



## PRESS RELEASE

### **ePRICE: 1Q17 GMV AT EURO 60 MN (+14%) AND REVENUES AT EURO 46 MN (+8%)**

- **GMV<sup>1</sup> up by 13.8% YoY in 1Q17 (Euro 60.5 million vs. Euro 53.1 million in 1Q16):**
  - Revenues at Euro 45.8 million, +8.4% vs. 1Q16
  - The performance for the quarter was affected by the adoption of SAP in February, now normalised.
  - Further growth in the market share of large domestic appliances and TVs, supported by the Home Service customised delivery and installation services.
- **2017 guidance confirmed**

Milan, 27 April 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 31 March 2017.

*"The first quarter of the year was one of transition and transformation, migrating as planned the ERP system to SAP, as a result of which we are ready to handle the strong growth in business forecast for the next few years, but this - as expected – slowed our activities in February" - says **Pietro Scott Jovane, ePRICE's Chief Executive Officer** - "During the quarter we achieved better growth relative to the market, net of the effect of the migration to SAP, and once again we confirmed the two pillars of our strategy: strong growth in the domestic appliances segment, supported by our Home Service activities and significant increase of the Marketplace. The 2017 guidance, disclosed in March is therefore confirmed forecasting double-digit growth in revenues and GMV, as well as improved margins, both expected to accelerate in the second half of the year."*

#### **Preliminary revenues as at 31 March 2017**

In 1Q17, the revenues of ePRICE (formerly Banzai) amounted to Euro 45.8 million. The growth in revenues in 1Q17 was therefore 8.4% on the pro-forma figures for 1Q16, net of the Vertical Content and Saldiprivati divisions sold in 2016. Growth was uneven during the quarter, affected by a weak performance in February due to the planned migration to SAP, which led to temporary suspension of promotions during the weeks of the transition. These activities were back to normal in March, recording growth in the top end of the 2017 target range.

The GMV<sup>1</sup> – which represents customers' spending on our e-Commerce sites and on the marketplace - grew by 13.8% compared to the previous year, amounting to Euro 60.5 million compared to the pro-forma figure of Euro 53.1 million in 1Q16, most of which due to the strong contribution from the marketplace, which rose by around +75% YOY. In this quarter the weight of the Marketplace, launched in 2Q15, reached approximately 13% of GMV, compared to 10% of GMV<sup>1</sup> in 2016 and 5.6% in 2015.

<i>(Euro million)</i>	<b>1Q17</b>	<b>1Q16 Pro-forma</b>	<b>% Change</b>	<b>1Q16</b>	<b>% Change</b>
<b>ePRICE</b>	<b>45.8</b>	<b>42.2</b>	<b>8.4%</b>	<b>42.2</b>	<b>8.4%</b>
Other divisions sold during the year	n.a.	n.a.	n.m.	17.3	n.m.
<b>Revenues</b>	<b>45.8</b>	<b>42.2</b>	<b>8.4%</b>	<b>59.5</b>	<b>-23.1%</b>
<b>Total GMV<sup>1</sup></b>	<b>60.5</b>	<b>53.1</b>	<b>13.8%</b>	<b>67.0</b>	<b>-9.4%</b>

<sup>1</sup> 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. Infocommerce and B2B are not included.



### Revenues and GMV by product type<sup>3</sup>

Revenues (Euro million)	1Q17	1Q16	% Change	GMV <sup>2</sup> (Euro million)	1Q17	1Q16	% Change
Electronic goods, domestic appliances and other products	41.5	38.5	7.6%	Electronic goods, domestic appliances and other products	58.4	51.4	13.5%
Services/other revenues <sup>3</sup>	4.3	3.7	16.4%	Services/other revenues <sup>3</sup>	2.1	1.7	22.6%
<b>Revenues</b>	<b>45.8</b>	<b>42.2</b>	<b>8.4%</b>	<b>GMV</b>	<b>60.5</b>	<b>53.1</b>	<b>13.8%</b>

In 1Q17, ePRICE recorded Euro 41.5 million in revenues from product sales. The 8.4% growth on 1Q16 was affected by the previously mentioned SAP migration completed in February, which led to a diminished boost from promotions.

The growth, mainly attributable to just the domestic appliances category, was in any event better than that of the market for the quarter, as a result of the expansion of the product mix offered and the development of “premium” services (delivery, installation and recycling). The number of domestic appliance premium services in 1Q17 was up by 29% on 1Q16.

Revenues from services and other revenues, which also include warranties, rose strongly compared to 2016 (+16.4% in 1Q17). In January 2016, in fact, the company launched the new generation of customised services for delivery (Home Service), installation and recycling, integrated with a proprietary mobile platform, accessible via app from smartphones, which enables our customers to have a continuous interaction with ePRICE from the purchase phase through to installation in their homes. The Home Service has a NPS of above 75 and was also the focus of the TV campaign that began on 23 September 2016 and which has contributed to accelerating the service adoption rate, with an impact even in January 2017. No TV campaigns were broadcast in the first quarter of 2017.

In addition to development of Home Services, in 2016 ePRICE completed and optimised the Pick&Pay and Lockers network, a network unique to the Italian market which as of 31 March 2016 stood at 133 and 285 (133 and 309 respectively as of 31 December 2016). The Pick&Pay delivery services have been opened to Marketplace merchants from December 2016.

**The GMV grew by 13.8% in 1Q17, driven by the performance of the Marketplace, which reached 1,038 merchants** and achieved a 75% growth in the quarter, driven by electronic goods and telecoms. Note that Infocommerce and B2B services are not included in the GMV.

### Key Performance Indicators

Key Performance Indicators <sup>4</sup>	1Q17	1Q16	% Change
Orders (thousand)	224	221	1.2%
AOV (Euro) <sup>5</sup>	221	197	12%
Buyers (thousand) <sup>6</sup>	171	164	4.3%

<sup>2</sup> 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.

<sup>3</sup> Service revenues include transport services, guarantees, B2B revenues and other revenues. The GMV of services does not include B2B, advertising/Infocommerce Revenues from guarantees were reclassified among service revenues for the entire year.

<sup>4</sup> Including the 3P marketplace.

<sup>5</sup> Average value of each purchase order (excluding VAT).

<sup>6</sup> Buyers who placed at least 1 order in the reference period.



In 1Q17 we managed 224 thousand orders, up +1.2% compared with 1Q16, with an average value (AOV<sup>5</sup>) of Euro 221, up 12% YoY, 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 171 thousand, up by 4.3% compared to 1Q16 despite the limited promotions during the quarter.

## Other Events

- **Acquisition of a minority stake in Termostore S.r.l.**

On 2 February, ePRICE finalised the Euro 1 million investment in Termostore S.r.l., after which ePRICE held 43% of Termostore capital. Termostore was the first start-up in Italy to develop a full-service model for the installation and maintenance of heating and air-conditioning systems. Through an extensive network of installers and expansion of the online catalogue for this product category, it is able to offer a turnkey service to customers with the marked price guaranteed and a purchasing and after-sales process simplified through a one-stop contact.

- **Acquisition of minority stake in Click&Quick Distribution S.r.l.**

On 5 April 2017, ePRICE finalised its investment in Click&Quick Distribution S.r.l., after which ePRICE held 15% of Click&Quick capital. Click&Quick is a shipping company that manages goods transportation and delivery through a logistics and transport network spread throughout Italy, allowing customers to monitor every stage of their shipment, avoid delays and setbacks, and cover that final mile to the end consumer's home. Click&Quick customers are mainly businesses that require prompt, secure shipping and final-mile delivery flexibility.

- **Francesca Reich is new Chief Marketing Officer of ePRICE from 31 March**

A graduate in Management Engineering from Milan Polytechnic and with an MBA in Finance from Columbia University, New York, Francesca began her career with international experience at Boston Consulting Group in Milan and Boston. She joins ePRICE after covering the Digital Market Director role for Telecom Italia (now TIM), guaranteeing results from 2011 associated with the entire customer journey on digital channels and coordinating investments in digital communications and the development of new digital services.

- **Buy Back Programme**

ePRICE (previously Banzai) launched a Buy Back programme in 2016. Treasury shares held totalled 903,512 as at 21 April 2017, equal to approximately 2.1902% of the share capital.

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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.



## Q1 17 PRELIMINARY REVENUES CONFERENCE CALL – April 28<sup>th</sup> at 12.00 CET

ePRICE reminds that a conference call will be held on April 28th - at 12.00 (CET) - during which management will present Q1 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 May 7th:

- ITALY: +39 02 72495
- UK: +44 1 212 818 005
- USA: +1 718 705 8797
- code: 956#

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](http://corporate.eprice.it)

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The press release is available on the websites [corporate.eprice.it](http://corporate.eprice.it) and [www.1info.it](http://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<sup>7</sup> (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:

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<sup>7</sup>Gross Merchandise Volume: it includes revenues from the sale of products, deliveries and the volume generated by the 3P Marketplace, net of returns and VAT included.

