



PRESS RELEASE

ePRICE: H1 17 STRONG GROWTH IN LARGE DOMESTIC APPLIANCES AND RELATED SERVICES

- **GMV¹ up by 12.8% in 1H17 (Euro 121.5 million vs Euro 107.7 million in 1H16):**
 - Revenues at Euro 91.2 million, +8.9% vs. 1H16
 - Further growth in large domestic appliances and TVs market share, with double-digit revenue and GMV growth, sustained by Home Service customised delivery and installation services.
 - H1 Performance affected by an online market that recorded slower than expected growth and the adoption of SAP in February, as well as an unfavourable calendar in April.

Milan, 25 July 2017

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 the preliminary revenues as at 30 June 2017.

*“During the first six months of this year our Gross Merchandise Value rose by 12.8% compared versus 2016 thanks to the double-digit growth in the large domestic appliances category, ePRICE’s core business, and also through the growing adoption of Home Services by our customers whereby installations increased by 200%. The marketplace development continues; it’s now up by 55% year over year, with a sign up rate of new merchants, which has allowed us to reach the 1,160 mark and the launch of new categories. In the first half of the year, we increased market share, also in the face of a weaker than forecasted market, through intense promotional activity and despite the impact of the planned migration to SAP” - states **Pietro Scott Jovane, Chief Executive Officer of ePRICE** - “Based on the first half of 2017 and preliminary July sales data, we expect to continue to improve our market share in the reference market, and specifically for GMV to grow in 2H17 in the range of 20-25%. This target is based on the assumption that the online market will grow in the second half at a higher growth rate than the one observed up until now”.*

Preliminary revenues as at 30 June 2017

In 1H17, ePRICE revenues (formerly Banzai) amounted to Euro 91.2 million. The growth in revenues in 1H17 was therefore 8.9% 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.

GMV¹ – 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 GMV¹ in 2016 and 5.6% in 2015.

<i>(Euro million)</i>	1H17	1H16 Pro-forma	% Change	1H16	% Change
ePRICE	91.2	83.7	8.9%	83.7	8.9%
Other divisions sold during the year	n.a.	n.a.	<i>n.m.</i>	28.5	<i>n.m.</i>
Revenues	91.2	83.7	8.9%	105.9	-13.9%
Total GMV¹	121.5	107.7	12.8%	134.7	-9.8%

Revenues and GMV by product type

¹ ¹ Gross Merchandise Volume: includes revenues from the sale of products, deliveries and the volume generated by the 3PMarketplace, net of returns and VAT included. Infocommerce and B2B are not included.



Revenues (Euro million)	2Q17	2Q16	% Change
Electronic goods, domestic appliances and other products	41.6	38.4	8.4%
Services/other revenues ³	3.8	3.1	21.4%
Revenues	45.4	41.5	9.3%

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	18.8%
Revenues	91.2	83.7	8.9%

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%

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 +9.3%, 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 Large 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 large domestic appliances rose by 200% compared to 1H16.

Revenues from services and other revenues, which also include warranties, rose compared to 2016 (+18.8% 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. 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.

² Gross Merchandise Volume: includes revenues from the sale of products, deliveries and the volume generated by the 3P Marketplace, 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.

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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	Key Performance Indicators ⁵	1H17	1H16	% Change
Orders (thousand)	203	205	-1%	Orders (thousand)	427	427	0%
AOV (Euro) ⁶	246	218	13%	AOV (Euro)	233	207	12.5%
Buyers (thousand) ⁷	156	151	3%	Buyers (thousand)	296	283	4.7%

In 1H17, we managed 427,000 orders, with an average order value (AOV⁵) 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.

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.



H1 17 PRELIMINARY REVENUES CONFERENCE CALL - July 25th, 15.00 CET

A conference call will be held on July 25th - at 15.00 CET - during which management will present H1 17 preliminary revenues.

To join the conference call, please dial one of the following numbers:

Analysts and Investors

- Italy: +39 02 802 09 11
- UK: +44 1 212818004
- USA (local international number): +1 718 7058796
- USA (toll-free number): 1 855 2656958

Media

- +39 02 8020927

A Replay Service will be available until August 4th:

- ITALY: +39 02 72495
- UK: +44 1 212 818 005
- USA: +1 718 705 8797
- code: 972#

The presentation can be downloaded prior to the start of the conference call from the Investor Relations / Results and Presentations section of the website corporate.eprice.it

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

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 GMV⁸ (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.

For more details:

ePRICE S.p.A.
Micaela Ferruta
Head of Investor Relations and Strategic Planning
+39 02.30315400
investor.relations@eprice.it

Community Strategic Communication Advisers
Marco Rubino di Musebbi
Media Relations
Tel. +39 0289404231
marco@communitygroup.it

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