



**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS OF ASCOPIAVE S.P.A. ON THE
PROPOSAL UNDER AGENDA ITEM 1 OF THE ORDINARY SHAREHOLDERS' MEETING OF
ASCOPIAVE S.P.A. SUMMONED ON 17 APRIL 2024, IN FIRST CALL, AND ON 18 APRIL
2024, IN SECOND CALL**

(drafted pursuant to Article 125-*ter*, Legislative Decree No. 58 dated 24 February 1998, as amended and supplemented, and Article 84-*ter* of the regulation adopted by Consob Resolution No. 11971 dated 14 May 1999, as amended and supplemented)

7 March 2024

Dear Shareholders,

You have been summoned to the Shareholders' Meeting on 17 April 2024, in first call, and on 18 April 2024, in second call, to pass resolutions, in ordinary session, on the following agenda items:

1. Annual financial statements as at 31 December 2023; allocation of profit for the year:
 - 1.1 approval of the financial statements as at 31 December 2023, together with the Board of Directors' report on operations, the Board of Statutory Auditors' report and the Independent Auditors' report; presentation of the consolidated financial statements as at 31 December 2023;
 - 1.2 Approval of the proposed distribution of profits for the year; related and subsequent resolutions.
2. Report on the remuneration and compensation policy:
 - 2.1 Approval of the first section of the report on the remuneration and compensation policy drafted pursuant to Article 123-ter, Legislative Decree no. 58, dated 24 February 1998 (*i.e.*, remuneration policy for the year 2024); resolutions pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, Legislative Decree no. 58 dated 24 February 1998; related and subsequent resolutions;
 - 2.2 advisory vote on the second section of the report on the remuneration and compensation paid drawn up pursuant to Article 123-ter, Legislative Decree No. 58, dated 24 February 1998 (*i.e.*, report on compensation paid in the year 2023); resolutions pursuant to Article 123-ter, paragraph 6, Legislative Decree No. 58 dated 24 February 1998.
3. Approval of a share-based long-term incentive plan reserved for the Executive Directors of Ascopiave S.p.A. and specified management resources of Ascopiave S.p.A. and its subsidiaries; related and subsequent resolutions.
4. Authorisation to purchase and dispose of treasury shares, subject to revocation of the previous authorisation granted by the Shareholders' Meeting held on 18 April 2023, for the portion not executed; related and subsequent resolutions.
5. Appointment of the Statutory Auditors for the financial years 2024 to 2032; related and subsequent resolutions.

The report herein has been drafted pursuant to Article 125-ter, paragraph 1, Legislative Decree No. 58, dated 24 February 1998, as amended and supplemented ("**TUF**") and Article 84-ter of the Regulation adopted by CONSOB resolution No. 11971 dated 14 May 1999, as amended and supplemented (the "**Issuers' Regulation**"), in order to illustrate to the Shareholders' Meeting the proposed resolution under item 1 on the agenda in ordinary

session, relating to the approval of the draft financial statements for the year and the allocation of the profit for the year.

The report herein was approved by the Board of Directors of Ascopiave S.p.A. ("**Ascopiave**" or the "**Company**") in its meeting held on 7 March 2024 and is made available to the public, within the terms of the law and regulations, at the Company's registered office, on the Company's website (*www.gruppoascopiave.it*) and on the authorised storage mechanism "*eMarket Storage*" (*www.emarketstorage.com*).

With reference to the first item on the agenda of the Ordinary Shareholders' Meeting, the Board intends to submit for your approval, in accordance with the law, the draft financial statements as at 31 December 2023 (consisting of the balance sheet, income statement, cash flow statement, statement of changes in shareholders' equity and explanatory notes), together with the related report of the Board of Directors on operations.

Said documents, together with the consolidated financial statements as of 31 December 2023, the report of the Board of Statutory Auditors drafted pursuant to Article 2429 of the Italian Civil Code and the report of the independent auditors PricewaterhouseCoopers S.p.A. on the financial statements and consolidated financial statements as of 31 December 2023, are made available to the public at the Company's registered office, on the Company's website (*www.gruppoascopiave.it*) and on the authorised storage mechanism "*eMarket Storage*" (*www.emarketstorage.com*) of Teleborsa S.r.l.

The financial statements of the Company as at 31 December 2023 consist of:

- revenues totalling Euro 54,045,858;
- operating costs of Euro 12,242,635;
- an operating profit of Euro 40,263,044.

The result before taxes was Euro 31,254,267; the net result for the year was Euro 35,778,670.04.

The consolidated financial statements of the Ascopiave Group as at 31 December 2023 consist of:

- sales revenue of Euro 180,794,006 (+10.5% compared to Euro 163,651,365 in the consolidated financial statements as at 31 December 2022);
- EBITDA of Euro 94,526,390 (+21.3% compared to €77,930,004 in the consolidated financial statements as of 31 December 2022);
- operating profit of Euro 45,990,197 (+44.1% compared to Euro 31,911,342 in the consolidated financial statements as at 31 December 2022);
- net result was Euro 36,677,261, compared to EUR 32,437,884 in the consolidated financial statements as at 31 December 2022);
- net financial position of Euro 389,363,062, compared to Euro 411,857,471 in 2022.

In light of the results for the period, the Board of Directors therefore proposes to the Shareholders' Meeting:

- a) to allocate the year's profit of Euro 35,778,670.04 as follows:
 - i. Euro 30,339,399.58, corresponding to Euro 0.14 per share to the distribution of dividends with payment on 8 May 2024, ex-dividend date on 6 May 2024 and record date on 7 May 2024;
 - ii. the remaining Euro 5,439,270.46 to the Extraordinary Reserve Fund.

* * *

In light of the above, the Board of Directors proposes to the Shareholders' Meeting the adoption of the following resolutions:

“The Ordinary Shareholders' Meeting of Ascopiave S.p.A.:

- *Following the examination of the Explanatory Report of the Board of Directors drafted pursuant to Article 125-ter of Legislative Decree No. 58 dated 24 February 1998 (as amended and supplemented)*
- *Taking note of the financial statements of the Company as at 31 December 2023 and the consolidated financial statements of the Company as at 31 December 2023;*

- *Having acknowledged the Corporate Governance and Ownership Structure Report pursuant to Article 123-bis, Legislative Decree No. 58 dated 24 February 1998;*
- *Taking into account the Non-Financial Consolidated Statements, in compliance with Legislative Decree 254/2016;*
- *Accepting the Report of the Board of Statutory Auditors drafted pursuant to Article 2429, Italian Civil Code and Article 153 of Legislative Decree No. 58 dated 24 February 1998;*
- *Following the Independent Auditors' Report on the Consolidated and Separate Financial Statements drafted pursuant to Articles 14 and 16 of Legislative Decree No. 39 dated 27 January 2010 and as well as the Independent Auditors' Report on the Non-Financial Consolidated Statements pursuant to Article 3, paragraph 10, Legislative Decree No. 254 dated 30 December 2016;*
- *Based on the certifications of the consolidated financial statements as of 31 December 2023 and of the financial statements as of 31 December 2023 by the Manager in charge of drafting accounting and corporate records pursuant to Article 81-ter of the Regulation adopted by Consob through resolution No. 11971 dated 14 May 1999 (as subsequently amended and supplemented);*
- *Following the examination of the Board of Directors' Report on Operations;*
- *taking into account the provisions of Article 2430 of the Civil Code on legal reserves;*

resolves

- *to approve the Company's individual financial statements for the year ended 31 December 2023, as proposed and illustrated by the Board of Directors, together with the Board of Directors' Report on Operations, which show a profit for the year of Euro 35,778,670.04, as well as to acknowledge the Company's consolidated financial statements for the year ended 31 December 2023 and the related Board of Directors' Report on Operations;*
- *to take note of the Non-Financial Consolidated Declaration as at 31 December 2023 drafted pursuant to Legislative Decree No. 254 dated 30 December 2016;*
- *to allocate the profit for the year of Euro 35,778,670.04 as follows:*

- i. Euro 30,339,399.58, corresponding to Euro 0.14 per share to the distribution of dividends with payment on 8 May 2024, ex-dividend date on 6 May 2024 and record date on 7 May 2024;*
- ii. the remainder, amounting to Euro 5,439,270.46 to the Extraordinary Reserve Fund."*

Pieve di Soligo, 7 March 2024

On behalf of the Board of Directors
The Chairman and Chief Executive Officer
Dr. Nicola Cecconato