



SHAREHOLDERS' MEETING OF GIGLIO GROUP:

- **Resolved a reserve share capital increase of Euro 3.910.400 for the acquisition of 100% of Evolve Service S.A.**
- **Article 18 of the Company Bylaws was amended.**
- **The Bylaws new text was approved, effective as of the starting *Mercato Telematico Azionario* organized and managed by *Borsa Italiana S.p.A.*, to become STAR Segment**
- **Approved financial statements for the year as at 31 December 2016**
- **Approved the listing process for the trading of ordinary shares of Giglio Group S.p.A. on the *Mercato Telematico Azionario*, organized and managed by *Borsa Italiana S.p.A.*, to become STAR Segment**

Milan, 27 April 2017 – [Giglio Group](#) (Aim Italia-Ticker GGTV), first e-commerce 4.0 company, informs that the shareholders' meeting, convened today in an extraordinary and ordinary meeting, has examined and approved the following items:

Capital increase for the acquisition of 100% of Evolve Service S.A.

The Shareholders' Meeting approved and resolved a reserved capital increase of Euro 3,9 for the acquisition of Evolve Service S.A., a company governed by Swiss law by Tessilform S.p.A. controlling shareholders, company who owns the Patrizia Pepe brand. Evolve Service S.A. today is one of the most important ecommerce realities and competes with the largest online retailers in the fashion, beauty and design sectors.

The counter value of the transaction, as announced on 15 February 2017, was Euro 5.4 million, of which Euro 1.5 million cash paid on the closing date using its own funds and Euro 3,910,400 through the issuance of 1.222.000 new Giglio Group shares reserved for current Evolve shareholders (implied price per share of Euro 3.2).

Following the capital increase, the current shareholders of Evolve Service S.A. receive in exchange a total of 1.222.000 shares of Giglio Group S.p.A. at a price of 3.2 Euro. It should also be noted that such shares will be subject to lock-up constraints for a period of 12 months or for the passage of Giglio Group to the MTA market, the STAR segment.

Amendment to Article 18 of the current Company Bylaws

The Shareholders' Meeting approved and resolved the amendment of Article 18 of the current Company Bylaws in accordance with the listing process of Giglio Group S.p.A. on the *Mercato Telematico Azionario* organized and managed by *Borsa Italiana S.p.A.*, to become STAR Segment.

New text of the Company Bylaws

The Shareholders' Meeting approved the new text of the Company Bylaws in relation to the project aimed at the listing process of Giglio Group S.p.A. on the *Mercato Telematico Azionario* organized and managed by *Borsa Italiana S.p.A.*, to become STAR Segment, complying with regulatory requirements and the *best practices* of listed companies. The effectiveness of the new Bylaws is contingent upon the outset of negotiations of the shares of Giglio Group S.p.A. on the *Mercato Telematico Azionario* organized and managed by *Borsa Italiana S.p.A.*, to become STAR Segment.

Financial Statements as at 31 December 2016

The Shareholders' Meeting approved the company's Financial Statements as at 31 December 2016 and examined the Consolidated Statements for the same period.

The shareholders' meeting approved the carryforward of net income (the shareholders' meeting has resolved the retained earnings of the year.)

Following, the main economic indicators as at 31 12 2016 (hereinafter the key consolidated economic indicators as at 31 12 2016)

- **Revenues: Euro 34,5M**
- **Ebitda: Euro 7,9M**
- **Net Income Pretax: Euro 1,9M**
- **Net Income: Euro 1,3**
- **Financial Net Position: Euro 10,2M**

Here below are the charts of the assets and liabilities and the consolidated economic and financial situation:

This is the statement of the consolidated financial position:

Assets and Liabilities - consolidated financial statement <i>(Values in Euro)</i>	31.12.2016	31.12.2015 Restated	01.01.2015 Restated
Non-current assets			
tangible assets	6.965.001	8.161.445	5.521.365
Intangible assets	8.710.066	5.651.531	2.743.421
Of which distribution rights	-	-	2.157.522
<i>Of which edition rights</i>	<i>8.426.571</i>	<i>5.292.881</i>	-

<i>Other intangible assets</i>	283.495	358.650	585.899
<i>Goodwill</i>	4.134.439	50.000	50.000
<i>Credits</i>	139.658	136.786	211.650
Deferred tax assets	198.396	197.537	-
Total non-current assets	20.147.560	14.197.299	8.526.436
Current assets			
Unsold stock	2.768.653	139.017	-
Trade receivables and others	18.888.840	8.278.719	968.597
Financial Credits	-	-	511
Tax credits	1.599.166	521.003	65.157
Other activities	531.552	-	750.511
Cash on hand	1.817.010	1.200.114	398.550
Total current assets	25.605.220	10.138.853	2.183.326
Totale Assets	45.752.780	24.336.152	10.709.762

Net Assets			
Share Capital	2.963.650	2.832.000	2.105.000
Reserves	7.750.087	5.566.768	10.477
Extraordinary Reserve	-	-	-
Listing Costs	(540.755)	(476.651)	
FTA Reserve	3.814	3.814	3.814
Retained earnings carried forward	1.283.690	(67.487)	(114.700)
Foreign Exchange Reserve	(582)	-	
Profit (loss) for the period	1.325.483	1.007.487	93.567
Total Group Equity	12.785.389	8.865.931	2.098.158

Non-current liabilities			
Provisions for risks and charges	282.864	236.558	55.595
Deferred tax liabilities	365.879	654.344	2.617
Financial debts	7.635.603	3.618.816	4.437.171
Total non-current liabilities	8.284.346	4.509.718	4.495.383
Current liabilities			
Trade and other payables	18.310.718	8.283.878	1.192.722
Financial debts	4.418.250	1.547.284	1.974.220
Taxes payables	1.337.944	1.129.341	378.672
Other liabilities	616.135	-	570.607
Total current liabilities	24.683.047	10.960.503	4.116.221
Total Liabilities and Net Assets	45.752.780	24.336.152	10.709.762

- **Consolidated Profit and Loss Account**

Consolidated Profit and Loss Account <i>(Values in Euro)</i>	31.12.2016	31.12.2015 Restated
Total revenues	34.315.051	13.768.644
Other revenues	145.615	206.172
Change in inventories	(680.912)	(48)
<i>Purchase costs for raw materials, ancillary, consumables and goods</i>	<i>(14.895.832)</i>	<i>(50.149)</i>
<i>Costs for services</i>	<i>(8.982.172)</i>	<i>(7.990.855)</i>
<i>Costs for the use of third-party assets</i>	<i>(589.670)</i>	<i>(561.401)</i>
Operating costs	(24.467.674)	(8.602.405)
<i>Salaries and wages</i>	<i>(1.067.810)</i>	<i>(486.099)</i>
<i>Social security charges</i>	<i>(297.996)</i>	<i>(104.255)</i>
<i>Severance indemnities</i>	<i>(60.915)</i>	<i>(22.873)</i>
Personnel costs	(1.426.721)	(613.227)
<i>Amortization of intangible assets</i>	<i>(2.913.393)</i>	<i>(1.357.024)</i>
<i>Amortization of tangible assets</i>	<i>(1.833.359)</i>	<i>(1.364.276)</i>

<i>Write down of receivables</i>	(128.772)	(228.250)
Amortization and write-downs	(4.875.524)	(2.949.550)
Other operating costs	(644.347)	(20.088)
Operating income	2.365.488	1.789.498
Net financial income (charges)	(486.438)	(395.462)
Pre-tax result	1.879.050	1.394.036
Income taxes	(553.567)	(386.549)
Net operating profit	1.325.483	1.007.487

- **Consolidated cash flow statement**

Cash flow statement	31.12.2016	31.12.2015
<i>(Values in Euro)</i>		Restated
<i>Cash flows arising from operating activities</i>		
Profit for the period	1.325.483	1.007.487
Adjustments for:		
Amortization of tangible fixed assets	1.833.359	1.364.276
Amortization of intangible assets	2.913.393	1.357.024
Write-downs / (Revaluations)	128.772	228.250
Net financial income (charges)	486.438	395.462
Income Taxes	553.567	386.549
Changes in:		
<i>Inventories</i>	406.115	-
<i>Trade receivables</i>	(7.531.423)	(5.515.943)
<i>Tax credits</i>	185.847	(292.911)
<i>Other activities</i>	(312.835)	1.727.646
<i>Trade payables</i>	5.179.094	3.945.467
<i>Taxes payables</i>	(106.476)	168.267
<i>Other liabilities</i>	304.015	(807.943)

Changes in net working capital	(1.875.664)	(775.417)
Changes in provisions	29.528	36.723
Cash flow generated by operating activities	5.294.433	4.000.354
Interest paid	(486.438)	(395.462)
Taxes on paid income	(553.567)	(386.549)
Cash flow generated by operating activities	4.354.872	3.218.343
<i>Cash flow arising from investment activities</i>		
Investments in tangible fixed assets	(628.698)	(216.046)
Investments in intangible assets	(6.020.928)	(4.143.315)
Other intangible fixed assets	(131.644)	(128.386)
Purchase of Giglio Fashion net of acquired cash	(1.409.234)	-
Purchase of Nautical Channel net of acquired cash	-	(56.163)
Purchase of M-Three net of acquired cash	-	(1.464.927)
Net cash absorbed by investment business	(8.190.504)	(6.008.837)
<i>Cash flow arising from financing activities</i>		
New loans	5.018.125	2.900.000
Repayments of loans	(1.939.875)	(3.718.355)
Short-term financial debt variation	1.280.305	(1.349.873)
AIM Listing costs	(64.104)	(476.651)
Capital increase	158.077	6.236.937
Net cash used by financing activities	4.452.528	3.592.058
Increase (decrease) net of cash and cash equivalents	616.896	801.564
Cash and cash equivalents as at 1 January	1.200.114	398.550
Cash and cash equivalents as at 31 December	1.817.010	1.200.114

Below are the charts relating to the assets and liabilities, economic and financial situation of the financial year.

Assets and liabilities position	31.12.2016	31.12.2015
Non-current assets		
Tangible assets	4.911.112	2.412.690
Intangible assets	1.938.195	2.271.583

<i>Of which distribution rights</i>	-	-
<i>Of which edition rights</i>	1.802.999	1.912.933
<i>Other intangible assets</i>	135.196	358.650
Goodwill	4.134.439	50.000
Shareholdings	1.858.979	4.490.000
Credits	1.153.082	606.786
Deferred tax assets	198.396	197.537
Total non-current assets	14.194.203	10.028.595
Current assets		
Unsold stock	2.332.409	-
Trade receivables and others	20.074.033	4.962.162
Financial credits	-	-
Tax credits	1.599.166	340.499
Other activities	531.552	-
Liquid assets	1.449.451	382.235
Total current assets	25.986.611	5.684.896
Total Assets	40.180.815	15.713.491
Net Equity		
Share Capital	2.963.650	2.832.000
Reserves	7.750.087	5.381.635
Extraordinary reserves	-	-
Listing costs	(540.755)	(476.651)
FTA reserve	3.814	3.814
Retained earnings carried forward	(95.687)	(24.473)
Foreign Exchange Reserve		-
Profit (loss) for the period	141.137	39.073
Total Group Equity	10.222.246	7.755.398
Non-current liabilities		
Provisions for risks and charges	282.864	93.509
Deferred tax liabilities	350.879	-
Financial Debts	6.375.603	2.148.816
Minority interest in shareholders' equity		
Total liabilities of non-current assets	7.009.346	2.242.325
Current liabilities		
Trade and other payables	17.204.419	3.495.599
Financial Debts	4.196.265	1.475.880
Tax payables	932.403	744.289
Other liabilities	616.135	-
Total current liabilities	22.949.222	5.715.768
Total liabilities and Net Assets	40.180.815	15.713.491

Profit and Loss Account	31.12.2016	31.12.2015
Total revenues	29.220.032	8.957.960
Other revenues	145.615	178.742
Changes in inventories	(680.912)	0
<i>Purchase costs for raw materials, ancillary, consumables and goods</i>	<i>(14.568.169)</i>	<i>(19.493)</i>
<i>Costs for services</i>	<i>(8.616.510)</i>	<i>(4.959.655)</i>
<i>Costs for the use of third-party assets</i>	<i>(559.690)</i>	<i>(1.981.764)</i>
Operating costs	(23.744.369)	(6.960.912)
<i>Salaries and wages</i>	<i>(950.987)</i>	<i>(134.205)</i>
<i>Social security charges</i>	<i>(288.773)</i>	<i>(44.307)</i>
<i>Severance Indemnities</i>	<i>(60.915)</i>	<i>(15.715)</i>
Cost of personnel	(1.300.675)	(194.227)
<i>Amortization of intangible assets</i>	<i>(750.081)</i>	<i>(585.623)</i>
<i>Amortization of tangible assets</i>	<i>(1.279.782)</i>	<i>(618.867)</i>
<i>Write-down of receivables</i>	<i>(128.772)</i>	<i>(222.000)</i>
Amortization and write-downs	(2.158.635)	(1.426.490)
Other operating costs	(544.884)	(13.518)
Operating income	936.172	541.555
Net financial income (charges)	(492.649)	(396.620)
Pre-tax result	443.523	144.935
Income taxes	(302.386)	(105.862)
Net operating profit	141.137	39.073

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	31.12.2016	31.12.2015
<i>Cash flow arising from operating activities</i>		
Profit for the period	141.137	39.073
Adjustments for:		
Amortization of tangible fixed assets	1.279.782	618.867
Amortization of intangible assets	750.081	585.623
Write-downs (revaluations)	128.772	15.715

Net financial income (charges)	492.649	396.620
Income taxes	302.386	105.862
Changes in:		
Inventories	703.342	
Trade receivables	(12.033.174)	(3.760.433)
Tax credits	5.343	(274.831)
Other activities	(560.372)	750.511
Deferred tax liability		
Trade payables	8.861.074	2.302.877
Tax payables	(126.965)	
Other liabilities	943.359	(568.505)
Changes in net working capital	(2.207.393)	(1.550.381)
Liquid assets arising from operating activity	1.059.991	1.761.760
Interest paid	(492.649)	(396.620)
Income tax paid	(302.386)	259.756
Use of funds	172.577	19.582
Liquid assets arising from operating activity	264.956)	(117.282)
<i>Cash flow arising from investment activity</i>		
Investments in tangible fixed assets	(3.769.987)	(15.772)
Investments in intangible assets	(415.693)	(787.093)
Goodwill		
Other intangible fixed assets	1.955.953	
Purchase of Giglio Fashion net of cash acquired	(1.409.234)	-
Purchase of M-three net of cash acquired	-	(3.355.136)
Net cash used by investment activity	(3.638.962)	(4.158.001)
<i>Cash flow arising from financing activity</i>		
New loans	5.018.125	
Loan repayments	(1.729.875)	(1.316.695)
Short-term financial debt variation	1.129.724	
Other movements	23.248	5.423.968
Net cash used by investment activity	4.441.222	4.107.273

Increase (decrease) net of cash and cash equivalents	1.067.216	43.369
Cash and cash equivalents as at 1 January	382.235	338.866
Cash and cash equivalents as at 31 December	1.449.451	382.235

Approval for the admission to trading of ordinary shares of Giglio Group

Project for the admission to the trading of ordinary shares of Giglio Group S.p.A. on the *Mercato Telematico Azionario*, organized and managed by *Borsa Italiana S.p.A.*, to become STAR Segment.

The Shareholders' Meeting approved the project for the admission to the trading of ordinary shares of Giglio Group S.p.A. on the *Mercato Telematico Azionario*, organized and managed by *Borsa Italiana S.p.A.*, to become STAR Segment. Giglio Group S.p.A. announces that it has begun the project of *translisting* to enable the Company to benefit from its greater use of the same - and consequently the Group - of its brand and its business, for the benefit of the shareholders and the Company itself.

About Giglio Group

Founded by Alessandro Giglio in 2003 and listed on the AIM market since 7 August 2015, Giglio Group is a 4.0 e-commerce company. The group is a leader in the field of radio and television broadcasting, it has developed cutting-edge digital solutions and represents, in online fashion, a digital market place at a global level, catering to thirty major digital retailers in the world. Giglio Group also produces multimedia content that is transmitted, through agreements with operators and in a large part through a proprietary infrastructure via fiber and satellite transmission formed by the division M-Three Satcom, in 46 nations, 5 continents and in six languages through its own television channels (Nautical Channel, Giglio TV, Acqua and PlayMe), visible on all TV devices, digital, web and mobile. In 2016, the group launched its own 4.0 e-commerce model, which is currently operating in China and the US: the users "see and buy" by clicking on their smartphone / tablet or taking a photograph of the product they are watching on television, for a revolutionary shopping experience. Giglio Group is headquartered in Milan, Rome, New York (USA Giglio) and Shanghai (Giglio Shanghai).

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