

**DIRECTORS' REPORT**  
**ON THE ITEMS ON THE AGENDA FOR THE ORDINARY PART OF THE**

**ANNUAL GENERAL MEETING**  
**CONVENED IN ORDINARY AND EXTRAORDINARY SESSION**  
**FOR 19 APRIL 2024**

*(Report prepared in accordance with Article 125-ter of the Consolidated Law on Finance and Articles 73 and 84-ter of the Issuers' Regulation)*

Dear Shareholders,

In compliance with Article 125-ter of Legislative Decree No. 58 of 24 February 1998, (the ‘**Consolidated Law on Finance**’ or ‘**Legislative Decree No. 58/98**’) as later amended, and with Articles 73 and 84-ter of the regulation implementing the Consolidated Law on Finance regarding the regulation of issuers, adopted by Consob with Resolution No. 11971 of 14 May 1999, as later amended, (the ‘**Issuers’ Regulation**’), the Board of Directors of De’ Longhi S.p.A (the ‘**Company**’, the ‘**Issuer**’ or ‘**De’ Longhi**’) hereby provides you with a report (the ‘**Directors’ Report**’) explaining the items on the agenda for the Annual General Meeting convened in ordinary and extraordinary session – by call notice published on **19 March 2024** on the Company’s website [www.delonghigroup.com](http://www.delonghigroup.com) (section ‘*Governance*’ – ‘*Corporate Bodies*’ – ‘*Annual General Meeting 2024*’) and on the IINFO authorised storage mechanism (accessible via the website [www.info.it](http://www.info.it)), and, on **20 March 2024**, in extract form in the ‘*La Repubblica*’ newspaper – at the Company’s registered office in Via L. Seitz 47, Treviso, Italy for **19 April 2024** at **8:45am**, in single call (the ‘**Annual General Meeting**’).

In particular, the **agenda** for the **ordinary part** of the above Annual General Meeting is the following:

### **Ordinary Part**

1. *Approval of the Separate Financial Statements at 31 December 2023 accompanied by the Directors’ Report on Operations, the Report by the Board of Statutory Auditors and the External Auditors’ Report. Presentation of the Consolidated Financial Statements at 31 December 2023. Presentation of the consolidated non-financial statement pursuant to Legislative Decree no. 254/16. Resolutions thereon.*
2. *Proposed allocation of the net profit for the year and distribution of the dividend. Resolutions thereon.*
3. *Annual report on the remuneration policy and compensation paid:*
  - 3.1 *approval of the ‘2024 Remuneration Policy’ contained in Section I, in accordance with Article 123-ter(3-bis) of Legislative Decree No. 58/98;*
  - 3.2 *advisory vote on the ‘Compensation paid in 2023’ indicated in Section II, in accordance with Article 123-ter(6) of Legislative Decree No. 58/98.*
4. *Proposal of a share-based incentive plan concerning the ordinary shares of De’ Longhi S.p.A., called the ‘2024-2026 Performance Share Plan’, reserved for the Chief Executive Officer and the General Manager of the Company, as well as for a limited number of top managers in the De’ Longhi Group. Resolutions thereon.*
5. *Proposal to authorise the purchase and disposal of treasury shares, after revoking the resolution taken by the Annual General Meeting held on 21 April 2023. Resolutions thereon.*

This Directors' Report must be read together with the other separate reports concerning the items on the agenda for the ordinary part of the Annual General Meeting referred to later in this document.

This Directors' Report will be made available to the public on **19 March 2024** at the Company's registered office and on its website [www.delonghigroup.com](http://www.delonghigroup.com) (section '*Governance*' – '*Corporate Bodies*' – '*Annual General Meeting 2024*'), and on the IINFO authorised storage mechanism accessible via the website [www.linfo.it](http://www.linfo.it).

FIRST ITEM ON THE AGENDA FOR THE ORDINARY PART

*‘Approval of the Separate Financial Statements at 31 December 2023 accompanied by the Directors’ Report on Operations, the Report by the Board of Statutory Auditors and the External Auditors’ Report. Presentation of the Consolidated Financial Statements at 31 December 2023. Presentation of the consolidated non-financial statement pursuant to Legislative Decree no. 254/16. Resolutions thereon.’*

Dear Shareholders,

We submit for your approval the Separate Financial Statements at 31 December 2023 of De’ Longhi S.p.A., examined and approved by the Company’s Board of Directors at the meeting held on 12 March 2024, which closed with a net profit of €36,578,046.

Please note that any comment related to the first item on the agenda for the ordinary part of the Annual General Meeting is fully explained in the Annual Report at 31 December 2023 (including the draft Separate Financial Statements and the Consolidated Financial Statements at 31 December 2023, the Directors’ Report on Operations, the Reports of the Board of Statutory Auditors and of the External Auditors, as well as the certification by the Chief Executive Officer and Financial Reporting Officer pursuant to Article 154-*bis*(5) of the Consolidated Law on Finance and the consolidated non-financial statement pursuant to Legislative Decree No. 254/16), which will be made available to the public on **29 March 2024** at the Company’s registered office and on its website [www.delonghigroup.com](http://www.delonghigroup.com) (section ‘Governance’ – ‘Corporate Bodies’ – ‘Annual General Meeting 2024’), and on the IINFO authorised storage mechanism accessible via the website [www.iinfo.it](http://www.iinfo.it), together with all other documentation required by applicable law.

It should be noted that the annual consolidated financial statements contained in the Annual Report at 31 December 2023 have been prepared, pursuant to the Transparency Directive, according to the Single Electronic Reporting Format (ESEF) based on the principles laid down by Delegated Regulation (EU) 2019/815. The aforementioned Report will also be published on the Company’s website in PDF format for ease of reading, it being understood that only the ESEF version shall have legal value.

With regard to the content of the above Annual Report, it should be noted that, starting from the financial year 2017, the Company must, pursuant to Legislative Decree No. 254 of 30 December 2016 (‘**Legislative Decree No. 254/2016**’), publish a ‘*Consolidated non-financial statement*’ (‘NFS’) which must report on a set of issues to the extent necessary to ensure understanding of the company’s activities, its performance, its results and the impact produced by it. More specifically, Legislative Decree No. 254/2016 provides for reporting on non-financial issues related to five specific areas (environmental, social, workforce, respect for human rights and the fight against active and passive corruption), requiring a description of the main risks (generated and/or

incurred), the policies followed by the company, related performance indicators and the company's management and organisation model for each of these areas. Furthermore, Article 1(1073) of the Budget Law No. 145/2018, which entered into force on 30 December 2018, amended Legislative Decree No. 254/2016, providing for the disclosure of the main risks as well as the methods for managing such risks.

Article 8 of Regulation (EU) 2020/852 of 18 June 2020 (the '**Taxonomy Regulation**') and the related Delegated Regulations (EU) 2021/2178 and 2021/2139 introduced the obligation to include, starting with the NFS 2021, appropriate disclosure on how and to what extent the undertaking's activities are associated with economic activities that qualify as environmentally sustainable under the same Regulation. This information was presented in a special section separate from the NFS.

In addition, the NFS implements the recommendations that are provided annually by the European Securities and Markets Authority (ESMA), which for the current reporting year were published on 25 October 2023. For non-financial reporting, these recommendations focus on three priority areas: European taxonomy; climate change goals, actions and progress; and Scope 3 emissions

To comply with the above provisions, the Company has drafted the NFS for the last year (which from FY 2024 will be replaced by the sustainability report introduced by Directive (EU) 2022/2464 known as CSRD - Corporate Sustainability Reporting Directive), including it in a special section of the Report on Operations contained in the Annual Report. On this point, it is specified that the statement required under Article 3(10) of Legislative Decree No. 254/2016, and under Article 5 of the Consob Regulation adopted with Resolution No. 20267 of January 2018 – concerning the information provided being consistent with the requirements of the Legislative Decree itself and with the principles, methodologies and methods provided for therein – is issued by the auditing firm *PriceWaterhouseCoopers S.p.A.* and will be published and made available as an annex to the Annual Report. Article 8 of the Taxonomy Regulation mentioned above does not require that the disclosure on the activities required by the Regulation itself, in the context of the NFS, be reviewed by an independent auditor.

The text of the proposed resolution prepared by the Board of Directors for the Shareholders concerning item 1 on the agenda for the ordinary part of the Annual General Meeting will be specified in the above Annual Report for FY 2023, to which reference is made.

SECOND ITEM ON THE AGENDA FOR THE ORDINARY PART***‘Proposed allocation of the net profit for the year and distribution of the dividend. Resolutions thereon.’***

Dear Shareholders,

In relation to the second item on the agenda for the ordinary part of the Annual General Meeting, you are reminded that you are asked to resolve on the allocation of the net profit of €36,578,046 achieved by De' Longhi S.p.A. during FY 2023, as well as on the proposed distribution of the dividend given below.

On this point, we would like to inform you that, also taking into account that the legal reserve reached one fifth of the Company's subscribed share capital last year, at the meeting held on 12 March 2024, the Board of Directors resolved to propose to the Annual General Meeting the distribution of an ordinary gross dividend of €0.67 per eligible share at the record date pursuant to Article 83-*terdecies* of Legislative Decree No. 58/98 (namely the accounting date at the end of which, the active Shareholders' accounts with depository intermediaries will be proof for the purposes of entitlement to receive the dividend) using for this purpose the entire profit resulting from the 2023 Financial Statements (equal to €36,578,046) and, for the difference, the amounts arising from the distribution of a part of the "Extraordinary Reserve"

The total amount of the dividend distributed and, consequently, the residual amount of the Extraordinary Reserve to be use for dividend payment will vary depending on the number of eligible shares, since these amounts are defined when the dividend is actually paid on the basis of the shares in circulation on the record date pursuant to Article 83-*terdecies* of Legislative Decree No. 58/98 (excluding, therefore, the treasury shares in the Company's portfolio).

Considering that, at the date of approval of this Report, the De' Longhi shares in circulation amount to 151,060,000 and the Company holds 521,900 treasury shares, the total amount of dividend at that date stands at €100,860,527.

The Board also resolved to propose paying the above dividend of €0.67 per eligible share starting from 22 May 2024, with ex-dividend no. 24 on 20 May 2024 and with the record date, pursuant to Article 83-*terdecies* of the Consolidated Law on Finance , as at 21 May 2024.

The text of the proposed resolution prepared by the Board of Directors for the Shareholders concerning item 2 on the agenda for the ordinary part of the Annual General Meeting will be specified in the above Annual Report for FY 2023, to which reference is made.

THIRD ITEM ON THE AGENDA FOR THE ORDINARY PART*‘Annual report on the remuneration policy and compensation paid:*

- 3.1 approval of the ‘2024 Remuneration Policy’ contained in Section I, in accordance with Article 123-ter(3-bis) of Legislative Decree No. 58/98;*
- 3.2 advisory vote on the ‘Compensation paid in 2023’ indicated in Section II, in accordance with Article 123-ter(6) of Legislative Decree No. 58/98.’*

Dear Shareholders,

In relation to the third item on the agenda of the Annual General Meeting, you are called upon also this year, pursuant to Article 123-ter of the Consolidated Law on Finance, most recently amended by Legislative Decree No. 49/2019 which implemented EU Directive 2017/828 (so-called SHRD II), to express your opinion on the ‘Annual Report on the remuneration policy and compensation paid’ of De’ Longhi (the ‘**Remuneration Report**’ or ‘**Report**’) concerning:

- the policy for remunerating the members of the board of directors and board of statutory auditors, the general manager and key managers with strategic responsibilities (‘**Relevant Subjects**’) proposed by the Board of Directors for the financial year 2024 and the procedures used to adopt and implement this policy (the ‘**2024 Remuneration Policy**’); and

- compensation paid in FY 2023 to the Relevant Subjects.

We would like to remind you that the Remuneration Report is divided into two separate sections:

- **Section I**, which describes the Remuneration Policy and the procedures used for the adoption and implementation of the policy itself. It should be pointed out that, as every year, this section also contains information on the remuneration of directors and on the Remuneration and Appointments Committee relating to the recommendations dictated by the Corporate Governance Code approved by the Corporate Governance Committee in January 2020 (the ‘**Corporate Governance Code**’ or the ‘**Code**’) to which De’ Longhi adheres;

- **Section II** (divided into two parts) which contains, in Part One, a representation of the remuneration paid by the Company to Relevant Subjects with reference to each of the items making up the remuneration of Relevant Subjects for 2023; and, in Part Two, the details of the compensation accrued or paid to Relevant Subjects in 2023, for whatever reason and in whatever form, by the Company and its subsidiaries and associated companies, using the tables annexed to the Remuneration Report, which form an integral part of the same, as well as information on the shareholdings held in the Company and its subsidiaries by those same Relevant Subjects, by their spouses (from whom they are not legally separated) or their children, either directly or through subsidiaries, trust companies or third parties.

You are reminded that, following the changes introduced by Legislative Decree No. 49/2019 to Article 123-ter of the Consolidated Law on Finance, the vote to be cast by the Annual General Meeting on the 2024 Remuneration Policy contained in Section I of the Remuneration Report has been raised to a binding vote, and the vote to be cast on the compensation paid in 2023 to the Relevant Subjects, reported in Section II of the Report, is an advisory one.

It should be noted that the Report (and, therefore, the 2024 Remuneration Policy contained in Section I of the same report and the compensation paid to Relevant Subjects in 2023 contained in Section II of the Report) has been approved by the Board of Directors in the meeting held on 12 March 2024, upon the proposal of the Remuneration and Appointments Committee – in accordance with the laws and regulations in force – and will be made available to the public at the Company’s registered office and on its website [www.delonghigroup.com](http://www.delonghigroup.com) (section ‘Governance’ – ‘Corporate Bodies’ – ‘Annual General Meeting 2024’), and on the IINFO authorised storage mechanism accessible via the website [www.1info.it](http://www.1info.it) at least 21 days before the date of the Annual General Meeting (more specifically, from **29 March 2024**).

For further details, please refer to the above Report, the contents of which have also been defined in accordance with Article 84-quater of the Issuers’ Regulation and in consideration of the related Annex 3A, Scheme 7-bis and Scheme 7-ter.

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The Annual General Meeting is therefore invited to adopt the following resolution:

In relation to item 3.1

*‘The Annual General Meeting of the Shareholders of De’ Longhi S.p.A.:*

*- having reviewed Section I of the ‘Annual Report on the Remuneration Policy and Compensation Paid’ of De’ Longhi S.p.A. dated March 2024 and prepared in accordance with the laws and regulations in force,*

**RESOLVES**

*to approve the ‘2024 Remuneration Policy’ contained in Section I of the aforementioned Report and the related adoption and implementation procedures.’*

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In relation to item 3.2

*‘The Annual General Meeting of the Shareholders of De’ Longhi S.p.A.:*

*- having reviewed Section II of the ‘Annual Report on the Remuneration Policy and Compensation Paid’ of De’ Longhi S.p.A., dated March 2024 and prepared in accordance with the laws and regulations in force,*



*RESOLVES*

*to express a favourable opinion on the 'Compensation paid in 2023' indicated in Section II of the aforementioned Report.'*

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FOURTH ITEM ON THE AGENDA FOR THE ORDINARY PART

***‘Proposal of a share-based incentive plan concerning the ordinary shares of De’ Longhi S.p.A., called the ‘2024-2026 Performance Share Plan’, reserved for the Chief Executive Officer and the General Manager of the Company, as well as for a limited number of top managers in the De’ Longhi Group. Resolutions thereon.’***

Dear Shareholders,

With regard to the fourth item on the agenda for the ordinary part of the Annual General Meeting, and in particular, the proposal to adopt a share-based incentive plan concerning the ordinary shares of De’ Longhi S.p.A., called the ‘2024-2026 Performance Share Plan’ (the ‘Plan’), reserved for the Chief Executive Officer and the General Manager of the Company, as well as for a limited number of top managers in the De’ Longhi Group, reference is made to the ‘*Directors’ Report on the fourth item on the agenda for the ordinary part*’ of the Annual General Meeting which also contains the proposed resolution thereon.

Said report has been prepared in accordance with the provisions of Articles 114-*bis* of the Consolidated Law on Finance and Article 84-*bis*(1) of the Issuers’ Regulation and, therefore, includes the information document regarding the ‘2024-2026 Performance Share Plan’ required by the applicable regulations and which has been prepared in accordance with Annex 3A, Scheme 7 of the Issuers’ Regulation; the same report will be made available to the public at the Company’s registered office and on its website [www.delonghigroup.com](http://www.delonghigroup.com) (section ‘Governance’ – ‘Corporate Bodies’ – ‘Annual General Meeting 2024’), and on the IINFO authorised storage mechanism accessible via the website [www.linfo.it](http://www.linfo.it), at the same time as the publication of this Directors’ Report, together with which it must be read.

FIFTH ITEM ON THE AGENDA FOR THE ORDINARY PART

*‘Proposal to authorise the purchase and disposal of treasury shares, after revoking the resolution taken by the Annual General Meeting held on 21 April 2023. Resolutions thereon.’*

Dear Shareholders,

We submit the proposal to authorise the Company’s purchase and subsequent disposal of treasury shares for your consideration and approval.

We remind you that the previous authorisation to purchase and dispose of treasury shares was approved by the Annual General Meeting held on 21 April 2023 and, therefore, the 18-month period envisaged by the same resolution is due to expire on 21 October 2024.

We would like to inform you that, during FY 2023 and until the date of the approval of this report (12 March 2024), the Board of Directors had not taken advantage of the authorisation to purchase treasury shares granted by the Annual General Meeting on 21 April 2023, while it did allocate, on the basis of the same authorisation, 373,450 treasury shares (in the portfolio following the buy backs made during FY 2020) to service the 2020-2027 Stock Option Plan in place at the Company (in relation to which reference is made to section 3.6 of the aforementioned Remuneration Report). Therefore, compared to the 895,350 treasury shares held in March last year, as of today’s date the Company directly holds 521,900 treasury shares. We would like to also point out that, with the exception of the Issuer, as of today none of the companies of the De’ Longhi Group holds shares in the Company.

In consideration of the opportunity to renew the authorisation, for the reasons and under the terms set out below, we propose that you revoke the authorisation granted with the resolution of 21 April 2023 and, at the same time, approve a new authorisation to purchase and dispose of the Company’s ordinary shares under the following terms.

### **5.1 Reasons for the requested authorisation to purchase and dispose of treasury shares.**

The Board of Directors has resolved to submit again to the Annual General Meeting the request for authorisation to perform operations to purchase treasury shares – after revocation of the resolution passed by the Annual General Meeting last year – and, under certain conditions, to dispose of said shares, though still in compliance with the equal treatment of Shareholders and with the applicable laws and regulations, including Regulation (EU) No. 596/2014 of the European Parliament and Council of 16 April 2014 relating to market abuse (**‘Reg. (EU) No. 596/2014’**) and related regulatory technical standards, as well as market practices permitted by Consob, for the following reasons:

- a) it will be possible to proceed with investments in the Company's shares, in the interests of the same and of all the Shareholders: (i) in relation to current market situations to perform a support activity that improves the share's liquidity, promoting the regularity of trading, and (ii) when the stock exchange prices or the amount of available cash make this operation economically convenient;
- b) if necessary, treasury shares may be used for transactions related to business or commercial projects or however in the interests of the Company and the De' Longhi Group, involving the opportunity to trade or transfer shareholdings or to use them as guarantee on the same;
- c) if necessary, treasury shares (or options on the same) may also be purchased and/or sold and/or assigned in relation to remuneration plans based on financial instruments in accordance with Article 114-*bis* of the Consolidated Law on Finance, in the form of stock options and/or performance shares, , to, among others, directors, employees, consultants of the Company or of the De' Longhi Group;
- d) if necessary, treasury shares (or options on the same) may also be purchased and/or sold and/or assigned in relation to the issue of financial instruments that can be converted into shares;
- e) if necessary, treasury shares (or options on the same) may also be purchased and/or sold and/or assigned in relation to programmes for Shareholder scrip issues.

## **5.2 Maximum number, class and nominal value of the shares to which the authorisation proposal relates.**

The authorisation which the Board requests from the Annual General Meeting concerns the purchase of the Company's shares to be carried out, also through a series of operations, until reaching a maximum quantity of 14,500,000 (fourteen million five hundred thousand) ordinary shares with a nominal value of €1.50 (one euro fifty cents) each, and therefore an amount not exceeding one fifth of the share capital – considering also any shares held by subsidiaries – and, in any case, within the limits of the distributable profits and available reserves according to the last approved financial statements. The authorisation requested includes the faculty to subsequently dispose of the shares in portfolio, without any time limit, one or more times, also before having reached the maximum quantity of shares that can be purchased, and to buy back the same shares in compliance with the limits and conditions established by this authorisation.

## **5.3 Useful information for the evaluation of compliance with the provision as per Article 2357(3) of the Civil Code.**

For the purposes of the evaluation of compliance with the limits as per Article 2357(3) of the Civil Code, it is noted that the Issuer's share capital is as at today

€226,590,000, comprising 151,060,000 ordinary shares, and that, at the today date, the Company directly holds 521,900 treasury shares.

The nominal value of the shares for which purchase authorisation is requested therefore does not exceed the above limit, also taking into account any shares that may have been purchased by subsidiaries.

However, subsidiaries will be provided with specific instructions concerning the timely reporting of any share purchase operations in accordance with Articles 2359-*bis* et seq. of the Civil Code.

#### **5.4 Duration of the requested authorisation.**

The authorisation to purchase treasury shares is requested for a period of 18 (eighteen) months from the date the Annual General Meeting adopts the relative resolution.

The authorisation to dispose of treasury shares, even before reaching the purchase limit, is requested without time limit.

#### **5.5 Minimum and maximum payments and market valuations.**

##### Purchase of treasury shares

The purchase price of each treasury share must not be more than 15% (fifteen percent) below or 15% (fifteen percent) above the average of the official trading prices recorded by the Euronext Milan on the three trading days before the purchase or the announcement of the operation, depending on the technical methods identified by the Board of Directors.

##### Disposal of treasury shares

As regards the subsequent disposal of the shares purchased, only the minimum price for sale to third parties is established, which must not entail negative economic effects on the Company, and, in any case, not be below 95% (ninety-five percent) of the average official price recorded on the Euronext Milan over the three days before the sale. This price limit may be waived for the exchange or sale of treasury shares (or their use as guarantee on the same) relating to the realisation of operations associated with industrial and/or commercial projects and/or however in the interests of the Company or the De' Longhi Group, and in the case of the allocation and/or sale of shares (or options on such shares) in relation to (i) remuneration plans based on financial instruments pursuant to Article 114-*bis* of the Consolidated Law on Finance (for, among others, directors, employees or consultants of the Company and of companies in the De' Longhi Group) and/or (ii) for the issue of other financial instruments that can be converted into shares and/or (iii) programmes for Shareholder scrip issues.

## 5.6 Methods through which the purchase and disposal of treasury shares will be carried out.

The operations for purchasing treasury shares can be carried out in accordance with Article 5 of Regulation (EU) No. 596/2014, and must be carried out in compliance with Article 132 of the Consolidated Law on Finance and Article 144-*bis* of the Issuers' Regulation and with accepted market practices, and therefore, among others, (i) through public purchase offer or exchange, or (ii) on the market or possibly on multilateral trading systems, according to the operating methods established by the market management company, which do not allow the direct linking of purchase proposals with pre-established sales proposals, or (iii) through the purchase and sale, in accordance with applicable regulations, of derivative instruments traded on regulated markets or possibly on multilateral trading systems which provide for the physical delivery of the underlying shares, or (iv) through the allocation to Shareholders, in proportion to their shareholding, of a sales option to be exercised within 18 (eighteen) months from the date the Annual General Meeting adopted the corresponding resolution, or also (v) with the methods established by the market practices permitted by Consob pursuant to Article 13 of Regulation (EU) No. 596/2014, and in any case in a way to ensure equal treatment of Shareholders and in compliance with all applicable regulations, including EU regulations (in particular, where applicable, the regulatory technical standards adopted to implement Regulation (EU) No. 596/2014).

The purchase of treasury shares may take place through procedures that differ from those indicated above where permitted by and/or compatible with the regulations, including European regulations, in force at the time, taking into account the need, in any case, to respect the principle of equal treatment of Shareholders.

Purchases may take place on one or more occasions.

With regard to the disposal of the shares in question, this may take place, on one or more occasions, also before reaching the maximum quantity of shares that can be purchased. Disposal will take place through sale on the stock market, outside the market, or through exchange with investments or other assets or the establishment of guarantees as part of operations connected with industrial and/or commercial projects and/or however in the interests of the Company or the De' Longhi Group, in implementation of incentive programmes or in any case remuneration plans based on financial instruments pursuant to Article 114-*bis* of the Consolidated Law on Finance (for, among others, directors, employees and consultants of the Company and of companies in the De' Longhi Group), for the issue of other financial instruments that can be converted into shares, through programmes for Shareholder scrip issues and also through public exchange offers. Shares may be disposed of also as part of other financial instruments.

The disposal of treasury shares may also take place through procedures that differ from those indicated above where permitted by the regulations applicable at the time of the operation.

### **5.7 Information on the utility of the purchase to reduce share capital.**

It should be noted that the aforementioned purchase of treasury shares does not constitute a reduction of the share capital.

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The Annual General Meeting is therefore invited to adopt the following proposed resolution:

*'The Annual General Meeting of the Shareholders of De' Longhi S.p.A.:*

- *having regard to the resolution passed by the Annual General Meeting of De' Longhi S.p.A held on 21 April 2023, with regard to the authorisation to purchase and dispose of treasury shares;*
- *having noted the Report by the Board of Directors and the applicable laws and regulations;*

#### **RESOLVES**

*1) to revoke the Annual General Meeting resolution of 21 April 2023 authorising the purchase and disposal of treasury shares;*

*2) to authorise the purchase and disposal of treasury shares for the purposes indicated in the Directors' Report under the following terms and conditions:*

- *without prejudice to the limits as per Article 2357 of the Civil Code, the purchase may be carried out on one or more occasions, until reaching a maximum quantity of 14,500,000 (fourteen million five hundred thousand) ordinary shares with a nominal value of €1.50 each, also considering the shares held by the Company and by its subsidiaries, and within the limits of distributable profits and available reserves according to the last approved financial statements;*
- *the authorisation to purchase treasury shares is approved for a period of 18 (eighteen) months from today's date and therefore until 19 October 2025;*
- *the authorisation includes the faculty to subsequently dispose of the shares in portfolio, one or more times, also before having reached the maximum quantity of shares that can be purchased, and to buy back the same shares in compliance with the limits and conditions established by this authorisation;*

*The operations for purchasing treasury shares can be carried out in accordance with Article 5 of Regulation (EU) No. 596/2014, and must be carried out in compliance with Article 132 of the Consolidated Law on Finance, Article 144-bis of the Issuers' Regulation and with accepted market practices, and therefore, among others, (i) through public purchase offer or exchange; (ii) on regulated markets or possibly on multilateral trading systems, according to the operating methods established by the market management company; (iii) through the purchase and sale, in accordance with the regulations in force at the time, of derivative instruments traded on regulated markets or possibly on multilateral trading systems which provide for the physical delivery of the underlying shares; (iv) through the allocation to Shareholders, in proportion to their shareholding, of a sales option to be exercised within 18 (eighteen) months from today's date; (v) with the methods established by the market practices permitted by Consob pursuant to Article 13 of Regulation (EU) No. 596/2014; (vi) with other methods permitted by the regulations in force at the time; and in any case ensuring the equal treatment of Shareholders and compliance with all applicable regulations, including applicable EU regulations;*

*The purchase price of each treasury share must not be more than 15% (fifteen percent) below or 15% (fifteen percent) above the average of the official trading prices recorded by the Euronext Milan on the three trading days before the purchase or the announcement of the operation, depending on the technical methods identified by the Board of Directors.*

*- the sale price for third parties must not be lower than 95% (ninety-five percent) of the average official prices recorded on the Euronext Milan over the three days before the sale. This price limit may be waived in cases where the exchanges or transfers of own shares (or their use as guarantee on the same) relating to the realisation of operations associated with industrial and/or commercial projects and/or however in the interests of the Company or the Group, and in the case of the allocation and/or transfer, whether free or against payment, of shares or options on such shares in relation to remuneration plans based on financial instruments pursuant to Article 114-bis of the Consolidated Law on Finance (for, among others, directors, employees or consultants of the Company and of companies in the De' Longhi Group) and for the issue of other financial instruments that can be converted into shares and/or programmes for scrip issues;*

*- the authorisation to dispose of own shares, also before reaching the purchase limit, is given without time limit.'*

Treviso, 12 March 2024

For the Board of Directors

The Chairman

Giuseppe de' Longhi