



**Piaggio & C. S.p.A.**

**Explanatory Memorandum**

**Proposal to cancel 3,521,595 treasury shares in portfolio; consequent amendments to Art. 5.1 of the Articles of Association. Related and consequent resolutions.**

Dear Shareholders,

We submit for your approval the proposal to cancel 3,521,595 treasury shares held in the portfolio of Piaggio & C. S.p.A. (“**Piaggio**” or the “**Company**”).

In this regard, we remind you that, at the date of this Report, the Company holds a total of 3,521,595 treasury shares, equal to 0.98% of the share capital, purchased on the basis of the authorisations granted, pursuant to Article 2357 of the Italian Civil Code and Article 132 of Legislative Decree 58/1998 (“**TUF**”), by the Shareholders’ Meeting most recently by resolution of 11 April 2022 and recognised in the financial statements at an average value of Euro 2.18.

Considering, however, that Piaggio shares outstanding have no par value, we propose to cancel 3,521,595 treasury shares without reducing the numerical amount of the share capital (currently Euro 207,613,944.37 divided into 358,153,644 shares), and to reduce the corresponding negative reserve which is recognised in the financial statements for a total of Euro 7,687,587.56.

Taking into account that the authorisations to purchase and dispose of treasury shares approved by the Shareholders’ Meeting in the last financial years provided for the purchase of treasury shares also with a view to their subsequent cancellation, and since there is no need to maintain a substantial portion of treasury shares in the portfolio, it is deemed preferable to proceed with the cancellation of the aforementioned treasury shares, thereby increasing the value of each share and maximising their profitability. The cancellation of shares makes it possible to increase the portion of profit allocated to each share (“*earnings per share*”). As a result of this cancellation, Piaggio’s share capital will not be reduced. Therefore, the share capital will remain unchanged at Euro 207,613,944.37, but the accounting par value of the remaining 354,632,049 outstanding shares will change to Euro 0.5854.

Please note that this draft resolution does not trigger the right of withdrawal pursuant to law.

The cancellation of the 3,521,595 treasury shares in portfolio will entail a change in the numerical expression of the number of outstanding shares contained in Article 5.1 of the Articles of Association as indicated below (the remaining clauses of the Articles of Association contained in Article 5 will remain unchanged and are therefore omitted):

| CURRENT WORDING   | PROPOSED WORDING  |
|---|---|
| <b>Share Capital - Shares<br/>Article 5</b>   | <b>Share Capital - Shares<br/>Article 5</b>   |
| <p>5.1 The share capital amounts to Euro 207,613,944.37 (two hundred and seven million six hundred and thirteen thousand nine hundred and forty-four point thirty-seven) divided into 358,153,644 (in letters three hundred and fifty-eight million one hundred and fifty-three thousand six hundred and forty-four) ordinary shares with no stated par value and may also be increased by contributions in kind and receivables.</p> | <p>5.1 The share capital amounts to Euro 207,613,944.37 (two hundred and seven million six hundred and thirteen thousand nine hundred and forty-four point thirty-seven) divided into 354,632,049 (in letters three hundred and fifty-four million six hundred and thirty-two thousand forty-nine) ordinary shares with no stated par value and may also be increased by contributions in kind and receivables.</p> |

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Dear Shareholders,

In view of the foregoing, we ask you to adopt the following resolutions:

*“The Extraordinary Shareholders’ Meeting of Piaggio & C. S.p.A., having seen and approved the explanatory Report of the Board of Directors;*

***resolves***

*1) To cancel all the 3,521,595 treasury shares without par value owned by the Company, while keeping the current share capital unchanged, by performing any related accounting formalities;*

*2.) to therefore acknowledge that the share capital of Euro 207,613,944.37 is divided into 354,632,049 ordinary shares with no par value, effective as of the registration of these resolutions with the Register of Companies;*

*3.) To amend, as a result of the above resolutions, Article 5.1 of the Articles of Association as follows, thus adopting the wording of the Articles of Association attached to these minutes:*

*“5.1 The share capital amounts to Euro 207,613,944.37 (two hundred and seven million six hundred and thirteen thousand nine hundred and forty-four point thirty-seven) divided into 354,632,049 (in letters three hundred and fifty-four million six hundred and thirty-two thousand forty-nine) ordinary shares with no stated par value and may also be increased by contributions in kind and receivables.”*

*4.) to authorise the pro tempore legal representatives, severally, to carry out, including through attorneys in fact, all necessary or useful acts for the implementation of the above resolutions, and to fulfil the necessary formalities for the resolutions to be recorded in the Companies’ Register, granting them the power to make non-substantial changes, corrections or additions as may be appropriate for the purpose or as requested by the relevant Authorities, also at the time of registration and, in general, to carry out all that is necessary for the full implementation of said resolutions, with any and all powers necessary and appropriate for such purpose, none excluded and excepted.”*

Mantova, 2 March 2023

For the Board of Directors  
Chairman and Chief Executive Officer  
(Roberto Colaninno)