

**BOARD OF DIRECTORS' MEMORANDUM ON THE ITEMS ON THE AGENDA OF THE SHAREHOLDERS' MEETING OF PHARMANUTRA S.P.A. CONVENED FOR 27 APRIL 2022**

**Item 4 on the agenda**

**“Proposal to authorise the purchase and disposal of ordinary treasury shares pursuant to articles 2357 and 2357-ter of the Italian Civil Code, as well as article 132 of Italian Legislative Decree no. 58/1998 and related implementing provisions, subject to revocation of the authorization approved by the ordinary shareholders' meeting of 26 April 2021. Related and consequent resolutions.”**

Dear Shareholders,

Notice has been given that a shareholders' meeting will be held to consider and approve the proposal to authorise the purchase and disposal of ordinary treasury shares held by PharmaNutra S.p.A. ("PHN" or the "Company") pursuant to articles 2357 and 2357-ter of the Italian Civil Code, as well as art. 132 of the Italian Legislative Decree no. 58/1998 (the "TUF" or "Consolidated Law on Finance") and related implementing provisions.

By resolution passed on April 26, 2021 this Shareholders' Meeting authorized the purchase and disposal of the Company's ordinary shares. The purchase authorization had a duration of 18 months from the date of the aforementioned resolution and, therefore, will expire during the year 2022, while the authorization for the disposal was granted without time limits.

It is therefore proposed to the Shareholders to approve an authorization for the purchase and disposal of own shares in the terms illustrated in this Report, subject to revocation of the authorization granted by the Ordinary Shareholders' Meeting of April 26, 2021 which was not executed.

## 1. Reasons for the request of authorisation for carrying out transactions on treasury shares

The purpose of this authorisation for the purchase and disposal of treasury shares is to allow the Company to seize the opportunity to make an advantageous investment, in cases where the market price of PHN shares, also due to factors external to the Company, is not able to adequately express the value of the same, and therefore to provide the Company with a useful strategic investment opportunity for all purposes permitted by current regulations, including the possible use of the shares as consideration in extraordinary transactions, including the exchange of shareholdings with other parties, as part of transactions in the interest of the Company, such as potential further aggregations of the sector that are being continuously analysed and evaluated by the Board of Directors.

Furthermore, the Company reserves the right to allocate the shares purchased on the basis of this authorisation to serve other purposes permitted by law in the interest of the Company, including their subsequent annulment – according to terms and procedures to be decided by competent company boards. – as well as to dispose of them on the stock exchange or off the stock exchange, as further specified in paragraph 5 below.

## 2. Maximum number, category and par value of the shares to which the authorisation refers

At the date of this Memorandum, the Company's share capital amounts to Euro 1,123,097.70 divided into 9,680,977 ordinary shares, with no indication of the nominal value. As at the same date, PHN hold n. 30.121 ordinary treasury shares and its subsidiaries do not hold any PHN shares.

Authorisation is requested for the purchase, in one or more tranches, of a number of ordinary shares of the Company with no stated par value, for a maximum value of Euro 3,000,000.

A mandate is therefore sought by the Board of Directors to identify the number of ordinary shares to purchase in relation to the purposes indicated in paragraph 1 above, before the start of the purchase programme, within the maximum limit mentioned above.

The purchase of treasury shares must in any case comply with restrictions on the distributable earnings and free reserves reported in the last approved financial statements (including interim statements) at the transaction date. All purchases and disposals of treasury shares will be duly recognised in accounts in compliance with law and applicable accounting standards.

### 3. Term for which authorisation is requested

Authorisation for the purchase of ordinary treasury shares is requested for a term of eighteen months, commencing as of the date of the resolution passed by the Ordinary Shareholders' Meeting.

The Board of Directors may proceed with authorised transactions in one or more tranches and at any time, within the terms and amounts decided in due compliance with applicable laws and regulations, with transactions timed in the interests of the Company.

Authorisation for the disposal of ordinary treasury shares is instead requested without term limits.

### 4. Minimum price and maximum price to be paid for the purchase of treasury shares

The Board of Directors proposes that ordinary treasury shares are purchased in compliance with the trading limits and conditions established in article 5 of Regulation (EU) 596/2014 (*Market Abuse Regulation*, hereinafter “**MAR**”) and article 3 of Commission Delegated Regulation (EU) 2016/1052 (“**Regulation 1052**”) in compliance with the MAR, where applicable. Purchases may be made for an amount that is no higher than the highest price between the price of the last independent transaction and the highest independent offer price in the trading venues where the purchase is made, provided that the unit amount is at least a minimum of 20% and a maximum not exceeding 10% of the reference share price registered in the market session on the day prior to each individual transaction.

### 5. Procedure for effecting purchases and disposals

The Board of Directors proposes that purchases are undertaken according to procedures established in applicable provisions of law and regulations in force from time to time, including art. 132 of the Consolidated Law on Finance, the relevant implementing provisions, including art. 144-bis of Consob Regulation no. 11971/1999, in compliance with conditions and restrictions relative to trading under articles 3 and 4 of Regulation 1052 and within a time frame deemed appropriate in the interest of the Company.

Considering the purposes underlying this proposal to authorise the purchase and disposal of treasury shares (in the terms set out in paragraph 1 above), the Board of Directors also proposes to authorise the use, in accordance with art. 2357-ter of the Italian Civil Code at any time, in whole or in part, on one or more occasions, of the ordinary treasury shares purchased on the basis of this proposal by means of (i) use of said shares as consideration in extraordinary transactions, including the exchange of shareholdings with other parties, as part of transactions in the interest of the Company, and/or (ii) disposal of said shares on the stock exchange or off the stock exchange possibly also by means of the transfer of real and/or personal rights, including, by way of example only, securities lending, for the purposes permitted by law and according to the terms, methods and conditions of the authorisation of disposal of treasury shares deemed most appropriate in the interest of the Company for the pursuit of the purposes set out in this Memorandum, all in compliance with the provisions of laws and regulations in force from time to time and without prejudice to the fact that disposals carried out as part of extraordinary transactions, including exchanges of shareholdings with other parties, may be carried out at a price or value that will be adequate and in line with the transaction, based on the characteristics and nature of the transaction itself and also taking into account the share price trend.

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If you are in agreement with the proposal, we invite you to take the following resolution:

*“The Ordinary Shareholders’ Meeting, having acknowledged and approved the Board of Directors’ Memorandum,*

*resolves*

*(A) to revoke the resolution authorizing the purchase and disposal of own ordinary shares, taken by the ordinary shareholders’ meeting of the Company on 26 April 2021, starting from the date of this resolution;*

*(B) to authorise the purchase and disposal of ordinary treasury shares for the purposes indicated in the Board of Directors’ Memorandum attached to these minutes, and therefore:*

- 1) to authorise, pursuant to, for the purposes and within the limits of art. 2357 of the Italian Civil Code, the purchase, in one or more tranches, for a period of eighteen months from the date of this resolution of the Ordinary Shareholders’ Meeting, of a number of ordinary shares of the Company with no stated par value, for a maximum value of Euro 3,000,000 for an amount that is no higher than the highest price between the price of the last independent transaction and the highest independent offer price in the trading venues where the purchase is made, provided that the unit amount is at least a minimum of 20% and a maximum not exceeding 10% of the reference share price registered in the market session on the day prior to each individual transaction;*
- 2) to authorise the Board of Directors, and on its behalf the Chairman and Vice Chairman in office from time to time, severally, to identify the amount of ordinary shares to purchase in relation to each*

*purchase programme, for the purposes indicated above, prior to the start of the programme, and to purchase ordinary shares according to the procedures established by applicable provisions of law and regulations in force from time to time including art. 132 of Italian Legislative Decree no. 58/1998, the relevant implementing provisions, including art. 144-bis of Consob Regulation 11971/1999, in compliance with conditions and restrictions relative to trading as of articles 3 and 4 of Commission Delegated Regulation (EU) 2016/1052 and within a time frame deemed appropriate in the interest of the Company, severely granting to the same persons the broadest powers for execution of the purchase transactions pursuant to this resolution, as well as any other formalities relating to the same, including any assignments to intermediaries qualified in accordance with the law and with the right to appoint special attorneys;*

- 3) *to authorise the Board of Directors, and on its behalf the Chairman and Vice Chairman in office from time to time, severely, in order, pursuant to and for the purposes of art. 2357-ter of the Civil Code, so that they may dispose, at any time, in whole or in part, in one or more tranches, of the ordinary treasury shares purchased pursuant to this resolution, by (i) use of said shares as consideration in extraordinary transactions, including the exchange of shareholdings with other parties, as part of transactions in the interest of the Company, and/or (ii) disposal of said shares on the stock exchange or off the stock exchange possibly also by means of the transfer of real and/or personal rights, including, by way of example only, securities lending, in compliance with the laws and regulations in force from time to time for the pursuit of the purposes set out in this resolution, according to the terms, methods and conditions of the authorisation of disposal of ordinary treasury shares deemed most appropriate in the interest of the Company, severely granting to the same persons the broadest powers for execution of the disposal transactions pursuant to this resolution, as well as any other formalities relating to the same, including any assignments to intermediaries qualified in accordance with the law and with the right to appoint special attorneys, without prejudice to the fact that disposals carried out as part of extraordinary transactions, including exchanges of shareholdings with other parties, may be carried out at a price or value that will be adequate and in line with the transaction, based on the characteristics and nature of the transaction itself and also taking into account the share price trend. Authorisation under this sub-paragraph (B) 3) is granted without any time limit;*

*(B) to establish, pursuant to the law, that purchases under this authorisation are contained within the limits of distributable earnings and available reserves resulting from the latest available financial statements (also interim) approved at the time of executing the transaction and that, upon purchase and disposal of ordinary treasury shares the necessary accounting entries are made, in compliance with the provisions of the law and applicable accounting standards, all in compliance also with the regulations in force and with the principle of equal treatment”.*

Pisa, 18 March 2022

For the Board of Directors  
The Chairman, Andrea Lacorte