

NEWS

13 January 2022

GIGLIO GROUP

Entering the Metaverse and NFT sector with Giglio Meta (+)

(Company press release)

After several months of investments and development, Giglio group is starting a new business unit « Giglio Meta » dedicated to Metaverse and NFT projects.

The company indicates that it is already operating on the main current Metaverses like Roblox, Sandbox and Decentraland and the VR experience of Meta Quest Facebook. Giglio is also closely integrated with Open Sea, the leading NFT marketplace. Giglio Meta is offering to help business, artists and entities from many sectors enter the Metaverse.

The NFT market registered a massive increase of transaction volume in 2021 (\$26,9 bn) as crypto assets exploded in popularity. By entering this buoyant market, Giglio group could gain a competitive advantage and stay ahead of competition.

As of today, no projects have been announced but we understand from the press release that the company is already working on some.

While we believe that the launch of Giglio Meta could bring a significant additional revenue stream, we lack visibility and track record to incorporate it in our current estimates. Therefore, we are not changing our current forecasts and target price, but we expect positive news flow regarding this activity in the following months.

Hold, TP of €2.0 - Alessandro Cuglietta : + 33 1 78 95 71 64

| Market Data | |
|-----------------|---------------------|
| Industry | E-commerce |
| Share Price (€) | 1.9 |
| Market Cap (€M) | 41.6 |
| Market Segment | Euronext STAR Milan |
| Bloomberg | GG IM |

| Ownership structure | |
|---------------------|-------|
| Meridiana Holding | 55.7% |
| Free float | 44.3% |

| €M (31/12) | 2020 | 2021 | 2022 | 2023 |
|---------------|--------|--------|--------|--------|
| Sales (€M) | 42.3 | 40.0 | 50.5 | 58.8 |
| Growth | 5.2% | -5.4% | 26.1% | 16.4% |
| EBITDA Adj. | 1.9 | -1.8 | 0.9 | 3.2 |
| Marge EBITDA | 4.6% | -4.4% | 1.7% | 5.5% |
| Net income | -2.6 | -3.8 | -2.0 | -0.4 |
| EPS € | -0.13 | -0.17 | -0.09 | -0.02 |
| Growth | -84.6% | 34.0% | -47.8% | -79.5% |
| Dividend | 0.00 | 0.00 | 0.00 | 0.00 |
| Yield (%) | 0.0% | 0.0% | 0.0% | 0.0% |
| FCFF | 3.1 | -6.3 | -0.3 | 0.6 |
| ROCE | 0.6% | -12.4% | -3.2% | 5.2% |
| EV/Sales (x) | | 1.3 | 1.0 | 0.9 |
| EV/EBITDA (x) | | | 59.6 | 16.2 |
| PE (x) | | | | |
| Net Debt | 10.7 | 17.8 | 19.4 | 20.2 |
| Gearing net | 26% | 43% | 47% | 49% |

Estimations TP ICAP Midcap

Upcoming event : TDB - FY 2021

| Consensus - Number of analysts : 2 | | | |
|------------------------------------|------|------|------|
| | 2021 | 2022 | 2023 |
| Sales | 42.5 | 52.8 | 62.4 |
| EBITDA | -0.2 | 2.4 | 4.4 |
| Net income | -2.5 | -0.6 | 0.8 |

Source: FACTSET

Analyst certifications

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- 3.Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
- 4.Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
- 5.Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

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| Company | Conflict Type |
|-------------------|---------------|
| ALA | E,G |
| DERICHEBOURG | Nil |
| EKINOPS | Nil |
| GIGLIO GROUP | G |
| GR. PIZZORNO ENV. | D,G |
| PHARMANUTRA | G |
| VENTE-UNIQUE.COM | D,F,G |

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