

CHARACTERISTICS OF THE NOTES

1. Form

The Notes shall be issued in registered form and will pass by transfer and registration.

2. Enjoyment

The Notes are issued with full rights of enjoyment as from the date of their full subscription by the Investor in accordance with Clauses **Errore. L'origine riferimento non è stata trovata.** and **Errore. L'origine riferimento non è stata trovata.** of the Agreement.

3. Assignment, transfer and absence of admission to trading of the Notes

3.1. *Assignment*

3.1.1. The Notes shall be represented by a certificate issued in the name of each holder of the Notes (the “**Note Certificate**”).

3.1.2. The Issuer will also keep a register (the “**Register**”) on which the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers, redemptions and conversions of notes will be entered.

3.1.3. Note holders shall have the right to request the Issuer the original Note Certificate bearing their name directly or by endorsement, together with a confirmation of registration as Note holder in the Register with respect to the Notes held.

3.2. *Transfer of the Notes*

3.2.1. Any transferee that becomes a Note holder, by whatever means and for whatever reason, shall have the benefit of, and be subject to, all of the rights and obligations arising under this Agreement.

3.2.2. The Notes may only be transferred pursuant to Articles 2021 to 2023 (inclusive) of the Italian Civil Code, with an entry in the Note Certificate and a corresponding entry in the Register.

3.2.3. Subject to Paragraph 3.3 of this Schedule 2, Notes may be transferred (i) through the entry of the name of the new holder on the Note Certificate directly or by endorsement and in the Register; or (ii) through the issuance of a new Note Certificate registered in the name of the new holder. The issue of a new Note Certificate must be recorded in the Register. No transfer of a Note will be valid unless and until recorded in the Register.

3.2.4. The Issuer executing the transfer in accordance with the procedure set in the preceding paragraph, is exempted from any responsibility, except in case of negligence (*colpa*).

3.2.5. Upon submitting a Note Certificate to the Issuer, the transferor of the Notes shall also submit a certification, including a statement from the transferee on its status of Investor's Affiliate and Qualified investor (as defined by Paragraph 3.3.1 and 3.3.2 of this Schedule 2).

3.2.6. The Issuer will procure that any transfer of Notes is entered on the Register within seven (7) Business Days from the date of the application for transfer was lodged at the corporate address of the Issuer by the relevant Note holder by submitting the relevant Note Certificate and the other certifications.

3.2.7. If the delivery of an application for transfer is made after the end of normal business hours or on a day which is not a Business Day, such delivery shall be deemed for all purposes of these Conditions to have been made on the immediately following Business Day.

3.2.8. Any determination as to whether any application for transfer has been duly completed and properly delivered shall be made by the Issuer and shall, save in the case of manifest error, be conclusive and binding on the Issuer and the relevant Note holder without prejudice to the above responsibility.

3.2.9. An application for transfer, once delivered, shall be irrevocable.

3.2.10. The Issuer, within seven (7) Business Days of the entry of the transfer in the Register, will deliver a new Note Certificate, if previously issued, representing such transferred Note or Notes to the transferee.

3.3. *Requirement for the transfer*

3.3.1. Once the Notes are issued, the Notes will be freely transferable securities by each Note holder, with no need to obtain any prior consent in writing by the Issuer, provided that the transferee should only be (i) only Affiliates of the Investor which are not registered under the laws of the United States, Canada, Japan, or any other jurisdiction in which the circulation of the Notes would be restricted or would require the publication of an information memorandum/offering circular, or would be subject to any other type of permission and/or authorization from any competent authority and (ii) "Qualified Investor".

3.3.2. For these purposes "Qualified Investor" or "Professional Client" means any credit entity, financial institution, company belonging to a group of companies of a financial entity, pension fund, securitization fund incorporated or that may be incorporated in the future in Italy or abroad, as well as any other person or entity that meets (on the date of sale, transfer or assignment of the Notes) the condition of "*qualified investor*" as per the definition set out in Article 2 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, of 14 June 2017 (or any other law or regulation that may develop this concept under applicable laws of the Issuer's jurisdiction), including the qualified investor (*investitore qualificato*), as defined under Article 100, first paragraph, letter a) of Legislative Decree No. 58 of 24 February 1998 as implemented by Article 34-ter, first paragraph, letter b), of CONSOB Regulation No. 11971 of 14 May 1999.

3.3.3. The sale, transfer or assignment of the Notes is to be notified to the Issuer at least three (3) Business Days prior to its effective date, by registered mail with acknowledgment of receipt or by email or hand to the Issuer's corporate address.

3.4. *Absence of admission to trading of the Notes*

3.4.1. The Notes will not be admitted to trading on any financial market.

4. Maturity

Each Note shall have a duration of twelve (12) months as from its date of issuance (the "**Maturity Date**"). Each Note holder shall convert all or any of the Notes into new or existing Shares before the Maturity Date if no Optional Redemption Notice (as defined below and set out in Paragraph 7.2 of this Schedule 2) is exercised.

5. Nominal Value

Each Note shall have a nominal value of EUR 10,000 each.

6. Interest

The Notes shall accrue no interest.

7. Redemption

- 7.1. The Issuer shall have the right to early redeem in cash all or any Note, anytime, if it has not been converted by the Note holder ("**Optional Redemption in Cash**").
- 7.2. The Issuer shall redeem in cash the outstanding principal amount under the Notes, at par value, giving notice to the Note holder before, at least, 15 Business Days before the expected date of redemption in cash ("**Optional Redemption Notice**").
- 7.3. Upon receipt of the Optional Redemption Notice the Investor shall not be anymore entitled to convert the outstanding Notes.
- 7.4. Notwithstanding the above, at the Note holder's discretion, the Issuer is required to early redeem in cash all or any Note held by the applicable Note holder in the following circumstances ("**Compulsory Redemption in Cash**"):
- (i) failure to issue new Shares to each Note holder in accordance with the terms of the Agreement (for example in case of late delivery of the new Shares); or
 - (ii) the occurrence of an Event of Default under the Agreement.
- 7.5. In the event of redemption in cash for the reasons mentioned in this Paragraph 7 of this Schedule 2, the Issuer shall pay to each Note holder the aggregate outstanding principal amount of its Notes, in accordance with Paragraph 8 of this Schedule 2.

8. Conversion: Termination of Conversion Rights

8.1. *Conversion of the Notes into Shares of the Issuer; Conversion Period*

Unless it has terminated its conversion rights pursuant to Paragraph 8.5 of this Schedule 2, each Note holder shall have the right at any time as of (i) the First Closing Date or (ii) any Closing Date, up to and including the Maturity Date (the "**Conversion Period**"), to convert all or any of the Notes into new or existing Shares, and to determine the number of Notes to be converted, and the corresponding aggregate principal amount so converted (the "**Conversion Amount**").

At the Issuer's option, the Issuer shall have then the right, upon conversion of the Notes by the Note holder, to:

- (i) deliver new or existing Shares of the Issuer to the Note holder; and
- (ii) pay to the Note holder up to an amount in cash calculated as per the following formula (the "**Conversion Cash Payment**"):

$$\text{Conversion Cash Payment} = \left(\frac{CA}{CP} \right) \times \text{Closing VWAP on the Conversion Date}$$

where:

CA = 50% of the aggregate nominal amount of Notes so converted;

CP = the Conversion Price.

Each Note holder is allowed to make multiple conversions of Notes as long as it stays within the outstanding Principal Amount.

8.2. *Conversion Date; Notice*

Each Note holder may convert all or any of its Notes on any Trading Day of its choice during the Conversion Period, effective at the date of receipt by the Issuer of a Conversion Notice in accordance with Paragraph 8.1 of this Schedule 2 (the "**Conversion Date**").

On each chosen Conversion Date, each Note holder shall convert all or part of its Notes by giving Notice to the Issuer (the "**Conversion Notice**"), using the form attached in **Schedule 3** and specifying a number of Notes to be converted and the corresponding Conversion Amount in accordance with Paragraph 8.1 of this Schedule 2.

The new Shares upon conversion shall be issued by the Issuer through Montetitoli in a dematerialized and registered form and shall be transferred on the Issuer's behalf by the Agent to the Investor's custodian account held with a financial institution participating to the centralized deposit system managed by Montetitoli whose details shall be set out in the Conversion Notice, within 72 hours of the delivery of the conversion notice by the Investor to the Issuer, excluding non-trading days. The Issuer shall be liable for, and shall indemnify the Investor against, any losses resulting from a delay over the aforementioned 72 hours.

Specifically, should the Issuer take more than 72 hours to deliver the shares following the delivery of the conversion notice to the Investor by the Issuer, the aforementioned conversion notice shall be cancelled. The Investor shall be entitled to deliver a new, amended conversion notice, with the cool down period and pricing period extended by the length of delay in delivering the prior shares.

8.3. *Conversion Ratio*

The number of new Shares issued by the Issuer to the relevant Note holder upon conversion of one or several Notes in accordance with Paragraph 8.1 of this Schedule 2 will be calculated as the Conversion Amount divided by the Conversion Price.

If the issuance of new Shares would result in the issuance of a fraction of a Share, the Issuer shall round such fraction of a Share down to the nearest whole Share.

The new Shares shall be fully paid by set-off against the Conversion Amount that will come in deduction from the Principal Amount. Such conversion shall not require the payment of any fee or charge by the relevant Note holder.

The Issuer shall promptly deliver freely tradable Shares and, as the case may be, the Conversion Cash Payment to the relevant Note holder upon each conversion of Note(s). The issuance of the Shares and their admission to trading on AIM ITALIA shall occur no later than 72 hours excluding non-trading days. The reception of the Conversion Cash Payment by the relevant Note holder shall occur no later than one (1) Trading Day after the Conversion Date.

Upon conversion of Notes, if the relevant Note holder does not receive the relevant Shares as provided for in the paragraph above, and if the early redemption of the Notes was not requested by the Issuer within, at least, 15 Business Days before the Maturity Date or by the relevant Note holder, at the Note holder's discretion, the Issuer shall pay to the relevant Note holder an amount equal to the difference (if positive) between the closing price of the Share three (3) Trading Days after the Conversion Date and the closing price of the Share on the day immediately prior to the date on which the relevant Shares are effectively received by the relevant Note holder, for each new Share which was issued upon the relevant conversion of Notes.

The aforesaid amount shall be paid by the Issuer to the relevant Note holders not later than 72 hours excluding non-trading days following the date when the relevant Shares are effectively received by the relevant Note Holders.

Any payment to a Note holder made by the Issuer in accordance with Paragraph 8.3 of this Schedule 2 shall be made by the Issuer to the relevant Note holder in cash, by wire transfer to a bank account notified by the relevant Note holder to the Issuer, in immediately available, freely transferable funds in Euros.

8.4. *Rights attached to the Shares*

The new Shares issued upon conversion of the Note(s) shall be subject to all provisions of the By-Laws and to decisions of the general meetings of the shareholders of the Issuer. The new Shares shall be admitted to trading on AIM ITALIA as from their issuance, will carry immediate and current dividend rights and will be fully assimilated to and fungible with the existing Shares.

8.5. *Termination of Conversion Right*

The right of each Note holder to convert the Notes pursuant to this Paragraph 8 shall terminate on the date on which the Notes are fully converted.

8.6. *Final Mandatory Conversion*

On the Maturity Date, if the Optional Redemption Notice has not been exercised by the Issuer, any Note not converted by the Investor (the “**Un-converted Notes**”) will be mandatorily converted into Shares.

The number of new Shares to be issued by the Issuer to the relevant Note holder following the mandatory conversion of the Un-converted Notes will be calculated as the Conversion Amount of all the Un-converted Notes divided by the Conversion Price, calculated taking into account, as the Conversion Date, the Maturity Date.

For the avoidance of any doubt, the Issuer may exercise the option of Conversion Cash Payment also in connection with the Un-converted Notes.

