EMARKET SDIR CERTIFIED

GIGLIO

Interim Financial Report as of 31 March 2023

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Interim Financial Report

of the Condensed Consolidated Financial Statement as of

31 March 2023

Company Information

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

Legal Information
Share Capital subscribed and paid-in € 4,393,604.40
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
Anna Lezzi	Executive Board Member
Sara Armella	Independent Member
Francesco Gesualdi	Independent Member
Carlo Micchi	Member

Board of Statutory Auditors

Giorgio Mosci	Chairman
Lucia Tacchino	Standing Auditor
Marco Centore	Statutory Auditor
Chiara Cosatti	Alternate Auditor
Gianluca Fantini	Alternate Auditor

Internal Control, Risk and Related-Parties Committee

Francesco Gesualdi	Chairman
Sara Armella.	

Appointment and Remuneration Committee

Sara Armella	Chairwoman
Francesco Gesualdi	

Executive Officer for Financial Reporting

Carlo Micchi

Independent Auditor
BDO Italia S.p.A.

*The Board of Directors and the Board of Statutory Auditors shall expire upon the approval of 2023 Financial Statements. The Shareholders' Meeting, on 9 December 2021, appointed BDO Italia S.p.A. as its official Auditor for the 2021-2029 period.

EMARKET SDIR CERTIFIED

1. Introduction

Giglio Group is engaged in the e-commerce of high-end fashion products, in the design products' sector and in the food segment. 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 on a global scale, up to brands' connection with major digital marketplaces. 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 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 B2C 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 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 sector, 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 directly 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 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. 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.

Essentially, 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 2022, the Company operated with a full focus on the international distribution and e-commerce businesses. E-Commerce Outsourcing S.r.l. is an e-commerce company that invested predominantly in omni-channel technologies in Italy, and its 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 E-Commerce Outsourcing S.r.l.'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, as well as B2B and B2E websites.

Moreover, E-Commerce Outsourcing S.r.l.'s acquisition strengthened the Group's technical organisation thanks to the introduction of highly-specialised e-commerce experts in its workforce.

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.

In January 2022, the new Giglio Meta Business Unit was launched, dedicated to the development of Metaverse and NFT projects and capable of ensuring the creation of the entire development process of a project, from the specific business sector analysis to the launch of NFTs on the market, besides producing multimedia, three-dimensional contents capable of engaging the user in a virtual experience unique in each Metaverse.

THE REFERENCE MARKET

According to a survey made by Fondazione Altagamma in 2022, in collaboration with various analysts, and called "Altagamma Consensus 2023", 2022 was a record-breaking year for the luxury market, which exceeded pre-pandemic levels.

Looking ahead to 2023, a solid growth is expected for the sector, albeit the market's performance may be influenced by factors such as the increase in energy costs, the growing inflation, the lack of raw materials, the geopolitical tensions and the drop in purchasing power for some consumers' groups. The recovery and increase of tourist flows on a global scale, together with the consumption's rebound, will counterbalance the inflationary increase and the current uncertainty expected for 2023.

Overall, a 5% (Europe and North America) and 9% (Asia) increase in the annual consumption in the various markets is expected.

The distribution segment will record higher increases in both the physical and digital retail, which will allow for the brands to strengthen their omni-channel strategy. The expected growth for the digital and physical retail will be of 8% and 7%, respectively. The digital wholesale will grow by 5.5%, while the physical one by 3.5%.

With regard to 2023, McKinsey & Company's report "The State of Fashion 2023" expects a relatively slow growth in sales for the fashion market, ranging between 2-3% and characterised by a reduction in the European market (1-4% expected decrease) and a growth in China (2-7%) and in the United Stated of America (1-6%). These forecasts are affected by inflation.

Moreover, the new data regulation will open up a new chapter in the history of digital marketing, considering that the client targeting will become less efficient and more expensive. Brands will have to embrace more creative campaigns and new channels such as retail media networks and the metaverse in order to obtain a greater return on marketing costs and to gather precious data that may be used to deepen clients' relations.

Group's Outlook on Luxury Goods Market

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 2023 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 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. For 2023, the Company expects an increase in revenues caused by the annual growth of its current clients' portfolio, mainly due to the increased recovery of the market against 2023, to the increase in features that Terashop is constantly releasing to its clients in order to improve their revenues and to the duty-free market's recovery.

Furthermore, Giglio Group extended the supply of its services also to adjacent business areas, with specific focus on the design, retail chain stores and food 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 is intensifying its efforts to increase its productive capacity in order to create more and more projects for e-commerce platforms, 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.

2. Group's Business and Structure

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 main 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), consists in providing digital services for the 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 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, and there is no warehouse risk.

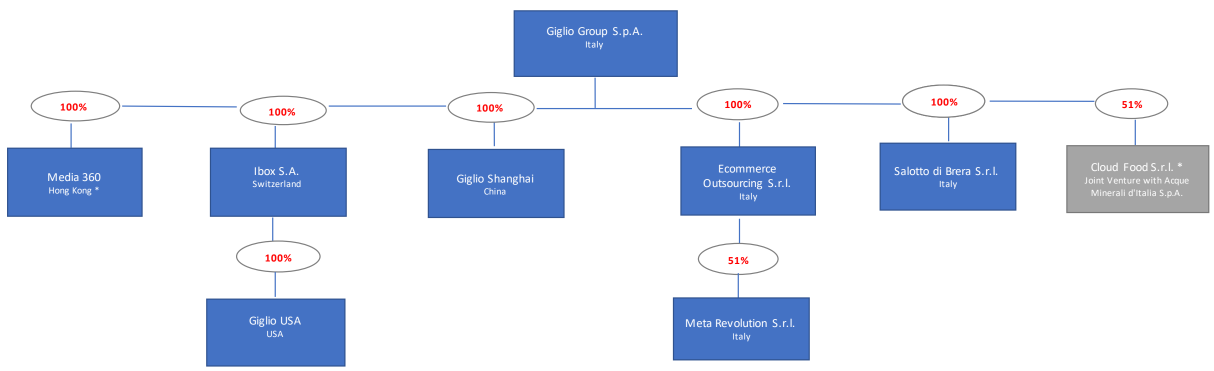
The B2B model, on the other hand, aims at facilitating brands' indirect online sales on behalf of major e-commerce platforms around the world, offering an additional distribution to physical networks.

On 15 January 2021, Giglio Group S.p.A. purchased the company Salotto di Brera S.r.l.,
engaged in B2B supplies for fashion, food and jewellery goods for cruise ships and duty-free stores in ports,

airports and NATO bases.

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:



** Company being divested*

On 21 December 2022, the Board of Directors resolved to transfer its investments in Media 360 Hong Kong and Cloudfood S.r.l., which are neither active nor productive. On 14 February 2023, the transfer of the 51% stake in Cloud Food S.r.l. was completed.

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

- On 14 February 2023, the transfer of the 51% stake in Cloud Food S.r.l., previously approved by the Board of Directors on 21 December 2022, was completed.

- On 23 February 2023, the Parent Company subscribed the capital share increase of its subsidiary Salotto di Brera S.r.l. for a total amount of € 975,000, thus bringing its Share

Capital to € 1 million. The capital share increase was aimed at strengthening the subsidiary's assets.

- On 16 March 2023, the "Caput Mundi The Mall" shopping centre in the Vatican City was opened to the public, where the subsidiary Salotto di Brera S.r.l. signed an agreement for the lease of the business unit with Gasak S.r.l. at the end of 2022. The company is engaged in the retail sector for the first time.

- On 30 March 2023, the Board of Directors approved the new Industrial Plan 2023-2027, which replaces the Industrial Plan 2022-2026 and its underlying assumptions. In this regard, the Company proceeded to acquire an independent analysis by an Advisor of international standing, in which no high-level critical issues were highlighted (on a low-medium-high scale) in relation to the assumptions underlying the Industrial Plan such as to compromise the reliability or imply the unreasonableness of the aforementioned assumptions

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

- On 4 April 2023, the Board of Directors approved the impairment test based on the results of the Industrial Plan, on which a leading consultancy firm has drawn up an in-depth report.
- On 13 April 2023, the Board of Directors approved the Annual Financial Statements and the Consolidated Financial Statements as of 31 December 2022.
- On 2 May 2023, the Auditing Firm BDO Italia S.p.A. released its report on the audit of the annual financial statements and the consolidated financial statements, in which it declared the impossibility of expressing an opinion. The Board of Directors acknowledged the conclusions reached by the Auditing Firm in the knowledge that it has acted correctly in the interests of the Company and reserved further comments following a more in-depth examination of the Reports.

5. Outlook

Over the last three years, the global context was characterised by a sequence of three extraordinary events: i) the pandemic emergency, ii) the Russian-Ukrainian conflict, with the consequent energy and food crisis and iii) the return of a rising inflation and the end of ultra-expansive monetary policies.

The risks of the global macroeconomic outlooks are still significant and prone to deteriorate. The evolution of the Russian-Ukrainian conflict continues to represent one of the negative factors that may accentuate the slowdown of the world's economic activity. Moreover, the inflation represents a watershed in the various alternative scenarios hypothesised, which range from the most negative one - which foresees a 0.7% global economic growth with a 6.1% inflation - to the most positive one - 2.2% growth in the world's GDP with a 4.6 inflation (source: Oxford Economics, World Economics Prospects Monthly, January 2023).

In addition to this, China's decision to eliminate the so-called "zero-Covid" policy in December 2022 brought about a slowdown in industrial production, logistics services and consumption in that same month before leading to a significant increase in the following ones. There is optimism for the recovery of consumption, which should benefit from the sharp increase in the population's saving rate during the pandemic years, with positive impacts on domestic industries such as hospitality, tourism, textiles and clothing.

In this context, the e-commerce segment benefited from a cultural shift characterised by a constant growth in digital stores, facilitated by the slowdown of the physical retail.

Our B2C -E-Commerce Service Provider Division division is currently under pressure due to the numerous requests of technological updates made by our clients, aimed at increasing both sales and services to final consumers.

This situation calls for a constant investment in new developments for the platforms and for the constant maintenance of the same so as to support growth, also implying 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.

In addition to maintaining solid relationships with the historical customers of the Giglio Group, the strengthening of the marketing activity already begun at the end of 2022 continues, also through the recruitment of qualified personnel, which made it possible in the first three months of the year to reach new significant contracts both from an economic point of view and for the quality of the contractors.

The expansion of the Travel Retail business of Salotto di Brera continues thanks to the organic growth given by the increase in tourism on cruise ships (Leisure Travel) and to the non-organic growth deriving from the growing number of ships reached following the conclusion of framework agreements with the Starboard and Harding groups, which are estimated to double the number of ships served by Salotto di Brera during 2023. The development of the Travel Retail business also continues in the Airports sector (with Vienna and Shenzhen as the next openings) and agreements with eight other airports are expected to be concluded by the end of the year. This is joined by two new agreements which will affect the performance of the business in 2023.

- ✓ The opening inside the Caput Mundi Mall in Vatican City, a destination for tourists and pilgrims, especially in the vicinity of the next Jubilee, of a Salotto di Brera sales space which, right from the first days of its inauguration, in mid-March, has obtained a positive response in terms of sales, which it is believed will increase as the peak tourist period in Rome approaches. An estimated 10,000 people pass through the Mall each day.
- ✓ The subscription of an agreement which involves all the business units of the Group for the creation of a complete service to one of the main companies operating in the transport sector at European level, in detail:
  - Creation of e-commerce site;
  - Production and digital sale of all merchandising;
  - Creation, production and sale of co-branded products with big brands;
  - Agreements with important companies in other sectors for the sale on board of their carriers of the products of the most important brands distributed by Salotto Brera.

In the B2B segment, it is believed that contracts with new distribution customers can be completed, in addition to the signing of contracts with four new leading fashion brands in the world.

The growth of the new business unit, launched in 2022 H2, relating to the production of merchandising for artists and large companies is expected, engaged as it were throughout 2023 in the production and online and on-tour distribution of the merchandising of the "Maneskin" rock band . The company is engaged in advanced negotiations with other artists and companies of the same calibre.

Interim Condensed Consolidated Financial Statement as of 31 March 2023

1. Accounting Standards

This Interim Financial Report was prepared according to the same accounting standards used for the preparation of the Giglio Group 2022 Consolidated Annual Financial Statements.

2. Financial Highlights as of 31 March 2023

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.

Total Financial Debt (also Net Financial Debt): determined according to the provisions set forth in Consob Communication no. 6064293 of 28 July 2006 and in conformity with the Reference Note no. 5/21 issued by Consob on 29 April 2021 with regard to the ESMA32-382-1138 Orientation of 4 March 2021, by subtracting from cash and cash equivalents and from other current financial assets short/medium/long-term financial payables, trade payables and other medium/long-term debts.

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 income statement illustrated in the Explanatory Notes.

Gross Margin: 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 costs.

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 2023

The main balance sheet figures of the Group as of 31 March 2023 are specified below:

(Euro thousands)	31.03.2023	31.12.2022	Change
Intangible Assets	15,263	15,436	(173)
Property, Plant and Equipment	778	456	322
Financial Fixed Assets	242	247	(5)
Total Fixed Assets	**16,283**	**16,139**	**144**
Inventories	2,270	1,559	712
Trade receivables	10,384	10,134	249
Trade payables	(13,716)	(11,957)	(1,759)
Operating/Commercial Working Capital	**(1,062)**	**(264)**	**(798)**
Other current assets and liabilities	(3,456)	(3,328)	(128)
Net Working Capital	**(4,518)**	**(3,592)**	**(926)**
Provisions for risks and charges	(361)	(365)	4
Deferred tax assets and liabilities	877	875	2
Other non-current liabilities	-	-	-
Net Invested Capital	**12,281**	**13,057**	**(776)**
Total Net Invested Capital	**12,281**	**13,057**	**(776)**
Equity	**5,286**	**4,317**	**969**
Minority interest in equity	**(41)**	**(43)**	**-**
Net financial debt*	**(17,525)**	**(17,331)**	**(194)**
Total Sources	**(12,281)**	**(13,057)**	**776**

The Net Invested Capital of the Group at 31 March 2023, equal to € 12.2 million, is principally comprised of Net Fixed Assets (€ 16.3 million), and of Net Working Capital (€ -4.5 million).

Intangible Assets, equal to € 15.3 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 (collectively worth € 13.4 million). The movement describes the period's amortisations, net of increases for capitalised development costs borne entirely for the implementation and integration of IT platforms on subsidiary E-Commerce Outsourcing S.r.l..

Property, Plant and Equipment (which include also the right-of-use on existing leasing contracts), equal to € 0.8 million, increased (net of the period's amortisations) mainly due to the leasing contract for the business unit "Caput Mundi The Mall" signed by Salotto di Brera S.r.l., whose right was valued on the basis of IFRS 16.

Financial Fixed Assets, equal to € 0.3 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) as of 31 March 2022, compared to 31 December 2022, is as follows:

	(Euro thousands)	31.03.2023	31.12.2022	Change
A	Cash and cash equivalents	2,521	1,794	727
B	Cash and cash equivalents			-
C	Other current financial assets	2	2	0
D	**Cash & cash equivalents (A)+(B)+(C)**	**2,523**	**1,796**	**727**
AND	Current financial liabilities	(1,700)	(2,881)	1,181
	of which with Related Parties	*(472)*	*(732)*	*260*
F	Current part of the non-current financial liabilities	(5,744)	(5,268)	(476)
G	**Current financial liabilities (E)+(F)**	**(7,444)**	**(8,149)**	**705**
H	**Net current financial liabilities (G) - (D)**	**(4,921)**	**(6,353)**	**1,432**
I	Non-current financial liabilities	(9,521)	(7,896)	(1,625)
	of which with Related Parties			-
J	Debt instruments	(3,005)	(3,005)	(0)
K	Non-current trade and other payables	(76)	(76)	(1)
L	**Non-current financial liabilities (I)+(J)+(K)**	**(12,603)**	**(10,977)**	**(1,626)**
M	**Total financial liabilities (H)+(L)**	**(17,525)**	**(17,331)**	**(194)**

The Group net financial debt amounts to € -17.5 million, in line with 31 December 2022 figures.

More specifically, the change in financial debt can also be ascribed to the following factors:

E. Current financial debt: the reduction is attributable to lower financial debts for the use of advances on invoices and for current accounts liabilities, to the partial repayment of the debt to Meridiana Holding S.r.l., net of the increase for liabilities for lease contracts accounted for in accordance with the accounting standard IFRS 16.

F. Current portion of non-current liabilities: the increase refers to the new loans taken out in Q1, net of the repayment of principal on previous loans.

I. Non-current financial debt: non-current financial debt increased compared to 31 December 2022. This is essentially due to the opening of new loans by Salotto di Brera S.r.l..

J. Debt instruments: As of 31 March 2023, the non-current Financial Debt includes the long-term EBB S.r.l. bond.

As of 31 March 2023, the net financial debt records, amongst its current and non-current liabilities, also the financial debt related to the EBB S.r.l. bond. The regulation governing the terms and conditions of said Bond includes also some commitments and limitations borne by the Company, including the financial covenants, which, should they occur, they would entail the loss of the benefit of the term, along with the obligation for the Company to fully reimburse in advance the Bond (the so-called events of major importance).

On 29 December 2022, SACE, as guarantor of the bond, gave its consent to the bondholder EBB S.r.l. to grant the waiver related to the non-compliance with the "Leverage Ratio" and "Gearing Ratio" financial parameters with regard to the test date of 31 December 2022. On 7 April 2023, EBB S.r.l. ratified the waiver granted by SACE on 29 December 2022.

Consolidated Financial Activity Overview as of 31 March 2023

The main consolidated economic data, compared with the same period of the previous year, are shown below:

(Euro thousands)	31.03.2023	31.03.2022	Change
Revenues from contracts with customers	7,780	11,595	(3,815)
Operating Costs	(7,217)	(9,372)	2,155
Gross Margin	**562**	**2,223**	**(1,661)**
Gross Margin %	**7.2%**	**19.2%**	**(11.9)%**
Payroll expenses	(926)	(1,008)	82
EBITDA	**(364)**	**1,215**	**(1,579)**
EBITDA%	**(4.7)%**	**10.5%**	**(15.2)%**
Non-recurring revenues (charges)	24	0	24
Amortisation, depreciation & write-downs	(288)	(459)	170
EBIT	**(628)**	**757**	**(1,385)**
Net financial charges	(346)	(242)	(104)
PROFIT BEFORE TAXES	**(974)**	**513**	**(1,487)**
Income taxes	(1)	(52)	51
PROFIT FOR THE PERIOD	**(974)**	**463**	**(1,438)**
RESULT ATTRIBUTABLE TO MINORITY INTERESTS	(2)	(1)	(1)
GROUP PROFIT/(LOSS)	**(973)**	**464**	**(1,437)**

Consolidated revenues of € 7.8 million show a decrease of € 3.8 million compared to the same period of the previous year. Part of this reduction (equal to € 1.7 million) is attributable to the fact that last year the proceeds deriving from the sale of the Loyalty branch (€ 1.3 million), completed on 6 March 2022, as well as the turnover achieved in the first two months of 2022 (€ 0.4 million), were also included.

The trend in revenues is due to a focus of management on sales contracts with higher margins.

Payroll expenses are in line with the same period of the previous year.

Corporate costs decreased compared to the same period of the previous year by approximately € 0.2 million, generated by the structural saving activities implemented by the management.

EBITDA is in line with the forecasts expressed for the Q1 in the budget approved by the Directors. EBITDA as of 31 March 2022, net of the transfer of the Loyalty branch, would have been negative by € -0.1 million.

The Net result shows the financial cost of the loans taken out in previous years and in the current year, whose interest rates have increased due to the variable rate of the same.

3. 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, Salotto di Brera S.r.l. and Giglio Shanghai;
2. B2C e-commerce: IBOX SA, E-Commerce Outsourcing S.r.l., Giglio Shanghai and Meta Revolution;

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:

	31 March 2023			
(Euro thousands)	B2B e-commerce	B2C e-commerce	Corporate	Total
Revenues from contracts with customers	4,655	2,716	0	7,371
Other incomes	184	36	164	384
Capitalised costs		25		25
Total revenues	**4,839**	**2,777**	**164**	**7,780**
EBITDA	**435**	**(136)**	**(663)**	**(364)**
EBIT	**408**	**(320)**	**(717)**	**(628)**
EBT	**353**	**(437)**	**(891)**	**(974)**
Profit for the period	**353**	**(419)**	**(907)**	**(973)**

The results of sectors at 31 March 2022 are as follows:

	31 March 2022			
(Euro thousands)	B2B e-commerce	B2C e-commerce	Corporate	Total
Revenues from contracts with customers	7,271	2,930	0	10,201
Other incomes	0	1,344	0	1,344
Capitalised costs		50		50
Total revenues	**7,271**	**4,324**	**0**	**11,595**
EBITDA	**836**	**1,112**	**(733)**	**1,215**
EBIT	**828**	**740**	**(811)**	**757**
EBT	**883**	**679**	**(1,049)**	**514**
Profit for the period	**886**	**679**	**(1,101)**	**465**

The “Other Incomes” account as of 31 March 2022 relates to the consideration for the sale of the Loyalty business unit; as a result, B2C EBITDA, net of this account, would have been negative by € 0.2 million.

4. 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, during the Black Friday and the Christmas periods.

5. 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.

6. 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.

7. Significant shareholders and shares of the Issuer

At the date of the present interim financial report (31 March 2023) the official data indicates the following significant shareholders:

- 55.66 % of shares held by Meridiana Holding S.p.A..

FINANCIAL STATEMENTS

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

Condensed Consolidated Statement of Financial Position

Condensed Consolidated Statement of Financial Position (Euro thousands)	31.03.2023	31.12.2022
Non-current assets		
Property, plant & equipment	239	205
Right-of-use assets	539	251
Intangible assets	1,910	2,083
Goodwill	13,353	13,353
Investments in joint ventures	-	5
Receivables	242	242
Deferred tax assets	1,003	1,016
Total non-current assets	**17,286**	**17,155**
Current assets		
Inventories	2,270	1,559
Trade receivables	10,384	10,134
Financial receivables	2	2
Tax receivables and deferred tax assets	2,671	2,107
Other assets	1,647	1,635
Cash and cash equivalents	2,521	1,794
Total current assets	**19,494**	**17,232**
Total Assets	**36,780**	**34,387**
Equity		
Issued capital	4,394	4,394
Reserves	22,190	22,190
FTA Reserve	4	4
Retained earnings	(30,912)	(28,833)
Foreign Currency Translation reserves	12	7
Net profit/(loss)	(973)	(2,078)
Total Group Equity	**(5,286)**	**(4,317)**
Minority interest in equity	41	43
Total Net Equity	**(5,244)**	**(4,274)**
Non-current liabilities		
Provisions for risks and charges	-	-
Post-employment benefit funds	361	365
Deferred tax liabilities	125	141
Financial payables (non-current portion)	12,527	10,901
Other non-current liabilities	76	76
Total non-current liabilities	**13,090**	**11,484**
Current liabilities		
Trade payables	13,716	11,957
Financial payables (current portion)	7,444	8,150
Tax payables	6,663	5,420
Other liabilities	1,110	1,651
Total current liabilities	**28,934**	**27,177**

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Total liabilities and Equity	**36,780**	**34,387**

Condensed Consolidated Statement of Profit or Loss

Condensed Consolidated Statement of Profit or Loss (Euro thousands)	31.03.2023	31.03.2022
Total revenues from contracts with customers	**7,371**	**11,325**
Other revenues	384	220
Capitalised costs	25	50
Change in inventories	712	(247)
Purchase of raw materials, ancillary, consumables and goods	(5,335)	(5,959)
Service costs	(2,524)	(3,052)
Rent, lease and similar costs	(11)	(65)
Operating costs	**(7,870)**	**(9,076)**
Salaries and wages	(690)	(835)
Social security charges	(196)	(240)
Post-employment benefits	(40)	66
Payroll expenses	**(926)**	**(1,009)**
Amortisation	(212)	(357)
Depreciation	(76)	(101)
Write-downs	(0)	0
Amortisation, depreciation & write-downs	**(288)**	**(458)**
Other operating costs	(35)	(50)
Operating profit	**(628)**	**756**
Financial income	5	6
Net financial charges	(350)	(247)
Profit before taxes	**(974)**	**514**
Income taxes	(1)	(52)
Profit for the period	**(974)**	**462**
Of which minority interest	*(2)*	(1)
Basic and diluted profit from continuing operations	**(0.0444)**	**(0.2104)**
Profit per share – basic and diluted	**(0.0441)**	**(0.2098)**

Condensed Consolidated Statement of Comprehensive Income

Condensed Consolidated Statement of Comprehensive Income (Euro thousands)	31.03.2023	31.03.2022
Profit for the period	(974)	462
Other comprehensive income		
Other comprehensive income that will be reclassified to profit/(loss) in subsequent periods (net of tax)		
Exchange differences on translation of foreign operations	5	(5)
Total other comprehensive income that may be reclassified to profit/(loss) in subsequent periods (net of tax)	**5**	**(5)**
Other comprehensive income that will not be reclassified to profit/(loss) in subsequent periods (net of tax)		
Actuarial loss on employee benefits obligations	0	0
Total other comprehensive income that will not be reclassified to profit/(loss) in subsequent periods (net of tax)	**0**	**0**
Total Comprehensive Income for the period	**(969)**	**457**

Condensed Consolidated Statement of Changes in Equity

Description *(Euro thousands)*	Issued capital	Reserves	FTA Reserve	Foreign Currency Translation reserves	Retained earnings	Net profit/(loss)	Group's Total	Third Parties	Consolidated Total
31 December 2022 Balance	**4,394**	**22,190**	**4**	**7**	**(28,833)**	**(2,078)**	**(4,317)**	**43**	**(4,274)**
Issue of share capital							-		-
Share premium reserve							-		-
Shareholders contributions to the corporate funds (or assets)							-		-
Retained earnings					(2,078)	2,078	-		-
IAS 19 Reserve							-		-
Exchange rate effect				5			5		5
Other changes					(1)		(1)	-	(1)
Profit for the period						(973)	(973)	(2)	(974)
31 March 2023 Balance	**4,394**	**22,190**	**4**	**12**	**(30,912)**	**(973)**	**(5,286)**	**41**	**(5,244)**

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Statement of Cash Flows

Euro thousands	**31.03.2023**	**31.03.2022**
Cash flows from operating activities		
Net profit from continuing operations	(974)	(932)
Net profit from discontinued operations	-	1,394
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and impairment of property, plant and equipment	24	(66)
Amortisation of right-of-use assets	52	167
Amortisation and impairment of intangible assets	212	357
Non-cash changes of provisions	(4)	(166)
Write-downs/(Revaluations)	0	-
Net foreign exchange differences	346	242
Income taxes	1	52
Changes in:		
Inventories	(712)	79
Trade receivables	(249)	4,107
Tax receivables	(564)	645
Current financial receivables	-	(34)
Other assets	(11)	655
Deferred tax liabilities	(16)	(84)
Trade payables	1,759	(3,932)
Tax payables	1,243	440
Right-of-use assets	(340)	34
IFRS16 financial payables	258	(71)
Other current and non-current liabilities	(540)	(273)
Change in net working capital	**828**	**1,564**
Changes in provisions	-	-
Changes in assets/liabilities held for sale/Discontinued operations	-	-
Cash flow generated from operating activities	**484**	**2,611**
Interest paid	(277)	-
Income taxes paid	-	-
Net cash flow generated from operating activities	**207**	**2,611**
Cash flows from investing activities		
Investments in property, plant & equipment	(58)	198
Investments in intangible assets	(39)	(144)
Acquisition of Salotto di Brera net of liquidity acquired	-	(722)
Changes in other intangible assets	13	(91)
Increase in investments in joint ventures	5	0
Change in consolidation scope	-	-
Net cash flow used in investing activities	**(79)**	**(759)**
Cash flow from financing activities		
Share capital increase	-	-
Change in Shareholders' Equity	4	(2,149)
New financing	3,466	-
Repayment of loans	(1,412)	-
Change in financial liabilities	(1,460)	364
Net cash flow used in financing activities	**598**	**(1,784)**
Net increase/(decrease) in cash and cash equivalents	**727**	**67**
Cash and cash equivalents at 1 January	1,794	1,437
Cash and cash equivalents at 31 March	2,521	1,504

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%
Salotto di Brera	Italy	**Subsidiary**	100%
Giglio USA	USA	**Subsidiary**	100%
IBOX SA	Switzerland	**Subsidiary**	100%
Giglio (Shanghai) Technology Company Limited	China	**Subsidiary**	100%
Media 360 HK Limited	HK	**Subsidiary**	100%
Meta Revolution S.r.l.	Italy	**Subsidiary**	51%

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 € 4,393,604.40.

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 31%; the shareholder structure is available on the company's website: www.giglio.org.

E-Commerce Outsourcing S.r.l.

Registered Office: Piazza Diaz 6, 20123 Milan

Share capital: € 700,000

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

Salotto di Brera S.r.l.

Registered Office: Piazza Diaz, 6 | 20123 Milan

Share capital: € 1,000,000

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.

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 Ibox SA.

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

IBOX SA

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

Share capital: CHF 4,882,000

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

GIGLIO (Shanghai) TECNOLOGY LIMITED COMPANY

Registered Office: Shanghai International Finance Center

Century Avenue 8

Room 874, Level 8, Tower II

Shanghai, 200120

Share Capital € 40,000

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.

Media 360 HK Limited

Registered Office: 603 Shung Kwong Comm. Bldg

8 Des Vouex Road West'

Hong Kong

Share capital: HKD 100

Meta Revolution S.r.l.

Registered Office: Piazza Diaz 6

Milan, Italy

Share capital € 120,000 subscribed and paid-up at 25%..

The company's object is the development, production and marketing of high-tech, innovative products or services in the NFT sector.

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 2023 corresponds to the accounting figures, books and documents.

Milan, 12 May 2023

The Financial Reporting Officer

Carlo Micchi