

Kartell

ALCOTT

parah

MaxMara

NOUBA



EMPORIO ARMANI

FAZZINI

ARMANI JUNIOR

ARMANI JEANS

PATRIZIA PEPE



ALVIERO MARTINI

1<sup>A</sup> CLASSE

sergio rossi

SPORTMAX

PINKO

Santoni

GIANFRANCO FERRE

MAX&Co.

BIKKEMBERGS

Del Mare 1911 MILANO

COLLISTAR



free people

KIDUIT

FERRE COLLEZIONI

GEOX



WEEKEND

MaxMara

GUESS



COCCINELLE

LIU JO

MASON'S

FORTE DEI MARMI

persona by MARINA RINALDI

giglio GROUP S.p.A. BRAND PARTNERS

Pierre Cardin

MARINA RINALDI

LOVE MOSCHINO



BOUTIQUE MOSCHINO

ITALIA INDEPENDENT

Folies BLUGIRL

CoolWay see | r

the Blonde Salad

john varvatos

TOSCA BLU BOMBERG

POLLINI

SILVIAN HEACH

U.S. POLO ASSN.

SINCE 1890



Pantofola d'Oro 1886

SUPERGA

TRUSSARDI

PIQUADRO

MUSSE & CLOUD

HAIRMED+

STEFANO RICCI



Timberland



TUCANO

onia

White Sand

PHILIPP PLEIN

TOMBOLINI

MADE IN ITALY



BOSCA OLTRE LO SPUMANTE DAL 1831

EVERTON Tea House



FRATELLI ROSSETTI

FRATELLI Carli

- DAL 1911 -



Ruchan

FRANCASA

AKAI

AGOS



Grandi Salumifici Italiani





MAY  
**2020**



## GIGLIO GROUP

A worldwide leader in e-commerce.

Listed since 2015, now one of the most promising company listed on the STAR segment of Borsa Italiana.

Giglio Group is the leading company for the design, creation and management of e-commerce platforms of Italy's most important **Fashion, Design, Healthcare** and **Food** brands.

Thanks to its remarkable expertise, Giglio Group takes customers in the online distribution of their merchandise through a unique platform which, starting from the implementation of fully tailor-made and managed monobrand e-store, automatically connects them to world's major marketplaces.

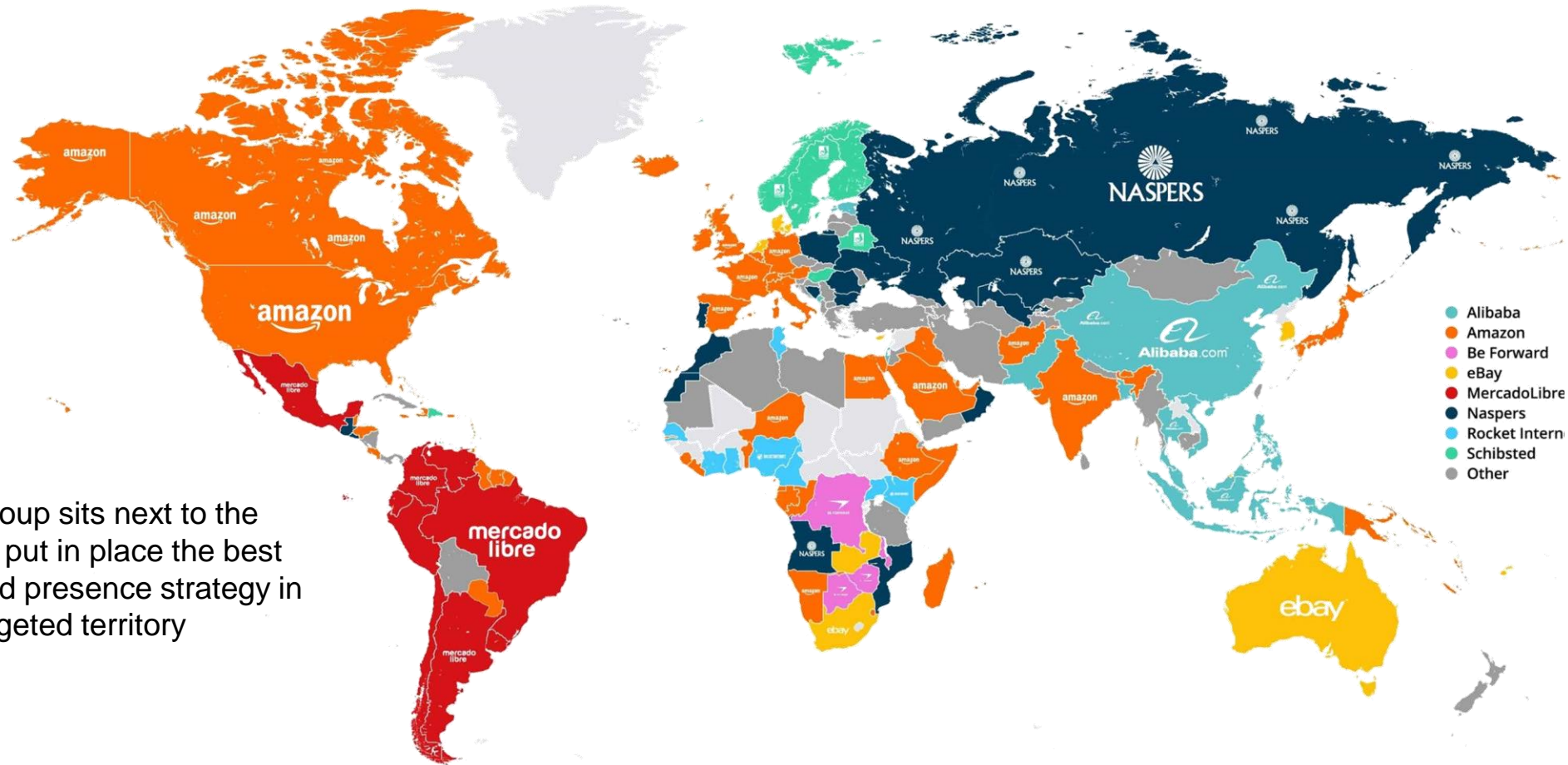
This is the uniqueness of a one single digital distribution service that ensures 100% products' sale. On a global scale.





## GLOBAL FOOTPRINT AND TECH FLEXIBILITY

Giglio Group can take its customers in the online distribution of their products all over the world by leveraging its logistic network and the technological integration capabilities of Ibox platform with the most important marketplaces at a global and local level.



Giglio group sits next to the brand to put in place the best sales and presence strategy in each targeted territory

# SOLE PARTNER FOR E-COMMERCE SERVICES TO FASHION, FOOD, DESIGN AND HEALTHCARE

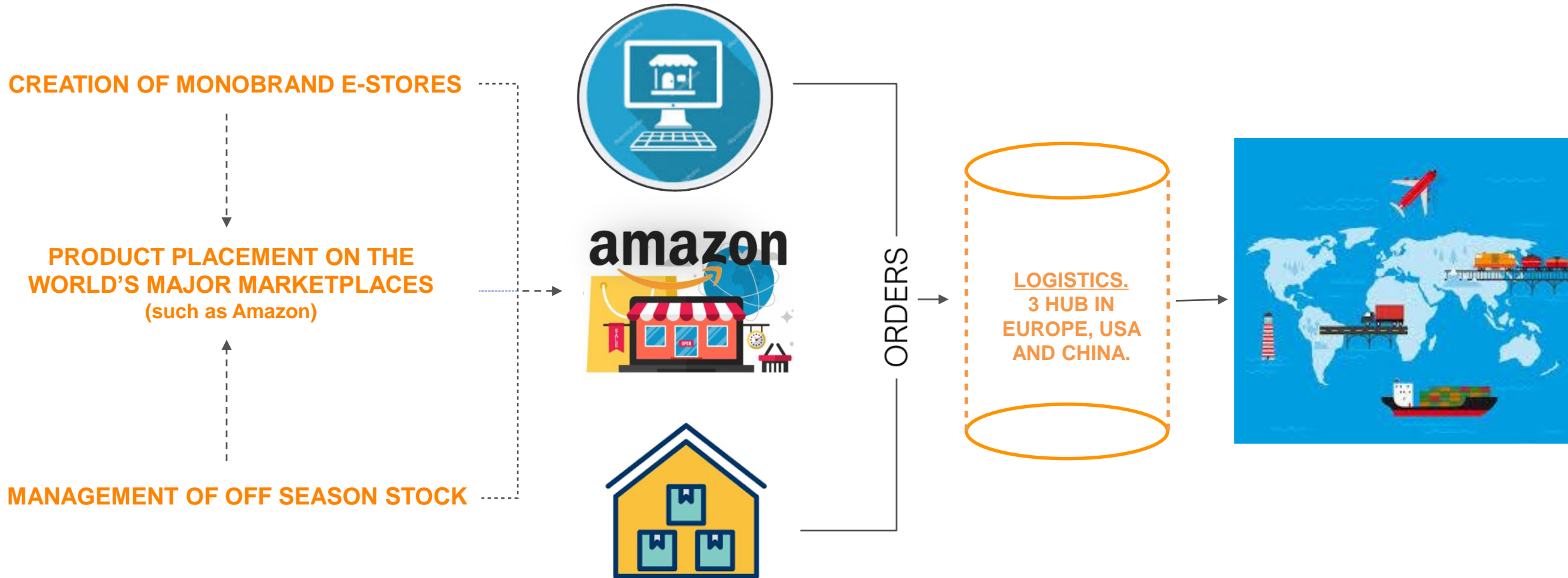


- 1 E-commerce service provider and digital enabler
- 2 Accelerator of visibility and turnover on the Marketplace
- 3 B2B platform for managing the sales campaigns
- 4 Management of private sales and B2B - dedicated productions
- 5 T-commerce: process of integration between TV, Video and e-commerce channels
- 6 Incentive – Rewarding

**BUSINESS MODEL**  
**GIGLIO GROUP RECEIVES A FEE ON ONLINE SALES; ADDITIONALLY CAN CHARGE TECHNOLOGICAL CONSULTANCY FEES WITHOUT BEARING ANY INVENTORY RISK.**



WHEN IT COMES TO **ON LINE SALES**, WHATEVER THE NEED OF THE **BRAND**, GIGLIO GROUP IS CAPABLE OF PROVIDING **A SOLUTION**, INCLUDING COVERING **THE CHINESE MARKET**





# BUSINESS LINES

## B2C – B2B

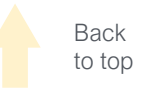
### DIGITAL

Design, creation and management of e-commerce platforms of Italy's most important Fashion, Design, and Food brands.



### DISTRIBUTION

The first European B2B company entirely dedicated to the management of online stock sales, distributing them among the most important digital retailers in the world.



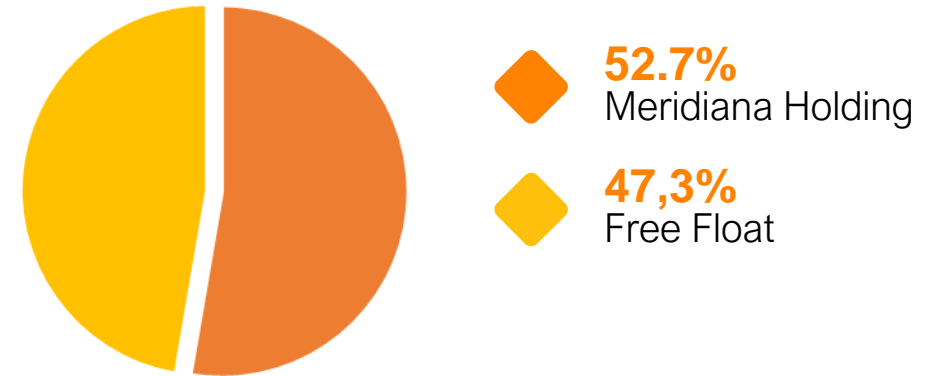


## MANAGEMENT

Management and shareholders

### Alessandro Giglio

CEO & Founder Giglio Group SpA, Chairman of Meridiana Holding, Member of the Board of Directors of: Gruppo Iren, Iren Energia, and of Genoa's National Theatre.



STARTING FROM 20 MARCH 2018, GIGLIO GROUP IS LISTED ON THE STAR SEGMENT OF BORSA ITALIANA. TICKER: GGTV



# Key Highlights Q1 2020

## Continuous improvement in our core business

- The **focus on the ecommerce** business line is beginning to pay off
- Record consolidated revenues for a single quarter, (+23.3% on 2019 Q1), making this **quarter the best one** for the e-commerce business ever since the Company chose to focus solely on this activity, thus validating its far-sighted strategic choice
- Despite the Covid-19 emergency (see further slide), **business margins remained positive and growing**
- **Technological simplification** by adopting and developing Terashop's proprietary and advanced omni-channel platform
- **Containment of fixed and corporate costs**

## Confirmation of the strategic vision on grocery e-commerce and healthcare launch

- Under Covid-19 **food e-commerce** went exceptionally well (irreversible change in the purchase habits)
- Launch of **healthcare sector**

## Adaptation to changed market conditions

- Group's performances increased thanks to the outstanding results achieved by the **distribution division**, despite the complete closure of certain markets (e.g. China and South Korea) that matter a lot in our commercial pipeline
- Remarkable **flexibility of logistics and organizational infrastructures**. Following the restrictions of the Fashion sector in almost all countries, redirection of sales towards other geographies or new specific initiatives of **flash sales and online outlet**, keeping sales level at a lower margins.

## Development initiatives

- Progress in developing **portfolios of digital projects** in all segments and **international partnerships**.
- Confirmation of **China as a pillar** of attraction in our business proposition

## 2020 1Q Consolidated results - Income Statement

[ € mn ]	2019 1Q	2020 1Q	Change	Change %
Revenues	11.506	14.182	2.676	23,3%
Operating expenses	(11.026)	(13.535)	(2.509)	22,8%
<b>EBITDA</b>	<b>480</b>	<b>647</b>	<b>167</b>	<b>34,8%</b>
Non recurring items	(442)		442	-100,0%
Depreciation & amortisation	(384)	(456)	(72)	18,8%
<b>EBIT</b>	<b>(346)</b>	<b>191</b>	<b>537</b>	<b>155,2%</b>
Net interest income (expenses)	(396)	(206)	190	-48,0%
<b>EBT</b>	<b>(742)</b>	<b>(15)</b>	<b>727</b>	<b>98,0%</b>
Income taxes	(40)	(112)	(72)	180,0%
result from discontinued operations	(39)	0	39	-100,0%
<b>NET PROFIT</b>	<b>(821)</b>	<b>(127)</b>	<b>655</b>	<b>5.3%</b>

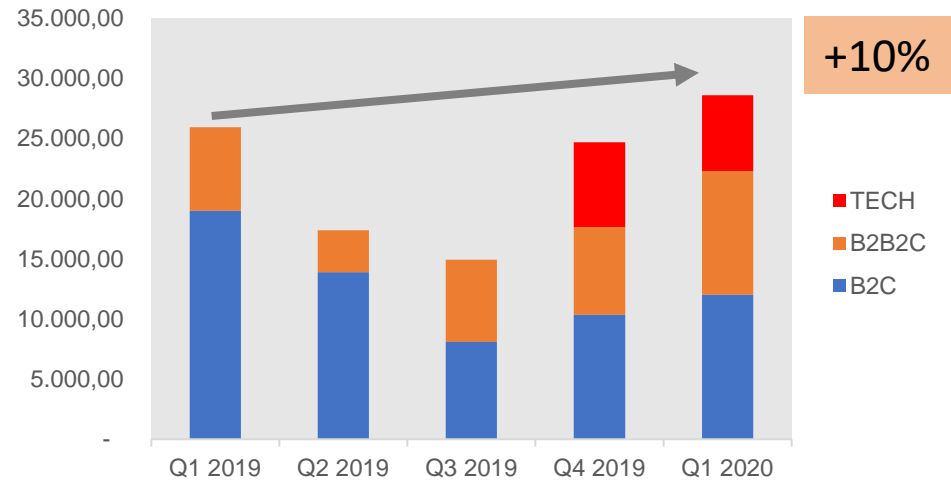
## 2020 1Q Consolidated results- Balance Sheet

[ € mn ]	2019	2020 1Q	Change	Change %
<b>Net invested capital</b>	<b>10.703</b>	<b>15.697</b>	<b>4.994</b>	<b>46,7%</b>
Fixed capital	21.204	20.124	(1.080)	2.0%
Tangible fixed assets	3.040	1.979	(1.061)	-34,9%
Intangible fixed assets	17.322	17.259	(63)	-0,4%
Equity-accounted and other investments	842	886	44	5,2%
<b>Net working capital</b>	<b>(10.357)</b>	<b>(4.464)</b>	<b>5.893</b>	<b>2.0%</b>
Receivables	18.647	22.324	3.677	19,7%
Liabilities	(29.004)	(26.788)	2.216	-7,6%
Provisions	(924)	(743)	181	2.0%
Other deferred assets / (liabilities)	780	780	-	2.0%
<b>Net financial debt</b>	<b>(12.309)</b>	<b>(17.438)</b>	<b>(5.129)</b>	<b>41,7%</b>
<b>Shareholders' equity</b>	<b>1.606</b>	<b>1.741</b>	<b>135</b>	<b>8,4%</b>

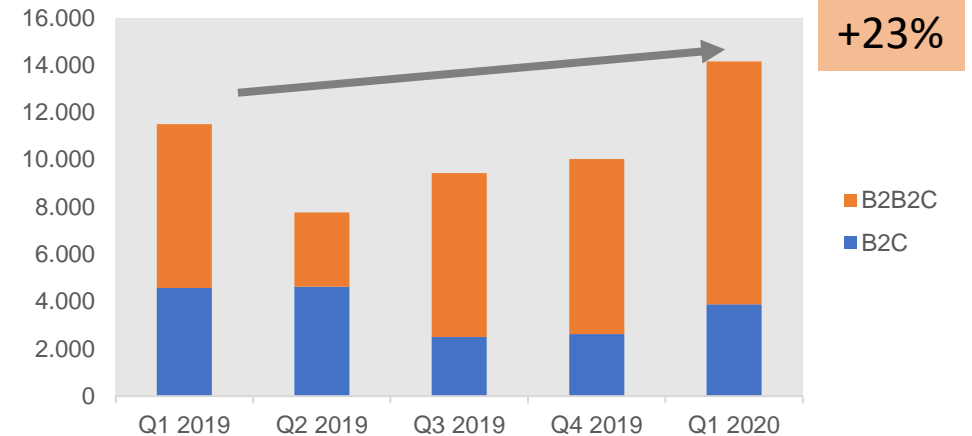


# 2020 1Q Consolidated results - KEY FINANCIALS

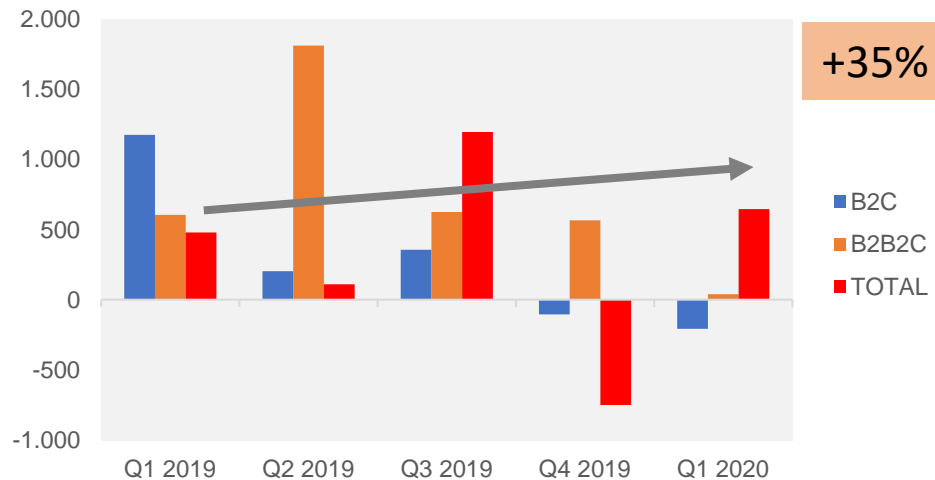
GMV BY QUARTER 2019 - 2020 (keur)



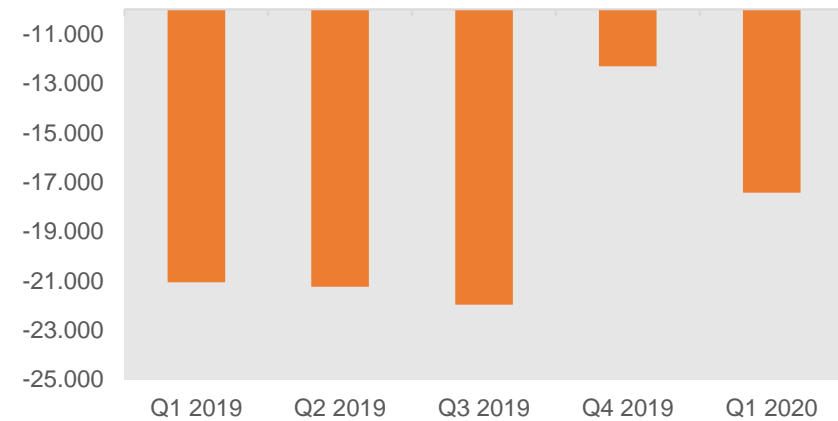
REVENUES BY QUARTER 2019 - 2020 (keur)



EBITDA BY QUARTER 2019 - 2020 (keur)



NET FINANCIAL POSITION 2019 - 2020 (keur)



# Covid-19 emergence

## Measures to protect stakeholders during Covid-19 emergence

**Health and safety of our people while serving safely our customers and brands is our top priority**

- Health and safety measures for all employees, according to the specific stage of virus spread and to their local authorities' directions in each country.
- Immediate adoption of smart working for colleagues in the HQ and back office.
- Warehouse ensuring operations whilst complying with health and safety regulations
- Continued support and superior service to our customers in strict compliance with local authorities's directions and recommendations
- Masks provided to all employees and their families

## Current trading conditions under Covid-19 emergence

**April and May to be the most impacted month by Covid-19 emergence due to current full lockdown measures in place in most countries**

- In January and february the Company delivered strong growth in line with recent past performance
- Trading started to be impacted by Covid-19 emergence from March, mainly in fashion. Although e-commerce has been legally categorized as essential and allowed to operate, fashion was not.
- Strong increase in e-sales in electronics and food, since stores traffic was restricted or banned
- Starting trading in DPI as response to strong demand based on our remarkable chinese tech platform facility and network
- Chinese market reopened strong in April as well South Korea
- Q2 is expected to be impacted in fashion, well and above counterbalanced in healthcare

## Actions to mitigate financial impacts related to Covid-19

**Strong and decisive cost containment measures quickly adopted. Giglio Group will be in good fit to meet recovery in sales when crisis recedes**

### Labour

- Activation of Government social schemes and other employment support tools (from April)
- Appropriate reduction of variable component
- Compensation reduction of Board members
- Hiring freeze

### Marketing initiatives

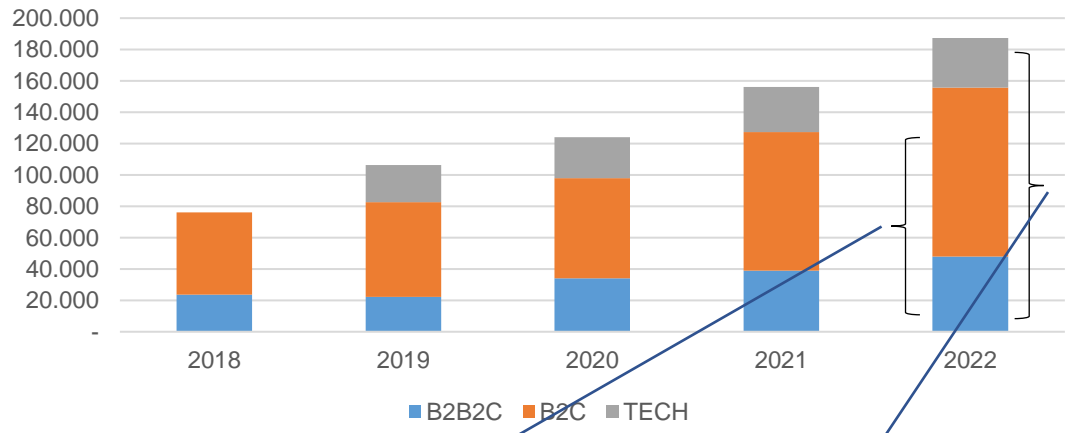
- On Hold

### Other costs

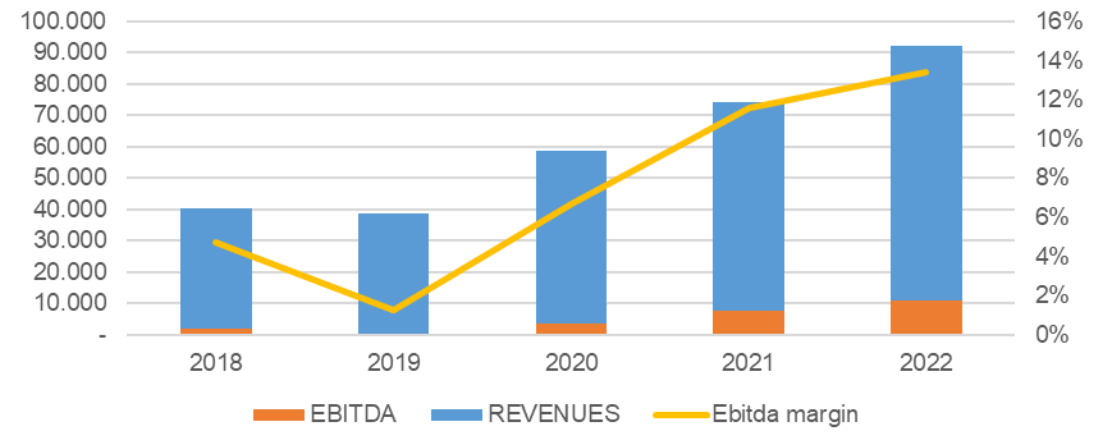
- Suspension (deferring or cancelling) of all discretionary spending
- Renegotiation of several supplier contracts and reduction of office spaces.
- Financial measures to preserve liquidity and delay reimbursment of capital

# WHAT WE WILL DO IN THE FUTURE- THE INDUSTRIAL PLAN 2020 - 2022

GMV TREND AND COMPOSITION



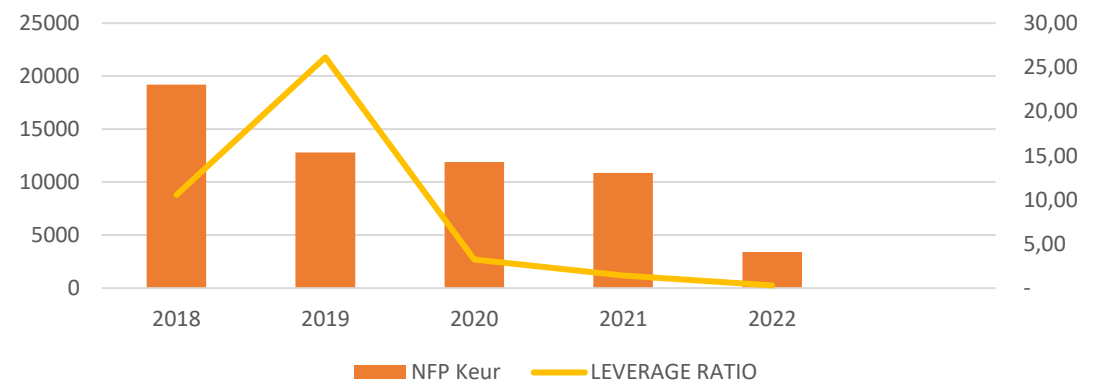
REVENUES, EBITDA AND EBITDA MARGIN



**CHINA WOULD ACCOUNT FOR NEARLY 15% OF TRANSACTIONS**

**FOOD WILL REPRESENT UP TO 15-20% OF TOTAL VALUE ON OUR PLATFORM**

NET FINANCIAL POSITION AND LEVERAGE RATIO





# FINANCIALS 2019

<i>(Euro thousands)</i>	31.12.2019	31.12.2018	Change
Revenues from contracts with customers	40,208	38,952	1,256
Restore of eliminations arising from inter-company transactions toward discontinued operations	0	663	(663)
<b>Revenues</b>	<b>40,208</b>	<b>39,615</b>	<b>593</b>
Operating Costs	(34,955)	(34,728)	(227)
<b>Gross Margin</b>	<b>5,253</b>	<b>4,887</b>	<b>366</b>
<b>Gross Margin %</b>	<b>13.1%</b>	<b>12.5%</b>	<b>0.5%</b>
Payroll expenses	(4,216)	(3,653)	(563)
<b>EBITDA Adjusted</b>	<b>1,037</b>	<b>1,234</b>	<b>(197)</b>
<b>EBITDA%</b>	<b>2.6%</b>	<b>3.1%</b>	<b>(0.5)%</b>
Non-recurring costs	(1,755)	(892)	(863)
Depreciations, Amortizations & write-downs	(1,749)	(340)	(1,409)
<b>EBIT</b>	<b>(2,467)</b>	<b>2</b>	<b>(2,469)</b>
Financial Income or Expenses	(1,590)	(1,085)	(505)
<b>PROFIT BEFORE TAXES</b>	<b>(4,057)</b>	<b>(1,084)</b>	<b>(2,973)</b>
Income taxes	(711)	(116)	(595)
<b>PROFIT FOR THE YEAR (CONTINUING OPERATIONS)</b>	<b>(4,768)</b>	<b>(1,200)</b>	<b>(3,568)</b>
<b>PROFIT FOR THE YEAR (DISCONTINUED OPERATIONS) adjusted</b>	<b>(11,028)</b>	<b>(7,064)</b>	<b>(3,964)</b>
<b>NET PROFIT</b>	<b>(15,796)</b>	<b>(8,264)</b>	<b>(7,532)</b>
<b>EBIT adjusted to non-recurring costs</b>	<b>(712)</b>	<b>894</b>	<b>(1,606)</b>
<b>EBIT adjusted to non-recurring costs %</b>	<b>(1.8)%</b>	<b>2.3%</b>	<b>(4.0)%</b>
<b>PROFIT FOR THE YEAR (CONTINUING OPERATIONS) adjusted to non-recurring costs</b>	<b>(3,013)</b>	<b>(308)</b>	<b>(2,705)</b>
<b>PROFIT FOR THE YEAR (CONTINUING OPERATIONS) adjusted to non-recurring costs %</b>	<b>(7.5)%</b>	<b>(0.8)%</b>	<b>(6.7)%</b>
<b>PROFIT FOR THE YEAR (TOTAL) adjusted to non-recurring costs</b>	<b>(14,041)</b>	<b>(7,372)</b>	<b>(6,669)</b>
<b>PROFIT FOR THE YEAR (TOTAL) adjusted to non-recurring costs %</b>	<b>(34.9)%</b>	<b>(18.6)%</b>	<b>(16.3)%</b>

<i>(Euro thousands)</i>	31.12.2019	31.12.2018	Change
Intangible assets	17,322	12,297	5,025
Property, Plant and Equipment	3,040	1,492	1,548
Financial Assets	842	1,595	(753)
<b>Total Fixed Assets</b>	<b>21,204</b>	<b>15,384</b>	<b>5,820</b>
Inventories	1,861	5,273	(3,412)
Trade receivables	12,179	12,519	(340)
Trade payables	(20,623)	(24,070)	3,477
<b>Operating/Commercial Working Capital</b>	<b>(6,583)</b>	<b>(6,278)</b>	<b>(305)</b>
Other current assets and liabilities	(3,774)	8,177	(11,951)
<b>Net Working Capital</b>	<b>(10,356)</b>	<b>1,899</b>	<b>(12,256)</b>
Provisions for risks and charges	(924)	(804)	(120)
Deferred tax assets and liabilities	780	1,171	(391)
<b>Net Invested Capital (Continuing Operations)</b>	<b>10,703</b>	<b>17,650</b>	<b>(6,947)</b>
<b>Net Invested Capital (Discontinued Operations)</b>	<b>-</b>	<b>9,923</b>	<b>(9,923)</b>
<b>Total Net Invested Capital</b>	<b>10,703</b>	<b>27,573</b>	<b>(16,870)</b>
<b>Equity</b>	<b>1,606</b>	<b>(8,409)</b>	<b>10,015</b>
<b>Net financial liabilities*</b>	<b>(12,309)</b>	<b>(19,164)</b>	<b>6,855</b>
<b>Total Sources</b>	<b>(10,703)</b>	<b>(27,573)</b>	<b>16,870</b>

# ANALYST COVERAGE

Analyst Focus



## Giglio Group

New Strategic Partner

29 April 2020

### A strong start in the healthcare sector

After reorganizing part of its business, Giglio is adding a healthcare offering to its digital platform by signing a major strategic partnership with Sinopharm, the Chinese pharmaceutical giant. Starting at full speed, it initially recorded the sale of more than 10m masks in one month. The sales dynamic for FFP2 masks, serological test kits and other medical equipment should continue to be strong during and beyond the health emergency, which has a positive impact on the top line. This new strategic business line allows Giglio to integrate the cosmetics, personal care and wellness products market over a long-term horizon. Thanks to this partnership, Giglio will also be able to offer the Chinese market healthcare products made in Italy. We anticipate strong growth acceleration in this high-potential sector.

Market Data	
Industry	E-commerce
Share Price (€)	3.2
Market Cap (€M)	59.13
Market Segment	STAR
Bloomberg	GG IM
Ownership Structure	
Meridiana Holding	52.7%
Docomo Digital	8.7%
Free float	38.6%

**BUY**

Target Price: **5,1€**

Upside: **+57%**

## MIDCAP

Alessandro Cuglietta

TARGET PRICE eur 5,1



Company Note

## Giglio Group

### FY19 Results

In 2019, the disposal of the media BU was finalised and a EUR 4M capital increase completed. In a market characterised by uncertainty caused by the coronavirus spread, we think the company has demonstrated its platform's flexibility to adapt to customers' changing needs and business opportunities. Giglio believes it could become a key partner for many companies (e.g. food, medical, electronics) to build their e-commerce channel, crucial in a scenario where social distancing measures are likely to be maintained for a long period, thus reducing traffic into physical stores. Management presented a new 2020-22 BP, with over EUR 80M revenue and EUR 10M EBITDA targeted by 2022.

Equity

MID CORPORATE

8 April 2020: 12:42 CET  
Date and time of production

**BUY**

Target Price: **EUR 4.4**  
(from EUR 3.3)

Italy/Information Technology  
Update

MTA-STAR

Price Performance

## BANCA IMI

Alberto Francese

TARGET PRICE eur 4,4

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- For further details on Giglio Group, reference should be made to publicly available information, including the Quarterly Reports and the Annual reports.
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*Thank You*