

## REPORT OF THE BOARD OF DIRECTORS

ON THE FIFTH ITEM OF THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF DEXELANCE S.P.A. CONVENED FOR 16 APRIL 2025 IN A SINGLE CALL

**5. AUTHORIZATION TO THE BOARD OF DIRECTORS TO PURCHASE AND DISPOSE OF TREASURY SHARES PURSUANT TO ARTS. 2357 AND 2357-TER OF THE ITALIAN CIVIL CODE, SUBJECT TO REVOCATION, TO THE EXTENT NOT USED, OF THE PREVIOUS AUTHORIZATION OF 22 APRIL 2024. RELATED AND CONSEQUENT RESOLUTIONS.**

Dear Shareholders,

You have been convened to discuss and resolve on the proposal of the Board of Directors of Dexelance S.p.A. (**Dexelance** or the **Company**) for the approval of the authorization to purchase and dispose of treasury shares, pursuant to Arts. 2357 and 2357-ter of the Italian Civil Code, of Art. 132 of D. Lgs. 24 February 1998 n. 58, as subsequently amended and supplemented (Consolidated Law on Finance), Art. 144-bis of the regulation adopted by Consob resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented (**Issuers Regulation**), in compliance with the provisions of Art. 5 of Regulation (EU) 596/2014 on market abuse (**MAR Regulation**), Delegated Regulation (EU) 1052/2016, on the conditions applicable to share buybacks and stabilization measures (**Delegated Regulation**), of the additional EU and national implementing legislation (together with the MAR Regulation and the Delegated Regulation, **Market Abuse Regulations**), and the *pro tempore* permitted market practices in force, as established by the competent supervisory authorities in accordance with Art. 13 of the MAR Regulation (**Permitted Market Practices**).

The present Report of the Board of Directors (**Report**), prepared in accordance with Art. 125-ter of the TUF and Arts. 73 and 84-ter, as well as Schedule 4 of Annex 3A of the Issuers Regulation, explains the reasons behind the request for authorization, as well as the terms and procedures according to which it is intended to proceed with the implementation of the plan for the purchase and disposal of treasury shares.

The resolution submitted for your approval revokes and replaces, for the part not yet executed, the authorization granted to the Board of Directors by the Shareholders' Meeting of 22 April 2024.

It should be noted that on the basis of the previous authorization, up to 11 March 2025, 244,344 treasury shares have been purchased; on the other hand, no acts of disposition have been carried out on the purchased treasury shares.

### **1. Reasons for requesting authorization to purchase and dispose of Treasury Shares**

The Board of Directors submits to the Shareholders' Meeting a request for authorization to conduct transactions to purchase and dispose of the Company's ordinary shares in compliance with the Market Abuse Regulations and Permitted Market Practices in order to:

- (i) have a portfolio of treasury shares to be used for transactions consistent with the Company's strategic development lines or as part of agreements with strategic partners including, but not limited to, transactions involving the disposal and/or exchange, swap, exchange, contribution, transfer or other act that includes the use of treasury shares for the acquisition or disposal of shareholdings or share packages or other extraordinary finance transactions;

- (ii) use the treasury shares for market liquidity supportive transactions, in order to facilitate trading in the securities themselves at times of low market liquidity and to facilitate smooth trading, in accordance with the provisions of the Market Abuse Regulations and Permitted Market Practices;
- (iii) allocate (all or part of) treasury shares, at the discretion of the Board of Directors, for the implementation of the Company's share-based incentive plans for directors and/or employees vested with key functions of the Company, including the "Performance Shares Italian Design Brands 2024/2029 Plan."

## **2. Maximum number, category and par value of shares to which the authorization refers**

The Board of Directors requests the Shareholders' Meeting to authorize a plan to purchase and dispose of, on one or more occasions, even on a revolving basis, ordinary shares of the Company with no indication of par value, in an amount freely determinable by the Board of Directors and up to a maximum number equal to no. 2,000,000, it being understood that the number of ordinary shares held from time to time in the portfolio by the Company and its subsidiaries may not in any case exceed the maximum number permitted by law (as of today represented by a number of shares not exceeding 20% of the share capital), to be determined also in accordance with the legal and regulatory provisions in force from time to time and the existing share capital at the time of each purchase (including also the result of the resolution and execution of capital increases and/or reductions during the term of the authorization)..

## **3. Information useful in assessing compliance with the maximum purchase limit to which the authorization refers**

As of the date of this Report of the Board of Directors, the subscribed and fully paid-up share capital of the Company is equal to EUR 26,926,298, represented by no. 26,926,298 ordinary shares with no indication of par value.

As of the date of this Report of the Board of Directors, the Company holds n. 244,344 treasury shares and the companies included in the Company's consolidation scope do not hold Dexelance shares..

It should be recalled that, pursuant to Art. 2357, par.1 of the Italian Civil Code, the purchase of treasury shares is permitted within the limits of distributable profits and available reserves resulting from the last duly approved yearly financial statements, taking also into account any unavailability restrictions that have subsequently arisen and up to the date of the relevant resolution. The amount of available reserves and distributable profits, as well as the verification of the information useful for the purposes of assessing compliance with the maximum purchase limit to which the authorization refers, in any case in compliance with the provisions of law and regulations in force, will be subject to verification from time to time at the time of purchase.

It should be noted that after the exercise of the requested authorization and the consequent purchase of treasury shares, the Company will establish a reserve called "negative reserve for treasury shares in portfolio" (for the amount equal to the price paid) through the use of distributable profits and/or available reserves. The available items that will be used to purchase treasury shares will remain on the balance sheet in their original allocation but will become unavailable to the extent that they are used to make the purchase of treasury shares.

## **4. Duration for which the authorization is required**

Authorization for purchase is requested for the maximum duration allowed by Art. 2357, par.2 of the Italian Civil Code, i.e., 18 (eighteen) months from the date of authorization by the Shareholders' Meeting.

Authorization for the sale of any treasury shares that will be purchased is requested without time limits.



## **5. Minimum and maximum consideration**

The Board of Directors proposes that the purchase and disposal price of treasury shares be set as follows from time to time for each trading day:

- (i) the purchase price of each share shall be not less than the official stock market price on the day preceding the day on which the purchase transaction is carried out, decreased by 20%, and not more than the official stock market price on the day preceding the day on which the purchase transaction is carried out, increased by 10%, subject to the application of the conditions and terms set forth in Art. 5 of the MAR Regulation and Art. 3 of the Delegated Regulation;
- (ii) the disposal price of each share shall be not less than the official stock market price of the stock on the day preceding the day on which the sale transaction is to be carried out, less 20%, subject to the application of the conditions and terms set forth in Art. 5 of the MAR Regulation and Art. 3 of the Delegated Regulation.

However, the limitation of consideration in the event of disposal will not apply in the event of acts of disposal other than sale, and in particular in the event of exchange, swap, contribution, assignment or other act of disposal of treasury shares carried out in the context of acquisitions of shareholdings or implementation of industrial projects or other extraordinary finance transactions involving the assignment or disposal of treasury shares (such as, by way of example, mergers, demergers, issuance of convertible bonds or warrants etc.), or in cases where shares are granted to directors and/or employees of the Company (e.g., to service the Company's share-based incentive plans). Different criteria may be used in such cases, in line with the purposes pursued and taking into account the Market Abuse Regulations, Permitted Market Practices, as well as the indications of Borsa Italiana S.p.A and Consob recommendations.

The limit of consideration in case of purchase will not apply if extraordinary circumstances occur in the market.

## **6. Methods through which purchase and disposal will be made**

Purchases will be made on regulated markets, guaranteeing equal treatment among shareholders and in accordance with operating procedures identified from time to time by the Board of Directors among those established in the market organization and management regulations that do not allow the direct matching of trading proposals for purchase with predetermined trading proposals for sale, in accordance with the provisions of Art. 132 of the Consolidated Law on Finance and Art. 144-*bis*, Par. 1, letter b), of the Issuers Regulation. Purchase transactions may also be carried out through the use of tender offer procedures pursuant to Art. 144-*bis*, par. 1, letter a), of the Issuers Regulation, subject to a resolution by the Board of Directors in accordance with current regulations. Treasury shares may be purchased by means other than those indicated above where permitted by the legal or regulatory provisions applicable from time to time at the time of the transaction (by way of example, but not limited to, through the reverse accelerated bookbuild procedure or other similar accelerated mechanisms).

The acts of disposal may be carried out even before having exhausted the purchases and may take place on the market or as consideration in the event of an exchange, swap, contribution, assignment or other act of disposal of treasury shares carried out in the context of acquisitions of shareholdings or implementation of industrial projects or other extraordinary finance transactions involving the assignment or disposal of treasury shares. The Company may also employ the shares for market liquidity supportive transactions in order to facilitate trading in the securities themselves at times of low liquidity in the market and to facilitate smooth trading. It is proposed that disposal transactions may be carried out in whatever manner is deemed necessary or appropriate by the Board of Directors for the pursuit of the purpose for which the transaction is being carried out (by way of example, but not limited to, through the accelerated bookbuild procedure or other similar



accelerated mechanisms), in compliance with the legal or regulatory provisions applicable from time to time at the time of the transaction.

The authorization request concerns the Board of Directors' authority also to carry out repeated and successive purchase and sale transactions (or other acts of disposal) of treasury shares on a revolving basis, including for fractions of the maximum authorized quantity.

The company may delegate to a specialized intermediary the task of coordinating and executing transactions in treasury shares.

The Board of Directors will act in compliance with the disclosure requirements set forth in Art. 144-*bis*, par. 3, of the Issuers Regulation, as well as the disclosure requirements set forth in the Market Abuse Regulations and the aforementioned Permitted Market Practices.

## **7. Further Information**

With particular reference to the request for authorization to purchase treasury shares, it should be noted that, at present, this request is not preordained for operations to reduce the share capital through cancellation of the purchased treasury shares.

It should also be noted that, pursuant to Art. 44-*bis*, par. 1, of the Issuers Regulation, treasury shares are normally excluded from the calculation of the share capital on which the relevant shareholding is calculated for the purposes of the total takeover bid obligation, provided for in Art. 106 of the Consolidated Law on Finance. This provision, however, pursuant to Art. 44-*bis*, par. 2, of the Issuers Regulation, does not apply if the exceeding of the thresholds under Art. 106 of the Consolidated Law on Finance results from purchases of treasury shares made, even indirectly, by the Company in execution of a Shareholders' Meeting resolution that has also been approved with the favorable vote of the majority of the shareholders present at the meeting, other than the shareholder or shareholders who hold, even jointly, the majority shareholding, even relative, provided that it exceeds 10% of the share capital (so-called whitewash). Therefore, it is hereby pointed out that, in the event that the shareholders' resolution authorizing the purchase of the Company's treasury shares is approved with the majorities provided for in the aforementioned Art. 44-*bis*, par. 2 of the Issuers Regulation, the treasury shares purchased by the Company in execution of said authorizing resolution will not be excluded from the share capital (and will therefore be counted in the same) for the purposes of calculating whether one or more shareholders have exceeded the relevant thresholds for the purposes of Art. 106 Consolidated Law on Finance.

## **8. Proposed resolution**

In view of the above, the Board of Directors submits the following proposed resolution for your approval.

« The Ordinary Shareholders' Meeting of Dexelance S.p.A.,

- having examined the Report of the Board of Directors;
- having noted that, as of the date of the aforementioned report, the Company held n. 244,344 shares in its portfolio purchased in execution of the previous authorization issued by the Shareholders' Meeting, and no subsidiary of the Company held shares in Dexelance S.p.A.;
- having regard to the financial statements for the year ended 31 December 2024, approved by today's Shareholders' Meeting;
- having taken note of the total amount of available reserves resulting from the Company's financial statements as of 31 December 2024 amounting to Euro 72,502,834;



- having taken note of what is stated in the explanatory report regarding the so-called whitewashing;  
resolves
- 1. to revoke the previous resolution authorizing the purchase of treasury shares passed at the shareholders' meeting held on 22 April 2024, for the unexecuted part;
- 2. to authorize the purchase, on one or more occasions, of a maximum number, including on a revolving basis (meaning the maximum amount of treasury shares held in the portfolio from time to time), of n. 2,000,000 shares of the Company, also taking into account the shares that may be held from time to time by the Company's subsidiaries and in any case in compliance with legal limits, for the pursuit of the purposes set forth in the Board of Directors' report, and under the following terms and conditions, as well as, in any case, in compliance with Regulation (EU) no. 596/2014 and related EU and national implementing legislation as well as the pro tempore market practices allowed by Consob pursuant to Art. 13 of Regulation (EU) No. 596/2014 and Art. 180, par. 1, letter c), of Legislative Decree 58/1998:
  - (a) Shares may be purchased until the expiration of the 18th (eighteenth) month from the date of this resolution;
  - (b) the purchase price of treasury shares per share shall be realized in accordance with the applicable regulatory provisions and shall be determined from time to time for each trading day as follows:
    - (i) the purchase price of each share shall be not less than the official stock market price of the stock on the day prior to the day on which the purchase transaction is to be carried out, decreased by 20%, and not more than the official stock market price on the day prior to the day on which the purchase transaction is to be carried out, increased by 10%, subject to the application of the conditions and terms set forth in Art. 5 of Regulation (EU) No. 596/2014 and Art. 3 of Delegated Regulation (EU) 1052/2016;
    - (ii) the limit of consideration in case of purchase will not apply if extraordinary circumstances occur in the market;
  - (c) purchase transactions may be carried out on regulated markets, guaranteeing equal treatment among shareholders, in accordance with operating procedures identified from time to time by the Board of Directors from among those established in the regulations for the organization and management of markets that do not allow the direct matching of trading proposals for purchase with predetermined trading proposals for sale, in accordance with the provisions of Art. 132 of Legislative Decree 58/1998 and Art. 144-*bis*, par. 1, letter b), of Consob Regulation 11971/1999. Purchase transactions may also be carried out by tender or exchange offer procedures in accordance with Art. 144-*bis*, par. 1, letter a), of Consob Regulation 11971/1999, subject to a resolution by the Board of Directors in accordance with the regulations in force. The purchase of treasury shares may be carried out by means other than those indicated above where permitted by the legal or regulatory provisions applicable from time to time at the time of the transaction (by way of example but not limited to through the reverse accelerated bookbuild procedure or other similar accelerated mechanisms);
  - (d) the Company, in order to carry out the purchase of treasury shares, will establish a reserve called "negative reserve for treasury shares in portfolio" (for the amount equal to the price paid) through the use of distributable profits and/or available reserves. The available items that will be used to purchase treasury shares will remain on the balance sheet in their original allocation, but will become unavailable to the extent that they are used to carry out the purchase of treasury shares;
- 3. to authorize, pursuant to and for the purposes of Art. 2357-ter of the Italian Civil Code, the performance of acts of disposal, on one or more occasions, of the treasury shares purchased and from time to time held in the portfolio, in compliance with legal limits, for the pursuit of the purposes set forth in the illustrative report of the Board of Directors and under the following terms and conditions (as well as, in any case, in compliance with and with the operating procedures provided for in accordance with the provisions of

Regulation (EU) No. 596/2014, the related EU and national implementing regulations and the pro tempore market practices allowed by Consob):

- (a) shares may be disposed of at any time without time limit;
  - (b) (disposal transactions may be carried out even before having exhausted the purchases and may take place on the market or as consideration in the event of exchange, swap, exchange, contribution, assignment or other act of disposal of treasury shares carried out in the context of acquisitions of shareholdings or implementation of industrial projects or other extraordinary finance transactions involving the assignment or disposal of treasury shares or serving share-based incentive plans. The Company may also use the shares for market liquidity supportive transactions in order to facilitate trading in the securities themselves at times of low liquidity in the market and to facilitate smooth trading. Disposal transactions are proposed may be carried out by whatever means is deemed necessary or appropriate by the Board of Directors for the pursuit of the purpose for which the transaction is being carried out (by way of example but not limited to through the accelerated bookbuild procedure or other similar accelerated mechanisms), in compliance with the legal or regulatory provisions applicable from time to time at the time of the transaction;
  - (c) the disposal price of each share shall be not less than the official stock exchange price of the share on the day preceding the day on which the sale transaction will be carried out, decreased by 20%, without prejudice to the application of the conditions and terms set forth in Art. 5 of Regulation (EU) No. 596/2014 and Art. 3 of Delegated Regulation (EU) 1052/2016. The disposal consideration limit will not apply in the case of acts of disposal other than sale and especially in the case of exchange, swap, exchange, contribution, assignment or other act of disposal of treasury shares carried out in the context of acquisitions of shareholdings or implementation of industrial projects or other extraordinary finance transactions involving the assignment or disposal of treasury shares (such as, by way of example, mergers, demergers, issuance of convertible bonds or warrants, etc.), or in cases where shares are granted to directors or employees (e.g., to serve share-based incentive plans); in such cases, different criteria may be used, in line with the purposes pursued and taking into account Regulation (EU) No. 596/2014, the relevant EU and national implementing legislation, pro tempore market practice allowed by Consob, the indications of Borsa Italiana S.p.A and Consob recommendations;
  - (d) with the power for the Board of Directors to establish, from time to time, subject to the provisions of the law and regulations, any other terms, methods and conditions of the disposal of the shares that shall be deemed most appropriate;
4. to confer the Board of Directors, with express power of delegation, any and all broader powers necessary or appropriate to execute this resolution, including approving any and all executive provisions of the related purchase program, including, but not limited to, the assignment to intermediaries for the coordination and execution of the related transactions, and providing for all the fulfillments required by the regulations in force».

This report is made available to the public, both at the Company's registered office and through publication on the Company's website (<https://dexelance.com/en/>) at the section [Investors/Governance/Shareholders Meeting](#), as well as at the 1Info Storage system ([www.1info.it](http://www.1info.it)).

Milan, 11 March 2025

**For the Board of Directors of Dexelance S.p.A.**  
**The Chairman - Andrea Sasso**

