



**DADA S.P.A. BOARD OF DIRECTORS' REPORT TO THE ORDINARY SHAREHOLDERS'
MEETING ON THE FIRST ITEM ON THE AGENDA: "PROPOSAL TO APPROVE THE STOCK
OPTION INCENTIVE PLAN INTENDED FOR EMPLOYEES OF DADA S.P.A. GROUP;
RESOLUTIONS PERTAINING THERETO AND RESULTING THEREFROM"**

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

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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



Dear Shareholders,

you have been called to this ordinary Shareholders' meeting to discuss and resolve - pursuant to Article 114-bis, paragraph 1 of Legislative Decree No 58 of 24 February 1998, - on the issue of the approval of a stock option plan for the period 2017-2019 intended for employees of the Dada Group, and in particular for executives and/or managers and employees of the Dada S.p.A. Company and/or its subsidiaries, pursuant to Article 2359 of the Civil Code, as set out by the Board of Directors, from a proposal by the Compensation Committee, in their meeting on December, 14th, 2016.

This report is made up of the briefing document as set out in Article 84-bis of CONSOB Regulation No 11971 of 14 May 1999 ("Issuer Regulations").

This briefing document was drafted, even as concerns the numbering of the paragraphs, with reference to the indications found in Scheme 7 of Annex 3A of the Issuer Regulations, even when related information is not applicable, to facilitate its reading.

Note that the stock option plan described herein is considered to be "of particular significance" pursuant to Article 114-bis, paragraph 3 of Legislative Decree 58/1998 and Article 84-bis, paragraph 2 of the Issuer Regulations, in that it is possible that among its beneficiaries there may be those parties indicated therein.

In conclusion, note that at the time of the approval of this Report on the stock option plan, some data will not be available, being put forward, in the event that the Shareholders' meeting approves the proposal, to the future discussion during the meeting of the Board of Directors, for the total or partial exercise of the Plan, and shall be provided, pursuant to Article 84 bis, paragraph 5, letter a), at the time the options are assigned when the Plan is implemented.

The ordinary Shareholders' meeting convened to discuss the approval of the Plan was called on January, 18th 2017 (first call) and, if required, on January, 19th 2017 (second call).

Definitions

For the purposes of this briefing document, the terms indicated below shall have the meanings assigned them hereto:

"Shareholders' meeting" indicates the meeting of the shareholders of the company called on January, 18th 2017(first call) and, if required, on January, 19th 2017 (second call).

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“Shares” indicates the ordinary shares in the Company.

“Beneficiaries” indicates the parties to whom the Options will be assigned.

“Board” or “ Board of Directors” indicates the Company Board of Directors.

“Compensation Committee” indicates the Compensation Committee formed from the Board pursuant to the Corporate Governance Code for Listed Companies.

“Dada Group” indicates the overall company and its subsidiaries.

“Options” indicates the options pertaining to the 2017-2019 Incentive Plan, which shall give to the respective Beneficiaries, the right to subscribe to an equal number of shares, under the established conditions.

“2017-2019 Incentive Plan” or “ Plan” indicates the stock option plan intended for executives and/or managers and/or employees of the Company and/or of its subsidiaries, which shall be approved by the Shareholders' meeting and the contents of which were set out by the Board of Directors, as proposed by the Compensation Committee, at its meeting on December, 14th, 2016

“Market Regulations” indicates the regulation of the markets organised and managed by Borsa Italiana S.p.A.

“Plan Regulations” indicates the Regulations of the Plan, which are foreseen as being approved by the Company Board of Directors when it exercises its Delegation of powers (as set out below).

“Issuer Regulations” indicates the Regulations adopted by CONSOB with Resolution 11971 of 14 May 1999, as amended.

“Scheme” indicates Scheme 7 in Annex 3A of the Issuer Regulations.

“Company” or “Dada S.p.A.” indicates the Dada S.p.A. Company, with registered offices in Florence, at Viale della Giovine Italia 17.

“Subsidiaries” indicates each of the Company's subsidiaries or jointly companies controlled by the Company, whether Italian or foreign, pursuant to the current civil legislation or Article 2359 of the Civil Code.

“TUF” indicates Legislative Decree No 58 of 24 February 1998, (consolidated law on financial intermediation).

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“TUIR” indicates the Consolidated Law on Income Tax, approved with Presidential Decree No 917 of 22 December 1986.

1. Beneficiaries

1.1 The names of the beneficiaries who are members of the Board of Directors or the Management Committee of the issuer of the financial instruments, of the companies controlling the issuer, and of the companies controlled, directly or indirectly, by the issuer

The plan is intended for executives and/or managers and/or employees of the Dada Group, to be identified by the Board of Directors, upon proposal by the Compensation Committee, in implementation of the Plan and performance of the powers delegated. Among the Beneficiaries, it is possible that members of the Board of Directors of the Company and of the companies either directly or indirectly controlled by it shall be involved, if they are executives and/or managers of the Dada Group, identified by the Board of Directors of the Company in relation to their own organisational role.

1.2 The categories of employees or associate workers of the issuer of the financial instruments and of the companies controlling or controlled by the issuer

The plan is intended for executives and/or managers and/or employees of the Dada S.p.A. Company and/or of its Subsidiaries, to be identified by the Board of Directors, upon proposal by the Compensation Committee of the Company.

1.3 The names of the beneficiaries of the Plan who belong to the following groups:

a) Parties who hold management positions indicated in Article 152- sexies, paragraph 1, letter c)-c.2 of the Issuer Regulations in the stock issuing company;

b) Parties who hold management positions in a company, either directly or indirectly controlled by, an issuer of stock; if the book value of the equity holdings in the aforementioned subsidiary company represents more than fifty per cent of the equity assets of the stock issuer, as shown on the last approved financial statements, as indicated in Article 152-sexies, paragraph 1, letter c)-c.3 of the Issuer Regulations;

c) Physical persons controlling the issuer of shares, who are employees or who work as associate workers in the issuer of shares.

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The Beneficiaries may also include General Managers of the Issuer, as well as persons falling in the category under art. 152 sexies, par. 1, lett. c (c-1, c-2) of the Issuer Regulations. The names of the Beneficiaries are not available, as they will be remitted, were the Shareholders' Meeting to approve the relating proposal, to the decision of the Board of Directors, in total or partial exercise of the Plan.

1.4 Description and number, by category of:

a) the group of managers who have regular access to inside information and have the authority to make management decisions that could weigh on the development and future prospects of the stock issuer, indicated in Article 152 sexies, paragraph 1, letter c)-c.2;

b) the group of managers who have regular access to inside information and have the authority to make management decisions that could weigh on the development and future prospects of a subsidiary, either directly or indirectly, of a stock issuer, if the book value, of the equity holdings in the aforementioned subsidiary company represents more than fifty per cent of the equity assets of the stock issuer, as shown on the last approved financial statements, as indicated in Article 152-sexies, paragraph 1, letter c)-c.3;

c) any other possible categories of employees or staff for which differentiated plan characteristics have been provided for (e.g. directors, managers, employees, etc.);

d) the event in which, as concerns the stock options, there is provided for, concerning the parties indicated in letters a) and b), a different exercise price among the parties belonging to the two categories, those parties in letters a) and/or b) shall be indicated separately, by name.

1.5 Description and number of the Beneficiaries as set out in paragraph 1.3

The specific data concerning the description and number of the Beneficiaries who hold management positions, who have regular access to inside information and have the authority to make management decisions that could weigh on the development and future prospects of the Company, pursuant to Article 152-sexies, paragraph 1, letters c)-c.2 of the Issuer Regulations, is not available at the time of the approval of this Report, being put forward, in the event that the Shareholders' meeting approves the Plan and the relative powers delegated to the Board to implement the Plan (hereinafter also the "Delegation"), to future resolution of the Board of Directors and shall be provided, pursuant to Article 84 bis, paragraph 5, letter a) of the Issuer Regulations and together with the remaining Board resolutions significant thereto, at the time of the assignment of the Options within the legal terms.

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There are no categories of employees or staff for which differentiated Plan characteristics have been provided.

2. Reasons for Adoption of the Plan

2.1 Objectives to be achieved through assignment of the Plan

The 2017-2019 Incentive Plan has as its main aim that of providing incentives for and creating loyalty among the Beneficiaries, making them even more co-responsible and - at the same time - participants in the growth process of the Dada Group considered in its entirety.

Indeed, it is believed that an appropriate incentive plan structured on the participation of the Beneficiaries in the Company's share capital, which is expected to take place over a rather long timeframe, remaining moreover subject to performance objectives pertaining to the achievement of operational results, may effectively contribute to the improvement of the efficiency of management and of business.

This initiative is furthermore in line with similar policies already adopted in the past for employees and top managers.

The goal of the 2017-2019 Incentive Plan is that of involving the Beneficiaries identified by the Board, in the future economic and strategic development of the Company and the Dada Group, enabling those same Beneficiaries to participate in the fruits of that development. The 2014-2016 Incentive Plan is specifically aimed, firstly, toward providing incentives for those Beneficiaries and, secondly, toward maintaining their collaborative relationship with the Company and the Subsidiaries, further developing a culture geared towards the creation of value for shareholders, by linking a part of their remuneration to the performance of the securities on the market and hence with the tangible creation of value for shareholders.

In conclusion, the 2017-2019 Incentive Plan is aimed at protecting the Company's competitiveness on the jobs market.

This is an appropriate Plan, due also to the imminent expiry of the vesting period of the previous 2014-2016 stock option incentive plan, and to the appropriateness to adopt at the beginning of 2017 a new medium-long term incentive plan in order to assure the highest level of attention to the above mentioned goals and to be consistent with the provisions of the Corporate Governance Code for Listed Companies.

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2.1.1 More detailed information for significant plans as set out in Article 84 bis, paragraph 2, of the Issuer Regulations.

As concerns the Plan, and in line with previous incentive plans, the purpose of these incentives was pursued mainly through the placing of conditions on the exercise of the options by the Beneficiaries, as better described in paragraph 2.2. below; whilst as concerns the purpose of loyalty building, it is important to consider the time gap between the assignment date and that of the first possible exercise of the options.

As for the criteria used to set the aforementioned time horizon, the time horizon has been indirectly determined by the performance target associated with the Plan, specifically identified by the Board of Directors and linked, as explained in par. 2.2 below, to the achievement of the performance targets (as explained in par. 2.2 below) of the Dada Group, measured on the 2017-2019 three-year plan approved by the Company.

It should also be noted that the identification of the condition for the achievement of the foreseen objective concerning operations over the 2017-2019 period, clearly responds to the purpose of loyalty building of the Beneficiaries over time and to further align their objectives with those of the shareholders in the creation of value for the Company.

The actual determination of the number of Options assigned to each Beneficiary, to be undertaken by the Company Board of Directors, in implementation of the Plan and based on suggestions made by the Group Compensation Committee, shall consider the level of importance of the post and organizational role within the scope of the Group, and hence of the ability to effect the performance objectives considered, applying therefore differentiated proportional criteria between fixed compensation and the number of Options assigned.

2.2 Key variables, also in the form of the performance indicators considered for the implementation of plans based on financial instruments.

The actual possibility of exercising the Options under the 2017-2019 Plan will be subject to the meeting of a performance condition depending on the achievement by the Dada Group of a consolidated and cumulative revenue and EBITDA target for 2017-2019, as set out by the Board, based on the three-year plan of the Dada Group.

Specifically, were the Dada Group to achieve at least 85% of the cumulative EBITDA target for 2017-2019, and at least 90% of the cumulative revenue target for 2017-2019, as identified by the Board for the Dada Group based on the three-year plan approved, this would constitute a

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satisfaction of the performance condition and the full vesting of all the Options; conversely, were the Dada Group not to achieve at least 85% of the cumulative EBITDA target set out in the three-year plan, or at least 90% of the cumulative revenue target set out in the three-year plan of the Dada Group as determined by the Board of the Company, this would constitute the non-vesting of the Options.

2.2.1 More detailed information for significant plans as set out in Article 84 bis, paragraph 2, of the Issuer Regulations.

More specifically, and with regard to the performance target of the 2017-2019 Plan, the proposal is to identify the performance condition to the exercising of the Options in the achievement by the Dada Group of a cumulative revenue and EBITDA target for 2017-2019 as determined by the Board of the Company, based on the three-year plan of the Dada Group, deeming the achievement of this target as one of the most significant performance measures to gauge the actual efficiency of the work performed by the Beneficiaries and value creation for Shareholders. The previous stock option plans approved earlier by the Company were taken into account in the drafting of the proposal contained in this Report. Please see also par. 1.4 and 2.2.

2.3 Factors underlying the determination of the amount of compensation based upon financial instruments i.e., the determination criteria

The actual determination of the number of Options assigned within the scope of the Plan being implemented, in the exercise of the powers delegated, shall be guided by the level of relevance of each beneficiary's organizational role in the Group for the Company and the Subsidiaries, applying therefore differentiated proportional criteria between fixed compensation and the number of Options assigned.

2.3.1 More detailed information for significant plans as set out in Article 84 bis, paragraph 2, of the Issuer Regulations.

Specifically, as concerns the Plan, the Board, working on the basis of the assessments and proposals of the Compensation Committee of the Company, shall consider the level of relevance of each beneficiary's organizational role in the Group and of the particular importance of the

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purpose of loyalty building, and this appears even more coherent with the nature of the proposed “performance condition.” Previous stock option plans already approved by the Company were considered during the development of the proposal contained in this report.

2.4 The reasons underlying any decision to award remuneration plans based on financial instruments not issued by the issuer of financial instruments, such as financial instruments issued by subsidiaries or controlling companies or by third party companies not part of the issuing group; in the event that the aforementioned instruments are not traded on regulated markets, information on the criteria used to determine the value attributed to them

The possibilities described in the paragraph on the Scheme are not applicable to the Plan.

2.5 Assessments concerning significant tax and accounting implications affecting the definition of the plans

From the point of view of taxes, having considered the provisions under Article 51 of Presidential Decree No 917 of 22 December 1986 (containing the Consolidated Law on Income Tax), the difference between the value of the Shares at the time of subscription and the exercise price of the Options (see paragraph 4.19 below) shall be subject to taxation to be borne by the Beneficiaries. Equally, that same difference shall be subject to charges as set out in the current social security system.

From an accounting standpoint, the Company shall consider the effects of the Plan as concerns IFRS 2 “Share-based Payment”: the cost of the Plan shall be determined on the basis of the fair value of the Options on the date of their assignment.

2.6. Support for the plan from the special fund for the encouragement of employee participation in businesses, as set out in Article 4, paragraph 112, of Law No 350 of 24 December 2003

The plan receives no support from the Special Fund for the encouragement of employee participation in businesses, as set out in Article 4, paragraph 112, of Law No 350 of 24 December 2003.

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3. Approval procedure and instrument assignment schedule

3.1 Scope of the authority and the functions delegated to the Board of Directors by the Shareholders' meeting for the purpose of implementation of the plan

The Company's ordinary shareholders' meeting, called to approve the Plan as set out in this Scheme, shall also be asked to assign the Board of Directors all the authority required to fully implement the Plan, to be applied in compliance to what is set out herein. Notwithstanding this compliance, the Board of Directors shall therefore provide for, in particular, by way of example but not limited to, the precise identification of the Plan Beneficiaries, their assignment of the Options, the approval of appropriate Plan implementation regulations, as well as the actual determination of the Share subscription price to be issued for use of the Options. The Board shall also have the authority, without restrictions, for example, to set out the actual procedures, terms, conditions and the precise time of the assignment of the Options, the vesting and exercise period of the Options, the determination of the amount of subscription rights to be assigned to the different Beneficiaries, even in several tranches, the outcome of subscription rights not yet exercised or not yet exercisable at the time of any possible relevant termination of the relationship between the Beneficiaries and the companies to which they respectively belong for any reason whatsoever (see also paragraph 4.8 below), the lock up of some of the shares, the claw-back clauses and the black out periods, the so-called repricing or redetermination of the objective making up the performance condition of the Options (notwithstanding the nature of the parameter provided for in paragraph 2.2 above), the anticipation of the choice of subscribing to the Options in case significant events involve the control of the Company, adjustments and the condition expiry clauses, changes in the event of amendments to the tax and social security legislation or in any event significantly relevant to the implementation of the Plan. As concerns the Board of Directors' authority, see what is indicated thereto in the paragraphs below in this section and in Point 4.

3.2 Parties tasked with the administration of the plan and their function and responsibilities

Besides of the functions described in paragraph 3.1 and, again, by virtue of the powers delegated, the Board of Directors shall be the body tasked with the administration of the Plan

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and, in addition to being able to delegate one or more of its members, also jointly, with powers, tasks and responsibilities concerning only executive management activities and simple administration of the Plan, it shall also, among other things, have:

- the duty, upon proposal or subject to a favourable opinion of the Compensation Committee and with no delegation authority, to approve and change the Plan Regulations, to set Option exercise periods and prices, to assign options to individual Beneficiaries, to identify any performance objectives to which the exercise of the options are subject, to determine the lock-up of some of the shares, the claw-back clauses and the black out periods, or to essentially re-establish the prior situation if, due to changes that have occurred in the tax and social security legislation or in any other applicable legislation, or in their relevant interpretation and/or application, implementation of the 2017-2019 Plan were to create additional charges for social security contributions, taxes, or of any other nature for the Company or for the Beneficiaries;
- the authority, upon proposal or subject to a favourable opinion of the Compensation Committee and with no delegation authority, to stipulate with the assignees of the options appropriate agreements that provide for the partial or total exercise of the Options assigned and forfeited owing to the relevant termination of the relationship with the company to which they belong.
- the duty, with no delegation authority and upon proposal or subject to a favourable opinion of the Compensation Committee, to redetermine the quantity and/or the subscription price of the shares with respect to its normal value and in such a manner as to ensure, in the interest of the Beneficiaries, a situation which is substantially fair as compared to the situation existing at the time of the assignment of the Options, as long as the Company approves, on or before the date of the approval of the consolidated financial statements for 2019, transactions on the capital i.e., the Company assets, all of which shall take into account commonly accepted rules of practice in financial markets;
- the duty, with no delegation authority and upon proposal or subject to a favourable opinion of the Compensation Committee, and within the scope of the criteria set out by the Shareholders' meeting, to update the performance objective, to which the 2017-2019 Incentive Plan is subject, in order to ensure, in the interest of the Beneficiaries, a situation which is substantially fair as compared to the situation existing at the time of the assignment of the Options in the event that there occur acquisitions and/or

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divestments of equity holdings and/or significant assets involving the company or its subsidiaries.

In addition, the Plan Regulations shall provide for an acceleration clause for the exercise of the Options such that, in case of the initiation of any procedures - with the exception of the launch of a public tender offer for sale or exchange on the share capital of Dada S.p.A. by a party other than Libero Acquisitions S.à r.l. or by a company controlling or controlled by the latter or subject to common control (hereinafter, individually or jointly considered, "Libero") and/or by one or more parties, other than Libero and who are not participants in a significant shareholders' agreement with Libero relevant to Article 122 of Legislative Decree 58/1998 in relation to the Company (solely considered, hereinafter, the "Offeror"), and provided Libero or its controlling company does not in any manner take part in the public tender and/or has not concluded any agreement concerning said public tender offer for sale or exchange with the Offeror - which might trigger the delisting of Company shares, or in case of loss and/or agreement that provides for the loss of control of the Company by Libero in relation to a public tender offer for sale or exchange on the Company's share capital launched by a third party, or in relation to the loss in any other manner of control over the Company by Libero, the Beneficiaries shall have the option to exercise the Options at an earlier date with respect to the ordinary exercise period and within the term that shall be specified by the Board. That term shall be at least twenty working days, it being understood that, subsequent to the aforementioned acceleration of the right to exercise the Options, the Options may also be exercised if they are not yet vested and/or exercisable and without application of the prior verification of the achievement of the performance conditions notwithstanding that the aforementioned acceleration shall not be effected and the Options shall not be exercisable if the significant event as regards the acceleration were to occur after the approval of the 2019 Company financial statements and the performance condition has not yet been met. As to the above, notwithstanding that the Board of Directors' decision shall not affect the original objectives of the Plan, with due regard for the interests of Beneficiaries.

Finally, the Regulations, provide, with the recognition of an acceleration clause, for the possibility of exercising the Options, even without application of the prior verification of the achievement of the performance objective, provided the significant event occurs prior to 16 September 2019, if a portion of the share capital of a company in the Dada Group is sold to third parties (other than the Company), which is greater, overall, than 50% of the share capital or of a company or a company branch where the Beneficiary holds an organizational role by virtue of which that person was assigned the Options.

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3.3 Existing procedures for the review of the Plan also in relation to changes in the basic objectives

Refer to paragraph 3.2 above.

3.4 Description of the procedures through which the availability and the assignment of the financial instruments on which the Plan is based may be determined

The Options shall incorporate the right to subscribe to an equal number of newly issued shares within the scope of a divisible share capital increase without option rights (Article 2441, paragraph 8 of the Civil Code), which provides that the Board of Directors of the Company resolve said increase in the terms described in paragraph 4.2 below, if the Shareholders' meeting approves granting of the authorisation to the Board pursuant to Article 2443 of the Civil Code.

3.5 Role undertaken by each director in the determination of the characteristics of the Plan; conflicts of interest.

It is provided for that the Compensation Committee of the Company, comprised mostly of independent directors, pursuant to the Corporate Governance Code for Listed Companies and in which no directors who may be assigned Options may sit, formulate its own proposal to submit to the Board of Directors of the Company, containing among other things the determination of the Beneficiaries of the Options and the proposed amounts of the financial instruments to be assigned to each of the Beneficiaries.

The proposal approved by the Compensation Committee shall be comprehensively reviewed and approved by the Board of Directors at a later date.

3.6 In compliance with Article 84-bis, paragraph 1, the date of the decision taken by the competent body to propose the approval of the Plan to the Shareholders' meeting and of the subsequent proposal to the Compensation Committee

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The Board of Directors resolved to propose the approval of the 2017-2019 Plan to the Shareholders' meeting at its meeting on 14 December 2016, following the assessment and proposal by the Compensation Committee, which met on 12 December 2016.

3.7 In compliance with Article 84-bis, paragraph 5, letter a), the date of the decision taken by the competent body on the assignment of the instruments and of the subsequent proposal to the aforementioned body set out by the Compensation Committee

In the event that the delegation of powers to implement the Plan is issued and in compliance with it, the Board of Directors may exercise the delegation and assign the Options to the Beneficiaries.

3.8 Market price, registered on the dates indicated in paragraph 3.7, for the financial instruments on which the Plan is based, if negotiated in regulated markets

The data is not available, as this shall occur in the future. As concerns the performance of Dada stock at the time of the resolutions described in paragraph 3.6 above, note that on December 12th 2016 and December 14th 2016 the official price for Dada S.p.A. shares came respectively to € 2,09 and € 2,1 per share.

3.9 In case of plans based on financial instruments traded on regulated markets, in what terms and according to which procedures the issuer shall take account, within the scope of the setting of the schedule for assignment of the instruments in implementation of the plans, of the possible time coincidence between: i) said assignment or any subsequent decisions taken in regard by the Compensation Committee, and ii) the publication of any information relevant to Article 114, paragraph 1

As concerns the Plan, it is believed that the procedures for setting the subscription price, set out, in compliance with applicable tax law, based on the average market prices recorded during a significant period of time (see point 4.19 below), is such as to avoid that the price be significantly influenced by the publication of any information relevant to Article 114, paragraph 1 of the TUF.

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4. Features of the Assigned Instruments

4.1 Description of the forms in which the compensation plan based on financial instruments is structured

The Plan in question is based on the assignment of option rights that enable subsequent purchase of financial instruments (stock options) with rule regarding their physical delivery.

4.2 Details of the Plan's actual implementation period also concerning possible different expected cycles

The 2017-2019 Incentive Plan provides that the Options - once the achievement of the performance objective has been verified as set out in paragraph 2.2 - may be regularly exercised in set exercise periods pursuant to the Regulations, in any event subsequent to the approval of the Shareholders' meeting of the Company's financial statements as at 31 December 2019 and not after the term indicated in paragraph 4.3.

4.3 Time limit of the Plan

The time limit of the Plan is set for 19 December 2023. After that date, any Options not yet exercised shall no longer be exercised.

4.4 Maximum number of financial instruments, even as options, assigned in each fiscal year for the persons individually named or the categories specified.

This data is not available in that it has been provided that the Board of Directors proceed with the assignment of the Options after having obtained the delegation of powers for implementation of the Plan.

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4.5 Plan implementation procedures and clauses (with specification if the actual assignment of the instruments depends upon meeting certain conditions or the achievement of specific results including performance and a description of those conditions and results)

See paragraph 2.2. The condition therein provided for may not be applicable, and the Options shall therefore be exercisable regardless of this fact in case of particular events involving the relations between the relevant Company and the Beneficiary, as set out by the Board of Directors in the Plan Regulations.

4.6 Details of any restrictions on the availability of the instruments or the instruments deriving from the exercise of the options, with particular reference to the periods within which the subsequent transfer to the company or to third parties is permitted or prohibited

The options, and all the rights associated with said option rights, are strictly personal, nominative, non-transferable and non-negotiable (without prejudice to their being transferable mortis causa, though within the limits provided for by the Regulations) and hence non leviable and unusable in connection with debts contracted or contracts entered into by any of the employees with the Company and the subsidiaries or third parties.

With regard to the 2017-2019 Incentive Plan, some restrictions will be provided for on the availability of the Shares subscribed after exercise of the Options.

Part of the Shares subscribed by the assignees may not be transferred until the 24th month from the date of subscription, except in cases set out in the Plan Regulations; specifically, some categories of assignees, as determined by the Board upon proposal of the Compensation Committee in order to be consistent with the provisions of the Corporate Governance Code for Listed Companies, shall hold ownership of a number of Shares with a market value, determined in accordance with the official price, equal to 20% of the net earnings (thus taking into account exercise price, tax, contributions and any other costs incurred by the assignee) actually gained by the assignee through the transfer of Shares subscribed and/or purchased in the exercise of the Options, as more specifically stated in the Regulations of the Plan. For the purposes of this Plan, the term "transfer" shall be understood as including any act, or the performance of any act, on a voluntary basis, whether for consideration or not, effected in any manner, and/or any fact, explicitly including contribution, under which the resulting transfer is directly or indirectly executed (including on a temporary and/or trustee basis), or a commitment to the transfer, or the establishment of ownership rights and/or of interests, including security interests on all or

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part of the Shares. In observance of this lock-up period, Company shares that do not arise from the Plan, though kept for such purpose under the ownership of the assignee, may also apply.

4.7 Description of termination conditions regarding the assignment of plans if the beneficiaries conduct *hedging* transactions that neutralise any restrictions on the sale of the financial instruments granted, including those in the form of options, or the financial instruments resulting from the exercise of those options.

These possibilities are not applicable to the Plan.

4.8 Description of the effects of termination of employment

The effects of termination of employment of the Beneficiary from the company, through which that Beneficiary was identified as such, shall be set out in the Plan Regulations, which shall be approved by the Board of Directors after the approval of the Plan and the delegation of powers by the ordinary shareholders' meeting. The Plan Regulations may provide that, among other things, the Board of Directors - with no delegation authority and upon proposal or subject to a favourable opinion of the Company Compensation Committee - shall have the specific or also general authority to determine for one or more Beneficiaries, also considering the particular post or function held, the effects arising from the termination of employment of the Beneficiary involved in a more favourable manner as compared to what has been generally provided for by the Regulations.

4.9 Details of other possible causes for cancellation of the Plan

No general causes for cancellation of the Plan are provided for.

4.10 Reasons for the provision of any "redemption" by the company of the financial instruments under the Plan, pursuant to Article 2357 et seq. of the Civil Code.

The possibilities described are not applicable to the Plan.

With the aim to be consistent with the provisions of the Corporate Governance Code for Listed Companies the Regulations of the Plan will contain clawback provisions, under which, if within 5

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years from the vesting date of the Options were finally ascertained that the level of achievement of the performance target that resulted in the vesting of the Options was determined on manifestly erroneous or distorted data, and that the differences between the data adopted and the amended data were likely to have caused, if known in time, the non-vesting of the Options, the Board shall be entitled to request to some categories of assignees, determined in order to be consistent with the Corporate Governance Code for Listed Companies, to return an amount equal to the official price of the Share at the vesting date, minus the exercise price and related expenses, or an amount equal to the earnings that the assignees would not have theoretically gained if the amended data had been known in time.

4.11 Loans or facilities due to be granted for the purchase of the shares pursuant to Article 2358, paragraph 3, of the Civil Code

The possibilities described are not applicable to the Plan.

4.12 Details of the valuations of the expected liability for the company as at the assignment date, as determinable on the basis of the terms and conditions already defined, by overall amount and for each instrument of the Plan

The overall liability connected to the Plan shall be calculated based on the “fair value” of the Options as at their respective assignment date. This liability shall be posted, on an accrual basis, over the 2017-2019 period, during which the exercise of the Options will not be possible (the *vesting period*). In addition, aside of the Plan’s administrative and management costs, not yet precisely quantified and which are to be considered in any event insignificant, the Company and its subsidiaries to which the 2017-2019 Incentive Plan Beneficiaries belong, within the limits of their responsibility, shall also bear, even though to a limited degree pursuant to current applicable law and however not precisely quantifiable on this Report’s publication date, the social security and national insurance withholding arising from the exercise of the Options.

4.13 Details of dilution effects on share capital resulting from the compensation plans

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The dilution effect of the increase in the share capital servicing the assignment of the Options provided for by the Plan, which the Board of Directors will resolve subsequent to the release of the Delegation of powers pursuant to Article 2443 of the Civil Code as set out in the proposal discussed in the extraordinary session of the Shareholders' meeting, shall cause the Company stock, in the event that all of the Options are exercised, to increase from the Shares existing on the date of this document, equal to 16,680,069 shares, to a maximum of 17.630,069 shares.

4.14 Limits established for the exercise of the voting rights and for the assignment of ownership rights

No limits have been established for the exercise of the voting rights and for the assignment of ownership rights.

4.15 Information to be provided in the event that the shares are not traded on regulated markets

The possibilities described are not applicable to the Plan.

4.16 Number of financial instruments underlying each Option

Each Option assigns the right to subscribe one Share.

4.17 Expiration of the Options

For this paragraph, see paragraph 4.2.

4.18 Exercise procedures (American/European), timeframe (e.g. exercise periods) and exercise clauses (e.g. knock-in and knock-out clauses)

For this paragraph, see paragraph 4.2.

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Vested Options, with the exception set out in the Plan Regulations, may not be exercised in Black Out periods, namely, in the 30 calendar days prior to the approval by the Board of Directors of the Company of the draft annual financial statements and half-year financial report of the Company, as well as in the 15 calendar days prior to the approval by the Board of Directors of the explanatory report on the results of the first and third quarters of the year.

4.19 The exercise price of the option or the methods and criteria for its determination, particularly with reference to:

a) the formula for the calculation of the exercise price in relation to a particular market price and

b) the methods for the determination of the market price used as a benchmark for the determination of the exercise price

It is provided for that the issue price of the new Shares, arising from the subscription of the option rights, shall be equal to the average official prices of Dada S.p.A. ordinary shares recorded in the period between the Option assignment date and the same day of the previous sixth calendar month, it being understood that during such period, the arithmetical calculation shall take into account only the trading days on the market of DADA ordinary shares; this issue price cannot in any event be less than the par value of the shares already issued. A six-month time frame from the month of the previous plan strips the subscription price of discontinuities and anomalies on the share price, which may materialize in a shorter time frame, taking also into account the change of control of the Company, which led to a Public Tender Offer on the entire share capital, greatly reducing the free float.

The aforementioned exercise price setting criteria for the Options shall be applicable for all the Options. Nevertheless, the Options may be assigned at different times. Therefore, the real exercise price of the Options may be different depending on the different assignment dates.

It is the opinion of the Board of Directors that the reference to the average value expressed by the stock market in the month previous to the assignment date, which is an expression of the value of the company on the basis of the capitalisation of the shares traded on that market, represents a suitable criteria for setting the issue price.

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4.20 In the event that the exercise price is not equal to the market price determined as indicated in point 4.19.b) (fair market value), justification for this difference.

The possibilities described are not applicable.

4.21 Criteria for providing for different exercise prices for different beneficiaries or different categories of beneficiary.

Different prices for different categories of beneficiary are not provided for.

4.22 If the financial instruments underlying the options are not tradable in regulated markets, indication of the value attributable to the underlying financial instruments or criteria for the determination of their value.

The possibilities described are not applicable.

4.23 Criteria for the adjustments necessary due to extraordinary transactions on share capital and other transactions involving the variation of the number of underlying instruments.

See paragraph 3.2 above.

4.24 Table required by the Scheme

In consideration of the nature and the process of the implementation of this Plan, the table required by the Scheme is not available, as certain information, which will be put to the future resolutions of the Board of Directors, on the total or partial exercise of the Plan, is currently lacking; this information shall be provided, pursuant to Article 84 bis, paragraph 5, letter a), of the Issuer Regulations, at the time the Options are assigned during the implementation of the Plan.

For the sake of full information on stock option plans already resolved by the Company, below is a summary table, updated at the date of this report, which provides an overview of the implementation status of existing plans.

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Stock option									
Implementation status of existing plans									
Name and last name	Office	Date of the resolution of the Shareholder's Meeting	Plan's description	Options assigned at the end of the previous fiscal year	Assigned Options	Date of assignment	Price of the Exercise	Market price at the date of assignment	Period of exercise
Claudio Corbetta	Managing Director and General manager Dada S.p.A.	28th April 2014	Options with liquidation	195.000	0	Bod 4th August 2014 Cpr 30 th December 2014	€ 3,596	Bod 4th August 2014 € 3,284 Cpr 30th July 2014 € 3,256	Approval by the Shareholders' meeting of Dada S.p.A. of the balance sheet 31 st December 2016 - 19 December 2019
Lorenzo Lepri	Director, CFO and General Manager Dada S.p.A.	28th April 2014	Options with liquidation	195.000	0	Bod 4th August 2014 Cpr 30th December 2014	€ 3,596	Bod 4th August 2014 € 3,284 Cpr 30th July 2014 € 3,256	Approval by the Shareholders' meeting of Dada S.p.A. of the balance sheet 31 st December 2016 - 19 December 2019
Managers and supervisors of the Dada Group	n/a	28th April 2014	Options with liquidation	225.000	0	Bod 4th August 2014 Cpr 30th December 2014	€ 3,596	Bod 4th August 2014 € 3,284 Cpr 30th July 2014 € 3,256	Approval by the Shareholders' meeting of Dada S.p.A. of the balance sheet 31 st December 2016 - 19

									December 2019
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In relation to this Plan, below is a summary table, which describes with the word “n/d the lack of the information. These information will be eventually defined by the resolution of the Board of Director in relation to the proxy conferred by the Shareholders’ Meeting of next January, 18th 2017.

Stock option								
Proposal to the Shareholder’s Meeting of the January, 18th 2017 of new assignment of Options on the bases of the resolution of the BOD of Dada S.p.A.								
Name and last name	Office	Date of the resolution of the Shareholder’s Meeting	Plan’s description	Options number	Date of Assignment	Price of exercise	Market price at the date of assignment	Exercise period
Please see the par. 1.1 here above	n/d	January, 18 th 2017	Options with liquidation	Max 950.000 Options	n/d	Please see the par. 4.19 here above	n/d	Please see the par. 4.2 here above

* * * * *

Now therefore, we hereby submit this resolution proposal for your approval:

The Dada S.p.A., Shareholders' meeting having examined the Board of Directors' Report hereby,

resolves

1. to approve the 2017-2019 Incentive Plan intended for employees and in particular for executives and/or managers and/or employees of the Dada S.p.A. Company and/or its subsidiaries, pursuant to Article 2359 of the Civil Code, as set out in the Board of Directors' Report,
2. confer to the Board Of Directors all the powers required for the full and complete implementation of the 2017-2019 Incentive Plan, to be undertaken in compliance with what is

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set out in the Board of Directors' Report. To this end, the Board of Directors shall, in particular, by way of example but not limited to, provide for the precise identification of the beneficiaries of the Plan and the assignment of the Options, as well as the approval of appropriate Plan implementation regulations.”

Florence, 19 December 2016

For the Board of Directors
Chairman
Karim Beshara

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