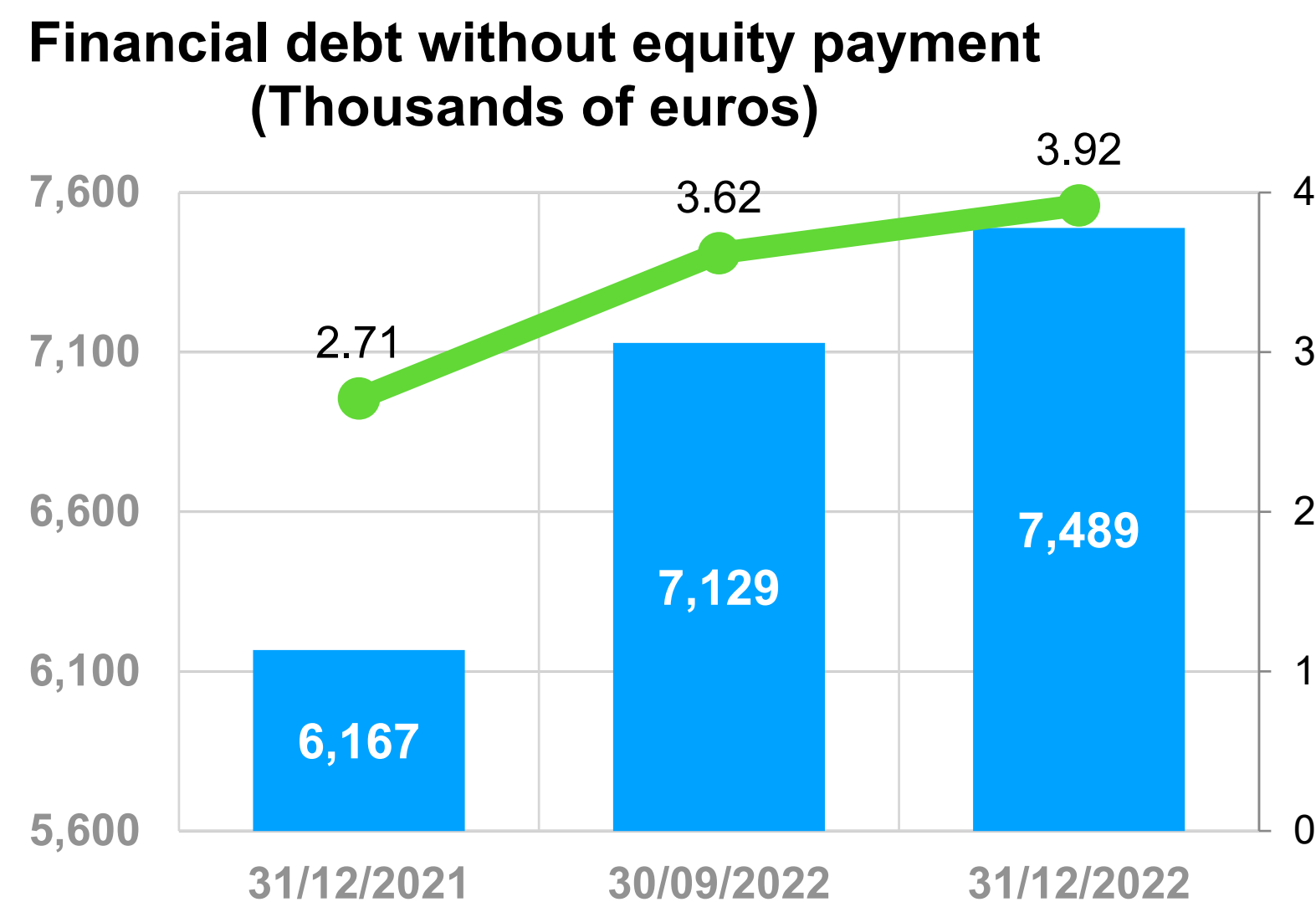
EVOLUTION OF NET FINANCIAL DEBT

Thousands of euros	31/12/2021	30/09/2022	31/12/2022	Difference 31/12/21 - 30/09/22	
				Thousands of euros	Percentage
Short term debt	4,565	5,202	4,287	(915)	(21%)
Long term debt	8,610	7,810	6,813	(997)	(15%)
Total Financial debt	13,175	13,012	11,100	(1,912)	(17%)
ST financial investments	812	812	812	0	0%
Cash and other corresponds liquid assets	5,057	3,932	1,660	(2,272)	(137%)
Available cash	5,869	4,744	2,472	(2,272)	(92%)
NFD	7,306	8,268	8,628	360	4%

At present, debt, including all of Indenova's outstanding disbursements, including those paid in shares, amounts to 8.6 million euros, 4.52 times EBITDA.



■ NET FINANCIAL DEBT ■ NFT/EBITDA annualised

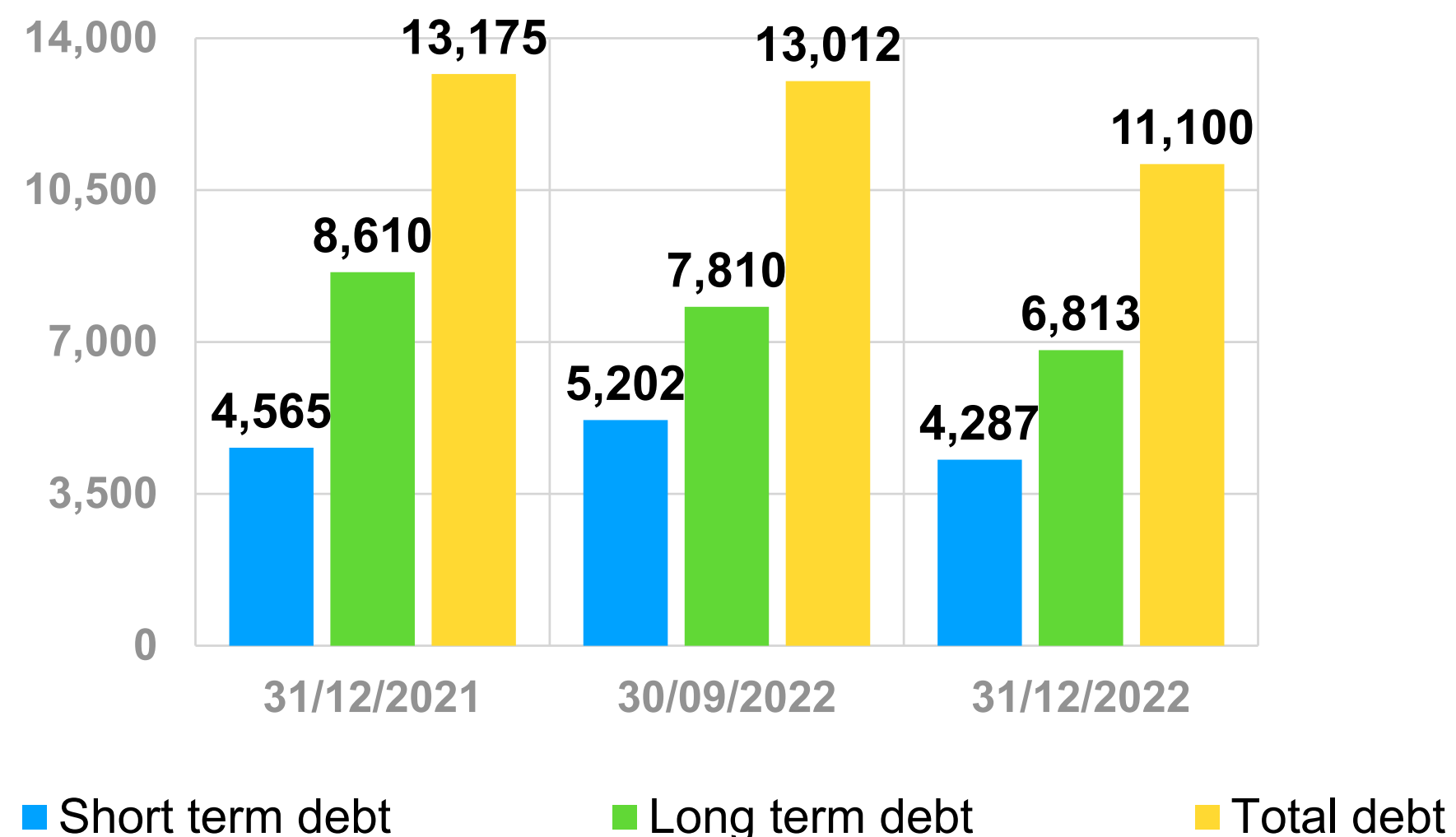


■ NET FINANCIAL DEBT ■ NFT/EBITDA annualised

However, within the debt, part of the payment is made in shares for 1,139 thousand euros, which the Group believes its treasury shares are already enough to meet the payment. Therefore, net financial debt excluding this payment would amount to 7,489 thousand euros, i.e. 3.92 times annualised EBITDA compared to 3.62 times EBITDA in Q3.

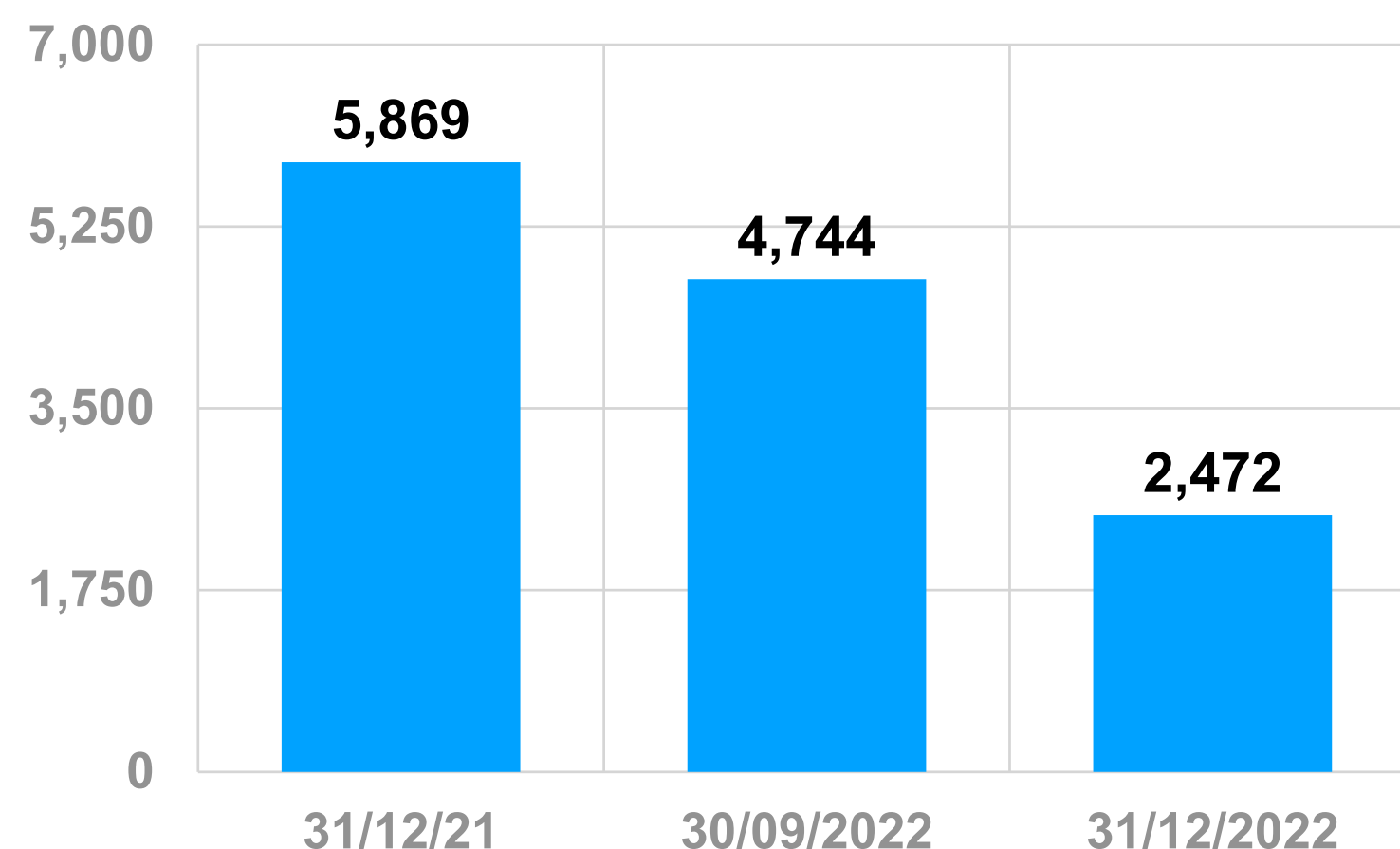
EVOLUTION OF NET FINANCIAL DEBT

Debt evolution (Thousands of euros)



The total debt decreased by EUR 1.9 million compared to Q3 due to the second payment for the acquisition of Indenova, the repayment of the loans of former Indenova shareholders and the regular repayment of the bank loans.

Available cash (Thousands of euros)



The cash balance has decreased by EUR 2.2 million to meet outstanding debts from loans and obligations from the purchase of Indenova.



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The First Registering Operator

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