



**EXPLANATORY REPORT
OF THE BOARD OF DIRECTORS
OF SECO S.P.A.
ON POINT 2) OF THE AGENDA
OF THE EXTRAORDINARY SHAREHOLDERS' MEETING CALLED FOR
JULY 28, 2023 IN SINGLE CALL**

prepared pursuant to Article 2441 Civil Code, Article 125-ter of Legislative Decree No. 58 of February 24, 1998, as amended, and pursuant to Article 72 of the Regulations adopted by Consob Resolution No. 11971 of May 14, 1999 and subsequent amendments and supplements

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JUNE 27, 2023

*Draft for discussion
Subject to amendments and supplements*

Explanatory Report of the Board of Directors of SECO S.p.A. prepared pursuant to Article 2441 of the Civil Code, Article 125-ter of Legislative Decree No. 58 of February 24, 1998, as amended, and pursuant to Article 72 of the Regulations adopted by Consob Resolution No. 11971 of May 14, 1999 and subsequent amendments and supplements

Dear Shareholders,

the Board of Directors of SECO S.p.A. (hereafter, “SECO” or the “Company”) (the Company, together with its subsidiaries as per Article 93 of Legislative Decree No. 58/1998, the “Group”), has called you to the Ordinary and Extraordinary Shareholders’ Meeting, for July 28, 2023 at the time of 9AM, at the offices of Notary Jacopo Sodi, in Florence, Via dei Della Robbia 38, in single call, to discuss and consider, among other matters, the following point 2) on the Agenda of the Extraordinary session:

2. In service of the “2024-2027 Plan for employees, senior executives and collaborators”:

- A proposal to increase the paid-in share capital, in a divisible and progressive manner, for a maximum nominal amount of Euro 70,000, plus share premium, with the exclusion of option rights pursuant to Article 2441, paragraphs 5 and 6 of the Civil Code, through the issue of a maximum 7,000,000 new ordinary shares without par value, to be reserved for subscription by employees, senior executives and collaborators of SECO S.p.A. or its subsidiaries, as beneficiaries of the “2024-2027 plan for employees, senior executives and collaborators”. Consequent amendment of Article 6 of the By-laws. Resolutions thereon;**
- B proposal for a free capital increase, for a maximum nominal amount of Euro 70,000, in divisible form, through the charging to capital, as per Article 2349 of the Civil Code, of a corresponding amount drawn from profits and/or retained earnings, with the issue of a maximum 7,000,000 ordinary shares, to be granted to employees and senior executives of SECO S.p.A. or its subsidiaries, as beneficiaries of the “2024-2027 Plan for employees, senior executives and collaborators”, as a concurrent means to execute the paid capital increase, as per point 2.A) of the agenda of the extraordinary session. Consequent amendment of Article 6 of the By-laws. Resolutions thereon.**

With this report (the “**Report**”) - prepared pursuant to Article 2441 of the Civil Code, Article 125-ter of Legislative Decree No. 58 of February 24, 1998, as subsequently amended (“**CFA**”), and Article 72 of the Regulation adopted by Consob Resolution No. 11971 of May 14, 1999, as amended (the “**Issuers’ Regulation**”), as well as in compliance with Annex 3A of the Issuers’ Regulation - we wish to provide an explanation of the reasons for the proposals related to point 2) on the Agenda of the Shareholders’ Meeting, in Extraordinary session.

In particular, the Board of Directors has called you to the Extraordinary Shareholders’ Meeting to submit for your approval:

*Draft for discussion
Subject to amendments and supplements*

- A. the proposal to increase the Company's paid-in share capital, in a divisible and progressive manner, by a maximum nominal amount of Euro 70,000, plus share premium, with the exclusion of option rights pursuant to Article 2441, paragraphs 5 and 6, of the Civil Code (the "**Paid Capital Increase**"), by issuing up to 7,000,000 new ordinary shares of the Company, with no indication of par value, having the same characteristics as those outstanding, to service an incentive and loyalty plan called the "2024-2027 Plan for Employees, Senior Executives and Collaborators" (the "**Plan**") reserved for employees, senior executives and collaborators of SECO or one of its subsidiaries (the "**Beneficiaries**"); and
- B. the proposal to increase free of charge the share capital for a maximum nominal amount of Euro 70,000, in divisible form, by means of the allocation to capital, pursuant to Article 2349 of the Civil Code, of a corresponding amount taken from profits and/or retained earnings (the "**Free Capital Increase**"), with the issuance of a maximum of 7,000,000 ordinary shares, to be granted to employees and senior executives of SECO or its subsidiaries, as beneficiaries of the Plan, concurrently to the Paid Capital Increase.

For further information on the Plan, reference should be made to the prospectus, drawn up as per Article 84-bis of the Issuers' Regulation, in accordance with the indications contained in sheet No. 7 of Annex 3A of the same Regulation, published on the company website www.seco.com, in the "Investors / Corporate Governance / Shareholders' Meetings" section, and the e-market storage mechanism www.emarketstorage.com (the "**Prospectus**") and the report of the Board of Directors on point 2) of the Agenda of the Shareholders' Meeting in ordinary session of July 28, 2023, to which the Prospectus is annexed, also published on the company website www.seco.com, in the "Investors / Corporate Governance / Shareholders' Meetings" section, and on the www.emarketstorage.com mechanism.

1. REASONS FOR AND USE OF THE SHARE CAPITAL INCREASE

The Paid Capital Increase proposal submitted for your approval is for the purpose of supporting the requests to exercise the options under the Plan reserved to the Beneficiaries, to be executed through the free granting of options (the "**Options**"), utilizable for subscribing to ordinary newly-issued SECO shares.

In this regard, the proposal to adopt the Plan, outlined in the relative report drawn up as per Article 114-bis of the CFA, is submitted for the review and approval of the Shareholders' Meeting as point 2) of the Agenda of the ordinary session.

The Paid Capital Increase is exclusively for the purposes of the aforementioned Plan and is therefore exclusively intended, pursuant to the Plan, for employees, with an employment relationship of open-ended duration (or in any case a comparable relationship pursuant to the legislation applicable to the Company or its subsidiaries), senior executives and collaborators of the Company or its subsidiaries. The shares may also be issued in two tranches over the duration of the capital increase described above, and in any case by the date of December 31, 2030.

The Free Capital Increase (for whose terms and conditions refer to paragraph 11 below of this Report) is a concurrent and additional instrument, for the benefit and choice of the only beneficiaries of the Plan whether employees or senior executives: the beneficiaries may in fact alternatively exercise the rights

from the Plan by either subscribing to the Paid Capital Increase or by requesting the assignment of free shares deriving from the motion of the Free Capital Increase.

The Plan stipulates the free granting of a maximum 7,000,000 Options.

The Options establish the right to receive, at the conditions indicated in the plan, an amount of ordinary shares calculated as follows:

- (i) in the case of the exercise of options with the payment of the exercise price, 1 (one) ordinary newly-issued SECO share for every 1 (one) Exercised option; or, alternatively;
- (ii) in the case of the free grant (and therefore without the payment of the exercise price), on the request of each Beneficiary to the company, a variable number of ordinary SECO shares, calculated on the basis of the market price of the shares at the exercise date of the Options, in any case in a ratio of not greater than 1 (one) ordinary share for every 1 (one) option exercised, as better described in the Prospectus and to which reference should be made for further details.

The Options may be granted over the duration of the Plan in two tranches.

The first tranche of Options, subject to the approval of the relative resolutions by the Shareholders' Meeting, are expected to be granted by August 31, 2023 (the "**First Grant Date**"). The exercise price of each Option granted by the First Grant Date shall be Euro 5.90.

The Options to be granted subsequently to the First Grant Date shall establish the right to subscribe to newly-issued ordinary SECO shares at an exercise price calculated on the basis of the arithmetic average of the closing prices recorded in the 6 months preceding the grant date, increased by 17%.

For further details on the Free Capital Increase, reference should be made to paragraph 11 below of this Report.

For further details on the proposal to adopt the Plan, reference should be made to the Explanatory Report drawn up as per Article 114-*bis* of the CFA, available to the public in accordance with law and on the company website www.seco.com, in the "Investors / Corporate Governance / Shareholders' Meetings" section.

2. REASONS FOR THE EXCLUSION OF THE OPTION RIGHT

The exclusion of option rights is a direct result of the purpose of the Paid Capital Increase transaction, which is to reserve newly-issued ordinary SECO shares for the Plan Beneficiaries.

The Plan, based on the granting of stock options, the maturity and exercise of which are subject to a vesting period, is a suitable incentive tool, as well as an instrument for attracting and retaining staff, capable of relating this variable component of the total remuneration of the Beneficiaries to objective and predetermined parameters such as the creation of new value for the Group. In addition, the Company considers that this incentive system ensures the alignment between the interests of the Beneficiaries and those of shareholders, being naturally linked to the growth in value of SECO's share.

With regards to incentivized remuneration based on stock option plans, we indicate, among other matters, that the adoption of share-based remuneration plans is in line with that recommended by Article 5 of the Corporate Governance Code promoted by the Corporate Governance Committee of Borsa Italiana S.p.A. and the principles of the 2023 Remuneration Policy (as outlined in Section I), approved by the Shareholders' Meeting of April 27, 2023.

In light of the above, the exclusion of the option right is therefore justified by the Company's interest, such as the incentive and retention of the Beneficiaries.

3. FEATURES OF THE PAID CAPITAL INCREASE RESERVED TO PLAN BENEFICIARIES

For the execution of the Plan, it is proposed to increase the paid-in share capital, in a divisible and progressive manner, by the deadline of December 31, 2030, for a maximum nominal amount of Euro 70,000, plus share premium, with the exclusion of the option right as per Article 2441, paragraphs 5 and 6, of the Civil Code, through the issue of a maximum 7,000,000 new ordinary SECO shares, without an expressed par value, with the same characteristics as those outstanding and with full rights, to be reserved for subscription by the Beneficiaries.

In the case of any corporate transactions affecting the company share capital structure and/or which modify the financial content of the Plan, extraordinary and/or non-recurring and/or non-core activity events, significant changes to the economic environment and/or other events which may affect the shares and, more generally, the Plan, the Board of Directors shall make any change necessary to the resolution and/or supplementation necessary or beneficial, within the limits of the applicable regulation and according to the applicable adjustment criteria and generally-accepted financial market methodologies, in order to adjust the resolution to the altered situation and reflect the above changes, and/or the relevant exercise price per share, while keeping the substantial content and economic content of the Plan, the number of issued shares and the maximum nominal amount of the increase, linked to the "2024-2027 Plan for Employees, Senior Executives and Collaborators", unchanged.

At the date of this Report, SECO's subscribed and paid-in share capital amounts to Euro 1,296.325.89, comprising 132,914,258 shares, without express nominal value, of which: (i) 132,910,758 ordinary shares, (ii) 2,500 Management '20 Shares; (iii) 1,000 Management Performance Shares.

The maximum number of ordinary shares in service of the Plan corresponds to 5% of the "fully diluted" share capital of the company, including the Paid Capital Increase servicing the Plan (represented by a total of 139,914,258 shares). The "fully diluted" share capital refers to the share capital issued and subscribed in the case of the full exercise of the Options granted under the Plan.

For completeness, we indicate that the maximum number of ordinary shares in service of the Plan corresponds to approx. 5.3% of the subscribed and paid-in share capital at the date of this Report (representing a total of 132,914,258 shares).

For further details on the Free Capital Increase, reference should be made to paragraph 11 below of this Report.

4. CALCULATION OF THE ISSUE PRICE OF THE ORDINARY SHARES FOLLOWING THE EXERCISE OF THE OPTIONS

The issue price of the new ordinary company shares subject to the proposed Paid Capital Increase of SECO and, consequently, the exercise price of the Options, was calculated by the Board of Directors, on the basis of the proposal of the Appointments and Remuneration Committee, which met on June 16, 2023, and following on from the issue of the opinion of the Related Parties Committee limited to the Senior Executives, which met on June 21, 2023, according to the features of the Plan. More specifically, the issue price was identified as being equal to the arithmetic average of the closing prices recorded by SECO's ordinary shares on the market organized and managed by Borsa Italiana S.p.A. in the 6 (six) months preceding the date of June 15, 2023 inclusive (the day before the meeting of the Appointments and Remuneration Committee), increased by a premium of 17%, therefore amounting to Euro 5.90, per newly-issued SECO ordinary share, as the exercise price of each option granted by the First Grant Date. The directors also verified that the values derived from the calculation using the arithmetic average did not deviate significantly from the weighted average.

With regards to the Options which shall be granted subsequent to the First Grant Date, as better outlined in the Prospectus, an exercise price is established to be calculated on the basis of the arithmetic average of the closing price over the 6 months preceding the grant date, increased by 17%.

The issue price of the newly-issued shares subject to the Paid Capital Increase in service of the Plan should comply with the legal requirements, in particular Article 2441, paragraph 6 of the Civil Code. This provision states that the issue price of shares is determined by the directors *"based on the value of shareholders' equity, taking into account for shares listed on regulated markets also the price movements over the last six months."*

It is considered that, according to best practice, this provision should be interpreted to mean that the issue price of the shares need not be equal to the equity value, to be understood as the "economic" value of the Company, also in light of the overall context in which the capital increase transaction is considered, although its determination should be made "based on" this value; this leaves a margin of discretion to the Directors, who may issue the new shares at a price that does not coincide with the value of shareholders' equity. Similarly, it is considered that the rule's reference to the share price movements over the last six months leaves the directors the freedom of choice in identifying the value of the share which may be considered most representative. In this context, the issue price of the share should take due consideration of the specific nature of the transaction. Specifically, for the transaction in question, the issue price is determined by taking as a reference the present value of the Company at the time the Options are granted, which, in line with the features and incentive purposes of the stock option plans, precedes the timeframe over which the capital increase to service the Plan will be carried out.

The Board of Directors, in order to determine the issue price of the new shares for the Paid Capital Increase, examined the closing prices of SECO's ordinary shares on the regulated Euronext Milan market, STAR segment, organized and managed by Borsa Italiana S.p.A. over several time horizons, taking into account the arithmetic average of recorded closing prices in the periods (a) of 30 days, (b) of 3 months, (c) of 6 months preceding the date of June 15, 2023 inclusive, noting that the said average stood at Euro 4.83 per share, Euro 4.77 per share, and Euro 5.04 per share, respectively. Subsequently, an update of the analysis was conducted up to today's date, which showed no significant changes. The directors also verified that the values derived from the calculation using the arithmetic average did not

deviate significantly from the weighted average.

For completeness, it is indicated that the shareholders' equity values per share are Euro 1.99 and Euro 1.78, respectively for SECO's consolidated and separate shareholders' equity at December 31, 2022.

In particular, the Board of Directors considered it appropriate to consider, as the method to determine the issue price, the stock market price criterion, which is considered the most appropriate method to indicate the real economic value of the company share capital. In addition, the Plan's purposes were considered of (i) engaging and incentivizing the Beneficiaries, (ii) retaining and attracting employees; and (iii) aligning the interests of the Beneficiaries with those of the Company and the shareholders over the Plan's time horizon, recognizing them for their contribution in increasing the value of the Company.

The adoption of the stock price criterion is in line with the provisions of Article 2441, paragraph 6, of the Civil Code and with market practice followed in transactions involving the issuance of shares as part of stock incentive plans reserved for employees and Directors.

The reference to the time horizon of 6 months, referred to in the aforementioned Civil Code Article, makes it possible to take into consideration a period of time sufficiently long to neutralize from the result thus obtained the factors of volatility that may affect the financial markets, thus reflecting the value that the market attributes to the Company's share.

Finally, the mechanism of adopting a reward is designed to incentivize the Beneficiaries to increase the value of the Company and is protective of all shareholders.

In light of the above, the Board of Directors has calculated: (i) with reference to the exercise price of each option granted by the First Grant Date, Euro 5.90 as the unitary issue price of the newly-issued ordinary SECO shares, of which Euro 5.89 as share premium, and (ii) with reference to the exercise price of the options which shall be granted subsequently to the First Grant Date, an issue price to be calculated on the basis of the arithmetic average of the closing market prices recorded over the six-month period preceding the relative grant date, increased by 17%, of which Euro 0.01 to be charged to capital; (iii) the Paid Capital Increase for a maximum nominal amount of Euro 70,000, to be charged to capital, plus share premium, with exclusion of the option right as per Article 2441, paragraphs 5 and 6 of the Civil Code; and (iv) the issue of a maximum total of 7,000,000 new ordinary company shares, with no indication of the expressed par value, with the same features as those outstanding, to be reserved for subscription by the beneficiaries.

In addition, the Board of Directors states that, as per Article 2441, paragraph 6 of the Civil Code and Article 158 of the CFA, the independent audit firm Deloitte & Touche S.p.A. (the "**Independent Audit Firm**"), tasked with the legal audit of the accounts of the company in accordance with Legislative Decree No. 39/2010, shall express its opinion on the appropriateness of the issue price of the shares. The opinion of the Independent Audit Firm shall be made available to the public according to the legally-established deadline and means.

The Plan also establishes an alternative means to grant the shares to the Beneficiaries without the payment of the exercise price. In this case, the number of ordinary SECO shares granted for free shall be variable - in any case at a ratio not exceeding (1) one ordinary share for 1 (one) Option exercised - and established on the basis of the market price of the shares at the date of exercise of the Options. For further details on the Free Capital Increase, reference should be made to paragraph 11 below of this Report.

5. UNDERWRITING AND/OR PLACEMENT CONSORTIUMS AND ANY OTHER FORMS OF PLACEMENT

No underwriting and/or placement consortiums are in place, nor other forms of placement, as the shares to be issued as part of the Paid Capital Increase are reserved for subscription by the Plan Beneficiaries following the exercise of the Options, according to the terms and conditions of the Plan.

6. COMPANY PERFORMANCE

With regards to the company's performance, reference should be made to the financial statements for the year ended December 31, 2022, accompanied by the reports of the Board of Directors, the Board of Statutory Auditors and the Independent Audit Firm, and approved by the Shareholders' Meeting of April 27, 2023, in addition to the interim report at March 31, 2023, approved by the Board of Directors on May 11, 2023. The documents are available on the Company's website (www.seco.com) in the "Investors" section.

7. AVAILABILITY TO SUBSCRIBE TO THE NEW SHARES FROM THE PAID CAPITAL INCREASE

Not applicable as the Paid Capital Increase is reserved to the Plan Beneficiaries.

8. PERIOD SET FOR THE EXECUTION OF THE TRANSACTION

The proposed Plan covers a long-term timeframe with the maturing of Options in two tranches.

Specifically, the Options granted by the First Grant Date mature on completion of the vesting period, as follows:

- (i) for 20%, from May 31, 2025;
- (ii) for 40%, from May 31, 2026;
- (iii) for 40%, from May 31, 2027.

The Options to be granted subsequent to the First Grant Date mature on completion of a vesting period established by the Board of Directors, on a case by case basis, and according to the relative date of effective grant, as determined by the Board of Directors on the basis of best practice for financial instrument-based plans and on the features of the Plan.

The exercise price of each Option granted by the First Grant Date, and therefore as part of the first tranche, shall be Euro 5.90.

The exercise price of each Option granted subsequent to the First Grant Date, and thus as part of the second tranche, will be calculated on the basis of the arithmetic average of the closing prices recorded by SECO ordinary shares on the market organized and managed by Borsa Italiana S.p.A. during the 6-month period preceding the relevant grant date, plus 17%.

Options granted may be exercised by Beneficiaries in arrears in the years following vesting, and in any case not beyond May 31, 2030. Therefore, the Capital Increase should be executed by the deadline of December 31, 2030. It is believed that the above terms facilitate the achievement of the incentive and retention objectives of Beneficiaries under the Plan.

9. FEATURES OF THE NEWLY-ISSUED ORDINARY SHARES

The ordinary company shares subscribed by the Beneficiaries shall have the same rights as the ordinary

company shares at the issue date and shall therefore be linked with the coupons in place at that date.

10. EFFECT OF THE PAID CAPITAL INCREASE

The maximum number of ordinary shares in service of the Plan corresponds to 5% of the “fully diluted” share capital of the company, including the Paid Capital Increase servicing the Plan (represented by a total of 139,914,258 shares). The “fully diluted” share capital refers to the share capital issued and subscribed in the case of the full exercise of the Options granted under the Plan.

For completeness, we indicate that the maximum number of ordinary shares in service of the Plan corresponds to approx. 5.27% of the subscribed and paid-in share capital at the date of this Report (representing a total of 132,914,258 shares).

The Paid Capital Increase to service the Plan, in the event that the Plan is fully subscribed following the exercise of all the Options and assuming that no further capital increases are carried out, would result in a maximum dilution of 4.8% of the current share capital for the Company's shareholders.

11. REASONS FOR AND USE OF THE FREE CAPITAL INCREASE

As recalled above, the Board of Directors has called you to the Extraordinary Shareholders’ Meeting to submit for your approval the proposal to increase free of charge the share capital for a maximum nominal amount of Euro 70,000, in divisible form, by means of the allocation to capital, pursuant to Article 2349 of the Civil Code, of a corresponding amount taken from retained earnings (the “**Free Capital Increase**”), with the issuance of a maximum of 7,000,000 ordinary shares, to be granted to employees and senior executives of SECO or its subsidiaries, concurrently to the Paid Capital Increase.

The Free Capital Increase submitted for your approval is intended to service requests to exercise Options under the Plan.

The Free Capital Increase is exclusively for the purposes of the aforementioned Plan and is therefore exclusively intended, pursuant to the Plan, for employees and senior executives of the Company and its subsidiaries, with an employment relationship of indefinite duration (or in any case a comparable relationship pursuant to the legislation applicable to the Company or its subsidiaries). The shares may also be issued over the duration of the capital increase described above, and in any case by the date of December 31, 2030.

The Free Capital Increase is an alternative instrument, for the benefit and choice of the aforementioned beneficiaries, for the implementation of the Plan: the beneficiaries may in fact alternatively exercise the rights from the Plan either by subscribing to the Paid Capital Increase as per point 2.A) of the Agenda of the Extraordinary Shareholders’ Meeting or by requesting the assignment of free shares deriving from the motion that is proposed for approval.

12. FEATURES OF THE SHARES, CHARGING TO CAPITAL

The ordinary company shares granted under the Free Capital Increase in favor of employees and senior executives of SECO and its subsidiaries, as Plan beneficiaries, under the terms and conditions set out therein, shall have the same rights as the ordinary company shares at the issue date and shall therefore be linked with the coupons in place at that date.

Since your Company's shares do not have an express par value, the Board intends to submit to your

attention the proposal to allocate to capital an amount equal to a maximum of Euro 70,000 and therefore an amount equal, for each share, to the current accounting parity of the shares rounded to the nearest cent of EUR 0.01, as calculated as at December 31, 2022.

For further details on the features of the Plan, reference should be made to the preceding paragraphs of this Report.

13. AMENDMENTS TO ARTICLE 6 OF THE BY-LAWS CONSEQUENT TO THE CAPITAL INCREASE RESOLUTIONS PROPOSED

As a consequence of the approval of the Paid Capital Increase and Free Capital Increase proposals submitted to you, the consequent changes indicated below shall be made to Article 6 of the By-Laws, highlighting in bold the newly inserted words, as indicated in the following table, whereby the text of Article 6 of the existing By-Laws is compared to the proposed text, assuming the approval of the resolution at point 1 of the Agenda.

It should be noted that these amendments to the By-Laws do not confer the right to withdrawal to shareholders refusing to accept them, as they do not fall within the scope of circumstances for withdrawal set out in Article 2437 of the Civil Code.

Existing Text <i>(as amended in relation to the approval of the resolution under Agenda Item 1 of the Extraordinary Shareholders' Meeting)</i>	Proposed text
Article 6	Article 6
6.1 The share capital is Euro 1,294,591.49, divided into 132,740,818 Shares with no express par value, of which: (i) 132,737,318 Ordinary Shares; (ii) 2,500 Management '20 Shares; (iii) 1,000 Management Performance Shares.	<i>(unchanged)</i>
6.2 The share capital may be increased by Shareholder Meeting motion even through the issue of shares having different rights and through conferment other than cash, within the legal limits permitted.	<i>(unchanged)</i>
6.3 Pursuant to a resolution of the Extraordinary Shareholders' on November 30, 2020, as amended on March 1, 2021 and March 25, 2021 the following was resolved: - to issue free of charge, subject to the conversion referred to below, Ordinary Shares, in a number determined pursuant to Section 8.1.1 of the By-Laws referred to below, without an increase in the share capital, with regular dividend entitlement, intended to service the conversion of Management '20 class shares into Ordinary Shares, with the consent to such placement and the waiver of any subscription/option/pre-emption rights by current Shareholders, under the terms and conditions set forth in Section 8.1 of the By-Laws referred to below, to be placed no later than November 30, 2030; - to issue, subject to the conversion referred to below, without share capital increase, Ordinary Shares, in a number determined pursuant to Section 8.2, without an increase in the share capital, with regular dividend entitlement,	<i>(unchanged)</i>

<p>intended to service the conversion of Management Performance class shares into Ordinary Shares and the related subscription right as per Section 8.2.3, with the consent to such placement and the waiver of any subscription/option/pre-emption rights by current Shareholders, under the terms and conditions set forth in Section 8.2, to be placed within the maximum period permitted;</p> <p>- without further payment, in the case of Shares issued for the purpose of conversion into Ordinary Shares on the basis of the ratio referred to in Section 8.2.1;</p> <p>- against payment, in the event of exercise of the subscription right referred to in Section 8.2.3, of the sum indicated therein and full allocation of the same to share premium;</p> <p>upon expiry of the aforesaid term, a number of Shares equal to the conversions and subscriptions made up to that moment shall be issued, with the specification that those entitled shall acquire the status of Shareholder, with the consequent right to exercise all the related rights upon exercise of the conversion and subscription right due to him/her.</p>	
<p>6.4 To service a stock option plan called "SECO S.p.A. Stock Option Plan" the Extraordinary Shareholders' Meeting:</p> <p>a) on March 1, 2021 resolved to increase the share capital for cash, on a divisible basis, by a maximum nominal amount of Euro 54,000 by issuing a maximum of 5,400,000 ordinary shares, to be executed at the latest by December 31, 2024;</p> <p>b) on April 27, 2022, resolved the free share capital increase, to be reserved for employees and senior executives of SECO S.p.A. or one of its subsidiaries, for a maximum nominal amount of Euro 54,000, on a divisible basis, through the granting, pursuant to Article 2349 of the Civil Code, of a corresponding amount taken from retained earnings reserves, by issuing a maximum of 5,400,000 Ordinary Shares, to be executed by the maximum term of December 31, 2024.</p> <p>These increases may be carried out for a total maximum nominal amount of Euro 54,000, by issuing/granting a maximum of 5,400,000 Ordinary Shares, within the same maximum term of December 31, 2024; therefore, the resolved share capital of the Company, as a result of both the transactions referred to in letters a) and b), shall be deemed to have increased by a total of only Euro 54,000.</p>	
<p>6.5 The allocation of profits and/or retained earnings to employees of the Company or the subsidiaries, through the issue of shares in accordance with the first paragraph of Article 2349 of the Civil Code is permitted.</p>	<i>(unchanged)</i>
<p>6.6 The Shareholders' Meeting may confer to the Board of Directors the power to increase the share capital on one or more occasions up to an established amount and for a period of a maximum of 5 years from the date of the motion. The Extraordinary Shareholders' Meeting has the power to issue bonds convertible into newly issued shares, subject to the proxy power pursuant to Article 2420-ter of the Civil Code.</p>	<i>(unchanged)</i>

<p>6.7 In the motions for a paid capital increase, pre-emption rights may be excluded by the Shareholders' Meeting to the maximum extent established pursuant to Article 2441, paragraph 4, second sentence of the Civil Code and/or other applicable legal provisions.</p>	<p><i>(unchanged)</i></p>
<p>6.8 The Company has the right to issue other classes of shares and financial instruments, including - if the conditions required by law are present and by means of the amendments to the By-Laws - preference shares, savings shares, warrants and bonds, including convertible bonds; shares may also be issued through the conversion of other classes of shares or other securities, if permitted by law.</p>	<p><i>(unchanged)</i></p>
<p>6.9 Amounts in Euros shown in these By-Laws to four decimal places shall be used for purposes of interim calculations only. Therefore, the total amount to be paid as a result of these calculations must produce values expressed to no more than two decimal places. To this end, if the third decimal place is equal to or greater than five, the second decimal place will be increased by one unit; in any other case the second decimal place will remain unchanged and the decimal places from the third onwards will be eliminated.</p>	<p><i>(unchanged)</i></p>
<p>6.10 The Extraordinary Shareholders' Meeting of November 19, 2021 resolved to grant the Board of Directors a proxy to be exercised within 5 years from the date of the Shareholders' Meeting motion, containing powers: (i) pursuant to Article 2443 of the Civil Code, to increase the share capital for payment, and on a divisible basis, in one or more periods, through the issue of ordinary shares, with the exclusion of the option right pursuant to paragraph 5 of Article 2441 of the Civil Code and/or pursuant to paragraph 4, first sentence, of Article 2441 of the Civil Code, to be offered, at the choice of the Board of Directors, to persons identified by the Board of Directors; and/or (ii) pursuant to Article 2420-ter of the Civil Code, to issue convertible bonds (with the option of conversion also in advance at the initiative of the Company's Board of Directors) and/or convert into ordinary shares (the "Bonds") for a maximum total amount of Euro 200,000,000, resulting in a capital increase to service the conversion by issuing ordinary shares with the same characteristics as those in circulation, to be offered, at the choice of the Board of Directors, to parties identified by the same, with the exclusion of the option right pursuant to Article 2441, paragraph 5 of the Civil Code, granting the Board of Directors all the powers needed to define the contents of the regulation of the bond loan, including the right, in the regulation the characteristics of the Bonds, to grant any request for admission to listing of the same and/or any other deed and/or document necessary for this purpose; all this provided that the total maximum amount, including any share premium, of the capital increase against payment and in a divisible way, on one or more occasions, consequent to the issues or conversions referred to in the previous points (i) and (ii) will be Euro 200,000,000, according to the following rules:</p> <p>a) the motions for the share capital increase (or related individual tranches) pursuant to Article 2443 of the Civil Code, which provide for the exclusion of the option right pursuant to Article 2441, paragraph 5, of the Civil Code,</p>	<p><i>(unchanged)</i></p>

<p>shall (a) establish that the newly issued shares - which shall be ordinary shares - are offered to qualifying investors, pursuant to Article 34-ter, paragraph 1, letter b) of the Issuers' Regulation and/or commercial, financial and/or strategic partners identified from time to time, and (b) establish the issue price of the shares (or the parameters to determine it during execution) in compliance with the procedures and criteria provided for under the applicable regulations, as detailed in the Board of Directors' explanatory report prepared for the Shareholders' Meeting of November 19, 2021;</p> <p>b) the motions for the share capital increase (or related individual tranches) pursuant to Article 2443 of the Civil Code in relation to in-kind transfer operations pursuant to Article 2441, paragraph 4, first sentence of the Civil Code, shall (a) establish that the newly issued shares - which shall be ordinary shares - are offered to parties identified by the Board of Directors in the context of transactions that provide for the contribution in kind (wholly or in part) of equity investments, companies, company branches and/or industrial activities of interest to the Company, as part of the Group's development and growth strategy for external lines, and (b) establish the issue price of the shares (or the parameters to determine it during execution) in compliance with the procedures and criteria provided for under the applicable regulations, as detailed in the Board of Directors' explanatory report prepared for the Shareholders' Meeting of November 19, 2021;</p> <p>c) motions to issue the Bonds pursuant to Article 2420-ter of the Civil Code, with the exclusion of the option right pursuant to Article 2441, paragraph 5, of the Civil Code, shall (a) establish that said Bonds are offered, in whole or in part, to qualifying investors, pursuant to Article 34-ter, paragraph 1, letter b) of Consob Regulation No. 11971, of May 14, 1999, and subsequent amendments and supplements, and/or to commercial, financial and/or strategic partners identified as appropriate and (b) establish the issue price of the aforementioned Bonds and of shares to be issued as part of the capital increase executed to service the conversion of the same (or the parameters for determining said prices during the execution) in compliance with the procedures and criteria provided for under applicable regulations, as detailed in Board of Directors' explanatory report prepared for Shareholders' Meeting of November 19, 2021;</p> <p>d) motion or motions to increase capital shall establish the portion of the share issue price offered to be charged to capital and the portion of the issue price, if any, to be charged to share premium.</p> <p>i) On May 30, 2022, the Board of Directors, in partial execution of the power granted by the Extraordinary Shareholders' Meeting of November 22, 2021, resolved to increase the paid-in share capital by a nominal amount of Euro 77,483.78, by issuing 7,971,583 ordinary shares with no par value, with the</p>	
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<p>same characteristics as those outstanding on the issue date, and regular dividend entitlement, at a price of Euro 6.27220 per share, of which Euro 6.26248 was a share premium, for a total amount of Euro 49,999,362.8926, with the increase reserved pursuant to Article 2441, paragraph 4, Civil Code to the Company Camozzi Digital S.r.l., to be released, by the deadline of September 30, 2022, by contribution in kind of the business unit for technological solutions for the digitization of industrial processes. On July 4, 2022, the increase resolved on May 30, 2022 was fully subscribed and released.</p> <p>ii) On April 2, 2023, the Board of Directors, in partial execution of the power granted by the Extraordinary Shareholders' Meeting of November 19, 2021, resolved to increase the paid-in share capital, for a maximum nominal amount of Euro 138,592.76, by issuing a maximum number of 13,859,276 ordinary shares with no par value, having the same characteristics as those in circulation on the issue date and regular dividend entitlement, at a price of Euro 4.69 per share, of which Euro 4.68 was share premium, for a maximum total amount of Euro 65,000,004.44, a divisible and progressive increase, reserved pursuant to Article 2441, paragraph 5, Civil Code to 7-Industries Holding B.V, to be released in two tranches, by the deadline of June 30, 2023. On June 13, 2023, the increase resolved on April 2, 2023 was fully subscribed and released.</p>	
<p>6.11 In service of a stock option plan called the “2024-2027 Chief Executive Officer Stock Option Plan”, the Extraordinary Shareholders' Meeting of July 28, 2023 resolved to increase for payment, in a divisible and progressive manner, in two tranches - 1,000,000 shares 12 (twelve) months from the Shareholders' Meeting called to appoint the new Board of Directors for the three-year period 2024-2026, 1,000,000 shares 24 (twenty-four) months from that date, 1,000,000 shares from the earliest date of (i) 36 (thirty-six) months from the Shareholders' Meeting called to appoint the new Board of Directors for the three-year period 2024-2026, and (ii) the date on which the Board of Directors will be reappointed by the Shareholders' Meeting at the time of the approval of the financial statements for the year 2026, in total the first tranche, and an additional 1,000,000 shares from the first date between (i) 36 (thirty-six) months from the Shareholders' Meeting called to appoint the new Board of Directors for the three-year period 2024-2026, and (ii) the date on which the Board of Directors will be reappointed by the Shareholders' Meeting on the occasion of the approval of the financial statements for the fiscal year 2026 - the share capital for a maximum nominal amount of Euro 40.000, plus share premium, with the exclusion of option rights pursuant to Article 2441, paragraphs 5 and 6, of the Civil Code, by issuing a maximum of 4,000,000 Ordinary Shares with no indication of par value to be executed by the deadline of December 31, 2032.</p>	<p><i>(unchanged)</i></p> <p><i>Assumes approval of the proposed resolution under Agenda Item 1 in extraordinary session</i></p>
	<p>6.12 In service of the stock option plan called the "2024-2027 Plan for Employees, Senior Executives and Collaborators", the Extraordinary Shareholders'</p>

*Draft for discussion
Subject to amendments and supplements*

	<p>Meeting on July 28, 2023 resolved:</p> <p>a) to increase the paid-in share capital, in a divisible and progressive manner, by a maximum nominal amount of Euro 70,000, plus share premium, with the exclusion of option rights pursuant to Article 2441, paragraphs 5 and 6, of the Civil Code, through the issue of a maximum of 7,000,000 Ordinary Shares with no indication of par value, to be executed by the deadline of December 31, 2030.</p> <p>b) to increase the share capital free of charge, for a maximum nominal amount of Euro 70,000, in a divisible manner, by allocating to capital, pursuant to Article 2349 of the Civil Code, a corresponding amount taken from profits and/or retained earnings, by issuing a maximum of 7,000,000 Ordinary Shares, to be executed by the deadline of December 31, 2030.</p> <p>These increases may be carried out for a total maximum nominal amount of Euro 70,000, by issuing/granting a maximum of 7,000,000 Ordinary Shares, within the same deadline of December 31, 2030; therefore, the resolved share capital of the Company, as a result of both the transactions referred to in letters a) and b), shall therefore increase by a total maximum amount of Euro 70,000.</p>
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Dear Shareholders,

in view of the above, where you agree with the above proposal, we therefore invite you to adopt the following resolutions regarding item 2) on the Agenda of the extraordinary session:

Proposal on point 2

"The Extraordinary Shareholders' Meeting of SECO S.p.A.

*Draft for discussion
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- *having noted the Board of Directors’ Explanatory Report,*
- *having noted the fairness opinion issued by the independent audit firm Deloitte & Touche S.p.A.,*
- *taking into account the resolution of the Shareholders’ Meeting that approved today the “2024-2027 Plan for Employees, Senior Executives and Collaborators.”*

RESOLVES

1. *to increase the paid-in share capital, in a divisible and progressive manner, in two tranches, by the deadline of December 31, 2030, for a maximum nominal amount of Euro 70,000, plus share premium, with the exclusion of option rights pursuant to Article 2441, paragraphs 5 and 6, of the Civil Code, by issuing a maximum 7,000,000 new ordinary shares of the Company, with no indication of par value, having the same features as those in circulation, to be reserved for subscription to employees, executives and collaborators of SECO S.p.A. or one of its subsidiaries, as beneficiaries of the “2024-2027 Plan for Employees, Senior Executives and Collaborators”, at a price of Euro 5.90, of which Euro 0.01 is nominal, for ordinary shares arising from the exercise of the options of the “2024-2027 Plan for Employees, Senior Executives and Collaborators” granted before August 31, 2023 and, at the price calculated on the basis of the average stock market price during the 6-month period preceding the grant date, increased by 17%, including Euro 0.01 as nominal, for ordinary shares arising from the exercise of options under the “2024-2027 Plan for Employees, Senior Executives and Collaborators” granted after August 31, 2023;*
2. *as a concurrent means of executing the “2024-2027 Plan for Employees, Senior Executives and Collaborators” with respect to the paid capital increase referred to in Item 2.A) of the Agenda of today’s Extraordinary Shareholders’ Meeting, to increase the share capital by a maximum nominal amount of Euro 70,000, in divisible form, by allocating to capital, pursuant to Article 2349 of the Civil Code, a corresponding amount taken from profits and/or retained earnings, with the issuance of a maximum of 7,000,000 ordinary shares, to be granted exclusively to employees and senior executives of SECO or one of its subsidiaries, as beneficiaries of the “2024-2027 Plan for Employees, Senior Executives and Collaborators.”*
3. *as a result of the above resolution, to amend Article 6 of the By-Laws by inserting the following new paragraph:*

“6.12 In service of the stock option plan called the “2024-2027 Plan for Employees, Senior Executives and Collaborators”, the Extraordinary Shareholders’ Meeting on July 28, 2023 resolved:

a) to increase the paid-in share capital, in a divisible and progressive manner, by a maximum nominal amount of Euro 70,000, to be charged to capital, plus share premium, with the exclusion of option rights pursuant to Article 2441, paragraphs 5 and 6, of the Civil Code, through the issue of a maximum of 7,000,000 Ordinary Shares with no indication of par value, to be executed by the deadline of December 31, 2030.

b) to increase the share capital free of charge, for a maximum nominal amount of Euro 70,000, in a divisible manner, by allocating to capital, pursuant to Article 2349 of the Civil Code, a corresponding amount taken from profits and/or retained earnings, by issuing a maximum of 7,000,000 Ordinary Shares, to be executed by the deadline of December 31, 2030.

These increases may be carried out for a total maximum nominal amount of Euro 70,000, by issuing/granting a maximum of 7,000,000 Ordinary Shares, within the same maximum term of December 31, 2030; therefore, the resolved share capital of the Company, as a result of both the transactions referred

to in letters a) and b), shall be deemed to have increased by a total of only Euro 70,000.”;

4. *to grant the Board of Directors, and on its behalf the pro tempore legal representatives, jointly and severally, any and all powers to execute the above-mentioned capital increases, as well as to: (i) make to Article 6 of the By-Laws the changes consequent to the execution and completion of the capital increases, carrying out all the requirements and publicity necessary in accordance with law, also in terms of its development; (ii) fulfill the formalities necessary for the adopted resolutions to be filed at the Companies Register, accepting and introducing in the same any non-substantial amendments, additions or deletions that may be required by the competent authorities; (iii) every power to carry out the legal and regulatory fulfillments consequent to the adopted resolutions; (iv) make any necessary or appropriate amendments and/or additions to the resolution, within the limits allowed by the applicable regulations and according to the applicable adjustment criteria and generally-accepted financial market methods, also in the case of any corporate transactions affecting the company share capital structure and/or which modify the financial content of the Plan, extraordinary and/or non-recurring and/or non-core activity events, significant changes to the economic environment and/or other events which may affect the shares and, more generally, the Plan, in order to adjust the resolution to the altered situation and reflect the above changes, and/or adjust the relevant exercise price per share, while keeping the substantive and economic content of the Plan, the number of issued shares and the maximum nominal amount of the increase, linked to the “2024-2027 Plan for Employees, Senior Executives and Collaborators”, unchanged; (v) to ensure all necessary to implement, fully and in each and every part, the resolutions passed and to generally establish the terms, conditions and procedures of the transaction, including the powers:*
- *to receive the declarations of subscription of the shares, to carry out all declarations and communications, including those of legal publicity, required in order to make the motions effective and to fulfil the necessary formalities so that all motions adopted today obtain the approvals required by law;*
 - *in general, to do everything necessary for the complete execution of the motions, with any and all powers necessary and appropriate for this purpose, none excluded, including the power to sign and submit any and all documents that are necessary, or even just appropriate, preparatory, implementing or in any case inherent to the capital increase, and to carry out any and all activities necessary and/or appropriate for the subscription of the approved capital increase and the issue of shares;*
 - *to make the consequent and necessary amendments to the By-Laws as may from time to time be required on the basis of the motions passed and of the outcome of the subscription and execution of the share capital increases, as well as the power to file with the Companies Registration Office, pursuant to Article 2436 of the Civil Code, the text of the By-Laws updated in terms of share capital and number of shares, and the declaration pursuant to Article 2444 of the Civil Code, including the power to introduce in the motion and in compliance with its substance all the amendments, additions or deletions that are deemed necessary or appropriate or that may be required by the competent authorities at the time of authorization and registration, or that may be imposed or suggested by the final regulatory framework, all with any and all powers necessary and appropriate for this purpose and with the promise as of now to be effective;*
 - *define and sign any act necessary in order to implement the share capital increases, carry out all the acts and transactions necessary and appropriate pursuant to current legislation for the issue of ordinary shares and the consequent share capital increase, including the preparation, signing and presentation of any statement, deed, notice to the market or document required by the competent authorities, as well as the management of relations with the competent bodies and authorities and the request for and receipt of all authorizations and approvals necessary for the successful outcome of the transaction;*

*Draft for discussion
Subject to amendments and supplements*

- *to make the adopted motions executive, in compliance with the law, by determining their implementation timeframe, to establish the issue date of the shares, to fix, integrate and better specify the terms and conditions of the issue and offer of the shares, including the power to determine the subscription methods, if not already established by this motion or by additional motions;*
- *prepare, submit, receive and sign any document required for the purposes of executing the approved transaction, and sign any deed, contract, communication or other document necessary and/or appropriate for the completion of the transaction;*
- *to establish that, should the resolved capital increases not be fully executed by the deadline of December 31, 2030, the capital shall in any event be deemed to have been increased by an amount equal to that executed."*

Arezzo, June 27, 2023

For the Board of Directors
The Chairman
Daniele Conti