



## Centrale del Latte d'Italia S.p.A.

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***DIRECTORS' REPORT*** pursuant to Article 125-ter of Italian Legislative Decree no. No. 58 of 24 February 1998, as well as art. 84-ter of the CONSOB Issuers' Regulation adopted with resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented, on items 1, 2, 3 and 5 on the agenda of the ORDINARY SHAREHOLDERS' MEETING to be held at the registered office of the company Newlat Group S.A., located in Via Geretta 8, Paradiso (Switzerland), on first call, on 29 April 2024 at 10 am, and if necessary on second call on 6 May 2024, same place and time.

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**Centrale del Latte d'Italia S.p.A.** - Via Filadelfia 220 - 10137 Turin - Tax code and VAT no. 01934250018 - Share capital € 28,840,041.20 fully paid-in - CCIAA (Chamber of Commerce, Industry, Craft Trade and Agriculture) - Turin no. 520409 - Turin Court no. 631/77

This Report is made available at the registered office of the Issuer, in the centralised authorised storage mechanism called eMarket Storage and managed by Teleborsa S.r.l., available at [www.emarketstorage.com](http://www.emarketstorage.com), and on the Company's website at [www.centralelatteitalia.com](http://www.centralelatteitalia.com) (the "Website") on 20 March 2024.



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## **DIRECTORS' REPORT ON THE FIRST ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING:**

### **Report on operations and financial statements as at 31 December 2023, report of the Board of Statutory Auditors. Related resolutions.**

Shareholders,

With regard to the explanation of the first item of the Shareholders' Meeting's agenda, please refer to the Company's Annual Financial Report for the year 2023 containing the financial statements of Centrale del Latte d'Italia S.p.A., the directors' report on operations, the report on corporate governance and ownership structure, as well as the certification pursuant to Article 154-bis of Italian Legislative Decree No. 58 of 24 February 1998 ("TUF"), the auditors' report and the report of the Board of Statutory Auditors.

These documents were made available to the public at the eMarket Storage authorised storage mechanism at [www.emarketstorage.com](http://www.emarketstorage.com), on the Company's website at [www.centralelatteitalia.it](http://www.centralelatteitalia.it) in the Investor Relations – Financial Statements and Reports section and filed at the Company's registered office.

The draft financial statements submitted for your approval showed a profit for the year of € 2,958,814.

The Board of Directors submits the following resolution proposal for your approval.

"The Ordinary Shareholders' Meeting of Centrale del Latte d'Italia S.p.A.:

- having reviewed the Report of the Board of Directors prepared in accordance with article 125-ter of the TUF;
- having examined the annual financial report for the year 2023, the report of the independent auditor and the report of the Board of Statutory Auditors,

### **RESOLVES**

- to approve Centrale del Latte d'Italia S.p.A.'s Financial Statements for the year ended 31 December 2023, which closed the year with a profit of € 2,958,814;
- to grant the Board of Directors, and on its behalf, jointly and severally, the Chair, the Deputy Chair and the Chief Executive Officer, with the power to sub-delegate, all powers necessary to perform all activities inherent, consequent or related to this resolution, as well as to file the Financial Statements of Centrale del Latte d'Italia S.p.A. as at 31 December 2023 for registration with the Company Register, accepting and introducing any formal and non-substantial amendments, additions or deletions that may be required by the competent Authorities."

Turin, 20 March 2024

**For the Board of Directors**  
**The Chair**  
Angelo Mastrolia



## DIRECTORS' REPORT ON THE SECOND ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING:

### Allocation of the profit for the year. Related resolutions.

Shareholders,

The Board of Directors, having taken note of the Annual Financial Report for the year 2023, the report of the independent auditors and the report of the Board of Statutory Auditors, having regard to the financial statements for the year ended 31 December 2023 which show a profit for the year of € 2,958,814, proposes to allocate the profit for the year to the reserves, specifically 5% to the legal reserve and the remaining 95% to the extraordinary reserve.

Accordingly, the Board of Directors submits the following resolution proposal for your approval.

"The Ordinary Shareholders' Meeting of Centrale del Latte d'Italia S.p.A.:

- having regard to the financial statements as at 31 December 2023, just approved, which showed a profit for the year of € 2,958,814,

### RESOLVES

- to allocate the profit for the year of € 2,958,814 as follows:
  - (i) 5% to the legal reserve;
  - (ii) 95% to the extraordinary reserve; and
- to confer, severally, upon the Chair, the Vice Chair and the Chief Executive Officer all the broadest powers in compliance with the provisions of the law, with the right to sub-delegate, for the complete execution of this resolution, with any and all powers necessary and appropriate for this purpose, none excluded and excepted"

Turin, 20 March 2024

**For the Board of Directors**  
**The Chair**  
Angelo Mastroia



## DIRECTORS' REPORT ON THE THIRD ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING:

### Report on the remuneration policy and on the remuneration paid pursuant to art. 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 (TUF):

- a. **Binding vote on Section I.**
- b. **Advisory vote on Section II.**

Shareholders,

pursuant to art. 123-ter of the TUF as amended by Italian Legislative Decree 49 of 10 May 2019 ("Decree"), you are called upon to deliberate on the Report on the remuneration policy and on the compensation paid ("Report") prepared according to the provisions of art. 84-quater of the CONSOB issuers' regulation adopted by resolution no. 11971 of 14 May 1999 ("Issuers' Regulation") as amended, in accordance with Annex 3 A, Schedule 7-bis of the aforementioned Regulation.

Following the changes made with the aforementioned Decree, we therefore invite you to express your vote as follows:

- With a binding resolution pursuant to the provisions of art. 123-ter, paragraph 3 of the TUF on Section I of the Report concerning the Company's policy on the remuneration of members of the Board of Directors, the Board of Statutory Auditors, the General Manager and Executives with strategic responsibilities of the Company, as well as the procedures used for the adoption and implementation of such policy.
- With a non-binding resolution pursuant to the provisions of art. 123-ter paragraph 6 of the TUF on Section II of the Report concerning the compensation paid to the parties envisaged by art. 123-ter, paragraph 4 of the TUF.

Given the above, the Board of Directors submits the following resolution proposals for your approval.

#### ON SECTION I

"The Ordinary Shareholders' Meeting of Centrale del Latte d'Italia S.p.A.:

- having regard to the provisions of current legislation;
- having taken note of the Report on the remuneration policy and the compensation paid;
- having acknowledged that the Report on the remuneration policy and on the compensation paid has been filed and made available within the terms of the law,

#### RESOLVES

- to approve the Company's remuneration policy referred to in Section I of the Report on the remuneration policy and on the compensation paid approved by the Board of Directors at its meeting on 18 March 2024."

#### ON SECTION II

"The Ordinary Shareholders' Meeting of Centrale del Latte d'Italia S.p.A.:

- having regard to the provisions of current legislation;
- having taken note of the Report on the remuneration policy and the compensation paid;
- having acknowledged that the Report on the remuneration policy and on the compensation paid has been filed and made available within the terms of the law,

#### RESOLVES

- in favour of the content of Section II of the Report on the remuneration policy and on the compensation paid approved by the Board of Directors at its meeting on 18 March 2024."

Turin, 20 March 2024

**For the Board of Directors**  
**The Chair**  
 Angelo Mastrolia



## DIRECTORS' REPORT ON THE FIFTH ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING:

### Authorisation to purchase and dispose of treasury shares. Related resolutions.

Shareholders,

By means of this report prepared pursuant to Article 73 of the Issuers' Regulation and Annex 3A, Schedule 4, the Board of Directors of Centrale del Latte d'Italia S.p.A. hereby submits for your approval a request for authorisation to purchase and dispose of treasury shares, to be executed pursuant to Articles 2357 and 2357-ter of the Italian Civil Code article 132 of the TUF and article 144-bis of the IR, as well as in compliance with the applicable provisions of Regulation (EU) no. 596 of 16 April 2014 on market abuse ("MAR Regulation"), Delegated Regulation (EU) no. 1052 of 8 March 2016 ("Delegated Regulation") and the market practices from time to time allowed, up to a maximum number that, taking into account the Centrale del Latte d'Italia shares held in portfolio from time to time by the Company and its subsidiaries, does not exceed in the aggregate the fifth part of the Company's share capital, pursuant to art. 2357, paragraph 3, of the Italian Civil Code or to any different maximum amount envisaged by the law from time to time, for a period of 18 months from the date of the resolution of authorisation by the Shareholders' Meeting.

#### 1. Reasons for which authorisation to purchase and dispose of treasury shares is requested.

This request is aimed at providing the Company with a stock of treasury shares at its disposal, using, selling them at any time, in full or in part, on one or more occasions and with no time limits, as part of extraordinary transactions such as, among others, swaps, contributions, exchanges, corporate and/or financial transactions of an extraordinary nature on the capital or even financing transactions and operations of an extraordinary nature such as, among others, mergers or similar, sales and acquisition projects and/or future industrial projects in line with the Company's corporate development strategy, as well as in the context of exchange and/or sale of share packages and/or for the conclusion of commercial and/or strategic alliances or for other uses deemed of financial and/or management interest to the Company.

Moreover, the Board of Directors considers it appropriate for the Company to be allowed to dispose of the treasury shares acquired to allow it to seize the opportunities for maximising the value that may derive from conditions that arise, and therefore also to execute trades.

#### 2. Maximum number, category and nominal value of the shares which the authorisation refers to.

As at today's date, the Company's share capital amounted to € 28,840,041.20, divided into 14,000,020 ordinary shares, without par value.

Authorisation is requested for the purchase of the Company's ordinary shares, even in several tranches, up to a maximum number which, taking into account the Centrale del Latte d'Italia shares held from time to time by the Company and its subsidiaries does not exceed a total of one fifth of the Company's share capital, pursuant to Article 2357, paragraph 3 of the Italian Civil Code or any other maximum amount envisaged by the law in force from time to time.

Note that the request for authorisation also concerns the Board of Directors' power to carry out repeated and successive purchase and sale transactions (or other actions) of treasury shares on a revolving basis, even for fractions of the maximum authorised quantity, it being understood that the quantity of Centrale del Latte d'Italia shares subject to purchase and owned by the Company at any time shall not exceed the maximum limit established by law and by the authorisation of the Shareholders' Meeting.

#### 3. Compliance with the provisions of the third paragraph of art. 2357 of the Italian Civil Code

As at today's date the Company holds no treasury shares.

In accordance with the provisions of article 2357, paragraph 3 of the Italian Civil Code, in no case shall the nominal value of the number of treasury shares purchased – including any shares held by subsidiaries – exceed one-fifth of the total number of shares issued.

In this regard, pursuant to article 2359-bis of the Italian Civil Code the Subsidiaries shall be given specific instructions to promptly report any acquisition of treasury shares. When carrying out each authorised purchase, the Board of Directors shall verify compliance with the provisions of article 2357, paragraphs 1 and 3 of the Italian Civil Code.

Purchases of treasury shares must be contained within the limits of distributable profits and available reserves resulting from the last duly approved financial statements at the time of the transaction, and on the occasion of the purchase and disposal of treasury shares the necessary accounting entries shall be made in compliance with the provisions of the law and applicable accounting standards.

#### 4. Duration of the authorisation.

The authorisation is requested for the maximum duration allowed by art. 2357, paragraph 2 of the Italian Civil Code, equal to 18 months from the date of the resolution of the Ordinary Shareholders' Meeting.

#### 5. Minimum and maximum fees, as well as market valuations based on which they were determined.

The purchases of the shares covered by this report must be made at a price no more than 10% higher and no more than 10% lower than the price recorded on Euronext Milan, organised and managed by Borsa Italiana S.p.A., in the session preceding each individual purchase transaction or the date on which the price is fixed, and in any case, if the purchases are made on the regulated market, for a price no higher than the highest price between the price of the last independent transaction and the price of the highest current independent purchase offer on the same market.

In any case, the amount may not exceed any limits envisaged by current law or, if recognised, by accepted market practices.



#### 6. Procedure for making the purchases.

The purchase of own shares must take place on the market, in accordance with article 2357 et seq. of the Italian Civil Code, article 132 of the TUF, article 144-bis, paragraph 1, letters b) and c) of the Issuers' Regulation and the provisions of the law or regulations in force at the time of the transaction, and specifically: in accordance with the operating procedures set out in the market organisation and management regulations, so as to ensure equal treatment of shareholders.

With regard to disposal operations, the Board of Directors proposes that the authorisation allow the implementation of any method that is appropriate for the purposes pursued.

The shares acquired in execution of the shareholders' authorisation may therefore be subject to actions, and in this context may even be sold even before having exhausted the quantity of purchases covered by this authorisation, on one or more occasions, without time limits, in the manner deemed most appropriate by the Company under any other form of disposition permitted by current applicable laws.

#### 7. Additional information, where the purchase is instrumental to the reduction of share capital.

It is confirmed that the purchase of treasury shares is not currently instrumental to the reduction of the share capital of the Company through cancellation of purchased treasury shares.

#### 8. Exemption from the obligation of a public tender offer deriving from the approval of the resolution authorising the purchase of own shares in accordance with Article 44-bis of the Issuers' Regulation.

As a general rule, note that treasury shares held directly or indirectly by the Company are excluded from the share capital on which the relevant shareholding is calculated for the purposes of Article 106, paragraphs 1, 1-bis and 1-ter, to the extent applicable, and 3, letter b), of the TUF for the purposes of the regulation on takeover bids. However, pursuant to Article 44-bis, paragraph 2, of the Issuers' Regulation, the aforementioned provision does not apply in the event that the thresholds indicated in Article 106, paragraphs 1, 1-bis and 1-ter, to the extent applicable, and 3, letter b), of the TUF are exceeded as a result of purchases of own shares directly or indirectly made by the Company in execution of a resolution that, without prejudice to the provisions of Articles 2368 and 2369 of the Italian Civil Code, was also approved with the favourable vote of the majority of the shareholders of the Company present at the shareholders' meeting other than the shareholder(s) who hold, even jointly, the majority shareholding, even relative, provided that it exceeds 10% (so-called whitewash).

Therefore, the Shareholders are informed that, pursuant to Article 44-bis of the Issuers' Regulation, should they – called upon to express their opinion on the authorisation to purchase and dispose of treasury shares – approve the related proposal with the majorities set forth by the aforementioned Article 44-bis, paragraph 2, of the Issuers' Regulation, the own shares purchased by the Company pursuant to said authorisation resolution will not be excluded from the share capital (and therefore will be counted in the share capital) if, as a result of the purchases of own shares, a shareholder exceeds the relevant thresholds pursuant to Article 106 of the TUF.

However, the provisions of Article 44-bis, paragraph 4, of the Issuers' Regulation remain unaffected, pursuant to which own shares purchased as a result of transactions carried out to fulfil obligations arising from compensation plans approved by the Shareholders' Meeting pursuant to Article 114-bis of the TUF are not excluded from the share capital on which the relevant shareholding is calculated for the purposes of Article 106 of the TUF.

In light of what is described above, we invite you to resolve on the following resolutions:

*"The Ordinary Shareholders' Meeting of Centrale del Latte d'Italia S.p.A.:*

- *having acknowledged and approved the Explanatory Report of the Board of Directors on the proposed authorisation to purchase and dispose of treasury shares in order to constitute a security portfolio and to support the liquidity of the security;*
- *having regard to the provisions of articles 2357 and 2357-ter of the Italian Civil Code, article 132 of the TUF, article 44-bis and article 144-bis of the Consob Issuers' Regulation no. 11971/99 and subsequent amendments;*
- *having acknowledged that as of the date of approval of this resolution Centrale del Latte d'Italia S.p.A. does not hold any treasury shares;*
- *having acknowledged that at the date of approval of this resolution the subsidiaries do not hold any treasury shares of the Company;*
- *having regard to the financial statements as at 31 December 2023 and the allocation of the operating result;*

### **RESOLVES**

1. *pursuant to article 2357 of the Italian Civil Code and the combined provisions of article 132 of the TUF and article 144-bis of the Consob Issuers' Regulation no. 11971/99, and in any case in any other manner permitted by current laws and regulations, to authorise the purchase on one or more occasions of Centrale del Latte d'Italia S.p.A. ordinary shares up to a maximum*



number which, taking into account the treasury shares held in the portfolio by the Company and its subsidiaries, is not more than one-fifth of the Company's share capital overall, pursuant to art. 2357, paragraph 3, of the Italian Civil Code or any other maximum amount provided for by current law; the shares may be purchased until the expiry of the eighteenth month from the authorisation granted by the Ordinary Shareholders' Meeting; the shares must be purchased at a price that is no more than 10% higher or lower than the price recorded on the Euronext Milan stock exchange organised and managed by Borsa Italiana S.p.A. in the session preceding each individual transaction, and in any case the amount may not exceed any limits envisaged by current law or, if recognised, by accepted market practices; the purchase of own shares shall be carried out on the market, in compliance with the provisions of article 2357 et seq. of the Italian Civil Code, article 132 of the TUF, art. 144-bis, paragraph 1, letters b) and c) of Consob Regulation no. 11971/1999 and the provisions of the law or regulation in force at the time of the transaction, namely: in accordance with the operating procedures established in the regulations for the organisation and management of the markets themselves, in order to ensure equal treatment among shareholders; finally, purchases must be contained within the limits of distributable profits and available reserves resulting from the last duly approved financial statements at the time of the transaction;

2. pursuant to article 2357-ter of the Italian Civil Code, to authorise the execution of actions to dispose of the shares, which in this context may even be sold, even before having exhausted the quantity of purchases covered by this authorisation, without time limits, in the manner deemed most appropriate by the Company, in relation to the purposes that will be pursued in any case under any other form of provision permitted by current applicable laws;
3. to grant all necessary powers to the Board of Directors and, on its behalf, separately to the Chair, Deputy Chair and Chief Executive Officer, with the power to appoint special proxies and/or specialised intermediaries or subject to the stipulation of specific contracts to implement this resolution, including by approving any and all executive provisions of the relevant purchase programme."

Turin, 20 March 2024

**For the Board of Directors**  
**The Chair**  
Angelo Mastroia