



## **AQUAFIL S.p.A.**

### **GENERAL SHAREHOLDERS' MEETING**

on October 10th, 2024 at 15:00, in 20121 - via Filodrammatici, 3, Milan, in single call

*(pursuant to Article 125-ter of Legislative Decree No. 58/1998, Article 72, paragraph 1-bis, and Article 84-ter of Consob Regulation No. 11971/1999)*

Illustrative Report of the Board of Directors on the motion pertaining to item 1 on the Agenda of the Extraordinary session of the General Shareholders' Meeting to be held on on October 10th, 2024 at 15:00, in 20121 - via Filodrammatici, 3, Milan, and regarding:

*“1. Proposal to carry out a divisible increase of the Company’s share capital, against payment, on one or more occasions, including in one or more tranches, for a maximum amount of €40,000,000,00 including any share premium, by issuing ordinary shares and B Shares with characteristics similar to those of outstanding shares, to be offered with option rights to entitled parties under Article 2441, paragraph 1, of the Italian Civil Code. Ensuing amendment of Article 5 of the By-laws. Relevant and ensuing resolutions.”*

This report has been prepared pursuant to Article 125-ter, paragraph 1, of Legislative Decree No. 58 dated February 24, 1998, as further amended and extended (“**TUF**”), Article 72, paragraph 1-bis, as well as Article 84-ter of Regulation No. 11971 issued by Consob on May 14, 1999, as further amended and extended (“**Issuers’ Regulation**”), and pertains to item 1 placed on the Agenda of the Extraordinary session of the General Shareholders' Meeting of Aquafil S.p.A. (“**Aquafil**” or the “**Company**”) scheduled for October 10th, 2024 at 15:00, in 20121 - via Filodrammatici, 3, Milan, in single call.

This Report will be made available to the public at the Company’s registered office, on the corporate website ([www.aquafil.com](http://www.aquafil.com)) and in the other manners provided for by Consob Regulation.



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## **Item 1 on the Agenda of the Extraordinary session**

**Proposal to carry out a divisible increase of the Company’s share capital, against payment, on one or more occasions, including in one or more tranches, for a maximum amount of €40,000,000,00 including any share premium, by issuing ordinary shares and B Shares with characteristics similar to those of outstanding shares, to be offered with option rights to entitled parties under Article 2441, paragraph 1, of the Italian Civil Code. Ensuing amendment of Article 5 of the By-laws. Relevant and ensuing resolutions.**

Dear Shareholders,

With reference to the **item 1** on the Agenda of the Extraordinary session of the General Shareholders’ Meeting, you have been convened to discuss and resolve upon, *inter alia*, the proposal to carry out a divisible increase of the Company’s share capital, against payment, on one or more occasions, including in one or more tranches, for a maximum amount of €40,000,000,00 including any share premium, by issuing ordinary shares and B Shares with characteristics similar to those of outstanding shares, to be offered with option rights to entitled parties under Article 2441, paragraph 1, of the Italian Civil Code (“**Delegated Powers**”), with the ensuing amendment of Article 5 of the By-laws.

This Report (“**Report**”) is aimed at illustrating the above-mentioned proposal to the General Shareholders’ Meeting.

### ***1. Proposal of capital increase***

For the reasons and objectives illustrated hereunder, the Board of Directors convened an Extraordinary session of the General Shareholders’ Meeting to approve the proposal to carry out a divisible increase of the Company’s share capital, against payment, on one or more occasions, including in one or more tranches, for a maximum amount of €40,000,000,00 including any share premium, by issuing ordinary shares and B Shares, in accordance with Article 5 of the Company’s By-laws, with characteristics similar to those of outstanding shares, to be offered with option rights to entitled parties under Article 2441, paragraph 1, of the Italian Civil Code (“**Capital Increase**”).

As the Capital Increase is divisible, should the Capital Increase be not fully subscribed by January 31, 2025, the Company's share capital will be considered increased for an amount equal to the



subscriptions received at that date, in accordance with Article 2439, paragraph 2, of the Italian Civil Code.

The newly issued shares resulting from the Capital Increase will be ordinary shares and B Shares, which will have the rights provided for by the Company's By-laws for each class of shares, it being understood that only the ordinary shares will be admitted to trading on the regulated market Euronext Milan, organized and managed by Borsa Italiana S.p.A.

## **2. *Reasons underlying the Capital Increase***

On August 29, 2024, the Company's Board of Directors approved the industrial plan of the Company for the period 2024-2026 ("**Industrial Plan**").

The Capital Increase is aimed at providing the necessary financial resources to support and accelerate the implementation of the strategic initiatives envisaged in the Industrial Plan. It aims in particular to:

- (i) ensure a further strengthening of the Company's competitive positioning in the European markets and an ongoing growth in North America and Asia-Oceania, aimed at supporting an increase in revenues and margins — also leveraging on the continuous development and growth of regenerated and ECONYL® branded products — for all the Group's product lines;
- (ii) foster initiatives for technological improvement, increasing efficiency and automation of the production process, and cost rationalization, with an expected positive impact on margins over the Industrial Plan's term.

More in detail, the main strategic elements underpinning the Industrial Plan, supported by the Capital Increase, include:

- (i) *Continuous development and growth of regenerated and ECONYL® branded products*: the Group continues to focus on the ongoing growth of its regenerated and ECONYL® branded products, with significant growth opportunities arising from customers' growing appreciation, as they are increasingly sensitive to environmental protection topics. In this regard, the Group plans to implement new initiatives, including through partnerships with selected customers across the different product lines (BCF, NTF and Polymers), in order to optimize both regeneration costs and the circular economy process;



- (ii) *Development of key markets*: in the years from 2024 to 2026, Asia-Oceania and North America will be the areas where the Group aims to achieve higher growth rates, also considering the investment and production capacity expansion initiatives already completed or planned. To this end, with reference to Asia-Oceania, specific investments are planned to expand the production capacity in China. With reference to the North American area, the Group aims to increase (i) its market share as outsourcer of some relevant integrated players and (ii) its share of wallet with selected customers, further leveraging of the ECONYL® range. At the same time, consolidating and further strengthening its competitive positioning in Europe fall within the Company's key initiatives, pursued by leveraging on the ongoing innovation for which the Group has always stood out, with particular reference to premium and high-end products;
- (iii) *Continuous process and product innovation, research and development activities*: in the 2024-2026 period, measures and investments are planned aimed at:
- a) further developing circularity technologies, including Ecodesign initiatives, while identifying basic and technological knowledge to create industrial prototypes of carpets designed from the very beginning to be recognizable and recyclable, and to recover the residual value of end-of-life materials, in partnership with carpet manufacturers and the related suppliers;
  - b) developing new high-performance BCF and NTF fibers for specific technical applications;
  - c) developing new solutions for adjacent and high-growth markets (airlines, cruises, technical materials), leveraging on the research and development initiatives already undertaken in this regard in recent years;
  - d) continuing the development and optimization of technologies for selecting and recovering carpets, nets, and other end-of-life textiles; and
  - e) studying ancillary innovative products, including of natural origin, in order to improve the chemical and physical characteristics of the BCF and NTF fibers;
- (iv) *Development of selected efficiency initiatives, with measures and investments relating to:*



- a) increase in the efficiency of the production capacity, with a specific focus on the industrial and energy efficiency of the Group's plants, also in light of the current level of saturation;
- b) increase in the industrial and energy efficiency of the production of ECONYL® caprolactam and its raw materials;
- c) introduction at several plants of new spinning technologies and renewal of selected machinery, including selected initiatives to further automatize industrial activities for the BCF product line; and
- d) maintenance of the efficiency of variable costs and optimization of net working capital.

The Capital Increase, together with the cash and cash equivalents that will be generated over the next few years, will provide the Company with the financial resources needed to seize possible M&A opportunities — arising increasingly often — that would allow the Group to further accelerate its growth through a consolidation process in the market in which it operates.

The Capital Increase would therefore also enable the Group to take advantage of the best business expansion opportunities, regardless of the limitations typical of bank financing, while at the same time significantly strengthening the Group's capital and financial structure.

### **3. *Underwriting and/or placement syndicates, if any***

No underwriting and/or placement syndicate has been envisaged.

### **4. *Any other forms of placement provided for***

The newly issued ordinary shares and B Shares arising from the Capital Increase will be offered with option rights to the Company's shareholders pursuant to Article 2441 of the Italian Civil Code.

In particular, with reference to the issue of ordinary shares and B Shares, it should be recalled that the By-laws provides for as follows:

*“Article 5.6 — The Company may issue B Shares solely in the event of (a) a share capital increase within the meaning of Article 2442 of the Italian Civil Code, or through new capital contributions, without preclusion or restriction of option rights, and in all cases, in combination with ordinary shares, pursuant*



to the provisions of Article 5.8 below; and (b) merger or de-merger. In no event may the Company issue new C Shares.

*Article 5.8 — In the event of share capital increase for the subscription of ordinary shares and B Shares: (i) the number of ordinary shares and B Shares to be issued must be proportional to the number of ordinary shares and B Shares into which the share capital is divided as at the date of related resolution, it being understood that, for all related intents and purposes, already issued C Shares must be accounted for as ordinary shares on a one-to-one basis; (ii) holders of C Shares may subscribe ordinary shares in proportion to their equity holdings, inclusive of both ordinary shares and C Shares, as at the date on which the share capital increase was effected; and (iii) each shareholder shall be entitled to subscribe newly issued ordinary shares and B Shares in proportion to and taking due account of the ordinary shares and B Shares respectively already held by the shareholder in question as at the date on which the share capital increase was effected, it being understood that (i) any and all C Shares shall be accounted for as ordinary shares on a one-to-one basis; and (ii) newly issued B Shares shall be open to subscription exclusively by shareholders that already hold B Shares, it being underlined that, in the case where newly issued B Shares are not fully subscribed by shareholders that already hold B Shares, the unsubscribed newly issued B Shares shall be subject to automatic conversion into ordinary shares on a one-to-one basis, and shall then be offered to the other shareholders as contemplated under law.”*

As this is a rights offering pursuant to Article 2441, paragraph 1, of the Italian Civil Code, the shares resulting from the Capital Increase will be offered directly by the Company. No other form of placement is currently envisaged.

#### **5. Terms and conditions of the Capital Increase, including criteria for determining the issue price of the new shares**

In line with market practice for similar transactions, it is proposed that the General Shareholders' Meeting grant the Board of Directors any and all broadest powers to:

- (i) determine the issue price of the new shares ("**Subscription Price**"), which shall be the same for ordinary shares and B Shares, and particularly the portion to be allocated to share capital and that to be allocated to the share premium reserve, taking into account, *inter alia*, general market conditions and the performance of the Aquafil stock, as well as the Company's economic, capital and financial situation and market practice for similar transactions, it being



understood that the Subscription Price may not be lower than the implicit accounting value at the date of the Capital Increase resolution. The Subscription Price will be determined close to the commencement of the rights offering period concerning the Capital Increase, with the Board of Directors having the right, in accordance with market practice for similar transactions, to apply a discount to the Theoretical Ex Right Price (TERP) of the Aquafil share, calculated — in accordance with current methods — taking into account, *inter alia*, the price of the Aquafil share on the trading day preceding the day on which the Subscription Price is determined or, if available, on the basis of the price of the Aquafil share on the trading day on which the Subscription Price is determined;

- (ii) determine, close to the commencement of the rights offering period concerning the Capital Increase, the number of shares to be issued and the related allocation between ordinary shares and B Shares, it being understood that the ordinary shares and B Shares resulting from the Capital Increase shall have the same characteristics and shall grant the same rights as the ordinary shares and B Shares outstanding at the time of issue, and shall be offered with option rights to shareholders in proportion to their shareholdings;
- (iii) determine the proportions of any tranches of the Capital Increase within the terms provided for, without prejudice to the gradual effectiveness of the subscriptions of the different tranches;
- (iv) determine the timing for executing the Capital Increase resolution, particularly for the commencement of the rights offering period (including filing with the Register of Companies) as well as the subsequent offer on the stock exchange of any rights that may remain unopted at the end of the subscription period.

#### **6. *Shareholders who have declared their willingness to subscribe***

The shareholder Aquafin Holding S.p.A. has expressed its full support for the transaction and its willingness to subscribe for the portion of the Capital Increase that it will be entitled to. It has confirmed that all necessary steps are being taken to this end.

#### **7. *Authorizations by competent authorities***



The execution of the Capital Increase will require the publication of an offering and listing prospectus pursuant to Article 3 of Regulation (EU) 2017/1129 and its delegated acts, subject to Consob's approval ("**Prospectus**").





#### **8. *Period set for the execution of the Capital Increase***

The Board of Directors shall determine, by specific resolution, the timing for the commencement of the rights offering period and the subsequent offer on the stock exchange of any rights that may remain unopted at the end of the subscription period, without prejudice to the final deadline of January 31, 2025 for the execution of the Capital Increase. In determining the above timing, the Board of Directors will also take into account the technical time required for Consob to grant the authorization to publish the Prospectus.

#### **9. *Date of entitlement to the newly issued shares***

The ordinary shares and B Shares to be issued following execution of the Capital Increase will confer ordinary dividend entitlement and will grant their holders the same rights as the ordinary shares and B Shares outstanding at the time of issue.

The ordinary shares resulting from the Capital Increase with Option Rights will be admitted to trading on the regulated market Euronext Milan, Euronext STAR Milan Segment, organized and managed by Borsa Italiana S.p.A.

#### **10. *Economic and financial impact of the Capital Increase***

The Capital Increase will lead to a rise in the Company's equity by a maximum amount of €40,000,000,00 from which the costs directly attributable to the Capital Increase will be deducted.

As mentioned in section 2, the Capital Increase with Option Rights is part of the strategic objectives that the Company intends to pursue, as set out in the Industrial Plan. The Company will therefore use the proceeds of the Capital Increase with Option Rights to finance the investments set out in the Industrial Plan and, more generally, to meet the Company's future financial and growth needs.

#### **11. *Dilution effects of the Capital Increase***



In view of the fact that the newly issued shares will be offered to the Company's shareholders with option rights, pursuant to Article 2441, paragraph 1, of the Italian Civil Code, there will be no dilution effects of the Capital Increase in terms of the shareholdings in the share capital represented by their shares for those shareholders who will decide to exercise their option rights in full.

It should be noted that, in relation to the Company's own shares, the corresponding option right will be granted proportionately to the other shares, in accordance with the law.

As the Subscription Price, the number of new shares and the related option ratio have not yet been determined and will only be determined by the Board of Directors close to the execution of the Capital Increase, it is currently not possible to determine or estimate the dilution effect on the unit value of the shares for shareholders who will not exercise all or part of their option rights.

## 12. Amendments to the By-laws

Should the Capital Increase proposal be approved by the Extraordinary Shareholders' Meeting, it will be necessary to amend Article 5 of the Company's By-laws accordingly, by adding the new paragraph 5.10, which reports the resolution approved by the General Shareholders' Meeting.

A comparison of the above-mentioned Article 5 in its current and proposed text is given here below.

The text to be added according to the proposal is reported in bold.

Current text	Proposed text
<b>Article 5</b>	<b>Article 5</b>
<p>The Company's share capital amounts to €49,722,417.28 (forty-nine million seven hundred twenty-two thousand four hundred seventeen point twenty-eight) and is divided into 51,218,794 (fifty-one million two hundred eighteen thousand seven-hundred ninety-four) shares, including 42,902,774 (forty-two million nine-hundred two thousand seven hundred seventy-four) ordinary shares, 8,316,020 (eight million</p>	<p><i>[unchanged]</i></p>



Current text	Proposed text
<p>three hundred sixteen thousand twenty) Special B Shares (the “B Shares”) and 0 (zero) Special C Shares (the “C Shares”), all of which bear no specific face value. On December 23, 2016, the Extraordinary Shareholders’ Meeting resolved, <i>inter alia</i>: - to increase the share capital, against payment, in one or more tranches, in the overall amount of no more than €10,400,000, inclusive of share premium, to be set aside to cover the exercise of the corresponding 800,000 “Aquafil S.p.A. Sponsor Warrants”, through the issue of no more than 800,000 ordinary shares bearing no specific face value, at the price of €13.00 (thirteen point zero zero), with a book value of €1.00 reflected in the implicit accounting value, and €12.00 by way of share premium; the deadline mentioned in Article 2439 of the Italian Civil Code, the entitlement to dividend rights and the entry into force of the effects of the aforesaid share capital increase are all regulated in the same Shareholders’ resolution.</p>	
<p>5.2 The ordinary shares, the B Shares and the C Shares, as well as the warrants, are subject to dematerialization within the meaning of Articles 83-<i>bis et seqq.</i> of Legislative Decree No. 58/1998.</p>	<p>[<i>unchanged</i>]</p>
<p>5.3 All ordinary shares are registered, indivisible, and freely transferrable, and bear equal rights. More specifically, each ordinary share bears the right to one vote at ordinary and extraordinary Shareholders’ Meetings, together with all the other equity and</p>	<p>[<i>unchanged</i>]</p>



Current text	Proposed text
<p>administrative rights arising under law and/or these bylaws.</p>	
<p>5.4 All B Shares bear the same rights as ordinary shares, to the sole exception of the following:</p> <p>a) each B Share bears the right to three votes, within the meaning of Article 127-<i>sexies</i> of Legislative Decree No. 58/1998, at General Shareholders' Meetings, without prejudice to any and all restrictions imposed under law;</p> <p>b) B Shares shall be subject to automatic conversion into ordinary shares on a one-to-one basis (with the need for any special resolution to be passed either by holders of B Shares, or by the General Shareholders' Meeting as a whole):</p> <p>a. in the event of the transfer of B Shares to persons or parties that do not already hold B Shares, save where the transferee is: (i) a person or party that directly or indirectly controls or is directly or indirectly controlled by or is otherwise directly or indirectly subject to common control by the transferor, it being understood that in all such cases, should the transferee no longer directly or indirectly control or be directly or indirectly controlled by or be otherwise directly or indirectly subject to common control by the transferor, all the B Shares held by the transferee shall be automatically converted into ordinary shares on a one-to-one basis;</p> <p>b. should any holder of B Shares no longer be directly or indirectly controlled, by (i) Giulio Bonazzi, (ii) Roberta Previdi, (iii) Silvana Bonazzi, (iv) Francesco</p>	<p>[<i>unchanged</i>]</p>



Current text	Proposed text
<p>Bonazzi and/or (v) one or more of the heirs of the body of both (and not of either of) Giulio Bonazzi and Roberta Previdi, each of whom, jointly and/or severally with one or more of the other persons mentioned in paragraph 5.4(b)b (for clarity purposes only, account must be taken of the sum total of the equity interests held by the various persons mentioned in this paragraph, even if the said persons have not entered into any shareholder agreements);</p> <p>c) any and all holders of B Shares may obtain the conversion of some or all of their B Shares into ordinary shares, on a one-to-one basis, by forwarding a simple request to such effect to the Chairperson of the Company's Board of Directors, duly carbon-copied to the Chairperson of the Board of Statutory Auditors.</p> <p>The conversion of B Shares into ordinary shares shall be witnessed in a Board of Directors' resolution to be passed with the majorities contemplated under law. Should the Board of Directors fail to pass the aforesaid resolution, the conversion of B Shares into ordinary shares shall be witnessed in a resolution of the Board of Statutory Auditors passed by a majority of its members in attendance.</p> <p>In no event may ordinary shares be converted into B Shares.</p> <p>For the intents and purposes of the above, the noun "control", the verb "to control" and like terms denote (including with regard to individuals) the relationships contemplated in paragraph 1, subparagraphs 1) and 2),</p>	



Current text	Proposed text
and paragraph 2 of Article 2359 of the Italian Civil Code.	
<p>5.5 C Shares bear the same rights as ordinary shares, to the sole exception of the following:</p> <p>a) C Shares bear no voting rights whatsoever at the Company’s ordinary and extraordinary Shareholders’ Meetings;</p> <p>b) C Shares bear no entitlement to any ordinary dividends whatsoever subject to distribution by Shareholders’ resolution;</p> <p>c) C Shares are non-transferrable through to April 5, 2022, save in the event of (i) the transfer of special shares to shareholders in Space Holding S.r.l. that exercise their right of withdrawal, following the procedure for the liquidation in kind of their shareholdings; and (ii) the assignment of special shares to the corporate entity appointed as the beneficiary of the proportional de-merger of Space Holding S.r.l. entailing, inter alia, the equity interest of Space Holding S.r.l. in the Company;</p> <p>d) at the time of issue, each C Share bore the right to the assignment of 2 “Space3 S.p.A. Sponsor Warrants” (now known as “Aquafil S.p.A. Sponsor Warrants”);</p> <p>e) C Shares shall be subject to automatic conversion into ordinary shares at a conversion ratio of 4.5 (four point five) ordinary shares for each C Share, without the need for any consent whatsoever from the holders of C Shares and without entailing any change in the Company’s share capital, it being understood that the</p>	<p>[unchanged]</p>



Current text	Proposed text
<p>said conversion shall give rise, within 60 months following the entry into effect of the merger by incorporation of Aquafil S.p.A. into Space3 S.p.A. (now known as Aquafil S.p.A) (the “Merger”), to a reduction in the implicit accounting value of the ordinary shares, in the amount of 80,000 C Shares in the case where the listed price of ordinary shares stands at no less than €13 (thirteen) each, for at least 20 (not necessarily consecutive) market days out of 30 consecutive market days, it being understood that, for the intents and purposes of determining the validity of such conversion event, reference must be made to stock prices prevailing during the period commencing as of the date of the resolution passed by the General Shareholders’ Meeting of Space3 S.p.A., approving the Merger (which took place on 27 July 2017) and the end of the 60th month following the effective date of the Merger. In all cases, upon the expiry of 60 months following the effective date of the Merger, any and all remaining C Shares that have not already been converted as contemplated above shall be subject to automatic conversion into ordinary shares on a one-to-one basis, without entailing any change whatsoever in the Company’s share capital.</p>	
<p>5.6 The Company may issue B Shares solely in the event of (a) a share capital increase within the meaning of Article 2442 of the Italian Civil Code, or through new capital contributions, without preclusion or restriction of option rights, and in all cases, in combination with ordinary shares, pursuant to the provisions of Article 5.8</p>	<p>[unchanged]</p>



Current text	Proposed text
<p>below; and (b) merger or de-merger. In no event may the Company issue new C Shares.</p>	
<p>5.7 All shareholders shall be entitled to acquire subscription rights issued in respect of share capital increase through the issue of ordinary shares alone (save where the option right is precluded in accordance with law or is otherwise inapplicable), in proportion to and taking due account of the shares already held by each of them — be they ordinary shares, B Shares or C Shares — as at the date on which the share capital increase is effected. In all such cases, there shall be no need whatsoever for a resolution to be passed by a special General Meeting of either B Shareholders or C Shareholders, within the meaning of Article 2376 of the Italian Civil Code.</p>	<p>[unchanged]</p>
<p>5.8 In the event of share capital increase for the subscription of ordinary shares and B Shares: i) the number of ordinary shares and B Shares to be issued must be proportional to the number of ordinary shares and B Shares into which the share capital is divided as at the date of related resolution, it being understood that, for all related intents and purposes, already issued C Shares must be accounted for as ordinary shares on a one-to-one basis; (ii) holders of C Shares may subscribe ordinary shares in proportion to their equity holdings, inclusive of both ordinary shares and C Shares, as at the date on which the share capital increase was effected; and (iii) each shareholder shall be entitled to subscribe newly issued ordinary shares and B Shares in proportion to and taking due account of the ordinary shares and B</p>	<p>[unchanged]</p>





Current text	Proposed text
<p>Shares respectively already held by the shareholder in question as at the date on which the share capital increase was effected, it being understood that (i) any and all C Shares shall be accounted for as ordinary shares on a one-to-one basis; and (ii) newly issued B Shares shall be open to subscription exclusively by shareholders that already hold B Shares, it being underlined that, in the case where newly issued B Shares are not fully subscribed by shareholders that already hold B Shares, the unsubscribed newly issued B Shares shall be subject to automatic conversion into ordinary shares on a one-to-one basis, and shall then be offered to the other shareholders as contemplated under law.</p>	
<p>5.9 Should the Company participate in a merger by incorporation as a merged company, holders of B Shares shall be entitled to receive, in terms of the exchange ratio, shares endowed with same features — at least with regard to multiple voting rights — as B Shares, to the fullest extent permitted under law, taking due account of the principle of compatibility.</p>	<p>[unchanged]</p>
	<p><b>5.10 The General Shareholders' Meeting, convened in Extraordinary session on [●], resolved to carry out a divisible increase of the Company's share capital, against payment, on one or more occasions, including in one or more tranches, for a maximum amount of €40,000,000,00 including any share premium, by issuing ordinary shares and B Shares, with</b></p>



Current text	Proposed text
	<p>no face value, conferring ordinary dividend entitlement and with characteristics similar to and granting the same rights as those of the share classes outstanding at the time of issue, to be offered with option rights to entitled parties under Article 2441, paragraph 1, of the Italian Civil Code and, with regard to ordinary shares, to be admitted to trading on the regulated market Euronext Milan, organized and managed by Borsa Italiana S.p.A, it being understood that should the capital increase be not fully subscribed by January 31, 2025, the share capital will be considered increased for an amount equal to the subscriptions received at that date.</p> <p>For the above purposes, the General Shareholders' Meeting granted the Board of Directors the broadest powers to (i) determine the timing for executing the capital increase resolution, particularly for the commencement of the rights offering period (including filing with the Register of Companies), as well as the subsequent offer on the stock exchange of any rights that may remain unopted at the end of the subscription period, (ii) determine, close to the commencement of the rights offering period concerning the capital increase, the number of shares to be issued and the related allocation between ordinary shares and B shares, the option ratio and the issue price of the new shares</p>



Current text	Proposed text
	<p>(accounting value and share premium), which shall be the same for ordinary shares and B shares, taking into account, <i>inter alia</i>, for the purpose of determining the issue price of the new shares, the general market conditions and the performance of the Aquafil stock, as well as the Company's economic, capital and financial situation and market practice for similar transactions (it being understood that the subscription price may not be lower than the implicit accounting value in force at the date of the capital increase resolution), including the possibility of applying a discount to the Theoretical Ex Right Price (TERP) of the Aquafil share, calculated — in accordance with current methods — taking into account, <i>inter alia</i>, the price of the Aquafil share on the trading day preceding the day on which the subscription price is determined or, if available, on the basis of the price of the Aquafil share on the trading day on which the subscription price is determined; iii) determine the final amount and proportions of any tranches of the capital increase within the maximum limit hereby resolved, without prejudice to the gradual effectiveness of the subscriptions of the different tranches; and (iv) determine any other element necessary for executing the capital increase and</p>



Current text	Proposed text
	<p><b>for fulfilling all the formalities and/or obligations required by the applicable regulations to execute the capital increase, so that the newly issued ordinary shares deriving from the capital increase be offered to entitled parties and be listed on Euronext Milan, Euronext STAR Milan Segment, organized and managed by Borsa Italiana S.p.A.</b></p>

### **13. Right of Withdrawal**

The above-mentioned amendment to the By-laws does not fall within any of the cases for which the By-laws and applicable legal and regulatory provisions provide for a right of withdrawal.

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In light of the foregoing, the Board of Directors invites the Shareholders to pass the following resolution:

*“The Extraordinary Shareholders’ Meeting of Aquafil S.p.A.,*

- *having acknowledged the proposal of the Board of Directors and the related Illustrative Report, drafted pursuant to Article 125-ter of Legislative Decree of February 24, 1998, Article 72, paragraph 1-bis, and Article 84-ter of Consob Regulation No. 11971/1999 and the related annexes;*
- *having recognized the Company’s interest for the reasons illustrated by the Board of Directors,*

***resolves***

- 1) *to carry out a divisible increase of the Company’s share capital, against payment, on one or more occasions, including in one or more tranches, for a maximum amount of €40,000,000, including any share premium, by issuing ordinary shares and B Shares, with no face value, conferring ordinary dividend entitlement and with characteristics similar to and granting the same rights as*



*those of share classes outstanding at the time of issue, to be offered with option rights to entitled parties under Article 2441, paragraph 1, of the Italian Civil Code and, with regard to ordinary shares, to be admitted to trading on the regulated market Euronext Milan, organized and managed by Borsa Italiana S.p.A, it being understood that should the capital increase be not fully subscribed by January 31, 2025, the share capital will be considered increased for an amount equal to the subscriptions received at that date;*

- 2) to grant the Board of Directors the broadest powers to (i) determine the timing for executing the capital increase resolution, particularly for the commencement of the rights offering period (including filing with the Register of Companies) as well as the subsequent offer on the stock exchange of any rights that may remain unopted at the end of the subscription period, (ii) determine, close to the commencement of the rights offering period concerning the capital increase, the number of shares to be issued and the related allocation between ordinary shares and B shares, the option ratio and the issue price of the new shares (accounting value and share premium), which shall be the same for ordinary shares and B shares, taking into account, inter alia, for the purpose of determining the issue price of the new shares, the general market conditions and the performance of the Aquafil stock market price, as well as the Company's economic, capital and financial situation and market practice for similar transactions (it being understood that the subscription price may not be lower than the implicit accounting value in force at the date of the capital increase resolution), including the possibility of applying a discount to the Theoretical Ex Right Price (TERP) of the Aquafil share, calculated — in accordance with current methods — taking into account, inter alia, the price of the Aquafil share on the trading day preceding the day on which the subscription price is determined or, if available, on the basis of the price of the Aquafil share on the trading day on which the subscription price is determined; iii) determine the final amount and proportions of any tranches of the capital increase within the maximum limit hereby resolved, without prejudice to the gradual effectiveness of the subscriptions of the different tranches; and (iv) determine any other element necessary for executing the capital increase and for fulfilling all the formalities and/or obligations required by the applicable regulations to execute the capital increase, so that the newly issued ordinary shares deriving from the capital increase be offered to entitled parties and be listed on Euronext Milan, Euronext STAR Milan Segment, organized and managed by Borsa Italiana S.p.A.;*



- 3) to accordingly amend Article 5 of the By-laws by adding at the end of it the following new paragraph:

*"The General Shareholders' Meeting, convened in Extraordinary session on October 10th 2024, resolved to carry out a divisible increase of the Company's share capital, against payment, on one or more occasions, including in one or more tranches, for a maximum amount of €40,000,000, including any share premium, by issuing ordinary shares and B Shares, with no face value, conferring ordinary dividend entitlement and with characteristics similar to and granting the same rights as those of the share classes outstanding at the time of issue, to be offered with option rights to entitled parties under Article 2441, paragraph 1, of the Italian Civil Code and, with regard to ordinary shares, to be admitted to trading on the regulated market Euronext Milan, organized and managed by Borsa Italiana S.p.A, it being understood that should the capital increase be not fully subscribed by January 31, 2025, the share capital will be considered increased for an amount equal to the subscriptions received at that date.*

*For the above purposes, the General Shareholders' Meeting has granted the Board of Directors the broadest powers to (i) determine the timing for executing the capital increase resolution, particularly for the commencement of the rights offering period (including filing with the Register of Companies) as well as the subsequent offer on the stock exchange of any rights that may remain unopted at the end of the subscription period, (ii) determine, close to the commencement of the rights offering period concerning the capital increase, the number of shares to be issued and the related allocation between ordinary shares and B shares, the option ratio and the issue price of the new shares (accounting value and share premium), which shall be the same for ordinary shares and B shares, taking into account, inter alia, for the purpose of determining the issue price of the new shares, the general market conditions and the performance of the Aquafil stock market price, as well as the Company's economic, capital and financial situation and market practice for similar transactions (it being understood that the subscription price may not be lower than the implicit accounting value in force at the date of the capital increase resolution), including the possibility of applying a discount to the Theoretical Ex Right Price (TERP) of the Aquafil share, calculated — in accordance with current methods — taking into account, inter alia, the price of the Aquafil share on the trading day preceding the day on which the subscription price is determined or, if available, on the basis of the price of the Aquafil share on the trading day on which the subscription*



*price is determined; iii) determine the final amount and proportions of any tranches of the capital increase within the maximum limit hereby resolved, without prejudice to the gradual effectiveness of the subscriptions of the different tranches; and (iv) determine any other element necessary for executing the capital increase and for fulfilling all the formalities and/or obligations required by the applicable regulations to execute the capital increase, so that the newly issued ordinary shares deriving from the capital increase be offered to entitled parties and be listed on Euronext Milan, Euronext STAR Milan Segment, organized and managed by Borsa Italiana S.p.A.”;*

- 4) *to grant to the Board of Directors and, on its behalf, to the Chief Executive Officer, the power to subdelegate, within the limits of the law, the broadest powers necessary to concretely and fully execute the above resolutions, including the power to make any non-substantial amendments and/or additions to them that may be necessary and/or appropriate, including at the request of any competent authority, and, in general, to do all that may be necessary to fully execute the above resolutions, with any and all powers, none excluded, necessary and appropriate for this purpose, including the power to apply for the listing of the ordinary shares and to proceed with the filing and publication of the certification as per Article 2444 of the Italian Civil Code and the power to proceed with the filing of the text of the By-laws, as updated from time to time with regard to the amount of the share capital and the number of shares, with the Register of Companies pursuant to Article 2436 of the Italian Civil Code.”*

Arco (TN), August 29th, 2024

On behalf of the Board of Directors

CEO

(dott. Giulio Bonazzi)