



DADA S.p.A.

*ORDINARY SHAREHOLDERS' MEETING*

20 April 2017, 3 p.m. – 1st call

21 April 2017, 3 p.m. – 2<sup>nd</sup> call

*Report on resolution proposals concerning the third item on the agenda: “Authorisation for the purchase and sale of Company’s shares and revocation of prior authorisation; relevant and ensuing resolutions”*

Registered Office: Viale della Giovine Italia 17 - Florence  
Share Capital: Euro 2,835,611.73 fully paid-in  
Florence Company Register no. 04628270482 - REA 467460  
Tax ID/VAT no. 04628270482  
Internet Site: [www.dada.eu](http://www.dada.eu)

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Capitale sociale sottoscritto e versato: € 2.835.611,73  
N.ro iscrizione al Registro delle Imprese di Firenze  
Codice fiscale: 04628270482  
Numero REA: 467460



To the Shareholders,

The Board of Directors has called this ordinary shareholders' meeting in order to discuss the proposed authorisation for the purchase and sale of Company's shares in accordance with Articles 2357 and 2357-ter of the Italian civil code and the concurrent revocation of the prior authorisation approved at the shareholders' meeting on 28 April 2016.

At the shareholders' meeting of 28 April 2016, the Board was authorized to purchase (in accordance with Article 2357 of the civil code and Article 144-bis, paragraph 1, points b and c, of CONSOB Regulation no. 11971/99 as amended) Company's shares on the screen-based market *Mercato MTA* organized and managed by Borsa Italiana S.p.A. up to a limit equal to 10% of the share capital (par value per share of €0.17) within 18 months of the date of the resolution adopted by the shareholders' meeting. Such purchases could be made at a price no lower than 20% and no higher than 10% of the reference price for the trading day prior to each purchase and within the limits of distributable earnings and available reserves as shown on the most recently approved financial statements. The Board was further authorised (in accordance with Article 2357-ter of the civil code) to sell Company's shares for the purpose of carrying out acts of sale, such as sales, swaps, contributions, and so on. This sale of Company's shares was authorised for 18 months from the date of the shareholders' approval at a price or valuation of no less than 95% of the average reference price for trades recorded on the ninety trading days prior to the related acts of sale or, if earlier, to the official deeds of commitment, all in full compliance with applicable laws and regulations.

It should further be specified that, as at 31 December 2016, the Company owned no Company's shares, nor does the Company or any of its subsidiaries possess Company's shares at the present time.

Therefore, provided below is a brief description of the reasons and procedures for the purchase and disposal of the Company's shares, for which the Board requests renewed authorisation.

#### 1. Reasons for the request

Given that the current authorisation as described above expires on 28 October 2017 and so as to avoid having to call a shareholders' meeting for this matter only prior to that date, given the usefulness of this mechanism, the Board feels it is appropriate to revoke the prior authorisation to purchase Company's shares effective as of the date of approval of this resolution proposal and to issue a new authorisation.

The purpose of this new authorisation for the purchase and disposal of Company's shares is to provide the Company with a flexible tool of strategy and operations that would enable it to sell any Company's shares purchased also for the purpose of carrying out acts of sale, such as sales, swaps, contributions, and so on, as such transactions would help to better pursue the Company's corporate object.

#### 2. Maximum number of shares that can be purchased

Purchase under the authorisation requested may take place in one or more transactions involving the Company's own ordinary shares, which have a par value of €0.17 (seventeen cents) each.

In due consideration of the changing legislation in this area and given the limited past use of this option as granted previously by the shareholders, authorisation is requested to purchase a total amount of shares, the par value of which does not exceed ten per cent of the share capital, including any shares that may be held by subsidiary companies.

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In any event, the number of Company's shares that can be purchased must not exceed the amount that can be covered, based on the purchase price, in the distributable earnings and available reserves as shown on the most recently approved financial statements. As such, the number of shares that may be purchased will also be based on the purchase price, which is to be set based on the procedures specified below.

3. Additional information needed to fully assess compliance with the provisions of Article 2357(3) of the civil code

In accordance with Article 2357(1) of the Italian civil code, the maximum number of Company's shares that may be purchased must not exceed the amount that can be covered, based on the purchase price, in the distributable earnings and available reserves as shown on the Company's most recently approved financial statements.

The use of reserves in the amount specified for the purchase of Company's shares must take place in accordance with applicable laws and regulations and following the favourable opinion of the Board of Statutory Auditors.

Furthermore, when making the purchase, it is necessary to establish an unavailable reserve in an amount equal to the carrying value of the Company's shares in accordance with Article 2357-ter, paragraph 3, of the civil code, taking said amount from available reserves in accordance with applicable accounting standards, which shall also apply in the event of any subsequent sale of the Company's shares purchased.

4. Duration of the authorisation

The authorisation to purchase and sell Company's shares shall have a duration of 18 months from the date on which the shareholders will have passed the related resolution.

5. Minimum and maximum purchase price

Purchases may be made at a price no lower than 20% and no higher than 10% of the reference price recorded on the trading day prior to each purchase.

6. Sale price

The sale of shares is to take place at a price or valuation no lower than 95% of the average trading prices recorded over the ninety trading days prior to the acts of sale or, if earlier, binding offers in this regard, all in full compliance with applicable laws and regulations.

7. Procedures for the purchase and sale of Company's shares

Purchases of Company's shares are to take place (in accordance with Article 132 of Legislative Decree no. 58 of 24 February 1998 and Article 144-bis, paragraph 1, points b and c, of CONSOB Regulation no. 11971/99 as amended) in accordance with the operating procedures established in the rules of organisation and management of the markets themselves, so as to ensure the fair and equal treatment of all shareholders.

The shares that will be purchased in execution of the authorisation of the shareholders' meeting may be disposed of and, in this context, also transferred, even before the amount of the purchases under this authorisation is exhausted, in one or more tranches, in the manner deemed appropriate with regard to the interest of the Company and in compliance with the law, including the sale through the stock exchange or an institutional placement or as consideration for acquisition of equity investments in companies and/or assets and/or businesses.

8. Reduction of share capital

The Board specifies that purchases for the purpose of reducing share capital is not an option that is currently provided for.

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Given all of the above, the Board invites the shareholders to pass resolution on the following proposals:

1. to revoke the previous authorisation for the purchase and sale of Company's shares of 28 April 2016, effective as of the date of approval of the resolution proposals of points 2 and 3 below;
2. to authorise, in accordance with Articles 2357 and 2357-ter of the Italian civil code, the Company to purchase and sell Company's shares in the quantity, at the price and under the terms and conditions specified below:
  - a) the purchase and sale of Company's shares may take place in one or more transactions, in whole or in part, within 18 months from the date of this resolution with regard to purchase, and within the same 18 months from the date of this resolution with regard to sale, referring both to any Company's shares currently held and any that should be purchased in execution of this authorisation, also for the purpose of carrying out acts of sale, such as sales, swaps, contributions, and so on, and also for the purpose of acquiring equity interests;
  - b) the purchase price must be no lower than 20% and no higher than 10% of the reference price recorded on the trading day prior to each purchase;
  - c) the sale of shares is to take place at a price or valuation no lower than 95% of the average trading prices recorded over the ninety trading days prior to the acts of sale or, if earlier, binding offers in this regard, all in full compliance with applicable laws and regulations, and will be accounted in accordance with applicable laws, regulations and accounting standards;
  - d) purchases of Company's shares are to take place (in accordance with Article 132 of Legislative Decree no. 58 of 24 February 1998 and Article 144-bis, paragraph 1, points b and c, of the Issuer Regulations established by CONSOB by way of its resolution no. 11971 of 14 May 1999 as amended) in accordance with the operating procedures established in the rules of organisation and management of the markets themselves, so as to ensure the fair and equal treatment of all shareholders. Purchases are to be carried out solely, and in one or more transactions for each method, on the regulated markets organised and managed by Borsa Italiana S.p.A. in accordance with the operating procedures established by said organisation, which do not allow the direct matching of buy orders with predetermined sell orders. The shares that will be purchased in execution of the authorisation of the shareholders' meeting may be disposed of and, in this context, also transferred, even before the amount of the purchases under this authorisation is exhausted, in one or more tranches, in the manner deemed appropriate with regard to the interest of the Company and in compliance with the law, including the sale through the stock exchange or an institutional placement or as consideration for acquisition of equity investments in companies and/or assets and/or businesses.
  - e) the authorisation to purchase Company's shares is requested for a total amount of shares, the par value of which does not exceed ten per cent of the share capital, and the amount of shares to be purchased and related value is to take account of any Company's shares currently held. Purchases will be made within the limits of distributable earnings and available reserves as shown on the most recently approved financial statements and will be accounted in accordance with applicable laws, regulations and accounting standards.



The Board of Directors is hereby granted all powers necessary to execute the purchases and disposals and to otherwise carry out the authorisations described above, including by way of power of attorney and in compliance with any requirements of the competent authorities.

Florence, 15th March 2017

For the Board of Directors of DADA S.p.A.

The Chairman

Karim Beshara

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