



**COIMA RES SIIQ S.p.A.**

*Registered office in Milan, Piazza Gae Aulenti n. 12*

*Share capital equal to € 14,450,800.00 fully paid in*

*Registered with the Milan Companies Register under no. 09126500967*

**Explanatory Report of the Board of Directors under item 1 of the Agenda of the Extraordinary Shareholders' Meeting called for 17 April 2019: *“Attribution, pursuant to Article 2443 of the Civil Code, to the Board of Directors of the authorization to increase the share capital by payment and in a divisible manner in one or more tranches, within five years from the date of the present resolution, by issue of maximum no. 18.003.500 (eighteen million three thousand five hundred) ordinary shares without indication of nominal value - and for a total nominal amount of maximum Euro 7,225,400.00 (seven million two hundred twenty-five thousand four hundred), plus any premium - and having rights, to be offered as an option to those entitled pursuant to art. 2441, paragraph 1 of the Civil Code; consequent modification of article 5 of the Bylaws. Related and consequent resolutions.”***



Dear Shareholders,

you have been called to the Extraordinary Meeting for April 17th, 2019, at 9:00 am, in Milan, at the registered office, Piazza Gae Aulenti 12, to discuss and resolve on the following topic on the agenda:

1. *Attribution, pursuant to Article 2443 of the Civil Code, to the Board of Directors of the authorization to increase the share capital by payment and in a divisible manner in one or more tranches, within five years from the date of the present resolution, by issue of maximum no. 18.003.500 (eighteen million three thousand five hundred) ordinary shares without indication of nominal value - and for a total nominal amount of maximum Euro 7,225,400.00 (seven million two hundred twenty-five thousand four hundred), plus any premium - and having rights, to be offered as an option to those entitled pursuant to art. 2441, paragraph 1 of the Civil Code; consequent modification of article 5 of the Bylaws. Related and consequent resolutions.*

The Board of Directors has prepared this report (the "**Report**") (i) pursuant to Article 125-ter of Legislative Decree February 24th 1998 n. 58 (the "**TUF**"), as well as (ii) pursuant to article 72, article 84-ter and Schedule 3 of Annex 3A of the regulation adopted by Consob with resolution no. 11971 of May 14, 1999, as subsequently amended and supplemented (the "**Issuers Regulation**") in order to illustrate to you the proposal, pursuant to article 2443 of the Civil Code, to the Board of Directors to increase by payment and via divisible, in one or more times, the share capital, within a period of 5 years from the date of the resolution, through the issue of maximum n. 18,003,500 (eighteen million three thousand five hundred) ordinary shares without indication of the nominal value - and for a total nominal amount of a maximum of 7.225.400,00 Euros (seven million two hundred twenty five thousand four hundred), in addition to the possible premium, and with regular enjoyment, to be offered in option to those entitled pursuant to art. 2441, paragraph 1 of the Civil Code (the "**Proxy**").

### **1. Illustration and reasons for the proposed amendment to the articles of association**

Pursuant to Article 2443 of the Italian Civil Code, the Articles of Association may grant the Board of Directors the right to increase the share capital one or more times, up to a predetermined amount and for a maximum period of five years from the date of resolution.

The proxy assignment proposal is motivated, in general terms, by the opportunity to grant the Board of Directors the power to implement, through operating procedures characterized by greater speed and flexibility than the resolutions of the Extraordinary Meeting, any operations on the capital in support of the development of the Company.

This proposal is in fact functional in providing the Company with a flexible instrument for raising capital on the market to service the growth and development of the Company's real estate investment activity and to consolidate the competitive position of COIMA RES S.p.A. SIIQ in the market, consistent with the Company's strategy.

This proposal also allows the Company to be equipped with a typical tool for listed companies in support of growth and in line with market practice and the main sector operators.

Resources obtained with the possible exercise of the Proxy may also be used to enhance existing investments as well as to strengthen and optimize the Company's financial structure.

The attribution of the Proxy envisaged by Article 2443 of the Civil Code would therefore enable the aforementioned advantages to be achieved in terms of flexibility and timeliness of execution in order to be able to seize, with adequate timing, the most favourable opportunities and market conditions for carrying out extraordinary transactions that require us to act with particular care, also taking into account the elements of uncertainty and volatility that characterize the financial markets.



The Proxy, in addition to the greater flexibility regarding the timing of implementation, also allows the Board of Directors to determine, in compliance with the limits and legal criteria described above, the economic conditions of the offer as a whole in consideration of the conditions market conditions existing at the time of the actual launch of the transaction, also reducing the risk of fluctuations in the stock market prices in the period between the communication and the start of the transaction that would occur if it were approved by the Shareholders' Meeting.

To this end, the Board of Directors intends to propose to the Shareholders' Meeting the attribution to the Board of the power to increase the share capital against payment, within five years from the date of the present resolution, through the issue of a maximum of n. 18,003,500 (eighteen million three thousand five hundred) ordinary shares without indication of the nominal value - and for a total nominal amount of a maximum of 7.225.400,00 Euros (seven million two hundred twenty five thousand four hundred), in addition to the possible premium, and with regular enjoyment, to be offered in option to those entitled .

## **2. Proxy features**

The proposal in question concerns the attribution, pursuant to article 2443 of the Civil Code, to the Board of Directors, of the faculty to increase the share capital against payment and in divisible form, on one or more occasions, within five years from the date of this resolution, by issuing a maximum of n. 18,003,500 (eighteen million three thousand five hundred) ordinary shares without indication of the nominal value - and for a total nominal amount of a maximum of Euro 7.225.400,00 (seven million two hundred twenty five thousand four hundred), in addition to the possible premium, and with regular enjoyment, to be offered in option to those entitled pursuant to art. 2441, paragraph 1 of the Civil Code.

The newly issued shares will attribute to their holders the same rights as the ordinary shares in circulation at the issue date.

Based on the Proxy, the Board of Directors will have the right to establish, in compliance with the regulations in force, the methods, terms and conditions of the capital increase including, by way of mere indication and not exhaustive, the power to:

- (i) determine the exact number of newly issued ordinary shares which in total cannot exceed a maximum of n. 18,003,500 (eighteen million three thousand five hundred) ordinary shares; is
- (ii) to define, close to the start of the option offer, the unit price for the subscription of the new shares, including the possible share premium, considering, among other things, market conditions, price trends of the shares of the Company, the economic, patrimonial and financial results of the Company and of the group, as well as market practices.

## **3. Evaluations regarding the recurrence of the right of withdrawal**

The proposed amendments to article 5 of the By-laws illustrated above do not confer the right of withdrawal on the shareholders who will not have contributed to the approval of the relative resolutions, not integrating the details of any of the cases of withdrawal identified by article 2437 of the Code Civil.

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Dear Shareholders,

if you agree with what is proposed to you, we invite you to take the following resolution:



"The Extraordinary Meeting of COIMA RES SIIQ S.p.A., having examined the explanatory report of the Board of Directors,

resolution:

- to grant the Board of Directors, pursuant to Article 2443 of the Civil Code, the right to increase the share capital against payment and in divisible form, on one or more occasions, within five years from the date of this resolution, by issuing of maximum n. 18,003,500 (eighteen million three thousand five hundred) ordinary shares without indication of the nominal value - and for a total nominal amount of a maximum of 7.225.400,00 Euros (seven million two hundred twenty five thousand four hundred), in addition to the possible premium, and with regular enjoyment, to be offered in option to those entitled pursuant to art. 2441, paragraph 1 of the Civil Code;
- to confer on the Board of Directors all the broadest powers to establish from time to time, in compliance with current legislation, the methods, terms and conditions of the capital increase, including the exact number on a purely indicative and non-exhaustive basis and the price (including any premium) of the newly issued shares, as well as the timing for the execution of the capital increase;
- to insert in the article 5 of the corporate by-laws, after paragraph 4, the following paragraph:

<i>Current text</i>	<i>Proposed text</i>
<b>SHARE CAPITAL AND FUNDINGS</b> <b>Art. 5</b>	<b>SHARE CAPITAL AND FUNDINGS</b> <b>Art. 5</b>
<i>omissis</i>	<i>omissis</i>
	5.5 The Extraordinary Shareholders' Meeting of 17 April 2019 granted the Board of Directors, pursuant to Article 2443 of the Civil Code, the faculty to increase the share capital against payment and in divisible form, on one or more occasions, within five years from the date of the resolution, through the issue of maximum n. 18,003,500 (eighteen million three thousand five hundred) ordinary shares without indication of the nominal value - and for a total nominal amount of a maximum of 7.225.400,00 Euros (seven million two hundred twenty five thousand four hundred), in addition to the possible premium, and with regular enjoyment, to be offered in option to those entitled pursuant to art. 2441, paragraph 1 of the Civil Code, with all broader powers for the Board of Directors to establish from time to time, in compliance with current



	legislation, the methods, terms and conditions of the capital increase including the exact number and the issue price (including any premium) of the newly issued shares, as well as the timing for the execution of the capital increase.
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*; and*

- *to confer on the Board of Directors and for it the Chairman of the Board of Directors and the Managing Director pro-tempore in office, also separately from each other, each and more ample power to provide for what is necessary for implementation and execution of the resolutions taken, as well as to fulfil the formalities necessary so that all the resolutions adopted today obtain legal and regulatory approvals and in general all that is necessary for the complete execution of the resolutions, with each and every power necessary for this purpose and appropriate, including all broader powers to make to the text of these minutes and annex any statute any non-substantial modification that may be required by the competent Authorities, also for registration in the Business Register, as well as to proceed with the legal deposits in relation to execution of the capital increase. "*

March 7<sup>th</sup>, 2019

For the Board of Directors

The Chairman