



STAR CONFERENCE PRESENTATION

LONDON, OCTOBER 23RD, 2018

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ePRICE: PRESENTING TODAY



Emanuele Romussi
CFO

- Joined Banzai (today ePRICE) in 2010
- Previously: CFO & Deputy General Manager at IPSOS
- Head of Finance at AVNET



Gabriele Colasanto
Investor Relator &
Corporate Development Manager

- Joined Banzai (today ePRICE) in 2014
- Previously 11 years in consultancy at The European House-Ambrosetti
- Marketing at IBM



The European House
Ambrosetti

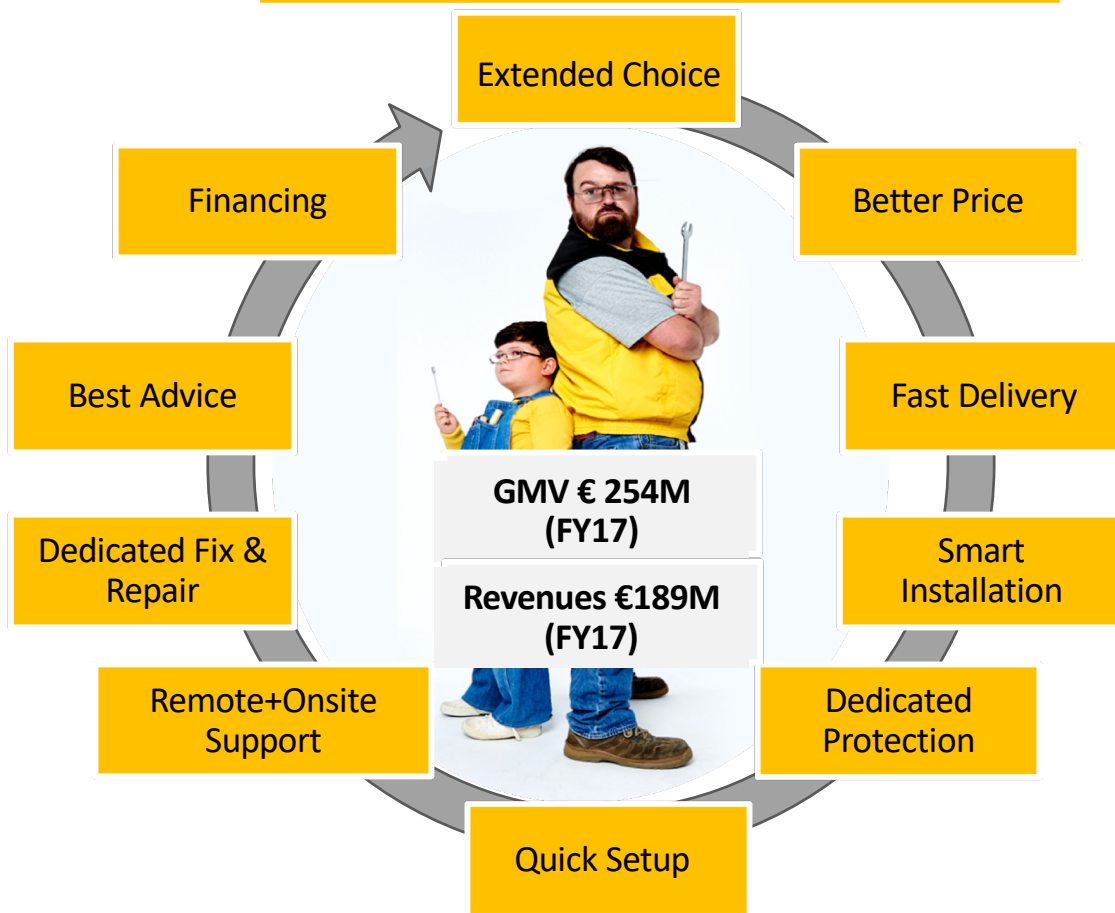




ePRICE AT A GLANCE

"Serving the evolution of Italian households"

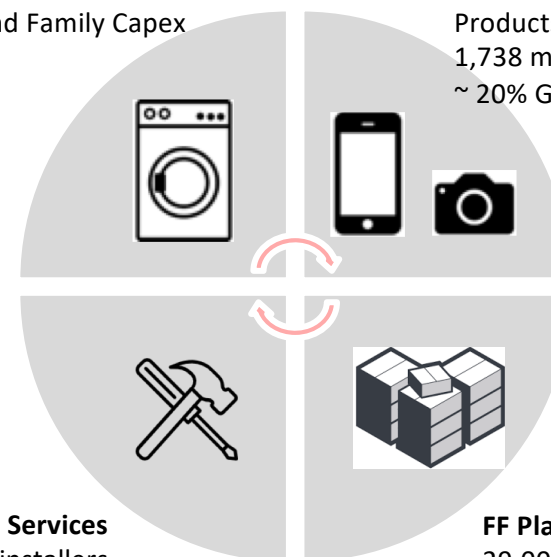
A unique online offer to cover customer needs...



...powered by a complete e-Commerce platform

1P Core Sales
Online leadership on
MDAs and Family Capex

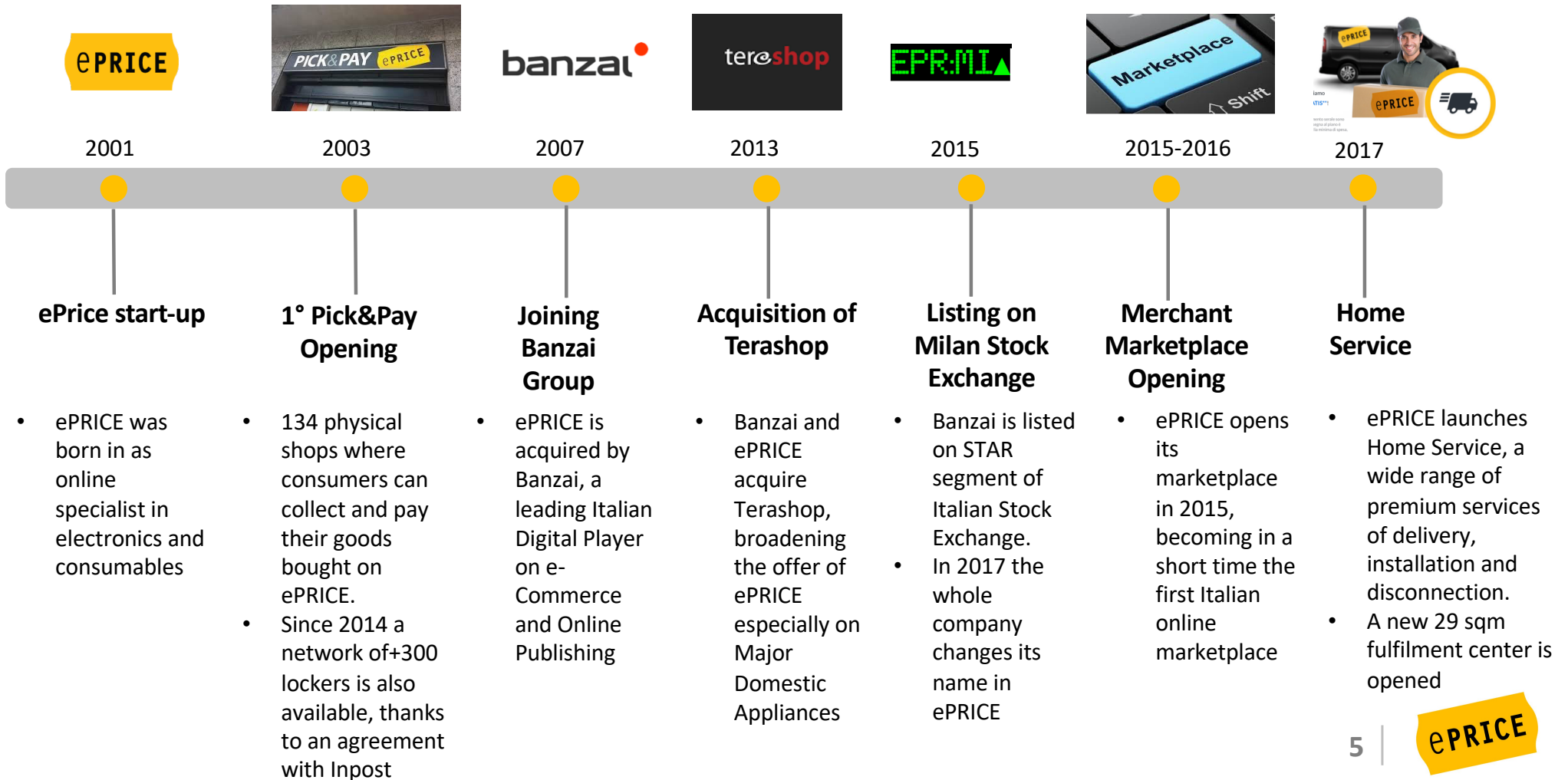
3P Marketplace Sales
Competitive on Long Tail Tech
Products
1,738 merchants
~ 20% GMV



Premium Services
~600 installers
Proprietary
Service Platform
134 Pick&Pay &
290 automatic
lockers

FF Platform
29.000 sqm FF Center
~ 1M boxes/year all
over Italy

ePRICE: A BIT OF HISTORY

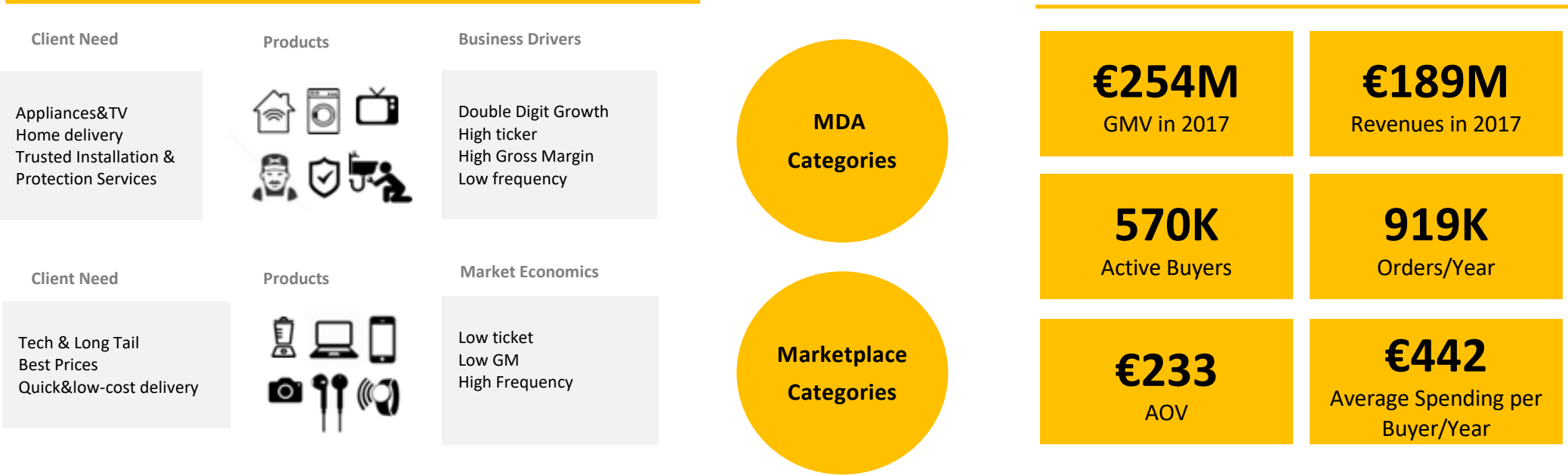




ePRICE : MAIN OFFER STRUCTURE AND KPIs

Offer strategic view
(presented in march 2018)

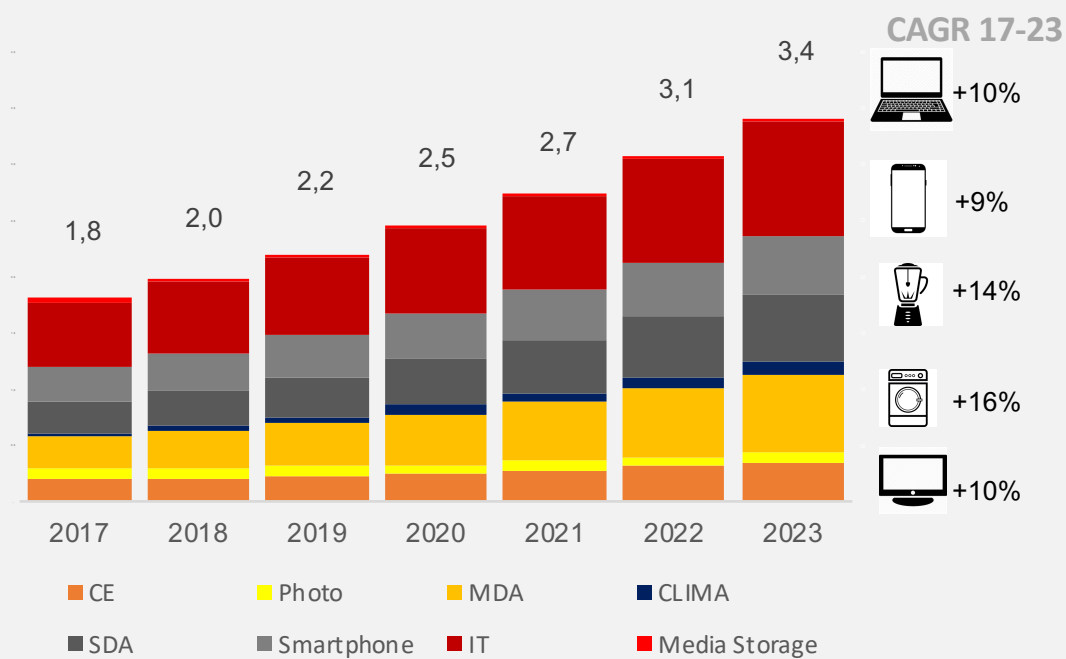
FY 2017
KPIs



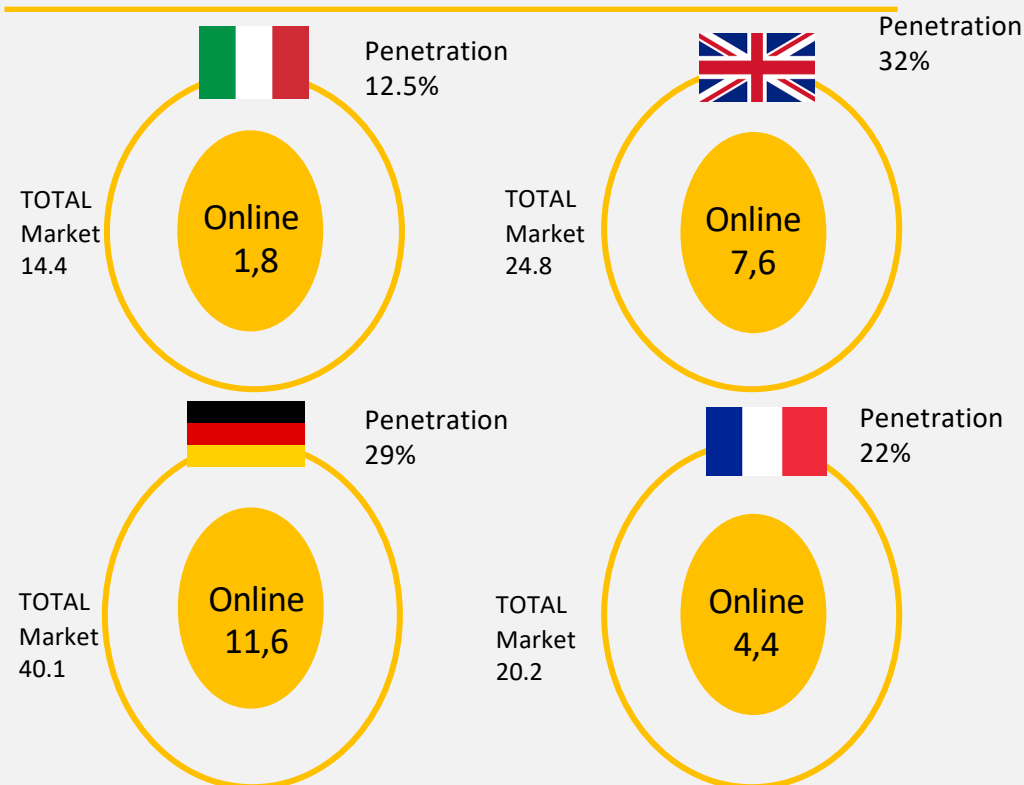
2018-2023 A CONSERVATIVE MARKET PROJECTION FOR ITALIAN ONLINE TECH&APPLIANCES MARKET

Tech&Appliances Online Market 2018 to 2023 by cat
(€BN, % CAGR)






TOTAL ONLINE MARKET CAGR 2017-2023: +11.2%



Tech&Appliances Total and Online Market 2017
in some EU countries (€BN, Penetration %)



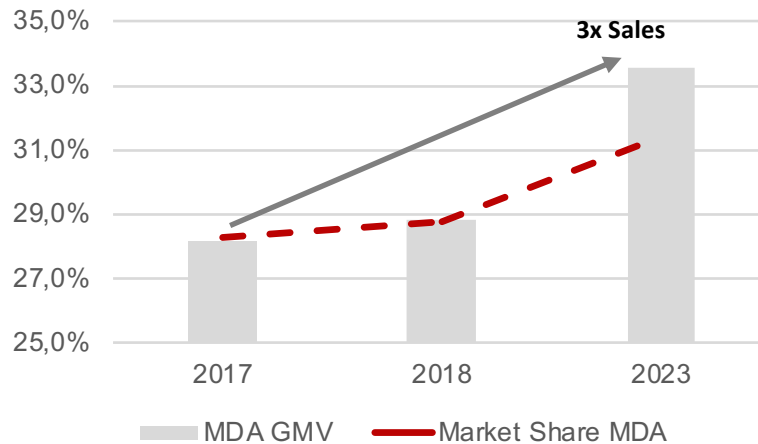
POSITIONING : THE ONLINE LOCAL PLAYER WITH A DIFFERENTIATED APPROACH

		Hitech offline specialists			Online generalists	
						
Categories	Appliances	✓	✓	✓	✓	✓
	Tech	✓	✓	✓	✓	✓
	Clothes	✗	✗	✗	✓	✓
	Food, Toys, ecc.	✗	✗	3P Marketplace	✓	✓
Online Business Model	3rd Party Marketplace	✗	✗	✓	✓	✓
Delivery	Pick&Pay	457 stores	215 stores	134 P&P + 285 lockers	Postal Offices +150 lockers (growing)	✗
	Day after	Limited to specified CAP	✗	Limited to specified CAP	✓	✗
	Night & weekend	✗	✗	Only weekend	✓	✗
Premium Services	Floor Delivery	✓	✓	✓	✗	✗
	Installation	✓	✓	✓	✗	✗
Payment options		Most	Most	All, including cash and checks	Credit Card only	Most
Financing		✓	✓	✓	✗	✗

LEADERS IN MDAs 1P SALES, ON TRACK TO MULTIPLY OUR SIZE AND RELEVANCE VS. MAJOR BRANDS

APPLIANCES LEADERSHIP = RELEVANCE

ePRICE MDA Sales 2017-2023 projections



2023 TARGETS

c.1.5x

direct purchases from
key vendors

c. 300 bps

Margin increase
vs '17

>2.5x

Purchasing power
with key vendors

NEW FULFILMENT CENTER FULLY OPERATIONAL



- up to 50.000 sqm (x2 vs today) close to Milan logistic junctions
- Higher automation
- multicategory
- multibusiness model

STRATEGIC VIEW

- Service-driven sales key to category leadership
- Relevance vs. brands drives higher margins & better SLAs
- New fulfilment center improves metrics & service

OUR HOME SERVICE CUSTOMER CENTRIC PLATFORM MAKES ePRICE FROM OTHER LOCAL PLAYERS

PRE DELIVERY: REAL TIME INFORMATION FLOW

Consegna puntuale
Fissa l'appuntamento in base alle tue disponibilità

Mercoledì 23 ottobre	Mercoledì 24 ottobre
8-12	8-12
10-14	10-14
12-16	12-16
15-19	15-19

Scegli tu il giorno e la fascia oraria che preferisci al momento dell'ordine

Ti comunichiamo l'orario preciso di arrivo del tecnico il giorno prima della consegna

Ti mandiamo una notifica poco prima dell'arrivo del tecnico

Before Delivering: Checklist

Rispondendo ad un rapido questionario online, il cliente trasmette al tecnico una serie di informazioni pratiche, come la presenza di una ZTL o vincoli alla viabilità per la consegna del prodotto, la dimensione dell'ascensore, delle porte e delle scale, le caratteristiche del locale in cui verrà posizionato l'elettrodomestico, l'ubicazione degli scarichi, ecc... Se lo desidera, il cliente può anche inviare immagini degli ambienti, così da aiutare il tecnico a prepararsi al meglio prima dell'intervento, rendendo più efficace e ridurre gli inconvenienti.

VOTA IL TECNICO MAIL -1 GG SMS MAIL CONFERMA

Il tuo ordine è confermato

Ciao Elisa, grazie per l'ordine su ePRICE. Il tuo numero d'ordine è 5469751. Importo € 437,48.

Riceverai gli appuntamenti al **calendario** con data e orario. Puoi anche ricevere gli appuntamenti al **calendario** con data e orario. Puoi anche ricevere gli appuntamenti al **calendario** con data e orario.

Se hai una domanda o un problema, non esitare a contattarci.

Giulia
Servizio clienti ePRICE

Cristian
Il tecnico che verrà a casa tua.

Rispondi a poche e semplici domande per organizzare l'appuntamento con il tecnico.

INDICA ORA

Scegli la fascia oraria in cui preferisci ricevere il tecnico. Il tecnico verrà a casa tua.

Riepilogo ordine

Consegna e installazione con tecnico qualificato. Appuntamento: **martedì 26 aprile dalle 12:00 alle 14:00**. Consegna a: **Elisa via 20154 Milano (MI)**. Appuntamento effettuato con: **Fabio**.

INSTALLAZIONE LAVATRICE

Casa senza
Alcune lavatrici necessitano di un collegamento idrico e di un collegamento elettrico. Il tecnico si occuperà di verificare la presenza di questi collegamenti e, se necessario, di installarli. Il cliente dovrà fornire l'accesso all'area di lavoro e, se necessario, di installare un interruttore differenziale a 30 mA.

Non è prevista installazione di kit colore lavatrice a incasso. Non sono autorizzati a smontare i kit delle porte. Non sono autorizzati a smontare i kit delle porte. Non sono autorizzati a smontare i kit delle porte.

Prodotti e servizi acquistati	Prezzo	Qtà	Totale
CANDY - Lavastoviglie G102	€ 429,99	1	€ 429,99
595TWC - Alise Capacità Lav/Asc. 85 Kg Classe A Velocità 1500 giri	€ 10,00	1	€ 10,00
• Rifiuto usato			Gratuito
Totale ordine			€ 439,99
Spese di spedizione			€ 10,00
Spese IVA			€ 27,49
TOTALE ORDINE			€ 437,48

Contattaci per domande o chiarimenti, sono sempre a tua disposizione.

Giulia

THE DAY OF DELIVERY: ONLINE TRACKING

Il tuo ordine 5469751 è in arrivo

Ciao Elisa,

Il nostro tecnico Cristian sarà da te domani. In caso di bisogno, o per avvisarti quando sta per arrivare, ti contatteremo al numero

Per domande o chiarimenti sono a tua disposizione.

Giulia
Servizio clienti ePRICE

Cristian
Il tecnico che verrà a casa tua.

APPROLE
MARTEDÌ 26
12:00-16:00

Appuntamento **MARTEDÌ 26 APRILE**
Arrivo stimato **12:10-13:10**
Durata stimata **40 min**

Riepilogo ordine

Consegna a Elisa 20154 Milano (MI)

CANDY - Lavastoviglie G102
595TWC - Alise Capacità Lav/Asc. 85 Kg Classe A Velocità 1500 giri

• Rifiuto usato

Contattaci per domande o chiarimenti, sono sempre a tua disposizione.

Giulia

ORDINE 43243243

Fabio sta effettuando le consegne. L'arrivo previsto a casa tua è alle ore **14:30-15:30**. Se hai un problema, **contattaci**

Mappe Satellite Parco di Villa Giulia

Michele
È il tecnico che verrà a casa tua. È un professionista specializzato in impianti termoidraulici. Area Milano Brianza

Vota il nostro servizio

Ciao Elisa,

Il nostro tecnico Cristian ha completato la tua installazione. Vogliamo offrirti un servizio sempre migliore e per questo la tua opinione è preziosa. Dedica un minuto per dirci **come andata la tua installazione**.

Valeria
servizio clienti

AIUTACI A MIGLIORARE
Ti basterà 1 minuto.

VOTA IL NOSTRO SERVIZIO

Informazioni utili

- I tuoi acquisti e l'installazione sono **garantiti 2 anni**.
- Per qualsiasi problema, difetto o non conformità, puoi aprire una richiesta di intervento nella tua **area personale**.
- Il riepilogo del tuo acquisto #5051420 e la **fattura** sono disponibili nella tua **area personale**.

Vuoi proteggere per altri **3 anni** i tuoi nuovi elettrodomestici? Estendi il servizio di assistenza tecnica **Acquista Garanzia3** da € 35,99

Contattaci per domande o chiarimenti, sono sempre a tua disposizione.

Valeria

DISTINCTIVE ASSETS

- Online scheduling
- Proprietary Platform
- Ready4APP Mobile solutions
- Integrated with ePRICE cart and CRM

MARKETPLACE DRIVING TRAFFIC AND SUSTAINABLE GROWTH

UNIQUE FEATURES OFFERED TO MERCHANTS



MARKETPLACE PATTERN GROWTH IN H1 18 & FUTURE YEARS

#4.5M

Offers (+50% vs. FY 16)

#2.2 M Unique Prdcts

#1,740

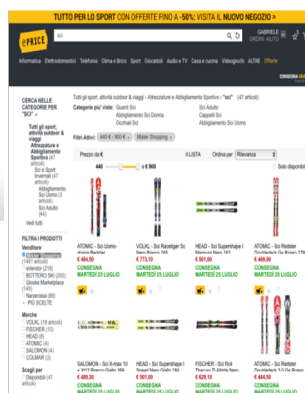
Current sellers
(+50% vs. H1 17)

#10 MN

Offers in 2023

#8,000

Sellers in 2023
(c. 5X vs. FY 2017)



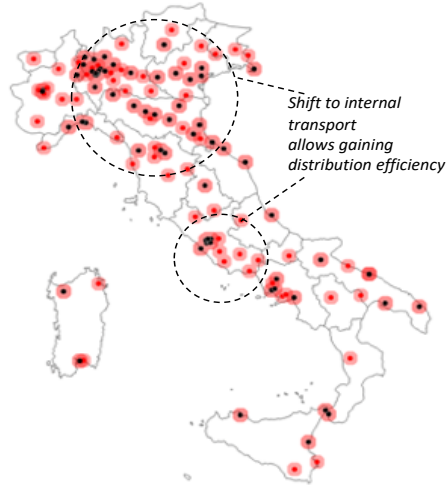
MARKETPLACE ROADMAP

- **Pick&Pay** network extended to selected merchants in 2017, soon open to all
- **Internazionalization**: ongoing project with other marketplaces
- **ePRICE Home Service extension** attachable to 3P Marketplace Sales
- **Logistic**: 3P products fulfilled by ePRICE

A NATIONAL PLAYER WITH LOCAL COVERAGE: 130 PICK&PAY, 297 LOCKERS, 600 TECHNICIANS ALL OVER ITALY

P&P PLATFORM EXPANSION HAS BEEN COMPLETED

Pick&Pay Stores distribution



c.40% Christmas
Season volumes
+8% share vs. 17

78
NPS⁽¹⁾

**Progressively opening the network to 3rd
parties in order to saturate and extend
Pick & Pay 2023**

HOME SERVICE PLATFORM: BUILDING COMPETITIVE ADVANTAGE



c. 600
Home technicians
today

72
NPS⁽¹⁾

**Expanding service range to new verticals
and to maintenance & repair
Home Service 2023**

(1) Net Promoter Score is a management tool that can be used to gauge the loyalty of a firm's customer relationships. It can be as low as -100 (everybody is a detractor) or as high as +100 (everybody is a promoter). An NPS that is positive (i.e., higher than zero) is felt to be good, and an NPS of +50 is excellent.

SMARTER MARKETING INVESTMENTS TO DRIVE TRAFFIC AND BRAND AWARENESS (C. 72% AIDED BRAND AWARENESS WITH A SMALL BUDGET)

UNAIDED
BRAND
AWARENESS¹

SHARE OF VOICE TV
ADV YTD 2018²

"BRANDED PROMOS" AND PARTNERSHIPS TO AMPLIFY EPRICE BRAND RELEVANCE

unieuro
Batte. Forse. Sempre.



30,0%

25/30%

MediaWorld



41,0%

15/20%

ePRICE



17,0%

4/6%

amazon



79%

20/25%



AIDED RETAIL BRAND
AWARENESS
C. 72%



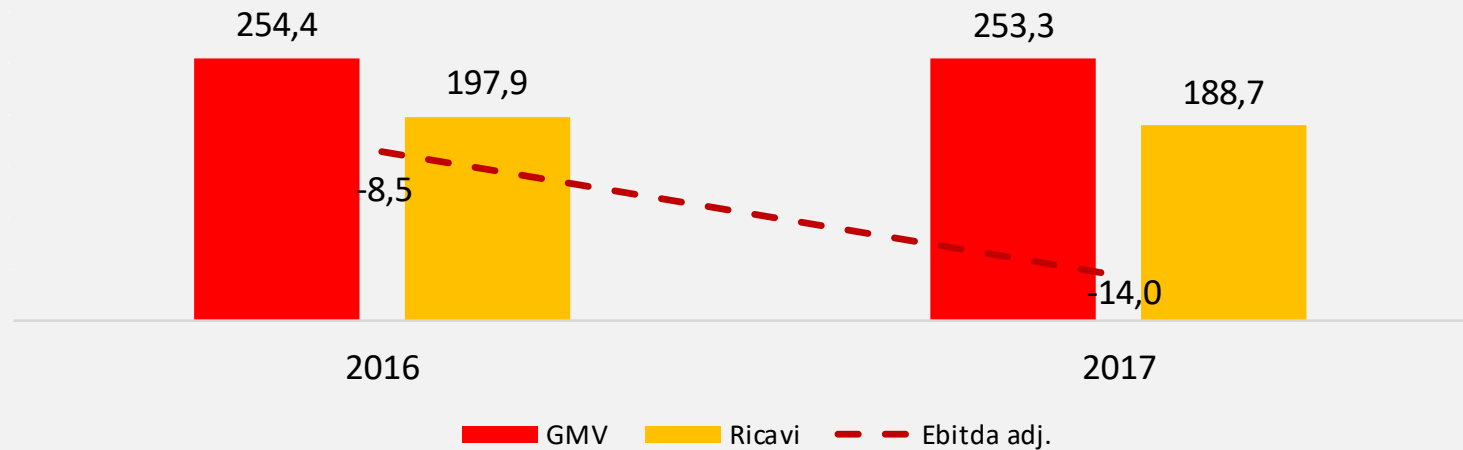
1) Unaided Online Brand Awareness as YTD 2018

2) Average Share of Voice YTD 2018



FY 17 GMV& REVENUES DROVE THE COMPANY TO A NEW STRATEGY

ePRICE GMV, REVENUES AND EBITDA, € MN ⁽¹⁾



Core, Service driven	MDA	Confirmed MDA online market share, driving warranties and services sales as well
	TV	TV market share increasing vs. a declining market, waiting for 2022 new big switch
	CLIMA	Clima growing double digit, benefitting also from hot summer weather
Long tail categories shifting to marketplace	IT	IT GMV double digit growth, thanks to shift to marketplace
	Components	Components GMV double digit Up YoY
	Telco	Telco shifting to marketplace: suffering from Telco operator competition
	SDA	SDA decreasing market share due to Amazon's price pressure
	Marketplace	Marketplace up 44% YoY in FY, gaining speed reaching c.15% weight on GMV

(1) **Gross Merchandise Volume** includes revenues from products, shipping and 3P marketplace sales, net of returns and VAT included. **Revenue from services** includes deliveries, warranties, B2B, ADV&Infocommerce and other revenues. GMV from services does not include B2B, ADV&Infocommerce

FY 18: THE NEW STRATEGY DROVE TO SPECIFIC ACTIONS

Ongoing Key Actions at ePRICE

H1 focus

H2 focus

HR + G&A

Headcount Optimisation

✓ OK

100%

G&A efficiencies

✓ +10%
since
Q1

80%

Mgmt Compensation & non cash MBO

✓ OK

100%

GROSS MARGIN

Marketplace Empowerment

✓ +30%
since
Q1

60%

Vendor Relationship

✓ +20%
since
Jan

60%

Pricing Strategy

✓ +20%
since
Q1

50%

OPERATIONS

Fulfilment Efficiency

✓ Slow

35%

IT Organization Redesign

✓ +10%
since
Jan

80%

Damaged Goods & Returns Control

✓ Slow

35%

xx% = Achieved progress as of July 2018

Planned actions worth up to 15-20% of 2017 cash costs
(in terms of savings + improved margin) or
up to c. 10 M€ in FY18, back-end loaded

Q2&H1 18 HIGHLIGHTS

1

Execution of 2018 Strategic Guidelines delivering results: focus on margins and cost efficiency have led to € -0.4 MN Ebitda in Q2 vs. € -4.9 MN in Q2 17

2

Revenues decreased due to the reduction in sales with negative contribution, but growth was preserved on **Major Domestic Appliances** and **3P Marketplace**

3

Gross Margin progressed faster than expected: **+180bps in H1, +340bps in Q2.** Already very close to FY Target.

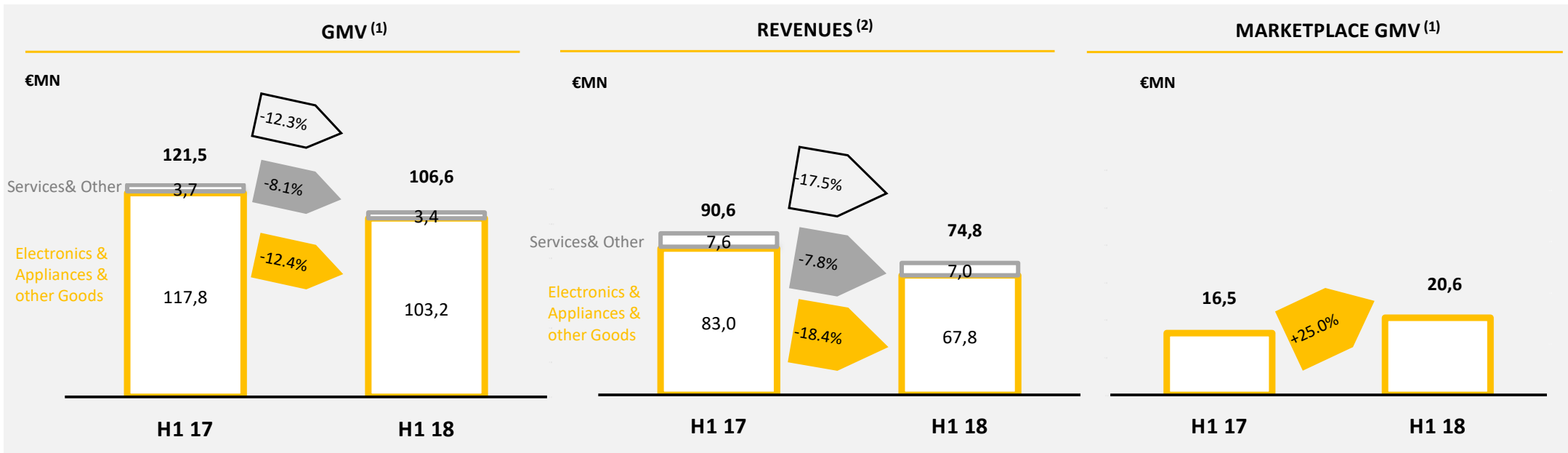
4

Operational efficiency uplift, while far from full deployment, begins to be evident. **Fixed Cost Reduction** almost fully implemented.

5

Cash consumption (excl. dividend): **-33% in H1 and -78% in Q2** (€ 14.8M vs. € 22.0 MN in H1, € 1.5M vs € 6.6 MN in Q2)

H1 18 GMV & REVENUES (1) (2)



Core,
Service
driven

MDA

confirming stable market share, shift from offline to online market going on, our premium Home Service NPS stable above 70

TV

Tough moment in Italian retail, ePRICE focused on margin recovery

CLIMA

Weaker than expected results due to very different seasonality compared to 1 year ago

Long tail
categories

Marketplace

Double digit growth, with more sellers (+50% YoY), c. 20% weight on GMV vs.c. 13% one year ago and significant projects under development

IT & Components

Total volumes down but marketplace volumes +70%

Telco

Marketplace focusing on acceleration (+30%)

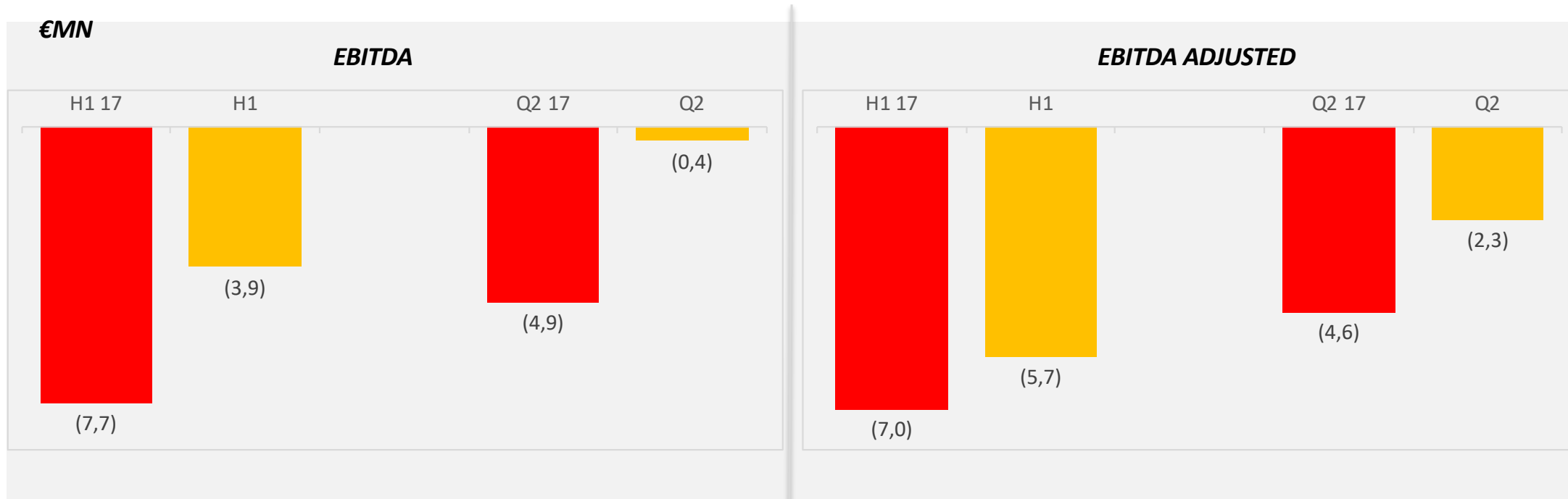
SDA

Still facing Amazon's strong pressure on the category

(1) **Gross Merchandise Volume** includes revenues from products, shipping and 3P marketplace sales, net of returns and VAT included.

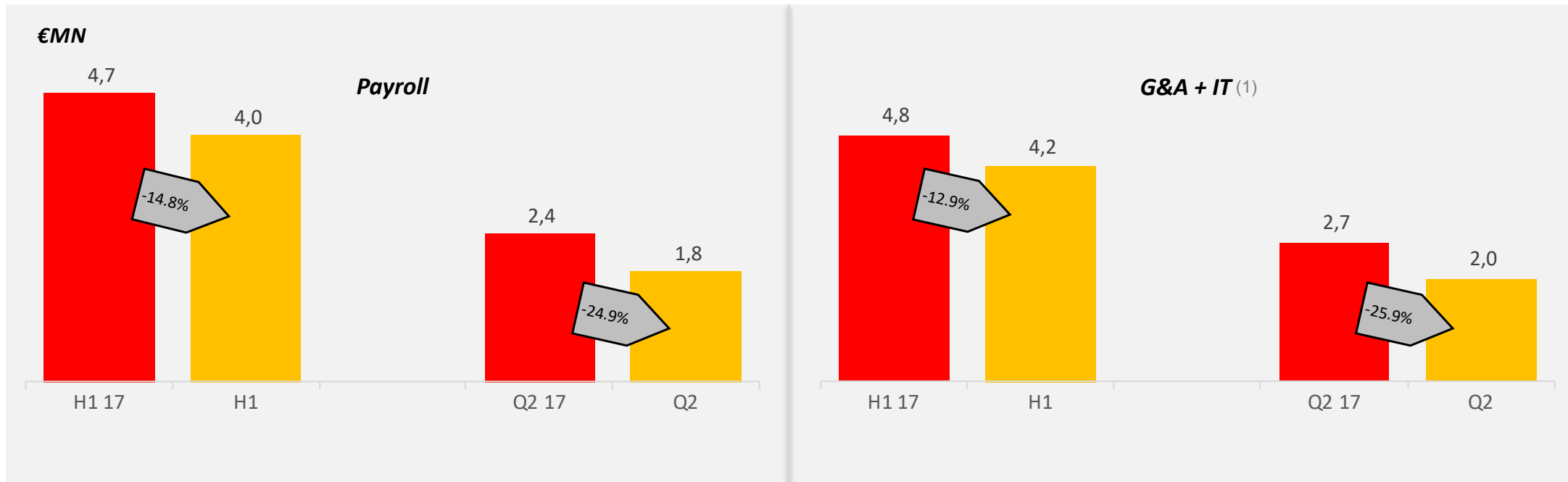
(2) **Revenue from services** includes deliveries, warranties, B2B, ADV&Infocommerce and other revenues. GMV from services does not include B2B, ADV&Infocommerce; **Services&other** have been restated and now include warranties.

EARLY RESULTS OF EXECUTION: EBITDA LOSSES HALVED IN H1



- Ebitda losses halved in H1
- Q2 Ebitda almost at break-even: Eu -0.4M vs. -4.9M in Q2 17
- Showing remarkable acceleration on Q over Q basis
- Expecting further improvements in H2

FIXED COSTS EFFICIENCY: -25% ON PAYROLL, -26% ON G&A AND IT COSTS IN Q2

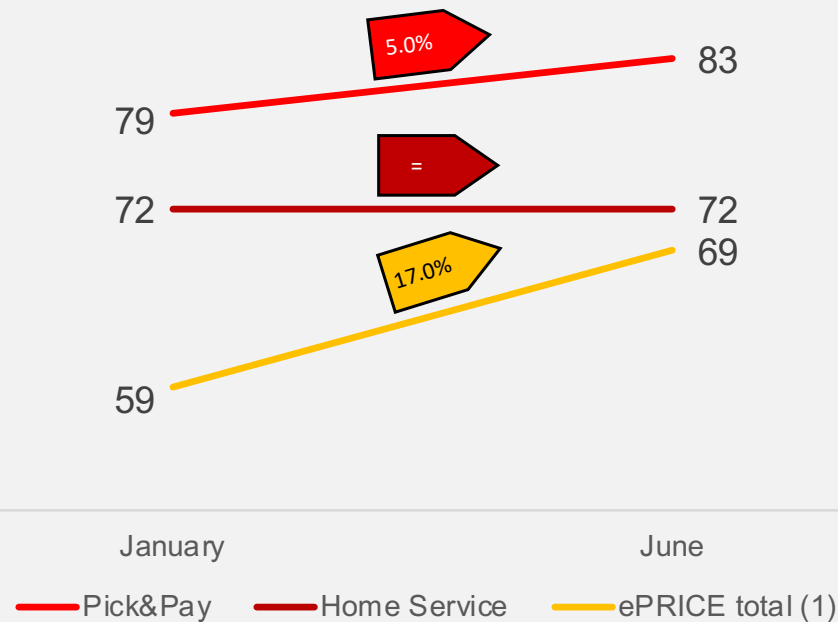


- Headcount optimization (-25 employees)
- Renegotiation of G&A contracts and consultants reduction

(1) Excluding R&D Tax credit contribution

COSTS DOWN, CUSTOMER SATISFACTION UP

NET PROMOTER SCORE ePRICE, H1 2018



During H1 18, **ePRICE improved its Total NPS by 17%**. Streamlining processes for efficiency has also improved our level of technical and delivery services and while company costs are coming down, customer satisfaction is going up by 10 points in 6M.

Pick&Pay Network is confirmed as a top satisfaction channel, growing by 3 points.

Home Services deliveries maintain a very high level of satisfaction.

Survey only on ePRICE 1P Sales, no marketplace included
Survey made at 10/07/2018

(1) ePRICE Total NPS is made by the average weighted on the number of respondents

The **Net Promoter Score** is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. It is used as a proxy for gauging the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand.

ACCELERATING EXECUTION IN Q2: FOCUS

€MN, %

- Key Actions on P&L

	Q1	Q2	DELTA
Gross Margin	16.2%	16.7%	50 bps
Ebitda	(3.5)	(0.4)	+3M

- Key Actions on Cash

	Q1	Q2	DELTA
Cash consumpt.	(13.3)	(1.5)	-11,8M
NFP	8.0	6.5	-1,5M



- Key actions on Costs

	Q1	Q2	DELTA
G&A	(1.8)	(1.5)	-29% *
Payroll	(2.2)	(1.8)	-19%

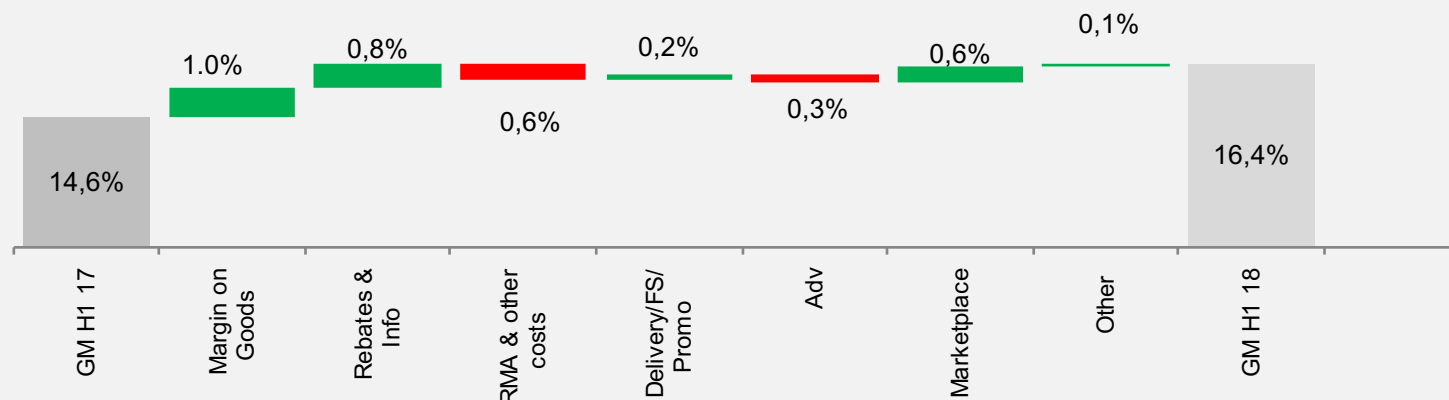
- Key Actions on Volumes

	Q1	Q2	DELTA
Marketplace	25%	26%	=
MDAs	-1.8%	13%	14,8%

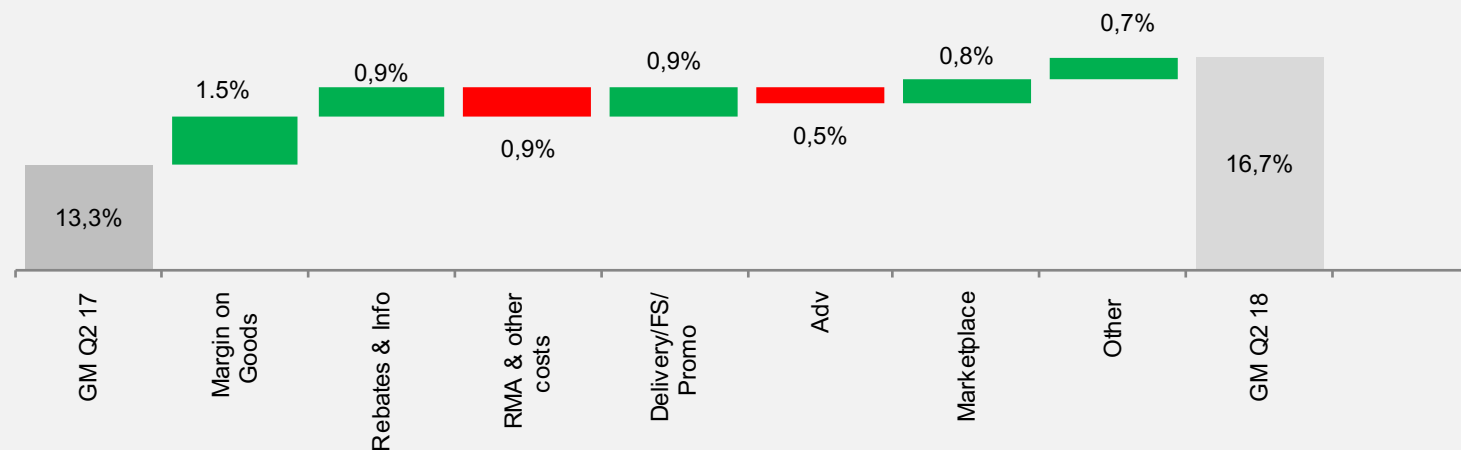
*= not including 0,8M tax credit contribution

ePRICE GROSS MARGIN H1 & Q2

H1 18 Gross Margin vs. H1 17 Gross Margin (% of revenues)



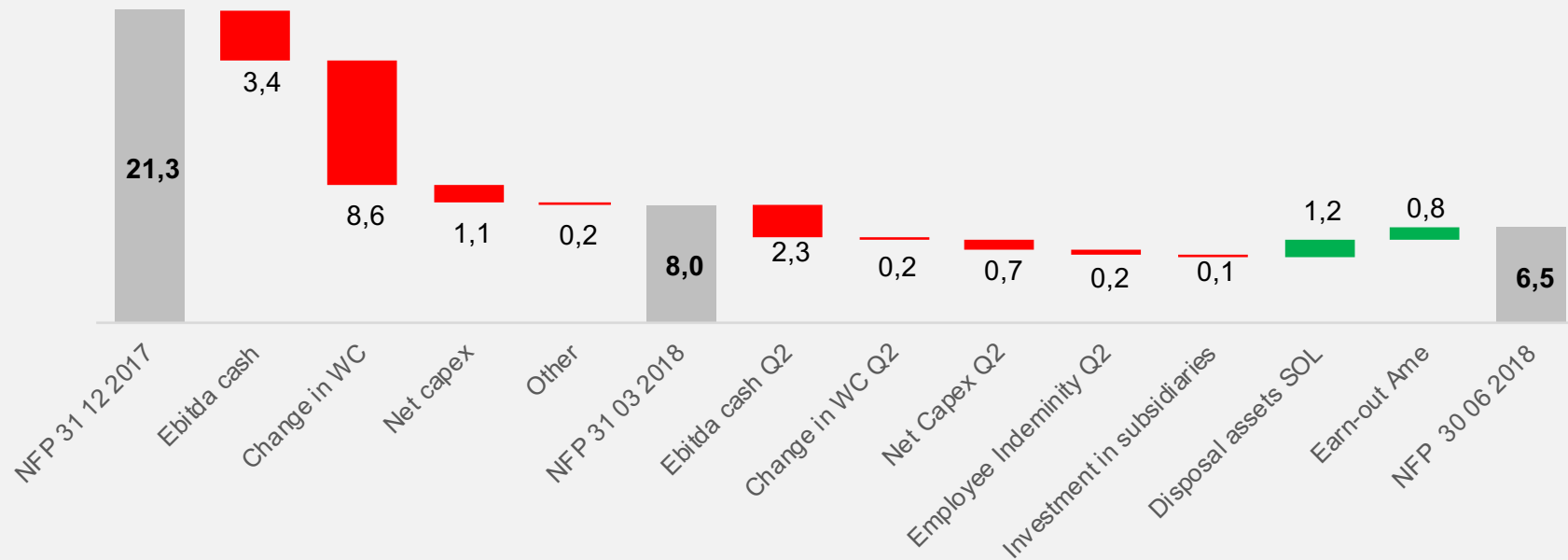
Q2 18 Gross Margin vs. Q2 17 Gross Margin (% of revenues)



- GM +180 bps YoY in H1, +340bps YoY in Q2
- Improvement due to reduced revenues with negative contribution, and increased marketplace contribution
- Damaged products impact still negative, to be improved in H2
- Negative impact from reduction of co-marketing TV Campaigns

Q2 18 NFP EVOLUTION VS. Q1 18

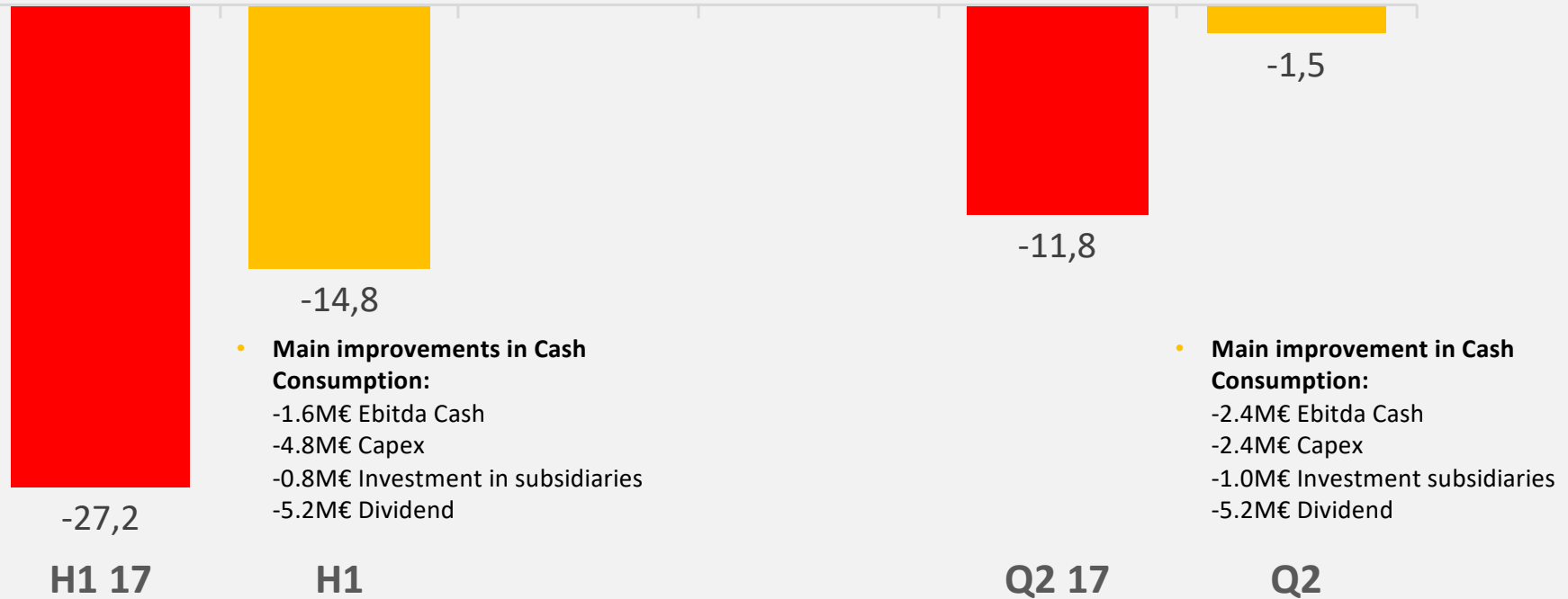
€ MN



Cash Consumption
down to 1.5M€
from 13.3M€ in Q1


CASH CONSUMPTION VS. H1 & Q2 17

€MN



**PERSPECTIVE
& PEERS**

TARGET MODEL

	2017	2018	TARGET	DRIVERS
MARKET GROWTH TECH&APPLIANCES	c.10%	c.10%	10% - 12%	Conservative growth Shutdown of offline stores
GMV	€ 253M	mid single digit increase	2x	Market Growth, Marketplace, MDA
REVENUES	€189M	slight decrease	2x	Core Cat Market Growth, Infocommerce, B2B
GROSS MARGIN before Transport	14.7%	+200/400 bps	22%-26%	Marketplace growth, Mix&Sourcing, Rebates, Infocommerce and Efficiency
MARKETING	7.2%		5.0% - 6.0%	Core Categories Focus, Brand Awareness
FULFILMENT TRANSPORT & INTERNAL	10.4%		10.0% - 11.5%	Scale & efficiency program offset by B2B development. FF includes Transport and Installation.
IT + G&A	4.5%		2.0% - 3.0%	Efficiencies and scalability
EBITDA adj.	-7.4%	significant improv., back-end loaded	5% - 6%	 #1 specialty player, EBITDA enhanced by marketplace and services
CAPEX	2.8%	2.0 - 3.0%	2.0% - 3.0%	Recurring CAPEX

CONFIRMED GUIDELINES FOR 2018-2023

More conservative 2018-2023 market estimates after a disappointing year.

2018 efficiency plan with a leaner organization, worth up to 15-20% of 2017 cash costs (up to € 10 MN), back-end loaded.

Core Categories: confirmed leadership and focus on “Family Capex” (MDA, A/C, TV) and related services (warranties, delivery and installation, smart home).

Long tail/non service driven categories: accelerating shift to Marketplace to effectively cover demand and improve profitability (up to 50% penetration).

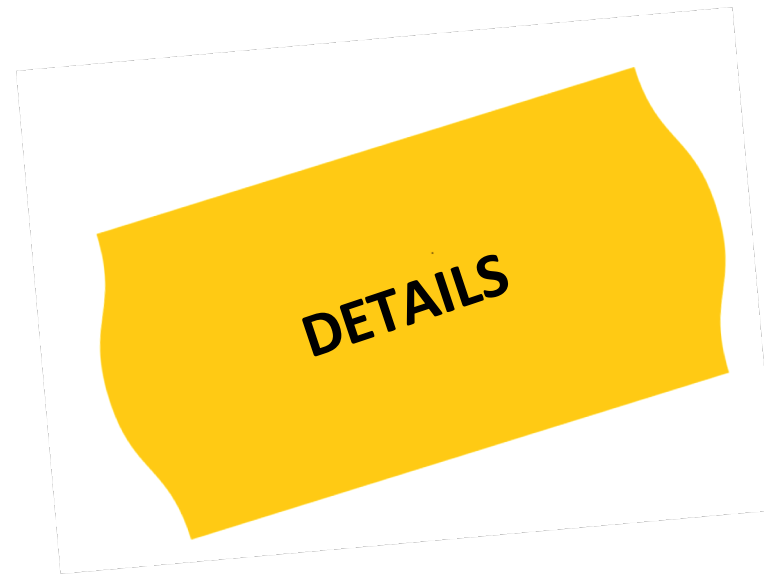
EBITDA and CF positive in 2019, including potential earn-outs and disposals.

NFP positive throughout the plan. Up to max. € 14 MN from earn-outs and disposals.

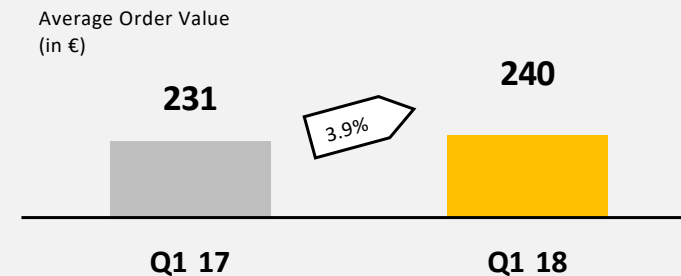
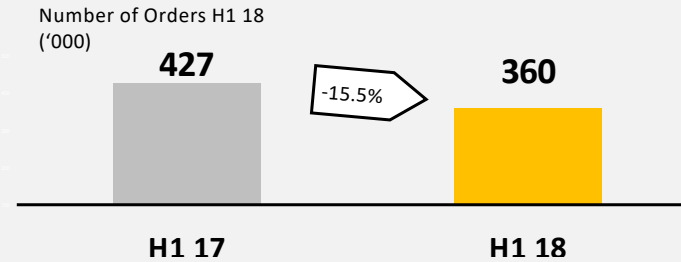
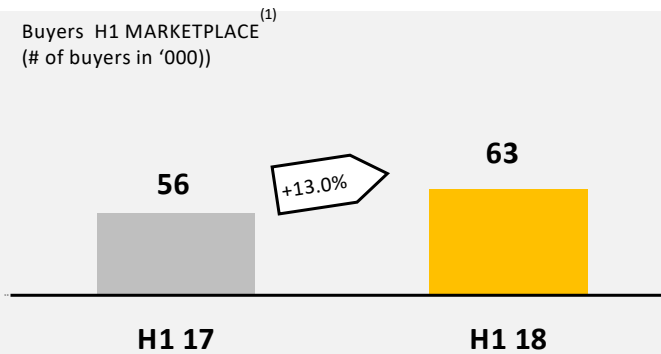
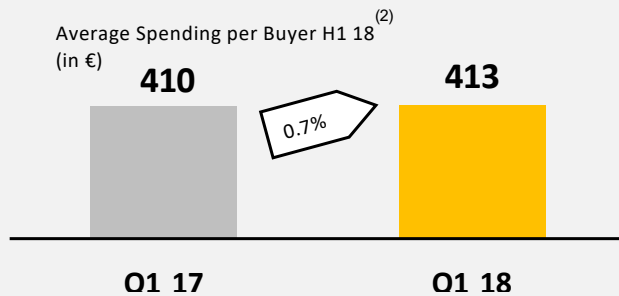
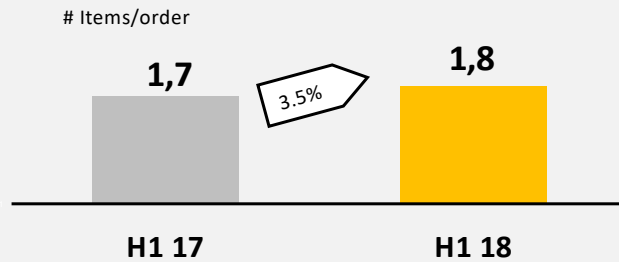
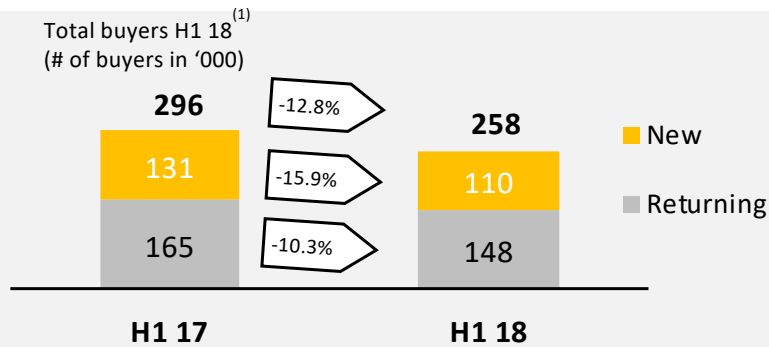
ePRICE PEERS – PERFORMANCE

(PRICES AS OF 19/10/18)

Company	Price	Mkt Cap	YTD %Chg	3Mo %Chg	6Mo %Chg	12Mo %Chg	EV/Sales	EV/Sales FY1	EV/Sales FY2	EV/EBITDA	EV/EBITDA FY1	EV/EBITDA FY2
ePRICE S.p.A.	1,57	66	-37.84%	11.32%	-20.67%	-44.77%	0,34	0,33	0,31	--	--	--
AO World Plc	1,61	741	30.32%	0.17%	1.00%	29.45%	0,77	0,69	0,62	--	136,47	36,65
Verkkokauppa.com Oy	4,19	189	-40.82%	-29.46%	-25.18%	-44.94%	0,38	0,36	0,32	14,59	14,84	10,53
ASOS plc	68,4	5723	-9.58%	0.61%	-2.30%	11.60%	2,05	1,67	1,37	31,63	24,12	18,95
Zalando SE	34,32	8594	-22.20%	-28.41%	-20.04%	-17.64%	1,57	1,43	1,18	31,81	31,37	23,35
boohoo group Plc	2,48	2861	16.86%	4.30%	41.98%	13.95%	3,23	2,76	2,13	38,23	28,87	22,62
SRP Groupe SA	4,72	163	-25.55%	-27.94%	-37.40%	-73.32%	0,26	0,25	0,23	--	20,99	15,65
zooplus AG	141,4	1015	-5.92%	-3.15%	-19.98%	-0.42%	0,8	0,72	0,59	--	172,7	63,53
Solutions 30 SE	39,2	948	53.73%	-10.60%	23.66%	52.71%	2,92	2,24	1,64	37,07	25,03	17,22
HomeServe plc	10,54	3505	15.55%	-2.98%	26.17%	15.08%	3,69	3,3	3,1	17,05	14,79	13,74



H1 18: CUSTOMER KPIS



(1) Some of marketplace buyers possibly duplicated and in common with total ePRICE buyers, which are unduplicated
 (2) Spending per Buyer is calculated on revenue from products, deliveries and revenue from 3P marketplace given, net of returns and VAT included

€MN

H1 18 CONSOLIDATED P&L

Profit & Loss	H1 2018	H1 2017	H1 YOY
Total Revenues	74.8	90.7	-17.5%
Cost of Revenues	-62.5	-77.5	-19.3%
Gross Profit	12.3	13.2	-7.0%
Gross Margin %	16.4%	14.6%	
Sales & Marketing	-5.9	-6.2	-6.1%
Fulfilment	-8.8	-9.2	-4.7%
IT	-0.9	-0.8	14.8%
G&A	-2.5	-4.1	-39.1%
EBITDA ADJUSTED	-5.7	-7.0	-19.3%
Ebitda Adjusted %	-7.6%	-7.8%	
Non recurring costs	1.7	-0.7	-356.0%
EBITDA	-3.9	-7.7	-48.9%
Ebitda %	-5.3%	-8.5%	
EBIT	-8.4	-10.7	-22.0%
Ebit %	-11.2%	-11.8%	
-			
EBT from continuing operations	-9.0	-11.0	-17.8%
Ebt %	-12.1%	-12.1%	
EBT from discontinued activities	3.3	0.7	
Net result	-5.8	-10.3	-44.2%
	-7.7%	-11.4%	

Comments

Gross Margin

GM up by 180 bps vs. H1 17 mainly due to improvement on margin on goods, marketplace contribution, vendor rebates and info-commerce revenues (see chart GM waterfall)

S&M

S&M decreases 6% YoY mainly due to HR cost reduction. Advertising expenses for clients acquisition incidence on GMV increases by 0.3 points

G&A

G&A costs decrease 39% YoY due to HR and corporate cost reduction and to 0.8M€ tax credits contribution for R&D (-20% without tax credits)

Non recurring

Includes positive contribution of 2M€ related to the early termination of the logistics services contract with SRP (cashed in July)

EBIT

EBIT impacted by Y/Y 47% depreciation increase due to SAP and fulfilment center Investments

EBT from discontinued activities

3.3M€ including earn-out from Banzai Media Disposal and SRP carve out related to Saldiprivati disposal

€MN

Q2 18 CONSOLIDATED P&L

Profit & Loss	Q2 2018	Q2 2017	Q2 YOY
Total Revenues	35.8	45.3	-21.0%
Cost of Revenues	-29.8	-39.3	-24.1%
Gross Profit	6.0	6.0	-0.6%
Gross Margin %	16.7%	13.3%	
Sales & Marketing	-3.0	-3.6	-15.6%
Fulfilment	-4.0	-4.4	-7.3%
IT	-0.5	-0.5	-7.3%
G&A	-0.7	-2.1	-68.4%
EBITDA ADJUSTED	-2.3	-4.6	-50.9%
Ebitda Adjusted %	-6.3%	-10.2%	
Non recurring costs	1.8	-0.3	-776.3%
EBITDA	-0.4	-4.9	-91.0%
Ebitda %	-1.2%	-10.8%	
EBIT	-2.9	-6.4	-55.1%
Ebit %	-8.1%	-14.2%	
EBT from continuing operations	-3.4	-6.5	-47.3%
Ebt %	-9.6%	-14.4%	
EBT from discontinued activities	2.5	0.0	
Net result	-0.9	-6.5	-85.7%
	-2.6%	-14.4%	

Comments

Gross Margin

GM up by 340 bps vs. Q2 17 mainly due to improvement on margin on goods, marketplace contribution, vendor rebates and info-commerce revenues (see chart GM waterfall)

S&M

S&M decreases 16% YoY mainly due to HR cost reduction.

G&A

G&A costs decrease 68% YoY due to HR and corporate cost reduction and to 0.8M€ tax credits contribution for R&D (-29% without tax credits)

Non recurring

Includes positive contribution of 2M€ related to the termination of the logistics services contract with SRP

EBIT

EBIT impacted by Y/Y 58% depreciation increase due to SAP and fulfilment center Investments

EBT from discontinued activities

2,5M€ including earn-out from SRP carve out related to Saldiprivati disposal (already cash in at the closing in Nov. 2016)

BALANCE SHEET

€ MN

Balance Sheet	31/12/17	31/03/18	30/06/18	Comments
Property, plant and equipment	7.8	7.5	7.0	Goodwill decrease (1.5MN) vs Q1 2018 is related to Sitonline disposal
Goodwill	14.3	14.3	12.8	
Intangible assets	14.3	13.7	13.1	
Financial assets	4.9	4.9	4.3	
TOTAL ASSETS	41.3	40.4	37.2	NWC increase vs Q1 2018 is mainly due to 2MN termination cost with SRP and 0.9 MN tax contribution credits for R&D, both registered in other receivables
NWC	(5.5)	3.9	7.7	
Deferred tax assets	8.7	8.7	8.7	
Provisions	(2.0)	(2.0)	(2.0)	
Other non current debts	(0.4)	(0.4)	(0.4)	
Net Invested Capital	42.1	50.6	51.2	
Net Equity	63.4	58.7	57.7	
Net Financial Position	(21.3)	(8.0)	(6.5)	
Total Sources	42.1	50.6	51.2	

€MN

H1 18 CASH FLOW

Cash flow	H1 2018 ACT	H1 2017 ACT	Var %
Net result	-9.0	-11.0	-18%
D&A	4.4	2.9	52%
Other non cash items	-1.2	0.8	-256%
Change in WC	-8.8	-8.6	2%
Cash flow from operations	-14.6	-15.9	-8%
Net capex	-2.1	-6.6	-69%
Other assets	0.2		
Disposal Assets	1.1		
Acquisition	-0.3	-1.4	-77%
Cash flow from investing activities	-1.0	-8.0	-87%
Cash flow investing from discontinued activities	0.8	1.2	-35%
Change in net equity	0	1.0	
Dividend paid		-5.2	
Treasury stock	0.0	-0.3	-100%
Change in financial credit (credit card)	1.5	-0.3	-585%
Change in bank debt	3.9	3.4	16%
Cash flow from financing activities	5.4	-1.4	-486%
CASH FLOW	-9.5	-24.1	-61%
Cash position at the beginning of quarter	21.1	54.7	
Cash position at the end of quarter	11.6	30.6	

Comments

Cash flow from operations and investing activities absorbed €15.6MN in H1 18 vs. €23.9MN in H1 17.
€8.3MN improvement is mainly due to reduction in Net Capex € (4.5 MN), Ebitda Cash € (1.5MN) and Acquisition € (1.1 MN)

Negative Change in WC due to seasonality, in line with last year.
DPO decreased over expectations reduced cash from WC for about € 2MN

Change in bank debt related to new short term bank loan provided in February 2018

€ MN

NET WORKING CAPITAL

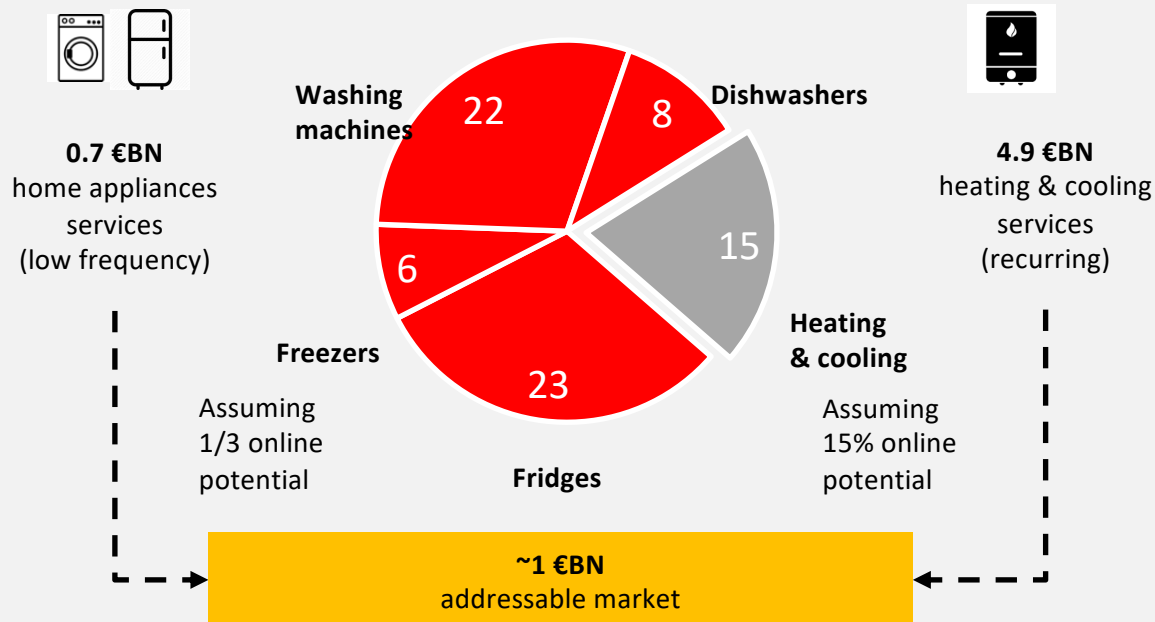
Net Working Capital	30/06/17	31/12/17	30/06/18
Inventories	20.0	20.3	16.1
Trade receivables	7.6	8.9	5.8
Trade Payables	(28.1)	(37.7)	(22.0)
Other receivables and payables	2.8	3.1	7.9
NET WORKING CAPITAL	2.3	(5.4)	7.7
DOI	47	47	47
DSO	13	12	11
DPO	44	57	41

2018-2023 ePRICE GUIDELINES: MORE POTENTIAL AHEAD

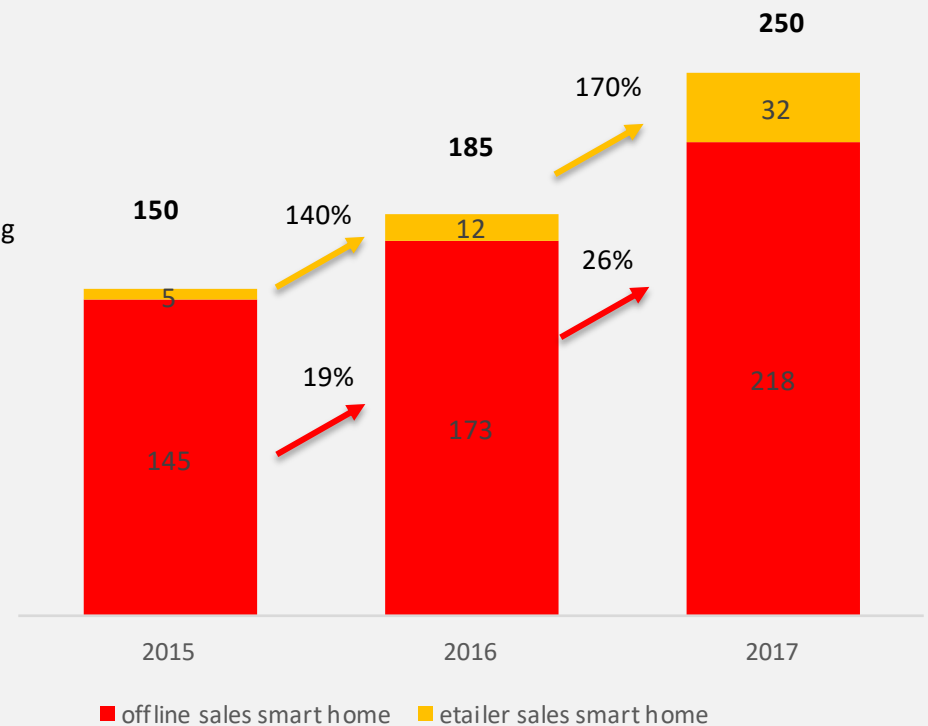
75 MILLION PRODUCTS REQUIRE INSTALLATION AND MAINTENANCE

SMART AND CONNECTED HOME OFFER RISING

MDAs & Home Comfort Devices Installed in Italy by Device (MN units)



Smart Home Market value in Italy (€MN)



- Repair & Maintenance services represent a huge potential in a totally fragmented MDA assistance market
- Smart Home Solutions market could be worth between 600 and 800 €MN in 2023