

KEY INFORMATION DOCUMENT

PURPOSE

This document contains key information on this investment product ("**Product**"). It is not a promotional document. The information, required by law, is aimed at helping you to understand the characteristics, risks, costs, earnings and potential losses of this Product and helping you to make a comparison with other investment products.

PRODUCT

Name: "TAKE OFF 2022-2024 WARRANTS".

Identification Code: ISIN: IT0005467474. **Issuer and Product Manufacturer:** Take Off S.p.A.

Website: www.takeoffoutlet.com **Competent authority:** CONSOB. **Document production date:** 27 May 2022.

You are about to purchase a Product that is not simple and may be difficult to understand

WHAT IS THIS PRODUCT?

Type: Warrant - derivative financial instrument that gives the holder the right, but not the obligation, to subscribe to a certain amount of securities (underlying asset) at a predefined price or by a predetermined deadline, according to a certain ratio. Like the Issuer's Ordinary Shares (thereby meaning, in accordance with the Warrants Regulation, the ordinary shares of the Company, without par value, having regular dividend entitlement), but separately from the same, the warrants will be traded on the Euronext Growth Milan multilateral trading system organised and managed by Borsa Italiana S.p.A. ("Euronext Growth Milan"), by the methods and with the timescales indicated below, and entered in the centralised management system at Monte Titoli S.p.A. in a dematerialisation regime.

Warrants issue date: the warrants are issued in implementation of the resolution of the Issuer's Extraordinary Shareholders' Meeting on 27 October 2021 and the Board of Directors of 19 May 2022.

Currency: Euro. **Trading Start Date:** 30 May 2022

Underlying asset: Take Off S.p.A. Ordinary Shares – ISIN IT0005467425.

Aims: the aim of the Product is to give the holder the right to subscribe to, in the Exercise Periods and at the Exercise Prices (as indicated below), 1 Conversion Share for every 4 warrants presented for exercise. The Conversion Shares are the maximum 3,906,250 Ordinary Shares of the Issuer, having the same characteristics as the outstanding Ordinary Shares at the effective date of exercising the warrants, allocated exclusively and irrevocably to the exercise of the warrants, as envisaged in the respective Regulation. The Conversion Shares subscribed by warrant holders during an Exercise Period will be made available for trading, via Monte Titoli S.p.A., on the settlement day following the end of the last day of the relevant Exercise Period and will have the same dividend entitlement as the Ordinary Shares traded on Euronext Growth Milan at the issue date of those Conversion Shares.

The warrants are issued in implementation of the resolution of the Issuer's Extraordinary Shareholders' Meeting on 27 October 2021, which arranged for (i) the issuance of a maximum of 15,625,000 Warrants to be assigned free of charge to the shareholders of the Company at the ratio of one Warrant for each ordinary share held by those who are shareholders of the Company after the approval of the financial statements for the year 2021 by the shareholders' meeting of the Company. The Warrants issue date, which will coincide with an ex-dividend date compatible with the Borsa Italiana S.p.A. calendar, will not in any case be later than 45 days after the Financial Statements Approval Date; (ii) and the increase, in a divisible manner and for a consideration, of the share capital with exclusion of the right of option, as envisaged by Art. 2441, paragraph 5 of the Italian Civil Code, for a maximum nominal amount of Euro 390,625, plus share premium, through the issuance of a maximum total of 3,906,250 ordinary shares, without indication of express par value, in service of the exercise of the Warrants.

The purpose of the warrants issue is to (i) provide the shareholders with a financial instrument which, in any case, will be valued on the market and may be settled on Euronext Growth; (ii) allow the Company, again in a medium to long-term perspective, to increase its resources in support of the financial structure and the plans for growth.

The price of the warrant represents the "premium" that must be paid to subscribe the Ordinary Shares (and in particular the Conversion Shares) at the Exercise Price and it is therefore strictly correlated to the value of those Shares. The price of the warrant depends substantially upon three factors: the price of the Ordinary Shares on the market, the residual time to expiry and the Exercise Price at which it is possible to subscribe the Ordinary Shares. If the price of the Ordinary Shares on the market is less than the Exercise Price at which it is possible to subscribe the Conversion Shares, the value of the warrant will be very low, if not zero. In this case, in fact, it will not be worth subscribing the Ordinary Shares at a higher price than that at which they can be purchased on the market.

For the investor who purchases the warrants on the market, the profit could be equal to the product between the number of Conversion Shares subscribed to against the exercise of the warrants ("N") and the difference between the market price of the Ordinary Shares at the time of exercising the warrants ("Market value of the Ordinary Shares") and the Exercise Price, net of the price paid for purchasing the warrants ("Premium") and any costs incurred ("Costs").

$$\text{Profit} = [N \times (\text{Market value of the Ordinary Shares} - \text{Exercise Price})] - \text{Premium} - \text{Costs}$$

The loss could be equal to the sum between the price paid for purchasing the warrants and any costs incurred.

$$\text{Loss} = - \text{Premium} - \text{Costs}$$

In the Exercise Periods, the warrant holders may ask to subscribe the Conversion Shares at the Exercise Price respectively indicated, on any bank business day, submitting the subscription requests to the intermediary adhering to Monte Titoli S.p.A. at which the warrants are deposited. The table sets out the Exercise Periods and the Exercise Prices.

Exercise Periods	Exercise Prices
(First Exercise Period) From 14 November to 25 November 2022 inclusive	(Price of First Exercise Period) Euro 5.20
(Second Exercise Period) From 13 November to 24 November 2023 inclusive	(Price of Second Exercise Period) Euro 5.98
(Third Exercise Period) From 11 November to 22 November 2024 inclusive	(Price of Third Exercise Period) Euro 6.87

Warrant expiry date. The right to subscribe to the warrants must be exercised, under penalty of forfeiture, by making the subscription request by 22 November 2024. Warrants not exercised by that expiry date will forfeit any right, becoming invalid for all effects.

Further information. Further information, including details of the issue of the warrants and the Placement and information on the conditions applicable in the event of the definition of an additional exercise period, suspension of exercise of the warrants, execution by the Issuer of extraordinary operations on the capital and exercise of the warrants in advance and/or beyond the Exercise Period, is available in the Warrants Regulation and in the Admission Document of the warrants and the Ordinary Shares of the Issuer on the Euronext Growth Milan market.

Retail investors to which the Product is to be marketed: this Product is aimed at retail investors that: (i) have specific knowledge or investment experience in the financial markets, therein including derivative financial instruments, and the capacity to understand the Product and the related risks and benefits; (ii) have a timescale consistent with the Product expiry date; (iii) have a very high tolerance to financial risk and are able to lose in full the capital invested to purchase the Product in pursuit of the objective of obtaining potential earnings by way of subscription to the underlying asset, in line with the risk indicator shown in the next section.

WHAT ARE THE RISKS AND WHAT IS THE POTENTIAL YIELD?

Risk indicator

The summary risk indicator is an indicative indication of the risk level of this Product compared to other products. It expresses the probability of the Product suffering monetary losses due to market movements. We have classified this Product at level 7 of 7, which corresponds to the highest risk class. This Product does not include any protection against future market performance; therefore you could lose your entire investment or part of it (if the price of the underlying asset on the market is less than the Exercise Price).

1	2	3	4	5	6	7
Lowest risk						Highest risk



The risk indicator assumes that the Product is maintained until the expiry date (22 November 2024).

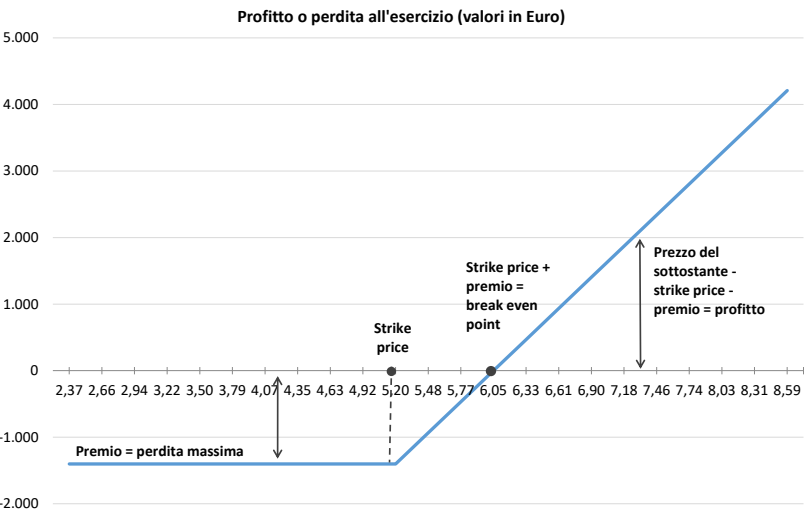
It may not be possible to sell the Product easily or it may be possible to sell only at a price that significantly affects the amount collected.

Performance scenarios: investment 10,000 EUR

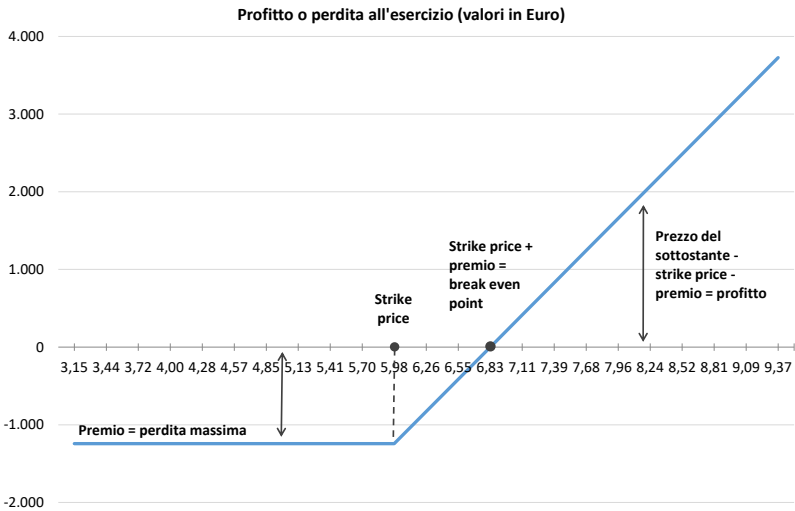
The graphs below show the possible performance of the investment. They can be compared to the payoff graphs of other derivatives. The graphs presented show a series of possible results depending on the Exercise Period and they are not an exact indication of the amount of the possible repayment (divestment). The amount of the repayment will vary depending on the performance of the underlying asset (Take Off S.p.A. Ordinary Shares).

For each value of the underlying asset, the graphs show the profit or loss of the Product, taking account of the Exercise Price. The horizontal axis shows the different possible prices of the underlying asset at the expiry date (or in an Exercise Period), while the vertical axis shows the profit or loss. In particular, the investment in the Product would generate a profit if, in an Exercise Period, the market price of the underlying asset was higher than the sum of the Exercise Price and the premium paid for purchasing the warrants (according to the exercise ratio) and in this circumstance the investor exercises the warrant by subscribing to and simultaneously reselling the underlying asset on the market.

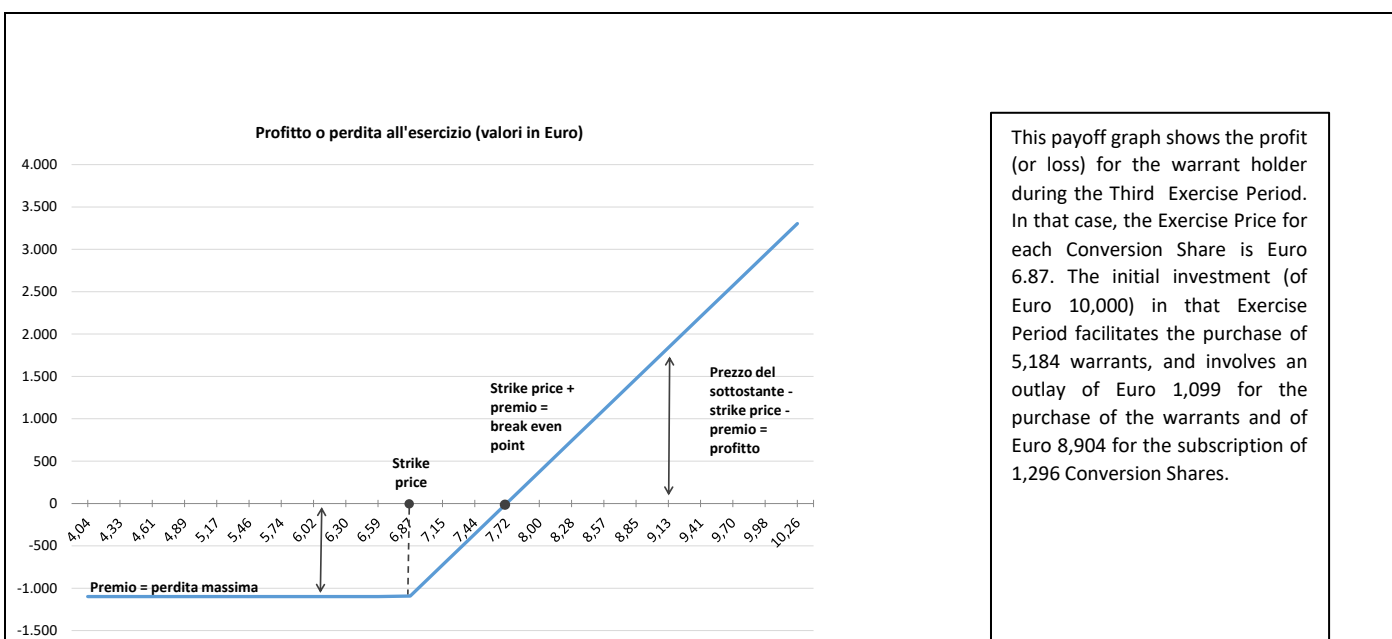
If you purchase this Product, it means that you believe the price of the underlying asset will increase. Your maximum loss would be the loss of your entire investment (premium paid). The indicated estimates include all costs of the Product as such, but they do not include all costs paid by you to the advisor or distributor. The estimates do not take account of your personal fiscal situation, which may also affect the amount of the repayment.



This payoff graph shows the profit (or loss) for the warrant holder during the First Exercise Period. In that case, the Exercise Price for each Conversion Share is Euro 5.20. The initial investment (of Euro 10,000) in that Exercise Period facilitates the purchase of 6,616 warrants, and involves an outlay of Euro 1,403 for the purchase of the warrants and of Euro 8,601 for the subscription of 1,654 Conversion Shares.



This payoff graph shows the profit (or loss) for the warrant holder during the Second Exercise Period. In that case, the Exercise Price for each Conversion Share is Euro 5.98. The initial investment (of Euro 10,000) in that Exercise Period facilitates the purchase of 5,860 warrants, and involves an outlay of Euro 1,242 for the purchase of the warrants and of Euro 8,761 for the subscription of 1,465 Conversion Shares.



WHAT HAPPENS IF THE ISSUER IS UNABLE TO PAY WHAT IS DUE?

In the event of the Issuer's insolvency, the market price of the underlying asset could be less than the Exercise Price. This would make it not worth exercising the warrant and subscribing the Ordinary Shares of the Issuer as that subscription would occur at a price higher than that of the market. The value of the warrant may significantly reduce; therefore, you could lose your investment, in whole or in part, and suffer a financial loss. That loss would not be covered by any investors' indemnity or guarantee system.

WHAT ARE THE COSTS?

Performance of costs over time: the costs of this Product are exclusively linked to the "bid/mid" differential and are therefore calculated as half of the difference between the price available for purchase and the price available for sale or the fair value of the Product, which can be inferred from the market values (latest offers on the Euronext Growth Milan market), or, if not available, from the comparison with financial instruments having the same characteristics or, in their absence, from estimates made by way of mathematical models (implicit exit cost). Before the start of trading, that differential is considered to be zero.

The reduction in yield (RIY) expresses the impact of the total costs incurred (other than the implicit exit cost) on the possible yield of the investment. The total costs take account of one-off, ongoing and ancillary costs. The amounts indicated here correspond to the cumulative costs of the Product in 3 different holding periods (up until the expiry date) and they include, where envisaged, potential early exit penalties. The amounts are based upon the hypothesis that 10,000 EUR is invested. The amounts are estimated and may change in future. The person who sells this Product or provides advice with regard to it may charge other costs, in which case, they must provide information on those costs and illustrate the impact of all costs on the investment over time.

Investment 10,000 EUR	In case of divestment after 1 year	In case of divestment after 2 years	In case of divestment at the expiry date
Total costs	€ 0.00	€ 0.00	€ 0.00
Reduction in Yield (RIY)	0.00%	0.00%	0.00%

Composition of costs: the following table presents: (i) the impact of the different types of costs on the possible yield of the investment until the expiry date; (ii) the meaning of the different categories of costs.

This table shows the impact on the yield per year			
One-off costs	Entry costs	0.00%	Impact of costs already included in the price
	Exit costs	N/A	There are no costs of exiting the investment
Ongoing costs	Portfolio transaction costs	N/A	There are no costs of purchase or sale of the underlying asset
	Other ongoing costs	N/A	There are no costs for maintaining the investment until the expiry
Ancillary costs	Performance fees	N/A	There are no performance fees on the performance of the Product
	Carried interest	N/A	There are no overperformance fees on the performance of the Product

HOW LONG DO I HAVE TO HOLD IT? CAN I WITHDRAW THE CAPITAL PREMATURELY?

Recommended holding period or minimum holding period

No holding period is recommended and there is no minimum holding period requirement, notwithstanding that the final deadline for exercising the warrants coincides with the expiry date (22 November 2024).

In normal market conditions, the Product will be traded on the Euronext Growth Milan market. Although they will be traded on that market under continuous trading conditions, there can be no guarantee that a liquid market for the warrants will be formed or maintained, and there may therefore be a particularly high liquidity risk, irrespective of the Issuer's performance, as requests to sell may not find adequate and timely counterparts and may be subject to price fluctuations, potentially significant. Therefore, it may not be possible to sell the Product easily before the expiry or it may be possible to sell only at a price that significantly affects the amount collected.

HOW CAN COMPLAINTS BE LODGED?

If you wish to lodge a complaint regarding the Product or the conduct of the Issuer as Manufacturer of the Product, you can lodge that complaint by one of the following methods: (i) recorded delivery letter with notice of receipt to be sent to the address: Take Off S.p.A., Via Montenapoleone, 8 – 20121 Milan (MI).; (ii) email: davide.piccinno@takeoffoutlet.com. Any complaints relating to the conduct of the advisor or distributor, if present, should be sent to the advisor or distributor, in line with their procedures.

OTHER RELEVANT INFORMATION

The Warrants Regulation, the Admission Document of the Warrants and the Ordinary Shares of the Issuer on the Euronext Growth Milan market and the other information on the Issuer can be found on the website www.takeffoutlet.com. Those documents are made available based upon a legal obligation deriving from the *status* as Issuer on the Euronext Growth Milan market.