



PRESS RELEASE

BANZAI: SHAREHOLDERS' MEETING APPROVES 2014 ANNUAL ACCOUNTS AND APPOINTS STEFANO QUINTARELLI AS BOARD MEMBER

- **Annual financial statements as of 31 December 2014 approved**
- **Stefano Quintarelli confirmed as board member**
- **First Section of the Remuneration Report pursuant to Article 123-ter of CFA approved**
- **Compensation of the members of the Board of Directors and Board of Auditors re-determined**
- **Meeting Regulation approved**

Milan, 27 April 2015

The Shareholders' Meeting of Banzai, the number 1 Italian e-Commerce platform and one of the largest digital publishers in Italy, listed on the STAR segment of the Italian Stock Market, was held today and chaired by Paolo Ainio.

Financial statements as of 31 December 2014

The Shareholders' Meeting has approved the annual financial statements as of 31 December 2014. During the meeting, the consolidated financial statements as of 31 December 2014 were also presented.

Main consolidated results as at 31 December 2014

Revenues stand at €185.0 million, +21% compared with €153.0 million in 2013 (compared with a preliminary estimate in the IPO Prospectus in the range of €183.8-184.8 million). With revenues of €163.9 million up 23%, the *e-Commerce* division represents the main driver of growth for the Group, while the Vertical Content division, with revenues of €21.1 million, up 8%, has over-performed in an unfavourable advertising market situation in Italy.

The e-Commerce division recorded a significant increase in all types of products: specifically, Electronics revenues of €75.7 million rose +24%, while Appliances, reporting €31.3 million, grew +51% following the extension of the product range and the development of the "premium" delivery, installation and used goods collection services, as well as the continued deployment of Pick&Pay points and Lockers, which reached 66 and 90 respectively by the end of the year (56 and 0 at 31 December 2013).

e-Commerce (revenues breakdown and KPI)

Gross margin for the year was €41.7 million, +15% compared to €36.4 million in 2013, corresponding to a gross margin of 22.5% (23.8% in 2013), with a decrease driven as expected by the change in product mix.

EBITDA for the year was €3.8 million, +53% compared to €2.5 million in 2013 (at the top end of the range of Estimated Preliminary Results provided in the IPO prospectus of €3.1-3.9 million), EBITDA margin stands at 2.0%, an improvement compared with 1.6% in 2013. Overall, the percentage of operating costs fell, going from 22.2% in 2013 to 20.5% in 2014. The limited increases recorded in general and administrative expenses (+5.6%), sales and marketing costs (+1.8%) and IT costs (+7.4%) demonstrate the significant economies of scale of the operational structure. The increase in logistics costs (+23.5%) is due to greater sales volumes of household appliances, while the modest increase in production costs (+18.5%) is related to the new video contents produced by the Vertical Content division.

EBIT stands at €-1.9 million, a €0.5 million improvement over €-2.4 million in 2013, mainly as a result of the effect of EBITDA, partly offset by the greater depreciation and amortization recorded with regard to new investments.

Net loss for the year was €2.1 million (+€0.8 million vs. net loss of €2.9 million in 2013).

The Group has a **Net Cash Position of €0.8 million**: the difference compared to 31 December 2013 (Net Cash Position of €4.2 million) is attributable by €9.5 million to the absorption of financial resources related to investing activities, by €1.4 million to the absorption of financial resources with regard to costs incurred for the listing and by €7.3 million to the generation of financial resources associated with the capital increase following the undertaking of the 2011-2014 Warrants.



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Main results of the Parent Company Banzai SpA as at 31 December 2014

Revenues, equal to €1.6 million, refer almost exclusively to back charges made to Group companies and are in line with the previous year; in 2013 they included some services to companies which were previously subsidiaries and then sold because they were operating in the consulting sector.

EBITDA was equal to €-3.2 million, a fall of €581 thousand compared with 2013 as a result of lower revenues and higher costs for services needed to improve corporate processes in view of the listing process. These higher costs affected the performance of EBIT, EBT and the Net Result.

The Shareholders' Meeting approved to cover the loss of 2,659,887 euros using an equivalent amount of the reserves.

Appointment of a director

The Shareholders' Meeting confirmed as board member Mr Stefano Quintarelli, whose mandate will expire with the expiration of the mandate of the present Board of Directors, and therefore at the Meeting called to approve the financial statements dated 31 December 2015.

It should be noted that Mr. Stefano Quintarelli, non-executive and independent¹ board member, Control and Risks and Related Parties Committee's director as well as Chairman of the Remuneration Committee was nominated by Banzai's Board of Directors on 22 January, 2015, following the resignation of a Banzai's Board Member. The nomination of the new Director was made, pursuant art. 15 of the company bylaws, without application of the list voting system, and therefore by a decision of the relative majority. As known by the company, at today's date, Mr. Stefano Quintarelli does not hold shares in Banzai. The curriculum vitae of the new board member is available on the company website www.banzai.it, Governance section.

Re-determination of compensation of the members of the Board of Directors and Board of Auditors

The Shareholders' Meeting re-determined, in consideration of the increased obligations of the Board of Directors and Board of Auditors after the Company became listed, the annual gross compensation of each member of the Board of Directors. The Shareholders' Meeting also re-determined the annual gross compensation of the Board of Auditors.

Remuneration Report pursuant to Article 123-ter of Legs. Decree No. 58/1998

The Shareholders' Meeting approved the First Section of the Remuneration Report in accordance with Article 123-ter of the Consolidated Finance Act and Article 84-quater of the Consob Issuers' Regulation.

Meeting Regulation

The Shareholders' Meeting also approved the Meeting Regulation.

Filing of documentation

The minutes of the Shareholders' Meeting and a summary of the voting will be made available in accordance with the provisions required by law.

The Executive Officer Responsible for the preparation of the corporate accounting documents, Mr. Emanuele Romussi, declares, in accordance with Article 154-bis, paragraph 2 of the Consolidated Finance Act that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

This Press Release is available on the Company's website www.banzai.it and on www.1info.it

Banzai is the number one Italian e-Commerce platform and one of the largest digital publishers in Italy. Founded by Paolo Ainio, one of the pioneers of Internet in Italy, Banzai today employs more than 440 professionals and is one of the leading Internet companies in Italy with revenues of €185 million in 2014. Every month, 18 million unique users visit the Group's e-Commerce and content websites, which include, among the others, ePRICE, SaldiPrivati, GialloZafferano, PianetaDonna, Studenti.it, ilPost and Liquida. ePRICE is one of the leading Italian online marketplaces with leading positions in major domestic appliances and consumer electronics in particular. SaldiPrivati, with more than two million registered customers, is one of the largest online destinations for apparel, footwear, accessories and products for home and family. The two brands share a network of 70 Pick&Pays distributed in 60 cities, collection and payment

¹ Stefano Quintarelli fulfills the independence requirements pursuant the Code of Conduct for listed companies, the art. 147-ter, paragraph 4 and art. 148, paragraph 3 of Legs. Decree No. 58/1998, the company bylaws and current regulation.



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points combining the advantages of buying online with the convenience and safety of the “neighbourhood store”. Thanks to a unique and innovative offer, Banzai is a distribution channel for thousands of brands and a communication channel for more than 450 advertisers. It is a rapidly growing company and is fully focused on the digital development of our country.

For further information:

Banzai S.p.A.

Emanuele Romussi

Chief Financial Officer

Tel. +39 02-00643801

investor.relations@banzai.it

IR Top Consulting

Maria Antonietta Pireddu

Investor Relations

Tel. +39-02-45473884

m.pireddu@irtop.com

Community Strategic Communication Advisers

Marco Rubino di Musebbi

Media Relations

Tel. +39-02-89404231

marco@communitygroup.it