

**EXPLANATORY REPORT BY THE BOARD OF DIRECTORS ON THE ITEMS ON THE AGENDA**

**Ordinary Shareholders' Meeting**

27 April 2023 – 1st call

28 April 2023 – 2nd call

**TAKE OFF S.p.A.**

Via Montenapoleone 8 – 20121 Milan

Tax Code and VAT no. 04509190759

EXPLANATORY REPORT BY THE BOARD OF DIRECTORS OF TAKE OFF S.P.A. ON THE PROPOSALS CONCERNING THE ITEMS ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING CONVENED ON 27TH APRIL 2023 ON FIRST CALL AND 28TH APRIL 2023 ON SECOND CALL

Dear Shareholders,

The Board of Directors has convened the Shareholders' Meeting in ordinary session to submit the following proposals for your approval:

**AGENDA**

1. Approval of the Annual Financial Statements as at 31st December 2022 and presentation of the Group's Consolidated Financial Statements as at 31st December 2022. Relative and consequent resolutions.
2. Allocation of the result for the year and proposed dividend distribution. Relative and consequent resolutions.
3. Appointment of the Board of Directors. Relative and consequent resolutions.

Dear Shareholders,

1. **Approval of the Annual Financial Statements as at 31st December 2022 and presentation of the Group's Consolidated Financial Statements as at 31st December 2022. Relative and consequent resolutions.**

With reference to the first item on the Agenda, the Board of Directors of Take Off S.p.A. (the "Company") has called this Ordinary Shareholders' Meeting to approve the Financial Statements and to take note of the Consolidated Financial Statements of the Group for the year ending 31st December 2022 and examined by the Board of Directors on 27th March 2023.

The Chair of the Board of Directors points out that despite the strong inflationary pressure of the particular historical context induced by the conflict in Ukraine, the Group nevertheless continued its policy of growth, achieving excellent results despite suffering a drop in margins.

The Chair also explained that Take Off's results closed with a profit for the year of 1,832,312 euro and proposed that the Shareholders' Meeting approve the allocation of:

- a. 937,488 euro as ordinary dividend gross of withholding taxes equal to 0.06 euro gross per share, to be distributed to the Shareholders in proportion to their respective shareholdings in the Company's share capital;
- b. 894,824 euro to the Extraordinary Reserve.

For all detailed information and comments, please refer to the Management Report, which is made available to the public, together with the Annual Financial Statements, the Consolidated Financial Statements, the Report of the Board of Statutory Auditors and Independent Auditors, at the

registered office as well as on the Company's website [www.takeoffoutlet.com](http://www.takeoffoutlet.com) under the Investor Relations section, within the terms set forth by current regulations.

In connection with the present item on the Agenda, the Board of Directors submits the following proposed resolution for your approval:

*"The Ordinary Shareholders' Meeting of Take Off S.p.A.,*

- Having heard the Chair's presentation;*
- Having examined the Draft Financial Statements and Consolidated Group Financial Statements as at 31st December 2022 as well as the Management Report;*
- Taking note of the reports of the Board of Statutory Auditors and the Independent Auditors;*

***resolves***

- 1. To approve the Financial Statements as at 31st December 2022 comprising the Balance Sheet, Profit and Loss Statement, Notes to the Financial Statements and Cash Flow Statement, accompanied by the Management Report, taking note of the reports of the Board of Statutory Auditors and the Independent Auditors, as well as the relative ancillary documentation;*
- 2. To take note of the Group's Consolidated Financial Statements as at 31st December 2022 and relative documentation;*
- 3. To authorise the Chair of the Board of Directors, with the power to delegate to third parties – including those external to the Board of Directors – to take care of all compliances and formalities of communication, filing and publication inherent to the above resolution, pursuant to the applicable regulations, making any formal amendments, additions or deletions that may be necessary."*

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**2. Allocation of the result for the year and proposed dividend distribution. Relative and consequent resolutions.**

With reference to the second item on the Agenda, it should be noted that the Company's Financial Statements as at 31st December 2022 show a net profit of 1,832,312 euro.

It is thus proposed to allocate the aforementioned profit of:

- c. 937,488 euro as ordinary dividend gross of withholding taxes equal to 0.06 euro gross per share, to be distributed to the Shareholders in proportion to their respective shareholdings in the Company's share capital;
- d. 894,824 euro to the Extraordinary Reserve.

The proposed dividend is intended to reward shareholders who have placed their trust in the company, believing in it from the listing to today.

In this regard, the Board of Directors proposes that the dividend approved by the Shareholders' Meeting be paid out – in accordance with the calendar of Euronext Growth Milan, managed and organised by Borsa Italiana – as of 4th May 2023 (with ex-dividend date No. 1 being 2nd May 2023 and record date being 3rd May 2023).

For further information and detailed comments, please refer to the Management Report, made available to the public, together with the Annual Financial Statements, the report of the Board of Statutory Auditors and the Independent Auditors, at the Company's registered office, as well as on the Company's website within the terms established by current regulations.

In connection with the present item on the Agenda, the Board of Directors submits the following proposed resolution for your approval:

*"The Ordinary Shareholders' Meeting of Take Off S.p.A.,*

- Having heard the Chair's presentation;*
- Having examined the Draft Financial Statements as at 31st December 2022, which show a net profit for the year of 1,832,312 euro;*
- Taking note of the reports of the Board of Statutory Auditors and the Independent Auditors;*

***resolves***

- 1. To allocate the net profit for the year 2022, amounting to 1,832,312 (one million, eight hundred and thirty-two thousand, three hundred and twelve/00) euro, as follows:*
  - 894,824 (eight hundred and ninety-four thousand, eight hundred and twenty-four/00) euro to the Extraordinary Reserve;*
  - 937,488 (nine hundred and thirty-seven thousand, four hundred and eighty-eight/00) euro as ordinary dividend gross of withholding taxes equal to 0.06 euro gross per share, to be distributed to the shareholders in proportion to their respective shareholdings in the Company's share capital;*
- 2. To set 2nd May 2023 as the ex-dividend date, 3rd May 2023 as the record date and 4th May 2023 as the date from which the dividend is payable;*
- 3. To vest the Chair of the Board of Directors with the broadest powers, so that, also by means of Proxies and in compliance with the terms and procedures set forth by law, they may execute this resolution, as well as make – where appropriate or necessary – formal additions, amendments and deletions that may be requested by the competent Authorities for the registration of this resolution in the Business Registry."*

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### **3. Appointment of the Board of Directors. Relative and consequent resolutions.**

In relation to the third item on the Agenda of the Shareholders' Meeting, it should be noted that at the Ordinary Shareholders' Meeting called to approve the Financial Statements for the year ending

31st December 2022, the mandate of the Board of Directors conferred for a three-year term at the Shareholders' Meeting of 15th June 2020 shall expire.

The Shareholders' Meeting is thus invited to proceed with the appointment of the new Board of Directors, whose term will expire with the approval of the Financial Statements as at 31st December 2025.

Pursuant to Article 16 of the Articles of Association, the Board of Directors is composed of a minimum of 3 members and a maximum of 9 members, at least 1 of whom meets the independence requirements set forth in Article 148(3) of the Consolidated Law on Finance as referred to in Article 147-ter, paragraph 4, of the Consolidated Law on Finance, and 1 belonging to the less-represented gender.

The Board of Directors is appointed in compliance with the law and the provisions of the Articles of Association in force, on the basis of lists submitted by the shareholders. Only shareholders who, alone or together with other shareholders, own at least 5% of the share capital are entitled to submit lists.

Accompanied by the professional *curricula* of the designated persons and signed by the shareholders who submitted them, the lists must be delivered to the Company in advance, no later than 5 days prior to the date set for the Shareholders' Meeting (so, no later than 22nd April 2023) together with the documentation proving the status of the shareholders by those who submitted them.

Within the same deadline, the declarations must be filed with which the individual candidates accept their candidacy and declare - under their own responsibility - the non-existence of causes of ineligibility and incompatibility set by law, as well as the existence of the requirements prescribed by law and regulations for members of the Board of Directors.

Lists and declarations may be filed in the following (alternative) ways:

- (i) Transmission by certified electronic mail to the address [takeoff@gigapec.it](mailto:takeoff@gigapec.it)
- (ii) By registered mail with return receipt to the Company's head office in Monopoli (BA) at Via Baione 272/D.

Each shareholder may submit or participate in the submission of only one list and each candidate may only appear on one list, under penalty of ineligibility.

Elected as members of the Board of Directors are the candidates indicated in progressive order in the list to obtain the highest number of votes equal to the total number of members of the Board of Directors to be elected minus one.

In addition, a Director is elected, taken from the list obtaining the second highest number of votes and who, pursuant to the applicable provisions, is not connected even indirectly with the shareholders who submitted or voted for the majority list, in the person of the candidate listed first on said list.

Lists that have not obtained a percentage of votes equal to at least half of that required for submission shall not be taken into account.

In the event that several lists obtain the same number of votes, a new ballot shall be held between those lists, with the candidates of the list obtaining a simple majority of votes being elected.

If amongst the candidates elected in the manner indicated above, there is not at least one Director satisfying the independence requirements established by Article 148(3) of the Consolidated Law on Finance, it shall fall to the non-independent candidate according to the unelected progressive order of the same list or, failing that, by the first independent candidate according to the unelected progressive order of the same list or, failing that, by the first independent candidate according to the unelected progressive order of the other lists, in line with the number of votes obtained by each.

If only one list is submitted or if no list is submitted, the Ordinary Shareholders' Meeting shall proceed with the appointment by legal majority.

It should be noted that failure to meet the legal requirements constitutes grounds for disqualification of the Director.

Lastly, in relation to the above, shareholders are invited: (i) to determine the number of members of the Board of Directors, recalling that the latter is currently composed of five directors; and, (ii) to determine the remuneration due to the Board of Directors, recalling that the total remuneration for the company's Board of Directors during the previous term of office amounted to 90,000.00 (ninety thousand/00) euro gross on an annual basis.