

Euronext Growth Milan

# **CORPORATE ACTION PROCEDURES**

25 OCTOBER 2021

*The Italian text of these Rules shall prevail over the English version*



**BORSA ITALIANA**

## Corporate Action Procedures

The following procedures include a General Principle as well as Guidelines and Tables, which are part of the Procedures themselves.

The following procedures apply in compliance with and without prejudice to the rules set in the Euronext Growth Milan Rules for Companies.

### General Principle

#### R.1

Obligations of Euronext Growth Milan companies in the event of operations affecting trading in financial instruments

1. In the event of operations, other than the payment of dividends, involving the detachment of coupons representing rights from **Euronext Growth Milan securities** or splits or reverse splits of **Euronext Growth Milan securities**, except for the payment of dividends, the **Euronext Growth Milan company** must make the start of such operations coincide with one of the coupon-detachment days established by **Borsa Italiana** in the market calendar and comply with the related requirements laid down in the Guidelines.
2. **Euronext Growth Milan companies** must fix a record date according to article 83-terdecies of Consolidated Law on Finance for the purpose of dividend payment coinciding with the first settlement day following one of the coupon-detachment days in the calendar specified in the Guidelines and comply with the related constraints and requirements laid down therein. Shares on which a dividend is to be paid shall be traded *ex*, i.e. without the right to the dividend, from the coupon-detachment date preceding by one settlement day the date fixed for the record date. The payment date is established by the issuer in the manner that the date coincides with the first settlement day following the record date, except in case of particular circumstances notified to the market by the issuer which are inherent the nature of dividend (for example, where the possibility is foreseen for the persons entitled to the dividend payment, to opt for a payment in shares, instead of cash payment, the so-called script dividend) or have an impact on the timing of the dividend payment (e.g. payment in different tranches) or are due to the fact that the instrument is traded on more than one market.

## Guidelines

Extraordinary corporate actions, Coupon detachments, payment of dividends

### G.1

#### Coupon detachment dates or payment of periodic amounts

1. **Borsa Italiana** shall establish, within the framework of the market calendar, the dates for the detachment of coupons representative of rights attaching to **Euronext Growth Milan securities** and for the commencement of splits and reverse splits of **Euronext Growth Milan securities**. In the calendar:
  - a) for corporate events involving the exercise of rights or splits or reverse splits of **Euronext Growth Milan securities**, the reference date shall be the first **trading day** of each week of the year;
  - b) for the detachment of dividends payable by **Euronext Growth Milan companies** the reference date shall be the first **trading day** of each week of the year.
2. By way of derogation from paragraph 1a), of this article, the detachment of coupons deriving from a division shall take place in accordance with the time limits fixed for the operation to have legal effect and in accordance with G. 7.

### G.2

#### Disclosure requirements and timing regarding ex-dates and dividend payments

1. No later than the date of the meeting of the body that resolves to pay dividends, **Euronext Growth Milan** companies shall notify the following:
  - a) where the competent body of the company resolves to pay a dividend:
    - the coupon-detachment (ex-date) and the date relevant for the entitlement to the dividend payment under article 83-*terdecies* of Consolidated Law on Finance (record date), the date on which dividend will be paid (payment date);
    - the amount of the dividend per share, with an indication of whether this is gross or net of the taxes withheld as required by law;
    - the coupon number of the dividend.
    - any extraordinary dividend; the term "extraordinary dividend" means a dividend, in cash or in kind, that the company classifies as additional with respect to the dividend deriving from the distribution of the

normal profits for the year or with respect to the normal dividend policy.

b) where the competent body of the company resolves not to pay any dividend, the adoption of such resolution.

2. At least one **trading day** must pass between the date of the meeting of the body that resolves to pay dividends and the ex-date. This is especially necessary where the approval of the proposal to distribute a dividend takes place on a day immediately preceding a detachment date in the calendar, in view of the time needed by **Borsa Italiana** to transmit the information on the dividend payment to the market.
3. For the same purposes as set out in paragraph 2, where the competent body approves the payment of an interim dividend, at least one **trading day** must pass between the date of the meeting of the body that approved the payment thereof and the ex-date.

### G. 3

#### Pre-emptive rights

On the occasion of cash or mixed share issues where existing shareholders are to receive pre-emptive rights, **Euronext Growth Milan** companies must contact **Borsa Italiana** immediately upon approval of the transaction by the competent body and, in any case, before fixing the time limits for the exercise of the rights, in order to permit verification of the proposed schedule for the transaction and the resulting calendar for the trading of the pre-emptive rights.

### G. 4

#### Bonus shares, splits and reverse splits

1. **Euronext Growth Milan companies** must observe the dates of the coupon calendar referred to in G.1 when fixing the date for the start of an issue of bonus shares or of splits and reverse splits of their financial instruments.
2. **Euronext Growth Milan** companies must contact **Borsa Italiana** immediately upon approval of the operation by the competent body in order to permit verification of the schedule for the transaction.

### G. 5

#### Modification of the rights of a class of shares

Immediately upon approval by the competent body of a resolution to convert shares of one class into shares of a different class, and in any case before formalising the time limits for implementing the transaction are fixed, **Euronext Growth Milan** companies must contact **Borsa Italiana** in order to agree, subject to compliance with

all legal requirements, the necessary measures, including the cancellation of the shares to be converted where applicable.

## G. 6

### **Merger of a company**

As soon as the competent body approves a resolution to merge an **Euronext Growth Milan company** with another company, the company to be absorbed (as well as the surviving company, if it is an **Euronext Growth Milan company**) must contact **Borsa Italiana** in order to agree, subject to compliance with all legal requirements, the cancellation of the shares of the absorbed company.

## G. 7

### **Demerger of a company**

As soon as the competent body approves a resolution to demerge an **Euronext Growth Milan company**, the latter must contact **Borsa Italiana** in order to set a timetable, subject to compliance with all legal requirements, for carrying out the operation.

## G. 8

### **Admission to trading of securities that are fungible with already traded ones or of newly issued shares of the same class and having the same characteristics as those already traded, except for dividend rights.**

For the purposes of admission to trading of newly issued securities that are fungible with already traded ones or of newly issued shares of the same class and having the same characteristics as those already traded, except for dividend rights, the issuer – acting through the Euronext Growth Advisor – shall notify Borsa Italiana without delay, and in any case as soon as the competent body has approved the resolution authorising the issue of the new securities.

For the purposes of paragraph 1, the issuer shall send Borsa Italiana – via the Euronext Growth Advisor – in addition to the information referred to in the preceding paragraph, a statement as to whether or not it is subject to the obligation to publish a prospectus under the current legislation, and specifying, if applicable, the grounds for exemption under Consob Regulation no. 11971/1999. If the issuer is required to publish a prospectus or issue an information document, the Authority responsible for approving the prospectus must be identified, specifying in this case the timing of publication of the prospectus or issue of the information document.

Moreover, the issuer – acting through the Euronext Growth Advisor – shall inform Borsa Italiana of the characteristics and amount of the newly issued securities.

The information required by this Rule must be sent by e-mail to [egm.doc@borsaitaliana.it](mailto:egm.doc@borsaitaliana.it).

## G. 9

### Disclosure requirements for extraordinary corporate actions

On the occasion of extraordinary corporate actions the **Euronext Growth Milan** company shall communicate the timetable for the transaction and, where provided for, of the authorization by the competent authority to publish the offering prospectus by 12:00 on the second **trading day** prior to the start of the transaction. If the final conditions of the extraordinary corporate action are not known at the time of such disclosure, they must be communicated not later than the second **trading day** prior to the start of the transaction.

## G. 10

### Changes in share capital

1. **Euronext Growth Milan companies**, on the occasion of changes in their share capital, shall notify the amount of the share capital and the number and classes of shares into which it is divided. The notification shall be made not later than the day following:

- a) the filing with the Company Register of the certificate of increase in capital provided for in the third paragraph of Article 2420-*bis* and the first paragraph of Article 2444 of the Civil Code;
- b) the day on which the resolution to reduce the capital may be implemented pursuant to the third paragraph of Article 2445 of the Civil Code;
- c) the date from which the merger or spin-off produces its effects pursuant to Articles 2504-*bis* and 2506-*quater* of the Civil Code.

2. The notification shall be made within five days of the entry in the company register:

- a) of a resolution to increase the capital pursuant to Article 2442 of the Civil Code or to reduce the capital to cover losses;
- b) of resolutions passed by the general and special meetings of shareholders to carry out the mandatory conversion of shares of one class into shares of another class.

3. In the event of other changes in capital, the notification shall be sent not later than the day following the filing, pursuant to the sixth paragraph of Article 2436 of the **Italian Civil Code**, of the amended instrument of incorporation.

**G. 11****Requirements for foreign Euronext Growth Milan companies**

1. The provisions contained in these Procedures shall also apply, insofar as they are compatible, to **Euronext Growth Milan companies** established under foreign law.
2. Where there is an impediment to compliance with the timing established in these Procedures, **Euronext Growth Milan companies** must contact **Borsa Italiana** as soon as possible in order to agree the related conditions.
3. In the event of changes to the share capital, **Euronext Growth Milan companies** established under foreign law must notify **Borsa Italiana** of the variation in the amount and composition of the capital as soon as possible, by filling in the form T. 1 attached to these Procedures.

## METHODS OF QUOTING PRICES

**G. 12****Trading of pre-emptive rights**

In establishing the methods and time limits for the trading of pre-emptive rights, **Borsa Italiana** shall adopt the following criteria:

- the trading methods for the rights shall be consistent with those for the financial instruments from which they originated;
- depending on the exercise period established by the **Euronext Growth Milan company**, trading in the rights shall start on the first **trading day** of each week of the year;
- trading in the rights shall end on the fourth **trading day** before the expiration date (if it is a **trading day**) of the exercise period.

**G. 13****Availability of financial instruments deriving from rights offerings**

**Euronext Growth Milan companies** make the financial instruments deriving from rights offerings available from the last day of the offering period.

**G. 14****“Ex rights” definition**

“Ex-rights” shall mean “without rights” (where the right may arise in connection with dividends, pre-emptive rights, bonus shares, share splits, reverse share splits, drawings, redemptions, interest, periodic amount, etc.).

The effect of trading a financial instrument “ex-rights” is that the buyer is not entitled to exercise the related right.

## **G. 15**

### **Ex-rights trading**

**Borsa Italiana** shall specify by **Dealing Notice** the date from which a financial instrument is to be traded “ex-rights”.

The “ex-rights” quotation of an **Euronext Growth Milan security** shall normally start on one of the coupon detachment dates in the market calendar, except as otherwise provided in G. 1.2.

## CANCELLATION FROM TRADING OF FINANCIAL INSTRUMENTS WITH A LIMITED LIFE

## **G. 16**

### **Cancellation of separate share lines**

**Borsa Italiana** shall cancel from trading a separate share line upon receipt from the **Euronext Growth Milan company** of an announcement confirming the approval of the annual accounts.

More specifically, the cancellation date shall be either:

- the ex-dividend date or
- the **first trading** following the approval of the annual accounts no dividend is declared.

## Model form for the notification of changes in share capital

T. 1

Notification of changes in share capital

We hereby notify the new composition of the fully paid-up share capital following .....<sup>1</sup> on .....(date).

TABLE 1

	Current share capital			Previous share capital		
	Euro	No. of shares	Unit Value	Euro	No. of shares	Unit value
Total						
of which :						
ordinary shares (regular entitlement: [date] ) current coupon number						
ordinary shares (deferred entitlement: [date] ) current coupon number						
Any other financial instrument						

	Number of securities converted/exercised	Number of securities outstanding

<sup>1</sup> Specify the operation that changed the share capital, the governing body that adopted the resolution approving the operation and the date the resolution was adopted, and the date the resolution was either entered in or filed with the Company Register according to article 98 of Consob Regulation n. 11971.

Convertible bonds		
Warrants		



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