



SHAREHOLDERS' MEETING

27TH APRIL 2023

REPORT ON AGENDA ITEMS

prepared pursuant to para. 1 of art. 125-ter of Legislative Decree 58 dated 24th February 1998, as amended (the "TUF") and art. 84-ter of the regulations adopted by Consob Resolution No. 11971 dated 14th May 1999, as amended (the "Issuers' Regulation").





Item nos. 1 and 2

1. *Approval of the separate financial statements of Aeffe S.p.A. as of 31st December 2022; reports of the Board of Directors on operations, the Independent Auditors and the Board of Statutory Auditors. Presentation to the Shareholders' Meeting of the consolidated financial statements as of 31st December 2022. Presentation to the Shareholders' Meeting of the consolidated non-financial statement required by Legislative Decree 254 dated 30th December 2016.*
2. *Resolutions regarding the results for the year ended 31st December 2022.*

Shareholders,

With reference to the first two items on the agenda, you are invited to approve at the Shareholders' Meeting the separate financial statements of the Company as of 31st December 2022 and the allocation of results proposed by the Board of Directors. You are also invited to acknowledge the results reported in the consolidated financial statements as of 31st December 2022.

As envisaged in Legislative Decree 254/2016, you are also called to acknowledge the consolidated non-financial statement.

In this regard, the draft financial statements as of 31st December 2022 and the related management report will be made available, by the legal deadline, at the registered offices of the Company and on its website at the Internet address <https://aeffe.com/it/bilanci-e-relazioni/> (select English languages).

At the Shareholders' Meeting, the Board of Directors will propose the following resolution to the Shareholders:

"The Ordinary Meeting of the Shareholders of Aeffe S.p.A., held with a voting quorum today, 27th April 2023, after receiving the report of the Board of Directors, after taking note of the Directors' report on operations, the report of the Board of Statutory Auditors and the report of the auditing firm, RIA Grant Thornton S.p.A., after examining the separate financial statements as of 31st December 2022 and the consolidated financial statements of the Group for the same year, and after examining the consolidated non-financial statement required by Decree 254 dated 30th December 2016, accompanied by the report of the appointed auditing firm, RIA Grant Thornton S.p.A.,

resolves

- 1) to approve the separate financial statements as of 31st December 2022, both as a whole and in detail, together with the accompanying report of the Board of Directors on operations;
- 2) to acknowledge the results reported in the consolidated financial statements as of 31st December 2022;
- 3) to acknowledge the consolidated non-financial statement required by Decree 254 dated 30th December 2016;
- 4) to cover the loss for the year of Euro 5,334,728 by deduction of the same amount from the share premium reserve."

Item no. 3

3. *Report on remuneration policy and compensation paid pursuant to art. 123-ter of Legislative Decree 58/98:*

3.1 resolutions regarding the first section of the report pursuant to para. 3-bis of art. 123-ter of Legislative Decree 58/98;

3.2 resolutions regarding the second section of the report pursuant to para. 6 of art. 123-ter of Legislative Decree 58/98.

Please note that, following the entry into force of Directive (EU) 2017/828 of the European Parliament and of the Council, of 17th May 2017, Legislative Decree 491 of 10th May 2019, and the provisions of Consob resolution no. 21623 of 10th December 2020 on the remuneration policy, you are asked, starting from the meeting called to approve the financial statements for the financial year starting on 1st January 2020, to express a binding resolution under para. 3-*bis* of art. 123-*ter* of Legislative Decree 58/98 on the remuneration policy adopted by the Company (first section of the remuneration report) and a consultative resolution pursuant to para. 6 of art. 123-*ter* of Legislative Decree 58/98 on the second section of the report, regarding the compensation paid.

The Remuneration Policy adopted by the Company, which is submitted to you at the Meeting, was previously presented to you at the Meeting held on 28th April 2022 and has not been changed; it is based on the fundamental principles of sustainability and alignment of the interests of executives with strategic responsibilities with those of the shareholders, as well as a balance between the fixed and variable components of remuneration.

For further information about the Company's Remuneration Policy and about the remuneration of directors and executives with strategic responsibilities, reference is made to the Compensation Report prepared pursuant to art. 123-*ter*, TUF, which in accordance with art. 84-*quater* of the Issuers' Regulation will be made available, by the legal deadline, at the registered offices of the Company and on the website <https://aeffe.com/it/relazione-sulla-remunerazione-aeffe/> (select English languages).

At the Shareholders' Meeting, the Board of Directors will propose the following resolution to the Shareholders:

"The Ordinary Meeting of the Shareholders of Aeffe S.p.A., held with a voting quorum today, 27th April 2023, after receiving the report of the Board of Directors and taking note of the remuneration policy contained in the first section of the Remuneration Report pursuant to para. 6 of art. 123-*ter* of Legislative Decree 58/98,

resolves

- 1) to approve the Company's remuneration policy contained in the first section of the Remuneration Report pursuant to para. 3-*bis* of art. 123-*ter* of Legislative Decree 58/98;
- 2) to approve the remuneration of the directors, the executives with strategic responsibilities and the control body, as indicated and described in the second section of the report pursuant to para. 6 of art. 123-*ter* of Legislative Decree 58/98, and to deem it in line with the remuneration policy."

Item no. 4

4. *Appointment of the Board of Directors for the years 2023-2025, after determining the number of directors. Resolutions regarding the total emoluments of the directors not assigned special duties, pursuant to art. 2389, para. 1, of the Italian Civil Code. In particular:*
 - 4.1 *determination of the number of members of the Board of Directors;*
 - 4.2 *appointment of the members of the Board of Directors;*
 - 4.3 *appointment of the Chairman of the Board of Directors;*
 - 4.4 *resolutions regarding the total emoluments of the directors not assigned special duties.*

Shareholders,

The mandate of the Board of Directors of the Company, appointed for the three-year period 2020-2022 by resolution of the Ordinary Shareholders' Meeting held on 22nd April 2020, will expire at the Ordinary Shareholders' Meeting called on 27th April 2023 to approve the separate financial statements as of 31st December 2022. You are therefore invited to appoint the Board of Directors for the years 2023-2025 by adopting resolutions to: (i) determine the number of members of the Board of Directors; (ii) appoint the new members of the Board of Directors; (iii) appoint the Chairman of the Board of Directors; and (iv) determine the total annual emoluments of the directors not assigned special duties.

With regard to determination of the number of members of the Board of Directors pursuant to para. 1-ter of art. 147-ter TUF, the Articles of Association envisage that "*The Company is administered by a Board of Directors composed of a variable number of members, between seven and nine, who need not be shareholders, with at least two fifths of the total being of the least represented gender, rounded up to the nearest whole number in the case of a fraction. The number of Board members is determined at the Shareholders' Meeting and remains fixed until decided otherwise at another Shareholders' Meeting. The Board of Directors includes both executive and non-executive directors.*"

Accordingly, when appointing the Board of Directors, two fifths of the members must be of the least represented gender, as rounded up to the nearest whole number in the case of a fraction.

As already indicated in the notice of the Shareholders' Meeting, in conformity with art. 15 of the Articles of Association, the members of the new Board of Directors must be appointed by list voting.

In particular, pursuant to art. 15 of the Articles of Association, Shareholders have the right to present lists if, individually or collectively, they represent at least 2.5% of the shares with voting rights at Ordinary Meetings.

The lists must be filed at the registered offices of the Company at least twenty-five (25) calendar days prior to the date fixed for the Shareholders' Meeting and be accompanied by the curriculums and declarations of each candidate confirming, among other matters, their acceptance of nomination, the absence of reasons for which they would be ineligible, and their satisfaction of the honorability and professionalism requirements established by current and applicable laws and/or regulations.

In order to demonstrate ownership of the number of shares necessary for the presentation of a list, each nominating shareholder must file a copy of the related communication from the intermediary authorized pursuant to current regulations at the registered offices, together with that list, not more than 21 (twenty-one) calendar days prior to the date fixed for the Meeting. Pursuant to para. 1-bis of art. 147-ter of Legislative Decree 58/98, ownership of the minimum equity interest is determined by reference to the shares registered in the name of the shareholder on the date on which the lists are filed at the Company.

The list must contain a number of candidates no greater than the maximum number of members to be elected. Lists that contain three candidates or more must also include candidates from both genders, so that the least represented gender has the portion of candidates envisaged by the legislation in force at the time (rounded up to the nearest whole number in the case of a fraction).



Each Shareholder entitled to vote may only vote for one list.

If just one list is presented, all the members of the Board of Directors will be drawn from that list. The Shareholders' Meeting will appoint any directors remaining to be elected, applying the majorities envisaged by law. If, on the other hand, two or more lists are presented, the Board of Directors is appointed in the following manner:

- a) all the candidates, up to the number decided each time at the Shareholders' Meeting, less one, will be drawn from the list that obtains the majority of the votes cast by the shareholders and appointed as directors in the numerical order in which they are presented on that list;
- b) the remaining number of candidates to be elected will be drawn from the list that obtains the second-largest number of votes and appointed as directors in the numerical order in which they are presented on that list, on condition that such list is not linked in any way, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes;
- c) the Directors to be elected who satisfy the independence requirements established in the Articles of Association are drawn from the list that obtains the largest number of votes cast by the shareholders or, to the extent that this is not possible, from that which obtains the second-largest number of votes;
- d) in the event of a voting tie between two or more lists, the candidates on the list presented by shareholders with the greatest total equity interest or, failing this, by the largest number of shareholders, will be elected.

If the composition of the Board of Directors does not comply with the gender balance criterion then, having regard for the order of listing, the candidate from the most represented gender elected last from the list that obtained the largest number of votes (the "Majority List") shall be replaced, in consecutive numerical order, by the first candidate not elected from that list. Application of this replacement procedure will continue until the composition of the Board of Directors complies with the regulations in force at the time concerning gender balance.

If, using the list voting mechanism, the number of candidates is lower than the minimum number of Directors envisaged in the Articles of association or, if using the list voting mechanism, the required number of candidates from the least represented gender is not reached, the Board of Directors shall be elected and supplemented at the Shareholders' Meeting, applying the majorities envisaged by law.

The Directors remain in office for three financial years and their appointments expire on the date of the Meeting called to approve the financial statements for the final year of their mandate; they may be re-elected.

The Board of Directors includes both executive and non-executive directors.

In all cases, at least two members of the elected Board must satisfy the independence requirements established in paras. 3 and 4 of art. 148, TUF.

In fact, with regard to the independent Directors of companies listed in the Star segment (to which Aeffe S.p.A. belongs), the Instructions to the Regulations for markets organized and managed by Borsa Italiana S.p.A. envisage determining the minimum numbers of independent directors as follows:

- at least two independent directors for Boards of Directors with up to 8 members;
- at least three independent directors for Boards of Directors with between 9 and 14 members;
- at least four independent directors for Boards of Directors with over 14 members.

In conformity with art. 19 of the Articles of Association, the Board of Directors exercises the widest powers for the ordinary and extraordinary administration of the Company, without any exceptions, and has the right to perform all deeds deemed appropriate for the pursuit and achievement of the Company's objects, with the sole exclusion of those reserved by law for the Shareholders' Meeting.



You are reminded that, pursuant to art. 16 of the Articles of Association, the Ordinary Meeting is entitled to appoint the Chairman of the Board of Directors and to determine the total annual emoluments of the directors not assigned special duties.

Given the above, you are invited to (i) appoint between seven and nine directors, including at least two - or three, if the Board is composed of nine members - independent directors, by voting in favor of the list presented by you, either alone or together with other Shareholders, or, if you did not present or contribute to the presentation of a list, by voting in favor of one of the lists presented; (ii) appoint the Chairman of the Board of Directors; and (iii) determine the total annual emoluments of the directors not assigned special duties.

Lastly, you are reminded that a detailed description of the method used to appoint members of the Board of Directors, the powers granted to that body, the rules governing the proper functioning of the Board, and the method used to determine emoluments can be found in the Articles of Association and, in particular, in articles 14, 15, 16, 17, 18, 19, 20 and 21.



Item no. 5

5. *Appointment of the Board of Statutory Auditors for the years 2023-2025 and resolutions regarding the remuneration of that Board. In particular:*

5.1 *appointment of the Board of Statutory Auditors;*

5.2 *resolutions regarding the remuneration of the Board of Statutory Auditors.*

Shareholders,

As indicated in the notice of the Ordinary Meeting, you are also called to vote on the appointment of a new Board of Statutory Auditors, since the mandate of the current Board of Statutory Auditors - appointed at the Ordinary Meeting held on 22nd April 2020 - expires at the Meeting called to approve the financial statements as of 31st December 2022.

Pursuant to art. 22 of the Articles of Association, the members of the Board of Statutory Auditors are appointed by list voting.

The Board of Statutory Auditors comprises 3 serving auditors, of whom at least one must be a member of the least represented gender, while the two alternate auditors must comprise one person from each gender. You are therefore invited to appoint three Serving Auditors, two Alternate Auditors and the Chairman of the Board of Statutory Auditors, as well as to determine the emoluments of the Statutory Auditors who are elected.

Shareholders have the right to present lists if, individually or collectively, they represent at least 2.5% of the shares with voting rights at Ordinary Meetings (in accordance with the instructions contained in Consob Decision 76 dated 30th January 2023).

Each list must comprise two sections: one for the appointment of serving auditors and the other for the appointment of alternate auditors. The candidates in each section must be listed in consecutive numerical order. Each candidate can appear on just one list, or will be ineligible for election.

Considering both sections, lists that contain three or more candidates must ensure gender balance, so that the least represented gender has the proportion prescribed by the legislation currently in force. Lists of candidates that do not comply with the requirements specified in this paragraph will be treated as if not presented.

Such lists must be filed at the registered offices of the Company at least twenty-five (25) calendar days prior to the date fixed for the Shareholders' Meeting and be accompanied by the curriculums and declarations of each candidate confirming, among other matters, their acceptance of nomination, the absence of reasons for which they would be ineligible, and their possession of the honorability and professionalism requirements established by current and applicable laws and/or regulations.

If no minority lists are presented for the appointment of the Board of Statutory Auditors by the above deadline, the deadline for the presentation of lists for the appointment of members of the Board of Statutory Auditors will be extended by up to three days. In this case, the minimum equity interest required by article 22.2 of the Articles of Association for the presentation of lists of candidate statutory auditors will be halved (to 1.25%).

In order to demonstrate ownership of the number of shares necessary for the presentation of a list, each nominating shareholder must file a copy of the related communication from the intermediary authorized pursuant to current regulations at the registered offices, together with that list, not more than 21 (twenty-one) calendar days prior to the date fixed for the Meeting. Pursuant to para. 1-*bis* of art. 147-*ter* of Legislative Decree 58/98, ownership of the minimum equity interest is determined by reference to the shares registered in the name of the shareholder on the date on which the lists are filed at the Company.



Each Shareholder entitled to vote may only vote for one list. If no lists are presented, the Shareholders' Meeting appoints the Board of Statutory Auditors and its Chairman in accordance with the majorities established by current legislation. If only one list is presented, the Board of Statutory Auditors is drawn entirely from that list and the first candidate on the list is appointed as Chairman.

If, on the other hand, two or more lists are presented, the Board of Statutory Auditors is appointed in the following manner:

a) the following candidates will be appointed, in the numerical order in which they appear, from the list that obtains the majority of the votes cast by the shareholders: (i) the first two candidates for the office of serving auditor and (ii) the first candidate for the office of alternate auditor;

b) the following candidates will be appointed, in the numerical order in which they appear, from the list that obtains the second-largest number of votes, on condition that such list is not linked, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes: (i) the first candidate for the office of serving auditor, who will also be appointed as Chairman of the Board of Statutory Auditors, and (ii) the first candidate for the office of alternate auditor, if available; otherwise, the alternate auditor will be the first candidate for this office on the first list obtaining the next-largest number of votes that is not linked, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes.

In the event of a voting tie between two or more lists, the candidates on the list presented by shareholders with the greatest total equity interest or, failing this, by the largest number of shareholders, will be elected.

The statutory auditors elected in this manner remain in office for three financial years and their appointments expire on the date of the Meeting called to approve the financial statements for the final year of their mandate; they may be re-elected.

The Board of Statutory Auditors monitors compliance with the law and the Articles of association, and respect for the principles of proper administration including, in particular, the adequacy of the organization, administrative and accounting systems adopted by the Company and the way they function in practice, as well as how the corporate governance rules envisaged by the related regulations are applied in practical terms.

Given the above, you are invited to (i) appoint three Serving Auditors and two Alternate Auditors by expressing your vote in favor of one of the lists presented; (ii) appoint the Chairman of the Board of Statutory Auditors; and (iii) determine the remuneration of each elected auditor pursuant to art. 2402 of the Italian Civil Code.

If the composition of the Board of Statutory Auditors or the category of alternate auditors does comply with the gender balance criterion then, having regard for the order of listing in the respective sections, the candidates from the most represented gender elected last from the majority list shall be replaced by the first candidates not elected from the same list and the same section from the least represented gender. Application of this replacement procedure will continue until the composition of the Board of Statutory Auditors complies with the regulations in force at the time concerning gender balance.

A detailed description of the method used to appoint members of the Board of Statutory Auditors, as well as of the duties and rules governing the proper functioning of that body can be found in the Articles of Association and, in particular, in articles 22 and 23.

Item no. 6

6. Proposal to authorize the Board of Directors to purchase and make use of treasury shares; related and consequent resolutions.

Shareholders,

As indicated in the notice calling the Ordinary Shareholders' Meeting, you are also requested to discuss and resolve on the proposed authorization of a plan for the purchase and use of ordinary shares in the Company, on one or more occasions, on a revolving basis and on the terms and in the manner indicated in this Report.

1. Reasons for which authorization for the purchase and use of treasury shares is requested

The Shareholders' Meeting is requested to authorize the purchase and use of treasury shares in compliance with the related regulations, including the European and other legislation and regulations in force from time to time, and with the market practices permitted and recognized by Consob, respectively pursuant to art. 13 of Regulation (EU) 596/2014 and art. 180, para. 1.c) TUF (the "**Market Practices**"). This is because it is appropriate to give the Board of Directors appropriate and necessary flexibility in order to: (i) use the treasury shares purchased as possible consideration for the acquisition of equity investments, in the context of the investment policy adopted by the Company; (ii) carry out investment transactions in compliance with current regulations, either directly or via authorized intermediaries, for example in order to contain anomalous market price fluctuations, stabilize trading and price trends and support the liquidity of the security in the marketplace, thereby facilitating the proper conduct of trading without prejudice to the normal fluctuations attributable to market conditions; (iii) use the treasury shares in the context of stock incentive plans (stock options), or as consideration for the services and/or advice of key persons of particular value to the Company, with the exclusion from such plans of the majority shareholders and those strategic executives who are also executive directors and first-degree relatives of said shareholders; (iv) benefit, if deemed strategic by the Board of Directors, from any investment or divestment opportunities that may arise, having regard for the liquidity available. This request for authorization includes the right of the Board of Directors to carry out repeated, consecutive purchase and sale transactions (or other forms of disposition) in treasury shares on a revolving basis, even for fractions of the maximum quantity authorized, so that, at all times, the quantity of shares covered by the proposed purchase and held by the Company does not exceed the legal limit.

With regard to its principal terms and conditions, the authorization to purchase treasury shares is requested for the maximum period allowed by art. 2357, para. 2, of the Italian Civil Code and, therefore, for a period of 18 months from the date of the Shareholders' Meeting, should it grant such authorization. On the other hand, the authorization to make use of any treasury shares purchased would not have a time limit. The unit price for the purchase of shares must not be more than 10% above or below the reference stock price established in the trading session immediately prior to each purchase transaction; on the other hand, with regard to the consideration for disposals of the treasury shares acquired, the Meeting will be recommended to fix solely the minimum consideration, granting the Board the power to determine, in each case, all other disposal conditions and procedures, including the related timing. Such minimum consideration may not be more than 10% below the reference stock price established in the trading session immediately prior to each disposal transaction. The lower limit placed on the consideration does not apply in the event of disposals to directors, employees and/or collaborators of the Company and/or its subsidiaries, or in the case of disposals other than by sale including, in particular, disposals in the form of exchanges, swaps, contributions or other dispositions as part of the purchase of equity investments or the implementation of industrial projects or other special financing transactions that involve the assignment or availability of treasury shares (such as mergers, spin-offs, the issue of convertible bonds or warrants, etc.).

Without prejudice to the requirements of mandatory legislation, the Board of Directors will in all cases be entitled not to proceed, in whole or in part, with the purchase and/or use treasury shares, should it believe at any time that the reasons for which this would be appropriate pursuant to the shareholders' authorization do not apply.



For all of the above reasons, the Board of Directors believes it appropriate to propose that the Shareholders' Meeting authorize it to purchase and subsequently use treasury shares pursuant and consequent to arts. 2357 and 2357-ter of the Italian Civil Code, art. 132 TUF and art. 144-bis of the Issuers' Regulations, on the basis described below.

2. Maximum number, category and nominal value of the shares to which the authorization relates

The requested authorization entitles the Board of Directors to purchase, on one or more occasions, a freely determinable number - on each occasion - of treasury shares via a Board resolution (which may grant powers of implementation to one or more directors, with the right to delegate), up to a maximum that - summed together with the treasury shares already held at the time, whether directly or indirectly - does not exceed 10% of the share capital. Accordingly, no more than 1,798,322 shares may be purchased during the period for which authorization is requested.

3. Compliance with the provisions of art. 2357, paras. 1 and 3, of the Italian Civil Code

At today's date, the Company holds 8,937,519 treasury shares representing 8.325% of share capital, the voting rights for which are suspended pursuant to para. 2 of art. 2357-ter, of the Italian Civil Code; accordingly, 98,424,985 votes are exercisable at the Ordinary Shareholders' Meeting. No subsidiary of the Company holds treasury shares in the Company.

Pursuant to para. 1 of art. 2357 of the Italian Civil Code, treasury shares may be purchased up to the amount of the distributable profits and available reserves reported in the latest approved financial statements, having regard for any subsequent restrictions arising up to the date of the resolution concerned.

The separate financial statements as of 31st December 2021, duly approved on 28th April 2022, reported a share premium reserve of € 69,334,410, of which € 67,997,875 was distributable, and other available reserves and distributable profits of € 23,247,636.

In all cases, the Board of Directors is required to check compliance with the conditions for the purchase of treasury shares, specified in art. 2357, para. 1, of the Italian Civil Code, immediately prior to adopting the resolution to make each authorized purchase.

4. Period for which the authorization is requested

The authorization to purchase treasury shares is requested for the maximum period allowed by art. 2357, para. 2, of the Italian Civil Code and, therefore, for a period of 18 months from the date of the Shareholders' Meeting that resolved to grant the authorization. During that period, the Board of Directors may make purchases on one or more occasions, at any time, determining freely their quantity and timing in compliance with the relevant European and other legislation and regulations in force at the time, as well as with the related Market Practices.

The authorization to use any treasury shares purchased is requested without any time limitation, since there are no regulatory restrictions in this regard and it is appropriate to maximize the period of time over which assignments are made, in order to benefit from the opportunities indicated above.

5. Minimum and maximum price

The Board of Directors recommends that the unit price paid for the shares be established at the time of each transaction, on condition that it is not more than 10% (ten percent) higher or lower than the reference price established for them in the trading session immediately prior to each purchase transaction.

In all cases, the quantities and unit prices of the purchases will be determined in compliance with the provisions of art. 3 of Commission Delegated Regulation (EU) 2016/1052. In particular:

- the purchases will be made for a consideration that does not exceed the higher of the price of the last independent transaction and the highest current independent bid price in the bidding market;
- the quantities acquired on each trading day will not exceed 25% of the average daily volume of shares traded on the market on which the purchase is made, as calculated in accordance with the provisions

of art. 3 of the Commission Delegated Regulation.

Purchases (i) to support the liquidity of the market and (ii) to establish a so-called “stock” of shares, will be made in accordance with the established Market Practices.

With regard to the consideration recognized on assignment of the treasury shares purchased, the Board of Directors recommends that the Shareholders’ Meeting establish solely the minimum amount, granting the Board of Directors the power to determine, in each case, all other conditions, procedures and timing.

Such minimum consideration may not be more than 10% (ten percent) lower than the reference price established for the shares in the trading session immediately prior to each disposal transaction. The lower limit placed on the consideration does not apply in the event of disposals to directors, employees and/or collaborators of the Company and/or its subsidiaries, or in the case of disposals other than by sale including, in particular, disposals in the form of exchanges, swaps, contributions or other dispositions as part of the purchase of equity investments or the implementation of industrial projects or other special financing transactions that involve the assignment or availability of treasury shares (such as mergers, spin-offs, the issue of convertible bonds or warrants, etc.).

6. Methods by which purchases and uses will be made

Purchase operations will begin and end on the dates established by the Board of Directors.

In view of the differing objectives that may be pursued by transactions in treasury shares, the Board of Directors recommends that authorization be granted to make purchases using any of the methods allowed under current regulations and, in particular, in compliance with art. 132 TUF, art. 144-*bis* of the Issuers’ Regulations and all other applicable regulations, as well as with the Market Practices, to be identified in each case at the discretion of the Board of Directors and, accordingly, at present:

- (i) by public offer for the purchase or exchange of shares;
- (ii) by purchases made in regulated markets, in the manner established by Borsa Italiana S.p.A., which does not allow the direct matching of proposed purchases with predetermined proposals for the sale of shares;
- (iii) by the purchase or sale of derivative instruments traded in regulated markets that envisage physical delivery of the underlying shares, on the conditions established by Borsa Italiana S.p.A., subject to the requirement that the market regulations envisage procedures for the purchase/sale of the above instruments that:
 - do not allow the direct matching of proposed purchases with predetermined proposals for the sale of shares;
 - guarantee easy trading by investors in the above derivative instruments used for the purchase of treasury shares;
- (iv) by the proportional allocation to shareholders of put options to be exercised during the period corresponding to the duration of the shareholders’ authorization to purchase treasury shares;
- (v) in accordance with the Market Practices allowed by Consob pursuant to art. 13 of Regulation (EU) 596/2014.

With regard to disposals, the Board of Directors recommends that authorization be granted to allow the adoption of any method deemed appropriate to achieve the objectives pursued, including assignment as consideration for equity investments made in the context of the investment policy adopted by the Company, in compliance with the relevant European and other legislation and regulations in force, as well as with the Market Practices allowed at the time.

Given the effect on the number of floating shares of executing the plan for the purchase and use of treasury shares, the Board of Directors recommends that the authorization require it to make purchases and sales of



treasury shares in a manner and with timing that does not prevent the Company from maintaining the minimum float required for STAR status.

7. Additional information, if the purchase is part of an operation to reduce share capital via cancellation of the treasury shares acquired

It is confirmed that the purpose of the purchases is not to reduce the share capital of the Company.

At the Shareholders' Meeting, the Board of Directors will therefore propose the following resolution to the Shareholders:

"The Ordinary Shareholders' Meeting of Aeffe S.p.A., having examined and discussed the explanatory report prepared by the Board of Directors and given art. 2357 *et seq.* Italian Civil Code, art. 132 of Decree 58 dated 24th February 1998 and the regulations issued by Consob

resolves

1. "to authorize the Board of Directors, pursuant and consequent to art. 2357 of the Italian Civil Code, to purchase ordinary shares in AEFFE S.p.A., on one or more occasions and on a revolving basis, in pursuit of the objectives indicated in the explanatory report of the Board of Directors relating to this agenda item, on the following terms and conditions:
 - a. the maximum number of shares to be purchased, summed with the treasury shares already held at the time of each purchase and those held by subsidiaries, must not exceed 10% of the share capital of the Company on the purchase date; accordingly, no more than 1,798,322 shares may be purchased during the period for which authorization is granted;
 - b. the shares may be purchased until the end of the eighteenth month following the date of this resolution;
 - c. the purchases may be made using any of the methods allowed under current regulations and, in particular, in compliance with art. 132 TUF, art. 144-*bis* of the Issuers' Regulations and all other applicable regulations in force, as well as with the Market Practices allowed at the time, to be identified in each case at the discretion of the Board of Directors and, specifically:
 - i. by public offer for the purchase or exchange of shares;
 - ii. by purchases made in regulated markets, in the manner established by Borsa Italiana S.p.A., which does not allow the direct matching of proposed purchases with predetermined proposals for the sale of shares;
 - iii. by the purchase or sale of derivative instruments traded in regulated markets that envisage physical delivery of the underlying shares, on the conditions established by Borsa Italiana S.p.A., subject to the requirement that the market regulations envisage procedures for the purchase/sale of the above instruments that:
 - do not allow the direct matching of proposed purchases with predetermined proposals for the sale of shares;
 - guarantee easy trading by investors in the above derivative instruments used for the purchase of treasury shares;
 - iv. by the proportional allocation to shareholders of put options to be exercised during the period corresponding to the duration of the shareholders' authorization to purchase treasury shares;
 - v. in accordance with the Market Practices allowed by Consob pursuant to art. 13 of Regulation (EU) 596/2014
 - vi. the unit price paid for the shares may not be more than 10% (ten percent) higher or lower than the reference price established for them in the trading session immediately prior to each

transaction. The volume of purchases and their unit prices must, in all cases, be determined in accordance with the requirements of art. 3 of Commission Delegated Regulation (EU) 2016/1052. In particular:

- the purchases will be made for a consideration that does not exceed the higher of the price of the last independent transaction and the highest current independent bid price in the bidding market;
 - the quantities acquired on each trading day will not exceed 25% of the average daily volume of shares traded in the market in which the purchase is made, as calculated with reference to average daily volume of trading during the 20 trading days prior to the purchase date, when the volume is not indicated in the program;
- vii. the purchases and sales of treasury shares must be made in accordance with resolutions adopted by the Board the Board of Directors in a manner and with timing that does not prevent the Company from maintaining the minimum float required for STAR status;
2. to authorize, pursuant and consequent to art. 2357-*ter* of the Italian Civil Code, the use on one or more occasions of the treasury shares purchased and held from time to time by the Company, in accordance with the laws and regulations in force from time to time, for the purposes described in the explanatory report of the Board of Directors to the shareholders on this agenda item, on the following terms and conditions:
- a. the shares may be sold or otherwise transferred at any time without restriction;
 - b. uses may be made even before the maximum quantity of shares has been purchased and may take place on one or more occasions in the market, in blocks or via sale or exchange (including by offer to the shareholders or to the public or to the directors, employees or collaborators of the Company or its subsidiaries, whether as part of share incentive plans or otherwise), or as consideration for exchanges, swaps, contributions, assignments or other dispositions of treasury shares as part of the purchase of equity investments or the implementation of industrial projects or other special financing transactions that involve the assignment or availability of treasury shares (such as mergers, spin-offs, the issue of convertible bonds or warrants, etc.), as well as in any other way envisaged by the relevant European and other legislation and regulations in force, as well as by the Market Practices allowed at the time, at the discretion of the Board of Directors;
 - c. the unit price for the disposal of the shares may not be more than 10% (ten percent) lower than the reference stock price established in the trading session immediately prior to each disposal transaction, with delegation to the Board of Directors of the power to determine, in each case, all other disposal conditions and procedures, including the related timing. This lower limit placed on the consideration will not apply in the event of disposals to directors, employees and/or collaborators of the Company and/or its subsidiaries as part of share incentive plans, or in the case of disposals other than by sale including, in particular, disposals in the form of exchanges, swaps, contributions or other dispositions as part of the purchase of equity investments or the implementation of industrial projects or other special financing transactions that involve the assignment or availability of treasury shares (such as mergers, spin-offs, the issue of convertible bonds or warrants, etc.);
3. to authorize the Board of Directors to refrain from making any purchases should it believe and/or consider that to be appropriate, having regard for market conditions and the performance of the share price;
4. to grant the Board of Directors, with specific powers to delegate, all the widest powers necessary or appropriate in order to implement this resolution, including approval for each and every transaction that is part of the share purchase program, as well to make the disclosures to the market that are



required by the relevant European and other legislation and regulations in force, as well as by the Market Practices allowed at the time.”

San Giovanni in Marignano, 15th March 2023

For the Board of Directors

The Chairman - Massimo Ferretti