

YOOX NET-A-PORTER GROUP

Ordinary Shareholders' Meeting
27 April 2016 – single call
Directors' Report on items on the agenda

(PURSUANT TO ART. 125-TER OF LEGISLATIVE DECREE 58/1998, AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED)

YOOX NET-A-PORTER GROUP

YOOX NET-A PORTER GROUP S.P.A. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015. DIRECTORS' REPORT. REPORT OF THE BOARD OF STATUTORY AUDITORS PURSUANT TO ART. 153 OF LEGISLATIVE DECREE 58/1998 AND THE INDEPENDENT AUDITORS' REPORT. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015. RELATED AND CONSEQUENT RESOLUTIONS.

Dear Shareholders,

the Board of Directors of YOOX NET-A-PORTER GROUP S.p.A. ("YNAP" or the "Company") has called the ordinary Shareholders' Meeting to ask you to approve the draft financial statements for the year ended 31 December 2015.

The financial statements for the year ended 31 December 2015 show, after Euro 18,365,587.02 million (eighteen million three hundred and sixty five thousand five hundred eighty seven point five) of non-recurring items relating to the merger, that the net income in 2015 was negative at Euro 11,350,537.07 million (eleven million three hundred and fifty thousand five hundred thirty seven point seven).

In this regard, please see the management report prepared by the Board of Directors, already available for Shareholders.

Consolidated financial statements at 31 December 2015 show net income of Euro 16,608,135.01 (sixteen million six hundred and eight thousand one hundred and thirty five point one). We thus propose the following:

- to approve the financial statements of YOOX NET-A-PORTER for the year ended 31 December 2015, showing a net loss of Euro 11,350,537.07 million (eleven million three hundred and fifty thousand five hundred thirty seven);
- to partially use the distributable reserve retained earnings to absorb the loss of euro 11,350,537.07 million (eleven million three hundred and fifty thousand five hundred thirty seven);
- to increase the legal reserve up to Euro 260,251.77 (two hundred and sixty thousand two hundred and fifty one point seventy seven), equal to 20% of the issued and subscribed share capital of Euro 1,301,258.85 (one million, three hundred and one thousand, two hundred and fifty eight point eighty-five) partially using the distributable reserve retained earnings.

We also propose to acknowledge that the YNAP Group's consolidated financial statements at 31 December 2015 show net income of Euro 16,608,135.01 (sixteen million six hundred and eight thousand one hundred and thirty five point one).

If you agree with the draft proposal, we invite you to approve the following resolution:

"The ordinary Shareholders' Meeting of YOOX NET-A-PORTER GROUP S.p.A., having seen and approved the Directors' Report and having taken note of the Report of the Board of Statutory Auditors and the Independent Auditors' report, as well as the consolidated financial statements for the year ended 31 December 2015,

RESOLVES

1. to approve the financial statements of YOOX-NET-A-PORTER for the year ended 31 December 2015, showing a net loss of Euro 11,350,537.07 million (eleven million three hundred and fifty thousand five hundred thirty seven), and the Directors' Report in full;
2. to partially use the distributable reserve retained earnings to absorb the loss of Euro 11,350,537.07 million (eleven million three hundred and fifty thousand five hundred thirty seven);
3. to increase the legal reserve up to Euro 260,251.77 (two hundred and sixty thousand two hundred and fifty one point seventy seven), equal to 20% of the issued and subscribed share capital of Euro 1,301,258.85 (one million, three hundred and one thousand, two hundred and fifty eight point eighty-five) partially using the distributable reserve retained earnings..

The Meeting also acknowledges that the YNAP Group's consolidated financial statements at 31 December 2015 show net income of Euro 16,608,135.01 (sixteen million six hundred and eight thousand one hundred and thirty five point one).

REMUNERATION REPORT PURSUANT TO ART. 123-TER OF LEGISLATIVE DECREE 58/1998. RELATED AND CONSEQUENT RESOLUTIONS.

Dear Shareholders,

the Board of Directors of your company has called the ordinary Shareholders' Meeting to submit to you for approval the Remuneration Report drawn up pursuant to article 132-ter of Italian Legislative Decree 58/1998 and article 84-quater of the Consob Regulation 11971/1999 and in accordance with Annex 3A Schemes 7-bis and 7-ter of the same Regulation.

The Remuneration Report is divided into the following sections:

- Section I illustrates the Company's policy regarding the remuneration of members of the Governing Body, general managers and executives with strategic responsibilities in respect of at least the following year and the procedures used for the adoption and implementation of this policy;
- Section II, individually by name for the retribution of Directors and Auditors and in aggregate form for the retribution of executives with strategic responsibilities:
 - provides proper representation of each of the entries that make up the remuneration, including treatment of termination from office or termination of the employment relationship;
 - analytically explains the retribution paid in the specific financial year for whatever reason and in whatever form by the Company and by its subsidiaries or affiliates, reporting any components of those retributions that are related to activities carried out in previous years and also highlighting the remuneration payable in one or more subsequent periods for activity carried out in the specific year, possibly indicating an assessed amount for components not objectively quantifiable in the specific fiscal year.

The Remuneration Report also contains the information required pursuant to art. 84-quater, paragraph 4, of Consob Regulation 11971/1999, on holdings, in the Company and in controlled companies, by members of the Governing and Supervisory Bodies and Managers with strategic responsibilities, as well as by the spouses not legally separated, and minor children, directly or through subsidiary companies, trust companies, or through an intermediary, resulting from the shareholder's register, from the communications received and other information acquired by the components of the Governing and Supervisory Bodies and Managers with strategic responsibilities.

The Remuneration Report shall be made available to the public at the Company's registered office, at Borsa Italiana S.p.A., and will also be published on the Company's website, www.ynap.com (Corporate Shareholders' Meeting), at least 21 (twenty-one) days before the Meeting, on single call, set for 27 April 2016, thus within 6 April 2016.

Please note that, pursuant to art. 123-ter, paragraph 6, of Italian Legislative Decree 58/1998, the Shareholders will be called to rule for or against Section I of the Remuneration Report; the resolution is not binding. The outcome of the vote will be made available to the public by the legally required deadlines pursuant to art. 125-quater, paragraph 2, of Italian Legislative Decree 58/1998.

As set out in CONSOB Regulation no. 17221 of 12 March 2010 on related-party transactions as subsequently amended (the "**Related Parties Regulations**"), the approval of Section I of the Remuneration Report (illustrating the Remuneration Policy) by the Shareholders' Meeting exempts the Company from applying the above-mentioned procedure for Board decisions on the remuneration of Directors and managers with strategic responsibilities when these decisions are consistent with the Remuneration Policy.

Shareholders are therefore invited to adopt the following resolution:

"The ordinary Shareholders' Meeting of YOOX NET-A-PORTER GROUP S.p.A., having examined the report of the Board of Directors prepared in accordance with art. 123-ter of Legislative Decree 58/1998, and pursuant to para. 6 of said regulation

RESOLVES

- to approve the first section of the Remuneration Report prepared in accordance with art. 123-ter of Legislative Decree 58/1998 and additional applicable legislation".

AUTHORIZATION TO BUY-BACK AND DISPOSAL OF TREASURY SHARES, , PURSUANT TO THE COMBINED PROVISIONS OF ARTT. 2357 AND 2357-TER OF THE ITALIAN CIVIL CODE, AND ART. 132 OF ITALIAN LEGISLATIVE DECREE 58/1998 AND THE RELATED IMPLEMENTING PROVISIONS, AFTER REVOCATION OF THE AUTHORIZATION GRANTED BY THE ORDINARY SHAREHOLDERS MEETING ON 30 APRIL 2015. RELATED AND CONSEQUENT RESOLUTIONS.

Dear Shareholders,

you have been called to the ordinary Shareholders' Meeting to examine and approve the authorization proposal to buy and sell ordinary shares of YOOX NET-A-PORTER GROUP S.p.A. (hereinafter referred to as YNAP or the Company), pursuant to the combined provisions of artt. 2357 and 2357-ter of the Italian Civil Code, and art. 132 of Italian Legislative Decree 58/1998 as amended and supplemented ("TUF") and the related implementing provisions.

1. REASONS FOR REQUESTING AUTHORISATION TO BUY-BACK AND DISPOSAL OF TREASURY SHARES

The purpose of the request for authorisation for the buy-back and disposal of treasury shares, set out in the authorisation proposal to be submitted to the ordinary Shareholders' Meeting, is to enable the Board of Directors to use treasury shares for the purposes envisaged in the market practice relating to the purchase of treasury shares to create a so-called "treasury stock" allowed by Consob pursuant to art. 180, paragraph 1c) of the TUF with resolution 16839 of 19 March 2009, and therefore:

- (i) for the purposes of the possible use of shares as consideration in extraordinary operations, including exchange of shareholdings with other subjects in the context of operations in the interests of the Company, or
- (ii) for the purposes of allocating the treasury shares purchased to share options distribution programs or distribution of shares to directors, employees and collaborators of the Company or companies controlled by it, as well as programs of free allocation of shares to beneficiaries identified under those programs.

With regard to the purposes sub (ii), note that the Company has stock-based incentive plans to the service of which shares in the Company's portfolio may be allocated.

This Shareholder meeting already authorized, by means of a resolution approved on 30 April 2015, the buy-back and disposal of treasury shares, for a 18month period from the day of this resolution. Such authorization, will thus expire in the course of 2016, whereas the authorization to dispose has been resolved without any time limit. It seems appropriate for the Company to be able to proceed to buy-back treasury shares even beside the above mentioned limit, being the reasons considered by the Board of Directors and resolved upon by the Shareholders' Meeting on 30 April 2015 for granting the above authorization still valid today.

We therefore propose to the Shareholders to approve a new authorization for the buy-back and disposal of treasury shares as illustrated in this Report, after revocation of the previous authorization granted on 30 April 2015, which has not been executed.

2. MAXIMUM NUMBER, CATEGORY AND NOMINAL VALUE OF THE SHARES TO WHICH THE AUTHORISATION APPLIES

Authorisation was granted for the purchase of ordinary YNAP shares in one or more tranches, without stated par value, up to a maximum that, taking into account the ordinary YNAP shares held at any time by the Company and its subsidiaries, does not in total exceed 10% of the share capital (and therefore under the maximum limit set by applicable rules, namely 20% of share capital pursuant to art. 2357, paragraph 3 of the Italian Civil Code).

We therefore propose to delegate the Board of Directors to determine the specific number of shares to be purchased in respect of each of the purposes indicated in paragraph 1. above, prior to the launching of each single purchase program, within the limits set forth therein.

At the date of this Report, the share capital of YOOX NET-A-PORTER GROUP S.p.A. amounts to Euro 1,301,258.85 (one million, three hundred and one thousand, two hundred and fifty eight point eighty-five), and it is divided into No. 130,125,885 shares of which no. 85,220,252 ordinary shares and no. 44,905,633 shares without voting rights (B Shares), all with no indication of par value. The Company holds no. 17,339 treasury shares, representing is 0.020% of the share capital (equal to Euro 852,202.05, represented by no. 85,220,252 ordinary shares). YNAP's subsidiaries do not hold shares in the Company.

3. USEFUL INFORMATION FOR THE PURPOSES OF ASSESSING COMPLIANCE WITH THE PROVISIONS OF ART. 2357, PARAGRAPH 3 OF THE CIVIL CODE

As indicated in paragraph 2. above, the maximum number of treasury shares held by YNAP at any time, taking into account any ordinary YNAP shares held by subsidiaries, must never exceed the upper limit of 10% of the ordinary share capital. To ensure compliance with this limit, appropriate procedures will, however, be applied to guarantee full and timely disclosure relating to the holdings of YNAP subsidiaries.

The buy-back of treasury shares must in any case fall within the limits of distributable earnings and available reserves as shown in the most recent financial statements (including interim statements) approved at the time of the transaction and, in the event of the purchase and sale of treasury shares, the requisite accounting entries will be made, in compliance with the provisions of law and the applicable accounting standards.

4. DURATION OF REQUESTED AUTHORISATION

Authorisation for the buy-back of treasury shares is requested for 18 months from the resolution of the ordinary Shareholders' Meeting. The Board of Directors will proceed with the authorised transactions in one or more occasions and at any time, freely determining their scale and timing in accordance with the applicable legal provisions, and at a pace deemed advantageous for the Company. Authorisation for the disposal of treasury shares is requested with no time limit.

5. MINIMUM AND MAXIMUM PRICES OF THE TREASURY SHARES TO BE PURCHASED

The Board of Directors proposes that repurchases of treasury shares be made in accordance with the operating conditions established by market practice regarding buy-backs of treasury shares to create a so-called "treasury stock", allowed by Consob pursuant to art. 180, paragraph 1c) of the TUF with resolution 16839 of 19 March 2009, as well as by Regulation (EC) 2273/2003 of 22 December 2003, where applicable. The price must therefore not exceed the higher of the price of the last independent transaction and the highest current independent offer price on the market where the purchase takes place, while the unit price may not be lower than 15% less or higher than 15% more than the official price recorded by the YNAP share on the open trading day preceding each purchase transaction.

6. METHODS OF CARRYING OUT PURCHASES AND DISPOSALS

The Board of Directors proposes that the purchases be carried out pursuant to art. 144-bis, paragraph 1, point (b) of Consob Regulation 11971/1999 (as amended) and the provisions applicable in any case, to comply with the provisions for parity of treatment of Shareholders set out in art. 132 of the TUF, and therefore on regulated markets, according to the operational procedures established under the organisational and management regulations of these markets, which do not allow the direct matching of purchases with pre-established sales offers.

The Board of Directors also proposes to be authorized to make use of, pursuant to art. 2357-ter of the Civil Code, at any time, wholly or in part and on one or more occasions, the treasury shares purchased on the basis of this proposal or in the Company portfolio, by selling these shares on- or off-market, also through the sale of real and/or personal rights, including, for example, the loan of shares, using the terms, methods and conditions of disposal of treasury shares deemed to be most advantageous to the Company, in compliance with the legal and regulatory provisions currently in force and for the purposes set out in this resolution proposal, also taking account of the obligations to the Specialist operator set out in the related contract. It is understood that (a) disposals carried out as part of extraordinary transactions, including share swaps with other parties, may take place at the price or value that is appropriate to and in keeping with the transaction, according to the characteristics and nature of the transaction and also taking account of market performance; and that (b) disposals of treasury shares to service programs to distribute, for consideration or free of charge, options on shares or shares to directors, employees and consultants of the Company or its subsidiaries, as well as programs to assign free shares to shareholders, may take place at a price established by the competent corporate bodies in relation to these programs, taking account of market performance and applicable legislation, including tax law, or free of charge if so established in the free share allocation plans approved by the competent corporate bodies. All such disposals must be carried out in compliance with the terms and procedures, also operational, established under the provisions of Consob resolution 16839 of 19 March 2009 and Regulation (EC) 2273/2003 of 22 December 2003, where applicable.

Authorisation for the disposal of treasury shares pursuant to this proposal shall also be understood to be granted in relation to any treasury share already owned by YNAP at the date of approval by the Shareholders' Meeting.

Disposals of treasury shares in the Company's portfolio will in any case be carried out in accordance with the applicable laws and regulations on securities trading and may take place on one or more occasions, at a pace deemed advantageous for the Company.

If you agree with the draft proposal, we invite you to approve the following resolution:

“The ordinary Shareholders’ Meeting, having examined and approved the Directors’ Report,

RESOLVES

- (A) to revoke the resolution authorizing the buy-back and disposal of treasury shares approved by the Shareholders’ Meeting on 30 April 2015, from the day of the present resolution;
- (B) to authorise transactions to buy back and disposal of treasury shares, (i) for the purposes envisaged in market practice with regard to the purchase of treasury shares for the creation of a “treasury stock”, allowed by Consob pursuant to art. 180, paragraph 1, letter c) of Legislative Decree 58/1998 with resolution 16839 of 19 March 2009, in accordance with the operating conditions established by market practice as described above and by Regulation (EC) 2273/2003 of 22 December 2003, where applicable, in particular (a) for the possible use of shares as payment in extraordinary transactions, including share swaps with other parties as part of transactions in the Company’s interest, or (b) to use the shares acquired to service programs to distribute, for consideration or free of charge, options on shares or shares to directors, employees and partners of the Company or its subsidiaries, as well as programs to assign free shares to beneficiaries specifically individuated in the context of such programs; and therefore:
1. to authorise, pursuant to art. 2357 of the Civil Code, the purchase, on one or more occasions, during a period of 18 months from this resolution, of ordinary shares in the Company up to a maximum that, taking account of the ordinary YNAP shares held at any time by the Company and its subsidiaries, does not exceed in total the limit of 10% of share capital, at a price that does not exceed the higher of the price of the last independent transaction and the highest current independent offer price on the market where the purchase takes place, and at a unit price no lower than 15% less and no higher than 15% more than the official price recorded by the YNAP share on the open trading day preceding each purchase transaction;
 2. to grant to the Board of Directors, and, on its behalf, the Chairman and the Chief Executive Officer, severally, a mandate to determine the specific number of shares to be purchased in respect of each of the purposes indicated in paragraph 1. above, prior to the launching of each single purchase program and carrying out share purchases under the terms and for the purposes set out above, conferring the broadest powers to perform share purchases pursuant to this resolution and for any other related formality, including the delegation of tasks to legally-authorized intermediaries and with the power to appoint special attorneys, at a pace deemed most advantageous for the Company, in compliance with the legislation in force and according to the provisions of art. 144-bis, paragraph 1, letter b) of Consob Regulation 11971/1999, as amended, in accordance with the operating conditions established by market practice in respect of buy-backs of treasury shares allowed by Consob pursuant to art. 180, paragraph 1c) of the TUF with resolution 16839 of 19 March 2009 and by Regulation (EC) 2273/2003 of 22 December 2003, where applicable;
 3. to authorise the Board of Directors and, on its behalf, the Chairman and the Chief Executive Officer, to make use of, pursuant to and for the purposes of art. 2357-ter of the Civil Code, at any time, wholly or in part and on one or more occasions, the treasury shares purchased on the basis of this resolution or in the Company portfolio, by selling these shares on- or off-market, also through the sale of real and/or personal rights, including, for example, the loan of shares, using the terms, methods and conditions of disposal deemed to be most advantageous to the Company, in compliance with the legal and regulatory provisions currently in force and for the purposes set out in this resolution proposal, also taking account of the obligations to the Specialist operator set out in the related contract, conferring the broadest powers to perform share purchases pursuant to this resolution and for any other formality related to these purchases, including the delegation of tasks to legally-authorized intermediaries and with the power to appoint special attorneys. It is understood that (a) disposals carried out as part of extraordinary transactions, including share swaps with other parties, may take place at the price or value that is consistent with the transaction, according to the characteristics and nature of the transaction and also taking account of market performance; and that (b) disposals of treasury shares to service programs to distribute options on shares or shares to directors, employees and consultants of the Company or its subsidiaries may take place at a price established by the competent corporate bodies in relation to these programs, taking account of market performance and applicable legislation, including tax laws, or free of charge if so established by the competent corporate bodies for the free treasury share allocation plans. All such disposals must be carried out in compliance with the terms and procedures, including operational, established under the applicable provisions of CONSOB resolution 16839 of 19 March 2009 and Regulation (EC) 2273/2003 of 22 December 2003 where applicable; authorisation pursuant to this item is granted without time limits;
- (C) to establish that, in accordance with the law, purchases governed by this authorisation are within the limits of distributable earnings and available reserves as shown in the latest approved accounts (including interim accounts) at the time the transaction is carried out, and that, on the occasion of the purchase and sale of treasury shares, the requisite accounting

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entries should be made, in compliance with applicable legal provisions and accounting standards.

For the Board of Directors
Raffaello Napoleone - Chairman of the Board of Directors
Milan, 9 March 2016