

REPORT OF THE
BOARD OF DIRECTORS OF
RACING FORCE S.P.A.

RACING
FORCE
GROUP



REPORT OF THE BOARD OF DIRECTORS OF RACING FORCE S.P.A. REGARDING THE PROPOSED INCREASE IN THE SHARE CAPITAL OF RACING FORCE S.P.A. PURSUANT TO ART. 2441, 4TH PARAGRAPH, SECOND SENTENCE, ITALIAN CIVIL CODE

Introduction

The shares of the Racing Force S.p.A. (*RFG* or the *Company*) are traded on the Euronext Growth Milan multilateral trading facility (*EGM*) as well as on the Euronext Growth Paris multilateral trading facility (*EGP*).

On April 28th 2023, the shareholders' meeting of RFG, *inter alia*, resolved to “grant the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, the power to increase the share capital, on one or more occasions, also in divisible form, up to the maximum total amount - in terms of capital and without prejudice to any share premium - of 10% (ten percent) of the share capital at the date of the first exercise of the delegation, within a maximum limit of 5 (five) years from the date of the resolution (i.e. by April 28th, 2028), by issuing ordinary shares of the Company, for cash, to be offered in whole or in part to third parties, with the exclusion or limitation of option rights, pursuant to Art. 2441, paragraph 4, second sentence, of the Italian Civil Code, by cash subscription, within the limit of ten percent of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and this is confirmed in a special report by a statutory auditor or auditing firm” (the *Delegation*).

For the purpose of the Delegation the Board of Directors was granted “all powers to determine, for each individual tranche, the amount of shares to be issued, the price per share (including any share premium) and dividend entitlement of the shares to be issued from time to time”.

The Board of Directors intends to exercise the Delegation in order to increase, the Company share's capital, for cash and in divisible form, by issuing a maximum of 2,569,919 (twomillionfivehundredsixty-ninethousandninehundrednineteen) new ordinary RFG shares with no indication of par value, having the same characteristics as those in circulation on the issue date, with regular dividend entitlement, corresponding to 10% (ten percent) of RFG's share capital, with the exclusion of option rights pursuant to Art. 2441, fourth paragraph, second sentence, of the Italian Civil Code (the *Capital Increase*), to be reserved for subscription by (i) qualified investors, as defined in Article 2(e) of Regulation (EU) 2017/1129 (*Prospectus Regulation*), in the European Union and the other countries of the European Economic Area, (ii) qualified investors, as defined in Article 2(e) of the Prospectus Regulation, in the United Kingdom, as national legislation under the European Union (Withdrawal) Act of 2018 (as amended), (iii) institutional investors abroad, pursuant to Regulation S of the United States Securities Act of 1933, as amended, thus excluding institutional investors from Australia, Canada, Japan, the United States and South Africa and any other foreign country in which

the placement is not possible in the absence of an authorization from the competent authorities, as well as (iv) investors other than the aforementioned entities, in such a manner, in terms of quality and/or quantity, as to allow the Company to fall within the cases of exemption of the provisions on public offerings of securities provided for in Article 1, paragraph 4, letter d) of the Prospectus Regulations, resulting in exclusion from the obligation to publish a prospectus (the *Placement*).

For the purpose of the Delegation and for compliance with its contents, it should be noted that no new share issues have occurred since the extraordinary shareholders' meeting held on April 28th, 2023, and therefore the Board of Directors intends to exercise the Delegation for the first time.

The Board of Directors will grant to the Chairman and Chief Executive Officer Eng. Piero Paolo Delprato the powers to implement the Capital Increase resolution, including the determination of the final issue price of the shares in accordance with the criteria set forth in Section 3 below, as well as - based on (i) the indications received from Equita SIM S.p.A. and TP ICAP (EUROPE) S.A, acting in the context of the Placement as financial intermediaries in charge of collecting orders, and (ii) the results of the subscription orders received - to allocate the new RFG shares to EGM and EGP.

It should be noted that the Placement of RFG shares will take place only upon the occurrence of favourable market conditions and will be carried out through a so-called accelerated bookbuilding offering procedure, which will include the newly issued shares from the Capital Increase (the *Accelerated Bookbuilding*).

As of the date of this report, RFG's share capital amounts to EUR 2,569,919.80 (two million five hundred sixty-nine thousand nine hundred nineteen/80), divided into 25,699,198 (twenty-five million six hundred ninety-nine thousand one hundred ninety-eight) ordinary shares, with no indication of par value. In the event of full subscription of the maximum amount of new shares, taking into account the criteria for determining the issue price of the new shares as described in Section 3 below and assuming compliance with the pre-existing accounting parity of RFG shares, the post-increase share capital shall be equal to EUR 2,826,911.70 (two-million eight hundred twenty-six thousand nine hundred eleven/70), represented by 28,269,117 (twenty-eight million two hundred sixty-nine thousand one hundred seventeen) shares, all having the same characteristics as those currently outstanding.

1. Reasons for the exclusion of the option right

The potential Capital Increase transaction pursue the purpose, consistent with the Delegation, of enabling the Company to quickly and efficiently raise new capital to be used to continue its business development and expansion plan, also in light of strong growth recorded in recent years.

The adoption of the instrument of the Capital Increase reserved for qualified investors, with the consequent exclusion of option rights, is, in the opinion of the Board of Directors, the quickest and most efficient way for the Company, among others, to finance the construction of a new plant in Bahrain in order to increase its production capacity.

In this regard, at the Board of Directors meeting convened for today's date, the Chairman will report to the directors on the opportunity to enter into a binding commitment with Bahrain International Circuit Company WLL (*BIC*), the operator of the motor racing circuit that hosts the Formula 1 Bahrain Grand Prix and owner of the land adjacent to the circuit, concerning the lease of a new factory, to be built by BIC, intended for the development and production of some of the Group's products. As of today, negotiations are underway to finalize the final agreements, which are expected to take place by 2024.

The transaction will enable the Group to increase the efficiency of the production processes of some products, which are considered strategic, with positive impacts on overall margins.

However, the Company intends to keep part of the proceeds raised during the accelerated bookbuilding to serve other possible future development projects.

The Capital Increase is also functional, on the one hand, to increase the free float and facilitate stock trading, also favouring its stability, and, on the other hand, to broaden the shareholder base to leading international investors of high standing.

In light of the above, the Board of Directors therefore believes that the exclusion of the option right in favour of qualified investors, pursuant to Article 2441, paragraph 4, second sentence, of the Civil Code, responds to a specific corporate interest for the reasons already mentioned in the preceding Section.

The Capital Increase, in any case, is proposed with the adoption of all the protections that the law provides for transactions in which there is an exclusion of option rights. Indeed, as required by Article 2441, paragraph 4, second sentence, of the Italian Civil Code, the shares that will be released in the context of the Capital Increase must be issued at a price corresponding to their market value.

2. Placement

The Placement will be reserved for subscription by (i) qualified investors, as defined in Article 2(e) of the Prospectus Regulation, in the European Union and the other countries of the European Economic Area, (ii) qualified investors, as defined in Article 2(e) of the Prospectus Regulation, in the United Kingdom, as national legislation under the European Union (Withdrawal) Act of 2018 (as amended), (iii) institutional investors abroad, pursuant to Regulation S of the United States Securities Act of 1933, as amended, thus excluding institutional investors from Australia, Canada, Japan, the United States and South Africa and any other foreign country in which the placement is not possible in the absence of an authorization from the competent authorities, as well as (iv) investors other than the aforementioned entities, in such a manner, in terms of quality and/or quantity, as to allow the Company to fall within the cases of exemption of the provisions on public offerings of securities provided for in Article 1, paragraph 4, letter d) of the Prospectus Regulations, resulting in exclusion from the obligation to publish a prospectus (collectively, the *Investors*), through an accelerated bookbuilding procedure.

The Company intends to appoint Equita SIM S.p.A. and TP ICAP (EUROPE) S.A. as financial intermediaries in charge of collecting orders in the context of the Placement with Investors (the *Banks*)

The Accelerated Bookbuilding process, which is well-established in market offerings of securities of companies whose shares are traded on multilateral trading systems, including new issues, allows the shares to be offered in an orderly manner by soliciting and collecting subscription orders in the market of institutional investors. The orders can be collected in a short period of time, even a few hours, or a few days.

For the purposes of the Capital Increase, the price at which investors would be willing to subscribe for the newly issued shares should be taken into account when determining the issue price of the shares, according to the criteria described below.

The appointment for the Placement of RFG shares to leading financial institutions is intended to ensure that the execution of such placement is carried out in accordance with the best standards of national and international practice, also in order to preserve the stability of the performance of RFG stock. It should be noted that there is no guarantee commitment from the Banks in connection with the Capital Increase.

The multilateral trading facility at which the newly issued shares will be traded (i.e., EGM, EGP, or a combination of the two) will be determined by RFG in connection with the outcome of the Placement, in consultation with the appointed Banks.

3. Criteria for determining issue price

Regarding the determination of the issue price of the new shares resulting from the potential Capital Increase transaction, the Shareholders' Meeting held on April 28th, 2023, resolved that the Delegation includes *"all powers to determine, for each individual tranche, the amount of shares to be issued, the price per share (including any share premium) and dividend entitlement of the shares to be issued from time to time"*.

In compliance with the provisions of the Shareholders' Meeting and consistent with the prevailing market practice for transactions similar to the one envisaged, the Board of Directors, availing itself of the support of the Banks, has identified appropriate criteria for determining the issue price to be applied by the delegated bodies when implementing the Capital Increase resolution and has therefore not set a "punctual" issue price.

The Board of Directors considers that this approach complies with the regulatory requirement that the issue price "correspond to the market value" of the shares and is consistent with the manner of placement through Accelerated Bookbuilding. Moreover, given the uncertainty of the potential starting date of the Capital Increase transaction, the proposed approach provides the necessary flexibility to determine the market value of the shares at a time close to the issue.

The Board of Directors, with the support of the Banks, then carried out an analysis to identify the most appropriate criteria for identifying the issue price of the newly issued shares, believing that the stock market quotation method – as a method that refers to share prices expressed by the market – is the most consistent with the concept of "market value" as required by the Italian Civil Code.

The directors then pointed out that the wording of Article 2441, fourth paragraph, second sentence, of the Italian Civil Code, refers to "market value" without providing further indications in this regard, including timing, and thus leads to the conclusion that multiple criteria, even among themselves different, are admissible, to be established also according to the characteristics of individual capital increase operations.

Accordingly, the Board of Directors deemed it appropriate to identify as the reference criteria on the basis of which to define the unit issue price of the new shares, that of the volume-weighted average

of the official prices of the Company's ordinary shares, as published by Bloomberg or another qualified provider, recorded in the 180 (one hundred and eighty) consecutive calendar days prior to the launch date of the Placement, including the closing price recorded on the launch day of the Placement itself (the *VWAP* or *Volume Weighted Average Price*).

The aforementioned criteria for identifying the issue price of the shares, which also reflects market practice for similar transactions, takes an adequately long period of time to cleanse the price from short-term volatility that can affect the financial markets, thus reflecting the actual value that the market attributes to the Company's shares.

It is noted that, should the date of June 24th, 2024 (i.e., the last day before the date of the Board of Directors' meeting) be taken as the reference date for the purposes of recording the weighted average, according to the aforementioned VWAP criteria, in the 180 (one hundred and eighty) consecutive calendar days prior to the aforementioned date (inclusive), the Racing Force stock (ISIN IT0005466963) on EGM would have shown a weighted average, equal to EUR 4.43 (four point forty-three) per share. Therefore, the period between December 28th, 2023 and June 24th, 2024 was taken into account for the calculation of the weighted average, considering only those trading days on EGM in which the shares were actually traded.

In light of the above, should the start date of the Placement match the date of the resolution of the Capital Increase, then, the reference period - for the purposes of recording the weighted average in accordance with the aforementioned VWAP criterion - will be between December 29th, 2023 and June 25th, 2024, taking into account only the trading days on EGM on which the shares were actually traded as well as the closing price recorded on the day the Placement was launched.

Finally, it is proposed that the Capital Increase should be carried out in accordance with the pre-existing accounting par value by allocating EUR 0.10 (zero point ten) per share to capital and the residual portion to share premium.

The punctual issue price will also be determined taking into account the signing, on June 12th, 2024, between the Company and a leading foreign institutional investor, of a binding agreement under which the latter has irrevocably committed to subscribe a portion of the Capital Increase, if actually resolved, in the context of the Placement and for a maximum total amount of EUR 5 mln. It should be noted, however, that this amount may possibly be reduced, at the sole discretion of the Company, based on the quantity and quality of the orders that may be received during the Placement, up to a minimum of EUR 4 mln.

In this regard, the company KPMG S.p.A., appointed as RFG's auditing firm, will express its opinion on the correspondence between the market value and the weighted average value of RFG shares resulting from the application of the VWAP parameter set forth above; this average value will therefore be used as the reference value for the purposes of determining the unit issue price of the shares related to the Capital Increase with exclusion of option rights, pursuant to Article 2441, paragraph 4, second sentence, of the Italian Civil Code.

4. Terms and conditions of the Capital Increase

In identifying the most suitable methods of executing the Capital Increase to achieve the objectives of promptness, celerity and certainty referred to above, as previously noted, the Company believes that it will be able to initiate the transaction by June 26th, 2024 or when market conditions are deemed favorable for the success of the transaction.

It should be noted that if the Capital Increase is not fully subscribed by the final subscription deadline of June 27th, 2024, the share capital will be increased by the amount resulting from the subscriptions made by that deadline.

5. Impact on share value and dilution

The issuance of the shares will result in a dilution of the current Shareholders' stake in the Company's share capital to an extent that is uncertain and not predictable, as it will depend on the number of shares actually subscribed by the Investors.

6. Features and dividend entitlement date of the shares

The newly issued shares will be fungible with those already outstanding, will have regular dividend entitlements, and will therefore grant their holders equal rights to the shares already outstanding at the time of issue.

7. Amendments to the Bylaws

The approval of the proposed Capital Increase will result in the amendment of Article 5 of the Company's Bylaws, which indicates the amount and composition of the share capital. It should be noted that the following amendment to the Bylaws does not give rise to any legal or statutory grounds for withdrawal in favor of the Company's shareholders, pursuant to Article 2437 et seq. of the Italian Civil Code.

A comparison explanation of the article whose amendment is proposed is given below.

Current text	Proposed text
<p style="text-align: center;">Article 5</p> <p style="text-align: center;">Share capital and shares</p>	<p style="text-align: center;">Article 5</p> <p style="text-align: center;">Share capital and shares</p>
<p>5.1. The share capital is EUR 2,569,919.80 (twomillion fivehundredsixtyninethousand ninehundrednineteen//80) and is represented by 25,699,198 (twentyfivemillion sixhundredninety-nine onehundredninety-eight) ordinary shares, with no indication of par value.</p> <p>The extraordinary shareholders' meeting held on April 28th, 2023 resolved to delegate to the Board of Directors the power, pursuant to Article 2443 of the Civil Code, to increase the share capital, in one or more tranches, also in divisible form, up to a maximum total amount - in terms of capital and notwithstanding any share premium - of 10% (ten percent) of the capital at the date of the first exercise of the delegation, within a maximum limit of 5 (five) years from the date of the resolution (i.e. by April 28th, 2028), by issuing ordinary shares of the Company:</p> <p>(a) against payment to be offered in option to those entitled thereto;</p> <p>(b) against payment to be offered in whole or in part to third parties, with exclusion or limitation of option rights, pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, through contributions in kind;</p> <p>(c) against payment to be offered in whole or in part to third parties, with exclusion or limitation</p>	<p>5.1. The share capital is EUR 2,569,919.80 (twomillion fivehundredsixtyninethousand ninehundrednineteen//80) and is represented by 25,699,198 (twentyfivemillion sixhundredninety-nine onehundredninety-eight) ordinary shares, with no indication of par value.</p> <p>The extraordinary shareholders' meeting held on April 28th, 2023 resolved to delegate to the Board of Directors the power, pursuant to Article 2443 of the Civil Code, to increase the share capital, in one or more tranches, also in divisible form, up to a maximum total amount - in terms of capital and notwithstanding any share premium - of 10% (ten percent) of the capital at the date of the first exercise of the delegation, within a maximum limit of 5 (five) years from the date of the resolution (i.e. by April 28th, 2028), by issuing ordinary shares of the Company:</p> <p>(a) against payment to be offered in option to those entitled thereto;</p> <p>(b) against payment to be offered in whole or in part to third parties, with exclusion or limitation of option rights, pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, through contributions in kind;</p> <p>(c) against payment to be offered in whole or in part to third parties, with exclusion or limitation</p>

<p>of the option right, pursuant to Article 2441, paragraph 4, second sentence, of the Italian Civil Code, through cash subscription, within the limit of ten percent of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and this is confirmed in a specific report by a legal auditor or audit firm;</p> <p>(d) against payment to be offered in whole or in part to third parties, with the exclusion or limitation of option rights, pursuant to Article 2441, paragraph 5, of the Italian Civil Code, when the company's interest so requires;</p> <p>(e) against payment to be offered in whole or in part to employees of the Company or its subsidiaries, with the exclusion or limitation of option rights, pursuant to Article 2441, paragraph 8, of the Italian Civil Code;</p> <p>(f) for free, to be granted to workers pursuant to Article 2349 of the Italian Civil Code, also to serve incentive plans based on financial instruments. For the purpose of above delegation, the board of directors is also granted with all powers to:</p> <p>(a) determine, for each tranche, the number, unit issue price (including any share premium) and enjoyment rights of the ordinary shares to be issued from time to time;</p> <p>(b) set the term for the subscription of the Company's ordinary shares; and</p> <p>(c) execute the above delegations and powers, including, but not limited to, those necessary to</p>	<p>of the option right, pursuant to Article 2441, paragraph 4, second sentence, of the Italian Civil Code, through cash subscription, within the limit of ten percent of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and this is confirmed in a specific report by a legal auditor or audit firm;</p> <p>(d) against payment to be offered in whole or in part to third parties, with the exclusion or limitation of option rights, pursuant to Article 2441, paragraph 5, of the Italian Civil Code, when the company's interest so requires;</p> <p>(e) against payment to be offered in whole or in part to employees of the Company or its subsidiaries, with the exclusion or limitation of option rights, pursuant to Article 2441, paragraph 8, of the Italian Civil Code;</p> <p>(f) for free, to be granted to workers pursuant to Article 2349 of the Italian Civil Code, also to serve incentive plans based on financial instruments. For the purpose of above delegation, the board of directors is also granted with all powers to:</p> <p>(a) determine, for each tranche, the number, unit issue price (including any share premium) and enjoyment rights of the ordinary shares to be issued from time to time;</p> <p>(b) set the term for the subscription of the Company's ordinary shares; and</p> <p>(c) execute the above delegations and powers, including, but not limited to, those necessary to</p>
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<p>make the consequent and necessary amendments to the bylaws from time to time.</p> <p>For the resolutions adopted by the board of directors in execution of the foregoing delegation pursuant to Article 2443 of the Italian Civil Code, the board of directors shall comply with the following criteria.</p> <p>The exclusion or limitation of option rights may take place only:</p> <p>(a) pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, if the board of directors deems it appropriate that the newly issued shares are paid up by means of the contribution, by third parties, of branches of business, business or compendiums functionally organized for the performance of activities included in the Company's corporate purpose, as well as of receivables, shareholdings, financial instruments, listed and unlisted, and/or other assets deemed by the Board to be instrumental to the pursuit of the corporate purpose;</p> <p>(b) pursuant to art. 2441, paragraph 4, second sentence, of the Italian Civil Code, within the limit of ten percent of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and this is confirmed in a specific report by a legal auditor or audit firm;</p> <p>(c) pursuant to Art. 2441, paragraph 5, of the Italian Civil Code, if the board of directors deems it appropriate for the newly issued shares to be offered for subscription to "qualified investors"</p>	<p>make the consequent and necessary amendments to the bylaws from time to time.</p> <p>For the resolutions adopted by the board of directors in execution of the foregoing delegation pursuant to Article 2443 of the Italian Civil Code, the board of directors shall comply with the following criteria.</p> <p>The exclusion or limitation of option rights may take place only:</p> <p>(a) pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, if the board of directors deems it appropriate that the newly issued shares are paid up by means of the contribution, by third parties, of branches of business, business or compendiums functionally organized for the performance of activities included in the Company's corporate purpose, as well as of receivables, shareholdings, financial instruments, listed and unlisted, and/or other assets deemed by the Board to be instrumental to the pursuit of the corporate purpose;</p> <p>(b) pursuant to art. 2441, paragraph 4, second sentence, of the Italian Civil Code, within the limit of ten percent of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and this is confirmed in a specific report by a legal auditor or audit firm;</p> <p>(c) pursuant to Art. 2441, paragraph 5, of the Italian Civil Code, if the board of directors deems it appropriate for the newly issued shares to be offered for subscription to "qualified investors"</p>
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and/or “professional investors” (including foreign investors), such as (by way of example) banks, entities, financial companies and investment funds (or other entities falling under the relevant definitions, including those of a European nature, as applicable from time to time), and/or operators who (regardless of such qualification) carry out similar activities, connected, synergistic and/or instrumental to those of the Company and/or the Group having a purpose similar or akin to that of the Company and/or the Group or in any case functional to the development of the later’s business, in such a way as to benefit from any strategic and/or partnership and/or coinvestment agreements with said parties or in any case for the purpose of the Company and/or the Group carrying out capital strengthening and/or strategic operations;

(d) pursuant to Article 2441, paragraph 8, of the Italian Civil Code, in the event of the issuance of shares to employees of the Company and/or its subsidiaries in accordance with incentive plans or work-for-equity or similar plans. The delegation to carry out free capital increases (and/or share issues even without affecting the nominal amount) may be exercised for the implementation of incentive plans with retention and attraction functions of key personnel for the Company and/or the Group, including the “Stock Grant Plan 2023-2025”.

and/or “professional investors” (including foreign investors), such as (by way of example) banks, entities, financial companies and investment funds (or other entities falling under the relevant definitions, including those of a European nature, as applicable from time to time), and/or operators who (regardless of such qualification) carry out similar activities, connected, synergistic and/or instrumental to those of the Company and/or the Group having a purpose similar or akin to that of the Company and/or the Group or in any case functional to the development of the later’s business, in such a way as to benefit from any strategic and/or partnership and/or coinvestment agreements with said parties or in any case for the purpose of the Company and/or the Group carrying out capital strengthening and/or strategic operations;

(d) pursuant to Article 2441, paragraph 8, of the Italian Civil Code, in the event of the issuance of shares to employees of the Company and/or its subsidiaries in accordance with incentive plans or work-for-equity or similar plans. The delegation to carry out free capital increases (and/or share issues even without affecting the nominal amount) may be exercised for the implementation of incentive plans with retention and attraction functions of key personnel for the Company and/or the Group, including the “Stock Grant Plan 2023-2025”.

For resolutions relating to capital increases to be offered in option or - in whole or in part - to third parties, in determining the issue price of the new shares, the board of directors must therefore take into account, among other things, the value of the equity and the conditions of the financial markets prevailing at the time of the actual launch of the offer, stock market prices, and the application of any discount in line with market practice for similar transactions, without prejudice to the formalities and limits set forth in Article 2441, paragraphs 4, first sentence, 5 and 6 of the Italian Civil Code, where applicable.

For resolutions relating to capital increases to be paid in cash pursuant to Article 2441, paragraph 4, second sentence, of the Civil Code, in order to exclude the option rights, within the limits provided therein, the issue price shall be determined in an amount corresponding to the market value of the shares and provided that this is confirmed in a specific report by a legal auditor or audit firm. Subject to the above, the subscription price of the new shares may also be lower than the pre-existing accounting parity. A share premium may also be provided.”

5.2. The shares are subject to the dematerialisation regime and entered into the centralised management system for financial instruments in accordance with Articles 83-bis et seq. of Legislative Decree No. 58/1998, as

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For resolutions relating to capital increases to be paid in cash pursuant to Article 2441, paragraph 4, second sentence, of the Civil Code, in order to exclude the option rights, within the limits provided therein, the issue price shall be determined in an amount corresponding to the market value of the shares and provided that this is confirmed in a specific report by a legal auditor or audit firm. Subject to the above, the subscription price of the new shares may also be lower than the pre-existing accounting parity. A share premium may also be provided.

On June 25th, 2024, in execution of the delegation granted to the board of directors by the extraordinary shareholders' meeting held on April 28th, 2023, the board of directors resolved to increase, on a divisible basis, the company's share capital for cash by issuing up to 2,569,919 (two

subsequently amended (Italian Consolidated Finance Law, hereinafter "TUF").

5.3. The shares may be admitted to trading on multilateral trading systems in accordance with Articles 77-bis et seq. of the TUF, with particular regard to the multilateral trading system called Euronext Growth Milan, organised and managed by Borsa Italiana S.p.A. ("Euronext Growth Milan").

5.4. In accordance with the legislation in force from time to time, the Company may issue special categories of shares with different rights, including with regard to the incidence of losses, determining their content with the issue resolution, as well as equity-based financial instruments (strumenti finanziari partecipativi).

million five hundred sixty-nine thousand nine hundred nineteen) new ordinary shares, with no par value, regular dividend entitlement, with an implied issue accounting par value of EUR 0.10 (zero point ten), excluding option rights pursuant to Article 2441, paragraph 4, second sentence, of the Italian Civil Code, reserved to subscription by (i) qualified investors, as defined in Article 2(e) of Regulation (EU) 2017/1129 ("Prospectus Regulations"), in the European Union and other countries of the European Economic Area, (ii) qualified investors, as defined in Article 2(e) of the Prospectus Regulations, in the United Kingdom, as national legislation under the European Union (Withdrawal) Act of 2018 (as amended), (iii) institutional investors abroad, pursuant to Regulation S of the United States Securities Act of 1933, as amended, thus excluding institutional investors from Australia, Canada, Japan, the United States and South Africa and any other foreign country in which placement is not possible in the absence of an authorization from the competent authorities, as well as (iv) investors other than the aforementioned parties, in such a manner, in terms of quality and/or quantity, as to allow the Company to fall within the cases of exemption of the provisions on public offerings of securities provided for in Article 1, paragraph 4, letter d) of the Prospectus Regulations, resulting in exclusion from the obligation to publish a prospectus. Pursuant to Article 2439, paragraph 2, of the Italian Civil Code, if not fully subscribed

	<p><i>by the deadline of June 27th, 2024, the capital will be increased by an amount equal to the subscriptions collected.”</i></p> <p>5.2. The shares are subject to the dematerialisation regime and entered into the centralised management system for financial instruments in accordance with Articles 83-bis et seq. of Legislative Decree No. 58/1998, as subsequently amended (Italian Consolidated Finance Law, hereinafter "TUF").</p> <p>5.3. The shares may be admitted to trading on multilateral trading systems in accordance with Articles 77-bis et seq. of the TUF, with particular regard to the multilateral trading system called Euronext Growth Milan, organised and managed by Borsa Italiana S.p.A. ("Euronext Growth Milan").</p> <p>5.4. In accordance with the legislation in force from time to time, the Company may issue special categories of shares with different rights, including with regard to the incidence of losses, determining their content with the issue resolution, as well as equity-based financial instruments (strumenti finanziari partecipativi).</p>
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In view of the foregoing, the Board of Directors is asked to vote on the following proposed resolution:

"The Board of Directors

- *examined and approved the Report of the Board of Directors prepared pursuant to Article 2441, paragraph 4, second sentence, of the Italian Civil Code;*
- *noted the attestation of the Board of Statutory Auditors that the outstanding and fully paid-on share capital is equal to EUR 2,569,919.80;*

- examined the opinion on the criteria for determining the price issued by the auditing firm KPMG S.p.A., pursuant to Article 2441, paragraph 4, second sentence, of the Italian Civil Code,

RESOLVES

to execute the delegation pursuant to Article 2443 of the Italian Civil Code, granted to the Board of Directors by the Shareholders' Meeting on April 28th, 2023, and to that effect accordingly:

1. to increase the share capital in divisible form, for cash, by issuing a maximum of 2,569,919 (two million five hundred and sixty-nine thousand nine hundred and nineteen) new ordinary shares, without par value, with regular dividend entitlement, excluding option rights pursuant to Article 2441, paragraph 4, second sentence, of the Italian Civil Code, to be reserved for subscription by (i) qualified investors, as defined in Article 2(e) of Regulation (EU) 2017/1129 (**Prospectus Regulation**), in the European Union and the other countries of the European Economic Area, (ii) qualified investors, as defined in Article 2(e) of the Prospectus Regulation, in the United Kingdom, as national legislation under the European Union (Withdrawal) Act of 2018 (as amended), (iii) institutional investors abroad, pursuant to Regulation S of the United States Securities Act of 1933, as amended, thus excluding institutional investors from Australia, Canada, Japan, the United States and South Africa and any other foreign country in which the placement is not possible in the absence of an authorization from the competent authorities, as well as (iv) investors other than the aforementioned entities, in such a manner, in terms of quality and/or quantity, as to allow the Company to fall within the cases of exemption of the provisions on public offerings of securities provided for in Article 1, paragraph 4, letter d) of the Prospectus Regulations, resulting in exclusion from the obligation to publish a prospectus, at a subscription price, including premium, to be determined on the basis of and in accordance with the criteria defined in the report of the board of directors and to be referred to herein;
2. to establish that the issue price of the new shares shall be determined on the basis of the volume-weighted average of the official prices of the Company's ordinary shares, as published by Bloomberg or other authorized provider, recorded in the 180 (one hundred and eighty) consecutive calendar days preceding the Placement start date, as defined in the narrative, including the closing price of the stock recorded on the Placement start date;

3. *to establish, pursuant to the second paragraph of Article 2439 of the Italian Civil Code, that the capital increase referred to in point 1 above is intended to be divisible and will therefore be limited to the amount resulting from subscriptions made by the deadline of June 27th, 2024;*
4. *to grant to the Chairman of the Board of Directors and Chief Executive Officer Eng. Piero Paolo Delprato all the powers necessary to execute, including through proxies, within the limits of the law, all transactions resulting from the above resolutions, with all the broadest powers in this regard, nothing excluded or excepted, and in particular the powers necessary to determine, in accordance with established practice in similar transactions and in compliance with the above resolutions in point no. 2), the final issue price of the shares, as well as to withdraw the Placement at any time, to allocate the new shares at the Euronext Growth Milan multilateral trading facility or on the Paris multilateral trading facility, and, once the subscription terms have expired, to determine the exact amount of the share capital increase that will be subscribed, and consequently to quantify the number of newly issued shares,*
 - a. *with the power not to proceed with the transaction and capital increase or to abort its execution in the best interests of the Company (including the absence of favorable market conditions), without prejudice to any competence of the board of directors regarding the decision to issue the new shares;*
 - b. *with the necessary powers to negotiate, define and sign with Equita SIM S.p.A. and TP ICAP (EUROPE) S.A., the contract for the Placement (so-called placement agreement) of the newly issued shares arising from the capital increase, as well as to execute any provisions contained therein;*
 - c. *with the powers to prepare and submit any document required for the purpose of the execution of the resolved increase, including the preparation, subscription, publication, filing and/or production with any competent authority (including, Consob and Borsa Italiana S.p.A., as well as the competent registry office) of any deed, writing, notification, document, filing request, form, necessary or otherwise related to the transaction;*
 - d. *with the powers to enter into any necessary deed, including expressly the adjustment of the numerical expressions in Article 5 of the Bylaws, concerning the share capital, in connection with the subscription of the issued shares;*

- e. with the powers to introduce into this resolution any amendments, variations or additions that may be necessary or otherwise required by the competent Authorities, so that these resolutions may be registered with the competent Company Register;*
- f. with reference to the issue price, to provide that the capital increase will take place in accordance with the pre-existing accounting parity by charging EUR 0.10 (zero point ten) per share to capital and the remaining portion to premium.”*

This Report approved by the Board of Directors is forwarded to the auditing firm, KPMG S.p.A., which has waived the legal terms for the relevant communication, for the purpose of issuing an opinion on the criteria for determining the price pursuant to Article 2441, fourth paragraph, second sentence, of the Italian Civil Code.

Genova (GE), June 25th, 2024

For the Board of Directors

The Chairman of the Board of Directors

(Eng. Piero Paolo Delprato)