

LU-VE S.p.A.

Via Vittorio Veneto n. 11 – 21100 Varese

REA Number: VA-191975

Tax Code no. 01570130128



**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL ON THE AGENDA OF
THE EXTRAORDINARY SHAREHOLDERS' MEETING CONVENED ON 1 JULY 2025 IN SINGLE CALL**

(drawn up pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented – the "TUF" – and Arts. 72 and 84-ter of the regulation adopted by Consob resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented – the "Issuers' Regulation" – in accordance with scheme 3 of Annex 3A to the Issuers' Regulation itself).

Dear Shareholders,

this report (the "**Explanatory Report**") has been prepared by the Board of Directors of LU-VE S.p.A. ("**LU-VE**", the "**Company**" or the "**Issuer**") in compliance with art. 125-ter of the TUF and Articles 72 and 84-ter of the Issuers' Regulation, as well as in accordance with Schedule 3 of Annex 3A to the same Regulation, with the aim of illustrating the proposal to amend the Articles of Association of LU-VE (the "**Articles of Association**" or the "**Articles of Association**"), referred to in the agenda of the Extraordinary Shareholders' Meeting – by notice published on 29 May 2025 on the Company's website (www.luvegroupp.com, section "*Investor*" – "*Corporate Governance & Shareholders*" – "*For Shareholders*" – "*Shareholders' Meeting*" – "*Shareholders' Meeting 1 July 2025*") and on the authorised storage mechanism *eMarket Storage* www.emarketstorage.com, as well as an excerpt in the newspaper "**Milano Finanza**" on 30 May 2025 – at the Marchetti Notary's Office in Milan, via Agnello no. 18, on **1 July 2025** at **3.00 p.m.**, in a single call (the "**Shareholders' Meeting**").

The **agenda of** the aforementioned Assembly is as follows:

1. Proposal to strengthen the increased voting system currently in force and amendment of art. 6 bis of the Articles of Association. Related and consequent resolutions.

The content of the amendment to Article 6 bis of the Articles of Association which the Board of Directors proposes to you to adopt and the reasons for it are illustrated below, presenting, in comparative form, the text of the current article of the Articles of Association and the amended text with red evidence in the adjacent column of the amendment to the Articles of Association that we submit for your approval.

* * *

AGENDA ITEM

1. PROPOSAL TO STRENGTHEN THE INCREASED VOTING SYSTEM CURRENTLY IN FORCE AND AMENDMENT OF ART. 6 BIS OF THE ARTICLES OF ASSOCIATION. RELATED AND CONSEQUENT RESOLUTIONS.

Dear Shareholders,

at its meeting on 29 May 2025, the Board of Directors of LU-VE (the "**Board of Directors**") decided to convene you, in extraordinary session, to submit to your examination and approval the proposal to amend art. 6 *bis* ("*Increase in voting rights*") of the Articles of Association aimed mainly at strengthening the increased voting rights system currently in force (the "**Amendment to the Articles of Association**").

1.1. Introduction and reasons underlying the Amendment to the Articles of Association.

By resolution of 30 October 2018, the Shareholders' Meeting of LU-VE approved in extraordinary session the introduction, in the Company's Articles of Association, of the institution of increased voting rights (so-called *loyalty shares*), mainly governed by Article 127-quinquies of the TUF¹.

In this regard, it should be noted that this provision of the TUF - introduced into our legal system by art. 20, paragraph 1, letter aa), of Law Decree no. 91 of 24 June 2014, converted with amendments by Law no. 116 of 11 August 2014, for the benefit of the so-called loyal shareholders of listed companies - allows the attribution of an increased voting rights to be provided for in the bylaws "*up to a maximum of two votes, for each share belonging to the same person, for a continuous period of not less than twenty-four months from the date of registration*" in a special list established by the company and governed by the law itself.

Through the introduction of the institution of increased voting rights, the Italian legislator - with the aim of counteracting the negative effects (in terms of market volatility and potential distortion of managerial choices) related to the short-term prospects of financial investors (*short-termism*), and thus encouraging medium/long-term equity investments - has overcome the traditional "*one share - one vote*" principle" giving listed companies the possibility of allowing shareholders, who invest with a longer-term perspective (*long-term commitment*) and thus contribute to supporting sustainable business growth over time, to be awarded a bonus represented by the right to make use of an increase in the voting rights of their shares.

LU-VE has availed itself of the possibility granted by the legislator and the Articles of Association currently in force contemplate and regulate, in art. 6 bis, the "*Increase in voting rights*".² To date, 3

¹ In this regard, reference should be made to the documentation published on the occasion of the Extraordinary Shareholders' Meeting of 30 October 2018 (in particular to the "*Explanatory Report of the Board of Directors on the proposals on the agenda of the extraordinary meeting of the Shareholders' Meeting called on 30 October 2018 in single call*") available on the [website www.luvegroupp.com](http://www.luvegroupp.com) ("*Investor*" section - "*Corporate Governance & Shareholders*" - "*For Shareholders*" - "*Shareholders' Meeting*" - "*Shareholders' Meeting - Shareholders' Meeting 30 October 2018*"), as well as on the authorized storage mechanism eMarket Storage (www.emarketstorage.com).

² It should be noted that the provision of the Articles of Association introduced in 2018 was amended, approved by the Extraordinary Shareholders' Meeting of 28 April 2023, relating to the elimination of the indication of the second communication by the intermediary, at the request of the holder, as a condition for the attribution of the increased voting rights, for which reference is made to "*Explanatory Report of the Board of Directors on the proposals on the agenda of the extraordinary meeting of the Shareholders' Meeting convened in ordinary and extraordinary session on 28 April 2023*".

(three) shareholders are registered in the special list of *loyal shareholders* of LU-VE (the "**List**") and have obtained the increase in voting rights.

As a demonstration of the success that this institution has enjoyed in the domestic panorama, it should be noted that to date another 70 (seventy) Italian listed companies have adopted the institution of the increase in voting rights³.

Meanwhile, both internationally and domestically, there has been a growing support for legal instruments aimed at incentivizing *long-term commitment* of investors.

The legislator therefore felt the need to reform the regulatory provisions that allow for an enhancement of the voting rights of shareholders and with Law No. 21 of 5 March 2024 (the "**Capital Law**"), containing a series of measures aimed at promoting the competitiveness of companies and the capital market, it also intervened on the institution of the increased voting rights and on the text of Art. 127-quinquies of the TUF in order to provide that – after the vesting of the first period of 24 (twenty-four) months, and the consequent allocation of 2 (two) votes for each share – 1 (one) additional vote per share may be allocated at the end of each period of 12 (twelve) months of further uninterrupted holding, up to a total maximum of 10 (ten) votes for each share.

In continuity with the choice made by the Extraordinary Shareholders' Meeting of the Company in 2018, the Board of Directors considers it advantageous to seize the opportunity offered by the legislator, amending Article 6 *bis* of the Articles of Association (which regulates, as mentioned, the increase in voting rights) in line with the provisions of Article 127-quinquies of the TUF, as amended by the Capital Law.

In particular, the Board of Directors believes that the *long-term commitment* of its shareholders is an important value and that, consequently, the "bonus" of the increased voting rights for the benefit of loyal shareholders is in the best interest of the Company itself and all its stakeholders. Through the amendment in question, in fact, LU-VE intends to pursue the following objectives:

- adopt a flexible share capital structure to allow the Company, on the one hand, to maintain and further strengthen a solid shareholder base and, on the other hand, to reconcile this essential objective with the possibility of pursuing growth opportunities through external lines such as, for example, acquisitions and/or strategic alliances, where appropriate, to be achieved through the issuance of new shares in favour of, and/or share exchanges with, third parties. This will support LU-VE in the process of progressive consolidation underway in the global field of heat exchange with air, in which the Company plays, and intends to continue to play, a role of primary importance as an active player; and
- reward long-term shareholders with greater effectiveness and incisiveness, allowing them to have greater weight in the Company's decisions, including those relating to the appointment of corporate bodies. In fact, it is believed that a solid shareholder base is better suited to support long-term growth strategies.

The proposed amendment to the Articles of Association intervenes in the text of Article 6 *bis* of the Articles of Association also in order to (i) implement the new provision dictated by Article 127-

in single call" available on the [website www.luvegroup.com](http://www.luvegroup.com) (section "Investor" - "Corporate governance & shareholders" - "For shareholders" – "Shareholders' Meeting" - "Shareholders' Meeting of 28 April 2023"), as well as on the authorized storage mechanism eMarket Storage (www.emarketstorage.com).

³ The figure reported was taken from the list of "Listed companies whose bylaws allow the increase of voting rights or that have issued multiple-vote shares" published by Consob on its website and available at the web address <https://www.consob.it/web/area-pubblica/quote/voto-maggiorato-e-plurimo>.

quinquies as amended of the TUF by the Capital Law on extraordinary cross-border transactions pursuant to Legislative Decree 2 March 2023 no. 19, as well as (ii) align the contents of the current statutory clause with the practice and guidelines of the doctrine that have been consolidated over the years.

It is therefore proposed to amend Article 6 *bis* of the Articles of Association in the terms set out below.

1.2. The proposed Amendment to the Articles of Association

As anticipated, the institution of the increased voting rights provided for by art. 127-*quinquies* of the TUF, as amended by the Capital Law, allows to:

- (i) attribute the benefit of increased voting rights, to the extent of double voting rights, to each share that has belonged to the same shareholder for a continuous period of at least 24 (twenty-four) months from the date of registration in the appropriate list established by the company, as already provided for by paragraph 1 of Article 127-*quinquies* of the TUF and by the current Articles of Association of LU-VE;
- (ii) to recognize an additional vote at the end of each period of 12 (twelve) months following the vesting of the previous period of 24 (twenty-four) months, up to a total maximum of 10 (ten) votes for each share, as provided for in paragraph 2 of Article 127-*quinquies* of the TUF.

In order to strengthen the increased voting rights system currently provided for by the Articles of Association of LU-VE, the proposed Amendment to the Articles of Association provides for the integration of Article 6 *bis* of the Articles of Association with the new paragraph 2-*bis* which, in accordance with the provisions of Article 127-*quinquies* of the TUF, extends the attribution of the benefit of increased voting rights to the maximum extent permitted by the legislator (10 votes recognized for each share without interruption detainee).

It should be noted that, for LU-VE shareholders who have already accrued 2 (two) votes per share, in the event that the proposed Amendment to the Articles of Association is approved by the Extraordinary Shareholders' Meeting to be called for 1 July 2025, the third vote will accrue 12 months after the date of registration of the Shareholders' Meeting resolution in the Varese Register of Companies.

It should be noted that, in the case of an enhanced increase in voting rights, the same rules already provided for by the Articles of Association apply with regard to (i) the effects of the increase in ordinary voting rights, including the effects for the purposes of calculating the *quorums* of the Shareholders' Meeting (Article 6 *bis*, paragraph 3, of the Articles of Association), (ii) the List referred to in paragraph 4 of Article 6 *bis* of the Articles of Association, as well as (iii) the transfer of legitimating real rights and extraordinary transactions of the Company and of companies holding shares (capital increase, merger or demerger) and the related effects on the discipline of increased voting rights (Article 6 *bis*, paragraphs 7, 9 and 10 of the Articles of Association).

With particular regard to the effects deriving from the transfer of the right in rem of legitimation and from the aforementioned extraordinary transactions, it is proposed to insert some additions to paragraphs 7, 9 and 10 of Article 6 *bis* of the Articles of Association, illustrated below, aimed at transposing the new provision dictated by Article 127-*quinquies* of the TUF as amended by the Capital Law on cross-border mergers, demergers and transformations pursuant to Legislative Decree no. 19/2023, and to align the contents of the aforementioned statutory provisions in force with the practice and guidelines of the doctrine that have been consolidated over the years.

With regard to the transfer (direct or indirect) of the legitimating right in rem of the holder of the shares, it is proposed to supplement the provisions dictated by paragraphs 7 and 9 of art. 6 *bis* of the Articles of Association with the indication of certain cases equivalent to those already present.

In this regard, it should be noted that the direct transfer of the legitimating right in rem may occur for (i) transfer for consideration or free of charge, (ii) succession by reason of death (or equivalent cases), or (iii) merger or demerger of the holder of the shares.

Article 6 *bis* of the Articles of Association of LU-VE in force provides, in accordance with the provisions of Article 127-quinquies of the TUF, that:

- in the first case (transfer by the shareholder for consideration or free of charge, but outside the cases referred to in the following paragraph), the entitlement to the benefit of the increased voting rights ceases (paragraph 7);
- in the second case (succession due to the death of the shareholder), the entitlement to benefit from the increased voting rights is retained (paragraph 9, letter a). Since the succession structures adopted in practice are many, it is considered necessary to clarify, expressly providing for it, that the maintenance of the increased voting rights extends to all those cases in which, in the absence of a transferable case symptomatic of non-loyalty, it seems appropriate to reward the *long-term commitment* regardless of the ways in which the different generational transitions are implemented. These equivalent cases can certainly be identified (i) in the consolidation of usufruct with the bare ownership previously transferred through a deed having a largely succession cause (gift or family pact), (ii) in the family pact, (iii) in the establishment of – or endowment in – *trust*, patrimonial fund or family foundation;
- in the third case (merger or demerger of the shareholder) the right to benefit from the increased voting rights is retained in favour of the company resulting from the merger or beneficiary of the demerger without further provisions (paragraph 9, letter b). In this regard, it seems appropriate to make the loss or maintenance of the benefit of the increased voting rights dependent on the occurrence or non-recurrence of the transfer, direct or indirect, of shareholdings resulting in a transfer of control in the shareholder entity holding the Shares (so-called "transfer of control"): where, in fact, the merger or demerger determines the transfer of the Shares from one entity to another, Without this entailing a "transfer of control", the transferable case (attributable to a mere intra-group transaction) certainly cannot be understood as symptomatic of non-loyalty (the substantial owner of the investment remaining unchanged), therefore it would be inappropriate to order the loss of the benefit (which would make any intra-group reorganizations unjustifiably burdensome). Where, on the contrary, the merger or demerger determines, in addition to the transfer of the Company's Shares from one party to another, also a "transfer of control", the loss of entitlement to the benefit is fully consistent with the logic of the institution.

Article 6 *bis* of the Articles of Association also governs in paragraph 7, letter b) the indirect transfer of the legitimating right in rem that occurs not with regard to the Company's Shares, but (indirectly) with regard to shareholdings in the entity which, in turn, holds the Shares. In this regard, it should be noted that the aforementioned provision of the Articles of Association provides, in line with the provisions of the law, that a "transfer of control" in the entity holding the Company's Shares with increased voting rights results in the loss of the benefit only if such entity holds a shareholding exceeding the threshold referred to in art. 120, paragraph 2, of the TUF.

Considering that, in cases of direct transfer of Shares by succession due to death, the increase in voting rights does not cease to exist by express provision of Article 127-quinquies of the TUF, the loss of the increase in voting rights would not be justified even in the case of indirect transfer *mortis causa* and in the

presence of the cases equivalent to succession due to death already indicated for the direct transfer of the Shares - i.e. (i) the consolidation of usufruct with the bare ownership previously transferred through a deed having a broadly succession cause (donation or family pact), (ii) the family pact, (iii) the establishment of – or the endowment in – *trust*, patrimonial fund or family foundation) - and for which, for the reasons stated above, it is considered necessary to provide that the entitlement to the benefit of increased voting rights is retained. To these it was proposed to add, for the case of indirect transfer, the hypothesis of (iv) other generational transfer mechanisms, carried out with or without the transfer of shareholdings, such as family holding structures that assign control (through entrustment of management or other particular right) to a predetermined subject following the death of the originally controlling entity. Even in the latter case, in fact, it is clear that there is no transferable case symptomatic of non-fidelity and it therefore seems appropriate to reward *long-term commitment* regardless of the ways in which the different generational transitions are implemented.

It is understood that the transfer of direct and/or indirect shareholdings in the company holding Shares resulting from extraordinary transactions (such as, for example, mergers, demergers, liquidations with distribution in kind) will not in any case constitute a "transfer of control" to the extent that the extraordinary transaction carries out a mere organizational reorganization that does not alter, in transparency, the underlying ownership structure.

With regard to the Company's extraordinary transactions, in line with the provisions of Article 6 bis, paragraph 10 of the Articles of Association in force, the extension of the benefit of the increased voting rights is confirmed, in proportion to the shares for which the increase has already matured, to newly issued ordinary shares (i) subscribed in exercise of the option right in execution of a capital increase for payment, as well as (ii) assigned in the context of a free capital increase, pursuant to art. 2442 of the Civil Code which seems fully consistent with the reward function of the institution for loyal shareholders. The latter, in fact, at least with regard to the non-free capital increase, are in favor not only of maintaining, but even of further investing in the Company.

The extension of increased voting rights to newly issued shares will be carried out in such a way as to allow the shareholder to maintain the same proportion between (x) shares with a certain increase in rights, (y) shares with a different increase and (z) shares without a bonus. By way of example, if, prior to the capital increase, a shareholder holds 10 (ten) shares, of which 2 (two) shares casting 5 (five) votes, 4 (four) shares casting 7 (seven) votes, 3 (three) shares casting 1 (one) vote and 1 (one) share casting 10 (ten) votes, following the subscription of the capital increase by that shareholder, its share package will be composed as follows: 20% (twenty percent) of shares expressing 5 (five) votes, 40% (forty percent) of shares expressing 7 (seven) votes, 30% (thirty percent) of shares expressing 1 (one) vote and 10% (ten percent) of shares expressing 10 (ten) votes, so as to avoid that, if the shareholder has fully subscribed to the capital increase offered to him as an option, his voting rights are diluted.

In accordance with the provisions of Article 127-*quinquies* of the TUF, paragraph 10 of Article 6 *bis* of the Articles of Association provides for the possibility of extending the benefit of the increase also in the event of a merger or demerger of the Company, where this is provided for in the relevant merger or demerger plan: a benefit that, in this case, it applies and extends to the shares due in exchange for those to which the increased voting rights are attributed. The legislation, as amended by the Capital Law, also specified that this provision also applies in the case of cross-border transformations, mergers and demergers governed by Legislative Decree No. 19/2023.

It is therefore proposed to specify in paragraph 10, letter b) of art. 6 *bis* of the Articles of Association that the increase in voting rights also extends to new Shares deriving, not only from mergers and

demergers, but also to those deriving from cross-border transformation, merger and demerger transactions.

If, therefore, the Company should in the future participate in a merger or demerger procedure, including cross-border, it will be possible (although not necessary) to provide for the extension of the benefit also to new shares resulting from the extraordinary transaction in question.

Finally, it should be noted that, since the increased voting rights are not a special category of shares by express provision of law, the Board of Directors proposes to clarify that any amendment to the rules governing increased voting rights or the abolition of the same requires only approval by the Extraordinary Shareholders' Meeting in accordance with the law. Therefore, the special approval of the shareholders who are, hypothetically, holders of the benefit is not required.

1.3. Effects that the modification of the current mechanism of increased voting rights would have on the ownership structure of the Company

It should be noted, also for the purposes of recommendation no. 2 of the *Corporate Governance* Code, that as of the date of this Report, according to the results of the Register of Shareholders supplemented by communications received by the Company pursuant to Article 120 of the TUF and other available information, the shareholders who currently hold directly a percentage of more than 5% (five percent) of the total voting rights⁴ are as follows:

- **FINAMI S.p.A.**, with a stake of 56.0441% of the voting rights, a significant shareholder registered in the List at the date of this Report for all 10,187,999 shares with a total of 20,375,998 voting rights ("**Finami**");
- **G4 S.r.l.**, with a stake equal to 19.5740% of the voting rights, a significant shareholder registered in the List at the date of this Report for all 3,558,272 shares conferring a total of 7,116,544 voting rights ("**G4**" and jointly with Finami, the "**Significant Shareholders**").

It should be noted that, as of the date of this Report, there is an additional shareholder registered in the List who holds shareholdings of less than 5% (five per cent) of the voting rights and who has obtained the ordinary increase (for a total of 376,451 shares with increased ordinary voting rights, equal to a total of no. 752,902 voting rights).

In the event that the Relevant Shareholders and the aforementioned additional shareholder, all for the number of shares currently registered in the List, benefit from the increase in voting rights, up to a maximum of 10 (ten) votes for each share, and no other shareholder requests the increase in voting rights, the percentage of voting rights exercisable by the Relevant Shareholders would increase, over the years, as indicated in the following table⁵.

⁴ As of the date of this Report, the total number of voting rights relating to the Company's shares is 36,357,090.

⁵ For the purposes of calculating the percentages in the table:

(i) the voting rights due to the 28,027 treasury shares in the portfolio have been included which, exclusively for the purposes of the simulation, have been calculated for the determination of the total voting rights relating to the Company's shares (without prejudice in any case to the fact that, pursuant to Article 2357-ter, paragraph 2 and Article 2368, paragraph 3 of the Italian Civil Code, at the Shareholders' Meeting, the treasury shares held by the Company are not taken into account for the purposes of determining the total voting rights);

(ii) it has been assumed that the share capital and shareholdings of the shareholders currently registered in the List remain unchanged and that they will not waive, even partially, the benefit of the increased voting rights obtained in relation to the shares they own;

(iii) the data indicated remain subject, in any case, to the effects of any exercise of withdrawal rights by shareholders.

YEAR	VOTES PER SHARE	SIGNIFICANT SHAREHOLDERS		PERCENTAGE OF VOTING RIGHTS OF OTHER SHAREHOLDERS
		PERCENTAGE OF VOTING RIGHTS FINAMI S.P.A.	PERCENTAGE OF VOTING RIGHTS G4 S.R.L.	
2026	3	60,5470%	21,1467%	18,3063%
2027	4	63,0811%	22,0318%	14,8871%
2028	5	64,7060%	22,5993%	12,6947%
2029	6	65,8366%	22,9942%	11,1692%
2030	7	66,6687%	23,2848%	10,0465%
2031	8	67,3067%	23,5076%	9,1857%
2032	9	67,8114%	23,6839%	8,5047%
2033	10	68,2207%	23,8268%	7,9525%

1.4. Decision-making process followed in the formulation of the Amendment to the Articles of Association

In compliance with recommendation no. 2 of the Corporate *Governance Code*, it should be noted that the proposed amendment to the Articles of Association was approved, for the reasons set out in this Report, unanimously, with the favorable vote of all independent directors, by the Board of Directors on 29 May 2025, with its consequent submission to the Extraordinary Shareholders' Meeting.

At the aforementioned meeting of the Board of Directors, which was attended by all directors and all members' of the Board of Statutory Auditors in office, the Chairman and Chief Executive Officer, Matteo Liberali, the Director with delegated powers, Michele Faggioli and the Director Fabio Liberali declared, also for the purposes of Art. 2391 of the Italian Civil Code, that they have an interest in the resolution as, respectively, a person who indirectly controls LU-VE through Finami of which he is also a director (Matteo Liberali), a person placed at the top of the chain of shareholding of the relevant shareholding pursuant to Article 120 of the TUF held in LU-VE by G4 of which he is also a director (Michele Faggioli), a person who is a director of Finami (Fabio Liberali).

The proposed resolution referred to in this Report has not been examined by the committees set up by the Board of Directors within the Board of Directors (*i.e. the Remuneration and Appointments Committee, the Control and Risk Committee and the Committee for Transactions with Related Parties and the Independent Committee*) as the matter does not fall within their competence.

1.5. Assessments of the right of withdrawal

In accordance with the provisions of the current paragraph 8 of Article 127-quinquies of the TUF, the shareholders of LU-VE who do not participate in the adoption of the resolution (*i.e.* absent, abstained and dissenting) on the amendment of art. 6 bis of the Company's Articles of Association will be entitled to exercise the right of withdrawal pursuant to Article 2437, paragraph 1, of the Italian Civil Code ("**Withdrawing Shareholders**").

Pursuant to Article 2437-ter, paragraph 3, of the Italian Civil Code, the liquidation price of the shares in relation to which the right of withdrawal has been exercised is equal to Euro 28,82 (twenty-eight/82) for each LU-VE Share. The liquidation price was calculated with exclusive reference to the arithmetic average of the closing prices of the LU-VE share on *Euronext Star Milan* in the six months preceding the publication of the notice of call of the Extraordinary Shareholders' Meeting (taking into account that this notice will be published today, the relevant period runs from 28 November 2024 inclusive to 28 May 2025 inclusive).

Pursuant to Article 2437-bis of the Italian Civil Code, Withdrawing Shareholders may exercise their right of withdrawal, in relation to all or part of the Shares held, by sending a communication by certified e-mail to the address luve.corporate@lamiaptec.it or by registered mail with return receipt to the address: LU-VE S.p.A., Via Vittorio Veneto n. 11, 21100 Varese (VA), for the attention of the *General Counsel* no later than 15 days from the date of registration with the Varese Register of Companies of the resolution of the Extraordinary Shareholders' Meeting approving the Amendment to the Articles of Association (the "**Withdrawal Deadline**").

A notice relating to the registration of the resolution of the Extraordinary Shareholders' Meeting will be published on the LU-VE website and in a national newspaper.

Shareholders exercising the right of withdrawal must send a specific communication, made by an authorized intermediary, certifying the ownership of the Shares subject to withdrawal from before the opening of the Extraordinary Shareholders' Meeting of LU-VE which will resolve on the Amendment of the Articles of Association and uninterruptedly until the date of the communication in question.

Further details regarding the terms and conditions of exercising the right of withdrawal will be provided to LU-VE's shareholders in accordance with applicable laws and regulations.

The LU-VE Shares for which the withdrawal is exercised may not be sold or be the subject of other acts of disposal until the transfer of the shares themselves or the verification of the fulfilment (in the absence of waiver) of the Termination Conditions as defined *below* in paragraph 1.6 below.

Once the Withdrawal Exercise Deadline has expired, the LU-VE Shares in relation to which the right of withdrawal has been exercised must be offered as an option to the other shareholders. At the same time as exercising the option, shareholders will also have the right to exercise the right of pre-emption for the purchase of any shares that have remained unopted. The Shares subject to withdrawal not placed as part of the rights and pre-emption offer may, at the Company's sole discretion, be placed with third parties by means of an offer on the market.

Any remaining shares must be purchased by LU-VE at the liquidation price within 180 days of the notice of exercise of withdrawal by each Withdrawing Shareholder.

The aforementioned procedure for the liquidation of the shares subject to withdrawal, as well as the payment of any consideration due to the Withdrawing Shareholders, will be subject to the non-fulfilment of the Termination Conditions referred to in paragraph 1.6 below.

Starting from the moment LU-VE receives the declaration of withdrawal, the Withdrawing Shareholders will lose the administrative and economic rights related to the Shares for which the

right of withdrawal has been exercised and, therefore, they will not be able to attend and vote at the Company's shareholders' meetings called following the effectiveness of the Amendment to the Articles of Association nor will they be entitled to receive any dividends resolved and distributed after that date.

If the Company does not waive the Termination Conditions (as defined in paragraph 1.6 below) and the same should be fulfilled with the consequent loss of effectiveness of the Amendment to the Articles of Association, the Shares in relation to which the right of withdrawal has been exercised will continue to be the property of the Withdrawing Shareholders, without any consideration for withdrawal having to be paid to the latter, it being understood that in this case the Withdrawing Shareholders will regain their property and administrative rights.

1.6. Effectiveness of the proposed Amendment to the Articles of Association

The amendment to the Articles of Association in question, if approved, will be effective from the date of registration with the competent Register of Companies of the resolution of the Extraordinary Shareholders' Meeting. The effectiveness of the Amendment to the Articles of Association in question will cease where:

- (i) the amount of cash, if any, to be paid by LU-VE to the Withdrawing Shareholders (the "**Withdrawal Amount**"), exceeds a total amount of Euro 25,000,000.00 (twenty-five million) (the "**First Termination Condition**"); and/or
- (ii) any positive difference between (x) the liquidation price per share to be paid to the Withdrawing Shareholders (equal to Euro 28,82 (twenty-eight/82)) and (y) the closing price of the LU-VE shares on the last day of the offer period, multiplied by the number of LU-VE shares subject to withdrawal that must be purchased by LU-VE, exceeds the total amount of Euro 5,000,000.00 (five million) (the "**Second Termination Condition**" and, together with the First Condition, the "**Termination Conditions**"),

it being understood, in any case and for the sake of clarity, that the Withdrawal Amount will be calculated net of the amounts due by shareholders exercising their option and pre-emption rights pursuant to Article 2437-quarter, paragraphs 1 and 3, of the Italian Civil Code or (possibly) by third parties who purchase the shares subject to withdrawal pursuant to Article 2437-quarter, paragraph 4, of the Civil Code;

The Company may in any case waive one or both of the Termination Conditions, even if they have already been met. LU-VE will notify the market of the fulfilment or non-fulfilment (or waiver, where applicable) of the Termination Conditions.

1.7. Text of the proposed Amendment to the Articles of Association

The approval of the proposed proposal will entail the amendment of Article 6 *bis* of the Articles of Association, in the aforementioned terms, which are highlighted in red in the right-hand column of the following table, which contains the text of the article currently in force in the left-hand column.

Current Text	New text proposed
TITLE II	TITLE II
SHARE CAPITAL, SHAREHOLDER LOANS AND BONDS	SHARE CAPITAL, SHAREHOLDER LOANS AND BONDS

Current Text	New text proposed
ARTICLE 6BIS – INCREASED VOTING RIGHT	ARTICLE 6BIS– INCREASED VOTING RIGHT
<p>1. By way of derogation from the provisions of Article 6 (2) of these Articles of Association, each Share shall entitle the owner to a double vote (and therefore to two votes per Share) provided that: the voting right has been held by the same person by virtue of a qualifying property right (such as for example, full ownership, bare ownership with voting right, usufruct with voting right) for a continuous period of at least twenty-four months (the “Period”) commencing from the date of entry in the special list set up by the Company in accordance with the provisions of this article (the “List”).</p> <p>2. The increased voting right shall take effect from the date in which the Period elapsed.</p> <p>3. If the Company’s shareholders’ meeting is convened, the increased voting right shall take effect at the ‘record date’ established by applicable legislation concerning the right to attend and vote in the shareholders’ meeting,</p>	<p>1. By way of derogation from the provisions of Article 6 (2) of these Articles of Association, each Share shall entitle the owner to a double vote (and therefore to two votes per Share) provided that: the voting right has been held by the same person by virtue of a qualifying property right (such as for example, full ownership with voting rights, bare ownership with voting right, usufruct with voting right) for a continuous period of at least twenty-four months (the “Period”) commencing from the date of entry in the special list set up by the Company in accordance with the provisions of this article (the “List”).</p> <p>2. The increased voting right shall take effect from the date in which the Period elapsed.</p> <p>2 bis. To the extent permitted by the law pro tempore in force, an additional vote shall also be attributed at the expiration of each period of twelve months following the maturity of the Period, to each Share belonging by virtue of a legitimizing real right to the same person registered in the List, up to a total maximum of 10 (ten) votes per share, it being understood that, for those eligible persons who, on the date of registration with the competent Register of Companies of the resolution passed by the Shareholders' Meeting of July 1, 2025 by which this article was amended (the “Registration Date Extraordinary Shareholders' Meeting Resolution”) have already accrued the benefit of the double vote and are registered in the List, the additional period for the accrual of the additional votes shall run from the Registration Date Extraordinary Shareholders' Meeting Resolution.</p> <p>3. If the Company’s shareholders’ meeting is convened, the increased voting right shall take effect at the ‘record date’ established by applicable legislation concerning the right to attend and vote in the shareholders’ meeting, with regard to both the meeting quorums and</p>

Current Text	New text proposed
<p>with regard to both the meeting quorums and voting quorums, only provided that by said date the Period has elapsed. The Company shall verify entitlement to the increased voting right and the inexistence of disqualifying factors with reference to the 'record date'.</p> <p>4. The Company sets up and keeps the List, with the form and content required by applicable legislation and, insofar as compatible, in compliance with the provisions on the shareholders register. The List is updated at the end of each calendar month for requests received by three trading days before the end of each month.</p> <p>5. The Company enters in the List the holder of Shares who submit a written application to the Company and for whom, in accordance with applicable legislation, the intermediary has issued an appropriate communication certifying their eligibility for entry. The request for entry may concern all or only part of the Shares held. The applicant may request entry in the List for additional shares, at any time, by submitting an appropriate application. If the applicants are not natural persons, their applications must specify whether they are subject to direct or indirect control by third parties and the identification data of any parent entity. The right to entry in the List and – after the Period has elapsed – the right to benefit from the increased vote are achieved through ownership of a qualifying property right (such as for example, full ownership with voting right, bare ownership with voting right, usufruct with voting right).</p> <p>6. Persons entered in the List are required to inform, and allow the intermediary to inform, the Company of any circumstance or event that means they are no longer eligible for the increased voting right or that affects the ownership of the Shares and/or the related voting right by the end of the month in which the circumstance occurred and in any case by the trading day before the 'record date'.</p> <p>7. The increased voting right shall be lost:</p>	<p>voting quorums, only provided that by said date the Period has elapsed. The Company shall verify entitlement to the increased voting right and the inexistence of disqualifying factors with reference to the 'record date'.</p> <p>4. The Company sets up and keeps the List, with the form and content required by applicable legislation and, insofar as compatible, in compliance with the provisions on the shareholders register. The List is updated at the end of each calendar month for requests received by three trading days before the end of each month.</p> <p>5. The Company enters in the List the holder of Shares who submit a written application to the Company and for whom, in accordance with applicable legislation, the intermediary has issued an appropriate communication certifying their eligibility for entry. The request for entry may concern all or only part of the Shares held. The applicant may request entry in the List for additional shares, at any time, by submitting an appropriate application. If the applicants are not natural persons, their applications must specify whether they are subject to direct or indirect control by third parties and the identification data of any parent entity. The right to entry in the List and – after the Period has elapsed – the right to benefit from the increased vote are achieved through ownership of a qualifying property right (such as for example, full ownership with voting right, bare ownership with voting right, usufruct with voting right).</p> <p>6. Persons entered in the List are required to inform, and allow the intermediary to inform, the Company of any circumstance or event that means they are no longer eligible for the increased voting right or that affects the ownership of the Shares and/or the related voting right by the end of the month in which the circumstance occurred and in any case by the trading day before the 'record date'.</p> <p>7. The increased voting right shall be lost:</p>

Current Text	New text proposed
<p>a) in the event of transfer of the Share, whether in return for payment or free of charge, with the understanding that “transfer” also means pledge, usufruct or other encumbrance on the Share when this entails loss of the voting right by the shareholder. The pledge, usufruct or other encumbrance and the transfer of bare ownership with maintenance of usufruct do not lead to loss of entitlement to the benefit of the increased voting right when the voting right is retained by the previous holder;</p> <p>b) in the event of direct or indirect transfer of controlling shareholdings in companies or entities that hold a number of Shares with increased voting rights that exceeds the threshold established by Article 120(2) of Italian Legislative Decree n. 58 of 24 February 1998 (“TUF” (Consolidated Law on Finance)).</p>	<p>a) in the event of transfer of the Share, whether in return for payment or free of charge, with the understanding that “transfer” also means pledge, usufruct or other encumbrance on the Share when this entails loss of the voting right by the shareholder. The pledge, usufruct or other encumbrance and the transfer of bare ownership with maintenance of usufruct do not lead to loss of entitlement to the benefit of the increased voting right when the voting right is retained by the previous holder;</p> <p>b) in the event of direct or indirect transfer of controlling shareholdings in companies or entities that hold a number of Shares with increased voting rights that exceeds the threshold established by Article 120(2) of Italian Legislative Decree n. 58 of 24 February 1998 (“TUF” (Consolidated Law on Finance))), unless the transfer occurs as a result of succession by reason of death or equivalent cases (i.e. (i) the consolidation of the usufruct with the bare ownership previously transferred by means of a deed having a purely inheritance cause (donation or family pact); (ii) family pact; (iii) the establishment of - or endowment in - a trust, an estate fund or a foundation; (iv) other generational transfer mechanisms carried out with or without transfer of shareholdings, such as family holding structures that statutorily assign control to a predetermined party following the death of the original controlling party).</p> <p>For the sake of greater clarity, it is clarified that, the transfer of direct and/or indirect shareholdings in the company holding Shares to an extent exceeding the threshold provided for in Article 120, paragraph 2, of the TUF that results from extraordinary transactions (such as, for example, mergers, demergers, liquidations with distribution in kind), will not in any case constitute a “transfer of control” to the extent that the extraordinary</p>

Current Text	New text proposed
<p>8. The Company shall arrange for cancellation from the List in the following cases:</p> <p>a) waiver by the person concerned. Anyone who is eligible for the increased voting right is entitled to irrevocably waive at any time all or part of the increased voting right, by sending written notice to the Company, with the understanding that the increased voting right may be re-acquired with regard to the Shares for which it was waived through renewed entry in the List, after a new Period has fully elapsed in compliance with the provisions of these Articles of Association;</p> <p>b) communication from the person concerned or from the intermediary proving that the person is no longer eligible for the increased voting right or has lost ownership of the Shares and/or of the related voting right;</p> <p>c) if the Company is informed of the occurrence of events that cause the person to be no longer eligible for the increased voting right or to lose ownership of the Shares and/or of the related voting right.</p> <p>9. Increased voting rights that have already accrued or, if not fully accrued, the period of ownership required for their full accrual, shall be retained:</p> <p>a) in the event of succession on death in favour of the heir and/or legatee;</p> <p>b) in the event of merger or reverse merger of the holder of the shares, in favour of the</p>	<p>transaction merely realizes an organizational reorganization that does not alter, in transparency, the underlying ownership structure.</p> <p>8. The Company shall arrange for cancellation from the List in the following cases:</p> <p>a) waiver by the person concerned. Anyone who is eligible for the increased voting right is entitled to irrevocably waive at any time all or part of the increased voting right, by sending written notice to the Company, with the understanding that the increased voting right may be re-acquired with regard to the Shares for which it was waived through renewed entry in the List, after a new Period has fully elapsed in compliance with the provisions of these Articles of Association;</p> <p>b) communication from the person concerned or from the intermediary proving that the person is no longer eligible for the increased voting right or has lost ownership of the Shares and/or of the related voting right;</p> <p>c) if the Company is informed of the occurrence of events that cause the person to be no longer eligible for the increased voting right or to lose ownership of the Shares and/or of the related voting right.</p> <p>9. Increased voting rights that have already accrued or, if not fully accrued, the period of ownership required for their full accrual, shall be retained:</p> <p>a) in the event of succession on death in favour of the heir and/or legatee, as well as in all equivalent cases such as: (i) consolidation of usufruct with the bare ownership previously transferred by means of a deed having a purely inheritance cause (gift or family pact), (ii) family pact, and (iii) the establishment of - or endowment in - a trust, estate fund or foundation);</p> <p>b) in the event of merger or reverse merger of the holder of the shares, in favour of the</p>

Current Text	New text proposed
<p>company resulting from the merger or benefitting from the reverse merger;</p> <p>c) if the shareholding is registered in the name of a fiduciary, in the event of change in the fiduciary provided that the grantor is still the same and that this has been appropriately certified by the fiduciary;</p> <p>d) if the shareholding is registered in the name of a trust, in the event of change in the trustee;</p> <p>e) in the event of transfer from one portfolio to another of the UCITS managed by the same manage.</p> <p>10. Without prejudice to the communications from the intermediary required by applicable legislation and by these Articles of Association for the purposes of increased voting rights, increased voting rights shall extend:</p> <p>a) to Shares assigned in the event of free capital increase pursuant to Article 2442 of the Italian Civil Code and due to the holder in relation to Shares for which the increased voting right has already accrued;</p> <p>b) to Shares assigned in exchange for those to which increased voting rights have been attributed in the event of merger or reverse merger of the Company, provided that – and to the extent that –this has been envisaged in the draft terms of merger or reverse merger;</p> <p>c) to Shares subscribed when exercising the option right in the event of capital increase through new contributions.</p> <p>In the cases referred to in points a), b) and c) above, the new Shares shall acquire the</p>	<p>company resulting from the merger or benefitting from the reverse merger, provided that the latter is controlled, directly or indirectly, by the same person who, directly or indirectly, controlled the holder of the enhanced voting shares;</p> <p>c) if the shareholding is registered in the name of a fiduciary, in the event of change in the fiduciary provided that the grantor is still the same and that this has been appropriately certified by the fiduciary;</p> <p>d) if the shareholding is registered in the name of a trust, in the event of change in the trustee;</p> <p>e) in the event of transfer from one portfolio to another of the UCITS managed by the same manage.</p> <p>10. Without prejudice to the communications from the intermediary required by applicable legislation and by these Articles of Association for the purposes of increased voting rights, increased voting rights shall extend:</p> <p>a) to Shares assigned in the event of free capital increase pursuant to Article 2442 of the Italian Civil Code and due to the holder in relation to Shares for which the increased voting right has already accrued;</p> <p>b) to Shares assigned in exchange for those to which increased voting rights have been attributed in the event of merger or reverse merger of the Company, provided that – and to the extent that –this has been envisaged in the draft terms of merger or reverse merger; this provision is also applicable in the case of a cross-border merger, demerger or transformation operation pursuant to Legislative Decree No. 19/2023;</p> <p>c) to Shares subscribed when exercising the option right in the event of capital increase through new contributions.</p> <p>In the cases referred to in points a), b) and c) above, the new Shares shall acquire the</p>

Current Text	New text proposed
<p>increased voting right (i) for new issue Shares due to the holder in relation to Shares for which the increased voting right has already accrued, from the time of entry in the List, without another Period having to elapse; (ii) for new issue Shares due to the holder in relation to Shares for which the increased voting right has not yet accrued (but is accruing), from the time the Period elapses calculated from the original entry in the List.</p> <p>11. Increased voting rights are counted for each shareholders' meeting resolution and also to determine the meeting and voting quorums that refer to quotas of share capital. The increased right does not affect rights, other than the voting right, acquired by virtue of ownership of certain quotas of share capital.</p> <p>12. For the purposes of these Articles of Association the concept of control, which extends to both legal entities and natural persons, is the one set forth in Article 93 of the TUF.</p> <p>13. The provisions on increased voting rights set forth in this article shall apply for as long as the Company's Shares are listed on an Italian regulated market or on a regulated market of other European Union Member States.</p>	<p>increased voting right (i) for new issue Shares due to the holder in relation to Shares for which the increased voting right has already accrued, from the time of entry in the List, without another Period having to elapse; (ii) for new issue Shares due to the holder in relation to Shares for which the increased voting right has not yet accrued (but is accruing), from the time the Period elapses calculated from the original entry in the List.</p> <p>Any amendment (improving or worsening) to the rules on the increase in voting rights referred to in this Article 6 bis or its abolition do not require the approval of any special shareholders' meeting pursuant to Article 2376 of the Italian Civil Code, but only the approval of the Extraordinary Shareholders' Meeting in accordance with the law.</p> <p>11. Increased voting rights are counted for each shareholders' meeting resolution and also to determine the meeting and voting quorums that refer to quotas of share capital. The increased right does not affect rights, other than the voting right, acquired by virtue of ownership of certain quotas of share capital.</p> <p>12. For the purposes of these Articles of Association the concept of control, which extends to both legal entities and natural persons, is the one set forth in Article 93 of the TUF.</p> <p>13. The provisions on increased voting rights set forth in this article shall apply for as long as the Company's Shares are listed on an Italian regulated market or on a regulated market of other European Union Member States.</p>

1.8. Resolution proposal

Dear Shareholders,

for the reasons explained above, the Board of Directors proposes that you adopt the following resolution:

"The Shareholders' Meeting of LU-VE S.p.A., validly constituted and capable of resolving in extraordinary session, having regard to the Explanatory Report of the Board of Directors, prepared pursuant to art. 125-ter of the TUF and art. 72 and 84-ter of the Issuers' Regulation,

deliberation

- 1) *to amend Article 6 bis of the Articles of Association, in accordance with the text set out in the Board of Directors' Explanatory Report;*
- 2) *to establish that the effectiveness of the amendment to Article 6 bis of the Articles of Association referred to in point 1 above is decisively conditional on the fulfilment of the following conditions set out in the interest of the Company, conferring on the Board of Directors all the faculties and powers necessary or even only appropriate for the waiver of the same (or even just one of them):*
 - (i) *that the amount of cash, if any, to be paid by LU-VE S.p.A. to the Withdrawing Shareholders (the "**Withdrawal Amount**"), exceeds a total amount of Euro 25,000,000.00 (twenty-five million); and/or*
 - (ii) *that any positive difference between (x) the liquidation price per share to be paid to the Withdrawing Shareholders (equal to Euro 28,82 (twenty-eight/82)) and (y) the closing price of the LU-VE shares on the last day of the offer period, multiplied by the number of LU-VE shares subject to withdrawal that must be purchased by LU-VE, exceeds a total amount of Euro 5,000,000.00 (five million),*

it being understood, in any case and for clarity, that the Withdrawal Amount will be calculated net of the amounts due by shareholders exercising their option and pre-emption rights pursuant to art. 2437-quarter, paragraphs 1 and 3, of the Italian Civil Code and /or (possibly) by third parties who purchase the shares subject to withdrawal pursuant to art. 2437-quarter, paragraph 4, of the Civil Code;

- 3) *to confer on the Board of Directors, and on its behalf on its Chairman and Chief Executive Officer in office pro tempore, with the power of sub-delegation and power of appointment of special attorneys, all the broadest powers, none excluded and excepted, to make the above resolution enforceable in accordance with the law, including, by way of example but not limited to: (a) ascertain the fulfilment of the conditions indicated in point 2 of this resolution, which deprive all the provisions of this resolution of their effectiveness, or the waiver by the Company of both or even one of these conditions; (b) carry out all the necessary or appropriate activities for the purposes of the liquidation procedure of any shares subject to the right of withdrawal due to the shareholders of the Company who did not participate in the approval of this resolution; (c) to comply with any formality required for the resolution adopted to obtain all the necessary approvals, with the right to introduce into the same resolution any amendments, additions or deletions requested by the competent authorities, or at the time of registration in the competent Register of Companies".*

* * *

This Explanatory Report will be made available to the public today at the Company's registered office and on the Company's website at www.luvegroupp.com ("Investor" – "Corporate Governance & Shareholders" – "For Shareholders" – "Shareholders' Meeting" – "Shareholders' Meeting of 1 July 2025" section), as well as on the authorized storage mechanism eMarket Storage www.emarketstorage.com.

Uboldo (VA), 29 May 2025

For the Board of Directors

The Chairman and Chief Executive Officer

Dr. Matteo Liberali