



**Alkemy S.p.A.**

Registered office in Milan, at via San Gregorio 34, Milan - share capital resolved Euro 632,467.00, Euro 595,534.34 subscribed and paid-up

Registration number with Milan Companies House, tax code and VAT number 05619950966 - Economic and Administrative Index (REA) no. 1835268

**Explanatory Report by the directors on the first item on the agenda of the shareholders' meeting convened for 26 April 2022, in an extraordinary session and at single call.**



**Item 1 on the agenda – Attribution to the Board of Directors of the delegation to resolve a share capital increase in exchange for payment and consequent amendment of Art. 5 of the current Articles of Association. Related and consequent resolutions.**

Shareholders,

As regards the first item on the Agenda of the Extraordinary Shareholders' Meeting of Alkemy S.p.A. (hereinafter “**Alkemy**” or the “**Company**”), this report prepared in accordance with Art. 72 of the Issuers' Regulation and Annex 3A, scheme 2 to said Issuers' Regulation, explains the proposal that the Company's Board of Directors (the “**Board**”) intends to submit to your approval in connection with the conferral to the Board of a delegation (the “**Delegation**”) to increase the share capital, in one or more tranches, in compliance with the option right in accordance with Art. 2441 of the Italian Civil Code, or also with the exclusion of the option right in accordance with Art. 2441, paragraph 4 of the Italian Civil Code, with the contribution in kind of assets and businesses, with Art. 2441, paragraph 4, second sentence and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code, after revocation of the previous delegation conferred by the Extraordinary Shareholders Meeting on 25 June 2019 on the Board of Directors and not exercised by it, set to expire on 25 June 2024.

## **1. Introduction**

The Board of Directors first recalled that on 25 June 2019, the Extraordinary Shareholders Meeting had delegated the Board of Directors the faculty, in accordance with Art. 2443 of the Italian Civil Code, to increase the share capital in exchange for payment, in one or more tranches, by 25 June 2024, for a maximum of Euro 10,000,000.00, including premium (the “**2019 Delegation**”), by means of the

- A. issue of up to 800,000 ordinary shares:
  - (i) in compliance with the option rights in accordance with Art. 2441 of the Italian Civil Code,
  - (ii) or also with the exclusion of option rights in accordance with Art. 2441, paragraph 4 of the Italian Civil Code, with the contribution in kind of movable assets and real estate and businesses with objects consistent with that of the Company and its subsidiaries or related to the digital sector and assets and business complexes aiming to supply IT services in support of such businesses and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code (and Art. 2441, paragraph 4, second sentence, Italian Civil Code, where applicable) insofar as to be reserved to potential business partners, in the context of transactions consistent with the Alkemy Group strategy of growth by external lines;
- B. issue, in accordance with Art. 2420-ter of the Italian Civil Code, of bonds convertible into ordinary shares in the company, for the same period of time, to apply on the same maximum equivalent value and the same maximum number of new-issue shares as indicated above.

The 2019 Delegation has never been exercised, however the Board believes that the reasons that had led it to request it of the Shareholders' Meeting at the time continue to be valid and that, in view of the increased comprehensive value of the Alkemy Group, acknowledged by the market from 2019 to date, the administrative body in office believes it appropriate to propose to the Shareholders' Meeting that it issue a new delegation for the next five years, after revoking the 2019 Delegation, with different parameters and values to the 2019 Delegation.

Below is a brief indication of the terms and conditions of the new delegation, which the Board submits to you for the issue - by the Extraordinary Shareholders Meeting convened for 26 April 2022 - of the related authorisation.

## **2. Subject of the delegation**

In accordance with Art. 2443 of the Italian Civil Code, the Articles of Association may attribute directors the faculty to increase the capital in one or more tranches up to a determined amount and for the maximum period of five years from the date on which the amendment is resolved, also in accordance with paragraph 4 of Art. 2441 of the Italian Civil Code.



For the reasons and with the purposes better described below in this Report, the Delegation we propose you confer on the Board concerns the increase of share capital in accordance with Art. 2443 of the Italian Civil Code in one or more tranches, until 25 April 2027.

More specifically, it involves the attribution to the Board of the faculty to increase the share capital in one or more tranches, in exchange for payment, in a divisible fashion, in accordance with and pursuant to Art. 2439, paragraph 2 of the Italian Civil Code, for a maximum amount of Euro 30,000,000.00 (thirty million/00) (including any premium), by means of the issue, in one or more tranches, of up to 1,428,000 shares with no nominal value.

In line with the provisions laid down for the 2019 Delegation, the share capital concerned by the Delegation shall take place either: (i) in respect of the option rights in accordance with Art. 2441 of the Italian Civil Code; or (ii) also with the exclusion of option rights in accordance with Art. 2441, paragraph 4 of the Italian Civil Code, with the contribution in kind of movable assets and real estate and businesses with objects consistent with that of the Company and its subsidiaries or related to the digital sector and assets and business complexes aiming to supply IT services in support of such businesses and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code (and Art. 2441, paragraph 4, second sentence, Italian Civil Code, where applicable) insofar as to be reserved to potential business partners, in the context of transactions consistent with the Alkemy Group strategy of growth by external lines.

The Board shall also be assigned the faculty to determine the related issue price.

### **3. Reasons for the delegation and criteria for its exercise**

Despite the fact that the macroeconomic scenario continues to have some critical issues, Alkemy and the group it heads continue to record constant growth, above all due to the aggregation strategy of entrepreneurial contexts that complement Alkemy and an investment policy aimed not only at recruiting talent in the digital sector and maintaining a leadership position in technological innovation, but also at strengthening then Group's European presence.

To support this process and the objectives of growth and the creation of value that your Board pursues, it is deemed essential that Alkemy shall continue to have rapid, flexible access to the financial resources necessary to make the most of the opportunities offered by the market, as promptly as possible.

In particular, in a context characterised by high volatility of financial markets and continued uncertainties, this Delegation would successfully limit the risk of possible negative impacts of such scenarios on the strategies pursued by the group and would allow the Company to make the most of the best market conditions for the implementation of extraordinary transactions, precisely thanks to the speed and timeliness of execution permitted by the Delegation instrument.

In this regard, the Delegation is a rapid, flexible, immediate instrument by which to achieve the above objectives and make the most of the opportunities arising on the market, attributing the Board all the most extensive faculties to identify, each time, the terms and conditions of the share capital increase, including beneficiaries of the increase and issue price, in respect of the procedures required by applicable provisions of law.

The Delegation would also reduce the risk of fluctuations of the Alkemy security in the period running between the announcement and start of the transaction, which would occur were it to be decided by the shareholders' meeting and that, by contrast, if using the Delegation instrument, would be significantly reduced.

With reference to the identification of the type of any beneficiaries of share capital increases with the exclusion of option rights, it is specified that:

- new shares may be offered to potential business partners, in the context of extraordinary transactions consistent with the Group's growth strategy by external lines;
- any contributions in kind to release share capital increases in accordance with Art. 2441, paragraph 4 of the Italian Civil Code may concern movable assets or real estate and businesses with a company object consistent with that of the Company and its subsidiaries or related to the digital sector, as well as business complexes and assets suitable for offering IT services in support of such business.

The resource obtained with the potential exercise of the Delegation may be allocated not only to the growth strategies indicated above but also, more generally, to satisfying the financial needs that may be seen in the period following the shareholders' meeting resolution to confer the Delegation.



#### 4. Criteria for determining the issue price and any report by the statutory auditing firm

Shares issued following the exercise of the Delegation shall be offered at the price established by the Board each time, in exercising the Delegation.

For resolutions relating to share capital increases to be offered up in option - in all or in part - to third parties, in determining the issue price of new shares, the Board of Directors shall, amongst others, take into account the equity value in respect of the provisions of Art. 2441, paragraph 6 of the Italian Civil Code, where applicable. It is also specified that the Board of Auditors shall provide a fairness opinion on the share issue price upon exercise of the Delegation.

for resolutions relating to share capital increases to be released for cash, pursuant to Art. 2441, paragraph 4, second sentence, it is also recalled that Art. 2441, paragraph 4, second sentence, of the Italian Civil Code establishes - as a condition for excluding option rights within the limits of 10% of the number of pre-existing shares - that the issue price must coincide with the market value of such shares and that this shall be confirmed in a specific report prepared by a statutory auditor or statutory auditing firm. In these cases, the Board will acquire such a report at each exercise of the Delegation.

#### 5. Duration of the Delegation and times of exercise

It is proposed that it be established that the duration of the Delegation is 5 years from the start date of the shareholders' meeting resolution and that it can be exercised in one or more tranches. This means that, if approved by the Shareholders' Meeting convened for 26 April 2022, the Delegation can be exercised by 25 April 2027, after which it shall automatically cease all effect.

Without prejudice to the foregoing, the timing for the exercise of the Delegation (exercise that it is believed may also be partial or take place in multiple phases and at different times), in accordance with Art. 2443 of the Italian Civil Code and the terms and conditions of any issues will depend on the concrete opportunities that may arise and will be promptly disclosed to the market in accordance with the law and regulation, as soon as determined by the Board.

#### 6. Amount of the Delegation

Any share capital increase resolved, in one or more tranches, in exercise of the Delegation, may not, in total, exceed the amount of Euro 30,000,000.00 (thirty million/00) (including any premium), with the issue, in one or more tranches of up to 1,428,000 shares without nominal value.

It is recalled that in connection with resolutions relative to share capital increases to be released in exchange for cash pursuant to Art. 2441, paragraph 4, second sentence - if below that specified above - the different number of shares may be issued that, at each date of exercise of the delegation (and taking into account any share issues already performed in exercise of the same Delegation) shall constitute 10% of the total number of pre-existing Alkemy shares.

#### 7. Amendment of Art. 5 of the Articles of Association

Below is the change proposed to be made to the text of Art. 5 of the Articles of Association.

CURRENT TEXT	PROPOSED TEXT
<b>ARTICLE 5</b> <b>share capital and shares</b>	<b>ARTICLE 5</b> <b>share capital and shares</b>
5.1 The share capital amounts to Euro 595,534.32 and is divided up into 5,685,460 shares with no nominal value (the "Shares").	- UNCHANGED from 5.1 to 5.8, both inclusive -



- 5.2 The Shares are subject to the dematerialisation system in accordance with Articles 83-bis et seq. of Italian Legislative Decree no. 58/1998 (the “**Consolidated Law on Finance**”).
- 5.3 The Shares shall attribute the same equity and administrative rights established by the law and these articles of association, without prejudice to the provisions set out below at **Errore. L'origine riferimento non è stata trovata.** (*Increased vote*).
- 5.4 On 18 February 2015, in response to the delegation conferred by the extraordinary shareholders' meeting held on 30 April 2014, the Board of Directors resolved to increase the share capital by up to Euro 12,150 (twelve thousand, one hundred and fifty) by means of the issue of 121,500 (one hundred and twenty-one thousand, five hundred) shares, for the price of Euro 5.50 (five euros and fifty cents) per share subscribed, including premium, without prejudice to the fact that the amount allocated to share capital for each share shall be no less than accounting parity, with the shares reserved for subscription by employees of the company with particular engagements, in accordance with the terms and conditions of the “Alkemy 2015-2018 Stock Option Plan” approved by the Board of Directors, with said increase to be executed by 18 February 2020. This increase was subscribed for Euro 6,900 (six thousand, nine hundred) on 23 July 2018.
- 5.5 The extraordinary shareholders' meeting held on 9 March 2016 resolved a share capital increase in exchange for payment for up to Euro 7,258 (seven thousand, two hundred and fifty-eight) by means of the issue of up to 72,580 (seventy-two thousand, five hundred and eighty) new shares, for the price of Euro 5.50 (five euros and fifty cents) each, including premium, without prejudice to the fact that the amount allocated to share capital for each share shall be no less than accounting parity, with the shares reserved for subscription by employees and/or directors of Alkemy Tech srl, in accordance with the terms and conditions of the “Stock Option Plan in the favour of employees and/or directors of Alkemy Tech srl (2016-2019)” to be executed by 31 December 2019.
- 5.6 The extraordinary shareholders' meeting held on 9 March 2016 resolved a share capital increase in exchange for payment for



up to Euro 11,770 (eleven thousand, seven hundred and seventy) by means of the issue of up to 117,700 (one hundred and seventeen thousand, seven hundred) new shares, for the price of Euro 8.80 (eight euros and eighty cents) per share subscribed, including premium, without prejudice to the fact that the amount allocated to share capital for each share shall be no less than accounting parity, with the shares reserved for subscription by employees and Directors of ALKEMY S.p.A. and Group companies, in accordance with the terms and conditions of the “Alkemy 2016-2019 Stock Option Plan” to be executed by 31 December 2019.

- 5.7** The Extraordinary Shareholders Meeting held on 09 March 2016 assigned the Board of Directors, for five years from the date on which the resolution was registered with Companies House, in accordance with Art. 2443, second paragraph of the Italian Civil Code, the faculty to increase the share capital in exchange for payment, for a now remaining maximum of Euro 6,500 (six thousand, five hundred), by means of the issue of up to 65,000 (sixty-five thousand) new shares, for a price of Euro 8.80 (eight euros and eighty cents) each, including premium, without prejudice to the fact that the amount allocated to share capital for each share shall be no less than accounting parity, to be allocated to a Stock Option Plan called the “Alkemy 2017-2020 Stock Option Plan” to the benefit of employees and Directors of ALKEMY S.p.A. and the Group companies, in accordance with the procedures, terms and conditions described in the resolution.

On 09 March 2017, in response to the delegation conferred by the extraordinary shareholders' meeting held on 09 March 2016, the Board of Directors resolved to increase the share capital by up to Euro 8,500 (eight thousand, five hundred) by means of the issue of up to 85,000 (eighty-five thousand) shares, for the price of Euro 10 (ten) per share subscribed, including premium, without prejudice to the fact that the amount allocated to share capital for each share shall be no less than accounting parity, with the shares reserved for subscription by directors and/or employees of ALKEMY S.p.A. and the Group Companies, in accordance with the terms and conditions of the “Alkemy 2017-2020 Stock Option Plan” approved by the Board of Directors, with said increase to be executed by 31 December 2020.



5.8 On 16 November 2017, the extraordinary shareholders' meeting resolved to increase the share capital in exchange for cash payment, in a divisible manner, for up to Euro 22,798 (twenty-two thousand, seven hundred and ninety-eight) (plus premium), in accordance with that to be established by the Board of Directors, by means of the issue of up to 222,200 (two hundred and twenty-two thousand, two hundred) shares with no nominal value and regular enjoyment, to be released in cash, fully, at the time of subscription, in one or more tranches and in a divisible fashion, with the exclusion of the option right in accordance with Art. 2441, fifth and eighth paragraph of the Italian Civil Code, insofar as reserved to employees, collaborators and executive directors of the company or subsidiaries, beneficiaries of the "2018-2020 Stock Option Plan", to be executed by 16 November 2022.

5.9 On 25 June 2019, the Extraordinary Shareholders Meeting resolved to attribute the faculty to the Board of Directors, in accordance with Art. 2443 of the Italian Civil Code, to increase the share capital in exchange for payment, on one or more occasions, by 25 June 2024, for up to Euro 10,000,000.00, including premium, by means of the issue of up to 800,000 ordinary shares, in respect of the option right in accordance with Art. 2441 of the Italian Civil Code, or with the exclusion of option rights in accordance with Art. 2441, paragraph 4 of the Italian Civil Code, with the conferral in kind of movable or immovable assets and conferring businesses, with the corporate object of the Company and its subsidiaries or connected with the digital sector, as well as assets and business complexes that can offer IT services in support of such businesses, and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code (and Art. 2441, paragraph 4, second sentence of the Italian Civil Code, where applicable), insofar as to be reserved to potential industrial partners, in the context of transactions that are consistent with the Groups' growth strategy by external lines, and the faculty, in accordance with Art. 2420-ter of the Italian Civil Code, to issue bonds convertible into ordinary shares of the company, for the same period of time, to apply to the same maximum equivalent value and the same maximum number of new-issue shares as specified above and, therefore, for a maximum amount of Euro 10,000,000.00, together with the faculty to resolve the

5.9 On **26 April 2022**, the Extraordinary Shareholders Meeting resolved to attribute the faculty to the Board of Directors, in accordance with Art. 2443 of the Italian Civil Code, to increase the share capital in exchange for payment, on one or more occasions, by **25 April 2027**, for up to **Euro 30,000,000.00 (thirty million/00)** including premium, by means of the issue of up to **1,428,000 (one million, four hundred and twenty-eight thousand)** ordinary shares, in respect of the option right in accordance with Art. 2441 of the Italian Civil Code, or with the exclusion of option rights in accordance with Art. 2441, paragraph 4 of the Italian Civil Code, with the conferral in kind of movable or immovable assets and conferring businesses, with the corporate object of the Company and its subsidiaries or connected with the digital sector, as well as assets and business complexes that can offer IT services in support of such businesses, and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code (and Art. 2441, paragraph 4, second sentence of the Italian Civil Code, where applicable), insofar as to be reserved to potential industrial partners, in the context of transactions that are consistent with the Groups' growth strategy by external lines.



related increase in share capital for the purpose of the conversion, by means of the issue of up to 800,000 ordinary shares, in respect of the option rights in accordance with Art. 2441 of the Italian Civil Code or even with the exclusion of option rights in accordance with Art. 2441, paragraph 5 of the Italian Civil Code, insofar as to be reserved to potential industrial partners, in the context of transactions that are consistent with the Groups' growth strategy by external lines, all in compliance with all provisions of law applicable at the time the resolution is passed to increase the share capital and/or issue the convertible bonds.	
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#### **8. Economic-equity and financial effects of the transaction, effects on the unit value of the shares and dilution**

In execution of the Delegation, the Board will duly disclose to the market, by the legal deadlines, the economic-equity and financial effects of the transaction concerned each time, as well as the effects on the unit value of the shares and the dilution deriving from the transaction.

#### **9. Non-existence of the right of withdrawal**

The Board believes that the above statutory amendment does not come under the scope of the any of the circumstances for withdrawal in accordance with the Articles of Association and applicable provisions of law and regulations.

All that specified and explained above is set out below in the proposed resolution.

#### **Proposed resolution**

Shareholders,

In consideration of the foregoing, the Board of Directors hereby submits for your approval the following proposed resolution:

“The Shareholders' Meeting of Alkemy S.p.A., having met in an extraordinary session:

- (i) having examined the “*Explanatory report by the Board of Directors*” on the first item of the agenda and the proposals contained therein
- (ii) having agreed with the reasoning given for the proposals contained therein; and
- (iii) having acknowledged the certification of the Board of Auditors that the current share capital of Alkemy S.p.A. is Euro 595,534.32, divided up into 5,685,460 ordinary shares and is fully subscribed and paid-up;

#### **RESOLVED**

- 1) to attribute the faculty to the Board of Directors - following revocation of the previous delegation assigned it by the Extraordinary Shareholders Meeting held on 25 June 2019 - in accordance with Art. 2443 of the Italian Civil Code, to increase the share capital in exchange for payment, on one or more occasions, by 25 April 2027, for up to Euro 30,000,000.00 including premium, by means of the issue of up to 1,428,000 ordinary shares, in respect of the option right in accordance with Art. 2441 of the Italian Civil Code, or with the exclusion of option rights in accordance with Art. 2441, paragraph 4 of the Italian





Civil Code, with the conferral in kind of movable or immovable assets and conferring businesses, with the corporate object of the Company and its subsidiaries or connected with the digital sector, as well as assets and business complexes that can offer IT services in support of such businesses, and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code (and Art. 2441, paragraph 4, second sentence of the Italian Civil Code, where applicable), insofar as to be reserved to potential industrial partners, in the context of transactions that are consistent with the Groups' growth strategy by external lines. In order to exercise the foregoing delegation, the Board of Directors is also conferred all powers to (a) establish, for each individual tranche, the number, unit price of issue (including any premium) and enjoyment of ordinary shares, with the only limits pursuant to Art. 2441, paragraph 4, second sentence and/or Art. 2438 and/or Art. 2346, paragraph 5 of the Italian Civil Code; (b) in the event of resolutions to increase the share capital that entail the exclusion of option rights, establish the share issue price in compliance with the procedures and criteria established by Art. 2441, paragraph 6 of the Italian Civil Code; (c) establish the deadline for subscription of ordinary shares in the Company; and (d) execution the delegations and powers set forth above, including, merely by way of example, those necessary to make any consequent changes necessary to the Articles of Association, as required.

- 2) consequently, to amend Art. 5.9 of the Articles of Association as follows:  
*“On 26 April 2022, the Extraordinary Shareholders Meeting resolved to attribute the faculty to the Board of Directors, in accordance with Art. 2443 of the Italian Civil Code, to increase the share capital in exchange for payment, on one or more occasions, by 25 April 2027, for up to Euro 30,000,000.00 including premium, by means of the issue of up to 1,428,000 ordinary shares, in respect of the option right in accordance with Art. 2441 of the Italian Civil Code, or with the exclusion of option rights in accordance with Art. 2441, paragraph 4 of the Italian Civil Code, with the conferral in kind of movable or immovable assets and conferring businesses, with the corporate object of the Company and its subsidiaries or connected with the digital sector, as well as assets and business complexes that can offer IT services in support of such businesses, and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code (and Art. 2441, paragraph 4, second sentence of the Italian Civil Code), insofar as to be reserved to potential industrial partners, in the context of transactions that are consistent with the Groups' growth strategy by external lines.*
  
- 3) to confer upon the Board of Directors and for it, the Chairman and the Chief Executive Officer, jointly and severally and also through special attorneys they may individually appoint, within the legal limits - without prejudice to the collegial nature of the exercise of the delegation in accordance with Art. 2443 of the Italian Civil Code - all the most extensive powers to act in all ways necessary for the implementation of the resolutions and to fulfil all formalities necessary so that all resolutions passed today shall obtain legal approval and, in general, to act in all ways necessary to fully execute the resolutions, with all and any power necessary and appropriate to this end, with no exclusions or exceptions, including that of making any non-substantive amendments, adjustments or additions to the resolutions as may be necessary for their registration with the Company Register, including the appointment to file the updated articles of association with the competent Company Register, both for the coming into force of the delegations set forth above and for the statutory amendments deriving from the exercise and execution of such delegations”.

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Milan, 22 March 2022

For the Board of Directors

The Chairman, Alessandro Mattiacci