



A multibrand company

**DIRECTORS' EXPLANATORY REPORT ON MATTERS ON THE AGENDA
OF THE ORDINARY SHAREHOLDERS' MEETING CONVENED ON FIRST
CALL ON 28 APRIL 2022, AND ON SECOND CALL ON 5 MAY 2022**

in accordance with article 125-ter of the TUF

Board of Directors

Angelo Mastrolia

Giuseppe Mastrolia

Stefano Cometto

Benedetta Mastrolia

Valentina Montanari

Maria Cristina Zoppo

Eric Sandrin

Board of Statutory Auditors

Massimo Carlomagno

Ester Sammartino

Antonio Mucci

Independent Auditing Firm

PricewaterhouseCoopers S.p.A.

Shareholders,

The Board of Directors of Newlat Food S.p.A. (hereinafter the "Company") illustrates below the agenda drafted for the Ordinary Shareholders' Meeting convened – by notice published on the Company's website at the address www.newlat.it, in the "Corporate Governance – Shareholders' Meeting" section on 18 March 2022, as well as in the newspaper *Italia Oggi* on 19 March 2022 – at the registered office of the company Newlat Group S.A., located in Paradiso (Switzerland), Via Geretta 8, on 28 April 2022 at 12:00 noon on first call, and, where necessary, on second call on 5 May 2022, same places and time:

- 1. Approval of the Financial Statements as at 31 December 2021, accompanied by the Directors' Report on Operations, the Report of the Board of Statutory Auditors and the Independent Auditors' Report. Related resolutions. Presentation of the consolidated financial statements as at 31 December 2021.**
- 2. Allocation of the profit for the year. Related resolutions.**
- 3. Report on the remuneration policy and on the remuneration paid pursuant to art. 123-ter of Italian Legislative Decree no. 58 of 24 February 1998:**
 - 3.1 Binding resolution on the first section on remuneration policy pursuant to Article 123-ter, paragraph 3 of Italian Legislative Decree no. 58 of 24 February 1998.**
 - 3.2 Non-binding resolution on the second section on remuneration paid pursuant to Article 123-ter, paragraph 4 of Italian Legislative Decree 58 of 24 February 1998.**
- 4. Appointment of the Board of Directors for the financial years 2022-2024 and determination of the remuneration:**
 - 4.1 Determination of the number of members of the Board of Directors.**
 - 4.2 Determination of the term of office of the Board of Directors.**
 - 4.3 Appointment of the Board of Directors**
 - 4.4 Appointment of the Chair of the Board of Directors**
 - 4.5 Determination of remuneration.**
- 5. Appointment of the Board of Statutory Auditors for the financial years 2022-2024 and determination of the relative emoluments:**
 - 5.1. Appointment of Standing Statutory Auditors, including the Chairman of the Board of Statutory Auditors, and Alternate Statutory Auditors.**
 - 5.2. Determination of emoluments.**
- 6. Authorisation to purchase and dispose of treasury shares, after revocation of the previous one. Related resolutions.**

The purpose of this report is to explain the reasons for the proposals referred to in the items on the agenda of the shareholders' meeting pursuant to article 125-ter of the TUF.

1. Approval of the Financial Statements as at 31 December 2021, accompanied by the Directors' Report on Operations, the Report of the Board of Statutory Auditors and the Independent Auditors' Report. Related resolutions. Presentation of the consolidated financial statements as at 31 December 2021.

Shareholders,

With regard to the explanation of the first item of the Shareholders' Meeting's agenda, please refer to the Company's Annual Financial Report for the year 2021 containing the draft financial statements of Newlat Food S.p.A., the consolidated financial statements and the Non-Financial Statement for the year 2021 prepared pursuant to Italian Legislative Decree no. 254 of 30 December 2016, the directors' report on operations, the report on corporate governance and ownership structure, as well as the certification pursuant to Article 154-bis of the Consolidated Law on Finance, the report of the independent auditor and the report of the Board of Statutory Auditors.

These documents are available to the public at the eMarket Storage authorised storage mechanism at www.emarketstorage.com, on the Company's website at www.newlat.it in the "Corporate Governance – Shareholders' Meeting" section and filed at the Company's registered office.

The draft financial statements submitted for your approval showed a profit for the year of €860,156, while the draft consolidated financial statements as at 31 December 2021 showed a total net profit of €860,156.

The Board of Directors therefore submits the following resolution proposal for your approval.

"The Ordinary Shareholders' Meeting of Newlat Food S.p.A.

- *having reviewed the Report of the Board of Directors prepared in accordance with article 125-ter of the TUF;*
- *having examined the annual financial report for the year 2021, the report of the independent auditor and the report of the Board of Statutory Auditors;*
- *having taken note of the consolidated financial statements as at 31 December 2021 and the Non-Financial Statement for the year 2021 prepared pursuant to Italian Legislative Decree no. 254 of 30 December 2016;*

resolves

to approve Newlat Food S.p.A.'s Financial Statements for the year ended 31 December 2021, which closed with a profit of €860,156".

2. Allocation of the profit for the year. Related resolutions.

Shareholders,

The Board of Directors, having taken note of the Annual Financial Report for the year 2021, the report of the independent auditors and the report of the Board of Statutory Auditors, having regard to the financial statements for the year ended 31 December 2021 which show a profit of €860,156, proposes to allocate the profit for the year to the reserves, specifically 5% to the legal reserve and the remaining 95% to the extraordinary reserve.

Therefore, the Board of Directors proposes the following resolution:

"The Ordinary Shareholders' Meeting of Newlat Food S.p.A.

- *having reviewed the Report of the Board of Directors prepared in accordance with article 125-ter of the TUF;*
- *having regard to the financial statements as at 31 December 2021, just approved, which showed a profit of €860,156;*

resolves

to allocate the profit for the year of €860,156 as follows:

- *5% of the net profit to the legal reserve;*
- *95% to the extraordinary reserve".*

3. Report on the remuneration policy and on the remuneration paid pursuant to art. 123-ter of Italian Legislative Decree 58 of 24 February 1998.

Shareholders,

as per article 123-ter of the TUF, as amended by Italian Legislative Decree no. 49 of 10 May 2019 (the "Decree"), you are called upon to deliberate on the report on the remuneration policy and on the compensation paid prepared according to the provisions of art. 84-quater of the Issuers' Regulation issued by Consob, in accordance with Annex 3A, Schedule 7-bis of the aforementioned Regulation.

The report on the remuneration policy and on the remuneration paid pursuant to art. 123-ter TUF includes:

- (i) a Section I that illustrates the Company's policy on the remuneration of members of the boards of directors and statutory auditors, general managers and executives with strategic responsibilities with respect to the financial year 2022, as well as the procedures used for the adoption and implementation of this policy;
- (ii) a Section II that illustrates the remuneration paid to members of the boards of directors and statutory auditors, general managers and managers with strategic responsibilities in said year.

Following the amendments made by the aforementioned Decree, art. 123-ter of the TUF requires Shareholders to express a binding vote on the remuneration policy (Section I) and a non-binding, advisory vote on the remuneration paid to the aforementioned parties (Section II).

The report on the remuneration policy and the remuneration paid by Newlat Food S.p.A., including Sections I and II above, on which you are called to express yourself, is available to the public at the eMarket Storage authorised storage mechanism at www.emarketstorage.com, on the Company's website at www.newlat.it in the "Corporate Governance – Shareholders' Meeting" section and filed at the Company's registered office.

3.1 Binding resolution on the first section on remuneration policy pursuant to Article 123-ter, paragraph 3 of Italian Legislative Decree no. 58 of 24 February 1998.

With regard to Section I, report on the remuneration policy, pursuant to article 123-ter, paragraph 3-ter of the TUF the Shareholders' Meeting is called to express its binding vote.

The Board of Directors, referring to the text of the report on the remuneration policy and on remuneration paid – approved by the Board resolution of 18 March 2022 upon the assent of the Remuneration and Appointments Committee – proposes the following resolution:

"The Ordinary Shareholders' Meeting of Newlat Food S.p.A.

- *having taken note of Section I of the report on the remuneration policy and the compensation paid;*
- *considering that pursuant to article 123-ter, paragraph 3-ter of the TUF the Shareholders' Meeting is called to express its binding vote on Section I of the aforementioned report;*

resolves

to approve Section I of the report on the remuneration policy and the remuneration paid illustrating the Company's remuneration policy for the year 2022 and the procedures followed for the adoption of such policy".

3.2 Non-binding resolution on the second section on remuneration paid pursuant to Article 123-ter, paragraph 4 of Italian Legislative Decree 58 of 24 February 1998.

With regard to Section II, report on the remuneration paid, pursuant to article 123-ter, paragraph 6 of the TUF the Shareholders' Meeting is called to express its non-binding vote, for or against.

The Board of Directors, referring to the text of the report on the remuneration policy and on remuneration paid – approved by the Board resolution of 18 March 2022 upon the assent of the Remuneration and Appointments Committee – proposes the following resolution:

"The Ordinary Shareholders' Meeting of Newlat Food S.p.A.

- *having taken note of Section II of the report on the remuneration policy and the compensation paid;*
- *considering that pursuant to article 123-ter, paragraph 6 of the TUF the Shareholders' Meeting is called to express its non-binding vote on Section II of the aforementioned report*

resolves

favourably with respect to the contents of Section II of the report on the remuneration policy and on the remuneration paid during the year ended 31 December 2021".

4. **Appointment of the Board of Directors for the financial years 2022-2024 and determination of the remuneration:**
 - 4.1 **Determination of the number of members of the Board of Directors.**
 - 4.2 **Determination of the term of office of the Board of Directors.**
 - 4.3 **Appointment of the Board of Directors.**
 - 4.4 **Appointment of the Chair of the Board of Directors.**
 - 4.5 **Determination of remuneration.**

Shareholders,

You are called upon to renew the Board of Directors appointed by the Shareholders' Meeting on 08 July 2019, expiring with the approval of the financial statements for the year 2021, having completed the mandate of three years.

Specifically, the Shareholders' Meeting is called to (i) determine the number of members of the Board of Directors, (ii) determine the term of office of the Board of Directors, (iii) appoint the Board of Directors, (iv) appoint the Chair of the Board of Directors and (v) set the fees to be paid to the members of the governing body.

The provisions of articles 12, 13 and 14 of the By-laws are shown in full below.

Article 12 states that:

- "1) The Company is administered by a Board of Directors with no fewer than 3 (three) members and no more than 15 (fifteen).*
- 2) The Shareholders' Meeting shall determine the number of members of the Board of Directors from time to time, before their appointment. Within the limit indicated above, the Shareholders' Meeting may also change the number of directors during the term of office of the Board of Directors; the directors thus appointed lapse together with those in office. This without prejudice to the power conferred on the Shareholders' Meeting by Article 11, point 2) above.*
- 3) The directors remain in office for the period set by the shareholders' appointment resolution, up to a maximum of 3 (three) financial years, and are eligible for re-election. Their term shall expire on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their term, unless there are grounds for termination and forfeiture as provided for by law and by these By-laws.*
- 4) Until the shares of the Company are traded on an Italian regulated market or another member state of the European Union, the appointment of the Board of Directors takes place on the basis of slates as described in article 13 below.*
- 5) The members of the Board of Directors must meet the requirements of professionalism, integrity and independence to the extent and within the terms established by current laws and regulations in force from time to time. The appointment of the Board of Directors shall also take place in compliance with the laws and regulations in force from time to time concerning gender balance.*

- 6) *Each year the Board of Directors shall assess whether it meets independence requirements, based on the information provided by the directors. In any case, the appointed directors shall promptly report the lapsing of the aforementioned requirements, also pursuant to the Corporate Governance Code, as well as the occurrence of any causes of ineligibility or incompatibility”.*

Article 13 states that:

- "1) *The appointment of the Board of Directors takes place on the basis of slates, submitted pursuant to the following paragraphs.*
- 2) *Shareholders who, at the time, hold – either individually or together with other submitting shareholders – a stake at least equal to the share determined by Consob pursuant to the applicable laws and regulations, are entitled to submit the slates. Ownership of the minimum stake is determined in relation to shares that are registered to the shareholder on the day when the slate is submitted to the Company, it being understood that the relevant certification may be produced between submission and the deadline for publication of the slate.*
- 3) *Each shareholder, the shareholders adhering to a shareholders' agreement pursuant to article 122 of the TUF, the parent company, subsidiaries, joint ventures and the other entities between which there is a direct or indirect link, pursuant to applicable laws and regulations, may submit – or contribute to the submission, even through an intermediary or trust company – and vote for only one slate.*
- 4) *Each candidate may appear on only one slate under penalty of ineligibility.*
- 5) *Each slate shall bear the names, marked with a sequential number, of no more than 15 (fifteen) candidates.*
- 6) *Each slate must include at least some candidates - in accordance with the provisions of applicable legislation - who meet the independence requirements prescribed by applicable laws or regulations (including the market regulations of Borsa Italiana S.p.A.), indicating them separately and placing one of them at the top of the list.*
- 7) *For the period of application of applicable laws and regulations on gender balance, each slate that presents a number of candidates equal to or greater than 3 (three) must include candidates of both genders, at least in the minimum proportion required by applicable laws and regulations, as specified in the notice of convocation of the Shareholders' Meeting.*
- 8) *The following must be filed when the slates are submitted:*
 - a) *Information on the shareholders who have submitted the slate, including their stake.*
 - b) *A declaration by shareholders other than those who hold, even jointly, a controlling interest or a relative majority, certifying the absence of any direct or indirect link, within the meaning of applicable laws and regulations, with the latter.*
 - c) *The curriculum vitae of the candidates and a statement in which each candidate declares, under his or her own responsibility, that there are no grounds for ineligibility and incompatibility and that he or she fulfils the conditions for appointment.*

- d) *Information on candidates and indication of any eligibility to qualify as an independent director in accordance with applicable legislation and with the codes of conduct on corporate governance adopted by the Company.*
 - e) *A declaration from each candidate accepting their candidacy.*
 - f) *Any other additional or different declaration, information and/or document required by applicable laws and regulations.*
- 9) *In the event of a failure to fulfil the obligations of this Article, the slate shall be deemed not to have been submitted. Any changes that may occur up to the date of the Shareholders' Meeting shall be promptly reported to the Company.*
- 10) *The slates are filed with the Company within the deadlines set out in applicable laws and regulations, as indicated in the notice of convocation at the Company's registered office or also communicated remotely, and made available to the public under the terms and conditions set out in applicable laws and regulations”.*

Article 14 states that:

- “1) *Each person entitled to vote may vote for only one slate. Each shareholder votes for a particular slate and therefore all the candidates indicated therein, without the possibility of variations or exclusions. Votes cast in violation of this prohibition shall not be attributed to any slate.*
- 2) *Candidates will be appointed from the slates that have obtained the highest number of votes according to the following criteria:*
- a) *From the slate that has obtained the highest number of votes ("**Majority Slate**"), all directors to be elected minus one shall be drawn in the progressive order in which they were listed.*
 - b) *From the second slate that has obtained the highest number of votes and that is not even indirectly connected with the shareholders who have submitted, or with those who have voted, the Majority Slate ("**Minority Slate**"), a director is drawn, in the person of the candidate indicated with the first number on said slate.*
- 3) *If votes are tied between lists, the Shareholders' Meeting, using the majorities specified in law, will vote again solely on the tied slates, with the list obtaining the highest number of votes during this second vote prevailing.*
- 4) *If the above methods fail to produce a Board of Directors that complies with provisions on independence requirements, the following procedure is followed: the candidate who does not meet the independent director requirements established by applicable laws and regulations and was elected last sequentially from the Majority Slate will be replaced by the first candidate sequentially from the same slate who does meet said requirements. If this procedure should also fail to ensure the necessary number of directors who meet the independence requirements established by applicable laws and regulations, candidates who do meet said requirements will be presented and the Shareholders' Meeting shall choose replacements using the majorities specified in law.*

- 5) *If the article 13 paragraph 5) above methods fail to produce a Board of Directors that complies with provisions on gender balance where applicable, the candidates of the most represented gender elected last sequentially from the Majority Slate are replaced with the first unelected candidates of the other gender who appear on the same slate; where this is not possible, in order to ensure compliance with the aforementioned provisions on gender balance, the Shareholders' Meeting shall appoint the missing directors using the methods and majorities specified by law, without application of the slate vote mechanism.*
- 6) *In any case, slates that have not obtained a percentage of votes equal to at least half of that required for their submission will not be taken into account.*
- 7) *If only one slate has been submitted, the Shareholders' Meeting will vote on it and if it obtains a relative majority, the candidates listed will be elected as directors in sequential order, up to the number set by the Shareholders' Meeting, without prejudice to the obligation to appoint a number of directors who are independent pursuant to article 147-ter of the TUF equal to the minimum number established by these By-laws and by applicable laws and regulations, and to comply with the rules on gender balance, where applicable. If the minimum number of independent and least-represented-gender directors established by these By-laws and by current laws and regulations is not elected, the Shareholders' Meeting will replace the directors with the lowest sequential number who do not fulfil the relevant requirements with the subsequent candidates from the same list who do. If applying this process fails to identify suitable replacements, the Shareholders' Meeting will hold another vote using the majorities specified by law. In this case, replacements will be made starting with the candidates with the lowest sequential number.*
- 8) *If the number of candidates in the Majority Slate and the Minority Slate is lower than the number of Directors to be elected, the remaining directors shall be elected by the Shareholders' Meeting with the majorities provided for by law, without prejudice to the obligation of the Shareholders' Meeting to appoint a number of independent and least-represented gender directors that is not less than the minimum established by the By-laws and by applicable laws and regulations. All directors will be appointed using the same methods and majorities even if no slate is submitted”.*

We inform you that with management decision no. 60 of 28 January 2022, Consob specified the minimum percentage required to submit a slate of candidates to be 2.5% of the share capital, and based on the By-laws only shareholders who, alone or together with others, hold a total of shares with voting rights representing at least 2.5% of the capital at the ordinary meeting have the right to submit slates.

Note that the slates must be filed at the registered office or sent to the certified email address newlat@pec.it by the presenting Shareholders by 3 April 2022. Since this deadline falls on Sunday, slates sent ahead of time will be accepted by email at veronica.pisoni@newlat.com provided that they are deposited at the registered office by 4 April 2022. Each slate shall bear the names, marked with a sequential number, of no more than 15 (fifteen) candidates.

Each slate must include at least some candidates - in accordance with the provisions of applicable legislation - who meet the independence requirements prescribed by applicable laws or regulations (including the market regulations of Borsa Italiana S.p.A.), indicating them separately and placing one of them at the top of the list.

A Shareholder or group of Shareholders may not submit and vote for more than one slate, even through an intermediary or through trustees. No candidate may be on more than one slate, and inclusion on more than one slate constitutes grounds for ineligibility.

Each slate that presents a number of candidates equal to or greater than 3 (three) must also include candidates of both genders, at least in the minimum proportion required by the applicable laws and regulations in force from time to time.

The following must be filed when the slates are submitted:

- a) The information relating to the identity of the Shareholders who have submitted the slate and the indication of the percentage of shareholding held, in addition to one or more certification(s), to be deposited at the registered office at the same time or in any case by 7 April 2022, showing the ownership of such shareholding(s) at the date the slate is submitted.
- b) A declaration by Shareholders other than those who hold, even jointly, a controlling interest or a relative majority, certifying the absence of any direct or indirect link, within the meaning of applicable laws and regulations, with the latter.
- c) The curriculum vitae of the candidates and a statement in which each candidate declares, under his or her own responsibility, that there are no grounds for ineligibility and incompatibility and that he or she fulfils the conditions for appointment.
- d) Information on candidates and indication of any eligibility to qualify as an independent director in accordance with applicable legislation and with the codes of conduct on corporate governance adopted by the Company.
- e) A declaration from each candidate accepting their candidacy.

The slates will be published on 7 April 2022 by dissemination through the authorised eMarket Storage mechanism at www.emarketstorage.com and through the website www.newlat.it.

Shareholders wishing to submit slates are invited to read the recommendations contained in Consob communication DEM/9017893 of 26 February 2009.

After consulting the Appointments Committee and taking into account the results of the self-assessment, the expiring Board of Directors formulated an orientation regarding the quantitative and qualitative composition of the governing body that it deemed optimal. Specifically, the outgoing Board of Directors considered that:

- Taking into account the current size and activities of the Company, most appropriate are: i) a number between 7 and 9 Directors, this number being sufficient to ensure an adequate balance of skills and experience required by the business of the Company and Group, and ii) the current composition of the Board Committees, all composed of persons with superior professional experience allowing for an effective performance of the tasks that each Committee is called to perform.
- The term of office of the Board of Directors should be three years, i.e. until approval of the financial statements as at 31 December 2024.
- In addition to what is envisaged in current laws and the By-laws regarding gender balance, it is advisable to ensure a varied composition of the Board in terms of skills, professional characteristics and age, in order to provide concrete support to the pursuit of the Company's strategic objectives and the tasks of the Board itself.
- It is not necessary to define general criteria regarding the maximum number of administration and control positions held in other companies that can be considered compatible with effectively performing the role of Director in this Company, without prejudice to the duty of each Director to assess the compatibility of the positions of director and auditor held in other companies listed on regulated markets, in financial, banking, insurance or other companies of significant size, with the diligent performance of the tasks assumed as Director in this Company.
- In accordance with the remuneration policy adopted by the Company, submitted to the Shareholders' Meeting and available on the website at www.newlat.it in the "Corporate Governance – Shareholders' Meeting" section, the Board of Directors is paid a reasonable fee to remunerate the role of Director in line with the market.

With regard to the provisions in art. 125-ter, paragraph 1, of the TUF, with regard to the need to make available the proposals for resolutions, your Board has taken charge of requesting from the Shareholder of reference its intentions in terms of number of members of the governing body, duration in office thereof and determination of the relative remunerations.

The Shareholder informed the Board of Directors of its intention to reserve the right to subsequently set, in a range between 7 and 9, the number of members of the Board of Directors and to submit the following proposals for approval by the Shareholders' Meeting:

- To set in _____ [number between 7 and 9]* the number of members of the Board of Directors;
- To set the term of office of the Board of Directors at three financial years.
- to grant a gross annual remuneration of €120,000.00 to the Chair of the Board of Directors, a gross annual remuneration of €36,000.00 to the Managing Directors and a gross annual remuneration of €24,000.00 to the other members, in addition to the reimbursement of expenses incurred in the performance of their duties.

In light of the above, we propose that you adopt the following resolution:

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

- having acknowledged the report of the Board of Directors;*
- having acknowledged the proposal of the shareholder Newlat Group S.A.;*
- having regard to the provisions of the law and the by-laws,*

RESOLVES

- to set in _____ [number between 7 and 9]* the number of members of the Board of Directors;*
- to set the term of office of the Board of Directors at three financial years, i.e. until the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2024;*
- to grant a gross annual remuneration of €120,000.00 (one hundred twenty thousand/00) to the Chair of the Board of Directors, a gross annual remuneration of €36,000 (thirty-six thousand/00) to the Managing Directors and a gross annual remuneration of €24,000.00 (twenty-four thousand/00) to the other members, in addition to the reimbursement of expenses incurred in carrying out their functions”.*

Finally, we remind you of the need to vote on one of the slates submitted, to abstain, to declare yourself against all the slates or to not participate in the vote.

*number that will be established by the Assembly on the basis of the lists presented, bearing in mind that the Articles of Association provide for a minimum number of 3 and a maximum number of 15 members of the Board of Directors

- 5. Appointment of the Board of Statutory Auditors for the financial years 2022-2024 and determination of the relative emoluments:**
- 5.1 Appointment of Standing Statutory Auditors, including the Chairman of the Board of Statutory Auditors, and Alternate Statutory Auditors.**
- 5.2 Determination of emoluments.**

Shareholders,

You are called upon to renew the Board of Statutory Auditors appointed by the Shareholders' Meeting on 8 July 2019, expiring with the approval of the financial statements for the year 2021, having completed the mandate of three years.

In particular the Shareholders' Meeting is called (i) to appoint the Statutory Auditors by slate vote and (ii) to establish their remuneration.

The provisions of articles 21 and 22 of the By-laws are shown in full below.

Article 21 states that:

- “1) The Board of Statutory Auditors consists of 3 (three) standing auditors and 2 (two) alternate auditors.*
- 2) The members of the Board of Statutory Auditors shall remain in office for 3 (three) years ending on the date of the Shareholders' Meeting convened to approve the financial statements for the third year of their term. They shall be eligible for re-election.*
- 3) Members of the Board of Auditors must meet the requirements of integrity, professionalism, independence and the limit of accumulation of positions provided for by applicable laws and regulations. Matters relating to commercial law, company law, financial market law, tax law, business economics, corporate finance, disciplines having a similar or comparable object, and matters and sectors relating to the business sector of the Company are considered strictly relevant to the scope of the Company's activities.*
- 4) In addition to the reimbursement of expenses incurred by reason of their office, the members of the Board of Statutory Auditors shall be entitled to a remuneration determined for the entire term of office by the Shareholders' Meeting at the time of their appointment.*
- 5) The Board of Statutory Auditors is elected by the Ordinary Shareholders' Meeting on the basis of slates submitted by shareholders as per the provisions below, ensuring gender balance in accordance with the provisions of applicable laws and regulations.*
- 6) The presentation of lists is governed by applicable laws and regulations and by these By-laws.*
- 7) Slates can be submitted by shareholders who, alone or together with others, at the time of submission represent at least the stake envisaged by Article 13 above to submit lists of candidates for the office of director.*

- 8) *The slates are filed with the Company within the deadlines set out in applicable laws and regulations, as indicated in the notice of convocation at the Company's registered office or also communicated remotely, and made available to the public under the terms and conditions set out in applicable laws and regulations''.*
- 9) *Each shareholder, the shareholders adhering to a shareholders' agreement pursuant to article 122 of the TUF, the parent company, subsidiaries, joint ventures and the other entities between which there is a direct or indirect link, pursuant to applicable laws and regulations, may submit – or contribute to the submission, even through an intermediary or trust company – and vote for only one slate.*
- 10) *Each candidate may appear on only one slate under penalty of ineligibility.*
- 11) *Each slate shall contain a sequential number of candidates not exceeding the number of members to be elected.*
- 12) *The slates are divided into two sections: one for candidates for the office of standing auditor, the other for candidates for the office of alternate auditor. The first of the candidates in each section must appear in the register of auditors and must have carried out auditing activities for a period of not less than 3 (three) years.*
- 13) *Each slate that – considering both sections – has a number of candidates equal to or greater than 3 (three) must also include candidates of both genders, so that at least one-third (rounded up) of the candidates for the office of standing auditor and at least one candidate for the office of alternate auditor belong to the least-represented gender where this is required by the applicable laws.*
- 14) *The following must be filed when the slates are submitted:*
 - a) *Information on the shareholders who have submitted the slate, including their stake.*
 - b) *A declaration by shareholders other than those who hold, even jointly, a controlling interest or a relative majority, certifying the absence of any direct or indirect link, within the meaning of applicable laws and regulations, with the latter.*
 - c) *The curriculum vitae of the candidates and a statement in which each candidate declares, under his or her own responsibility, that there are no grounds for ineligibility and incompatibility and that he or she fulfils the conditions for appointment.*
 - d) *Information relating to candidates specifying the administrative and control positions held in other companies, as well as a declaration by the candidates themselves certifying that they meet the requirements – including those of integrity, professionalism, independence and relating to current positions held in other companies – envisaged by applicable laws and regulations from time to time and by the By-laws and their acceptance of the candidacy and position, if elected.*
 - e) *A declaration from each candidate accepting their candidacy.*
 - f) *Any other additional or different declaration, information and/or document required by applicable laws and regulations.*

- 15) *In the event of a failure to fulfil the obligations of this Article, the slate shall be deemed not to have been submitted. Any changes that may occur up to the date of the Shareholders' Meeting shall be promptly reported to the Company”.*

Article 22 states that:

- "1) *The election of the Board of Statutory Auditors shall take place in accordance with the following provisions:*
- a) *Two standing members and one alternate shall be drawn in the order in which they are listed in the slate that received the highest number of votes ("**Majority Slate**").*
 - b) *The remaining standing member, who will also be appointed Chair of the Board of Statutory Auditors, and the other alternate member shall be drawn from the slate that received the highest number of votes at the Shareholders' Meeting after the first slate, in the order in which they are listed, the second slate not being even indirectly connected with the shareholders who submitted or voted for the Majority Slate ("**Minority Slate**"). If more than one slate has obtained the same number of votes, a new vote shall be taken on said slates by all those who can vote and are present at the Shareholders' Meeting, with the candidates from the slate that secures a relative majority being elected.*
- 2) *If gender balance is not ensured in accordance with the provisions of applicable laws and regulations, the elected candidate belonging to the most represented gender who was last in the sequential order in each section of the majority slate, will be replaced by the unelected candidate from the least represented gender taken from the same slate in the sequential order of presentation.*
- 3) *If the number of candidates elected on the basis of the slates submitted is lower than the number of statutory auditors to be elected, the remainder will be elected by the Shareholders' Meeting, which decides by the majorities required by law and in such a way that the gender balance required by applicable laws and regulations is respected.*
- 4) *In the case of submission of a single slate, the Board of Statutory Auditors is drawn entirely from it in compliance with applicable laws and regulations. If, on the other hand, no slate is submitted, the Shareholders' Meeting decides by relative majority in accordance with the provisions of law. In such cases, the Chairman of the Board of Statutory Auditors shall be appointed by relative majority of the votes present at the Shareholders' Meeting.*

We inform you that with management decision no. 60 of 28 January 2022, Consob specified the minimum percentage required to submit a slate of candidates to be 2.5% of the share capital, and based on the By-laws only shareholders who, alone or together with others, hold a total of shares with voting rights representing at least 2.5% of the capital with voting rights at the ordinary meeting have the right to submit slates.

Note that the slates must be filed at the registered office or sent to the certified email address newlat@pec.it by the presenting Shareholders by 3 April 2022 and will be made public according to the provisions in force. Since this deadline falls on Sunday, slates sent ahead of time will be accepted by email at veronica.pisoni@newlat.com provided that they

are deposited at the registered office by 4 April 2022. In the event that on the expiry date of the deadline for submission of slates only one of them has been filed, or only slates submitted by Shareholders connected to each other pursuant to the applicable provisions, pursuant to art. 144-sexies of the Issuers' Regulation approved by Consob Resolution no. 11971 as amended and supplemented, slates may be submitted by Wednesday, 6 April 2022. In such case, the thresholds for submission of slates shall be reduced by half, therefore to 1.25% (one point twenty-five per cent) of the share capital.

A Shareholder or group of Shareholders may not submit and vote for more than one slate, even through an intermediary or through trustees. No candidate may be on more than one slate, and inclusion on more than one slate constitutes grounds for ineligibility.

The slates are divided into two sections: one for candidates for the office of standing auditor, the other for candidates for the office of alternate auditor. The first of the candidates in each section must appear in the register of auditors and must have carried out auditing activities for a period of not less than 3 (three) years.

Each slate that – considering both sections – has a number of candidates equal to or greater than 3 (three) must also include candidates of both genders, so that at least two-fifths (rounded up) of the candidates for the office of standing auditor and at least one candidate for the office of alternate auditor belong to the least-represented gender.

The following must be filed when the slates are submitted:

- a) The information relating to the identity of the Shareholders who have submitted the slate and the indication of the percentage of shareholding held, in addition to one or more certification(s), to be deposited at the registered office at the same time or in any case by 7 April 2022, showing the ownership of such shareholding(s) at the date the slate is submitted.
- b) A declaration by Shareholders other than those who hold, even jointly, a controlling interest or a relative majority, certifying the absence of any direct or indirect link, within the meaning of applicable laws and regulations, with the latter.
- c) The *curriculum vitae* of the candidates and a statement in which each candidate declares, under his or her own responsibility, that there are no grounds for ineligibility and incompatibility and that he or she fulfils the conditions for appointment.
- d) Information regarding the candidates specifying the positions of administration and control held in other companies, as well as a declaration of these same candidates attesting to the possession of the requirements – including those of integrity, professionalism, independence and relating to the positions held in other companies – envisaged by applicable laws and regulations in force from time to time.
- e) A declaration from each candidate accepting their candidacy.

The slates will be published on 7 April 2022 by dissemination through the authorised eMarket Storage mechanism at www.emarketstorage.com and through the website www.newlat.it.

Shareholders are also invited to take into account the recommendations contained in Consob Communication DEM/9017893 of 26 February 2009.

With regard to the provisions in art. 125-ter, paragraph 1, of the TUF, with regard to the need to make available the proposals for resolutions, your Board has taken charge of requesting from the Shareholder of reference its intentions in terms of remuneration of the Board of Statutory Auditors.

The Shareholder informed the Board of Directors of its intention to submit for approval by the shareholders' meeting an emolument of €7,000.00 gross per year for the Chairman of the Board of Statutory Auditors and an emolument of €4,000.00 gross per year for each Standing Auditor.

In light of the above, we propose that you adopt the following resolution:

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

- having acknowledged the report of the Board of Directors;*
- having acknowledged the proposal of the shareholder Newlat Group S.A.;*
- having regard to the provisions of the law and the by-laws,*

R E S O L V E S

- to attribute a remuneration of €7,000.00 (seven thousand/00) gross per year to the Chairman of the Board of Statutory Auditors and a remuneration of €4,000.00 (four thousand/00) gross per year to each Standing Auditor”.*

Finally, we remind you of the need to vote on one of the slates submitted, to abstain, to declare yourself against all the slates or to not participate in the vote.

6. Authorisation to purchase and dispose of treasury shares, after revocation of the previous one. Related resolutions.

Shareholders,

With this report prepared pursuant to art. 73 of the regulations concerning issuers adopted by Consob with resolution no. 11971 of 14 May 1999 ("IR") and the related annex 3A, Schedule 4, the Board of Directors of Newlat Food S.p.A. submits for your approval the request for authorisation to purchase and dispose of treasury shares, to be made pursuant to articles 2357 and 2357-ter of the Italian Civil Code, art. 132 TUF and art. 144-bis IR, as well as in accordance with the applicable provisions of Regulation (EU) no. 596 of 16 April 2014 on market abuse ("MAR Regulation"), Delegated Regulation (EU) no. 1052 of 8 March 2016 ("Delegated Regulation") and market practices from time to time, after revocation of the previous authorisation approved by the Ordinary Shareholders' Meeting on 11 October 2021.

In this regard, it is recalled that this Shareholders' Meeting authorised (i) the purchase of the Company's treasury shares for a period of 18 months from the date of the resolution of the Shareholders' Meeting, up to a maximum number of shares that, taking into account the treasury shares held in the portfolio by the Company and its subsidiaries, does not exceed a total of one-fifth of the Company's share capital, pursuant to Article 2357, paragraph 3 of the Italian Civil Code, or any other maximum amount envisaged by current law, and (ii) the administration of the treasury shares thus purchased without any time limits.

Following the purchases made in execution of the aforementioned shareholders' resolution and the ones before, most recently on 28 February 2022, Newlat Food S.p.A. owned 3,101,564 treasury shares, accounting for 7.06% of the share capital. The subsidiaries do not hold any shares of the Company.

In view of the approaching expiry of the 18-month purchase authorisation period approved by the Ordinary Shareholders' Meeting on 11 October 2021 and taking into account the continuing reasons for such authorisation, it is proposed to the Shareholders to renew the authorisation to purchase treasury shares for the purposes, within the terms and in the manner detailed below for a further period of 18 months, as well as to grant a new authorisation to dispose of treasury shares without time limits, after revocation of the previous one.

1. Reasons for which authorisation to purchase and dispose of treasury shares is requested.

This request is aimed at providing the Company with a stock of treasury shares at its disposal, using, selling them at any time, in full or in part, on one or more occasions and with no time limits, as part of extraordinary transactions such as, among others, swaps, contributions, exchanges, corporate and/or financial transactions of an extraordinary nature on the

capital or even financing transactions and operations of an extraordinary nature such as, among others, mergers or similar, sales and acquisition projects and/or future industrial projects in line with the Company's corporate development strategy, as well as in the context of exchange and/or sale of share packages and/or for the conclusion of commercial and/or strategic alliances or for other uses deemed of financial and/or management interest to the Company.

Moreover, the Board of Directors considers it appropriate for the Company to be allowed to dispose of the treasury shares acquired to allow it to seize the opportunities for maximising the value that may derive from conditions that arise, and therefore also to execute trades.

2. Maximum number, category and nominal value of the shares which the authorisation refers to.

As at today's date, the Company's share capital amounted to €43,935,050.00, divided into 43,935,050 ordinary shares, without par value.

Authorisation is requested for the purchase of the Company's ordinary shares, even in several tranches, up to a maximum number which, taking into account the shares held from time to time by the Company and its subsidiaries does not exceed a total of one fifth of the Company's share capital, pursuant to Article 2357, paragraph 3 of the Italian Civil Code or any other maximum amount envisaged by the law in force from time to time.

Note that the request for authorisation also concerns the Board of Directors' power to carry out repeated and successive purchase and sale transactions (or other actions) of treasury shares on a revolving basis, even for fractions of the maximum authorised quantity, it being understood that the quantity of Newlat Food shares subject to purchase and owned by the Company at any time shall not exceed the maximum limit established by law and by the authorisation of the Shareholders' Meeting.

3. Compliance with the provisions of the third paragraph of art. 2357 of the Italian Civil Code

At today's date – following the latest purchases made on 28 February 2022 – the Company owned 3,101,564 treasury shares, accounting for 7.06% of the share capital. The subsidiaries do not hold any shares of the Company.

In accordance with the provisions of article 2357, paragraph 3 of the Italian Civil Code, in no case shall the nominal value of the number of treasury shares purchased – including any shares held by subsidiaries – exceed one-fifth of the total number of shares issued.

In this regard, pursuant to article 2359-bis of the Italian Civil Code the Subsidiaries shall be given specific instructions to promptly report any acquisition of treasury shares. When carrying out each authorised purchase, the Board of Directors shall verify compliance with the provisions of article 2357, paragraphs 1 and 3 of the Italian Civil Code.

Purchases of treasury shares must be contained within the limits of distributable profits and available reserves resulting from the last duly approved financial statements at the time of the transaction, and on the occasion of the purchase and disposal of treasury shares the necessary accounting entries shall be made in compliance with the provisions of the law and applicable accounting standards.

4. Duration of the authorisation.

The authorisation is requested for the maximum duration allowed by art. 2357, paragraph 2 of the Italian Civil Code, equal to 18 months from the date of the resolution of the Ordinary Shareholders' Meeting.

5. Minimum and maximum fees, as well as market valuations based on which they were determined.

The purchases of the shares covered by this report must be made at a price no more than 10% higher and no more than 10% lower than the price recorded on Euronext Milan, organised and managed by Borsa Italiana S.p.A., in the session preceding each individual purchase transaction or the date on which the price is fixed, and in any case, if the purchases are made on the regulated market, for a price no higher than the highest price between the price of the last independent transaction and the price of the highest current independent purchase offer on the same market.

In any case, the amount may not exceed any limits envisaged by current law or, if recognised, by accepted market practices.

6. Procedure for making the purchases.

The purchase of treasury shares shall be carried out on regulated markets, in accordance with article 2357 et seq. of the Italian Civil Code, article 132 of the TUF and article 144-bis, paragraph 1, letters b and c) IR, in accordance with the operating procedures established in the regulations for the organisation and management of the markets managed by Borsa Italiana S.p.A., in order to ensure equal treatment among shareholders.

With regard to disposal operations, the Board of Directors proposes that the authorisation allow the implementation of any method that is appropriate for the purposes pursued.

The shares acquired in execution of the shareholders' authorisation may therefore be subject to actions, and in this context may even be sold even before having exhausted the quantity of purchases covered by this authorisation, on one or more occasions, without time limits, in the manner deemed most appropriate by the Company under any other form of disposition permitted by current applicable laws.

7. Additional information, where the purchase is instrumental to the reduction of share capital.

It is confirmed that the purchase of treasury shares is not currently instrumental to the reduction of the share capital of the Company through cancellation of purchased treasury shares.

* * *

In light of what is described above, we invite you to resolve on the following resolutions:

"The Ordinary Shareholders' Meeting of Newlat Food S.p.A.

- *having acknowledged and approved the Explanatory Report of the Board of Directors on the proposed authorisation to purchase and dispose of treasury shares in order to constitute a security portfolio and to support the liquidity of the security;*
- *having regard to the provisions of articles 2357 and 2357-ter of the Italian Civil Code, article 132 of the TUF, article 44-bis and article 144-bis of the Consob Issuers' Regulation no. 11971/99 and subsequent amendments;*
- *noting that Newlat Food S.p.A. currently holds 3,101,564 treasury shares;*
- *having acknowledged that at the date of approval of this resolution the subsidiaries do not hold any treasury shares of the company;*
- *having regard to the financial statements as at 31 December 2021 and the allocation of the operating result;*

resolves

1. *to revoke the resolution authorising the purchase and disposal of treasury shares adopted by the Ordinary Shareholders' Meeting on 11 October 2021;*
2. *pursuant to article 2357 of the Italian Civil Code and the combined provisions of article 132 of the TUF and article 144-bis of the Consob Issuers' Regulation no. 11971/99, and in any case in any other manner permitted by current laws and regulations, to authorise the purchase on one or more occasions of Newlat Food S.p.A. ordinary shares up to a maximum number which, taking into account the treasury shares held in the portfolio by the Company and its subsidiaries, is not more than one-fifth of the Company's share capital overall, pursuant to art. 2357, paragraph 3, of the Italian Civil Code or any other maximum amount provided for by current law; the shares may be purchased until the expiry of the eighteenth month from the authorisation granted by the Ordinary Shareholders' Meeting; the shares must be purchased at a price that is no more than 10% higher or lower than the price recorded on the MTA stock exchange organised and managed by Borsa Italiana S.p.A. in the session preceding each individual transaction, and in any case the amount may not exceed any limits envisaged by current law or, if recognised, by accepted market practices; the purchase of treasury shares shall be carried out on regulated markets, in compliance with the provisions of article 2357 et seq. of the Italian Civil Code, article 132 of the TUF and art. 144-bis, paragraph 1, letters b and c) of Consob Regulation no. 11971/1999, in accordance with the operating procedures established in the regulations for the organisation and management of the markets managed by Borsa Italiana S.p.A., in order to ensure equal treatment among*

shareholders; finally, purchases must be contained within the limits of distributable profits and available reserves resulting from the last duly approved financial statements at the time of the transaction;

- 3. pursuant to article 2357-ter of the Italian Civil Code, to authorise the execution of actions to dispose of the shares, which in this context may even be sold, even before having exhausted the quantity of purchases covered by this authorisation, without time limits, in the manner deemed most appropriate by the Company, in relation to the purposes that will be pursued in any case under any other form of provision permitted by current applicable laws;*
- 4. to grant all necessary powers to the Board of Directors and, on its behalf, separately to the Chairman and Chief Executive Officer, with the power to appoint special proxies and/or specialised intermediaries or subject to the stipulation of specific contracts to implement this resolution, including by approving any and all executive provisions of the relevant purchase programme".*

* * *

Reggio Emilia, 18 March 2022

For the Board of Directors

The Chairman