

GIGLIO GROUP
Successfully Completes a €2.17m ABB (+)

(Company press release)

Giglio announced this morning that it has successfully completed a capital increase of €2.17m at €1.78/share (11.2% discount vs. the closing price) through the issue of 1,221,547 ordinary shares representing approximately 5.9% of the pre-money capital.

The reference shareholder, Meridiana Holding (Alessandro Giglio), participated in 39.75% of the capital increase (485,547 shares), giving it 55.66% of the capital.

Thus, the company's capital is now divided into 21,968,022 ordinary shares with a free float of 44.3%.

This operation, which was pre-announced in the group's annual results, is intended to strengthen its equity capital and enable it to finance the execution of its strategic plan.

For the record, the group expects a business rebound over the next few quarters and is targeting 2022 revenue of €70m with an EBITDA of €4.55m (6.5% margin) and 2023 revenue of €82m with an EBITDA of €6.57m (8% margin).

Buy, TP of €3.7 - Alessandro Cuglietta : +33 1 78 95 71 64

Market Data

Industry	E-commerce
Share Price (€)	2.0
Market Cap (€M)	41.6
Market Segment	STAR
Bloomberg	GG IM

Ownership structure

Meridiana Holding	55.7%
Free float	44.3%

€M (31/12)	2020	2021	2022	2023
Sales (€M)	41.3	49.3	62.3	72.7
<i>Growth</i>	9.4%	19.4%	26.3%	16.8%
EBITDA Adj.	1.9	2.7	4.3	5.5
<i>Marge EBITDA</i>	4.7%	5.5%	6.9%	7.6%
Net income	-2.6	-0.2	0.8	1.6
EPS €	-0.13	-0.01	0.04	0.07
<i>Growth</i>	-84.6%	-93.0%	-515.0%	91.1%
Dividend	0.00	0.00	0.00	0.00
<i>Yield (%)</i>	0.0%	0.0%	0.0%	0.0%
FCFF	3.1	2.9	2.7	3.4
ROCE	0.6%	4.5%	15.3%	25.7%
EV/Sales (x)		1.0	0.8	0.7
EV/EBITDA (x)		18.1	11.4	8.9
PE (x)			46.7	24.5
Net Debt	10.7	6.3	4.3	1.6
<i>Gearing net</i>	28%	16%	11%	4%

Midcap Partners estimates

Upcoming event : 10 September - H1 2021
Consensus - Number of analysts : 2

	2021	2022	2023
Sales	49.3	62.3	72.7
EBITDA	2.7	4.3	5.5
Net income	-0.2	0.8	1.6

Source: FACTSET

DISCLAIMER

This document may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

Rating structure

- * Buy: expected to outperform the market by more than 10% over a 6 - 12 months horizon
- * Hold: expected performance between -10% and +10% compared to the market in a 6 - 12 months horizon
- * Sell: expected to underperform the market by more than 10% over a 6 - 12 months horizon

The history of ratings and the target price for the Issuers covered in this report are available on request at marketing@midcapp.com.

Conflict of Interests

Company	Closing price (€)	Rating	Warning
DELTA PLUS	77.4	Buy	D,G
GIGLIO GROUP	2.005	Buy	E,G
SOLOCAL	1.85	Buy	E,G
STREAMWIDE	33.6	Hold	D,F,G
VALBIOTIS	7.15	Buy	E,G

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Rating distribution

As of 01/06/2021, the ratings issued by the Midcap research team were as follows:

Rating	Midcap Partners coverage universe	of which Investment banking services*
Buy	81%	86%
Hold	15%	13%
Sell	3%	0%
Tender	1%	2%

* "Corporate" Issuers: Issuers to whom Midcap has provided Investment Services over the last 12 months

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