



EXTRAORDINARY AND ORDINARY GENERAL MEETING OF THE SHAREHOLDERS

Single call – April 30 2021 - at 11.00 a.m.

CIR S.p.A.

Via Ciovassino n. 1 - Milan

Report on the Item 1) on the Agenda

**PROPOSAL TO ELIMINATE THE INDICATION OF THE NOMINAL VALUE OF THE SHARES AND THE
CONSEQUENT AMENDMENT OF ART. 4, PARAGRAPH 1, OF THE COMPANY BYLAWS**

CIR S.p.A.

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Capitale sociale € 638.603.657 – R.E.A. n 1950090

Iscrizione R.I. di Milano Monza Brianza Lodi / C.F. / P.I. n. 01792930016

Società soggetta all'attività di direzione e coordinamento della F.LLI DE BENEDETTI S.p.A.

PROPOSAL TO ELIMINATE THE INDICATION OF THE NOMINAL VALUE OF THE SHARES AND THE CONSEQUENT AMENDMENT OF ART. 4, PARAGRAPH 1, OF THE COMPANY BYLAWS

Dear Shareholders,

The corporate law reform that took effect in 2004 introduced the possibility that shares representing share capital need not have an indication of nominal value per share in Italian regulations.

This is authorized by Art. 2346 of the Civil Code, which regulates shares and by Art. 2328 of the Civil Code on the subject of deeds of incorporation, and thus the bylaws of “società per azioni”, which establishes that in addition to the amount of the capital, “the number and any nominal value of the shares must be indicated”. This phrase makes the indication of a nominal value of shares optional.

Even if there is no indication of a nominal value, obviously the shares do have an implied carrying value represented by the total amount of the share capital divided by the total number of shares. Moreover, even if there is no indication of a nominal value, the rules that assign rights on the basis of certain thresholds or capital ratios continue to be applied, considering the number of shares in relation to the total shares issued (Art. 2346, third paragraph of the Civil Code). The elimination of the nominal value does not compromise capital integrity.

Numerous listed companies do not have an indication of the nominal value of their shares in the Company Bylaws, as the institution of the shares without a nominal value is a useful instrument that gives organizational and operational flexibility in a number of ways. In particular, as an example, it is worth noting that if there is no indication of a nominal value, the company can cancel own shares, reducing the number of shares without its capital, it can reduce its capital in general without reducing a corresponding number of shares, it can increase its capital free of charge without issuing new shares, thus with an increase of the so-called implied carrying value. The Company could effect capital increases against payment with a lower issuance price than the implied carrying value per share while maintaining the protection of capital integrity, as the total contribution value can never be lower than the total amount of the share capital resulting from the issuance of the new shares (Art. 2346, paragraph 5, Civil Code).

The Board of Directors is, therefore, of the opinion that the change in the Bylaws submitted to the approval of the Shareholders is in the interest of the Company as it would facilitate a wide range of transactions that could from time to time be deemed necessary and/or appropriate. It should also be noted that the proposed amendment of the Bylaws does not give the right of withdrawal to those shareholders who do not agree with the approval of the same.

Given all of the above, we propose that you adopt the following resolution:

“The Extraordinary General Meeting of the Shareholders of CIR S.p.A. – Compagnie Industriali Riunite, acknowledging the proposal made by the Board of Directors,

RESOLVES

1. To eliminate the indication of the nominal value of the shares, currently equal to Euro 0.5, as per the terms of Articles 2328 and 2346 of the Civil Code;
2. As a consequence of the above, to amend Art. 4, paragraph 1, of the Company Bylaws as follows:

Current text	Proposed text
SHARE CAPITAL - SHARES Art. 4 - AMOUNT OF THE CAPITAL	SHARE CAPITAL - SHARES Art. 4 - AMOUNT OF THE CAPITAL
<p>1. The share capital amounts to EUR 638,603,657 (six hundred and thirty-eight million, six hundred and three thousand, six hundred and fifty-seven) comprising 1,277,207,314 (one billion, two hundred and seventy-seven million, two hundred and seven thousand, three hundred and fourteen) shares each with a nominal value of EUR 0.5 (zero point five)</p>	<p>1. The share capital amounts to EUR 638,603,657 (six hundred and thirty-eight million, six hundred and three thousand, six hundred and fifty-seven) comprising 1,277,207,314 (one billion, two hundred and seventy-seven million, two hundred and seven thousand, three hundred and fourteen) shares with no nominal value.</p>

3. To give full powers to the Board of Directors, and for the Board the Chairman and the Chief Executive Officer, severally and with the right to sub-delegate, to execute this resolution, including, as an example that shall not be exhaustive, the power to update any document, resolution or corporate plan in any way related to what has been resolved above;
4. To authorize the Chairman of the General Meeting to go ahead and make any changes, deletions or additions of a formal but not substantial nature to this document or to the Company Bylaws annexed to the same that may be required by the competent Authorities for registration of this resolution in the Register of Companies”.