

YOOX NET-A-PORTER GROUP

Ordinary Shareholders' Meeting
21 April 2017 - single call
Directors' Report on the items on the
agenda

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

YOOX NET-A-PORTER GROUP S.P.A. STATUTORY FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016; DIRECTORS' MANAGEMENT REPORT. REPORT OF THE BOARD OF STATUTORY AUDITORS PURSUANT TO ARTICLE 153 OF LEGISLATIVE DECREE 58/1998 AND INDEPENDENT AUDITORS' REPORT. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016. PRESENTATION OF THE SUSTAINABILITY REPORT. ANY CONSEQUENT RESOLUTION.

Dear Shareholders,

the Board of Directors of Your Company has called the ordinary Shareholders' Meeting to ask you to approve the draft financial statements of YOOX NET-A-PORTER GROUP S.p.A. ("YNAP" or the "Company") as at 31 December 2016.

The financial statements as at 31 December 2016 show a net loss of Euro 43,920,817.36 (forty-three million, nine hundred and twenty thousand, eight hundred and seventeen euros and thirty-six euro cents).

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

Consolidated financial statements as at 31 December 2016 show net income of Euro 33,930,144.59 (thirty-three million, nine hundred and thirty thousand, one hundred and forty-four euros and fifty-nine euro cents).

We thus propose the following:

- to approve the statutory financial statements of YOOX NET-A-PORTER GROUP S.p.A. as at 31 December 2016, showing a net loss of Euro 43,920,817.36 (forty-three million, nine hundred and twenty thousand, eight hundred and seventeen euros and thirty-six euro cents), together with the Directors' Management Report;
- to increase the legal reserve up to Euro 267,482.61 (two hundred and sixty-seven thousand, four hundred and eighty-two euros and sixty-one euro cents), equal to 20% of the issued and subscribed share capital of Euro 1,337,413.05 (one million, three hundred and thirty-seven thousand, four hundred and thirteen euros and five euro cents, one hundred ninety-three point zero-five) using the distributable reserve retained earnings;
- to cover the loss for the year using the distributable reserve retained earnings for Euro 24,758,739.88 (twenty-four million, seven hundred and fifty-eight thousand, seven hundred and thirty-nine euros and eighty-eight euro cents) and through partial use of the "share premium reserve" for Euro 19,162,077.48 (nineteen million, one hundred and sixty-two hundred and seventy-seven euro and forty-eight euro cents);

We also propose to acknowledge that YNAP Group's consolidated financial statements as at 31 December 2016 show net income of Euro 33,930,144.59 (thirty-three million, nine hundred and thirty thousand, one hundred and forty-four euros and fifty-nine euro cents).

For information on the sustainability report please refer to the same report, which will be made available on the Company website www.ynap.com, section Sustainability.

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 as at 31 December 2016,

RESOLVES

1. to approve the statutory financial statements of YOOX NET-A-PORTER GROUP S.p.A. as at 31 December 2016, showing a net loss of Euro 43,920,817.36 (forty-three million, nine hundred and twenty thousand, eight hundred and seventeen euros and thirty-six euro cents), together with the Directors' Management Report in full;
2. to increase the legal reserve up to Euro 267,482.61 (two hundred and sixty-seven thousand, four hundred and eighty-two euros and sixty-one euro cents), equal to 20% of the issued and subscribed share capital of Euro 1,337,413.05 (one million, three hundred and thirty-seven thousand, four hundred and thirteen euros and five euro cents, one hundred ninety-three point zero-five) using the distributable reserve retained earnings;
3. to cover the loss for the year using the distributable reserve retained earnings for Euro 24,758,739.88 (twenty-four million,

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seven hundred and fifty-eight thousand, seven hundred and thirty-nine euros and eighty-eight euro cents) and through partial use of the "share premium reserve" for Euro 19,162,077.48 (nineteen million, one hundred and sixty-two hundred and seventy-seven euros and forty-eight euro cents).

The Meeting also acknowledges that the YNAP Group's consolidated financial statements as at 31 December 2016 show net income of Euro 33,930,144.59 (thirty-three million, nine hundred and thirty thousand, one hundred and forty-four euros and fifty-nine euros cents).

REMUNERATION REPORT PURSUANT TO ART. 123-TER OF LEGISLATIVE DECREE 58/1998. ANY CONSEQUENT RESOLUTION.

Dear Shareholders,

the Board of Directors of the 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, as subsequently amended and supplemented (the "TUF") and article 84-quater of the Consob Regulation 11971/1999, as subsequently amended and supplemented (the "Issuers Regulation") and in accordance with Annex 3A Schemes 7-bis and 7-ter of the same Issuers Regulation (the "Remuneration Report").

The Remuneration Report is divided into the following sections:

- Section I illustrates the Company's policy regarding the remuneration of members of the administrative body, general managers and executives with strategic responsibilities in respect of at least the following year (the "Remuneration Policy") and the procedures used for the adoption and implementation of this policy;
- Section II, individually by name for the remuneration of Directors and Auditors and in aggregate form for the remuneration of executives with strategic responsibilities:
 - provides a proper representation of each of the items that make up the remuneration, including treatment of termination from office or termination of the employment relationship;
 - analytically illustrates the remuneration 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 remuneration that are related to activities carried out in previous years and also highlighting the remuneration payable in one or more subsequent periods for the activity carried out in the specific year, possibly indicating an estimate 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 the Issuers Regulation, on holdings in the Company and in subsidiaries, by members of the administrative and supervisory bodies and Managers with strategic responsibilities, as well as by the spouses not legally separated, and underage children, directly or through subsidiaries, trust companies, or through an intermediary, resulting from the shareholder's register, from the communications received and other information acquired by the members of the administrative 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 Section / Shareholders' Meeting), at least 21 (twenty-one) days before the date of the Meeting, in single call, scheduled for 21 April 2017, thus by 31 March 2017.

Please note that, pursuant to art. 123-ter, paragraph 6, of the TUF, Shareholders will be called to resolve 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 deadlines of law pursuant to art. 125-quater, paragraph 2, of the TUF.

Please note that, as set out in the Procedure for Transactions with Related Parties adopted by the Company in observance of CONSOB Regulation no. 17221/2010 on related-party transactions, 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 resolutions on the remuneration of Directors and managers with strategic responsibilities when these resolutions 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 paragraph 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 the relating implementing provisions".

APPOINTMENT OF A NEW MEMBER OF THE BOARD OF DIRECTORS. ANY CONSEQUENT RESOLUTION.

Dear Shareholders,

you have been called to this ordinary Meeting to resolve, in ordinary part, upon the appointment of a new member of the Company's Board of Directors.

In fact, on 24 February 2017 non-executive Board Member Gary Saage submitted his resignations from the office of Director of the Company, effective as of the date of the Company's Shareholders Meeting of 21 April 2017.

The Board of Directors is comprised of no. 11 members and has been appointed by the Shareholders' Meeting of 30 April 2015 and integrated with subsequent resolutions of 21 July 2015 and 16 December 2015; the Board of Directors currently in office will cease office on the date of the Shareholders' Meeting called to approve the financial statements as at 31 December 2017.

Further, the Board Member Gary Saage was appointed, in the context of the merger into YOOX S.p.A. of Largentia Italia S.p.A. (the "**Merger**") and on the basis of the provisions of the agreement governing the Merger and in the related shareholders' agreement between the Company, Compagnie Financière Richemont S.A. and Richemont Holdings (UK) Limited, by the Shareholders' Meeting of the Company of 21 July 2015, conditioned upon on and as of the effectiveness of the Merger (occurred on 5 October 2015).

Furthermore, please note that, whenever a member of the Board of Directors is to be replaced, the Shareholders' Meeting resolves with the majorities of law, without application of the list-based voting mechanism; the Board so appointed will remain in office until the natural expiration of the Board of Directors, i.e. until the date of approval of the financial statements as at 31 December 2017.

Accordingly, on 1 March 2017, the Board of Directors resolved to submit to the Company's ordinary Shareholders Meeting its proposal to appoint as new Company Director, to remain in office until the natural expiry of the Administrative Body currently in office, the following candidate:

1. Mr. Cedric Charles Marcel Bossert, born in Losanne (Switzerland), on 31 July 1959.

The comprehensive resume of the proposed candidate, together with the documents required by the applicable laws and regulations, is available to the public at the registered office of the Company, as well as on the Company's website www.ynap.com (Section Governance / Shareholders' Meeting).

The same Board of Directors verified the non-existence of ineligibility or incompatibility reasons and the meeting of the requisites prescribed by the provisions of the Bylaws, laws and regulations by the candidate to the role of Board Member, Mr. Cedric Bossert.

Lastly, it is noted that the above is without prejudice to the resolutions taken by the Shareholders' Meeting of 30 April 2015, and confirmed with resolutions of 21 July 2015 and 16 December 2015, with respect to remuneration of the members of the administrative body.

We believe that the current composition, as amended by the proposed appointment, is suitable and adequate compared to the Company's needs and profile. Please further note that the Board of Directors, subsequent to the proposed appointment, will continue to be formed by a majority of independent Directors, in compliance also with the current applicable provisions on gender balance.

The above is without prejudice to the Shareholders' entitlement to submit proposals for other candidates, to include personal and professional comprehensive resume of the candidate and the statements whereby the candidate accepts the candidacy and declares, under his/her responsibility, the non-existence of ineligibility or incompatibility reasons and that he/she meets the requirements prescribed by the provisions of the Bylaws, laws and regulations for the members of the Board of Directors, as well as the possible mention of the eligibility to be qualified as independent pursuant to the legislation in force.

In light of the above, we invite You to resolve upon the appointment of one Board Member, for the purpose of integrating the composition of the Board of Directors.

We set out here below the proposal expressed by the Board of Directors as illustrated above.

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"The ordinary Shareholders' Meeting of YOOX NET-A-PORTER GROUP S.p.A., having examined the report of the Board of Directors,

RESOLVES

- to appoint as Company Director the following candidate:
 1. Mr. Cedric Charles Marcel Bossert, born in Losanne (Switzerland), on 31 July 1959, who will remain in office until the expiration of the current Board of Directors, i.e. until the Shareholders' Meeting called to approve the financial statements as at 31 December 2017.

AUTHORISATION FOR THE BUYBACK AND DISPOSAL OF TREASURY SHARES, PURSUANT TO THE COMBINED PROVISIONS OF ARTICLES 2357 AND 2357-TER OF THE ITALIAN CIVIL CODE AND ARTICLE 132 OF LEGISLATIVE DECREE 58/1998 AND THE RELEVANT IMPLEMENTING PROVISIONS, AFTER REVOCATION OF THE AUTHORIZATION GRANTED BY THE ORDINARY SHAREHOLDERS' MEETING ON 27 APRIL 2016. ANY CONSEQUENT RESOLUTION ALSO PURSUANT TO AND TO THE EFFECTS OF ARTICLE. 44-BIS, PARAGRAPH 2, OF CONSOB REGULATION 11971/1999.

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. ("**YNAP**" or the "**Company**"), pursuant to the combined provisions of artt. 2357 and 2357-ter of the Italian Civil Code, as well as art. 132 of Italian Legislative Decree 58/1998 as subsequently amended (the "**TUF**") and the related implementing provisions.

Please be reminded that this Shareholders' Meeting already authorized, by means of a resolution approved on 27 April 2016, the buy-back and disposal of treasury shares, for a 18-month period from the day thereof. Such authorization will thus expire in the course of 2017, whereas the authorization to dispose has been granted without a time limit. It seems appropriate for the Company to be able to proceed with the buy-back of treasury shares even in excess of the above-mentioned limit, for the purposes specified in paragraph 1 below.

We therefore propose to 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 27 April 2016.

This Report is drafted pursuant to art. 125-ter TUF, art. 73 of Consob Regulation 11971/1999 as subsequently amended (the "**Consob Regulation**") as well as pursuant to and to the effects of the exemption from takeover bid obligations as per art. 44-bis, paragraph 2, of Consob Regulation (so called whitewash).

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

The purpose of the request for the authorisation to buy-back and dispose of treasury shares, set out in the authorisation proposal to be submitted to the ordinary Shareholders' Meeting, is to allow the Company to launch purchase programs of treasury shares for the purposes contemplated in art. 5 of Regulation (EU) 596/2014 (Market Abuse Regulation, hereafter the "**MAR**"), as possibly extended in the accepted market practices pursuant to art. 13 MAR, and accordingly to destine treasury shares held (a) to meet obligations arising from share option programs or other granting of shares to employees or members of administrative or control bodies of the issuer or one of its affiliates, or, where allowed by the practices permitted pursuant to art. 13 MAR, of a subsidiary; (b) to meet obligations arising from the conversion of debt financial instruments into equity instruments; and (c) to the subsequent cancellation, without variation of share capital, on the terms that will possibly be resolved by the competent corporate bodies.

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

The authorisation is requested for the purchase of ordinary YNAP shares in one or more tranches, without par value, up to a maximum that, taking into account the ordinary YNAP shares held from time to time by the Company and its subsidiaries, does not in total exceed 20% of the ordinary share capital.

We therefore propose to delegate the Board of Directors to determine the specific number of shares to be purchased in respect of each purchase program, as part of the purposes indicated in the preceding paragraph 1, prior to the launch of the same program, within the above limit.

At the date of this Report, YNAP share capital amounts to Euro 1,338,193.05 and is divided into No. 133,819,305 shares of which no. 90,913,167 ordinary shares and no. 42,906,138 shares without voting rights (B Shares), all with no indication of par value. The Company holds no. 17,339 treasury shares, equal to 0.019% of the current ordinary share capital (equal to Euro 9,091,316.70, divided in no. 90,913,167 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, shall never exceed the upper limit of 20% of the ordinary share capital. In order to ensure compliance with this limit, appropriate procedures will, in any case, be implemented to guarantee full and timely disclosure relating to the holdings of YNAP subsidiaries.

The buy-back of treasury shares shall 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. TERM OF THE REQUESTED AUTHORISATION

The authorisation to buy-back 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 the size and timing in accordance with the applicable legal provisions, and at a pace deemed advantageous for the Company. The authorisation to dispose 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 for purchases of treasury shares to be made in accordance with the conditions relating to trading set forth in art. 3 of Delegated Regulation (EU) 2016/1052 ("**Regulation 1052**") implementing the MAR. Purchases may be carried out at a price not exceeding the higher of the price of the last independent transaction and the highest current independent offer price on the trading venues where the purchase takes place, provided that the unitary price may not be less than 5% in minimum or greater than 5% in maximum than the official price recorded by the YNAP share on the open trading day preceding each purchase transaction.

6. METHODS FOR CARRYING OUT PURCHASES AND DISPOSALS

The Board of Directors proposes for purchases to be carried according to the options provided for by the applicable provisions of Consob Regulation implementing art. 132 of TUF, in compliance with the conditions relating to trading as per art. 3 of Regulation 1052 and at a pace deemed appropriate for the Company.

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, in whole or in part and on one or more occasions, treasury shares purchased on the basis of this proposal or already in the Company portfolio (i) by selling them to service the purposes listed under paragraph 1, lett. a) and b), according to the terms, methods and conditions of the disposal deed as determined by the competent corporate bodies, as the case may be, in the context of the distribution program of share options or other granting of shares (in this case, on a free of charge basis where so established in said program) and of the issuance of debt financial instruments convertible into equity; (ii) for the purpose of cancelling treasury shares, without variation of share capital, on the terms resolved by the competent corporate bodies; or (iii) in case of residual shares in the portfolio not destined (or that can no longer be destined) to the purposes under (i) and (ii), by means of on- or off-market disposal, even as part of extraordinary transactions, including share swaps, or by means of assignment or real and/or personal rights, including, without limitation, security lending, at the price or value that will prove appropriate and in line with the transaction, in light of the characteristics and nature thereof and taking also into consideration the market performance.

Disposal transactions of treasury shares in the Company's portfolio will in any case be carried out in accordance with the applicable laws and regulations in the matter of execution of listed securities trading, including the accepted market practices under art. 13 MAR, and may take place on one or more occasions, at a pace deemed advantageous for the Company.

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

7. EXEMPTING EFFECT FROM THE TAKEOVER BID OBLIGATION (WHITEWASH)

As at the date of this Report:

- 1) YNAP share capital is equal to Euro 1,338,193.05 and is divided into aggregate no. 133,819,305 shares of which no. 90,913,167 ordinary shares and no. 42,906,138 B Shares without voting right, all without indication of nominal value;

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- 2) the Company holds no. 17,339 treasury shares, equal to 0.019% of the ordinary share capital (equal to Euro 9,091,316.70, divided into no. 90,913,167 ordinary shares);
- 3) the shareholder Richemont Holdings (UK) Limited (hereafter "**Richemont**") holds aggregate no. 65,599,597 YNAP shares, of which no. 22,693,459 ordinary shares, equal to 24.962% of the ordinary shares capital and equal to 16.958% of the overall share capital, and no. 42,906,138 B Shares, equal to 32.063% of the overall share capital. Richemont is indirectly controlled by Compagnie Financière Rupert S.a.p a. (hereafter "**CF Rupert**"), through Compagnie Financière Richemont S.A. (hereafter "**CF Richemont**").

Pursuant to art. 44-bis, paragraph 1, of Consob Regulation "Treasury shares held by the issuer, even indirectly, are excluded from the share capital used to calculate the equity investment for the purpose of Article 106, subsections 1, 1-bis, 1-ter and 3, letter b) of the Consolidated Law".

However, as established by art. 44-bis, paragraph 2, of Consob Regulation: "Subsection 1 [of art. 44-bis] shall not apply if the threshold indicated in Article 106, subsections 1, 1-bis, 1-ter and 3, letter b) of the Consolidated Law is exceeded as a result of buy-back by the issuer carried out, also indirectly, in execution of a resolution which, without prejudice to Articles 2368 and 2369 of the Italian Civil Code, was also approved with the favourable vote of the majority of the issuer's shareholders attending the shareholders' meeting, other than the shareholder or shareholders that, jointly or severally, possess a (even relative) majority shareholding, being over 10 percent" (c.d. whitewash).

To the extent it is of interest, the purchase of treasury shares by the Company, for the purposes set out in paragraph 1 of this Report, may determine – in the absence of the exempting effect deriving from the approval of the authorisation resolution with the majorities set out in paragraph 2 of art. 44-bis of Consob Regulation – an (involuntary) increase of the shareholding of the direct shareholder Richemont (and of the indirect shareholdings of CF Richemont and CF Rupert) above the relevant threshold for the purpose of the global takeover bid obligation which, pursuant to art. 106, paragraph 1-bis, of the TUF, is currently set at 25% of YNAP ordinary share capital.

Accordingly, we inform our Shareholders that, in application of the so called whitewash as per art. 44-bis, paragraph 2, of Consob Regulation, should they – called to express themselves on the authorisation to purchase and dispose of treasury shares as per item four on the agenda of the ordinary Shareholders' Meeting called for 21 April 2017 in single call – approve the relating proposal with the majorities provided for by the aforementioned art. 44-bis, paragraph 2, of Consob Regulation, the treasury shares purchased by the Company in execution of said authorisation resolution will not be excluded from the ordinary share capital (and will accordingly be computed therein), in case, as a consequence of the purchases of treasury shares, the shareholding of shareholder Richemont (and, indirectly, CF Richemont and CF Rupert), would exceed 25% of the ordinary share capital. The approval of the authorisation resolution of the purchases of treasury shares as per this Report, by the ordinary Shareholders' Meeting with the majorities set forth in art. 44-bis, paragraph 2, of Consob Regulation, will then have an exempting effect from the global takeover bid obligation on the side of the shareholder Richemont (and, indirectly, on the side of CF Richemont and CF Rupert).

Please note that, as far as the Company is aware, as at the date of this Report: (i) as specified under item (3) of this paragraph 7, the shareholder Richemont holds aggregate no. 22,693,459 ordinary shares, equal to 24.962% of the ordinary share capital, while CF Richemont and CF Rupert do not hold YNAP shares; (ii) the shareholder Federico Marchetti holds no. 5,164,667 YNAP ordinary shares, equal to 5.681% of the ordinary share capital; (iii) a shareholders agreement relevant under art. 122 TUF is in place between CF Richemont and Federico Marchetti, published pursuant to the law and available on YNAP website at www.ynap.com, section "Governance – Corporate Documents".

Accordingly, without prejudice to the majorities of law applicable to the passing of said resolution pursuant to art. 2369, first paragraph, of the Italian Civil Code, the approval of the authorisation proposal to purchase treasury shares by YNAP ordinary Shareholders' Meeting with the favourable vote of the shareholders attending the shareholders' meeting and other than Richemont and – in this latter case, considering the purpose of the resolutions, with a prudent attitude and based on an approach particularly favourable to the market - Federico Marchetti will have an exempting effect from the obligation to launch a global takeover bid over YNAP ordinary shares pursuant to and to the effects of art. 44-bis, paragraph 2, of Consob Regulation.

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, taking account of the provisions of art. 44 of Consob Regulation no. 11971/1999 (as subsequently amended),

RESOLVES

- (A) to revoke the resolution authorizing the buy-back and disposal of treasury shares approved by the Shareholders' Meeting

on 27 April 2016, as of the day of this resolution;

- (B) to authorise transactions to buy back and dispose of treasury shares, for the purposes illustrated in the Directors' Report; 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 the ordinary 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 5% less and no higher than 5% 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 purchase program, as part of the above indicated purposes, prior to the launch of the same program and to proceed with the purchase of shares with the modalities established in the applicable provisions of Consob Regulation 11971/1999 (as subsequently amended) implementing art. 132 of the TUF, in compliance with the conditions relating to trading as per art. 3 of Delegated Regulation (EU) 2016/1052 and at a pace deemed advantageous for the Company, granting the broadest powers, with the possibility to sub-delegate the Chief Financial and Corporate Officer, 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;
 3. to authorise the Board of Directors and, on its behalf, the Chairman and the Chief Executive Officer, severally, to make use of, pursuant to and for the purposes of art. 2357-ter of the Civil Code, at any time, in whole or in part and on one or more occasions, treasury shares purchased on the basis of this resolution or already in the Company portfolio (i) by selling them to service the purposes listed under paragraph 1, lett. a) and b), of the Directors' Report, according to the terms, methods and conditions of the disposal deed as determined by the competent corporate bodies, as the case may be, in the context of the issuance of the convertible bond loan and of the distribution programs of share options or other granting of shares (in this latter case, even on a free of charge basis where so established in said program); (ii) for the purpose of forfeiting treasury shares, without variation of shares capital, on the terms to be resolved by the competent corporate bodies; or (iii) in case of residual shares in the portfolio not destined (or that can no longer be destined) to the purposes under (i) and (ii), by means of on- or off-market disposal, even as part of extraordinary transactions, including share swaps, or by means of assignment or real and/or personal rights, including, without limitation, security lending, at the price or value that will prove appropriate and in line with the transaction, in light of the characteristics and nature thereof and taking also into consideration the market performance, granting the broadest powers, with the possibility to sub-delegate the Chief Financial and Corporate Officer, 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; disposal transactions of treasury shares in the Company's portfolio will in any case be carried out in accordance with the applicable laws and regulations on listed securities trading, including the accepted market practices under art. 13 MAR, and may take place on one or more occasions, at a pace deemed advantageous for the Company; the authorisation pursuant to this item is granted without time limits;
- (C) to establish, in accordance with the law, for purchases governed by this authorisation to be within the limits of distributable earnings and available reserves as shown in the latest approved financial statements (including interim accounts) at the time the transaction is entered into, and that, on the occasion of the purchase and sale of treasury shares, the requisite accounting entries should be made, in compliance with applicable legal provisions and accounting standards;
- (D) to expressly acknowledge that, in application of the so called whitewash as per art. 44-bis, paragraph 2, of Consob Regulation no. 11971/1999 (as subsequently amended), this authorization resolution to purchase treasury shares, where approved with the majorities envisaged by the aforementioned article, will have an exempting effect from the global takeover bid obligation on the side of the shareholder Richemont Holdings (UK) Limited (and its direct controlling entity Compagnie Financière Richemont S.A. and the controlling entity of the latter Compagnie Financière Rupert S.a.p a.), in case, as a consequence of the purchases of treasury shares carried out by the Company in execution of this resolution, the shareholding of shareholder Richemont Holdings (UK) Limited (and, indirectly, Compagnie Financière Richemont S.A. and Compagnie Financière Rupert S.a.p a.), would exceed 25% of the ordinary share capital.

For the Board of Directors
Raffaello Napoleone - Chairman of the Board of Directors

