



EXTRAORDINARY SHAREHOLDERS' MEETING

Single call – 28 April 2025 – 10:00 am

at

CIR S.p.A.

Via Ciovassino n. 1 - Milano

Report on item 2) on the Agenda

PROPOSAL TO AUTHORIZE THE INCREASE OF SHARE CAPITAL AND THE ISSUE OF CONVERTIBLE BONDS, AS PER THE TERMS OF ARTICLES 2443 AND 2420-TER OF THE CIVIL CODE, SUBJECT TO REVOCATION OF THE AUTHORISATION APPROVED BY THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS ON JUNE 8 2020

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Share capital € 420,000,000 – Admin. and Econ. Index No. 1950090

Registered in Company Register of Milan Monza Brianza Lodi / Tax Code / VAT no. 01792930016

Company subject to management and coordination by F.LLI DE BENEDETTI S.p.A.

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS, IN ACCORDANCE WITH ART. 125-TER OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998 AND ARTICLE 72 OF CONSOB REGULATION NO. 11971/1999 AND ANNEX 3A, SCHEDULES 2 AND 3, OF THE AFOREMENTIONED REGULATION, AS WELL AS PURSUANT TO ARTICLE 2441(6) OF THE ITALIAN CIVIL CODE, ON THE SECOND ITEM ON THE AGENDA OF THE EXTRAORDINARY SHAREHOLDERS' MEETING OF CIR S.P.A. – COMPAGNIE INDUSTRIALI RIUNITE, CONVENED FOR 28 APRIL 2025 (SINGLE CALL)

2. Proposal to authorize the increase of share capital and the issue of convertible bonds, as per the terms of Articles 2443 and 2420-ter of the Civil Code, subject to revocation of the authorisation approved by the Extraordinary General Meeting of the Shareholders on June 8 2020

Dear Shareholders,

On 8 June 2020, the Extraordinary Shareholders' Meeting granted the Board of Directors a five year mandate, commencing from the date of registration in the Company Registry of the resolution of the Extraordinary Shareholders' Meeting, to increase the share capital up to a maximum nominal value of Euro 500,000,000, also by issuing convertible bonds or warrants, pursuant to Articles 2443 and 2420-ter of the Italian Civil Code.

Bearing in mind that this mandate will expire in June 2025 and considering that it is in the Company's interest for the Board of Directors to continue to have at its disposal after the mandate's period of validity a useful instrument to implement capital strengthening transactions, or to take advantage of opportunities to access the capital market or particular investors or categories of investors, consistent with the Company's strategic objectives and development prospects, we submit for your approval the assignment to the Board of Directors of a mandate, to be exercised within the five year period from the date of the shareholders' meeting resolution, for a maximum nominal amount of Euro 300,000,000, plus share premium, through the issue of a maximum number of 600,000,000 ordinary shares (i) to increase the share capital against payment, also in tranches, with or without warrants and also to service the exercise of warrants, pursuant to Article 2443 of the Italian Civil Code, also with the exclusion or limitation of the option right pursuant to Article 2441(4), (5) and (8) of the Italian Civil Code, and (ii) to issue bonds convertible into ordinary shares of the Company, pursuant to Article 2420-ter of the Italian Civil Code, for a maximum total amount of Euro 300,000,000, together with the power to approve the corresponding capital increase to service the conversion for a maximum amount of Euro 300,000,000 inclusive of share premium and for a maximum number of 600,000,000 ordinary shares, also with the exclusion or limitation of the option right pursuant to Article 2441(5) of the Italian Civil Code (the "**Mandate**").

This proposed resolution is subject to the revocation of the current mandate granted by the Extraordinary Shareholders' Meeting of 8 June 2020 to the Board of Directors and not executed to date.

The terms and procedures of the proposal are explained below.

1. REVOCATION OF EXISTING MANDATE

On 8 June 2020, the Extraordinary Shareholders' Meeting resolved to grant the Board of Directors a five year mandate, commencing from the date of registration in the Company Registry of the resolution of the Extraordinary Shareholders' Meeting, to increase the share capital up to a maximum nominal value of Euro 500,000,000, also by issuing convertible bonds or warrants, pursuant to Articles 2443 and 2420-ter of the Italian Civil Code.

This mandate has not been implemented in any form to date. The Board of Directors proposes that you revoke the mandate granted on 8 June 2020 and grant the new Mandate which, considering the changes in market conditions and in the price of the Company's securities, will partially amend the previous mandate, for the reasons better explained below.

2. CHARACTERISTICS OF THE NEW MANDATE

It should be noted that, pursuant to the combined provisions of Articles 2443 and 2420-ter of the Italian Civil Code, the Company Bylaws may grant the directors, respectively, the power to: (i) increase the capital in one or more instalments up to a determined amount and for a maximum period of five years from the date of the resolution; (ii) issue convertible bonds in one or more instalments, up to a determined amount and for a maximum period of five years from the date of the resolution (in this case, the mandate also includes the one for the corresponding increase of the share capital). Considering that under the Mandate to be granted the administrative body also has the power to implement it by excluding all or part of the option right pursuant to Article 2441(4), (5) and (8) of the Italian Civil Code, upon the exercise of such power, Article 2441(6) of the Italian Civil Code shall apply, to the extent compatible, only to the cases of exclusion of the option right pursuant to Article 2447(4), first sentence, and (5) of the Italian Civil Code. Considering that under the Mandate to be granted the administrative body also has the power to implement it by excluding all or part of the option right pursuant to paragraph 4, second sentence, of the Italian Civil Code, upon the exercise of such power, the newly issued shares shall be offered at the price to be determined from time to time by the administrative body, on the understanding that it shall be equal to the market value of the ordinary shares, subject to the application, where permitted, of a discount in line with market practice for similar transactions, and that this is confirmed in a special report by an independent auditor or an auditing company. In the event that the Mandate is exercised excluding in whole or in part the option right pursuant to paragraph 4, second sentence, of the Civil Code, the number of newly issued shares accompanying the capital increase and the capital increase itself may not exceed the limits provided for by applicable law, as set forth below.

For the reasons and objectives better described below, the Mandate that we propose that you grant to the Board of Directors is broad and general. In particular, it includes the power to:

- a. pursuant to Article 2443 of the Italian Civil Code, increase on one or more occasions the share capital against payment and in one or more tranches, by issuing ordinary shares with regular dividend rights and the same characteristics as the ordinary shares already outstanding at the issue date: (i) to be offered under option to those entitled thereto; and/or (ii) to be offered in whole or in part to third parties, with exclusion or limitation of the option right pursuant to Article 2441(4), (5) and (8) of the Italian Civil Code;
- b. issue warrants and/or combine free of charge with the aforesaid shares any warrants giving the right to receive ordinary shares of the Company, free of charge or against payment, including newly issued shares;
- c. increase the share capital on one or more occasions, against payment, in tranches, to service the exercise of the warrants referred to in the previous point;
- d. request admission of the warrants to regulated markets or multilateral trading facilities in Italy or abroad;
- e. pursuant to Article 2420-ter of the Italian Civil Code, issue, in one or more tranches, convertible bonds to be offered under option to those entitled thereto and/or to be offered to third parties, also with the

exclusion or limitation of the option right pursuant to Article 2441(5) of the Italian Civil Code, approving the corresponding capital increase to service the conversion of the bonds, in one or more tranches, through the issue of ordinary shares with regular dividend rights and the same characteristics as the ordinary shares already outstanding at the issue date.

Therefore, within the limits of the overall amount of the aforesaid Mandate, the Board of Directors shall the widest powers to: (i) identify the technical forms of each exercise of the Mandate and therefore the issue of shares, convertible bonds and/or a combination thereof; (ii) identify and establish the amount of each issue (iii) identify from time to time, where the shareholders' option is excluded, the recipients of the shares and/or convertible bonds arising from each exercise of the Mandate, within the categories of qualified investors and/or business, financial and/or strategic partners identified from time to time, or provide for a contribution in kind of equity investments, businesses, business branches and/or industrial activities instrumental or complementary to the Company's business, as part of its development strategy, or identify the recipients of incentive plans based on the assignment of financial instruments; and (iv) establish, just before each issue, from time to time and in compliance with the above-mentioned limits, the procedures, terms and conditions of the transaction, including the issue price, inclusive of any share premium, of the shares and/or convertible bonds (as well as of the shares to service of their conversion) and their dividend entitlement, in accordance with the procedures described in Paragraph 6 below of this Report.

Without prejudice to the powers to be granted under the Mandate, just before each issuance transaction the Board of Directors will assess, taking into account the general and market context, the conditions under which the transaction may be implemented, also taking into account the Company's share price trend on the regulated market at that date. However, as we know, Article 2441(6) of the Italian Civil Code provides that, in the event of the exclusion of or non-entitlement to the option right, the issue price of shares is determined on the basis of the value of the company's equity, also taking into account the share price trend, if the shares are listed on regulated markets. Moreover, as these are indicative parameters, it should be noted that, in the event of the exclusion of the option right, the regulatory reference to the shareholders' equity must be understood in a way that does not necessarily coincide with the simple accounting figure. Instead, reference should be made to the economic value of the company to be determined also in consideration of market parameters.

That being said, bearing in mind the ultimate purpose of the transactions, the Board of Directors shall take into account the actual willingness of potential investors to pay the price that will be set by the Board in exercising the Mandate as outlined above. In light of the technical procedures that will be chosen to implement the various transactions, the Board of Directors (possibly with the support of its advisors) will be able to identify the most appropriate criteria for determining the economic value of the Company, and - therefore - the issue price of the shares to be offered to the recipients and/or to be issued to service the conversion of the bonds, which take into account the actual factual circumstances and do not compromise the underlying purposes of the transaction. Each time the Mandate is used, the Board of Directors shall give due account in its report of the reasons justifying the exclusion of the option and the criteria for determining the subscription price of the shares and/or bonds to be issued (as well as the shares to service their conversion), also for the purpose of the opinion on the fairness of price to be issued by the auditing company appointed pursuant to Article 158 of the Consolidated Law on Finance.

In connection with the possible exercise of the mandate pursuant to Article 2441(4), second sentence, of the Italian Civil Code, it is established that:

- a. the directors shall prepare the report referred to in the same provision;

- b. the potential recipients of the capital increase will be the same as those identified in this Report for the case of an increase pursuant to Article 2441(5) of the Italian Civil Code;
- c. the issue price of each share will be determined and subject to confirmation as provided for in the same provision;
- d. notwithstanding anything to the contrary set forth in this Report, the amount of the increase resolved upon by the directors in the exercise of the mandate may not exceed the amount of Euro 42,000,000, equal to one-tenth of the current share capital, and the shares issued may not exceed 91,605,994, equal to one-tenth of the number of shares currently outstanding.

3. REASONS FOR GRANTING THE NEW MANDATE AND ITS PURPOSE

The purpose of the proposed transaction is to provide the Company and, on its behalf, the Board of Directors, with a suitable instrument to implement capital strengthening transactions, or to take advantage of opportunities to access the capital market or particular investors or categories of investors, consistent with the Company's strategic objectives and development prospects, to support the implementation of its business plan and the enhancement of existing investments.

The Mandate would in fact achieve advantages by enabling flexible and timely implementation of the transaction, putting the Company in a position to promptly take advantage of the most favourable time to carry out extraordinary transactions. A further advantage of the Mandate is that the Board of Directors is entrusted with determining the characteristics of the issue and the economic conditions of the offer as a whole (including the maximum amount of the offer and the issue price of the shares) based on the market conditions prevailing at the time of the actual launch of the transaction, thereby reducing, inter alia, the risk of stock market price fluctuations between the time of the announcement and the start of the transaction, which would be incurred if the transaction were decided by the shareholders' meeting.

Moreover, the instrument of the Mandate, when exercised with exclusion of the option right, would allow the Company - if in the future the prerequisites, conditions and Company's interest are met - to evaluate possible transactions, including share exchanges and/or similar transactions involving, as recipients, parties interested in acquiring a stake in the Company's share capital.

Moreover, with reference to increases to be used for remuneration plans based on newly issued financial instruments in favour of the Company's directors, employees and collaborators, against specific lock up commitments from them, with exclusion of the option right pursuant to Article 2441(5) and (8) of the Italian Civil Code, the Mandate granted to the Board of Directors would allow the Company to realise a medium/long term increase in value, reinforcing the loyalty and incentive policy towards persons belonging to the aforementioned categories.

4. EXISTENCE OF GUARANTEE AND/OR PLACEMENT CONSORTIA, THEIR COMPOSITION AND THE TERMS AND CONDITIONS OF THEIR INTERVENTION

At present, there are no plans to set up a guarantee and/or placement consortium. If, when exercising the Mandate, where deliberated by the Extraordinary Shareholders' Meeting, the opportunity to set up a consortium tailored to the specific characteristics of the transaction and the recipients should arise, the Board of Directors shall promptly disclose this in accordance with the applicable laws and regulations.

5. OTHER FORMS OF PLACEMENT ENVISAGED

As stated above, it should be noted that the shares and/or bonds concerned by the Mandate may be offered: (i) under option to the Company's shareholders, pursuant to Article 2441(1) of the Italian Civil Code; (ii) to qualified investors and/or business, financial and/or strategic partners identified from time to time, with exclusion or limitation of the option right pursuant to Article 2441(4), second sentence, and (5) of the Italian Civil Code and Article 2420-ter of the Italian Civil Code; (iii) as part of incentive programmes based on the assignment of financial instruments, to the Company's directors and employees, against specific lock up commitments from them, also pursuant to Article 2441(8) of the Italian Civil Code and/or to the Company's, against specific lock up commitments from them, also pursuant to Article 2441(5) of the Italian Civil Code; (iv) to parties identified by the Board of Directors as part of transactions that provide for the contribution in kind (in whole or in part) of equity investments, businesses, business branches and/or industrial activities instrumental or complementary to the Company's business, as part of its development and growth strategy, pursuant to Article 2441(4), first sentence, of the Italian Civil Code; (v) through a combination of the alternatives set forth in the preceding points.

6. TERMS AND CONDITIONS, INCLUDING CRITERIA FOR DETERMINING THE ISSUE PRICE OF NEW SHARES, OF THE TRANSACTIONS TO BE APPROVED IN EXERCISE OF THE MANDATE

Exercise of the Mandate shall also include the power to establish, from time to time, the terms and conditions of the capital increase, the recipients, the issue price of the shares, including any share premium, the dividend entitlement, the allotment ratio in the case of increases offered under option to those entitled within the Company, as well as, in the case of the issue of convertible bonds, the interest rate, the duration, any guarantees provided, the conversion ratio, the allotment ratio in the case of offer under option, as well as all other terms and conditions of the loan (including the possibility of repayment, including early repayment, of the loan in cash, by delivery of shares, or by a combination of the two). In general, therefore, the Board of Directors (possibly with the support of its advisors) would have the widest powers to define the terms, procedures and conditions of the capital increase (also with reference to each tranche) and to draw up the regulations of the convertible bond.

For resolutions concerning capital increases to be offered under option or - in whole or in part - to third parties with the exclusion of the option right, or to service the exercise of warrants, in determining the issue price of the new shares and the exercise ratio of the warrants, or to service the conversion of bonds, in determining the issue price of the new shares and also the conversion ratio of the bond, the Board of Directors shall refer to market practice for similar transactions and to the most commonly recognised valuation methodologies used in professional practice at national and international level. In particular, financial and profitability methodologies may be used, possibly compared and weighted according to commonly recognised and used criteria, as well as market multiples of comparable companies, also taking into account the Company's share price trend recorded in the last six months, in compliance with the provisions of Article 2441(6) of the Italian Civil Code (applicable in the event of exclusion or limitation of the option right).

It is understood that the criteria and reasons outlined herein set out explanatory principles that the Board of Directors may follow when exercising the Mandate. It is understood that each time the Mandate is used, the Board of Directors will prepare, where required by law, appropriate explanatory reports illustrating the specific criteria used to determine the above-mentioned elements, as well as the reasons for excluding the option right, in respect of each transaction, also for the purpose of the issue, where necessary, of the opinion on the fairness of price by the auditing company appointed pursuant to Article 158 of the Consolidated Law on Finance.

7. DURATION AND AMOUNT OF MANDATE

It is proposed to establish that the Mandate will last for five years from the date of the resolution, i.e. until 28 April 2030, and that it may be exercised on one or more occasions. At the end of this period the mandate will automatically be deemed ineffective.

Notwithstanding the foregoing, the time frame for exercising the Mandate, pursuant to Article 2443 and/or Article 2420-ter of the Italian Civil Code, as applicable, as well as the terms and conditions of any issues will depend on the concrete opportunities that may arise and be promptly disclosed to the market pursuant to the law and regulations as soon as they are determined by the Board of Directors.

The Mandate granted to the Board of Directors to increase the share capital pursuant to Article 2443 of the Italian Civil Code, is requested for a maximum nominal amount of Euro 300,000,000 plus share premium, through the issue of a maximum number of 600,000,000 ordinary shares. Furthermore, the Mandate granted to the Board of Directors to issue bonds convertible into ordinary shares of the company, pursuant to Article 2420-ter of the Italian Civil Code, is requested for a maximum total amount of Euro 300,000,000, together with the power to approve the corresponding capital increase to service the conversion for a maximum amount of Euro 300,000,000 inclusive of share premium and for a maximum number of 600,000,000 ordinary shares.

Reference is also made to the provisions of Paragraph 2 in connection with the possible exercise of the Mandate pursuant to Article 2441(4), second sentence, of the Italian Civil Code.

8. AUTHORISATIONS BY THE COMPETENT AUTHORITIES

The proposed transaction is not subject to authorisation by any competent authority. In light of the final terms and conditions of the capital increase that will be approved by the Board of Directors in implementation, in whole or in part, of the Mandate, the Company will assess the need to prepare a prospectus for the offer and/or admission to trading, promptly complying with all disclosure requirements provided for by applicable national and EU laws and regulations.

9. SHAREHOLDERS WHO HAVE EXPRESSED WILLINGNESS TO SUBSCRIBE

Since this is a Mandate pursuant to Article 2443 of the Civil Code, there are no shareholders who have expressed a willingness to subscribe.

10. PERIOD ENVISAGED FOR IMPLEMENTATION OF THE TRANSACTIONS

The duration of the Mandate is essentially equal to the statutory maximum length and is established as five years from the date of the shareholders' resolution, i.e. until 28 April 2030. In exercising the Mandate, which may occur on one or more occasions, the Board of Directors will determine the period of implementation of each transaction, taking into account the conditions of the financial markets.

11. DIVIDEND DATE OF NEWLY ISSUED SHARES

The new issue ordinary shares to be issued following exercise of the Mandate, also following the conversion of any bonds issued, will have regular dividend rights and will grant their holders the same rights as the shares already issued by the Company.

12. ECONOMIC AND FINANCIAL EFFECTS

In exercising the Mandate, taking into account the technical forms that will be defined to implement the transaction, detailed information will be provided to the market on the economic and financial effects of the transaction covered by this Report.

Since this is a Mandate pursuant to Article 2443 of the Italian Civil Code, and since the issue price and the number of ordinary shares to be issued will only be determined when the Board of Directors exercises the Mandate, it is not currently possible to provide information on or to estimate any dilutive effects.

13. INFORMATION ON THE RIGHT OF WITHDRAWAL

The proposal referred to in this Report does not give rise to the right of withdrawal pursuant to Article 2437 of the Civil Code.

14. RESOLUTION PROPOSED TO THE EXTRAORDINARY SHAREHOLDERS' MEETING

In light of the above, the Board of Directors intends to submit to the Extraordinary Shareholders' Meeting the following resolution proposal regarding the second item on the agenda of the extraordinary part.

“The Extraordinary Shareholders’ Meeting of CIR S.p.A.:

- acknowledging the Board of Directors’ Report;*
- noting that the mandate granted to the Board of Directors by the Extraordinary Shareholders' Meeting of 8 June 2020 has not been exercised to date;*
- having regard to Articles 2443 and 2420-ter of the Italian Civil Code*

RESOLVES

- a) to revoke the mandate granted to the Board of Directors by the Extraordinary Shareholders' Meeting of 8 June 2020, consequently repealing the relevant clause of the Company Bylaws, previously included in Article 17, with the consequent renumbering of the subsequent articles;*
- b) to grant the Board of Directors a mandate, to be exercised on one or more occasions within five years from the date of this resolution (i) to increase the share capital against payment, also in tranches, with or without warrants and also to service the exercise of warrants, pursuant to Article 2443 of the Italian Civil Code, for a maximum nominal amount of Euro 300,000,000 plus share premium, through the issue of a maximum number of 600,000,000 ordinary shares, also with the exclusion or limitation of the option right pursuant to Article 2441(4), (5) and (8) of the Italian Civil Code 2441, in compliance with the criteria set forth by law, in favour, in case of exclusion or limitation of the option, of qualified investors and/or to business, financial and/or strategic partners identified from time to time, and/or as part of incentive programmes based on the assignment of financial instruments, to the Company’s directors, employees and collaborators, against specific lock-up commitments from them, and/or within the scope of transactions that provide for the contribution in kind (in whole or in part) of equity investments, businesses, business branches and/or industrial activities instrumental or complementary to the Company's business, as part of the Company's development and growth strategy, and (ii) to issue bonds convertible into ordinary shares of the Company, pursuant to Article 2420-ter of the Italian Civil Code, for a maximum total amount of Euro 300,000,000, together with the power to approve the corresponding capital increase to service the conversion for a maximum amount of Euro 300,000,000 inclusive of share premium and for a maximum number of 600,000,000 ordinary shares, also with the exclusion or limitation of the option right pursuant to Article 2441(5) of the Italian Civil Code, in favour of parties*

belonging to the categories of qualified investors and/or business, financial and/or strategic partners identified from time to time.

When required by law, upon exercising the mandate the Directors will draw up the report referred to in Article 2441(6) of the Italian Civil Code, and an opinion will be issued on the fairness of the issue price as referred to in Article 158 of Legislative Decree No. 58 of 24 February 1998.

In connection with the possible exercise of the mandate pursuant to Article 2441(4), second sentence, of the Italian Civil Code, it is established that: (i) the directors shall draw up the report referred to in the provision; (ii) the potential recipients of the capital increase shall be the same as those identified in this proposal for the case of an increase pursuant to Article 2441(5) of the Italian Civil Code; (iii) the issue price of each share shall be determined and confirmed as provided for in the aforesaid provision; (iv) notwithstanding anything to the contrary set forth in this resolution, the amount of the increase approved by the directors in exercising the mandate may not exceed Euro 42,000,000, equal to one-tenth of the current share capital, and the shares issued may not exceed 91,605,994, equal to one-tenth of the number of shares currently outstanding.

- c) *to supplement Article 4 of the Company Bylaws accordingly, by inserting the following new paragraph 3:*

"The Extraordinary Shareholders' Meeting held on 28 April 2025 resolved to grant the Board of Directors a mandate, to be exercised on one or more occasions within five years from the date of this resolution (i) to increase the share capital against payment, also in tranches, with or without warrants and also to service the exercise of warrants, pursuant to Article 2443 of the Italian Civil Code, for a maximum nominal amount of Euro 300,000,000 plus share premium, through the issue of a maximum number of 600,000,000 ordinary shares, also with the exclusion or limitation of the option right pursuant to Article 2441(4), (5) and (8) of the Italian Civil Code 2441, in compliance with the criteria set forth by law, in favour, in case of exclusion or limitation of the option, of qualified investors and/or to business, financial and/or strategic partners identified from time to time, and/or as part of incentive programmes based on the assignment of financial instruments, to the Company's directors, employees and collaborators, against specific lock-up commitments from them, and/or within the scope of transactions that provide for the contribution in kind (in whole or in part) of equity investments, businesses, business branches and/or industrial activities instrumental or complementary to the Company's business, as part of its development and growth strategy, and (ii) to issue bonds convertible into ordinary shares of the Company, pursuant to Article 2420-ter of the Italian Civil Code, for a maximum total amount of Euro 300,000,000, together with the power to approve the related capital increase to service the conversion for a maximum amount of Euro 300,000,000 inclusive of share premium and for a maximum number of 600,000,000 ordinary shares, also with the exclusion or limitation of the option right pursuant to Article 2441(5) of the Italian Civil Code, in favour of parties belonging to the categories of qualified investors and/or business, financial and/or strategic partners identified from time to time.

When required by law, upon exercising the mandate the Directors will draw up the report referred to in Article 2441(6) of the Italian Civil Code, and an opinion will be issued on the fairness of the issue price as referred to in Article 158 of Legislative Decree No. 58 of 24 February 1998.

In connection with the possible exercise of the mandate pursuant to Article 2441(4), second sentence, of the Italian Civil Code, it is established that: (i) the directors shall draw up the report referred to in the provision; (ii) the potential recipients of the capital increase shall be the same as those identified in this proposal for the case of an increase pursuant to Article 2441(5) of the Italian Civil Code; (iii) the issue price of each share shall be determined and confirmed as provided for in the aforesaid provision; (iv) notwithstanding anything to the contrary set forth in this resolution, the amount of the increase

approved by the directors in exercising the mandate may not exceed Euro 42,000,000, equal to one-tenth of the current share capital, and the shares issued may not exceed 91,605,994, equal to one-tenth of the number of shares currently outstanding."

- d) *to grant the Board of Directors the widest powers to establish all the procedures, terms and conditions: (i) of the capital increase in compliance with the limits stated above, including, but not limited to, the power to determine, for each tranche, the recipients of the offer, the total amount of the offer, the number and the issue price of the shares to be issued (including any share premium); or (ii) of the issue of convertible bonds in compliance with the above-mentioned limits, including, but not limited to, the power to determine, for each tranche, the recipients of the offer, the total amount of the bonds, the number and issue price of the bonds to be issued as well as of the shares to be issued as part of the capital increase to service their conversion (or the parameters to determine such prices at the time of execution) in compliance with the procedures and criteria provided for by the regulations applicable from time to time;*

- e) *to grant the Board of Directors and, on its behalf, the Chairman and the Chief Executive Officer, jointly and severally, within the limits of the law - without prejudice to the collective nature of the exercise of the mandate pursuant to Articles 2443 and 2420-ter of the Italian Civil Code - the widest powers to take any action required to implement the resolutions adopted today, as well as to carry out the formalities necessary to ensure that all resolutions adopted today obtain the approvals required by law and in general all that is necessary for the complete implementation of the resolutions, with any and all powers necessary and appropriate for this purpose, without exclusion or exception, including the power to make any non-substantive amendments, corrections or additions to the resolutions passed that are necessary for registration in the Company Registry, also in relation to any instructions from the Supervisory Authority, including the task of filing with the competent Company Registry the Company Bylaws updated in relation to the execution of the mandates received."*