

**LU-VE S.p.A.**

**Via Vittorio Veneto 11 – 21100 Varese**

**Economic and Administrative Repertory No.: VA-191975**

**Tax Code: 01570130128**



**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSALS ON THE AGENDA OF THE EXTRAORDINARY SESSION OF THE SHAREHOLDERS' MEETING CONVENED IN ORDINARY AND EXTRAORDINARY SESSION ON 29 APRIL 2024 IN A SINGLE CALL**

**UPDATED ON 28 MARCH 2024**

**CANCELS AND REPLACES THE PREVIOUS VERSIONE PUBLISHED ON 25 MARCH 2024**

*(drawn up pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998 as subsequently amended and supplemented - the "TUF" (Consolidated Law on Finance) - and articles 72 and 84-ter of the Regulations adopted by CONSOB Resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented - the "Issuer Regulations"- in compliance with Table 3 of Annex 3A to the same Issuer Regulations).*

Dear Shareholders,

this report (the “**Explanatory Report**”) was drafted by the Board of Directors of LU-VE S.p.A. (“**LU-VE**”, the “**Company**” or the “**Issuer**”) in compliance with Article 125-*ter* of the Consolidated Law on Finance and Articles 72 and 84-*ter* of the Issuer Regulations, as well as in compliance with Table 3 of Annex 3A to the Regulations, with the aim of illustrating the proposals to amend and supplement the By-Laws of LU-VE (the “**By-Laws**”), as included in the agenda of the extraordinary session of the Shareholders' Meeting convened - by means of a notice published on 25 March 2024 on the Company’s website at [www.luvegroup.com](http://www.luvegroup.com), (in the section “*Investor*” – “*Corporate governance & Shareholders*” – “*For shareholders*” – “*Shareholders’ Meeting*” – “*Shareholders’ Meeting of 29 April 2024*”), and on the authorised storage mechanism *eMarket Storage* [www.emarketstorage.com](http://www.emarketstorage.com), as well as by abstract, on 26 March 2024, in the daily newspaper “**Il Sole 24 ORE**”- at the administrative headquarters of the Company in Uboldo, via Caduti della Liberazione No. 53, on **29 April 2024** at **12:00 a.m.**, in a single call (the “**Shareholders’ Meeting**”).

The **agenda** for the extraordinary session of the above-mentioned Shareholders’ Meeting is as follows:

1. *Proposal to amend article 12 of the By-Laws. Related and subsequent resolutions;*

The content of the amendment to the By-Laws proposed by the Board of Directors and the reasons therefore are set out below, presenting, in comparative form, the text of the current By-Laws and, in red in the adjacent column, the proposed amendments to be made.

\* \* \*

## FIRST ITEM ON THE AGENDA

### 1. PROPOSAL TO AMEND ARTICLE 12 OF THE BY-LAWS. RELATED AND SUBSEQUENT RESOLUTIONS.

Dear Shareholders,

In its meeting of 13 March 2024, the Board of Directors of the Company (the “Board of Directors” or “BoD” resolved to convene the Shareholders meeting in extraordinary session, to submit for your approval the proposal to amend Article 12 of the By-Laws, which rules "Participation and representation" at the Shareholders' Meeting, in the terms and for the reasons set out below.

#### 1.1 Justification and explanation of the proposed amendments to the By-Laws

The proposal to insert the clause in paragraph 3 of art. Article 12 of the By-Laws is aimed at introducing the right for the Company to establish that participation and voting rights in the shareholders' meeting for those entitled to vote may take place, if permitted by the regulations in force at the time, exclusively through the granting of a proxy to the designated representative provided for in Article 135-undecies of the TUF (the "Designated Representative").

The proposed amendment would, in particular, extend the power of the Board of Directors, already provided for by art. 12 of the By-Laws, to designate, from time to time for each Shareholders' Meeting, one or more persons to whom those entitled to vote may confer proxies, also to the possibility of providing that participation in the Shareholders' Meeting and the exercise of voting rights take place exclusively through the representative designated by the Company pursuant to Article 135-undecies of the TUF, allowing the simplification of the work of the Shareholders' Meeting, in line with the most recent practices and trends in corporate matters.

The provision is accompanied by a further specification, in paragraph 4 of the new introduction, that, if the Board of Directors avails itself of the right to use the Designated Representative exclusively – and where permitted by the pro tempore regulations in force – the participation in the Shareholders' Meeting by the entitled parties may also, **in the way and within the limits permitted by the legislation and regulations in force at the time** take place, or only, by means of suitable means of telecommunication, provided that are met the conditions required by art. 18, paragraph 3 of the By-Laws for meetings of the Board of Directors to be held exclusively by audio or video conference<sup>1</sup>, without the need for the Chairman of the Shareholders' Meeting and the secretary and/or notary to be in the same place.

The aim to reflect the above mentioned provisions in the By-Laws takes into account the regulatory evolution that will follow the entry into force, on 27 March 2024, of Law 5 March 2024, n. 21<sup>2</sup> (which converted the so-called “DDL Capitali”), published in the Official Gazette, General Series no. 60 of yesterday, 12 March 2024 (the "Capital Law").

---

<sup>1</sup> Pursuant to art. 18, paragraph 3 of the Articles of Association, the meetings of the Board of Directors may also be held exclusively via audio video conference provided that, **inter alia**: (i) the President of the meeting is allowed to ascertain, also through the secretary of the meeting, the identity of those present, regulate the proceedings of the meeting, ascertain and proclaim the results of the vote; (ii) the secretary of the meeting is allowed to adequately perceive the events of the meeting being minuted; ~~(iii) those in attendance are allowed to participate in the discussion and simultaneous voting on the items on the agenda, and to view, receive or transmit documents.~~

<sup>2</sup> "Interventions to support the competitiveness of capital and delegation to the Government for the organic reform of the provisions relating to capital markets contained in the consolidated text referred to in Legislative Decree no. 58 of 24 February 1998, and of the provisions relating to joint-stock companies contained in the civil code also applicable to issuers".

In this respect, it shall be highlighted that, with the aim of making companies' access to and permanence on the capital market more efficient, the Capital Law introduces a series of regulatory innovations in the direction indicated in the Green Book published in 2022 by the Ministry of Economy and Finance<sup>3</sup> and in the 2020 OECD Report on the capital markets; this, is in order to remove some regulatory and operational constraints on access to the capital market by companies and to incentivise, on the supply and demand side, the channeling of savings towards companies, protecting investors. In this framework and according to the provisions of article 106 of the so-called "Cura Italia Decree", initially issued to deal with the COVID-19 health emergency<sup>4</sup>, art. 11 of the Capital Law provides, in particular, for the introduction in the TUF of the new art. 135-undecies.1 which contemplates the right for companies to provide in their By-Laws "*that participation in the meeting and the exercise of voting rights could take place exclusively through the representative designated by the company pursuant to article 135-undecies*", specifying that the Designated Representative "*may also be granted proxies or sub-delegations pursuant to article 135-novies, in derogation of article 135-undecies, paragraph 4*".

## 1.2. Statutory amendments; proposals

The approval of the proposal set out will entail the amendment and addition to article 12 of the By-Laws, in the terms highlighted in red in the right column of the following table, which contains the current text of such article in the left column.

Current Text	New Proposed Text
<b>TITLE III</b>	<b>TITLE III</b>
<b>SHAREHOLDERS' MEETINGS</b>	<b>SHAREHOLDERS' MEETINGS</b>
<b>ARTICLE 12 – ATTENDANCE AND REPRESENTATION</b>	<b>ARTICLE 12 – ATTENDANCE AND REPRESENTATION</b>
<p>1. Entitlement to attend Shareholders' Meetings and to exercise voting rights is governed by legislation and regulations in force at the time and by these Articles of Association.</p> <p>2. Those who are entitled to vote may arrange to be represented in Shareholders' Meetings pursuant to law, by means of a proxy issued according to the procedures established by legislation and regulations in force at the time. The proxy may also be notified to the Company electronically, through transmission by certified email in accordance with the procedures stated in the notice of call.</p>	<p>1. Entitlement to attend Shareholders' Meetings and to exercise voting rights is governed by legislation and regulations in force at the time and by these Articles of Association.</p> <p>2. Those who are entitled to vote may arrange to be represented in Shareholders' Meetings pursuant to law, by means of a proxy issued according to the procedures established by legislation and regulations in force at the time. The proxy may also be notified to the Company electronically, through transmission by certified email in accordance with the procedures stated in the notice of call.</p>

<sup>3</sup> The Green Paper "The Competitiveness of Italy's Financial Markets to Support Growth," available at [https://www.dt.mef.gov.it/export/sites/sitodt/modules/dipartimento/consultazioni\\_pubbliche/LibroVerde-03-1.pdf](https://www.dt.mef.gov.it/export/sites/sitodt/modules/dipartimento/consultazioni_pubbliche/LibroVerde-03-1.pdf).

<sup>4</sup> Decree-Law No. 18/2020 converted by Law No. 27 of April 24, 2020, as subsequently amended. In the face of the recent extension introduced by Law No. 18 of February 23, 2024, converting Decree-Law No. 215 of December 30, 2023 (the so-called Thousand-Extensions Decree 2024), the emergency modalities provided by the law for the holding of corporate meetings will be in force until the meetings convened by April 30, 2024. A further extension of the deadline to Dec. 31, 2024 is provided in Article 11, Paragraph 2 of the Capital Law.

<p>3. The Board of Directors may designate, on a time by time basis for each Shareholders' Meeting, one or more persons to whom those entitled to vote may give a proxy pursuant to applicable legislation and regulations in force at the time, providing notice in compliance with said provisions.</p>	<p>3. The Board of Directors may designate, on a time by time basis for each Shareholders' Meeting, one or more persons to whom those entitled to vote may give a proxy, <b>also on an exclusive basis</b>, pursuant to applicable legislation and regulations in force at the time, providing notice in compliance with said provisions.</p> <p>4. In the event that the Board of Directors avails itself of the option set forth in paragraph 3 above, providing, if permitted by the law, including regulatory law, pro tempore in force, that attendance at the Shareholders' Meeting and the exercise of voting rights take place exclusively through the representative designated by the Company pursuant to art. 135-undecies of the TUF, the notice of the Shareholders' Meeting might indicate, <b>in the way and within the limits permitted by the legislation and regulations in force at the time, that attendance might also or solely take place for all eligible persons</b> by means of telecommunications in compliance with the conditions provided for meetings of the Board of Directors in Article 18, paragraph 3 of these By-Laws hereinunder, without the need for the Chairman of the Shareholders' Meeting, the secretary and/or the notary to be in the same place.</p>
---	--

The proposed amendments to the By-Laws, if approved by the Shareholders' Meeting, shall be effective starting from the registration of the relevant Shareholders' Meeting resolution at the competent Companies' Register.

**1.3. Information on the recurrence of the right of withdrawal: non-existence of cases involving withdrawal in relation to the proposed amendment to the By-Laws**

The Board of Directors deems that the amendment to the By-Laws explained above do not give rise to a right of withdrawal pursuant to and for the purposes of Article 2437 of the Italian Civil Code, as it does not fall under any of the cases envisaged therein.

**1.4. Proposed resolution**

Dear Shareholders,

for the reasons explained above, the Board of Directors proposes that you pass the following resolution:

*"The Shareholders' Meeting of LU-VE S.p.A., having regard to the Explanatory Report of the Board of Directors*

**resolves**

- 1) to amend article 12 of the By-Laws, according to the wording in the Explanatory Report;
- 2) to grant a mandate to the Chairman and CEO, so that the latter, also through special attorneys, with all the broadest powers, may provide everything necessary for the execution of the resolution amending the By-Laws adopted today and for the fulfilment of all legal formalities, with the right to make additions, amendments and deletions of a formal and non-substantial nature that might be necessary or in any case requested also at the time of registration in the competent Register of Companies”.

\* \* \*

This Explanatory Report will be filed and made available to the public on **25 March 2024** at the Company’s administrative offices and on its website at the address [www.luvegroup.com](http://www.luvegroup.com), in the (“Investor” section – “Corporate governance & shareholders” – “For the shareholders” – “Shareholders’ meeting” – “Shareholders’ meeting 29 April 2024”), as well as on the authorised storage mechanism eMarket Storage [www.emarketstorage.com](http://www.emarketstorage.com).

Uboldo, 13 March 2024

On behalf of the Board of Directors

The Chairman and Chief Executive Officer

Mr. Matteo Liberali