INTERIM DIRECTORS' REPORT AS AT 31 MARCH 2018

Corporate Officers

BOARD OF DIRECTORS

Executive Chairman and Chief Executive Officer	Paolo Ainio
Non-executive Directors	Pierluigi Bernasconi Andrea Biasco Pietro Boroli Matteo Renzulli
Independent Directors	Roland Berger Chiara Burberi Roberto Mazzei Serenella Rossano

COMMITTEES

Control, Risks and Related Parties Committee

Independent Director and committee chairman	Serenella Rossano
Independent Director	Roland Berger
Independent Director	Chiara Burberi

Remuneration Committee

Independent Director and committee chairman	Roland Berger
Non-executive Director	Pierluigi Bernasconi
Independent Director	Serenella Rossano

BOARD OF STATUTORY AUDITORS

Chairman	Francesco Perrini
Standing Auditors	Stefania Bettoni Gabriella Chesicla
Alternate Auditors	Luca Zoani Beatrice Galli

SUPERVISORY BOARD

Chairman	Jean-Paule Castagno
Members	Fabio Meda Stefania Bettoni

INDEPENDENT AUDITORS

Ernst & Young S.p.A.

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Directors’ Report

DIRECTORS' REPORT

Basis of preparation of the Interim Directors' Report

18 March 2016 saw the entry into force of Italian Legislative Decree no. 25 of 15 February 2016, implementing Directive 2013/50/EU containing amendments to Directive 2004/109/EC on disclosures of listed issuers (the Transparency Directive) (the "Decree"). The Decree eliminated the compulsory publication of interim directors' reports in order to reduce the administrative costs of listed issuers and to mitigate issuers' and investors' tendency to rely on short-term results.

By notice dated 21 April 2016, Borsa Italiana specified that provisions of the Market Regulations on publication of interim financial reports, particularly article 2.2.3, paragraph 3, will continue to apply to issuers with shares listed in the Star segment.

Consequently, this Interim Directors' Report was prepared in continuity with previous interim reports, in accordance with the provisions of art. 154-ter, paragraph 5 of the Consolidated Finance Law. The provisions of IAS 34 on Interim Financial Reporting were therefore not adopted.

For the assessment and measurement of the accounting items included in this Interim Directors' Report, the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) were applied, as endorsed by the European Commission and in force at the time of approval of this Report. The accounting standards and criteria are the same as those used to prepare the financial statements as at 31 December 2017, to which reference should be made for further details. As a result of the entry into force of international accounting standard IFRS 15, revenues from the sale of product guarantees, to the extent that the obligation to take action is fulfilled by third parties, was reported net of the related purchase costs with the ePRICE Group acting as agent. The income statements in this Interim Directors' Report shows only the profit (loss) before tax.

As ePRICE S.p.A. (hereinafter also "ePRICE") possesses controlling interests, the Interim Report was prepared on a consolidated basis. All information in this Report refers to the consolidated figures of the ePRICE Group.

The Interim Directors' Report as at 31 December 2018 was approved by the Board of Directors on 9 May 2018.

The quarterly results of the subsidiaries, used to draft this Consolidated Interim Directors' Report, were prepared by the respective administrative departments and reclassified where necessary to standardise them with those of the parent company.

The figures in this report are expressed in thousands of Euros, unless otherwise indicated.

The scope of consolidation as at 31 March 2018 remains unchanged from 31 December 2017 and is as follows:

(With an explanation of the activity conducted and percentage owned)

Name	Activity	Registered office	Ownership percentage
ePRICE S.p.A.	Parent Company	Italy	Parent Company
ePRICE Operations S.r.l.	e-Commerce	Italy	100

COMMENT ON THE RESULTS

ANALYSIS OF KEY OPERATING RESULTS

REVENUES AND PROFITABILITY ANALYSIS

Revenues

In the first quarter of 2018, Group revenues amounted approximately to Euro 39.0 million. Hence, revenues in the first quarter of 2018 were 14.1% lower than the same period of 2017, partly due to the transition of some categories of products to the Marketplace. Note that the contraction in revenues was lower in percentage terms than that of the last quarter of 2017 (-21.4% compared to the same period of the prior year).

The GMV – which represents customers' spending on our e-Commerce sites and on the Marketplace - decreased at a lower rate than revenues, equivalent to 9.1% compared to the corresponding period in the previous year, amounting to Euro 55 million from Euro 60.5 million in 1Q17, as a result of the positive contribution from the Marketplace, which grew +26% compared to 1Q17. In this quarter, the weight of the Marketplace, launched in 2Q15, reached approximately 18% of GMV, compared to 13% of GMV in 2017, 10% in 2016, and 5.6% in 2015.

(in thousands of Euros)	Q1 2018	Q1 2017	% Change
Revenues	**38,992**	**45,375**	**-14.1%**
(in millions of Euros)			
GMV	**55.0**	**60.5**	**-9.1%**

The breakdown of Revenues and GMV by product type is as follows:

Revenues *(in thousands of Euros)*	Q1 2018	Q1 2017	% Change
Electronics, Domestic Appliances and other products	35,680	41,471	-14.0%
Services / Other revenues	3,312	3,904	-15.2%
Revenues	**38,992**	**45,375**	**-14.1%**

GMV *(In millions of Euros)*	Q1 2018	Q1 2017	% Change
Electronics, Domestic Appliances and other products	53.3	58.4	-8.6%
Services / Other revenues	1.7	2.1	-21.4%
GMV	**55.0**	**60.5**	**-9.1%**

In the “Core” categories, and in particular in Domestic Appliances, ePRICE maintained significant market share, due to optimisation of the range of the products and prices offered and the development of “premium” services (delivery, installation and recycling).

Revenues from the sale of Services and Other decreased by 15.2% compared to the same period of the previous year. This is due in particular to the fact that in the first quarter of 2017 there was a strong component of opportunistic B2B sales in the "Other" item, as well as, in the first quarter of 2018, a proportional decrease in revenues from transportation, in parallel with the decrease in revenues from product sales, partially offset by the strong performance of the Marketplace. Note that as a result of the entry into force of international accounting standard IFRS 15, revenues from the sale of product guarantees, to the extent that the obligation to take action is fulfilled by third parties, was reported net of the related purchase costs with the ePRICE Group acting as agent. Consequently, the comparison figures were restated. The impact in 1Q18 was Euro 323 thousand and in 1Q17 Euro 385 thousand.

Note that in 1Q18, a radio advertising campaign was launched in February, dedicated to home textiles, and a short TV campaign was launched in March on Mediaset networks, focused on "brand awareness" for large domestic appliances.

As at 31 March 2018, the Pick&Pay and Lockers network was optimised to 132 Pick&Pays and 297 automatic lockers (134 and 309 as at 31 December 2017). The Pick&Pay delivery services are now extended to all Marketplace merchants, offering their customers, and not just ePRICE customers, the opportunity to pay for products when they are collected.

The Marketplace performance, which reached 1,633 merchants and achieved growth of 26% in the quarter, was driven by an increase in the electronics segment. Note that Infocommerce and B2B services are not included in the GMV.

In terms of Key Performance Indicators the following trends can be identified:

	Q1 2018	Q1 2017	% Change
Orders (thousands)	*191*	*224*	*-14.5%*
AOV (Euros) [1]	*233*	*219*	*+6.4%*
Buyers (thousands)[2]	*149*	*171*	*-12.7%*

In 1Q18 191 thousand orders were managed, -14.5% compared with 1Q17, with an average value (AOV) of Euro 233, up 6.4%, mainly driven by the mix towards high-ticket categories (Electronics and Domestic Appliances) while low-ticket categories moved to the Marketplace. Lastly, the number of buyers was 149 thousand, down approximately 12.7% compared to 1Q17, also as a result of limited TV advertising investments during the quarter.

Reclassified consolidated income statement

The table below illustrates the Reclassified Income Statement for the first quarter of 2018, compared with the corresponding period of the previous year, by destination according to the formats used by Group management control. In the following statement, the Revenues total is stated net of revenues for logistics, IT and administrative services performed in favour of entities sold and restated as a reduction in related costs. As a result of the entry into force of international accounting standard IFRS 15, revenues from the sale of product guarantees, to the extent that the obligation to take action is fulfilled by third parties, was reported net of the related purchase costs with the ePRICE Group acting as agent. Consequently, the comparison figures were restated. The impact in 1Q18 was Euro 323 thousand and in 1Q17 Euro 385 thousand.

[1] Average order value (excluding VAT).
[2] Customers with at least 1 order in the period.

(thousands of Euros)	31 March 2018	% of total revenues	31 March 2017*	% of total revenues	% Change
Total revenues	**38,992**	100.0%	**45,375**	100.0%	-14.1%
Cost of sales[3]	(32,683)	-83.8%	(38,175)	-84.1%	-14.4%
Gross profit[4]	**6,309**	**16.2%**	**7,200**	**15.9%**	**-12.4%**
Sales and marketing costs	(2,789)	-7.2%	(2,618)	-5.8%	6.5%
Logistics costs	(4,732)	-12.1%	(4,832)	-10.6%	-2.1%
IT costs	(390)	-1.0%	(234)	-0.5%	66.8%
General and administrative expenses	(1,814)	-4.7%	(1,946)	-4.3%	-6.8%
Adjusted EBITDA	**(3,416)**	**-8.8%**	**(2,431)**	**-5.4%**	**40.5%**
Non-recurring costs and income and stock option plans	(93)	-0.2%	(407)	-0.9%	-77.3%
EBITDA	**(3,508)**	**-9.0%**	**(2,838)**	**-6.3%**	**23.6%**
Depreciation, amortisation and impairment	(1,958)	-5.0%	(1,452)	-3.2%	34.8%
EBIT	**(5,466)**	**-14.0%**	**(4,290)**	**-9.5%**	**27.4%**
Net financial expenses	22	0.1%	1	0.0%	N/A
Share of the result of associates	(159)	-0.4%	(189)	-0.4%	-15.9%
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**(5,603)**	**-14.4%**	**(4,478)**	**-9.9%**	**25.1%**
Net profit (loss) from discontinued operations	785		699		**N/A**
NET PROFIT (LOSS)	**(4,818)**	**5.1%**	**(3,779)**	**-6.4%**	**N/A**

* restated pursuant to IFRS 15

Gross Profit

Gross Profit was Euro 6,309 thousand, down Euro 891 thousand, equal to 12.4% compared with the corresponding period of the previous year (Euro 7,200 thousand), presenting a lower decline than that of revenues. In percentage terms, the Gross Profit to Revenues ratio was equal to 16.2%, an improvement compared to 15.9% recorded in the first quarter of 2017 and, in particular, a marked improvement from 14.7% recorded in the fourth quarter of 2017. This confirms the strategy announced during the presentation of the Business Plan aimed at recovering margins by developing the Marketplace, the "pricing" policy, and the contribution of "rebates" from our suppliers.

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

[4] **Gross Profit** is represented by net revenues minus the cost of goods sold and is a management control indicator used by Group management to monitor and measure its sales performance. Gross Profit is not identified as an accounting method 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 method for evaluating the Group sales performance. Since the composition of the Gross Profit is not regulated by reference accounting standards, the calculation criterion applied by the Group may not be standardised with the one adopted by others and, as such, is not comparable. The impact of Gross Profit on revenues is calculated by the Group as the ratio between the Gross Profit and Total Net Revenue.

Adjusted EBITDA

Adjusted EBITDA stood at Euro -3,416 thousand, a decline of approximately 40% compared to Euro -2,431 thousand in the first quarter of 2017.

The change is mainly attributable to the contraction of Gross Profit associated with the reduction in revenues, as described above.

With regard to other costs, sales and marketing costs increased +6.5% compared to the first quarter of 2017, mainly due to the investment envisaged for the TV campaign in March, while IT costs showed an increase of Euro 150 thousand (+66.8%) compared to the first quarter of 2017, but were down compared to the last quarter of 2017 (-8.8%). The increase from the first quarter of 2017 is mainly linked to the implementation of the new business ERP system in 2017 with the associated maintenance costs.

Logistics costs decreased 2.1% compared to the first quarter of 2017 due to the reduction in revenues volumes, while general and administrative expenses decreased by approximately 7%, confirming the cost control and reduction process announced during the presentation of the new Business Plan in March.

The breakdown of Operating profit (loss) and adjusted EBITDA is provided below:

(in thousands of Euros)	31 March 2018	% of revenues	31 March 2017	% of revenues
Operating profit (loss)	(5,466)	-14.0%	(4,290)	-9.5%
+ Depreciation, amortisation and impairment	1,958	5.0%	1,452	3.2%
Non-recurring costs and stock option plans	93	0.2%	407	0.9%
Adjusted EBITDA	**(3,416)**	**-8.8%**	**(2,431)**	**-5.4%**
EBITDA	**(3,508)**	**-9.0%**	**(2,838)**	**-6.3%**

EBITDA for the first quarter of 2018 was Euro -3,508 thousand, down 23.6% and included the costs for stock option plans of Euro 57 thousand and non-recurring costs of Euro 36 thousand related to reorganisation expenditures. In the first quarter of 2017, non-recurring costs of approximately Euro 407 thousand were recognised, including costs for stock option plans of Euro 102 thousand and Euro 305 thousand for logistics costs incurred following the first implementation phases of the new ERP (SAP) system, which required extra goods movement and services activities for customers.

EBIT

EBIT totalled Euro -5,466 thousand compared to Euro -4,290 thousand in the first quarter of 2017, as a result of lower EBITDA, as described above. Depreciation and amortisation increased by 34.8% compared to the first quarter of 2017, mostly due to sizeable investments made in 2017 and for the implementation of the company's new ERP system and the new logistics centre in Truccazzano.

Earnings before tax from continuing operations

EBT was Euro -5,603 thousand, compared with Euro -4,478 thousand in the first quarter of 2017. Financial income, net of expenses, totalled Euro 22 thousand, essentially in line with the previous year's value (net income for Euro 1 thousand). The share of the result of associates, amounting to net expenses of Euro 159 thousand, is not significantly different from the corresponding value in 2017 when net expenses of Euro 189 thousand were recorded.

Profit (loss) from discontinued operations

The result from assets held for sale and discontinued operations refers mainly to the earn-out share already accrued after certain contractually-planned conditions were satisfied from the sale of the Vertical Content division to the Mondadori Group, collected in April 2018 after closing of the reporting period.

ANALYSIS OF KEY RESULTS FROM THE STATEMENT OF FINANCIAL POSITION

The following table presents the statement of financial position reclassified by sources and uses:

(thousands of Euros)	31 March 2018	31 December 2017
USES		
Net Working Capital	3,938	(5,452)
Fixed assets	40,177	40,996
Long-term assets	8,985	8,992
Personnel provisions	(2,037)	(2,024)
Long-term liabilities	(438)	(438)
Net Invested Capital	**50,625**	**42,074**
SOURCES		
Liquidity/Net Financial Debt	8,029	21,339
Shareholders' equity	(58,654)	(63,415)
TOTAL FUNDING SOURCES	**(50,625)**	**(42,074)**

Net Working Capital

Net Working Capital dropped by Euro 9,390 thousand mainly due to the reduction in trade payables for Euro 13,311 thousand, partially offset by a decrease in inventories and, to a lesser extent, in trade receivables. In particular, the net reduction in trade payables was influenced by the seasonality that led to significant purchases in the final part of the year, partly settled in early 2018. The decrease in inventories was partly affected by seasonal changes, which result in higher stocks towards the end of the year, and partly by the decision to facilitate the migration to the marketplace of certain categories unbundled from services.

The table below provides a breakdown of Net Working Capital:

(in thousands of Euros)	31 March 2018	31 December 2017
Inventories	15,292	20,270
Trade and other receivables	8,477	8,908
Trade and other payables	(22,972)	(37,737)
Trade Working Capital	**797**	**(8,559)**
Other current receivables and payables	3,141	3,107
Net Working Capital	**3,938**	**(5,452)**

Fixed assets

Fixed assets fell by Euro 819 thousand, specifically due to investments in intangible assets of Euro 1,019 thousand during the period, investments in tangible assets totalling Euro 103 thousand and to subscription to a share capital increase of the associate Il Post totalling Euro 175 thousand, all of which net of depreciation and amortisation for Euro 1,958 thousand.

Shareholders' equity

Shareholders' equity decreased during the period from Euro 63,414 thousand to Euro 58,654 thousand mainly due to the comprehensive income, negative for Euro 4,818 thousand. An increase of Euro 57 thousand was also seen in the stock option reserve against costs associated with the incentive plans for employees and directors.

The total number of treasury shares held by the company was 1,023,202, unchanged compared to 31 December 2017.

The breakdown of the Net Financial Position is provided below, in accordance with the CONSOB Communication of 28 July 2006 and in compliance with the ESMA/2011/81 Recommendations.

Net Financial Position

(thousands of Euros)	31 March 2018	31 December 2017
(A) Cash	(122)	(150)
(B) Other cash and cash equivalents	(13,006)	(20,944)
(C) Securities held for trading	-	-
(D) Liquidity (A)+(B)+(C)	**(13,128)**	**(21,094)**
(E) Current financial receivables	(2,004)	(2,877)
(F) Current financial payables	5,000	-
(G) Current portion of non-current debt	2,003	2,001
(H) Other current financial payables	82	94
(I) Current financial debt (F)+(G)+(H)	**7,085**	**2,095**
(J) Liquidity/Net current financial debt (D)+(E)+(I)	**(8,047)**	**(21,876)**
(K) Non-current bank payables	-	501
(L) Bonds issued	-	-
(M) Other non-current payables	19	35
(N) Non-current financial debt (K)+(L)+(M)	**19**	**536**
(O) (Liquidity)/Net Financial Debt (J)+(N)	**(8,029)**	**(21,339)**

As at 31 March 2018, the Group reported net liquidity of Euro 8,029 thousand. The change compared with 31 December 2017 was mainly due to the funds used in operations totalling Euro 12,020 thousand, and in the investment activities described above totalling Euro 1,291 thousand. During the period, the Group obtained a short-term loan of Euro 5 million, with repayment expected within 12 months. The absorption generated by operations is largely due to the reduction in payables due to suppliers, which was particularly high at 31 December 2017.

RESEARCH, DEVELOPMENT AND INNOVATION

Development activities are of particular importance for the Group: the aim is to conceive new solutions and new products and services to be included in the range offered by ePRICE, and to continuously innovate existing products and services, including with regard to the introduction of new technologies and new business development models. The Group takes an interdisciplinary approach, the greatest strength of which lies in the close collaboration between development, production and marketing, in order to respond quickly and effectively to constant changes in preferences expressed by consumers.

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. The Group continued to develop the technology platform by integrating components available on the market as much as possible. The benchmark architectural paradigm follows a structure exposed to services in which the software components can be integrated and cooperate through standard technologies.

The development of a platform for the management of specialist local services related to the world of household appliances (MDA) and the construction/activation of the premium delivery and professional installation network both continued. This network is being developed to provide a system to manage transportation and installation services, designed particularly for sales of domestic appliances. The platform includes many innovative services: for example, the availability and scheduling of installers can be managed in real time; an operator monitors the customer order end-to-end (and a dedicated call centre is provided); a sequence of blocking questions that are nestable and differentiated by product type is presented to the customer while the features of the service are being defined (e.g. floor, availability and width of lift access, width of staircase, etc.); the customer is informed about the technical installer who will come to their home; and service prices are compared with a standard list.

The expansion of the access infrastructure and DataCenters has continued, specifically the storage has been increased and new security software for access to corporate applications has been purchased.

The Group is also investing in new management platforms, such as the pricing platform, which will enable better monitoring of competition and customer behaviour, or the new WMS, which will allow for even more proactive management of the entire logistics function.

The Group has also made further investments in the new Group ERP, which was commissioned in the first quarter of 2017, although certain development activities were carried out at the time of its launch.

Right to waive the obligation to publish an information document in the event of material transactions

The Issuer has exercised the option to waive the obligation provided for in Art. 70, para. 6 and Art. 71, para. 1 of the Issuer Regulations, as defined by Art. 70, para. 8 and Art. 71, para. 1-bis of the Issuer Regulations.

SIGNIFICANT EVENTS IN THE PERIOD

On 8 March 2018, the CEO Pietro Scott Jovane resigned with effect from 15 April 2018. The Board of Directors conferred management powers on the Chairman, Paolo Ainio, who will also take on the role of CEO. Mr. Jovane will retain the 975,000 stock options that had already accrued at the effective date of the termination of employment. The Shareholders' Meeting approved the proposal of the shareholder Paolo Ainio, who owns 22.88% of the Company's share capital, to appoint Roberto Mazzei as a new member of the Board of Directors of ePrice S.p.A. to replace Pietro Scott Jovane following his resignation. Mr. Mazzei will remain in office until the expiry of the current Board's mandate, that is, until the Shareholders' Meeting called to approve the financial statements as at 31 December 2018.

In March 2018, the Group subscribed Euro 175 thousand to the share capital increase of the associate Il Post S.r.l., after which, due to certain shareholders' failure to subscribe, the investment increased from 38.16% to 38.92%.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE PERIOD

No significant events affecting this interim report occurred between the closing date for the period and the approval of this report.

In April the Group acquired a further 7.8% interest in Apprice Sagl at a price of around Euro 140 thousand, increasing its investment from 17.2% to 25%.

OUTLOOK

As illustrated in the financial statements as at 31 December 2017, on 8 March 2018 the board of ePRICE approved the updating of the ePRICE strategic plan guidelines for the period 2018-2013, which are based on strong, coordinated development in the sale of large domestic appliances, strong growth of the marketplace and the opening of its own platform to new services aimed at Italian consumers and their families.

The 2018-2023 strategic plan confirms and updates the 4 strategic guidelines indicated in the plan presented to the market in November 2016:

Through leadership in the core categories (Large Domestic Appliances, TVs and Climate Control) on a 1st party basis, ePRICE expects to increase its sales in the core categories, and also increase the importance of brands, with positive effects on profits, and it will leverage its service capabilities, which are a distinctive factor of ePRICE. The new logistics centre, which was commissioned in Q3 17, will gradually increase available capacity by 50%.

The expansion of the Marketplace, also thanks to the more marked movement of categories unrelated to service and to the introduction of new categories. The penetration of the marketplace on the GMV of these categories - excluding core categories - is expected to gradually reach 50%.

Consolidation of the Pick&Pay network, which currently covers about 92% of the population and has a Net Promoter Score[5] of around 80 (best sales channel according to this criterion). The Pick&Pay channel has demonstrated customer loyalty, encouraging repeat purchasing thanks to the possibility of the customer benefiting from free delivery.

Gradual growth of ePRICE as a Services platform to complete the existing offer of core category products (Large Domestic Appliances, TVs and Climate Control and, in the future, Smart Homes), but also as a platform for maintenance and repair services by leveraging the existing network of installers. In fact, Home Service is proving to be an extremely effective factor for loyalty creation. The goal is to double the installer network from the current level of 500 installers.

In management's opinion, the action plans implemented and described above will allow the ePRICE Group in 2018 to consolidate its leadership in service-driven categories and achieve strong growth in the Marketplace. The greatest emphasis will be placed on defending profitability, even at the expense of a reduction in revenues growth, and on a decisive move of several categories to the Marketplace, where revenues is accounted for only to the extent of the commission.

[5] The Net Promoter Score is calculated by subtracting the percentage of detractors from the percentage of promoters obtained.

These measures will result in improved EBITDA in 2018, including through a more streamlined organisation, and an efficiency plan implemented in recent months that projects efficiencies of 20%. Company budgets show a sustainable growth in cash flow and a positive financial position at year-end 2018.

In the years following 2018, the impact of measures already taken will generate strong GMV and revenues growth driven by large domestic appliances, services and the 3P marketplace, and an EBITDA margin at 5-6% in the medium term thanks to the efficiency plan implemented starting in 2018, the strong growth in the GED and the increase in Marketplace and Services penetration.

The plans also show positive cash flow effects in 2018 and 2019 generated by divestments and earn-outs from the sales of BMH and Saldiprivati.

The results achieved and the measures under way lead us to project that the goals stated in plans will be achieved, and that the operating and financial situation of ordinary operations can be sustained.

Consolidated Financial Statements as at 31 March 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euros)	31 March 2018	31 December 2017
NON-CURRENT ASSETS		
Plant and equipment	7,470	7,788
Intangible assets	28,043	28,560
Investments in associates	2,294	2,278
Non-current financial assets	2,370	2,370
Other non-current assets	285	292
Deferred tax assets	8,700	8,700
TOTAL NON-CURRENT ASSETS	**49,162**	**49,988**
CURRENT ASSETS		
Inventories	15,292	20,270
Trade and other receivables	8,477	8,908
Other current assets	13,406	14,680
Cash and cash equivalents	13,129	21,094
TOTAL CURRENT ASSETS	**50,304**	**64,952**
TOTAL ASSETS	**99,466**	**114,940**
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY		
Share capital	826	826
Reserves	62,646	87,338
Profit (loss) for the period	(4,818)	(24,750)
TOTAL SHAREHOLDERS' EQUITY	**58,654**	**63,414**
NON-CURRENT LIABILITIES		
Payables to banks and other lenders	19	536
Personnel provisions	2,037	2,024
Provisions for risks and charges	360	360
Other non-current liabilities	79	78
TOTAL NON-CURRENT LIABILITIES	**2,495**	**2,998**
CURRENT LIABILITIES		
Trade and other payables	22,972	37,737
Payables to banks and other lenders	7,085	2,095
Other current liabilities	8,260	8,696
TOTAL CURRENT LIABILITIES	**38,317**	**48,528**
TOTAL LIABILITIES	**40,812**	**51,526**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**99,466**	**114,940**

CONSOLIDATED STATEMENT OF PROFIT (LOSS) BEFORE TAX

(in thousands of Euros)	31 March 2018	31 March 2017*
Revenues	39,891	46,879
Other income	117	42
Costs for raw materials and goods for resale	(32,192)	(37,879)
Costs for services	(9,065)	(9,524)
Personnel expenses	(2,164)	(2,252)
Depreciation, amortisation and impairment	(1,958)	(1,452)
Other costs	(95)	(104)
Operating profit (loss)	**(5,466)**	**(4,290)**
Financial expenses	(21)	(28)
Financial income	43	29
Share of the result of associates	(159)	(189)
Profit (loss) before tax from continuing operations	**(5,603)**	**(4,478)**
Net profit (loss) from discontinued operations	785	699
Profit (loss) for the period	**(4,818)**	**(3,779)**

* restated pursuant to IFRS 15

CONSOLIDATED STATEMENT OF CASH FLOW

(in thousands of Euros)	31 March 2018	31 March 2017
NET CASH FLOW FROM OPERATIONS		
Net result from operations	(5,603)	(4,478)
Adjustments to reconcile profit for the period with cash flow generated by operations:		
Depreciation and Amortisation	1,958	1,452
Bad debt provision	0	0
Employee benefit fund provision	108	124
Inventory write-down	0	200
Employee benefit fund change	(96)	(235)
Share of the result of associates	159	189
Change in other non-current liabilities	2	16
Other non-monetary items	57	102
Changes in working capital		
Change in inventories	4,978	271
Change in trade receivables	431	1,590
Change in other current assets	1,187	182
Change in trade payables	(14,765)	(11,461)
Change in other payables	(436)	538
Cash flow from discontinued operations	-	-
NET CASH FLOW GENERATED (ABSORBED) BY OPERATIONS	**(12,020)**	**(11,510)**
NET CASH FLOW FROM INVESTMENT ACTIVITIES		
Acquisition of tangible assets	(103)	(1,046)
Change in other non-current assets	6	5
Acquisition of intangible assets	(1,019)	(2,503)
Purchase of associates	(175)	(300)
Other investments	0	0
Cash flow from discontinued operations	0	0
NET CASH FLOW GENERATED (ABSORBED) BY INVESTMENT ACTIVITIES	**(1,291)**	**(3,844)**
CASH FLOW FROM FINANCING ACTIVITIES		
Financial payables	4,473	4,252
Share capital increase	0	47
Current financial receivables	873	891
Treasury shares	0	(156)
Cash flow from discontinued operations	-	-
NET CASH FLOW ABSORBED BY FINANCING ACTIVITIES	**5,346**	**5,034**
(Decrease)/Increase in cash and cash equivalents	(7,965)	(10,320)
CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD	**21,094**	**54,711**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**13,129**	**44,391**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium	Legal reserve	Treasury shares	Stock Option reserve	Other capital reserves	Retained earnings (losses)	FTA Reserve	Employee benefits	Total
Balance as at 31 December 2017	**826**	**125,194**	**164**	**(3,211)**	**796**	**538**	**(60,132)**	**(487)**	**(273)**	**63,415**
Profit (loss) for the period							(4,818)			(4,818)
Other components of comprehensive income										0
that will not subsequently be reclassified in profit (loss) for the period										0
that will subsequently be reclassified in profit (loss) for the period										0
Comprehensive income							(4,818)			(4,818)
Transactions on treasury shares										0
Share capital increase										0
Share-based payments					57					57
Allocation of the result										0
Balance as at 31 March 2018	**826**	**125,194**	**164**	**(3,211)**	**853**	**538**	**(64,950)**	**(487)**	**(273)**	**58,654**

	Share capital	Share premium	Legal reserve	Treasury shares	Stock Option reserve	Other capital reserves	Retained earnings (losses)	FTA Reserve	Employee benefits	Total
Balance as at 31 December 2016	**821**	**124,153**	**1**	**(2,585)**	**554**	**538**	**(30,067)**	**(486)**	**(86)**	**92,843**
Profit (loss) for the period							(3,779)			(3,779)
Other components of comprehensive income										
that will not subsequently be reclassified in profit (loss) for the period									(1)	(1)
that will subsequently be reclassified in profit (loss) for the period										
Comprehensive income							(3,779)		(1)	(3,780)
Transactions on treasury shares				(157)						(157)
Share capital increase		47								47
Share-based payments					102					102
Balance as at 31 March 2017	**821**	**124,200**	**1**	**(2,742)**	**656**	**538**	**(33,846)**	**(486)**	**(87)**	**89,055**

STATEMENT PURSUANT TO ART. 154-BIS, PARA. 2, ITALIAN LEGISLATIVE DECREE 58/1998

The Manager Responsible for Preparing the Financial Reports of ePRICE S.p.A., Emanuele Romussi, declares, pursuant to Article 154-bis of the Consolidated Finance Law, that the accounting information contained in this Consolidated Interim Directors' Report of the ePRICE Group as at 31 March 2018 is in keeping with the underlying accounting documents, records and accounting entries.

The Manager Responsible for Preparing the Financial Reports
Emanuele Romussi