

**Lock-up agreement for the shares of YOOX NET-A-PORTER GROUP S.p.A. - Essential information pursuant to Article 122 of Legislative Decree 58/1998 and Article 130 of Consob Regulation 11971/1999**

*The essential information set out below represents a further update (pursuant to and for the purposes of article 131, of Consob Regulation n. 11971/1999) of the text published on 3 April 2015 and updated in order to reflect the intervened effectiveness, on 5 October 2015, of the merger by absorption of Largenta Italia S.p.A. into YOOX S.p.A. (now YOOX NET-A-PORTER GROUP S.p.A.), as in the last version published and also integrated on 5 January 2018.*

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Pursuant to Article 122 of Legislative Decree 58/1998 (the “**TUF**”) and Article 130 of Consob Regulation 11971/1999 (the “**Consob Regulation**”), please note the following.

**1. INTRODUCTION**

**1.1 *Merger Agreement***

- (a) On 31 March 2015 YOOX NET-A-PORTER GROUP S.p.A. (formerly YOOX S.p.A.) (the “**Issuer**” or the “**Company**” or “**YNAP**”), Compagnie Financière Richemont SA (“**Richemont**”) and Richemont Holdings (UK) Limited, a company fully controlled by Richemont (“**RH**” and, jointly with the Company and Richemont, the “**Parties**” and, individually, the “**Party**”) signed an agreement (the “**Merger Agreement**”) to integrate the activities of YOOX S.p.A. and The Net-A-Porter Group Limited (“**NAP**”), a company indirectly controlled by Richemont, partly through RH, by way of a merger by absorption into YOOX S.p.A. (now YNAP) of Largenta Italia S.p.A. (“**Largenta Italia**”), a company indirectly controlling NAP (the “**Merger**”).
- (b) On 5 October 2015 (the “**Effective Date of the Merger**”), in accordance with the provisions of the merger deed entered into on 28 September 2015 between the Issuer and Largenta Italia, the Merger became effective and the Company accordingly increased its share capital through a capital increase of EUR 655,995.97, entailing the issue of a total of 65,599,597 shares (all with no indication of par value), implementing the exchange ratio of No. 1 newly issued share of the Company every No. 1 share of Largenta Italia, allocated to RH as sole shareholder of Largenta Italia, of which:
  - (i) No. 20,693,964 ordinary shares listed on the *Mercato Telematico Azionario* organised and managed by Borsa Italiana S.p.A. (“**MTA**”) as all outstanding YNAP ordinary shares; and
  - (ii) No. 44,905,633 shares without voting rights, not listed on the MTA.
- (c) Effective as of the Effective Date of the Merger, furthermore, the Company assumed the new company name of “YOOX NET-A-PORTER GROUP S.p.A.” and in its abbreviated form “YNAP S.p.A.”
- (d) On 21 July 2015, the Shareholders’ Meeting of the Issuer resolved to grant the Board of Directors of the Issuer a delegation of power, pursuant to article 2433 of the Italian

Civil Code, to be exercised within 3 years from the Effective Date of the Merger (as defined below), to increase the share capital on one or more occasions, via payment in cash in one or more tranches, up to a maximum of EUR 200,000,000, to be exercised within three years of the effective date of the Merger, for a total number of shares not exceeding 10% of the share capital of the Issuer (the “**Reserved Capital Increase**”). On 18 April 2016, YNAP and Alabbar Enterprises S.à r.l. (the “**Investor**” or “**Alabbar Enterprises**” ) and, together with YNAP, the “**Parties**”) entered into a subscription agreement (the “**Subscription Agreement**”) for the purpose of governing the Investor’s commitment to invest in the share capital of the Company, by subscribing and paying up for newly issued ordinary shares in the context of the Reserved Capital Increase, as well as establishing certain further lock-up undertakings relating thereto<sup>1</sup>. On 18 April 2016, the Board of Directors resolved to increase YNAP share capital, exercising the Delegation, by an amount equal to EUR 100 million (including share premium) through the issuance of no. 3,571,428 new YNAP ordinary shares, with no par value, to be offered in subscription to the Investor (the “**Alabbar Capital Increase**”). On 22 April 2016, the Alabbar Capital Increase has been executed.

## 1.2 *Shareholders' Agreement between Richemont, RH and the Company*

(a) At the same time as the signing of the Merger Agreement, the Parties also signed an agreement containing shareholders' undertakings relevant under Article 122 of TUF (the “**Shareholders' Agreement**”). These undertakings stipulate, *inter alia*, that the incumbent Chief Executive Officer of YNAP (the “**CEO**”), Federico Marchetti (“**FM**”), is reappointed to this office until approval by the Ordinary Shareholders' Meeting of YNAP of the financial statements as at 31 December 2017 (the “**First Term**”), maintaining the current delegation of powers to manage all YNAP’s businesses. Moreover, when the First Term expires, RH undertook to perform (and Richemont undertook to procure that RH performs) the following:

- (i) vote in favour of the appointment of FM as a Director of YNAP for a further three year term, and, therefore, to vote in favour of a slate of candidates presented by the Board of Directors on which FM will be included, provided that two candidates nominated by Richemont are also included among the first nine candidates on such slate;
- (ii) exercise the powers held by RH as a YNAP shareholder to support the appointment of FM as CEO of the Company for a further three years period, under terms and conditions that are no less favourable than in the First Term,

in each case provided that FM will be in office when the First Term expires.

(b) Pursuant to the Shareholders' Agreement, the Parties have also undertaken, for matters within their competence, to do everything necessary to procure the implementation of new share-based incentive plans to be resolved upon by YNAP post-Merger as soon as practicable after the Effective Date of the Merger and in compliance with the principles of the Shareholders' Agreement, which stipulate, *inter alia*, that a number of shares not exceeding 5% of YNAP's share capital (calculated on a fully-diluted basis) be used to serve these plans, with a portion of these shares to be allocated to the CEO when the relative rights are allocated.

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<sup>1</sup> Such additional undertakings had a duration of 18 months and thus expired on 18 October 2017.

For further information relating to the provisions of the Shareholders' Agreement, please see the key information published, pursuant to Article 130 of Consob Regulation, on the Issuer's website at [www.ynap.com](http://www.ynap.com) and on the website [www.consob.it](http://www.consob.it).

### **1.3 Lock-up Agreement**

- (a) At the same time as the signing of the Merger Agreement and the Shareholders' Agreement, Richemont and FM signed an agreement containing lock-up clauses applying to FM as described below (the “**Lock-up Agreement**”).
- (b) On 22 January 2018 Richemont announced, pursuant to art. 102, paragraph 1, of Legislative Decree n. 58/1998 (“**TUF**”), its decision to launch through RLG Italia Holding S.p.A. (the “**Offeror**”), a company indirectly fully owned by Richemont, a voluntary tender offer on 100% of the ordinary shares of YNAP (the “**Offer**”) that will be issued and outstanding, other than the shares already owned by Richemont and its affiliates, subject to the terms and conditions set out, or referred to, in the mentioned announcement pursuant to art. 102 TUF (the “**102 Announcement**”).
- (c) As a consequence of Richemont undertaking to announce its decision to launch the Offer through the Offeror and subject to the release – and filing with Consob - of the 102 Announcement by 22 January 2018, 9.00 am, on 21 January 2018 FM irrevocably undertook to tender in the Offer (the “**Irrevocable Undertaking**”) under the terms and conditions set out in the Irrevocable Undertaking. For further information related to the provisions of the Irrevocable Undertaking, please see the essential information published, pursuant to Article 130 of Consob Regulation, on the Issuer's website at [www.ynap.com](http://www.ynap.com) and on the website [www.consob.it](http://www.consob.it).
- (d) According to the Irrevocable Undertaking, Richemont and FM further agreed to amend the provision related to the duration of the Lock-Up Agreement as specified in point 6 below.

## **2. TYPE OF AGREEMENT**

The shareholders' undertakings contained in the Lock-up Agreement, summarised under point 5 below, represent shareholders' undertakings relevant under Article 122, paragraph 5, letter b) of TUF.

## **3. COMPANIES WHOSE SHARES ARE SUBJECT TO THE SHAREHOLDERS' UNDERTAKINGS**

The shareholders' undertakings contained in the Lock-up Agreement relate to shares that will be subscribed by FM in execution of any new incentive plan and future capital increases (including the Capital Increase) of the Issuer, as shown under point 5 below.

YNAP is a joint stock company (*società per azioni*) governed by Italian law, with registered office in Milan. It is registered with the Milan Companies Register under no. 02050461207, with a share capital (as at 26 January 2018) of EUR 1,340,627.17, fully subscribed and paid in, represented by aggregate 134,062,717 shares with no indication of nominal value, of which No. 91,249,572 ordinary shares admitted to trading on the MTA and No. 42,813,145 B shares without voting rights not listed on the MTA.

As at 26 January 2018, the Issuer holds 17,339 treasury shares, representing 0.013% of the entire share capital.

As at 26 January 2018, no shareholders exercise control over the Issuer within the meaning of Article 93 of TUF.

#### **4. PARTIES TO THE LOCK-UP AGREEMENT AND FINANCIAL INSTRUMENTS HELD BY THE SAME**

The shareholders' undertakings contained in the Lock-up Agreement have binding effects on Richemont and FM.

As at 26 January 2018:

- Richemont is a joint stock company (*société anonyme*) governed by Swiss law, with registered office at 50 Chemin de la Chênaie, Bellevue, Geneva, CP30 1293, Switzerland, and a share capital of CHF 574,200,000 (fully paid in), registered with the the Geneva Companies Register under no. CHE-106.325.524.

Richemont is controlled by Compagnie Financière Rupert, a *société en commandite par actions* (partnership limited by shares) governed by Swiss law, with registered office at 2 Chemin des Mastellettes, Bellevue, Geneva CP30 1293, Switzerland, and registered with the Geneva Companies Register under no. CHE-101.498.608. It owns 522,000,000 Class B shares of Richemont, representing 9.1% of the share capital, and controls 50% of Richemont's voting capital.

As at 26 January 2018, Richemont, through RH, holds an equity investment in YNAP's share capital equal to: (a) No. 22,786,452 ordinary shares, representing 24.971% of the ordinary share capital with voting rights of the Issuer; and (b) No. 42,906,138 B shares without voting rights, representing all of the B shares issued by YNAP.

- FM: born in Ravenna (RA) on 21 February 1969, resident at Via Regina 42, Lenno (CO), tax code MRCFRC69B21H199O.

As at 26 January 2018 FM holds, directly and indirectly, 5,164,667 ordinary shares of the Issuer, representing 5.660% of the Company's voting capital.

#### **5. SHAREHOLDERS' UNDERTAKINGS CONTAINED IN THE LOCK-UP AGREEMENT**

- (a) For a period of three years from the Effective Date of the Merger, and for as long as FM is CEO of the Company, with regard to each newly-issued share of YNAP subscribed by FM:
  - pursuant to any future capital increase by the Issuer (including the Capital Increase); and
  - in execution of any new incentive plan or stock option plan, however defined,

(the "FM Lock-up Shares"),

FM may not, directly or indirectly, do any of the following without prior written consent from Richemont:

- offer, sell, contract to sell or otherwise dispose of, or enter into any transaction whose purpose is, or which results in, the transfer of any FM Lock-up Shares or any right over FM Lock-up Shares, in any form, including any financial instrument that grants the right to purchase, subscribe for, convert into and/or exchange for FM Lock-up Shares; or
  - enter into any derivative contract relating to FM Lock-up Shares or carry out any derivative transaction that have any of the consequences described above (even if limited to economic consequences ).
- (b) The Lock-up Agreement stipulates, for the purposes of clarification only, that FM Lock-up Shares shall not include (i) any YNAP shares owned by FM at the Effective Date of the Merger and (ii) ordinary shares of YNAP that will be issued by the Issuer to execute any incentive plan or stock option plan approved by the Shareholders' Meeting of the Issuer before the Merger execution date.
- (c) As mentioned under point (a) above, FM is not prevented from transferring any FM Lock-up Shares to any of his affiliates, provided that such affiliate has previously undertaken in writing a lock-up commitment imposing the same lock-up commitment arising therefrom.
- (d) As an exception to the provisions described under point (a) above, the restrictions therein do not restrict FM or any of his affiliates from accepting a tender offer or an exchange offer made to all holders of YNAP shares or holders representing at least 60% of the capital of YNAP, and made on terms that treat the holders of shares alike.

**6. DURATION OF THE LOCK-UP AGREEMENT AND THE SHAREHOLDERS' UNDERTAKINGS CONTAINED THEREIN**

The Lock-up Agreement entered into force on 5 October 2015 (corresponding to the Effective Date of the Merger) and will have a duration of three years lapsing from such date.

According to the Irrevocable Undertaking Richemont and FM agreed to terminate the Lock-Up Agreement by mutual consent – with consequent termination of any validity and effect thereof – with effect from, and subject to the release - and filing with Consob - of the 102 Announcement.

Notwithstanding the above, Richemont and FM further agreed that, subject to the following conditions, the Lock-Up Agreement will remain valid, fully in force and binding on the parties as if its termination had never occurred:

- (i) Richemont does not release – and file with Consob – the 102 Announcement in accordance by 09.00 a.m. on 22 January 2018;
- (ii) the Offer is withdrawn or lapses in accordance with its terms.

**7. ENTITY EXERCISING CONTROL PURSUANT TO ARTICLE 93 OF TUF**

The shareholders' undertakings contained in the Lock-up Agreement are not significant for the purposes of the control of the Issuer.

**8. FILING WITH THE COMPANIES REGISTER**

The Lock-up Agreement was filed with the Bologna Companies Register on 3 April 2015. The filing details are No. PRA/20054/2015. The notice relating to the update of the key information relating to the shareholders' undertakings contained in the Lock-up Agreement was filed with the Milan Companies Register on 9 October 2015, with the following filing details: N. PRA/286652/2015.

The Irrevocable Undertaking was filed with the Milan Companies Register on 25 January 2018.

**9. WEBSITE WHERE INFORMATION ON THE SHAREHOLDERS' UNDERTAKINGS CONTAINED IN THE LOCK-UP AGREEMENT IS PUBLISHED**

Key information on the shareholders' undertakings contained in the Lock-up Agreement are published, pursuant to Article 130 of Consob Regulation, on the Issuer's website, [www.ynap.com](http://www.ynap.com).

26 January 2018