



**ORDINARY SHAREHOLDERS' MEETING
convened for 29 April 2021, in a single call**

*Explanatory report
as per art. 125-ter of Legislative Decree 58/1998*



Point 4 on the items of the agenda

4. Proposal to authorise the purchase and sale of own shares, pursuant to articles 2357 and 2357-ter of the Italian Civil Code, as well as article 132 of Legislative Decree no. 158/1998 and relevant applicable rules, by previously revoking the former authorization resolved by the Ordinary Shareholders' meeting on April 20, 2020, only for the non-fulfilled part. Any consequent resolution.

Dear Shareholders,

You have been convened to an Ordinary Shareholders' Meeting of SICIT Group S.p.A. ("Company" or "SICIT") to examine and vote on the proposal to authorize the purchase and disposal of own shares of SICIT Group S.p.A. pursuant to the articles 2357 and 2357-ter of Italian Civil Code and also to the article 132 of Legislative Decree no. 58/1998 and relevant applicable rules ("TUF"), as applicable to the Company from time to time.

With resolution passed on 20 April, 2020, the Shareholders' Meeting authorized the purchase and disposal of the own shares of the Company ("**Current Authorization**"). The Current Authorization:

- (a) has a duration of 18 months from the resolution and, therefore, will expire during the financial year 2021, while the authorization for the disposal of the own shares was granted without time limits;
- (b) provides for the possibility to purchase a number of ordinary shares of the Company up to a maximum which, considering the Company's ordinary shares held in its portfolio from time to time, as well as in the portfolio of its subsidiaries, does not exceed the maximum limit provided by the *pro tempore* applicable laws and in any case for a maximum countervalue of Euro 2,000,000.

The Company has completed its purchase and disposal of own shares program, because, also considering the trade value, the own shares have already been purchased for an equivalent countervalue of Euro 2,000,000.

Therefore, it appears to be opportune to renew the right of the Company to proceed with the purchase and disposal of own shares for the purposes provided under Paragraph 1 below; it is then proposed to the Shareholders, previously revoking, for the sake of clarity, the Current Authorization only for the non-fulfilled part, i.e., for the part that authorizes the disposal of the own shares in the portfolio of the Company, without a time limit, to approve a new authorization for the purchase and disposal of own shares according with the provisions illustrated in this Report.

1. The reasons for the request for the authorization to purchase and/or sell own shares

The request to renew the authorization for the purchase and disposal of own shares is aimed to allow the Company to have a useful strategic investment opportunity for the purposes permitted by currently applicable law provisions - including the purposes contemplated in article 5 of Regulation (EU) 596/2014 (Market Abuse Regulation, hereinafter "**MAR**") and in market practices, *pro tempore* in force, accepted pursuant to article 13 MAR - including, by



way of example but not limited to, for implementing share option programs or other assignments of shares to employees or members of the management or control bodies as well as for the purpose to use the shares as compensation for the extraordinary transactions, including the exchange of shareholdings with other subjects, in transactions in the interest of the Company; the whole, in any case, in accordance with the terms and conditions that will be possibly approved by the competent corporate bodies.

2. The maximum number, class, and face value of the shares the authorization refers to

The renewal of the authorization is required for the purchase, in one or more times, of a number of ordinary shares of the Company, without face value, up to a maximum which, considering the ordinary shares held in the portfolio of the Company and by its subsidiaries, is not in the whole higher than the maximum amount pursuant to the law *pro tempore* in force and, in any case, for a maximum countervalue of Euro 2,000,000, in addition to the countervalue of the own shares purchased under the Current Authorization.

Pursuant to the article 2357, paragraph 1 of the Italian Civil Code, the purchase of own shares will occur within the limits of distributable profits and the available reserves resulting from the last regularly approved financial statements at the time of the transaction and, when the purchase and the disposal of own shares are made, the necessary accounting entries will be made in compliance with the law provisions and with the applicable accounting principles.

To this purpose, we inform you that the reserves available from the financial statements as at 31 December 2020, subject to the approval of this Shareholder's meeting, amount to Euro 83,513 thousand.

It is, then, proposed also for the New Authorization to grant the Board of Directors with the mandate to identify, before starting any purchase program, the amount of ordinary shares to be purchased relating to each purchase program, in accordance with the regulations in force and with the purposes mentioned under Paragraph 1 above.

As mentioned above, at anytime the maximum number of ordinary shares held by SICIT, also considering the ordinary shares of SICIT possibly owned by subsidiaries companies, must not exceed the maximum limit established by the *pro tempore* applicable laws.

In order to ensure compliance with the limits provided by law, appropriate procedures to ensure a prompt and complete information to the stock market regarding the shareholdings of SICIT's subsidiaries companies will be put in place.

3. All the information needed for a thorough assessment of compliance with the provisions of Article 2357, paragraph 3 of the Italian Civil Code

On the date of this Report, the subscribed and paid-up share capital amounts to Euro 2,462,729.90 divided into no. 21,045,480 ordinary shares, without face value. At the same



date, the Company holds no. 304,209 own ordinary shares. The subsidiaries companies of SICIT do not hold any shares of the Company.

4. **Duration of the requested authorization**

The authorization to purchase and dispose the own shares is requested for the maximum period allowed by the laws *pro tempore* applicable (at the date of this Report, for a period of eighteen months from the date of the resolution of the ordinary Shareholders' Meeting, as provided by article 2357 paragraph 2 of the Italian Civil Code).

The Board of Directors can proceed with the authorized operations in one or more times and at any time, to the extent and times freely determined in accordance with the applicable law, with the graduality deemed opportune in the interest of the Company and in compliance with the limits provided by law and by-laws.

The authorization to dispose the own ordinary shares in the Company's portfolio is requested without time limits.

5. **The minimum consideration and the maximum consideration together with the market values used to determine them. When the precise identification of the minimum and maximum price is deferred until the time of the execution of the transaction, specification of the criteria to be used to determine said prices, with particular reference to the objectivity requirements for these criteria and the fact that they enable the unequivocal identification of the minimum and maximum consideration for the purchases and/or sale of own shares**

The Board of Directors proposes that purchases and disposals of own ordinary shares be made in accordance with the trading conditions provided by article 3 of the Delegated Regulation (EU) no. 2016/1052 ("**Regulation 1052**") implementing MAR, if applicable.

The purchase price cannot exceed the higher price between (a) the price of the last independent transaction and (b) the price of the highest independent offer current in the trading venues where the purchase is made, it being understood that, in no case the unit purchase price can be lower than the minimum of 20% (twenty percent) and higher than the maximum of 10% (ten percent) with respect to the arithmetic average of the official prices recorded by the Company's share on Mercato Telematico Azionario organized and managed by Borsa Italiana SpA in the 10 (ten) trading days prior to each individual purchase transaction.

6. **Procedures by which the purchases and disposals will be made**



The Board of Directors proposes that the purchases of ordinary own shares be made pursuant to the applicable provisions of Consob Regulation no. 11971/1999 (as subsequently amended) implementing Article 132 of the TUF and in compliance with the conditions and limits relating to trading referred into the Articles 3 and 4 of the Delegated Regulation (EU) no. 2016/1052, if applicable, with the graduality deemed opportune in the interest of the Company.

The Board of Directors also proposes to authorize the use, pursuant to art. 2357-ter of the Italian Civil Code, at any time, in whole or in part, in one or more times, of the ordinary own shares purchased in accordance with this proposal or, in any case, already held in the Company's portfolio, through sale of the same shares on Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A. or outside of it, possibly also with the transfer of real and/or personal rights, pursuant to the terms and conditions of the deed of disposal of the own shares deemed opportune in the interest of the Company for the purposes provided to this Report, it being understood that the disposals made in the context of extraordinary transactions, including the exchange of shareholdings with other parties, could take place at the price or value that will be congruous and in line with the transaction, by reason of the characteristics and nature of the same transaction and also taking into account the performance of the stock value.

The operations to dispose the ordinary own shares held in the portfolio of the Company will be made, in any case, in compliance with the law and regulatory provisions regarding the execution of the negotiations on the securities admitted on Mercato Telematico Azionario organized and managed by Borsa Italiana SpA, in force from time to time, including the practices that may be accepted from time to time pursuant to Article 13 of MAR and could take place in one or more solutions and with the graduality deemed appropriate in the interest of the Company.

7. Information about the possible instrumentality of the purchase of own shares to reduce the share capital

This authorization to purchase and dispose own shares is not aimed to reduce the share capital of the Company.

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Should you agree with the content of this proposal, please pass the following resolution

The Ordinary Shareholders' Meeting of SICIT Group S.p.A. having acknowledged and approved the explanatory Report of the Board of Directors

- (A) *to revoke the resolution authorizing the purchase and disposal of own ordinary shares, passed by the ordinary Shareholders' Meeting on April 20, 2020 only for the non-fulfilled part, starting from the date of this resolution;*



- (B) to authorize the purchase and disposal of own ordinary shares of the Company for the purposes provided in the Explanatory Report of the Board of Directors attached to this minutes, and therefore:
1. to authorize, pursuant to, for the effects and within the limits of article 2357 of the Italian Civil Code, the purchase, in one or more times, for the maximum period allowed by the law pro tempore applicable, of a number of ordinary shares of the Company up to a maximum which, considering the ordinary shares held, from time to time, in the portfolio of the Company and of its subsidiaries companies, is not overall higher than the maximum limit provided by the law pro tempore in force and in any case for a maximum countervalue of Euro 2,000,000, in addition to the value of the own shares currently in portfolio, granting the Board of Directors with the relevant powers to identify the purposes (identified among the above mentioned purposes), the amount of shares to be purchased and the maximum countervalue in relation to the start of each individual purchase program, for a price that is not higher than the higher price between (a) the price of the last independent transaction and (b) the price of the highest independent offer current in the trading venues where the purchase is made, it being understood that the unit price in no case can be lower than a minimum of 20% (twenty percent) and higher than a maximum of 10% (ten percent) than the arithmetic average of the official prices recorded by the stock of the Company on Mercato Telematico Azionario organized and managed by Borsa Italiana SpA in the 10 (ten) trading days prior to each individual purchase transaction;
 2. to grant the Board of Directors, and on its behalf, severally, the Chairman of the Board of Directors Giuseppe Valter Peretti and the Chief Executive Officer Massimo Neresini, with all necessary powers to identify the purposes (among the Explanatory Report of the Board of Directors attached to this minutes), the amount of ordinary shares to be purchased and the relating maximum countervalue relating to each purchase program - to be determined before the starting of each purchase program - and to proceed with the purchase of ordinary shares pursuant the terms provided by the applicable provisions of Consob Regulation no. 11971/1999 (as subsequently amended) implementing Article 132 of Legislative Decree no. 58/1998 as subsequently amended, in accordance with the conditions and restrictions relating to trading provided by the articles 3 and 4 of the Delegated Regulation (EU) 2016/1052, with the graduality deemed opportune in the interest of the Company, also granting to the same Mr. Peretti and Mr. Neresini, always severally, all the widest powers to implement the purchase transactions provided by this resolution and any other necessary formalities, including the possible assignment of appointments to authorized intermediaries in accordance with law, including the power to appoint special proxyholders;
 3. to grant to the Board of Directors, and on its behalf, severally, to the Chairman of the Board of Directors Giuseppe Valter Peretti and to the Chief Executive Officer Massimo Neresini, pursuant to article 2357-ter of the Italian Civil Code, the relevant powers to dispose, at any time, in whole or in part, in one or more times, the ordinary own shares purchased in accordance with this resolution, or in any case already held in the Company's portfolio, through sale on Mercato Telematico Azionario organized and managed by Borsa Italiana SpA or, outside of it, possibly also through the transfer of real and/or personal rights, including by way of example, securities lending, in compliance with law provisions and regulations pro tempore in force and to pursuit the purposes provided by this resolution, with the terms and conditions of the disposal of the ordinary own shares deemed opportune in the interest of the Company, granting to the same Mr. Peretti and Mr. Neresini, always severally, every widest power for the execution of the transactions provided by this resolution, as well as any other formalities relating by the same



resolution, including the power to appoint authorized intermediaries in accordance with law and special proxyholders, it being understood that the disposals carried out in the context of extraordinary transactions, including the exchange of shareholdings with other parties, may take place at the price or value that is deemed congruous and in line with the transaction, due to the characteristics and nature of the same transaction and also considering the performance of the stock value. The operations for the disposal of ordinary own shares in the portfolio will be made, in any case, in compliance with the laws and regulations in force concerning the execution of negotiations on securities admitted to Mercato Telematico Azionario organized and managed by Borsa Italiana SpA, including any permitted practices, pursuant to art. 13 MAR, and will take place in one or more times, and with the graduality deemed appropriate in the interest of the Company. The authorization referred to in this point (A) 3. is granted without time limits;

- (C) to provide that, in accordance with the law, the purchases mentioned by this authorization are contained within the limits of the distributable profits and available reserves resulting from the last financial statements approved at the time of the transaction and that, during the purchase and disposal of ordinary own shares, the necessary accounting entries are made, in compliance with the provisions of the law and the applicable accounting principles.*

Chiampo (VI), 12 March 2021

For the Board of Directors
The Chairman
Giuseppe Valter Peretti