Interim Financial Report
as of 31 March 2021

CONTENTS

Interim Directors' Report

of the Condensed Consolidated Financial Statement as of

31 March 2021

Company Information

Registered office
Giglio Group S.p.A.
Piazza Diaz 6
20123 Milan

Legal Information
Share Capital subscribed and paid-in € 4,149,295
Economic & Admin. Register No. 1028989 Tax no. 07396371002
Registered at Milan Companies Registration Office with no. 07396371002
Website www.giglio.org

Registered office and Headquarters
Piazza Diaz 6, Milan

Operational headquarters
The offices of the company are as follows:
Registered office – Piazza Diaz 6, Milan
Operational office – Via dei Volsci 163, Rome
Operational office – Piazza della Meridiana 1, Genoa

Corporate Boards

Board of Directors

Alessandro Giglio	Chairman and Chief Executive Officer
Marco Belloni	Chief Executive Officer
Anna Lezzi	Director
Silvia Olivotto	Independent Member
Francesco Gesualdi	Independent Member

Board of Statutory Auditors

Cristian Tundo	Chairman
Monica Mannino	Statutory Auditor
Marco Centore	Statutory Auditor
Stefano Mattioli	Alternate Auditor
Cristina Quarleri	Alternate Auditor

Internal Control, Risk and Related-Parties Committee

Silvia Olivotto	Chairwoman
Francesco Gesualdi	

Appointment and Remuneration Committee

Francesco Gesualdi	Chairman
Silvia Olivotto	

Independent Auditor
EY S.p.A.

1. Introduction

Giglio Group is engaged in the e-commerce and international distribution sector of high-end fashion, design and food products, and is now expanding also its commercial offer to the healthcare products' sector. The Group's mission is to provide technological support to a growing number of prime brands (in all categories served) in their business transformation towards digital omni-channel strategies worldwide.

Founded on 2003, the Group offers tailor-made B2B and B2C services to various industries, mainly with "Made in Italy" brands, covering the whole supply chain, from the creation of e-commerce platforms to storage management, from customer care to payment gateways on a global scale, up to brands' connection with major digital marketplaces and international distribution channels. Indeed, Giglio Group is not only a B2C technology platform for the fashion world, but proposes a broad range of services connecting brands on various digital platforms and international channels with consumers across the globe, having also expanded its activities towards the food, design, electronics, DIY and physical well-being industries. Moreover, thanks to its "engagement & marketing automation" division, the Group can now offer evolved digital solutions that allow its customer base both to improve the performances of their own e-commerce website and to open up new B2B and B2B2C sales processes, or to new national and international markets, by gaining the loyalty of their clients, boosting and digitalising the direct sales force and incentivising and rewarding trades. The division provides both a strategic and operational support, by accompanying its customer base in the creation and implementation of loyalty and engagement programmes (by using digital technologies such as marketing automation), thus providing for a complete service, from the identification of the digital behaviour of the user -which, in the event of promotional prize contests, leads to the accrual and management of loyalty points- to the consultancy on the correct tax and legal framework of the promotional prize contests.

The innovative and commercial offer of Giglio Group follows and tries to anticipate the changes in the relationship between brands and consumers. New technologies enable the evolution of sales channels, while the products' life-cycle changes and evolves too, forcing brands to shape their offers around the client and its needs. New business opportunities thus open up in the market, and brands must monitor them, if not autonomously, with the support of competent operators. This is the inevitable evolution of the relationship between brands and their clients, which is not set in stone anymore. Moreover, in the fashion sector, this relationship is not only linked with the change of the collections season after season, but it is also continually moving according to the different digital touchpoints, which, by changing quickly and by offering a more and more sophisticated supply range, bring about a continuous interaction between brands and clients on a global scale.

THE BUSINESS MODEL AND ITS STRENGHTS

Giglio is conceived as a Digital Enabler for brands capable of offering them a presence in the digital and selective distribution worlds by interconnecting through its omni-channel technologies all of its sales channels, thus aiming to become a fully outsourcing Omni-channel Platform for fashion, design and food brands.

With the launch of design sales and the penetration in the food and beauty sectors, Giglio Group boasts a unique, high-standing customer base and a complete and innovative range of business and digital services for its brands and their consumers, along with a proprietary omni-channel infrastructure called "Terashop" serving Italian and European excellence in their respective categories and connecting them to the new frontiers of digital sales and interconnected selective channels worldwide.

Giglio boasts its own integrated and integrable platform featuring the most popular e-commerce solutions adopted by brands worldwide, as well as major technological partnership that, together with the Company's know-how, make it a pivotal business and technological key-partner for brands' strategies.

Particularly in the Fashion sector, but not only, Giglio Group embraces the brands' different needs with regard to their presence in the digital and international space, offering services that can increase the value of their current distribution strategy:

- *Physical Retail:* According to the Group's philosophy, the physical retail must represent the physical lifestyle of the brand, in order to boost its popularity. Giglio Group's omni-channel technology can significantly improve the business and loyalty effectiveness of the physical retail through "click & collect" service, by recording loyalty on the sales point, by favouring products' return and exchange in the store, by providing in-store support for products available online via its "kiosk", reserved only for sales point, and via other "drive-to-store" technologies, as well as by digitally identifying the user in the store with marketing automation technologies.

- *E-commerce:* The first sales' pillar within the online world, and a consolidated strength for Giglio Group. Now part of all brands' DNA, the e-commerce offers a maximum catalogue range, an increasingly customised relationship with the clients, who can receive to-the-point information and offers thanks to the CRM technology amplified by the marketing automation software. As of now, the e-commerce channel is the most important one for sales volume per single touchpoint. It is the essential element in the Industrial Plan of major brands, which qualifies the economic sustainability of the brand itself. Moreover, this channel helps accelerating the penetration in new areas, as well as keeping up the sales performance in the most mature markets, where physical sales are dropping significantly.

  E-Tailers (or Multi-Brand Stores) and Marketplace: E-tailers represent the main share of online sales worldwide, with main physical department stores generating more than half of their revenues on their own online channels. The Marketplace channel amplifies the international online distribution of brands by increasing the customers' brand awareness and, in turn, the digital sales. Giglio Group's technological and business partnership can face the challenge to keep the brands' desired positioning and to correctly manage the in-season distribution, the specials sales and off-season goods within the high variety of digital supply now available on the market. More specifically, Giglio has accrued a significant experience in managing off-season hoods on main digital channels worldwide.
- *International Distribution and Travel Retail:* A paramount channel for brands' presence on an international level, but also for increasing their sales and expanding their popularity with international consumers. Giglio Group aims at increasing brands' sales via all of the international channels in which its proprietary omni-channel technology can allow for an interaction between the physical and digital retail, also during leisure travels.

Giglio Group's mission is to lead brands through their sales transformation by activating the best combination of sales channels and economic model, accompanying its partner brands along the process in order to obtain a 100% sell-through rate for every season through the correct balancing of national and international physical channels with proprietary or third-party digital channels such as marketplaces.

In 2021 Q1, the Company operated with a full focus on the international distribution and e-commerce businesses. 2020 was the first year in which the results of E-Commerce Outsourcing S.r.l. (user of Terashop's trademark), one of the reference suppliers of outsourced e-commerce services, were fully consolidated. Terashop is an e-commerce company that invested predominantly in omni-channel technologies in Italy, and its innovative platform allows to provide to brands and end customers a complete purchase experience by interconnecting physical and digital retail in all of the users' interaction touchpoints. By integrating Giglio Group's and Terashop's technologies and know-how, it was possible to expand the Group's activity toward new sectors such as, specifically, GDS, Food and mass retailing, with a chance to apply different business models: online sales with home delivery, products' collection from retail outlets, digital kiosks for in-shop sales, CRM systems, B2B websites as well as loyalty card systems.

Terashop's purchase allowed for the integration of a customer base active in the reference sector with elevated supported trading volumes, thus creating important economies of scale with immediate operational savings. Moreover, it strengthened the Group's technical organisation thanks to the introduction of highly-specialised e-commerce experts in its team.

From 1 March 2021, to complement the proprietary technology of Terashop and its know-how in creating top-standing e-commerce portals and projects, a company branch specialised in marketing automation was leased from 7Hype S.r.l., along with the use of 7Hype's and Marketing Automation Academy's trademarks. The vertical know-how on marketing automation and the international technological partnerships that 7Hype has built over time were inserted in the digital division of the Group, in the "Engagement and Marketing Automation" products category, in order to provided digital services aimed at increasing the performances of e-commerce portals and the digitalisation of B2C and B2B sales strategies of companies.

Moreover, following the purchase of Salotto di Brera S.r.l., which took place on 12 January 2021, the Group has become a reference player in the international distribution in the selective and exclusive travel retail channel, in which Salotto di Brera has built strong business relations over the years with main cruise lines, touristic and diplomatic airports, duty-free chain stores, touristic ports and NATO bases.

THE REFERENCE MARKET

According to Altagamma 2020 Worldwide Luxury Market Monitor, a report drafted by Bain & Company; following the economic crisis triggered by COVID-19 pandemic, in 2020, the luxury goods' market was heavily impacted, declining for the first time ever since 2009, recording a 23% drop and reaching only € 217 billion. 2020 was a year of deep changes worldwide in lifestyles, purchase habits and customers values. Tourism came to a halt and the online purchase of luxury products increased significantly, doubling its market share from 12% in 2019 to 23%, albeit in an overall declining market.

Luxury Goods' Sales Channels

The change brought forth by COVID-19 global pandemic introduced the presence of online activities in every aspect of our lives. In the luxury market, online sales reached € 49 billion in 2020, as opposed to € 33 billion in 2019, continuing to gain market shares (23% of the market, as opposed to 12% in 2019), now that its clients are more and more influenced and supported by the digital channels also for their physical purchases. Indeed, 75% of luxury transactions was influenced by the online channel, and 20-25% of the purchases was digitally supported. It is estimated that by 2025, almost all luxury goods' purchases will be made online. Asia confirmed its role as a driver for the online luxury market, coming before Europe and the Americas. Accessories are still the main category sold online, ahead of clothing products, while beauty and hard luxury categories (jewels and watches) are in constant growth. Among the channels for online luxury sales, brands' websites gained market shares if compared to the websites of e-tailers and retailers.

The effects of the global crisis triggered by the COVID-19 pandemic

Over 2020 and in 2021 Q1, a phenomenon that is currently changing the economic forecasts of whole economy sectors worldwide was being recorded, which in turn is causing a revision of the turnover for the fashion sector, served by Giglio Group. The COVID-19 pandemic began to spread, connected to the so-called Coronavirus, before spreading quickly in many areas of the world, Europe and the USA included. Due to the lockdowns that were enforced by the authorities in various part of the world and to the shutdown of tourism in all of the main markets worldwide, whole fashion distribution chains suffered significant drops in sales due to the decrease in clients. Online sales stood the test of time, while traditional models of physical stores and malls recorded steep drops in all luxury categories; by way of example, the drop in footwear (12%) was mitigated by sneakers shoes request, the jewellery sector was supported by the Asian demand, which benefited from online sales, while clothing products and watches dropped both by 30%.

With regard to the fashion sector, according to McKinsey & Company's report "The State of Fashion 2021", fashion companies recorded a 90% drop in operating results in 2020, after a 4% increase in 2019. Given the ongoing uncertainty, McKinsey's forecasts for the sector's performance in 2021 focus on two scenarios. The first one, more optimistic, foresees a drop in global fashion sales between 0 and 5% in 2021 if compared to 2019. This should result from the containment of the virus in several geographical areas and from a relatively quick transition to economic recovery. In this scenario, the sector would recover its 2019 activity levels by 2022 Q3. The second scenario would see a 10-15% drop in sales values in 2021 if compared to 2019. In this case, the virus would continue to cause the same restrictions experienced in 2020, and fashion sales would recover their 2019 activity levels only in 2023 Q4.

In both scenarios, McKinsey's report foresees that 2021 would still have difficult trading conditions, at least in some geographical areas, and that financial damages, stores closures and job cuts would continue. At the same time, the pandemic would boost the trends that were present before the crisis, i.e., the digital transition of shopping experience and consumers more and more aware of fairness and social justice issues.

Measures taken by the Group during the COVID-19 pandemic

The containment measures adopted worldwide for limiting the spread of COVID-19 -which halted production in different sectors-, and the restriction on travels all had a significant effect on the Group's results as of 2021.

Giglio Group has promptly adopted containment measures aimed at limiting the negative effects of the pandemic, adapting to the abrupt change in the surrounding economic scenario.

The main objective of the Group was that of safeguarding the safety and the health of its employees by adopting all safety measures introduced by the Italian government and by ensuring the business continuity of the enterprise through the adoption of smart-work logics.

As far as profit is concerned, the Group's measures aimed at developing, following the lockdown of all non-essential physical stores, an online sales strategy aimed at supporting the brands in recovering from the massive losses of turnover caused by the health emergency.

Overall, the B2B e-commerce sector has suffered from the slowdowns generated by the effects of the pandemic and of the postponement of orders from many clients in Europe and in the United

States of America, recording a € 3.4 million drop if compared to the budget of the first quarter. The revenues performance is monitored constantly and, as a consequence, the Group believes that the volumes estimated for 2021 will be achieved mainly in the second quarter, benefiting at the same time from the significant purchase and flash sales planning activity for the second half of the year, from the impact of summer sales, also online, from June until August, from the return to normality and the need to purchase new clothes following the success of the vaccination campaigns.

The B2C e-commerce sector showed signs of recovery for the online sales of fashion products, and the first quarter ended with a slightly better performance than the budgeted one, positive for single stores if compared to the same period of the previous year.

With regard to costs, the activities were focused on the reduction of structural costs and on the renegotiation of multi-annual agreements subscribed before the COVID-19 pandemic, which had to be necessarily re-adapted to the new context.

In order to reduce the liquidity risk of the Group, as well as to lower the financial impacts of the pandemic, the Company, in addition to the medium-term loans signed with the Meridiana Group, also started negotiations with some of the major credit institutions in order to make use of the possibility to suspend the payment of the instalments of the outstanding mortgages (so-called moratorium) pursuant to Art. 56 of Legislative Decree 18/2020 ("Heal Italy" decree), renewed by Art. 65 of Legislative Decree 104/2020 (the so-called "August Decree") and extended by Art. 1, par. 248 of the Budget Law 2021 (Law no. 178 of 30 December 2020). Following the latest extension, the suspension terms agreed with the credit institutions in April 2020 were moved to 30 June 2021. Therefore, in 2021 Q1, the Company benefited, on a cash basis, from minor reimbursements of deferred instalments, for a total of about € 0.7 million. In compliance with the IFRS 9 accounting standard, the so-called "10% test" was carried out on said loans (already recorded according to the amortised cost criteria) in order to assess the materiality or lack thereof of the renegotiation and to identify the resulting accounting effects. Each single test had a positive outcome, hence the liability's derecognition was not necessary.

Future prospects of luxury goods' market

China has begun to walk again on the path to recovery, and its consumers are ready to strengthen their status of main drivers for the sector, representing an expected 50% of the market by 2025.

Online luxury sales increased during the crisis, and the online channel may be able to account for 30% of the market by 2025, with continental China accounting for 28% of the luxury market against the 11% of 2019.
Millenials clients (also known as Generation Y, born between 1980 and 1995) proved to be constant buyers of luxury goods. In 2019, they represented 35% of consumption, and they will probably reach 45% of the market by 2025. Nevertheless, it is the even younger Generation Z that will reshape the industry, potentially reaching 40% of luxury goods consumption by 2035, against the current 4%. In 2019, both generations combined contributed to the growth of the market.
The "Gen Z" clients are the new frontier of tomorrow's luxury market, showing behaviours that distinguish them by other generations. Other than representing a growing portion of the luxury consumption in the Asian markets, they also interact with the brands.
Following the COVID-19, consumers are looking for a more discreet and intimate luxury experience. Trends are diverging: Chinese consumers are more interested in the style and visibility of the brand, whilst western consumers are opting for more sober and simple products. The number of Chinese consumers who buy products with a strong brand recognition increased by about 14%, thus confirming a pre-COVID-19 trend that showed their preference for eccentricity over traditional values. In the western markets, however, the interest in this kind of products dropped by about 9%, showing that consumers are more interested in a more discreet luxury experience, focused also on the quality of the product. By expanding the analysis on the luxury market, the experience-based goods (defined by Bain as artistic goods, luxury cars, private jets and yachts, fine wines and gourmet food) shall be the ones recovering first, before personal luxury goods (clothing products, watches, jewellery, accessories, footwear, etc.).

Giglio Group sees major market opportunities and seeks to deliver results by tapping immediately into increasing online channel usage, the growing importance of the Millennials and luxury consumer growth in China, in the Far East and in the other emerging markets. The Group's objective for 2021-2022 is to link a global customer base directly with high-end, medium-sized fashion brands, that is, Italian excellencies that have yet to reach a global positioning and that, due to their size and the need to redesign their strategies, are showing the need to access new market segments by making use of an international business and technological partner such as Giglio Group.

Giglio Group envisages to continue strengthening its positioning as leader in the reference market, i.e. as digital enabler of companies' business transformation through digital, logistic, marketing and international relationships' services for fashion brands, trying to attract an increased number of brands and aiming at increasing the volumes managed in all geographical areas and the number of marketplaces integrated in its platform. The Company expects an increase in managed brands, despite the not particularly favourable context of the sectors served due to a reduction in consumer purchasing power in the short term.

Furthermore, Giglio Group extended the supply of its services also to adjacent business areas, with specific focus on the design, retail chain stores, food, DYI and healthcare industries, offering its omni-channel platform to the main players of each segment, so that it can be integrated with physical sales points and the main reference marketplaces of those sectors.

Giglio Group, also as a response to the health emergency and its consequences, is intensifying its efforts to increase its productive capacity in order to create more and more projects for e-commerce platforms aimed at catering for specific categories such as food and beauty, also by integrating the experience of a travel retail consumer, so as to face the astounding increase in demand for these goods via online sales.

Group activities

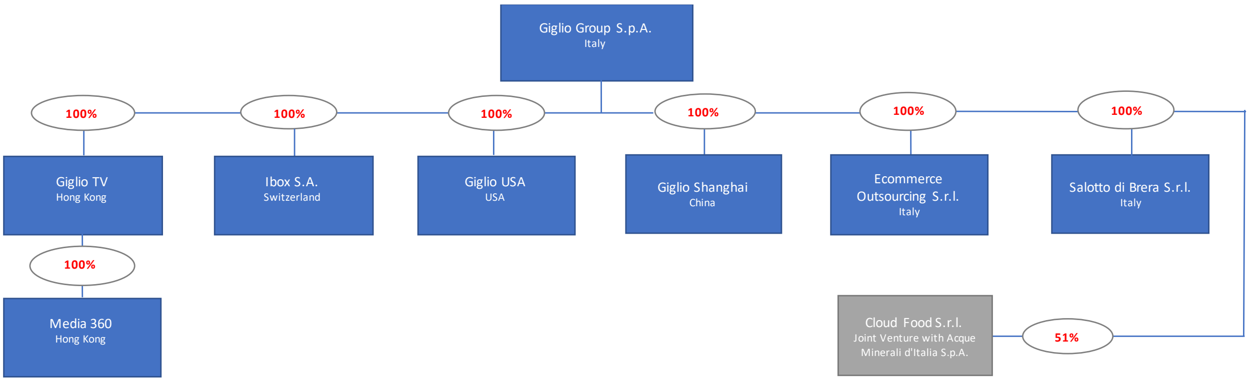
Founded in 2003 by Alessandro Giglio, Giglio Group is today an e-commerce 4.0 company capable of promoting and distributing luxury “Made in Italy” commercial brands across the globe. Listed initially on the Italian Stock Exchange AIM Italia market since August 2015, and on the STAR segment since March 2018, the Group operates in 5 continents and in over 70 countries when considering all the countries served by its e-commerce services.
The Group's objective is to create a fully-integrated model both as far as distribution channels and business models are concerned.

The Company is involved both in B2C and B2B operations. The integration between the two business models, Principal (B2B) and Agent (B2C), allows the Group to manage in an optimal way brand's warehouse stock, both on-season and off-season, aiming at a 100% sell-through rate.

The B2C business model, managed by the subsidiaries Ibox SA and E-Commerce Outsourcing S.r.l. (the digital core of the group, now integrating also 7Hype's activities), consists in providing digital services for the omni-channel management of monobrand websites for Fashion, Design and Food customers, as well as in offering integrated digital services aimed at improving the overall performances. Terashop is a unique technological platform capable of managing the mono-brand website, the omni-channel marketing requested by the sales points, the connection with the marketplaces, the integration with payment systems and logistics. Traded goods belong to the on-season collection and the special sales of brands, which pay a fee on the sales and with which Giglio Group cooperates in their digital marketing strategy. No specific investment in working capital is needed from the Company, and there is no warehouse risk.

The B2B model, on the other hand, aims at enabling brands' direct-online sales on major e-commerce platforms around the world, offering an additional distribution to physical networks.
On 15 January 2021, the company Salotto di Brera S.r.l. -a company engaged in B2B supplies for fashion, food and jewellery goods for cruise ships and duty-free stores in ports, airports and NATO bases- was purchased.
Within the B2B model, Giglio Group directly manages logistics with the external warehouses, defines resale prices, manages the warehouse with a proved capacity to reduce stocks in a short time and with a high turnover of goods' index. Giglio Group collaborates with client e-commerce platforms on the basis of a defined sales plan which further diminished the risk of unsold items. The difference between brands' payment time, usually at the beginning of the season for stock-booking, and marketplaces collection time, usually 90 days after the end of the season, generates a financial requirement optimised by a careful use of the instruments supporting the working capital.

The Group corporate structure is reported below:



As reported in the Financial Statements as of 31 December 2020, approved by the Board of Directors on 10 May 2021, some events took place that do not ascertain the non-involvement, for accounting purposes, of Giglio TV with the Group's scope.

As it emerged, following in-depth analyses carried out in the first months of 2021 with a view to the draft of 2020 Financial Statements -and following the lawsuit notice at the beginning of 2021 against Giglio TV, deemed by the Hong Kong lawyer in charge of its rebuttal as "frivolous and vexatious"-, the buyer of Giglio TV, who was prompted for this purpose also on September 2020, did not fulfil all necessary formalities with the local authorities for the registration of the shares' transfer.

Moreover, the COVID-19 pandemic also had a significant impact on their fulfilment, causing a harsh lockdown in Hong Kong for the whole 2020, during which offices remained close for a long time, only to reopen on an on and off basis, also to this day. For the same reason, the offices of the Company's accountants and financial auditors suffered from the same closures. In this context, another element of delay was the critical relationship between China and Hong Kong, which led, to new demonstrations, which cause most offices, transportation and roads to be closed.

Therefore, in light of the aforementioned, Giglio Group, with regard to the accounting issues, deemed, conservatively, to consolidate as of 31 December 2020 and as of 31 March 2021 Giglio TV and its subsidiary Media 360 HK.

2. Significant Events During the First Three Months of the Fiscal 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. Stefania Mariani, who held the totality of the share capital of Salotto di Brera - Duty Free S.r.l., is now part of the team handling the Group's Distribution division, providing her expertise and her experience of more than 20 years in the international distribution sector of fashion, food and luxury products.
The countervalue of the transaction has been agreed as € 1,175,000, including a positive NFP of more than € 450,000 and a total earn-out of € 200,000 to be determined on the basis of the EBITDA recorded over the course of the following two fiscal years.

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. The agreement consists in the 30-month lease contract of a business unit of 7Hype focused solely on marketing automation activities. Upon the conclusion of the lease, E-Commerce Outsourcing S.r.l. will have the right to purchase said business unit. 7Hype is the first Italian company specialised in Marketing Automation activities and operates at an international level through its brands “7Hype – Marketing Automation” and “Marketing Automation Academy”.

On 03 March 2021, the Board of Directors approved an update to the Industrial Plan 2021-2025. With the new Industrial Plan, the Company updates its previous sales estimates for the future fiscal years, taking also into account the integration of the business carried out by its controlled company, ECO, the newly-acquired Salotto di Brera - Duty Free S.r.l., the integration of the branch of 7Hype, the business prospects in China/Far East due to the effects of the COVID-19 outbreak, as well as the increased importance to the Distribution area on e-commerce platforms worldwide and to marketplaces' new connection services.

3. Significant Events Following the First Three Months of the Fiscal Year

On 10 May 2021, the Board of Directors of the Company, resolved on the following with regard to the Financial Statements as of 31 December 2020:

- The Company must reduce its capital by more than a third due to losses, as per Art. 2446, par. 1 of the Italian Civil Code. Pursuant to the law, the Shareholders' Meeting must be called "to take appropriate measures", however, the law also provides for the postponement of the measures aimed at offsetting the loss, which are required (as per par.

2 of the same article) only in the event that the loss does not diminishes within a third of the capital by the following fiscal year.

- Said deadline for the losses accrued as of 31 December 2020, shall be postponed to the following fifth fiscal year, pursuant to the provisions set forth in Art. 6 of Legislative Decree no. 23 of 8 April 2020 (the so-called "Liquidity Decree", converted with amendments in Law no. 40 of 5 June 2020) "Temporary provisions on capital reductions", as amended by Law no. 178 of 30 December 2020, which allows listed companies to temporarily suspend some provisions on capital reductions for losses (Art. 2446 and 2-bis), postponing to the following fifth fiscal year the obligation to offset the losses.
- Nevertheless, the Board of Directors intends to carry out the residual share capital increase already delegated by the Shareholders' Meeting of 12 November 2020 by 30 June 2021, deeming it an appropriate measure to boost the Company's capacity to generate profits in the years to come.

4. Outlook

The permanence of risks and uncertainties related to COVID-19 pandemic requires further prudence in facing the near future. Even though, apparently, the e-commerce may seem to be aided by the forced slowdown of physical retail, and the ongoing cultural shift may reasonably lead towards the growth of digital stores (as seen also in the first months of 2021), the fact that the economic system is currently facing an incessant consumption crisis cannot be undervalued. It is evident, then, that the benefit of digital sales increases is not enough to support the decline of the other channels and, as such, productive companies will have to accelerate on the implementation of change, operational streamlining and digitalization processes. In this scenario, out B2C - E-Commerce Service Provider division will inevitably become subject to pressure for the numerous technological updates requested by our clients in order to increase sales and services more than proportionally if compared to an organic channel evolution that should have happened were we in a normal context. This situation, which is obviously going to saturate the productive capacity of the Group, calling for a constant investment to support growth, also implies a constant analysis on the strategic nature of its role with partnering brands (clients), thus becoming more and more a technical and process partner, but also an outsourcing service provider. The challenge the Group has to face in the following months is to remain in line with the requests of its clients, giving them greater attention, and to focus on new projects only in order to build long-term relationship with an elevate added value for the client and the Group both. In this context, the Group shall differentiate between sectors so as to reduce its dependence on the fashion world, thus focusing also in those sectors were business is already operative, such as e-commerce for retail, design, home decor, healthcare and food products.

At the same time, given the new business strategies of some large clients, who relied only on the online channel as their trade source, thus deciding to recentralise all of the activities outsourced up to that moment, the reference target of the Group was confirmed to be excellent, medium-sized companies in their own category.

The B2B division, enabler for the marketing of products towards the marketplaces and the international distribution, on the one hand, benefits from the growth of its clients' marketplaces that, in turn, increases its volumes and market share in a quick and constant way, and on the other hand, is subject to a constant pressure on prices brought about by consumers' impoverishment, that leads marketplaces to implement significant promotions in order to keep purchases on a constant basis. Along with said context, the duties applied by the USA in China for import goods further squeeze the division's chances of growth, which shall operate more and more strategically and selectively with its partnering brands, increasing the number of marketplaces and countries and integrating the processes so as to boost efficiency. The expectations for this division are of being driven by the growth of its clients, albeit more and more demanding, by investing in business development in order to constantly consider new operators and new channels, but also by increasing the product categories in which to operate (fashion sector aside).

From the sales analyses of 2021 Q1, a substantial stability of the B2C emerged, recording growing numbers on a constant scope of clients, thus confirming 2021 budget as of Q1. Indeed, the current negative change, if compared to the previous year, is mainly due to the loss of some clients in April-July 2020. A slowdown in the B2B sector is recorded, mainly ascribable to the postponement of goods' deliveries to clients, which are deemed to be largely recoverable over the course of 2021, especially starting form H2.

Moreover, the potential of the newly-acquired Salotto di Brera are not yet significantly being reflected on the first quarter of the year, given that the company is mainly engaged with international clients that operate on cruise lines, airports and NATO bases that, as is well known, are not currently fully operational due to the various lockdowns in place. Signals of strong recovery can be recorded especially in Asian and Middle-Eastern countries, thus generating expectations for a more than proportional increase in the turnover of the subsidiary starting from 2021 H2.

5. Accounting Standards

This Three-Month Interim Financial Report was prepared according to the same accounting standards used for the preparation of the Giglio Group 2020 Consolidated Annual Financial Statements.

6. Financial Highlights as of 31 March 2021

Alternative performance indicators

The Group utilises some alternative performance indicators, which are not identified as accounting measures within IFRS, for management`s view on the performance of the Group. Therefore, the criteria applied by the Group may not be uniform with the criteria adopted by other groups and these values may not be comparable with that determined by such groups.

These alternative performance indicators exclusively concern historical data of the Group and determined in accordance with those established by the Alternative Performance Indicators Orientations issued by ESMA/2015/1415 and adopted by CONSOB with communication No. 92543 of December 3, 2015. These indicators refer to the performance for the accounting period of the present Interim Financial Report and of the comparative periods and not to the expected performance of the Group and must not be considered as replacement of the indicators required by the accounting standards (IFRS).

The alternative performance indicators utilised in the Financial Report are as follows:

Operating/trade working capital: calculated as the sum of Inventories and Trade Receivables net of Trade Payables.

Net working capital: the operating working capital net of other receivables/payables, tax receivables/payables.

Net capital employed: calculated as the sum of non-current fixed assets and net working capital.

Net financial liabilities: the sum of available liquidity net of financial payables.

EBITDA Adjusted: is determined adding to EBITDA non-recurring charges as detailed in the Directors' Report.

EBITDA: is the Operating result before Amortisation/Depreciation and Write-downs of tangible and intangible fixed assets.

EBIT: EBIT is the operating result reported in the statement of profit or loss illustrated in the Explanatory Notes.

ADDED VALUE: the difference between total revenues and operating costs, made up of raw materials, ancillaries and consumables, changes in inventories, service costs and rent, lease and similar costs, adjusted for non-recurring charges.

Non-recurring costs: represented by income items that: (i) result from events or transactions that are not repeated frequently in the ordinary course of the Group's activities, or that result from non-recurrent events or facts; (ii) result from events or transactions which are not representative of the normal course of business.

Consolidated Financial Statements Overview as of 31 March 2021

The main balance sheet figures of the Group as of 31 March 2021 are specified below:

(Euro thousands)	31.03.2021	31.12.2020	Change
Intangible Assets	15,671	15,411	260
Property, Plant and Equipment	1,338	1,356	(18)
Financial Fixed Assets	209	671	(462)
Total Fixed Assets	**17,218**	**17,438**	**(220)**
Inventories	2,100	1,754	346
Trade and other receivables	12,561	9,951	2,610
Trade payables	(13,076)	(13,591)	515
Operating/Commercial Working Capital	**1,585**	**(1,886)**	**3,471**
Other current assets and liabilities	(3,898)	(4,072)	174
Net Working Capital	**(2,313)**	**(5,958)**	**3,645**
Provisions for risks and charges	(835)	(885)	50
Deferred tax assets and liabilities	579	442	137
Net Invested Capital	**14,649**	**11,037**	**3,612**
Total Net Invested Capital	**14,649**	**11,037**	**3,612**
Equity	**176**	**(325)**	**501**
Net financial liabilities*	**(14,825)**	**(10,712)**	**(4,113)**
Total Sources	**(14,649)**	**(11,037)**	**(3,612)**

The Net Invested Capital of the Group as of 31 March 2021, equal to € 14.6 million, is mainly comprised of Net Fixed Assets of € 17.2 million, of Net Working Capital totalling € -2.3 million and of the Provisions for risks and charges, which mainly includes the Provisions for employee benefits.

Property, plant and equipment, equal to € 1.3 million (€ 1.4 million as of 31 December 2020), are stable if compared to the previous year.

Intangible Assets, equal to € 15.7 million, are mainly ascribable to the goodwill for the acquisition of Giglio Fashion, of the IBOX Group, of E-Commerce Outsourcing S.r.l. an of Salotto di Brera. The movement (net of the period's amortisations) refers to increases for capitalised development costs borne entirely for the implementation and integration of IT platforms. As far as the purchase of Salotto di Brera is concerned, which took place in 2021 Q1, pursuant to IFRS 3, this difference has been attributed temporarily to the goodwill; it is noted that the Group reserved the right to finalise the accounting of said acquisition in the coming 12 months following the purchase.

Financial Fixed Assets, equal to € 0.2 million, are ascribable to the guarantee deposits paid relating to rental contracts for the buildings at Milan and Rome.

The net financial debt (determined in accordance with Consob communication No. DEM/6064293 and illustrated below) at 31 March 2021 and 31 December 2020 is as follows:

	(Euro thousands)	31.03.2021	31.12.2020	Change
A.	Cash	1,437	5,085	(3,648)
B.	Bank and short-term deposits and cheques	-	-	-
C.	Securities held for trading	2	2	-
D.	**Cash & cash equivalents (A)+(B)+(C)**	**1,439**	**5,087**	**(3,648)**
E.	Current financial receivables	480	480	-
F.	Current bank payables	(1,117)	(826)	(291)
G.	Current portion of non-current liabilities	(2,225)	(1,851)	(374)
H.	Current bond loan	(500)	(500)	-
I.	Other current financial payables	(1,076)	(919)	(157)
	of which Related Parties	*(633)*	*(493)*	*(140)*
J.	**Current financial liabilities (F)+(G)+(H)**	**(4,918)**	**(4,096)**	**(822)**
K.	**Net current financial liabilities (I) + (E) + (D)**	**(2,999)**	**1,471**	**(4,470)**
L.	Non-current bank payables	(6,046)	(6,412)	366
M.	Bonds issued	(4,325)	(4,304)	(21)
N.	Other non-current payables	(1,455)	(1,467)	12
	of which Related Parties	*(277)*	*(417)*	*140*
O.	**Non-current financial liabilities (K)+(L)+(M)**	**(11,825)**	**(12,183)**	**358**
Pp.	**Net financial liabilities (J)+(N)**	**(14,825)**	**(10,712)**	**(4,113)**

The Group net financial debt amounts to € -14.8 million, highlighting a deterioration on 31 December 2020 (€ -10.7 million) of € 4.1 million. This change is mainly due to the drop in liquidity related to the e-commerce business seasonality, which provides for an increase in liquidity over Christmas and Black Friday.

In any case, the group highlights a drop of € 2.6 million in financial debt, if compared to 2020 (€ 17.4 million).

As described above, the Company had the chance to halt the payments of the instalments of the outstanding mortgages (so-called moratorium) pursuant to Art. 56 of Legislative Decree 18/2020 ("Heal Italy" decree), renewed by Art. 65 of Legislative Decree 104/2020 (the so-called "August Decree") and extended by Art. 1, par. 248 of the Budget Law 2021 (Law no. 178 of 30 December 2020). Following the latest extension, the suspension terms agreed with the credit institutions in April 2020 shall be moved to 30 June 2021. Therefore, in 2021 Q1, the Company benefited, on a cash basis, from minor reimbursements of deferred instalments, for a total of about € 0.7 million.

Consolidated Financial Activity Overview as of 31 March 2021

The key consolidated economic highlights are shown below.

(Euro thousands)	31.03.2021	31.03.2020	Change
Revenues from contracts with customers	10,089	14,182	(4,093)
Operating Costs	(8,708)	(12,113)	3,405
Gross Margin	**1,381**	**2,069**	**(688)**
Gross Margin %	**13.7%**	**14.6%**	**(0.9)%**
Payroll expenses	(1,280)	(1,422)	142
EBITDA	**101**	**647**	**(546)**
EBITDA%	**1.0%**	**4.6%**	**(3.6)%**
Amortisation, depreciation & write-downs	(455)	(456)	1
EBIT	**(354)**	**191**	**(545)**
Net financial charges	(238)	(206)	(32)
PROFIT BEFORE TAXES	**(592)**	**(15)**	**(577)**
Income taxes	87	(112)	199
PROFIT FOR THE PERIOD	**(505)**	**(127)**	**(378)**
EBIT%	**(3.5)%**	**1.3%**	**(4.9)%**
PROFIT FOR THE PERIOD%	**(5.0)%**	**(0.9)%**	**(4.1)%**

The consolidated revenues, equal to € 10.1 million, dropped by € 4.1 million (-28.9 %) if compared to the consolidated figures of the same period for the previous fiscal year (€ 14.2 million as of 31 March 2020). This decrease is mainly ascribable to the postponed goods' delivery in the B2B e-commerce sector, which took place after 2021 Q1, as well as to the end of the Healthcare sector's sales, which contributed to drive the revenue's growth in 2020.

The total of operational costs, accounting for € 8.7 million (€ 12.1 million consolidated figures as of 31 March 2020), slightly decreased in proportion with the revenues' decrease.

Payroll costs dropped by € 142,000 in witness of the current streamlining of structural costs.

The EBITDA, equal to € 0.1 million (€ 0.6 million consolidated figures as of 31 March 2020), dropped if compared to the previous year mainly because of the performance of the Healthcare division over the same period, as well as of the loss of some B2C clients between April and June 2020, following their new post-COVID digital strategies, which the Company is currently replacing with better performances for current clients (who are consolidating and strengthening their existing clients), with the new supply of digital services such as marketing automation and with the introduction of new clients at the beginning of the year.

The EBIT is negative by € -0.4 million (€ 0.2 million consolidated figures as of 31 March 2020).

The Net Profit for the year is negative by € -0.5 million (€ -0.1 million consolidated figures as of 31 March 2020) due to the lack of financial incomes arising from the Euro/USD currency exchange, which characterised 20201 Q1.

7. Segment disclosure

IFRS 8 accounting standard – "Operating Segments" requires the disclosure of detailed information for each segment, understood as being a component of an entity (i) who is capable of carrying out an activity that generates revenues and costs, (ii) whose operating results are periodically reviewed by top management for the purposes of adopting decisions concerning resource allocation and performance assessment, and (iii) for which separate budget information are available.

The Group identified three business areas (Business Units) after segmenting its activities with reference to the types of products, production processes and target markets:

1. B2B e-commerce
2. B2C e-commerce
3. Corporate.

The operating units within the above business units are as follows:

1. B2B e-commerce: Giglio Group Spa, Giglio USA and Giglio Shanghai;
2. B2C e-commerce: IBOX Group, E-Commerce Outsourcing S.r.l. and Giglio Shanghai;
3. Corporate: includes centralised Group functions which can not be assigned to the business units and mainly carried out by Giglio Group S.p.A.

The individual sector results (net of inter-company eliminations) are as follows:

	2021			
(Euro thousands)	**B2B e-commerce**	**B2C e-commerce**	**Corporate**	**Total**
Revenues from contracts with customers	6,629	3,328	0	9,957
Other incomes	8	6	40	54
Capitalised costs		77		77
Total revenues	**6,637**	**3,412**	**40**	**10,089**
EBITDA	**635**	**376**	**(909)**	**101**
EBIT	**587**	**49**	**(990)**	**(354)**
EBT	**522**	**20**	**(1,134)**	**(592)**
Profit for the period	**520**	**(34)**	**(990)**	**(505)**

Over the course of the first quarter, a drop in the B2B e-commerce sector was recorded, mainly ascribable to the postponed goods' delivery, which took place after 2021 Q1, as well as to the end of the Healthcare sector's sales, which contributed to drive the revenue's growth in 2020.
The B2C e-commerce sector recorded better performances if compared to 2020 Q1, especially thanks to a judicious costs reduction activity, which had become pressing due to the pandemic of the last year.

The results of sectors at 31 March 2020 are as follows:

	31 March 2020			
(Euro thousands)	**B2B e-commerce**	**B2C e-commerce**	**Corporate**	**Total**
Revenues from contracts with customers	10,271	3,577	0	13,848
Other incomes	5	308	20	333
Total revenues	**10,276**	**3,885**	**20**	**14,182**
EBITDA	**1,661**	**40**	**(1,054)**	**647**
EBIT	**1,650**	**(259)**	**(1,200)**	**191**
EBT	**1,649**	**(405)**	**(1,260)**	**(15)**
Profit for the period	**1,625**	**(484)**	**(1,268)**	**(127)**

8. Business seasonality

The Group's operations are affected by business seasonality, as reflected in the consolidated results. Specifically,in the e-commerce sector sales volumes are highly concentrated respectively in the first, third and fourth quarters at the winter and summer sales and during the Christmas period, also during the quarter affected by the COVID-19 emergency.

9. Number and value of treasury shares and of shares in parent companies held by the company

The Company does not hold treasury shares or shares of the parent company.

10. Number and nominal value of treasury shares and shares or quotas of holding companies purchased or sold by the company in the period

The Company did not purchase or sell during the year treasury shares or shares of the parent company.

11. Significant shareholders and shares of the Issuer

At the date of the present interim financial report (31 March 2021) the official data indicates the following significant shareholders:

- 56,59% of shares held by Meridiana Holding S.r.l. (company held 99% by Mr Alessandro Giglio and 1% by his wife Ms Yue Zhao);

FINANCIAL STATEMENTS

- Consolidated Statement of Financial Position
- Consolidated Statement of Profit or Loss and Comprehensive Income
- Consolidated Statement of Changes in Equity
- Consolidated Statement of Cash Flows
- Consolidation scope

Consolidated Statement of Financial Position

Consolidated Statement of Financial Position (Euro thousands)	31.03.2021	31.12.2020
Non-current assets		
Property, plant & equipment	408	404
Right-of-use assets	930	952
Intangible assets	2,881	3,058
Goodwill	12,790	12,353
Investments in joint ventures	8	8
Receivables	201	663
Deferred tax assets	843	829
Total non-current assets	**18,061**	**18,267**
Current assets		
Inventories	2,100	1,754
Trade and other receivables	12,561	9,951
Financial receivables	2	2
Tax receivables	793	1,061
Other assets	2,445	2,310
Cash and cash equivalents	1,437	5,085
Total current assets	**19,338**	**20,163**
Total Assets	**37,399**	**38,430**
Equity		
Issued capital	4,149	4,149
Reserves	20,376	20,376
FTA Reserve	4	4
Retained earnings	(24,189)	(21,542)
Foreign Currency Translation reserves	(11)	(15)
Net profit	(505)	(2,647)
Total Group Equity	**(176)**	**325**
Minority interest in equity	-	-
Total Net Equity	**(176)**	**325**
Non-current liabilities		
Provisions for risks and charges	160	155
Post-employment benefit funds	675	730
Deferred tax liabilities	264	387
Financial payables (non-current portion)	11,825	12,183
Total non-current liabilities	**12,924**	**13,455**
Current liabilities		
Trade payables	13,076	13,591
Financial payables (current portion)	4,918	4,096
Tax payables	2,720	3,219
Other liabilities	3,937	3,744
Total current liabilities	**24,651**	**24,650**
Total liabilities and Shareholders’ Equity	**37,399**	**38,430**

Consolidated Statement of Profit or Loss

Consolidated Statement of Profit or Loss (Euro thousands)	31.03.2021	31.03.2020
Total revenues from contracts with customers	**9,640**	**13,988**
Other revenues	372	119
Capitalised costs	77	75
Change in inventories	(154)	(123)
Purchase of raw materials, ancillary, consumables and goods	*(5,437)*	*(8,846)*
Service costs	*(3,145)*	*(3,015)*
Rent, lease and similar costs	*(61)*	*(50)*
Operating costs	**(8,643)**	**(11,911)**
Salaries and wages	*(983)*	*(1,100)*
Social security charges	*(242)*	*(271)*
Post-employment benefits	*(55)*	*(51)*
Payroll expenses	**(1,280)**	**(1,422)**
Amortisation	*(260)*	*(212)*
Depreciation	*(168)*	*(250)*
Write-downs	*(27)*	*6*
Amortisation, depreciation & write-downs	**(455)**	**(456)**
Other operating costs	*89*	*(79)*
Operating profit	**(354)**	**191**
Financial income	*5*	*151*
Net financial charges	*(243)*	*(357)*
Profit before taxes	**(592)**	**(15)**
Income taxes	*87*	*(112)*
Profit for the period (continuing operations)	**(505)**	**(127)**
Profit for the period (discontinued operations)	**0**	**0**
Profit for the period	**(505)**	**(127)**
Of which minority interest	**-**	**-**
Basic and diluted profit from continuing operations	**(0.0315)**	**(0.0079)**
Basic and diluted profit from discontinued operations	**0.0000**	**0.0000**
Profit per share – basic and diluted	**(0.0312)**	**(0.0084)**

Consolidated Statement of Comprehensive Income

Consolidated Statement of Comprehensive Income (Euro thousands)	31.03.2021	31.03.2020
Profit for the period	(505)	(127)
Other comprehensive income		
Other comprehensive income that may be reclassified to profit/(loss) in subsequent periods (net of tax)		
Exchange differences on translation of foreign operations	4	(11)
Total other comprehensive income that may be reclassified to profit/(loss) in subsequent periods (net of tax)	**4**	**(11)**
Other comprehensive income that will not be reclassified to profit/(loss) in subsequent periods (net of tax)		
Actuarial loss on employee benefits obligations	0	3
Total other comprehensive income that will not be reclassified to profit/(loss) in subsequent periods (net of tax)	**0**	**3**
Total Comprehensive Income for the period	**(501)**	**(135)**

Consolidated Statement of Changes in Equity

Description *(Euro thousands)*	Issued capital	Reserves	FTA Reserve	Foreign Currency Translation reserves	Retained earnings	Net profit	Total
Balance at 31 December 2020	**4,149**	**20,376**	**4**	**(15)**	**(21,542)**	**(2,647)**	**325**
Retained earnings					(2,647)	2,647	-
Exchange rate effect				4			4
Group profit/(loss)						(505)	(505)
Balance at 31 March 2021	**4,149**	**20,376**	**4**	**(11)**	**(24,189)**	**(505)**	**(176)**

Consolidated Statement of Cash Flows

Euro thousands	**31.03.2021**	**31.03.2020**
Cash flows from operating activities		
Net profit from continuing operations	(505)	(127)
Net profit from discontinued operations	-	-
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and impairment of property, plant and equipment	51	42
Amortisation of right-of-use assets	117	209
Amortisation and impairment of intangible assets	260	212
Non-cash changes of provisions	(36)	(181)
Write-downs/(Revaluations)	27	(6)
Net foreign exchange differences	238	320
Income taxes	(87)	112
Changes in:		
Inventories	(788)	120
Trade and other receivables	(3,612)	(4,029)
Tax receivables	209	3,855
Current financial receivables	-	(114)
Other assets	(135)	266
Deferred tax liabilities	(123)	8
Trade payables	1,100	(3)
Tax payables	(392)	(1,652)
Right-of-use assets	(95)	40
IFRS16 financial payables	(28)	(308)
Other liabilities	200	(673)
Change in net working capital	**(3,664)**	**(2,490)**
Changes in assets/liabilities held for sale/Discontinued operations	-	-
Cash flow generated from operating activities	**(3,599)**	**(1,909)**
Interest paid	-	-
Net cash flow generated from operating activities	**(3,599)**	**(1,909)**
Cash flows from investing activities		
Investments in property, plant & equipment	(84)	771
Investments in intangible assets	(87)	(148)
Acquisition of Salotto di Brera net of liquidity acquired	(722)	-
Changes in other intangible assets	406	(45)
Increase in investments in joint ventures	-	(1)
Net cash flow used in investing activities	**(487)**	**577**
Cash flow from financing activities		
Share capital increase	-	-
Change in Shareholders' Equity	6	(7)
New financing	-	2,060
Repayment of loans	-	(772)
Change in financial liabilities	432	(1,152)
Net cash flow used in financing activities	**438**	**129**
Net increase/(decrease) in cash and cash equivalents	**(3,648)**	**(1,203)**
Cash and cash equivalents at 1 January	5,085	2,991
Cash and cash equivalents at 31 March	1,437	1,788

Consolidation scope

Information on subsidiaries:

The consolidated financial statements of the Group include:

Consolidation scope

Giglio Group S.p.A.	Italy	**Parent company**	
E-Commerce Outsourcing	Italy	**Subsidiary**	100%
Giglio USA	USA	**Subsidiary**	100%
IBOX SA	Switzerland	**Subsidiary**	100%
Giglio (Shanghai) Technology Company Limited	China	**Subsidiary**	100%
Giglio TV HK Limited	HK	**Subsidiary**	100%
Media 360 HK Limited	HK	**Subsidiary**	100%
Salotto di Brera	Italy	**Subsidiary**	100%

Companies consolidated under the line-by-line method:

***Giglio Group S.p.A.* (parent company)**

Registered office Piazza Diaz No. 6, Milan and operational and administration offices Via dei Volsci No. 163, Rome – Share capital subscribed and paid-in € 4,149,295.

More specifically, the Company operates in the e-commerce business line.

Since 20 March 2018, the Company has been listed on the STAR segment of the Italian Stock Exchange (MTA market), with a free float of about 43%; the shareholder structure is available on the company's website: www.giglio.org.

E-Commerce Outsourcing S.r.l.

Registered Office: Via Sesia 5, 20017 Rho (MI)

Share capital: € 37,500

The Company is one of the major suppliers of outsourced e-commerce services.

GIGLIO USA LLC

Registered Office: One Wall Street, 6th Floor

BURLINGTON, MA 01803

REPRESENTATIVE OFFICE

111 West 19th Street (6th Floor)

10011 New York, NY USA

Share capital of € 18,000, held 100% by Giglio Group S.p.A.

The company develops the business model of the Fashion division on the US market.

GIGLIO (Shanghai) TECNOLOGY LIMITED COMPANY

Registered Office: Shanghai International Finance Center

Century Avenue 8

Room 874, Level 8, Tower II

Shanghai, 200120

Share Capital € 196,000

The Company holds Chinese digital platforms, the ICP licences that allow it to operate on the Chinese web and the authorisations for Shenzen's Free Trade Zone, as well as being the company of the Group appointed with carrying out sales of the Chinese and Korean market, but also for other markets of the Far East that are still under development.

IBOX SA

Registered Office: Galleria 1 Via Cantonale, 6928 Manno, Switzerland

Share capital: CHF 1,882,000

The company is an e-commerce service provider managing websites for major made in Italy fashion brands.

GIGLIO TV HK Limited

Registered Office: 603 Shung Kwong Comm. Bldg

8 Des Vouex Road West'

Hong Kong

Share capital € 3,000,000, held 100% by Giglio Group S.p.A..

Media 360 HK Limited

Registered Office: 603 Shung Kwong Comm. Bldg

8 Des Vouex Road West'

Hong Kong

Share capital: HKD 100

Salotto di Brera S.r.l.

Registered Office: Piazza Diaz, 6 | 20123 Milan

Share capital: € 25,000

The company is engaged in B2B supplies for fashion, food and jewellery goods for cruise ships and duty-free stores in ports, airports and NATO bases.

Cloudfood S.r.l. is recorded under the equity method.

Statement of the Executive Officer for Financial Reporting in accordance with article 154-bis, par. 2 of Legislative Decree No. 58/1998 (Consolidated Finance Act)

I, the undersigned, Carlo Micchi, in my quality as Financial Reporting Officer of Giglio Group S.p.A., hereby certify that, pursuant to the provisions set forth in Art. 154-bis, par. 2 of Legislative Decree no. 58 of 24 February 1998, the Interim Financial Report as of 31 March 2021 corresponds to the accounting figures, books and documents.

Milan, 15 May 2021
The Financial Reporting Officer
Carlo Micchi