PRESS RELEASE

ePRICE H1 17: MARKET SHARE INCREASES AND FOCUS ON SERVICE-DRIVEN PRODUCTS RAMPED UP.

- **GMV[1] up by 12.8% in 1H17 (Euro 121.5 million);** Marketplace at +55%, Revenues at Euro 91.2 million, +9.0% vs. 1H16.
- **Market share increases on service-driven products (MDA, A/C and TV) sold online,** with double-digit growth in terms of revenues and GMV, thanks to Home Service.
- **Gross profit** stood at 14.5% of revenues, +5.4% YoY. Adjusted Ebitda at Euro -7.1 million.
- **Net Loss** at Euro 10.3 million
- **Net cash position** of Euro 28.9 million as at 30 June.

- **ePRICE steps up its focus on service-driven products, with the goal of improving profit margins and EBITDA 4Q17 with respect to 4Q16**

Milan, September 13th

Today, the Board of Directors of ePRICE (known as BANZAI until 30 January), Italy's first national e-Commerce platform listed on the STAR segment of the Italian Stock Exchange, has approved results as at 30 June 2017.

"In the first half of the year we increased our online market share, as demonstrated by the +12.8% growth in the Gross Merchandise Value. This result is especially relevant as it occurred in spite of the slowdown in February due to the introduction of the ERP SAP and with respect to a weaker than expected reference market for the entire half. Our growth was driven by the offers of "core" products (Major Domestic Appliances, air conditioners and TVs), which registered double-digit growth, and, at the same time, by the constant expansion of the marketplace, which grew by 55%". **- states Pietro Scott Jovane, Chief Executive Officer of ePRICE** - *"The results in the first half of 2017 were impacted by a slowdown in the growth of the Tech&Appliance market and the environment of intense promotional activity. In light of the results of semester and growth trends in the market observed in the months of July and August, still below that of 2016 and below the expectations, we ramped up the strategy targeted at recovering profitability. To this end we expect to ramp up the focus of ePRICE's first party offer on "core" product offerings, to which we associate value-added services and in which we are a leader on the online market. As for the remaining product categories, we foresee a more marked shift towards the marketplace, considering the maturity of the latter. We expect this process to deliver an improvement in results, combined with the optimisation of some company processes, already visible at EBITDA level in 4Q17, when compared to 4Q16."*

Results as at 30th June 2017

In 1H17, ePRICE revenues (formerly Banzai) amounted to Euro 91.2 million. The growth in revenues in 1H17 was therefore 9.0% on the pro-forma figures for 1H16, net of the Vertical Content division and Saldiprivati sold in 2016. Growth was uneven in the half, affected by two phenomena: a weak performance in February, due to the planned migration to SAP. Additionally, April was affected by an unfavourable calendar in terms of working days and long banking holidays and a generally weak retail market in the semester. Excluding these two effects, in the other four months ePRICE recorded growth within the 2017 guidance range, although supported by intense promotional activity.

GMV[1] – which represents customers' spending on our e-Commerce sites and on the marketplace – grew by 12.8% compared to the previous year, amounting to Euro 121.5 million compared to the pro-forma figure of Euro 107.7 million in 1H16, largely due to the strong contribution from the marketplace, which rose by around 55% over 1H16. The weight of the Marketplace, launched in 2Q15, reached approximately 14% of the GMV in this half, compared to 10% of the GMV[1] in 2016 and 5.6% in 2015.

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[1] [1] Gross Merchandise Volume: it includes revenues from the sale of products, deliveries and the volumes generated by the 3PMarketplace, net of returns and VAT included. It does not include Infocommerce and B2B.

Revenues and GMV

(Euro million)	1H17	1H16 Pro-forma	% Change	1H16	% Change
ePRICE	**91.2**	**83.7**	***9.0%***	**83.7**	***9.0%***
Other divisions sold during the year	**n.a.**	**n.a.**	*n.m.*	**28.5**	*n.m.*
Revenues	**91.2**	**83.7**	***9.0%***	**105.9**	***-13.9%***
Total GMV[1]	**121.5**	**107.7**	**12.8%**	**134.7**	***-9.8%***

Revenues and GMV by product type

Revenues (Euro million)	2Q17	2Q16	% Change
Electronic goods, domestic appliances and other products	41.6	38.4	8.4%
Services/other revenues[3]	3.9	3.1	23.6%
Revenues	**45.5**	**41.5**	***9.6%***

GMV[2] (Euro million)	2Q17	2Q16	% Change
Electronic goods, domestic appliances and other products	59.5	53.0	12.3%
Services/other revenues[3]	1.6	1.6	-3.0%
GMV	**61.0**	**54.6**	***11.8%***

Revenues (Euro million)	1H17	1H16	% Change
Electronic goods, domestic appliances and other products	83.1	76.9	8.0%
Services/other revenues[3]	8.1	6.8	20.1%
Revenues	**91.2**	**83.7**	***9.0%***

GMV[2] (Euro million)	1H17	1H16	% Change
Electronic goods, domestic appliances and other products	117.8	104.4	12.9%
Services/other revenues[4]	3.7	3.3	10.2%
GMV	**121.5**	**107.7**	***12.8%***

In 1H17, ePRICE recorded Euro 91.2 million in revenues and Euro 83.1 million from product sales. The half was affected by the previously mentioned SAP migration completed in February, which led to a diminished boost from promotions in the weeks of the migration, and an unfavourable calendar in April. In 2Q17, growth in revenues accelerated slightly to +9.6%, also driven by revenues from services and healthy sales in the "air conditioners" category in June. Net of February and April downward trend, double-digit growth was confirmed in the remaining months, in a context of intense promotional activity.

In 1H17, the trend in revenues from product sales was quite different among the categories. In particular, the growth mainly attributable to solely the Major Domestic Appliances category, a core category for ePRICE, was sustained, both in terms of market and ePRICE. In fact, ePRICE's market share remained strong as a result of the expansion of the product mix offered and the development of "premium" services (delivery, installation and recycling). In 1H17, the number of installations of major domestic appliances rose by 200% compared to 1H16.

Revenues from services and other revenues, which also include warranties, rose compared to 2016 (+20% on 1H16), offsetting a lower contribution from transport revenues, reduced by intense promotional activities in the second quarter and a promotional policy which favoured promotions on transport (free-shipping) over lower discount vouchers with respect to 2016. The Home Service continues to obtain an extremely high NPS, above 70, and continues to represent an important lever for differentiation and a market share driver. Home Service represents a series of installation and waste recycling services, integrated with ePRICE's proprietary mobile platform and accessible via smartphone apps. Home Service enables our customers to interact continuously with ePRICE from the purchase phase through to installation in their homes.

[2] Gross Merchandise Volume: includes revenues from the sale of products, deliveries and the volume generated by the 3PMarketplace, net of returns and VAT included.
[3] Revenues from services include transport services, guarantees, B2B revenues and other revenues. The GMV of services does not include B2B, advertising/Infocommerce. Revenues from guarantees were reclassified from revenues from services for the entire year.
[4] Revenues from services include transport services, guarantees, B2B revenues and other revenues. The GMV of services does not include B2B, advertising/Infocommerce. Revenues from guarantees were reclassified from revenues from services for the entire year.

The Home Service concept is also the central focus of a TV campaign launched on 23 September 2016. The TV campaign was not broadcast in 1Q17, but was back on air in May and June 2017.

As at 30 June 2017, the **Pick&Pay and Lockers network**, a network unique to the Italian market, stood at 133 and 290 (133 and 285 as at 31 March 2017). In December 2016, the Pick&Pay delivery services were also opened to Marketplace merchants and since July 2017 ePRICE started offering free delivery for ePRICE customers who choose this delivery option, for products under 20kg.

GMV grew by 12.8% in 1H17, driven by the performance of the Marketplace, which reached 1,162 merchants and achieved growth of 55% in the half, driven by growth in the electronic goods and mobile segment. Some new categories were also launched. The growth in the GMV is, nonetheless, above the reference market. Note that the services included in the GMV do not comprise Infocommerce and B2B services (instead included under revenues), which recorded double-digit growth. In addition, as mentioned above, delivery revenues fell as a result of a different mix between free-shipping vs discount vouchers, which saw free-shipping prevail with respect to the previous year.

(Key Performance Indicators)

Key Performance Indicators[5]	2Q17	2Q16	% Change
Orders (thousand)	203	205	*-1%*
AOV (Euro)[6]	246	218	*13%*
Buyers (thousand)[7]	156	151	*3%*

Key Performance Indicators[5]	1H17	1H16	% Change
Orders (thousand)	427	427	*0%*
AOV (Euro)	233	207	*12.5%*
Buyers (thousand)	296	283	4.7%

In 1H17, we managed 427,000 orders, with an average order value (AOV[5]) of Euro 233, up by 12.5%, mainly driven by the shift of the growth mix towards high-ticket categories (Electronic Goods and Domestic Appliances) and the performance in February, which put pressure in particular on the low-ticket categories. Finally, the number of buyers totalled 296 thousand, up by 5% compared to 1H16, with strong growth in new customers in 2Q17.

Gross profit amounted to Euro 13.2 million, +5.4% compared to Euro 12.5 million in 1H16 and equivalent to 14.5% of sales in the period, compared to 15.0% of the corresponding half in 2016.

The trend in profit margins, on the one hand, benefits from the contribution of the marketplace, Infocommerce activities and advertising. This benefit was more than offset by heavy competitive pressure, in the second quarter in particular, in a market context that has witnessed a slowdown in growth compared to 2016, and which led to significant promotional activities and Free Shipping. Lastly, it was also impacted by some opportunistic deals.

Adjusted EBITDA was Euro -7.1 million vs. Euro -4.6 million in the 1H16 pro-forma figures. The variation is mainly attributable to the growth of +40.3% in sales and marketing costs and, to a lesser extent, the increase of +12.0% in logistics costs.

The increase in **sales and marketing costs** is due to the costs connected with TV ads aired in the second quarter, not present in the first half of 2016, plus the strengthening of the structure and, in part, to the increase in marketing costs due to the acquisition of customers, in order to support the increasing GMV volumes and a different mix related to a shift towards "mobile". It should be noted that the costs of customer acquisition rose by around 0.1% in terms of percentage of GMV, nonetheless less than expected.

It should be pointed out that costs connected with the purchase of advertising time on TV in the 2016-2018 period were already paid in 2016, as set out in the terms of the contract with Mondadori.

The increase in **logistics costs** is linked to ePRICE's growth in terms of sale volumes, in particular in the large domestic appliance category and, to a lesser extent, the expansion in the Pick&Pay and Lockers network, but

[5] Including the 3P marketplace.
[6] Average value of each purchase order (excluding VAT).
[7] Buyers who placed at least 1 order in the reference period.

was nonetheless contained and benefitted partly from the contract for the outsourcing of Showroomprivè's Italian activities.

IT costs rose, as forecast, as a result of the launch of SAP and the new warehouse management software. Lastly, **general and administrative costs** increased by 4.4%, less than the increase in revenues and GMV.

EBITDA came to Euro -7.7 million (Euro -4.8 million in 1H16) and includes non-recurring costs connected to the Stock Options Plan for roughly Euro 0.3 million and Euro 0.4 million linked to support for the initial phases of implementation of the migration from the ERP system to SAP.

EBIT totalled Euro -10.7 million (Euro -6.6 million in 1Q16) due to lower EBITDA and higher amortisation, depreciation and impairment. The latter rose by 72% compared to 1H16, especially due to the significant investments made in 2016 and 1Q17 to boost growth and for the implementation of the new company ERP system.

EBT from continuing operations stood at Euro -11.0 million (Euro -7.1 million in 1H16).

The **Net loss stood at Euro 10.3 million** (net profit of Euro 8.5 million in 1H16) and includes the positive contribution linked to the earn-out already accrued as a result of the verification of certain conditions provided for in the contract for the transfer of the Vertical Content division to the Mondadori Group and collected in April 2017, following the close of the period. By contrast, the first half of 2016 benefitted from the results of discontinued activities for Euro 15.5 million, including the capital gain on the sale of Banzai Media.

The Group reported a Net Cash Position of Euro 28.9 million as of 30.06.17: The variation with respect to 31 December 2016 derives mainly from the resources absorbed by operational management for Euro 16.0 million and the investment activities described previously totalling Euro 6.8 million. Financing activities absorbed resources of Euro 1.3 million, in particular due to the payment of dividends totalling Euro 5.2 million, partially offset by the obtainment of a loan of Euro 4 million, expiring in 24 months, and the share capital increases following the exercising of warrants. The absorption generated by operational management is largely due to the reduction in especially high trade payables as at 31 December 2016 and the Group's strategy, which provides for a strong acceleration of revenues and market share, including through higher investments in marketing.

During the period, the Group continued to invest in improving the quality of services offered to customers, in existing processes and in platform components to make them scalable for increasing volumes. **Investments** mainly concerned new management platforms like the new WMS, which allows even more proactive management of the whole logistics function. The Group further invested in the new Group ERP system, which entered into operation in the first quarter of 2017, despite the fact some evolutionary development activities were performed at the same time as its launch. Property, plant and equipment totalled Euro 4,121 thousand, and largely related to equipment and furnishings for a new logistics centre, which is at the fitting out phase.

The Executive Officer in charge of preparing the corporate accounting documents, Emanuele Romussi, declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Finance Act, that the accounting information contained in this press release is in keeping with the underlying accounting documents, records and accounting entries.

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The press release is available on the websites corporate.eprice.it and www.1info.it.

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ePRICE (previously BANZAI) is the leading e-Commerce platform in Italy. Founded by Paolo Ainio and listed on the STAR segment of the Italian Stock Exchange since 2015, it changed its name from BANZA to ePRICE on 30 January, 2017. ePRICE is one of the leading Internet companies in Italy with revenues of Euro 198 million and a GMV[8] (Gross Merchandise Volume) of Euro 254 million in 2016, up 23% YoY in the 2016. ePRICE is one of the main online stores in Italy specialized in high-tech products (electronic goods) and is the Italian e-Commerce leader in the segment of large domestic appliances. ePRICE launched in 2016 the Home Service Mobile Platform to manage premium delivery and installation services, which covers around 14 million Italians. ePRICE has a network of 133 Pick&Pay locations in 109 cities, which combine the advantages of buying online and the convenience and security of a proximity shop.

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[8]Gross Merchandise Volume: it includes revenues from the sale of products, deliveries and the volume generated by the 3PMarketplace, net of returns and VAT included.

ePRICE Consolidated Statements

ePRICE reclassified consolidated Income Statement

€ thousand	*30.06.17*	*% of total revenues*	*30.06.16*	*% of total revenues*	*% Change*
Total revenues	**91,225**	100.0%	**83,716**	100.0%	9.0%
Cost of sales[9]	(78,029)	-85.5%	(71,198)	-85.0%	9.4%
Gross profit[10]	**13,196**	**14.5%**	**12,518**	**15.0%**	**5.4%**
Sales and marketing costs	(6,228)	-6.8%	(4,438)	-5.3%	40.3%
Logistics costs	(9,194)	-10.0%	(8,183)	-9.8%	12.0%
IT costs	(752)	-0.8%	(564)	-0.7%	33.2%
General and administrative expenses	(4,082)	-4.5%	(3,907)	-4.7%	4.4%
Adjusted EBITDA	**(7,060)**	**-7.7%**	**(4,574)**	**-5.5%**	**54.3%**
Non-recurring costs and income and Stock Options Plans	(677)	-0.7%	(275)	-0.3%	146.2%
EBITDA	**(7,737)**	**-8.5%**	**(4,849)**	**-5.8%**	**59.5%**
Depreciation, amortisation and impairment	(2,993)	-3.3%	(1,741)	-2.1%	72.0%
EBIT	**(10,730)**	**-11.8%**	**(6,590)**	**-7.9%**	**62.8%**
Net financial expenses	125	0.1%	16	0.0%	679.7%
Minority interest in income of associates	(412)	-0.5%	(73)	-0.1%	464.4%
Write-downs of financial assets	-		(406)		
EARNINGS BEFORE TAX (EBT) FROM CONTINUING OPERATIONS	**(11,017)**	**-12.1%**	**(7,053)**	**-8.4%**	**56.2%**
Income taxes	-				
Net profit (loss) from discontinued operations	683		15,535		N/A
NET PROFIT (LOSS)	**(10,334)**	**-11.3%**	**8,482**	**10.1%**	**N/A**

[9] The **Cost of sales** mainly includes the purchase cost of goods and the cost of some services including the cost of collection fees.

[10] **Gross profit** is represented by net revenues minus cost of sales and is a management accounts indicator used by the Group to monitor and evaluate sales performance. Gross profit is not identified as an accounting measure either under the scope of Italian Accounting Principles or under IFRS (International Financial Reporting Standards) and, therefore, it should not be considered as an alternative measure for evaluating the performance of the Group's gross margin. Since the composition of Gross Profit is not regulated by the reference accounting standards, the calculation criterion applied by the Group may not be the same as that used by others and, as such, may not be comparable. The Group calculates Gross Profit as a percentage of revenues as the ratio of Gross Profit to Total Net Revenues.

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ePRICE Consolidated Income Statement

€ thousand	30.06.17	30.06.16[11]
Revenue	**93,986**	**86,948**
Other income	471	703
Costs for raw materials and goods for resale	(77,409)	(70,628)
Costs for services	(19,926)	(17,331)
Personnel expenses	(4,667)	(4,211)
Depreciation, amortisation and impairment	(2,993)	(1,741)
Other costs	(192)	(330)
Operating profit (loss)	**(10,730)**	**(6,590)**
Financial expenses	(53)	(82)
Financial income	178	98
Minority interest in income of associates	(412)	(73)
Write-downs of financial assets	0	(406)
Profit (loss) before tax from continuing operations	**(11,017)**	**(7,053)**
Income taxes	0	0
Profit (loss) from continuing operations	**(11,017)**	**(7,053)**
Other components of comprehensive income	683	15,535
Comprehensive profit/(loss) for the period	**(10,334)**	**8,482**

ePRICE Reclassified Statement of Consolidated Assets and Liabilities

€ thousand	30.06.17	31.12.16
USES		
Net Working Capital	2,316	(4,356)
Fixed assets	39,587	33,554
Long-term assets	10,014	9,996
Personnel fund	(2,078)	(2,131)
Long-term liabilities	(421)	(396)
Net Invested Capital	**49,418**	**36,667**
SOURCES		
Net Financial Liquidity/Debt	28,860	56,176
Net Equity	(78,278)	(92,843)
TOTAL FUNDING SOURCES	**(49,418)**	**(36,667)**

11 restated pursuant to IFRS 5

ePRICE Consolidated Statement of Assets and Liabilities

€ thousand	30.06.17	31.12.16
NON-CURRENT ASSETS		
Plant and equipment	6,661	3,013
Intangible assets	28,242	26,853
Investments in associates	2,949	2,468
Non-current financial assets	1,735	1,220
Other non-current assets	291	273
Deferred tax	9,723	9,723
TOTAL NON-CURRENT ASSETS	**49,601**	**43,550**
CURRENT ASSETS		
Inventories	19,984	22,092
Trade receivables and other receivables	7,626	9,798
Other current assets	13,342	12,285
Cash and cash equivalents	30,584	54,711
TOTAL CURRENT ASSETS	**71,536**	**98,886**
Assets from discontinued operations		
TOTAL ASSETS	**121,137**	**142,436**
LIABILITIES AND NET EQUITY		
NET EQUITY		
Share capital	826	821
Reserves	87,786	81,954
Profit (loss) for the year	(10,334)	10,068
TOTAL NET EQUITY	**78,278**	**92,843**
NON-CURRENT LIABILITIES		
Payables to banks and other lenders	1,573	126
Provisions for personnel	2,078	2,130
Provisions for risks and charges	360	360
Other non-current liabilities	61	37
TOTAL NON-CURRENT LIABILITIES	**4,072**	**2,653**
CURRENT LIABILITIES		
Trade payables and other payables	28,095	36,874
Payables to banks and other lenders	2,108	109
Other current liabilities	8,584	9,957
TOTAL CURRENT LIABILITIES	**38,787**	**46,940**
Liabilities from discontinued operations	0	
TOTAL LIABILITIES	**42,859**	**49,593**
TOTAL NET EQUITY AND LIABILITIES	**121,137**	**142,436**

ePRICE Consolidated Net Financial Position

€ thousand	30.06.17	31.12.16
(A) Cash	(131)	(243)
(B) Other cash and cash equivalents	(30,453)	(54,468)
(C) Stocks held for trading	-	-
(D) Liquidity (A)+(B)+(C)	**(30,584)**	**(54,711)**
(E) Current financial receivables	(1,957)	(1,700)
(F) Current financial payables	-	-
(G) Current portion of non-current debt	1,999	-
(H) Other current financial payables	109	109
(I) Current financial debt (F)+(G)+(H)	**2,108**	**109**
(J) Net current financial liquidity/debt (D)+(E)+(I)	**(30,433)**	**(56,302)**
(K) Non-current bank payables	1,503	-
(L) Bonds issued	-	-
(M) Other non-current payables	70	126
(N) Non-current financial debt (K)+(L)+(M)	**1,573**	**126**
(O) Net Financial (Liquidity)/Debt (J)+(N)	**(28,860)**	**(56,176)**

ePRICE Consolidated Cash Flow Statement

€ thousand	30.06.17	30.06.16[12]
Net result from operations	(11,017)	(7,053)
Depreciation and amortisation	2,893	1,741
Bad debt provision	100	0
Employee benefit fund provision	275	261
Inventory write-down	0	20
Employee benefit fund change	(320)	(144)
Share of the result pertaining to associated companies	412	73
Impairment losses on non-current assets	0	406
Change in other non-current liabilities	25	20
Other non-monetary items	273	275
Change in inventories	2,109	710
Change in trade receivables	2,072	569
Change in other current assets	(1,344)	(4,213)
Change in trade payables	(10,105)	(3,319)
Change in other payables	(1,374)	150
Cash flow from discontinued operations	0	(2,101)
NET CASH FLOW GENERATED (ABSORBED) BY OPERATIONS	**(16,001)**	**(12,605)**
NET CASH FLOW FROM INVESTMENT ACTIVITIES		
Acquisition of tangible assets	(2,794)	(450)
Disposal of tangible assets	1	0
Change in other non-current assets	(18)	(128)
Acquisition of intangible assets	(3,811)	(3,503)
Provision of financing	(515)	(100)
Purchase of associates	(893)	(793)
Cash flow from discontinued operations	1,227	31,228
NET CASH FLOW GENERATED (ABSORBED) BY INVESTMENT ACTIVITIES	**(6,803)**	**26,254**
CASH FLOW FROM FINANCING ACTIVITIES		
Financial payables	3,446	(1,417)
Share capital increase	1,045	0
Current financial receivables	(257)	(301)
Treasury shares	(305)	(535)
Dividends	(5,252)	0
NET CASH FLOW ABSORBED BY FINANCING ACTIVITIES	**(1,323)**	**(2,253)**
(Decrease)/Increase in cash and cash equivalents	(24,127)	11,396
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	**54,711**	**33,543**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**30,584**	**44,939**

[12] Restated pursuant to IFRS 5