

YOOX NET-A-PORTER GROUP

PRESS RELEASE

20 APRIL 2018

YOOX NET-A-PORTER GROUP The Shareholders' Meeting

- APPROVES THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017
- APPROVES SECTION 1 OF THE REMUNERATION REPORT
- APPOINTS THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS
- APPOINTS PRICEWATERHOUSECOOPERS S.P.A. AS INDEPENDENT AUDITORS FOR THE YEARS 2018 - 2026

The ordinary Shareholders' Meeting of YOOX NET-A-PORTER GROUP S.p.A. (MTA: YNAP), the world's leading online luxury fashion retailer, was held today in single call.

2017 ANNUAL FINANCIAL STATEMENTS

The Company's shareholders approved the Financial Statements for the year ended 31 December 2017 as proposed by the Board of Directors in the press release published on 6 March 2018, provided as an attachment to this press release. During the meeting, the Group's consolidated Financial Statements for the year ended 31 December 2017 were also presented, as shown in the tables below.

The shareholders resolved to increase the legal reserve up to Euro 267,952.59, equal to 20% of the issued and subscribed share capital as at 31 December 2017 using the "share premium reserve", and to cover the loss for the year using the distributable reserve retained earnings for Euro 69,704,582.47 and through partial use of the "share premium reserve".

REMUNERATION REPORT

The shareholders approved, with a non-binding vote, Section 1 of the Remuneration Report drafted pursuant to Art. 123-ter of Legislative Decree 58/1998, Art. 84-quater and Appendix 3A, Tables 7-bis and 7-ter of Consob Regulation 11971/1999.

APPOINTMENT OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS

The Shareholders' Meeting appointed the Board of Directors, composed of 9 members, for a period of three years, running from 2018 to 2020. Drawn from the two lists presented, the following persons were appointed as members of the Board of Directors: Federico Marchetti, Stefano Valerio, Eva Chen (independent), Catherine Gérardin Vautrin (independent), Laura Zoni (independent), Cedric Charles Marcel Bossert, Robert Kunze-Concewitz (independent), e Richard Lepeu, drawn from list no. 1 presented by the Board of Directors, and Alessandro Foti (independent) drawn from list no. 2, presented by a group of institutional investors. Federico Marchetti and the Board of Directors wish to thank Raffaello Napoleone for his work and dedication along with his important contribution to the company throughout the years he has been chairing the Board.

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The Shareholders' Meeting also appointed the Board of Statutory Auditors for a period of three years, running from 2018 to 2020, composed as follows: Giuseppe Cerati (Chairman), drawn from list no. 2 presented by a group of institutional investors, which gained the second-highest numbers of votes; Giovanni Naccarato e Patrizia Arienti, drawn from list no. 1 presented by the shareholders Federico Marchetti and Mavis S.r.l., which gained the majority of votes, appointed as Primary auditors; Salvatore Tarsia, drawn from list no. 1, and Myriam Amato, drawn from list no. 2, appointed as Alternate auditors.

The curriculum vitae of the members of the Board of Directors and Board of Statutory Auditors are available for consultation at the Company's registered office, in Milan, Via Morimondo n. 17 and on the Company's website www.ynap.com (Governance / Shareholders' Meeting).

It is the company's understanding that Director Federico Marchetti holds 5,164,667 YNAP ordinary shares, Director Stefano Valerio holds 114,200 YNAP ordinary shares and Director Robert Kunze-Concewitz holds 7,000 YNAP ordinary shares.

APPOINTMENT OF THE INDEPENDENT AUDITORS FOR THE YEARS 2018 - 2026

Furthermore, the Shareholders' Meeting appointed PricewaterhouseCoopers S.p.A. as Independent Auditors for the nine-year term 2018 - 2026, upon reasoned proposal formulated by the Board of Statutory Auditors, which is available to the public at the Company's registered office in Milan, Via Morimondo n. 17, and on the Company's website www.ynap.com (Governance / Shareholders' Meeting), to which reference is made for further details.

Pursuant to art. 154-bis, paragraph 2 of Legislative Decree 58/1998, Enrico Cavatorta, the Director responsible for preparing the financial statements, certifies that the accounting information contained in this press release corresponds to documentary records and to accounting books and ledger entries.

YOOX NET-A-PORTER GROUP

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YOOX NET-A-PORTER GROUP is the world's leading online luxury fashion retailer. The Group is a Global company with Anglo-Italian roots, the result of a game-changing merger, which in October 2015, brought together YOOX GROUP and THE NET-A-PORTER GROUP; the two companies had revolutionized the luxury fashion industry since their birth in 2000.

YOOX NET-A-PORTER GROUP is a unique business with an unrivalled offering including multi-brand in-season online stores [NET-A-PORTER](#) and [MR PORTER](#), and multi-brand off-season online stores [YOOX](#) and [THE OUTNET](#), as well as numerous ONLINE FLAGSHIP STORES, all "Powered by YNAP". Through a joint venture established in 2012, YOOX NET-A-PORTER GROUP has partnered with Kering to manage the [ONLINE FLAGSHIP STORES](#) of several of the French group's luxury brands.

In 2016, YOOX NET-A-PORTER GROUP joined forces with Symphony, an entity controlled by Mohamed Alabbar's family, to establish a ground-breaking joint venture to create the Middle East's undisputed leader for online luxury retail.

Uniquely positioned in the high growth online luxury sector, YOOX NET-A-PORTER GROUP has an unrivalled client base of more than 3 million high-spending customers, over 840 million visits worldwide and consolidated net revenues of €2.1 billion in 2017. The Group has offices and operations in the United States, Europe, Middle East, Japan, China and Hong Kong and delivers to more than 180 countries around the world. YOOX NET-A-PORTER GROUP is listed on the Milan Stock Exchange as YNAP.

For further information: www.ynap.com

Linkedin: [YOOX NET-A-PORTER GROUP](#) | Twitter: [@YNAP](#) | Instagram: [@YNAP](#)

YOOX NET-A-PORTER GROUP

ANNEX 1 - YOOX NET-A-PORTER GROUP RECLASSIFIED CONSOLIDATED ADJUSTED INCOME STATEMENT

| € million | 2017 | 2016 | CHANGE | 2H 2017 | 2H 2016 | CHANGE |
|---|--------------|--------------|----------------|--------------|--------------|----------------|
| Consolidated net revenues | 2,091.0 | 1,870.7 | 11.8% | 1,056.9 | 973.6 | 8.6% |
| Cost of goods sold | (1,285.0) | (1,138.2) | 12.9% | (665.4) | (596.1) | 11.6% |
| Gross Profit¹ | 806.0 | 732.4 | 10.0% | 391.5 | 377.5 | 3.7% |
| <i>% of consolidated net revenues</i> | 38.5% | 39.2% | | 37.0% | 38.8% | |
| Fulfilment costs Excl. IPC | (204.7) | (181.4) | 12.9% | (104.8) | (92.9) | 12.9% |
| Sales and marketing costs Excl. IPC | (256.0) | (229.3) | 11.6% | (131.6) | (123.3) | 6.7% |
| General & administrative expenses Excl. IPC | (172.5) | (159.9) | 7.9% | (84.9) | (78.9) | 7.7% |
| Other income and expenses | (3.6) | (6.1) | (41.7)% | 1.1 | (3.3) | >100% |
| Adjusted EBITDA² | 169.2 | 155.7 | 8.7% | 71.3 | 79.2 | (10.0)% |
| <i>% of consolidated net revenues</i> | 8.1% | 8.3% | | 6.7% | 8.1% | |
| Ordinary depreciation and amortisation | (79.9) | (58.4) | 36.9% | (43.4) | (34.0) | 27.6% |
| Non-recurring items | - | - | - | - | - | - |
| Adjusted operating profit³ | 89.4 | 97.4 | (8.2)% | 27.9 | 45.2 | (38.3)% |
| <i>% of consolidated net revenues</i> | 4.3% | 5.2% | | 2.6% | 4.6% | |
| Income/Loss from investment in associates | 0.3 | 0.4 | (29.4)% | 0.2 | 0.1 | 69.2% |
| Financial income | 14.9 | 12.5 | 19.3% | 6.9 | (0.4) | >100% |
| Financial expenses | (36.4) | (16.5) | >100% | (18.5) | (2.6) | >100% |
| Adjusted profit before tax⁴ | 68.1 | 93.7 | (27.3)% | 16.5 | 42.3 | (60.9)% |
| <i>% of consolidated net revenues</i> | 3.3% | 5.0% | | 1.6% | 4.3% | |
| Taxes | (16.9) | (24.4) | (30.8)% | (3.4) | (10.0) | (66.6)% |
| Adjusted net income⁵ | 51.2 | 69.3 | (26.1)% | 13.2 | 32.2 | (59.1)% |
| <i>% of consolidated net revenues</i> | 2.4% | 3.7% | | 1.2% | 3.3% | |

¹ Gross profit is earnings before fulfillment costs excluding non-cash costs relating to existing share-based incentive plans ("IPC"), sales and marketing costs excluding IPC, general and administrative expenses excluding IPC, IPC, other operating income and expenses, depreciation and amortisation, non-recurring expenses, income/loss from investment in associates, financial income and expenses and income taxes. Since gross profit is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union, its calculation might not be standard, and the measurement criterion adopted by the Group might not be consistent with that adopted by other groups. Accordingly, the resulting figures may not be comparable.

² Adjusted EBITDA is earnings before ordinary depreciation and amortisation, non-recurring expenses, income/loss from investment in associates, financial income and expenses and income taxes and excludes non-cash costs relating to existing share-based incentive plans (IPC). Since adjusted EBITDA is not recognised as an accounting measure under the IFRS endorsed by the European Union, its calculation might not be standard. Group management uses adjusted EBITDA to monitor and measure the Group's performance. The management believes that adjusted EBITDA is an important indicator of operating performance in that it is not affected by the various criteria used to calculate taxes, the amount and characteristics of invested capital and the related amortisation and depreciation methods. The criterion adopted by the Group to calculate adjusted EBITDA might not be consistent with that used by other groups. Accordingly, the resulting figures may not be comparable.

³ Adjusted operating profit is earnings before income/loss from investment in associates, financial income and expenses and income taxes and excludes non-cash costs relating to existing share-based incentive plans (IPC) and the non-cash amortisation related to the Purchase Price Allocation ("PPA") arising from the merger. Since adjusted operating profit is not recognised as an accounting measure under the IFRS endorsed by the European Union, its calculation might not be standard. The criterion adopted by the Group to calculate adjusted operating profit might not be consistent with that used by other groups. Accordingly, the resulting figures may not be comparable.

⁴ Adjusted profit before tax is earnings before income taxes and excludes non-cash costs relating to existing share-based incentive plans (IPC) and the non-cash amortisation related to the Purchase Price Allocation ("PPA") arising from the merger. Since adjusted profit before tax is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union, its calculation might not be standard. The criterion adopted by the Group to calculate adjusted profit before tax might not be consistent with that used by other groups. Accordingly, the resulting figures may not be comparable.

⁵ Adjusted Net Income is defined as the earnings of the period before the non-cash costs relating to existing share-based incentive plans (IPC), net of their related tax effects, and before the non-cash amortisation related to the Purchase Price Allocation ("PPA") arising from the merger, net of its related tax effect.

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ANNEX 2 - YOOX NET-A-PORTER GROUP RECLASSIFIED CONSOLIDATED REPORTED INCOME STATEMENT

| € million | 2017 | 2016 | CHANGE | 2H 2017 | 2H 2016 | CHANGE |
|---|--------------|--------------|----------------|--------------|--------------|-----------------|
| Consolidated net revenues | 2,091.0 | 1,870.7 | 11.8% | 1,056.9 | 973.6 | 8.6% |
| Cost of goods sold | (1,285.0) | (1,138.2) | 12.9% | (665.4) | (596.1) | 11.6% |
| Gross Profit⁶ | 806.0 | 732.4 | 10.0% | 391.5 | 377.5 | 3.7% |
| <i>% of consolidated net revenues</i> | 38.5% | 39.2% | | 37.0% | 38.8% | |
| Fulfilment costs Excl. IPC | (204.7) | (181.4) | 12.9% | (104.8) | (92.9) | 12.9% |
| Sales and marketing costs Excl. IPC | (256.0) | (229.3) | 11.6% | (131.6) | (123.3) | 6.7% |
| General & administrative expenses Excl. IPC | (172.5) | (159.9) | 7.9% | (84.9) | (78.9) | 7.7% |
| Incentive plan costs ("IPC") ⁷ | (12.8) | (12.4) | 3.3% | (6.2) | (6.4) | (3.6)% |
| Other income and expenses | (3.6) | (6.1) | (41.7)% | 1.1 | (3.3) | >100% |
| Reported EBITDA⁸ | 156.5 | 143.4 | 9.2% | 65.0 | 72.7 | (10.6)% |
| <i>% of consolidated net revenues</i> | 7.5% | 7.7% | | 6.2% | 7.5% | |
| Ordinary depreciation and amortisation | (79.9) | (58.4) | 36.9% | (43.4) | (34.0) | 27.6% |
| PPA-related amortisation ⁹ | (30.6) | (32.8) | (6.8)% | (15.0) | (15.6) | (3.9)% |
| Non-recurring items | - | - | - | - | - | - |
| Reported operating profit | 46.0 | 52.2 | (11.8)% | 6.7 | 23.2 | (71.1)% |
| <i>% of consolidated net revenues</i> | 2.2% | 2.8% | | 0.6% | 2.4% | |
| Income/Loss from investment in associates | 0.3 | 0.4 | (29.4)% | 0.2 | 0.1 | 69.2% |
| Financial income | 14.9 | 12.5 | 19.3% | 6.9 | (0.4) | >100% |
| Financial expenses | (36.4) | (16.5) | >100% | (18.5) | (2.6) | >100% |
| Reported profit before tax | 24.8 | 48.5 | (48.9)% | (4.6) | 20.3 | >100% |
| <i>% of consolidated net revenues</i> | 1.2% | 2.6% | | (0.4)% | 2.1% | |
| Taxes | (7.5) | (14.6) | (48.5)% | 1.3 | (5.2) | >100% |
| Reported net income | 17.3 | 33.9 | (49.1)% | (3.3) | 15.1 | >100% |
| <i>% of consolidated net revenues</i> | 0.8% | 1.8% | | (0.3)% | 1.6% | |

⁶ See footnote no. 1.

⁷ Incentive plan costs relate to non-cash costs relating to existing share-based incentive plans.

⁸ Reported EBITDA is earnings before ordinary depreciation and amortisation, non-recurring expenses, income/loss from investment in associates, financial income and expenses and income taxes. Since reported EBITDA is not recognised as an accounting measure under the IFRS endorsed by the European Union, its calculation might not be standard. Group management uses reported EBITDA to monitor and measure the Group's performance. The management believes that reported EBITDA is an important indicator of operating performance in that it is not affected by the various criteria used to calculate taxes, the amount and characteristics of invested capital and the related amortisation and depreciation methods. The criterion used by the Group to calculate reported EBITDA might not be consistent with that adopted by other groups. Accordingly, the resulting figures may not be comparable between groups.

⁹ The Purchase Price Allocation process relates to the allocation of the identifiable part of the goodwill arising from the merger of YOOX GROUP and NET-A-PORTER GROUP to intangibles assets.

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ANNEX 3 - YOOX NET-A-PORTER GROUP RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| € million | 31 DEC 2017 | 31 DEC 2016 | CHANGE % |
|---|----------------|----------------|-------------|
| Net working capital ¹⁰ | 20.9 | 36.6 | (42.7)% |
| Non-current assets | 1,891.8 | 1,880.4 | 0.6% |
| Non-current liabilities (excluding financial liabilities) | (74.0) | (85.7) | (13.6)% |
| Net invested capital¹¹ | 1,838.8 | 1,831.3 | 0.4% |
| Shareholders' equity | 1,922.5 | 1,936.0 | (0.7)% |
| Net debt / (net financial position) ¹² | (83.7) | (104.7) | (20.1)% |
| Total sources of financing | 1,838.8 | 1,831.3 | 0.4% |

ANNEX 4 - YOOX NET-A-PORTER GROUP RECLASSIFIED CONSOLIDATED STATEMENT OF CASH FLOWS

| € million | 2017 | 2016 |
|--|---------------|---------------|
| Adjusted EBITDA | 169.2 | 155.7 |
| Net Financial Income / (Expenses) & Associates | (13.2) | (8.8) |
| Taxes Paid | (29.7) | (24.9) |
| Change in Ordinary Working Capital | 53.3 | (23.4) |
| Capital Expenditure | (169.3) | (136.9) |
| Other ¹³ | (60.8) | (19.2) |
| Free Cash Flow | (50.4) | (57.6) |
| Translation Adjustment ¹⁴ | 5.5 | - |
| Free Cash Flow (at constant FX) | (44.9) | (57.6) |
| M&A related items | - | - |
| Proceeds from Stock Option Exercise, Capital Increase & Equity contributions ¹⁵ | 29.4 | 100.2 |
| Translation Adjustment ¹⁴ | (5.5) | - |
| Change in Net Financial Position (at current FX) | (21.0) | 42.6 |

¹⁰ Net working capital is current assets, net of current liabilities, with the exception of cash and cash equivalents, bank loans and borrowings and other financial payables falling due within one year and financial assets and liabilities included under other current assets and liabilities. Net working capital is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union. The measurement criterion adopted by the Company might not be consistent with that adopted by other groups. Accordingly, the balance obtained by the Company may not be comparable with the figures obtained by other groups.

¹¹ Net invested capital is the sum of net working capital, non-current assets and non-current liabilities net of non-current financial liabilities. Net invested capital is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union. The measurement criterion adopted by the Company might not be consistent with that adopted by other groups. Accordingly, the balance obtained by the Company may not be comparable with the figures obtained by other groups.

¹² Net debt (or net financial position) is the sum of cash and cash equivalents, other current financial assets, net of bank loans and borrowings and other financial payables falling due within one year, other current financial liabilities and non-current financial liabilities. Net debt (or net financial position) is not recognised as an accounting measure under Italian GAAP or the IFRS endorsed by the European Union. The measurement criterion adopted by the Company might not be consistent with that adopted by other groups. Accordingly, the balance obtained by the Company may not be comparable with the figures obtained by other groups. Other current financial assets are not governed in detail in CESR's definition of net debt (or net financial position): the Group considers it appropriate to supplement this definition by including receivables from acquirers and logistics operators that have been requested to collect cash on delivery under "other current financial assets".

¹³ Other mainly refers to deferred tax assets and liabilities, exchange rate impact resulting from the consolidation of foreign subsidiaries and other reserves.

¹⁴ Translation Adjustments refer to the delta FX which arises from converting Ordinary Working Capital, Capital Expenditure and Other into Euro at the exchange rates as of 31 December 2017 and as of 31 December 2016.

¹⁵ 2017 value relates to the equity injection by Symphony, a company controlled by Mohamed Alabbar's family, into Middle East Joint Venture. 2016 value relates to the capital increase entirely subscribed by Alabbar Enterprises in April 2016.

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ANNEX 5 - YOOX NET-A-PORTER GROUP S.P.A. RECLASSIFIED REPORTED INCOME STATEMENT

| € million | 2017 | 2016 | CHANGE |
|---|---------------|---------------|--------------|
| Net revenues | 639.5 | 578.9 | 10.5% |
| Cost of goods sold | (503.1) | (445.2) | 13.0% |
| Gross profit¹⁶ | 136.4 | 133.7 | 2.0% |
| <i>% of net revenues</i> | 21.3% | 23.1% | |
| Fulfillment costs | (60.8) | (48.1) | 26.5% |
| Sales and marketing costs | (41.6) | (40.9) | 1.6% |
| General & administrative expenses | (65.2) | (54.8) | 18.9% |
| Other income and expenses | 0.2 | (6.0) | >100% |
| Reported EBITDA¹⁷ | (31.0) | (16.1) | 92.1% |
| <i>% of net revenues</i> | (4.8)% | (2.8)% | |
| Depreciation and amortisation | (47.7) | (35.7) | 33.9% |
| Non-recurring items | - | - | - |
| Operating profit | (78.8) | (51.8) | 52.0% |
| <i>% of net revenues</i> | (12.3)% | (8.9)% | |
| Income/Loss from investment in associates | 0.3 | 0.4 | (29.4)% |
| Financial income | 6.5 | 9.2 | (28.8)% |
| Financial expenses | (14.4) | (12.7) | 13.3% |
| Profit before tax | (86.3) | (54.9) | 57.2% |
| <i>% of net revenues</i> | (13.5)% | (9.5)% | |
| Taxes | 16.6 | 11.0 | 51.0% |
| Reported net income | (69.7) | (43.9) | 58.7% |
| <i>% of net revenues</i> | (10.9)% | (7.6)% | |

¹⁶ Refer to footnote 1.

¹⁷ Refer to footnote 8.

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ANNEX 6 - YOOX NET-A-PORTER GROUP S.P.A. RECLASSIFIED REPORTED STATEMENT OF FINANCIAL POSITION

| € million | 31 DEC 2017 | 31 DEC 2016 | CHANGE |
|---|----------------|----------------|-------------|
| Net working capital ¹⁸ | 11.9 | 65.2 | (81.7)% |
| Non-current assets | 2,151.0 | 2,033.4 | 5.8% |
| Non-current liabilities (excluding financial liabilities) | (0.5) | (0.3) | 41.2% |
| Net invested capital¹⁹ | 2,162.4 | 2,098.3 | 3.1% |
| Shareholders' equity | 2,000.9 | 2,056.8 | (2.7)% |
| Net debt / (net financial position) ²⁰ | 161.5 | 41.5 | >100% |
| Total sources of financing | 2,161.4 | 2,098.3 | 3.1% |

ANNEX 7 - YOOX NET-A-PORTER GROUP RECLASSIFIED REPORTED STATEMENT OF CASH FLOWS

| € million | 2017 | 2016 | CHANGE |
|---|----------------|----------------|----------------|
| Cash flow from (used in) operating activities | 21.3 | (14.3) | >100% |
| Cash flow from (used in) investing activities | (146.4) | (92.0) | 59.2% |
| Sub-Total | (125.1) | (106.2) | 17.7% |
| Cash flow from (used in) financing activities | 103.8 | 80.0 | 29.7% |
| Total Cash Flow for the period | (21.2) | (26.2) | (18.9)% |

¹⁸ Refer to footnote 10.

¹⁹ Refer to footnote 11.

²⁰ Refer to footnote 12.