



**GIGLIO GROUP CONFIRMS THE CONSOLIDATION OF THE BUSINESS IN LINE WITH
ITS PRE-PANDEMICS CORE ACTIVITIES (2019) AND THE BOARD OF DIRECTORS
APPROVES
THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE
2021**

**The revenues from the Group's typical business grow by 20%
net of the extraordinary one-off revenues from 2020 sales of PPEs
to face the COVID-19 pandemics**

Milan, 11 September 2021 – Today, Giglio Group S.p.A. (Ticker GG), a company listed on the MTA-STAR segment of the Italian stock-exchange market managed by Borsa Italiana S.p.A., announces that its Board of Directors, called to meet from 10 September 2021 to today, approved the Interim Condensed Consolidated Financial Statements as of 30 June 2021.

The consolidated revenues of the Group as of 30 June 2021, decreasing if compared to the same period of the previous fiscal year, recorded a 20% increase with respect to the typical business of the Company, i.e. net of the extraordinary and one-off revenues from the 2020 sales of PPEs to face the COVID-19 pandemics. This trend is mainly ascribable to the **cessation of PPEs sales of the Healthcare division, which had particularly sustained the Group's revenues in 2020 H1**. It is worth noting how the Giglio USA recorded a 94% growth in revenues in the United States of America, a strategic market and one of the main growth drivers of the following months

Alessandro Giglio, Chairman of Giglio Group S.p.A., declared: "*The Group has restarted its primary business activity, consolidating its customer base thanks to the new strategies of post-pandemics repositioning and to the completion of its restructuring. Moreover, the Company has developed important projects within the new technological frontiers of Marketing Automation and Artificial Intelligence thanks to the newly-acquired 7Hype and to the recent agreement with EDrone, reorganising its B2B business lines so as to have them confirm the growth trend of the main segments of e-commerce and Distribution in 2021 H2*".

- **REVENUES** equal to € 19.5 Mln, growing by 20% on a like-for-like basis with respect to 2020 and going from € 16.3 Mln to € 19.5 Mln, decreasing by 26% on 2020 H1, when revenues equalled € 26.2 Mln (including € 9.9 Mln from the sales of anti-COVID PPEs)
- **EBITDA** negative by € 0.1 Mln, decreasing if compared to 2020 H1 (€ 1.9 Mln)
- **EBIT** negative by € 1.5 Mln, decreasing if compared to 2020 H1 (€ 1 Mln)
- **NFP** equal to € -14.8 Mln, improving if compared to 2020 H1 (€ -15.9 Mln)
- **NET PROFIT** negative by 1,976,000, decreasing if compared to 2020 H1 (€ 34,000), with a 37% improvements on 2019 H1 on a like-for-like basis (i.e. unrelated from the extraordinary revenues

from the 2020 sales of anti-COVID PPES). It is also noted that the Net Profit of 2021 H1 was also affected by non-recurring structural costs.

- **The conclusion of an important negotiation brought about a windfall gain of € 457,500 related to 2021 H1, that will be accounted for only in 2021 Q3, given that the agreement was signed in the first days of 2021 H2.**
- The Group's consolidated revenues as of 30 June 2021 recorded a 26% reduction on 2020 H1 (€ 26.2 Mln) that can still be accounted for as a 20% growth on a like-for-like basis with the Group's activities in 2020. Indeed, by taking into consideration only the main business of the Company, and not the extraordinary and one-off revenues from the sales of anti-COVID PPEs in 2020 worth € 9.9 Mln, revenues grew by 20% going from € 16.3 Mln in 2020 to € 19.5 Mln in 2021.
- EBITDA equals € -0.7 million (€ 1.9 million consolidated figures as of 30 June 2020) which, considering the reduction if compared to the previous year mainly because of the performance of the Healthcare division, does not take into account the € 457,500 worth of minor costs in 2021 H1 (to be accounted for in Q3) and does not express yet the benefits of the replacement of the clients lost during the pandemics thanks to the improved performances of the current clients, who are strengthening and consolidating their customer bases, but also thanks to the supply of new digital services such as Marketing automation. The streamlining of structural costs generated an EBITDA Corporate reduction of € 0.6 million.
- The Net Financial Position of the Group equals € -14.1 million, highlighting an improvement of € 1.8 million if compared to 2020 (€ -15.9 million).
- The Net Profit for the year is negative by € 1,976,000 (€ 34,000 consolidated figures as of 30 June 2020) due to the lack of financial incomes arising from the sales of the anti-COVID PPEs, which was not active in the current year.

Significant events in the first half-year

- **On 12 January 2021**, Giglio Group S.p.A. signed a binding agreement for the purchase of Salotto Brera - Duty Free S.r.l., a company engaged in a national and international level in the distribution and trading of fashion and food products.
- **On 23 February 2021**, E-Commerce Outsourcing S.r.l., owned by Giglio Group S.p.A., signed an agreement with 7Hype S.r.l. aimed at integrating a branch of 7Hype into its corporate structure.
- **On 3 March 2021**, the Board of Directors approved an update to the Industrial Plan 2021-2025.
- **On 8 June 2021**, Giglio TV HK transferred its own subsidiary Media 360 HK to Giglio S.p.A..
- **On 21 June 2021**, the ordinary Shareholders' Meeting approved the Financial Statements as of 31 December 2020, appointed the new Board of Directors, setting at 5 the number of its members and identifying them, appointed two statutory auditors, authorised the Board of Directors to purchase own shares of the Company, approved the adoption of a stock-option plan called "2021-2028 Stock-Option Plan" and vested the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, with the power to increase the share capital for a period of five years after the Meeting's resolution.
- **On 28 June 2021**, Giglio Group S.p.A. completed the allocation of no. 1,221,547 ordinary, newly-

issued shares, for a total value of € 2,174,353.66.

- **On 30 June 2021**, the transfer of the subsidiary Giglio TV HK to a third party was completed.

Subsequent events

- **On 15 July 2021**, Giglio Group S.p.A., via its subsidiary Salotto di Brera, subscribed a framework trade cooperation agreement with multinational Greenland Global Commodity Trading Hub Group.
- **On June 29, 2021**, Ibox SA signed a private settlement agreement with a counterparty, a supplier of technical services and software. The agreement signed with the counterparty, and accepted by it on August 5, 2021, provides, among the other technical aspects reported in the note, that the counterparty indemnifies Ibox following the complaints raised by it for a lump sum of Euro 457,500, not entered in the half-yearly report as at 30.06.2021.
- **On 5 August 2021**, the subsidiary E-commerce Outsourcing S.r.l. subscribed a € 2 million loan with Banca Progetto in order to support its technological investments. The loan shall be reimbursed with 72 monthly instalments starting from 31 March 2022 and ending on 31 August 2027, with an interest rate equal to the one-month Euribor plus a 4.5% spread.
- **On 1 September 2021**, the subsidiary E-commerce Outsourcing S.r.l. signed an important cooperation agreement, in exclusive for Italy, with Edrone, a Polish company expert in the sector of AI-boosted Marketing Automation software for e-commerce; this cooperation will speed up even more the customised sales messaging services.
- **On 11 September 2021**, the Company reached an agreement with Meridiana Holding S.r.l. through which the last term of payment for outstanding debt related to the loans granted by the latter (repayable with constant instalments until 30 September 2022) was extended to 31 January 2023, in one single tranche.

Deposit of documents

It is announced that the relevant documents shall be made available to the public via the authorised storage mechanism www.marketstorage.it, and with their publication on the Company's website at www.giglio.org – "Investor Relations - Financial Reports - Interim Condensed Consolidated Financial Statements as of 31 March 2021" section.

The following table shows the main consolidated economic and financial figures of the Group as of 30 June 2021:

<i>(Euro thousands)</i>	30.06.2021	30.06.2020	Change
Revenues from contracts with customers	19,522	26,255	(6,733)
Operating Costs	(17,525)	(21,541)	4,016
Gross Margin	1,997	4,714	(2,717)
Gross Margin %	10.2%	18.0%	(7.7)%
Payroll expenses	(2,702)	(2,830)	128
EBITDA	(705)	1,884	(2,589)
EBITDA%	(3.6)%	7.2%	(10.8)%
Non-recurring costs	0	0	0
Amortisation, depreciation & write-downs	(844)	(882)	38
EBIT	(1,549)	1,002	(2,551)

Net financial charges	(590)	(643)	53
PROFIT BEFORE TAXES	(2,139)	359	(2,498)
Income taxes	163	(325)	488
PROFIT FOR THE PERIOD	(1,976)	34	(2,010)
EBIT %	(7.9)%	3.8%	(11.8)%
PROFIT FOR THE PERIOD%	(10.1)%	0.1%	(10.3)%

(Euro thousands)	30.06.2021	30.06.2020	Change
A. Cash	2,344	5,085	(2,741)
B. Bank and short-term deposits and cheques	-	-	-
C. Securities held for trading	2	2	-
D. Cash & cash equivalents (A)+(B)+(C)	2,346	5,087	(2,741)
E. Current financial receivables	360	480	(120)
F. Current bank payables	(1,108)	(826)	(282)
G. Current portion of non-current liabilities	(1,819)	(1,851)	33
H. Current bond loan	(4,826)	(500)	(4,327)
I. Other current financial payables	(1,094)	(919)	(175)
<i>of which with Related Parties</i>	<i>(617)</i>	<i>(493)</i>	<i>(124)</i>
J. Current financial liabilities (F)+(G)+(H)	(8,847)	(4,096)	(4,751)
K. Net current financial liabilities (I) + (E) + (D)	(6,141)	1,471	(7,612)
L. Non-current bank payables	(6,537)	(6,412)	(125)
M. Non-current bond loan	-	(4,304)	4,304
N. Other non-current payables	(1,401)	(1,467)	66
<i>of which with Related Parties</i>	<i>(138)</i>	<i>(417)</i>	<i>279</i>
O. Non-current financial liabilities (K)+(L)+(M)	(7,939)	(12,183)	4,244
P. Net financial liabilities (J)+(N)	(14,080)	(10,712)	(3,368)

Information on Giglio Group

Founded in 2003 and listed on the STAR segment of Borsa Italiana ever since 2018, Giglio Group is the leading company for the design, creation and management of high value-added e-commerce platforms in Italy for Fashion, Design, Lifestyle and, more recently, Food and Healthcare sectors. The Company is based in Milan, but it is also present with offices in New York, Shanghai, Rome, Lugano and Genoa.

Thanks to its remarkable and specific professional experience, Giglio Group accompanies its clients in the distribution of their products through international distribution strategies and online channels by implementing fully managed and tailor-made omni-channel monobrand e-stores; moreover, it integrates this activity with the dedicated placement on the world's major marketplaces, ensuring the online management of new collections, flash sales and old collections, too.

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