



SHAREHOLDERS' MEETING OF APRIL 13, 2022

## **Report of the Board of Directors on point 6 of the Agenda:**

### **Authorisation to purchase and utilise treasury shares. Resolutions thereon.**

Dear Shareholders,

This report was prepared by the Board of Directors in compliance with Article 125-*ter* of Legislative Decree No. 58 of February 24, 1998 ("CFA"), in addition Articles 73 and 84-*ter* of Consob Regulation No. 11971/1999 and amendments and supplements ("Issuers' Regulation"), to outline and submit for the approval of the Shareholders' Meeting the request for authorisation to purchase and dispose of treasury shares, in accordance with Articles 2357 and 2357-*ter* of the Civil Code, Article 132 of the CFA and Article 144-*bis* of the Issuers' Regulation, all in view of the rationale and according to the means and terms outlined below.

We remind you that the previous authorisation to purchase and dispose of treasury shares was approved by the Shareholders' Meeting held on April 8, 2021, which expires on the approval of the financial statements at December 31, 2021, with no time limit with regard to the authorisation to dispose of treasury shares.

#### **1. Rationale underlying the authorisation request**

As in the past, the Board of Directors considers it beneficial to request the Shareholders' Meeting for authorisation to carry out any purchase or disposal of treasury shares.

The proposal for the authorisation to purchase and dispose of treasury shares is submitted in order to - also in compliance with the equal treatment of Shareholders and the applicable regulation - to enable the Company to have available a portfolio of treasury shares to be used to assist projects of developing upon the strategic guidelines under which share swap or disposal opportunities are presented or as a guarantee for financing operations or to tap into any future opportunities to grow the value of the Company, all within the limits of the applicable regulation and, where applicable, market practices endorsed by the competent oversight authority, in accordance with Article 13 of Regulation (EC) No. 596/2014 ("MAR").

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

We propose the approval, as per Articles 2357 and 2357-*ter* of the Civil Code, to authorise the Board of Directors (or parties identified by it individually):

- the purchase, on one or more occasions, of a maximum number of ordinary shares at a nominal Euro 0.52 each, which, taking account those already held by the Company, does not exceed the legal limits;
- the sale of treasury shares in portfolio and those acquired under the authorising motion of the present report.

The transactions may be carried out also partly.

### **3. Information useful for establishing the maximum limit to which authorisation refers**

The share capital of BasicNet S.p.A. amounts to Euro 31,716,673.04, comprising 60,993,602 shares of a nominal value of Euro 0.52 each.

At the preparation date of the present Report, the Company holds 9,830,000 treasury shares, comprising 16,116% of the share capital. The subsidiaries of BasicNet S.p.A. do not hold parent company shares.

The purchase and utilisation operations of treasury shares will be carried out in compliance with Article 2357 and subsequent of the Civil Code and Article 132 of Legislative Decree 58/98: in such an amount that, at any given time these shares do not exceed overall 20% of the share capital, while also within the limits of the retained earnings and available reserves of the last financial statements approved, with the consequent setting up, in accordance with Article 2357-ter, paragraph 3 of the Civil Code, of an undistributable reserve of an amount of the treasury shares from time to time acquired.

The amount of profits and available reserves shall be assessed at the time of undertaking purchases.

### **4. Duration of authorisation**

The purchase authorisation is requested until the date for the Shareholders' Meeting for the approval of the 2022 Annual Accounts. The Board of Directors may proceed with the authorised operations on one or more occasions and at any time, to an extent which may be freely established in compliance with the applicable rules and considered to be in the interest of the company.

The authorisation for the utilisation of treasury shares is requested without time limit.

### **5. Minimum and maximum purchase price**

It is proposed that purchases are undertaken - in compliance with the conditions established by Article 5 of Delegated Regulation (EC) No. 596/2014 and Article 3 of the Commission of March 8, 2016 and the further applicable rules - at a unitary price of not more than 15% above or below the listed share price on conclusion of the trading session preceding its transaction.

With regards to the consideration for the disposal of treasury shares, such shall be established by the Board of Directors, also in compliance with the applicable regulation and according to the criteria and conditions that take account of the execution methods employed, the movement in the price of the share in the period preceding the transaction and in the best interest of the company.

The maximum financial commitment is Euro 14,000,000.

### **6. Manner to execute purchase and disposal transactions**

Purchases may be made on one or more occasions, in compliance with the principle of the equal treatment of shareholders, as per Article 132 of the CFA and according to the means set out at Article 144-*bis*, paragraphs 1 and 1-*bis* of the Issuers' Regulation):

- (i) through purchases on the regulated market, in accordance with the operating means established by the management company (Borsa Italian S.p.A.) regulations which do not permit the direct linking of a purchase trading proposal with a corresponding pre-determined sales proposal (Article 144-*bis*, paragraph 1, letter b) of the Issuers' Regulation);

- (ii) according to the means established by market practices, as permitted by Consob, as per Article 13 MAR;
- (iii) the conditions indicated in Article 5 MAR and in the relative enacting rules, where applicable.

Where convenient for the Board of Directors, purchases may be made according to methods differing from those indicated above, as long as permitted and/or compatible with the applicable legislative and regulatory rules, taking account of the need to comply with the principle of the equal treatment of shareholders.

It is proposed that disposals may be undertaken according to any means considered necessary or beneficial to achieve the purposes underlying the transaction, and therefore also outside the market or as part of corporate transactions; all in compliance with the applicable legal and regulatory provisions, and with approved market practices where applicable.

## PROPOSAL

Dear Shareholders,

in light of that stated above, we propose the following motion:

“The Shareholders’ Meeting of BasicNet S.p.A.,

- taking account of the provisions of Article 2357 and subsequent of the Civil Code, 132 of Legislative Decree No. 58/1998 (“CFA”) and 144-*bis* of Consob Regulation No. 11971/1999 and subsequent amendments and additions (“**Issuers’ Regulation**”);
- noting the illustrative report of the Board of Directors, prepared in accordance with Article 125-*ter* CFA and 73 Issuers’ Regulation (the “**Report**”);
- having reviewed the Illustrative Report prepared by the Board of Directors and the proposals contained therein;
- acknowledging the opportunity to grant authorisation for the purchase and disposal of treasury shares for the purposes and according to the means indicated in the Report;

## RESOLVES

- i) to authorise, in accordance with Article 2357 of the Civil Code, the Board of Directors to purchase, on one or more occasions, a maximum number of ordinary shares of a nominal Euro 0.52 each, whose nominal value, taking account of those already held by the company, not exceeding the legal limits, for a period beginning from the date of the present Shareholders’ Meeting and extending until the date of the Shareholders’ Meeting for the approval of the 2022 Annual Accounts. The maximum outlay is Euro 14,000,000; the purchases may be made:
  - in order to enable the Company to have available a portfolio of treasury shares to assist projects developing upon the strategic guidelines under which share swap or disposal opportunities are presented or as a guarantee for financing operations, or to tap into any future opportunities to grow the value of the Company, all within the limits of the applicable regulation and, where applicable, market practices endorsed by the competent oversight authority, in accordance with Article 13 of Regulation (EC) No. 596/2014 (“MAR”).
- ii) to grant to the Board of Directors the broadest range of powers to execute the purchase transactions, according to the means indicated in the Report, at a unitary price of not more than 15% above or below the listed share price on conclusion of the trading session preceding its transaction; all in compliance with the applicable legal and regulatory provisions, including where applicable, permitted market practice;

- iii) to authorise the Board of Directors to dispose of, without time limit, the shares held in portfolio, on one or more occasions (and also before completing the purchases), for the purposes illustrated in the Report and according to the means permitted by the applicable regulation, with the faculty of the Board of Directors to establish on a case by case basis, considering the purposes pursued, the terms, means and conditions to utilise the treasury shares;
- iv) to grant to the Board of Directors and, on its behalf the Chairperson and Chief Executive Officer in office, separately and with the faculty to sub-delegate, all powers necessary to adopt any executive and procedural provisions concerning these motions.

Turin, March 3, 2022

for the Board of Directors

**The Chairman**

Marco Daniele Boglione