

AVVISO n.14703	03 Maggio 2021	MOT - EuroMOT
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Mittente del comunicato : BORSA ITALIANA

Societa' oggetto : Italian Wine Brands S.p.A.
dell'Avviso

Oggetto : AMMISSIONE ALLA QUOTAZIONE ED
AVVIO DELLA FASE DI CONCLUSIONE
DEI CONTRATTI CONDIZIONATI
ALL'EMISSIONE TITOLI 'ITALIAN WINE
BRANDS S.P.A.'

Testo del comunicato

Si veda allegato.

Disposizioni della Borsa

Oggetto:

**AMMISSIONE ALLA QUOTAZIONE ED
AVVIO DELLA FASE DI CONCLUSIONE DEI
CONTRATTI CONDIZIONATI
ALL'EMISSIONE DEL TITOLO**

Titolo:

"Italian Wine Brands 2021-2027"

Borsa Italiana S.p.A., ai sensi dell'articolo 2.4.3 del Regolamento dei Mercati, ha stabilito la procedura di quotazione del Titolo in oggetto. Ai sensi di tale procedura, con provvedimento n. LOL-004442 del 26/04/2021 Borsa Italiana ha disposto, su domanda di Italian Wine Brands S.p.A. (di seguito l'"Emittente"), l'ammissione alla quotazione del Titolo in oggetto e l'avvio della fase di conclusione dei contratti condizionati all'emissione del Titolo in oggetto con decorrenza dal giorno 05/05/2021 e fino al 10/05/2021 (inclusi), salvo chiusura anticipata, proroga o posticipo. Tali contratti saranno liquidati in un'unica data di regolamento stabilita il 13/05/2021 ovvero il quinto giorno successivo alla chiusura posticipata del Periodo di Distribuzione.

Successivamente alla data di chiusura del Periodo di Distribuzione, Borsa Italiana stabilirà con Avviso la data di avvio delle negoziazioni ufficiali sul MOT del Titolo, che, salvo ove diversamente richiesto dall'Emittente, coinciderà con la Data di godimento del Titolo.

CARATTERISTICHE DEL TITOLO

Emittente:

Italian Wine Brands S.p.A.

Valore nominale:

min 100.000.000 Euro
max 130.000.000 Euro (salvo quanto previsto nel
Prospetto del prestito)

Data di godimento:

13/05/2021
(salvo chiusura posticipata, nel qual caso il quinto giorno
successivo alla chiusura del Periodo di Distribuzione).

Data di scadenza:

13/05/2027

Rimborso:

rimborso alla pari a scadenza (salvo rimborso anticipato,
anche parziale, come previsto nel Prospetto del prestito).

Interessi annui lordi minimi:

le obbligazioni frutteranno interessi annui lordi, pagabili
annualmente in via posticipata il 13 maggio di ogni anno
a partire dal 13 maggio 2022, pari al tasso minimo del 2%
del valore nominale del prestito.
Il tasso di interesse definitivo verrà comunicato con
Avviso successivo.

**DESCRIZIONE DELLA FASE DI CONCLUSIONE DEI CONTRATTI
CONDIZIONATI ALL'EMISSIONE DEL TITOLO**

Prezzo fisso dei contratti condizionati:	100%
Prezzo di regolamento dei contratti condizionati (Prezzo di Emissione):	100%
Periodo di Distribuzione:	dal 05/05/2021 al 10/05/2021 (inclusi), salvo chiusura anticipata, proroga o posticipo.
Data di regolamento dei contratti condizionati conclusi nel Periodo di distribuzione:	13/05/2021 (salvo chiusura posticipata, nel qual caso il quinto giorno successivo alla chiusura del Periodo di Distribuzione).
Operatore aderente al mercato incaricato alla distribuzione:	EQUITA SIM S.P.A. (codice operatore IT1505)
Proposte di negoziazione inseribili dagli altri operatori:	esclusivamente ordini in acquisto senza limite di prezzo (market order) o con limite di prezzo (limit order) che deve essere pari al Prezzo di Emissione. Gli ordini, per i quali non è previsto un numero massimo che ciascun operatore può inserire, devono essere immessi con parametri <i>Fill-or-Kill</i> (FOK), <i>Immediate or Cancel</i> (IOC) o DAY. Solo gli ordini con limite di prezzo e con modalità di esecuzione DAY permarranno sul book anche in caso di temporanea assenza dell'operatore incaricato alla distribuzione; viceversa gli ordini senza limite di prezzo e gli ordini con limite di prezzo con parametri FOK o IOC, in caso di temporanea assenza dell'operatore incaricato alla distribuzione, risulteranno cancellati.
Modalità di distribuzione:	unica fase di mercato a negoziazione continua dalle 9.00 alle 17.30 (non è prevista la fase di asta di apertura).
Tagli:	1.000 EUR
Importo minimo di negoziazione:	1.000 EUR
Importo massimo singolo ordine:	1.000.000 Euro in acquisto.
CODICI:	ISIN XS2331288212 Instrument ID 889276
Denominazione:	IWB TF MG27 CALL EUR
Mercato e comparto di negoziazione:	Borsa - Mercato telematico delle obbligazioni (MOT), segmento EuroMOT, 'classe euro-obbligazioni, ABS, titoli di emittenti esteri e altri titoli di debito'. I contratti condizionati conclusi nel Periodo di Distribuzione non sono garantiti da Cassa di Compensazione e Garanzia.
EMS:	25.000

DISPOSIZIONI DELLA BORSA ITALIANA

Borsa Italiana dispone l'ammissione alla quotazione del prestito "Italian Wine Brands 2021-2027" (ISIN XS2331288212) e l'avvio della fase di conclusione dei contratti condizionati all'emissione del Titolo in oggetto sul comparto obbligazionario (MOT) dal giorno 05/05/2021 e fino al 10/05/2021 (inclusi), salvo chiusura anticipata, proroga o posticipo.

Allegato:

Prospetto del prestito

Italian Wine Brands S.p.A.

(incorporated in the Republic of Italy as a public joint stock company)

Up to Euro 130,000,000

Senior Unsecured Fixed Rate Notes due 13 May 2027

Subject to the Minimum Offer Condition (as defined herein), Italian Wine Brands S.p.A. (the "Issuer", "IWB" or the "Company") is expected to issue on or about 13 May 2021 (the "Issue Date") between Euro €100,000,000 (the "Minimum Offer Amount") and Euro €130,000,000 (the "Maximum Offer Amount") fixed rate senior unsecured notes due 13 May 2027 with a denomination of Euro 1,000 (the "Notes") (the "Offering"). The Maximum Offer Amount may be reduced by the Issuer prior to the Launch Date (as defined herein). The Notes will be issued at a price of 100.00 per cent. of their principal amount (the "Issue Price"). The Notes will bear interest from and including the Issue Date to, but excluding, 13 May 2027, at a minimum rate of 2 per cent. per annum (the "Minimum Interest Rate"), payable annually in arrears on 13 May each year, commencing on 13 May 2022. Payments on the Notes will be made in Euro without deduction for or on account of taxes imposed or levied by the Republic of Italy or the Republic of Ireland to the extent described under "Terms and Conditions of the Notes – Taxation".

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed in whole, but not in part, at their principal amount together with accrued interest on 13 May 2027. The Notes are subject to redemption at their principal amount, plus interest, in whole or in part, at any time on or after 13 May 2023 for redemption at the option of the Issuer and at any time, in whole but not in part, in the event of certain changes affecting taxation in the Republic of Italy. For further information see "Terms and Conditions of the Notes".

The Notes, and any non-contractual obligations arising out of or in connection therewith, will be governed by Italian law. The Issuer's obligations under the Notes will constitute direct, unconditional and unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference among themselves and *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for certain mandatory exceptions of applicable law. The Notes constitute *obbligazioni* pursuant to Articles 2410 *et seq.* of the Italian Civil Code.

This prospectus (the "Prospectus") constitutes a prospectus for the purposes of Article 6.3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation"). This Prospectus will be published in electronic form together with all documents incorporated by reference herein on the website of the Issuer (www.italianwinebrands.it), (the "Issuer's Website") and the website of Euronext Dublin (as defined below) (<https://live.euronext.com/>) (the "Euronext Dublin Website") and will be available free of charge at the registered office of the Issuer.

This Prospectus has been approved by the Central Bank of Ireland (the "CBI"), as competent authority under the Prospectus Regulation. The CBI only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Moreover, such approval relates only to the Notes which are to be admitted to trading on the regulated market of Euronext Dublin (as defined below) or other regulated markets for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, "MiFID II") or which are to be offered to the public in any member state of the European Economic Area. The Issuer has requested the CBI to provide the competent authority in Italy, *Commissione Nazionale per le Società e la Borsa* ("CONSOB") with a certificate of approval pursuant to Article 25 of the Prospectus Regulation attesting that this Prospectus has been drawn up in accordance with the Prospectus Regulation (the "Notification").

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("Euronext Dublin") for the Notes to be admitted to the official list (the "Official List") and to trading on its regulated market (the "Regulated Market") and to Borsa Italiana S.p.A. ("Borsa Italiana") for the Notes to be admitted to listing and to trading on the Borsa Italiana's regulated market, *Mercato Telematico delle Obbligazioni* (the "MOT"). The Regulated Market and the MOT are regulated markets for the purposes of MiFID II. References in this Prospectus to the Notes being listed (and all related references) shall mean that the Notes have been admitted to trading on the Regulated Market and the MOT. Borsa Italiana has admitted the Notes to listing on the MOT with order n. LOL-004442 dated April 26, 2021. The start date of official trading of the Notes on the MOT (the "MOT Trading Start Date") will be set by Borsa Italiana in accordance with Rule 2.4.3 of the Borsa Italiana rules and published on the Issuer's Website and the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana. The MOT Trading Start Date shall correspond to the Issue Date. The interest rate of the Notes (which shall not be less than the Minimum Interest Rate), the yield and the redemption prices will be set out in a notice, which will be filed with the CBI and published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period (as defined in "Subscription and Sale – Offering Period, Early Closure, Extension and Withdrawal") (the "Interest Rate, Yield and Redemption Prices Notice"). The aggregate principal amount of the Notes, the number of Notes sold and the proceeds of the Offering will be set out in a notice, which will be filed with the CBI and published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana no later than the first business day after the end of the Offering Period (as defined in "Subscription and Sale – Offering Period, Early Closure, Extension and Withdrawal") (the "Offering Results Notice"). No trading in the Notes will start before the Offering Results Notice is published as set out above.

The Notes will be in bearer form in the denomination of Euro 1,000 each and will initially be represented by a temporary global note (the "Temporary Global Note"), without interest coupons, which will be deposited on or prior to the Issue Date with a common safekeeper for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, S.A. ("Clearstream, Luxembourg"). Interests in the Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "Permanent Global Note", and together with the Temporary Global Note, each a "Global Note"), without interest coupons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. Interest in the Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive form in principal amounts equal to Euro 1,000 with interest coupons attached. No Notes in definitive form will be issued with a denomination above Euro 1,000. See "Summary of Provisions Relating to the Notes in Global Form".

This Prospectus is valid until April 26, 2022. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid or, if earlier, once the Notes are admitted to the Official List and to trading on the Regulated Market and the MOT.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act") and are subject to United States tax law requirements. The Notes are being offered outside the United States by the Placement Agent (as defined in "Subscription and Sale" below) in accordance with Regulation S under the Securities Act ("Regulation S"). Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or for the account or benefit of, U.S. persons as defined in Regulation S or United States persons as defined in the US Internal Revenue Code of 1986, as amended (the "US Code"), and U.S. Treasury regulations thereunder. For a description of certain restrictions on transfers of the Notes, see "Subscription and Sale" below.

Investing in the Notes involves risks. See "Risk Factors" beginning on page 8 of this Prospectus for a discussion of certain risks prospective investors should consider in connection with any investment in the Notes.

The Notes have been assigned the following securities codes: ISIN: XS2331288212; Common Code: 233128821.

PLACEMENT AGENT
EQUITA SIM

Prospectus dated April 26, 2021

• RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, the information contained in this Prospectus, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The Issuer has confirmed to Equita SIM S.p.A. (the "**Placement Agent**") that this Prospectus contains or incorporates all information regarding the Issuer and the Group as of the date of this Prospectus (where "**Group**" or "**IWB Group**" means the Issuer and its consolidated subsidiaries) and the Notes which are (in the context of the issue of the Notes) material; such information is true and accurate in all material respects and is not misleading in any material respect; any opinions, predictions or intentions expressed in this Prospectus on the part of the Issuer or the Group are honestly held or made and are not misleading in any material respect; this Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and all proper enquiries have been made to ascertain and to verify the foregoing.

To the fullest extent permitted by law, none of the Placement Agent or The Bank of New York Mellon, London Branch as fiscal agent and principal paying agent (the "**Fiscal Agent**") accepts any responsibility for the contents of this Prospectus or for any other statements made or purported to be made by the Placement Agent or on its behalf or by the Fiscal Agent or on its behalf in connection with the Issuer or the issue and offering of the Notes. Each of the Placement Agent and the Fiscal Agent disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such statement.

IMPORTANT INFORMATION

The offer, sale and delivery of the Notes and the distribution of this Prospectus in certain jurisdictions are restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Placement Agent to inform themselves about and to observe any such restrictions. None of the Issuer or the Placement Agent represents that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Placement Agent which is intended to permit a public offering of any Notes or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Placement Agent has represented that all offers and sales by them will be made on the same terms. In particular, the Notes have not been, and will not be, registered under the Securities Act and are subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons.

For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus (or of any part thereof) see "*Subscription and Sale - Selling Restrictions*" below.

This Prospectus has been prepared on a basis that permits offers that are not made within an exemption from the requirement to publish a prospectus under Article 1(4) of the Prospectus Regulation ("**Non-exempt Offers**") in Italy and the Republic of Ireland (each a "**Non-exempt Offer Jurisdiction**" and together, the "**Non-exempt Offer Jurisdictions**"). Any person making or intending to make a Non-exempt Offer of Notes on the basis of this Prospectus must do so only with the Issuer's consent – see "Consent given in accordance with Article 5(1) of the Prospectus Regulation (Retail Cascade)" below.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*") below. This Prospectus should be read and construed on the basis that such documents are incorporated by reference, in and form part of, this Prospectus.

Investors should rely only on the information contained in this Prospectus. The Issuer has not authorised anyone to provide investors with different information. Neither the initial purchasers nor

the Issuer is making any offer of the Notes in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the cover of this Prospectus regardless of the time of delivery of this Prospectus or of any sale of the Notes.

The Issuer has not authorised the making or provision of any representation or information regarding the Issuer or the Notes other than as contained in this Prospectus or as approved for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer, the Placement Agent or the Fiscal Agent.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall in any circumstances create any implication that the information contained herein concerning the Issuer and/or its Group is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Notes is correct as of any time subsequent to the date indicated in the document containing the same or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer and/or the Group since the date of this Prospectus. The Placement Agent expressly does not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

Neither this Prospectus nor any other information supplied in connection with the offering, sale or delivery of any Note (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Placement Agent or the Fiscal Agent that any recipient of this Prospectus or any other information supplied in connection thereto should purchase any Note. Each investor contemplating purchasing any Note should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Group. Neither this Prospectus nor any other information supplied in connection with the issue of the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Placement Agent to any Person to subscribe for or to purchase any Notes.

Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Group and of the rights attaching to the Notes.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus, the Interest Rate, Yield and Redemption Prices Notice, the Offering Results Notice or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain Investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential Investor should consult its legal advisers prior to investing in the Notes to determine whether and to what extent (i) the Notes are permitted investments for it, (ii) where relevant, the Notes can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial

institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules. Each Investor should also consider the tax consequences of investing in the Notes and consult its own tax advisers with respect to the acquisition, sale and redemption of the Notes in light of its personal situation.

The legally binding language of this Prospectus, according to Article 27 of the Prospectus Regulation, is English, however certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

In this Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area and references to "**€**", "**EUR**" or "**Euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

This Prospectus may only be used for the purpose for which it has been published.

This Prospectus does not constitute, and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

In the event of an offer of the Notes being made by a financial intermediary, such financial intermediary will provide information to Investors on the terms and conditions of the offer at the time the offer is made.

Any financial intermediary using this Prospectus has to state on its website that it uses this Prospectus in accordance with the consent and the conditions attached hereto.

- **Forward-looking statements**

This Prospectus may contain forward-looking statements, including (without limitation) statements identified by the use of terminology such as "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "will", "would" or similar words. These statements are based on the Issuer's current expectations and projections about future events and involve substantial uncertainties. All statements, other than statements of historical facts, contained herein regarding the Issuer's strategy, goals, plans, future financial position, projected revenues and costs or prospects are forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties, some of which cannot be predicted or quantified. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements. The Issuer does not undertake any obligation to publicly update or revise any forward-looking statements.

- **Market share information and statistics**

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Issuer/Group's business contained in this Prospectus consists of estimates based on data reports compiled by professional organisations and analysts, on data from other external sources, and on the Issuer's knowledge of its reference markets. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Issuer to rely on internally developed estimates. While the Issuer has compiled, extracted and accurately reproduced market or other industry data from external sources, including third parties or industry or general publications, neither the Issuer nor the Placement Agent have independently verified that data. As far as each of the Issuer is aware, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer cannot assure investors of

the accuracy and completeness of, or take any responsibility for, such data other than the responsibility for the correct and accurate reproduction thereof.

- **Independent review and advice**

Each prospective investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, the suitability of such investment and that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks specific to the Issuer and to the Group and inherent in investing in or holding the Notes.

In particular, each prospective investor should have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus, the Interest Rate, Yield and Redemption Prices Notice, the Offering Results Notice or any applicable supplement to this Prospectus and should be able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment in the Notes and its ability to bear the applicable risks.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes. A prospective investor may not rely on the Issuer, the Placement Agent, the Principal Paying Agent, or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes.

- **Legal investment considerations may restrict certain investments**

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to the purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

• PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

The audited consolidated financial statements of the Group for the years ended 31 December 2019 and 31 December 2020 incorporated by reference in this Prospectus have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Union ("IFRS").

The interim consolidated financial statements of the Group subject to limited review as at 30 June 2019 and 30 June 2020 incorporated by reference in this Prospectus have been prepared in accordance with IFRS applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Alternative Performance Measures

In order to better evaluate the Group's financial management performance, management has identified Alternative Performance Measures (each an "**APM**"). The Issuer believes that these APMs provide useful information for investors as regards its financial position, cash flows and financial performance, because they facilitate the identification of significant operating trends and financial parameters. The Consolidated Financial Statements and the Interim Reports (as defined below) incorporated by reference in this Prospectus contain the following alternative performance measures as defined by the European Securities and Markets Authority's ("**ESMA**") Guidelines on Alternative Performance Measures published by ESMA on 5 October 2015 and which entered into force on 3 July 2016 (ESMA/2015/1415), which are used by the management of the Issuer to monitor its financial and operating performance:

"EBIT", which means earnings before taxes and financial income and expenses, with no adjustments;

"EBITDA", which means the sum of operating profit/(loss) of the income statement, amortisation, depreciation and impairment of fixed and financial assets;

"Net Financial Position": means ESMA Net Financial Debt determined in accordance with the provisions of paragraph 127 of the recommendations contained in the ESMA document no. 319 of 2013, implementing Regulation (EC) 809/2004, deducted, where applicable, non-current receivables and financial assets and deducted, where applicable, the effects of IFRS 16 – Leases;

"Net Working Capital", which means the difference between trade receivables, net inventories and trade payables and other assets (liabilities) in the balance sheet.

EBIT and EBITDA can also be adjusted in order to take into account any Exceptional Items (as defined in the Conditions).

These indicators are also the instruments which make it easier for the administrators themselves to identify operational trends and to take decisions regarding investments, allocation of resources and other operational decisions.

With reference to the interpretation of these APMs, the following factors are also to be taken into consideration:

- a) these indicators are constructed exclusively from the Group's historic data and are no indication of the future direction of the Group;
- b) APMs are not taken into consideration by IFRS and, despite being derived from the Issuer's consolidated accounts, are not subject to auditing;
- c) APMs should not be seen as substitutes for the indicators set out pursuant to IFRS;
- d) the definitions of the indicators used by the Group, in so far as they are not derived from IFRS, may not align with those adopted by other companies/groups and thus not comparable; and

- e) the APMs used by the Group are calculated with continuity and homogeneity of definition and representation for all the periods for which financial information is included in the present Prospectus.

IMPORTANT LEGAL INFORMATION

This Prospectus has been prepared on a basis that permits offers of the Notes that are not made within an exemption from the requirement to publish a prospectus under Article 1(4) of the Prospectus Regulation (a "**Public Offer**" and together, "**Public Offers**") in the Republic of Italy (the "**Public Offer Jurisdiction**"). Any person making or intending to make a Public Offer of Notes on the basis of this Prospectus must do so only with the Issuer's consent – see "*Consent given in accordance with Article 5(1) of the Prospectus Regulation (Retail Cascades)*" below.

CONSENT GIVEN IN ACCORDANCE WITH ARTICLE 5(1) OF THE PROSPECTUS REGULATION (RETAIL CASCADES)

Consent

In the context of any Public Offer of Notes, the Issuer accepts responsibility, in each of the Public Offer Jurisdictions, for the content of this Prospectus in relation to any person (an "**Investor**") who purchases any Notes in a Public Offer made by the Placement Agent (as defined below) or an Authorised Offeror (as defined below), where that offer is made during the Offering Period (as defined in "*Subscription and Sale — Offering of the Notes — Offering Period, Early Closure, Extension and Withdrawal*" below).

Except in the circumstances described below, the Issuer has not authorised the making of any offer by any offeror and has not consented to the use of this Prospectus by any other person in connection with any offer of the Notes in any jurisdiction. Any offer made without the consent of the Issuer is unauthorised and neither the Issuer nor, for the avoidance of doubt, the Placement Agent accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Prospectus for the purpose of the relevant Non-exempt Offer and, if so, who that person is. If an Investor is in any doubt about whether it can rely on this Prospectus and/or who is responsible for its contents, the Investor should take legal advice.

Conditions to Consent

The Issuer consents to the use of this Prospectus in connection with any Non-exempt Offer of Notes in the Public Offer Jurisdictions during the Offering Period (as defined in "*Subscription and Sale*" below) by:

- a) the Placement Agent; and
- b) any other financial intermediary appointed after the date of this Prospectus and whose name is published on the Issuer's Website and identified as an Authorised Offeror in respect of the Non-exempt Offer (together with the financial intermediary specified in (i) above, the "**Authorised Offerors**").

Furthermore, the conditions to the Issuer's consent are that such consent:

- (a) is only valid during the Offering Period (as defined in "*Subscription and Sale — Offering of the Notes — Offering Period, Early Closure, Extension and Withdrawal*"); and
- (b) only extends to the use of this Prospectus to make Public Offers in the Republic of Italy.

Arrangements between an Investor and the Authorised Offeror who will distribute the Notes

Neither the Issuer nor, for the avoidance of doubt, the Placement Agent has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with

applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to such Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between that Authorised Offeror and such Investor including as to price, allocations and settlement arrangements (the "Terms and Conditions of the Non-exempt Offer"). The Issuer will not be a party to any such arrangements with such Investor and, accordingly, this Prospectus does not contain such information. The Terms and Conditions of the Non-exempt Offer shall be provided to such Investor by that Authorised Offeror at the time the offer is made. None of the Issuer or, for the avoidance of doubt, the Placement Agent or other Authorised Offerors has any responsibility or liability for such information.

MIFID II product governance / Retail investors target market, professional investors and ECPs target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

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SUMMARY

This summary constitutes the general description of the offering programme for the purposes of Article 7 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and includes the key information that investors need in order to understand the nature and the risks of the Issuer and the Notes, and is to be read together with the other parts of the Prospectus to aid prospective investors when considering whether to invest in the Notes.

Section A – Introduction containing warnings

The Notes are debt securities issued by Italian Wine Brands S.p.A. (the "**Issuer**" or "**IWB**") on or about 13 May 2021 (the "**Issue Date**") of between Euro 100,000,000 (the "**Minimum Offer Amount**") and Euro 130,000,000 (the "**Maximum Offer Amount**") fixed rate senior unsecured notes due 13 May 2027 with a denomination of Euro 1,000 (the "**Notes**") (the "**Offering**"). The Issuer's legal entity identifier ("**LEI**") number is 815600251190FB2E7172. The International Securities Identification Number ("**ISIN**") for the Notes is XS2331288212 and the common code ("**Common Code**") is 233128821. The prospectus (the "**Prospectus**") is dated April 26, 2021.

The Issuer is a joint stock company duly organised and validly existing under the laws of the Republic of Italy ("**Italy**"), with its registered office at Viale Abruzzi, No. 94, Milan (Italy) and registered with the Companies Register of Milan (*Registro delle Imprese di Milano*) under registration number and fiscal code 08851780968. The Issuer's telephone number is +39 0230516516.

The Notes are being offered by the Issuer. For information regarding the Issuer please refer to information disclosed under "*Who is the issuer of the securities?*" below.

Application has been made to the Central Bank of Ireland of the Republic of Ireland (the "**CBI**") for the approval of the Prospectus for the purposes of the Prospectus Regulation. The Prospectus was approved by the CBI on April 26, 2021. The business address of the CBI is New Wapping Street, North Wall Quay, Dublin 1, D01 F7X3. CBI's contact details are: (i) telephone: +353 (0)1 224 6000, (ii) fax: +353 (0)1 224 5550, (iii) e-mail: enquiries@centralbank.ie. The Issuer has requested the CBI to provide the competent authority in the Republic of Italy, *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") with a certificate of approval pursuant to Article 25 of the Prospectus Regulation attesting that the Prospectus has been drawn up in accordance with the Prospectus Regulation.

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

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole by prospective investors. Investors could lose all or part of their invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law of its member state of the European Union ("**Member State**"), have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Notes. The Issuer has not prepared a key information document (within the meaning of Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**")).

Section B – Key Information on the issuer

Who is the issuer of the securities?

The Issuer is a joint stock company duly organised and validly existing under the laws of Italy, with its registered office at Viale Abruzzi, No. 94, Milan (Italy) and registered with the Companies Register of Milan (*Registro delle Imprese di Milano*) under registration number and fiscal code 08851780968. The Issuer's legal entity identifier ("**LEI**") number is 815600251190FB2E7172.

The IWB Group is a relevant player in the production and distribution of domestic wines. Moreover, the Group diversified over time its activities towards the distribution of enogastronomic products, with a catalogue of non-wine products, such as extra virgin olive oils and typical products of the regional food tradition. The Group neither manages nor owns vineyards and purchases the raw materials necessary for the production of wines (grapes, must and bulk wine) on an annual basis directly from third-party producers which are localized over a large part of Italy. Wine processing and storage is done at the two wineries owned by the Subsidiary Giordano Vini, one of which is in Diano d'Alba (Italy) and the other one is in Torricella di Manduria (Italy). The Group has two different sales and distribution channels: (i) the wholesale channel for the sale of products to operators in the sector, such as large-scale distribution chains, state monopolies and traditional trade (the "**Wholesale Division**"), and (ii) the distance selling channel for direct sales of products in the portfolio to private consumers via the web/e-commerce, direct mailings and teleselling and other channels (the "**Distance Selling Division**"). The Group sells products in more than 15 countries into Europe (Italy, UK, France, Germany, Ireland, Russia, Switzerland, Sweden, Belgium, Netherlands, Austria, Denmark, Poland and Hungary), North America (USA and Canada) and Asia Pacific (China).

The Issuer is the parent company of the Group. The Issuer Major Shareholders are (i) Otus Capital Management Ltd which holds 9.93% of the Issuer's share capital and of its voting rights; (ii) Provinco S.r.l. which holds 9.08% of the Issuer's

share capital and of its voting rights; (iii) IPOC S.r.l. which holds 8,69% of the Issuer's share capital and of its voting rights and (iv) Praude Asset Management LLC which holds 6,33% of the Issuer's share capital and of its voting rights.

The Issuer, insofar as it is the parent company of the Group, does not depend on any other company within the Group.

The Issuer holds 6,092 treasury shares, representing 0.0823 per cent. of total share capital, which do not vote.

The Directors of the Issuer are Alessandro Mutinelli (Chairman and Chief Executive Officer), Simone Strocchi (Deputy Chairman), Pier Paolo Quaranta, Angela Oggionni, Massimiliano Mutinelli, Antonella Lillo and Luca Magliano.

The current auditor of the Issuer is BDO Italia S.p.A..

What is the key financial information regarding the issuer?

The following tables set out selected financial information relating to the Issuer and the Group. The information below has been extracted from the audited consolidated annual financial statements of the Group for the years ended on 31 December 2020 and on 31 December 2019, incorporated by reference in this Prospectus.

CONSOLIDATED INCOME STATEMENT

<i>(In Euro thousands)</i>	31.12.2020	31.12.2019
EBITDA	23.604	16.304
Consolidated Adjusted EBITDA	25.604	18.087

CONSOLIDATED BALANCE SHEET

<i>(In Euro thousands)</i>	31.12.2020	31.12.2019
Net Financial Position	10.333	10.683
Current Ratio (current assets/current liabilities)	1,25	1,34
Debt to equity ratio (total liabilities/total shareholder equity)	1,13	1,19
Interest cover ratio (operating income/interest expense)	15,36	9,59

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(In Euro thousands)</i>	31.12.2020	31.12.2019
Net cash flow from operating activities	15.835	10.671
Net cash flow from financing activities	1.357	(14.410)
Net cash flow from investing activities	(16.443)	(2.808)

What are the key risks that are specific to the issuer?

The following are risk factors relating to the Issuer and the Group that may affect the Issuer's ability to fulfil its obligations under the Notes.

- COVID-19 pandemic has led to significant slowdowns in many business activities due to the significant adverse impact on global supply chains, tourism revenues, commodity prices, capital flows and demand, and financial markets and is causing significant uncertainty in both domestic and global financial markets. As of the date of the Prospectus it is not possible for the Group to reliably calculate the impact of COVID-19 on the Group's activities, financial performance and operations, which could, in turn, adversely affect the ability of the Issuer to fulfil its obligations under the Notes.
- The Group carries significant intangible assets on its consolidated statement of financial position and, therefore, performs an impairment test on its intangible assets having an indefinite useful life at least annually. Should the Group's cash flows and economic results be worse than those set forth in the forecasts and estimates on which the impairment test was based, the Group may be required to impair goodwill and trademarks with indefinite life recorded on the statement of financial position, and record related expenses in the income statement, which, in turn, could have a material adverse effect on the Group's business, financial condition and results of operations and on the Issuer's ability to fulfil its obligations under the Notes.
- The Group has pursued and intends to pursue in the future a strategy to grow through acquisitions, by performing scouting activities to select investment opportunities. The Group is exposed to the risk that such acquisitions are

completed on different terms and conditions than those originally planned or that its evaluations and assumptions underlying such investment decisions may prove incorrect. In addition, there can be no assurance that the Group will be able to identify suitable targets or to complete acquisitions within the envisaged time periods or by the planned means or that it will not incur unexpected costs and liabilities. However, following the resurgence of the COVID-19 pandemic and the new restrictive measures imposed by the Italian government, the Group's strategy for growth through acquisitions could be slowed down due to the impact of the COVID-19 on the merger and acquisition ("M&A") activities.

- d) A substantial portion of the Group's revenue is generated from a limited number of clients. The loss of, or a significant reduction in purchases, by such key clients could adversely affect the Group's results. If one or more of such key customers does not renew its contracts or reduces its orders, this would significantly reduce the volumes, sales and earnings of the Group and its business could be materially adversely affected.
- e) The Group purchases the raw materials necessary for the production of wines (grapes, must and bulk wine) directly from third-party producers. The market trend of these natural products, largely depends on the results of the harvests, which in turn are influenced by climatic, phytopathological or polluting factors. Consequently, bad weather conditions could have a material negative effects on the results, the outlook and the economic and financial position of the Group and, consequently, on the Issuer's ability to fulfil its financial obligations undertaken in relation to the issuance of the Notes.
- f) The Group purchases from the agricultural products market which are affected by seasonal phenomena linked to the concentration of harvesting activities in certain periods of the year. Consequently, the IWB Group's economic performance during the year is generally affected by seasonal phenomena. There can be no assurance that the Group will continue to manage effectively the stocking of its products influenced by seasonal variation or that severe weather events will not reduce the raw materials necessary for the production of the Group's products, the occurrence of which could have a material adverse effect on the Group's business, financial condition and results of operation.

If any of the risks described above were to materialize, this may affect the Issuer's ability to fulfil its payment obligations under the Notes and/or lead to a decline in the market price of the Notes.

Section C – Key Information on the securities

What are the main features of the securities?

Subject to the condition that the Offering will be withdrawn if, at the expiration of the Offering Period, offers to purchase the Notes ("**Purchase Offers**") have not been placed sufficiently for the sale of at least Euro 100,000,000 aggregate principal amount of the Notes (the "**Minimum Offer Condition**"), the Issuer is expected to issue on or about 13 May 2021, between a minimum of Euro 100,000,000 and a maximum of Euro 130,000,000 (the "**Maximum Offer Amount**") fixed rate senior unsecured notes due 13 May 2027 (the "**Notes**"). The Notes will bear interest at a minimum rate of 2 per cent. per annum (the "**Minimum Interest Rate**"). The Maximum Offer Amount may be reduced by the Issuer prior to 5 May 2021 at 09:00 (CET) (the "**Launch Date**"). The Notes will constitute direct, unconditional and unsecured obligations of the Issuer bearing fixed interest. The ISIN for the Notes is: XS2331288212; the Common Code for the Notes is: 233128821.

Ranking - Pursuant to the Terms and Conditions of the Notes (the "**Conditions**"), the Notes constitute direct, unconditional and (subject to negative pledge provisions set out below) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

Transferability - The Notes are freely transferable. However, the offer and the sale of the Notes and the distribution of the Prospectus is subject to specific restrictions that vary depending on the jurisdiction where the Notes are offered or sold or the Prospectus is distributed.

Negative Pledge - The Conditions contain a negative pledge pursuant to which neither the Issuer nor any of its Subsidiaries will create or have outstanding any mortgage, charge, lien, pledge or other security interest, upon, or with respect to, the whole or any part of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any relevant indebtedness or to secure any guarantee or indemnity in respect of any relevant indebtedness, without first securing the Notes equally.

Limitation on indebtedness - The Conditions contain limitations on indebtedness.

Taxation - All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of any of Ireland or Italy, unless the withholding or deduction of the Taxes (the "**Tax Deduction**") is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction. All the above is nevertheless subject to customary market exceptions.

Events of Default - Upon the occurrence of an Event of Default, then any (but not some only) of the Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent, be declared immediately due and payable at their principal amount together (if applicable) with accrued interest.

Cross Default - The Conditions contain a cross default provision.

Interest - Interest on the Notes will accrue at a fixed rate not less than the Minimum Interest Rate per annum starting from the Issue Date, payable annually in arrears on 13 May of each year commencing on 13 May 2022. The final interest rate will be set out in a notice, which will be filed with the CBI and published on www.italianwinebrands.it, <https://live.euronext.com/> and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period (as defined below).

Issue Price - The Notes will be issued at a price of 100.00 per cent. of their principal amount (the "**Issue Price**").

Maturity Date - Unless previously redeemed, or purchased and cancelled, the Notes will mature on 13 May 2027.

Indication of yield - On the basis of the Issue Price of the Notes of 100 per cent. of their principal amount and a Minimum Interest Rate of 2 per cent. per annum, the gross yield of the Notes will be a minimum of 2 per cent. per annum.

Redemption at the option of the Issuer - At any time on or after 13 May 2023, the Issuer may redeem the Notes, in whole or in part, at the redemption prices which will be set out in the Interest Rate, Yield and Redemption Prices Notice (See "**Disclosure of the interest rate, yield, redemption prices and the results of the Offering**" under the sub-section "**Under which conditions and timetable can I invest in this security?**" below).

Redemption for taxation reasons - Early redemption of the Notes for reasons of taxation will be permitted, if as a result of any change in, or amendment to, the laws or regulations of Italy, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, the Issuer would be required to pay additional amounts on the Notes.

Where will the securities be traded?

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Notes to be admitted to the official list (the "**Official List**") and to trading on its regulated market (the "**Regulated Market**"). Application has also been made for the Notes to be admitted to trading on the regulated *Mercato Telematico delle Obbligazioni* market (the "**MOT**") of Borsa Italiana S.p.A. ("**Borsa Italiana**"). Borsa Italiana has admitted the Notes to listing on the MOT with order n. LOL-004442 dated April 26, 2021.

What are the key risks that are specific to the securities?

An investment in the Notes involves certain risks associated with the respective characteristics of the Notes which could lead to substantial losses that Noteholders would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Those risks include that:

- a) the Notes will be unsecured obligations of the Issuer and will rank equally with the Issuer's other unsecured senior indebtedness;
- b) the Notes are subject to optional redemption;
- c) investment in the Notes, which bear a fixed rate of interest, involves the risk that if market interest rates subsequently increase above the rate paid on the Notes, this will adversely affect the value of the Notes;
- d) the Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors;
- e) an active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes.

If any of the risks described above were to materialize, this may affect the Issuer's ability to fulfil its payment obligations under the Notes and/or lead to a decline in the market price of the Notes.

Section D – Key Information on the offer of the securities to the public and/or admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

Offering of the Notes

The Offering is addressed to the general public in Italy and to qualified investors (as defined in the Prospectus Regulation) in Ireland and Italy (the "**Investors**") following the approval of the Prospectus by the CBI, and the effectiveness of the notification of the Prospectus by the CBI to CONSOB according to Article 25 of the Prospectus Regulation.

Offering Period

The Offering will open on 5 May 2021 at 09:00 (CET) and will expire on 10 May 2021 at 17:30 (CET), subject to amendment, extension or postponement by the Issuer and Equita S.I.M. S.p.A. (the "**Placement Agent**") (the "**Offering Period**"). Any such amendment, extension or postponement shall be carried out by way of the publication of a supplement to the Prospectus (a "**Supplement**"), to the extent such amendment, postponement or extension will be a significant new factor pursuant to Article 23 of the Prospectus Regulation.

The Issuer and the Placement Agent (i) have the right to withdraw the Offering at any time prior to 16:45 (CET) on the Offering Period End Date and (ii) shall withdraw the Offering if Purchase Offers are lower than the Minimum Offer Amount. Furthermore, the Placement Agent, in agreement with the Issuer, has the right to cancel the launch of the Offering before

the Offering has taken place and upon the occurrence of certain extraordinary events. If the launch of the Offering is cancelled or the Offering is withdrawn, the Offering itself and all submitted purchase offers will be deemed cancelled.

If, prior to the Issue Date, Borsa Italiana has failed to set the MOT Trading Start Date (as defined below), the Offering will be automatically withdrawn by giving notice to the CBI, Euronext Dublin and, no later than the day after notice has been given to CBI and Euronext Dublin, by notifying the general public by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana.

Pricing details

The Notes will be issued at a price of 100.00 per cent. of their principal amount.

Disclosure of the interest rate, yield, redemption prices and the results of the Offering

The interest rate (which shall not be less than the Minimum Interest Rate) will be determined on the basis of the tenor of the Notes, the yield and the demand by investors in the course of the determination of the conditions (the book-building procedure) prior to the start of the Offering Period. In the course of the book-building procedure, the Placement Agent will accept within a limited period of time indications of interest in subscribing for the Notes from investors, including credit spreads usually within a predetermined spread range. Subsequently, the Placement Agent will determine, in consultation with the Issuer and based on, among other things, the quantity and quality of the expressions of interest received from Investors during the book-building procedure, the interest rate (coupon), the final yield and the redemption prices. The interest rate of the Notes (which shall not be less than the Minimum Interest Rate), the yield and the redemption prices will be set out in the Interest Rate, Yield and Redemption Prices Notice, which will be filed with the CBI and Euronext Dublin, and published on the Issuer's Website (www.italianwinebrands.it), the Euronext Dublin Website (<https://live.euronext.com/>) and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period.

The aggregate principal amount of the Notes, the number of Notes sold and the proceeds of the Offering will be set out in the Offering Results Notice which will be filed with the CBI and Euronext Dublin, and published on the Issuer's Website (www.italianwinebrands.it), the Euronext Dublin Website (<https://live.euronext.com/>) and released through the SDIR-NIS system of Borsa Italiana no later than the first Business Day after the end of the Offering Period. No trading in the Notes will start before the Offering Results Notice is published as set out above.

Conditions of the Offering

Except for the Minimum Offer Condition, the Offering is not subject to any conditions. Subscription rights for the Notes will not be issued. Therefore, there are no procedures in place for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

Technical details of the Offering

The Offering will take place through Purchase Offers made by Investors on the MOT through Intermediaries (as defined below) and coordinated by the Placement Agent, who has been appointed by the Issuer to offer and display the Notes for sale on the MOT according to the trading rules of Borsa Italiana. Purchase Offers may only be made with the MOT through an investment company, bank, wealth management firm, registered financial intermediary, securities house and any other intermediary authorised to make Purchase Offers directly on the MOT or - if such institution is not qualified to perform transactions on the MOT - through an intermediary or agent authorised to do so (each an "Intermediary"). Purchase Offers must be made during the operating hours of the MOT for a minimum quantity of aggregate par value of €1,000 of the Notes, and may be made for any multiple thereof. During the Offering Period, Intermediaries may make irrevocable Purchase Offers directly or through any agent authorised to operate on the MOT, either on their own behalf or on behalf of third parties, in compliance with the operational rules of the MOT. The Notes shall be assigned, up to their maximum availability, based on the chronological order in which Purchase Offers are made on the MOT. The acceptance of a Purchase Offer on the MOT does not alone constitute the completion of a contract with respect to the Notes requested thereby. The perfection and effectiveness of contracts with respect to the Notes are subject to confirmation of the correct execution of the Purchase Offer and issuance of the Notes. Each Intermediary through whom a Purchase Offer is made will notify Investors of the number of Notes they have been assigned within the Issue Date. After the end of the Offering Period, Euronext Dublin, in conjunction with the Issuer, shall set and give notice of the start date of the official admission to trading on the regulated market of Euronext Dublin and Borsa Italiana shall set and give notice of the start date of official trading of the Notes on the MOT (the "**MOT Trading Start Date**"). The MOT Trading Start Date shall correspond to the Issue Date. Investors wishing to make Purchase Offers who do not have a relationship with any Intermediary may be requested to open an account or make a temporary deposit for an amount equivalent to that of the Purchase Offer. In case of partial sale of the Notes or a cancellation or withdrawal of the Offering, all amounts paid as temporary deposits, or any difference between the amount deposited with the Intermediary and the aggregate value of the Notes actually sold to the Investor, will be repaid to the Investor who initiated the Purchase Offer by the Issue Date. See "*Terms and Conditions of the Payment and Delivery of the Notes*". Except as otherwise set forth herein, Purchase Offers, once placed, may not be revoked. See "*Revocation of Purchase Offers*" below. Any Purchase Offer received outside the Offering Period, or within the Offering Period but outside the operating hours of the MOT, will not be accepted. Investors may place multiple Purchase Offers. Purchase Offers placed by Italian Investors through telecommunication means are not subject to the withdrawal provisions applicable to distance marketing of consumer financial services, services in accordance with articles 67-bis and 67-duodecies of Italian Legislative Decree no. 206 of 6 September 2005 as regards the public offer in Italy.

Revocation of Purchase Offers

If the Issuer publishes any Supplement, any Investor who has placed a Purchase Offer prior to the publication of the Supplement shall be entitled to revoke such Purchase Offer by delivering a written notice to the Intermediary through whom the Purchase Offer was made by no later than the second Business Day following the publication of the Supplement in accordance with Article 23(2) of the Prospectus Regulation. The Intermediary will in turn notify the Placement Agent of such revocation.

Terms and Conditions of the Payment and delivery of the Notes

Investors will pay the Issue Price on the Issue Date. A press release will be published to inform Investors and potential Investors of any early closure of the Offering or extension of the Offering Period. In case of an extension of the Offering Period the Issue Date will be postponed to the fifth Business Day following the closure of the Offering Period, as extended. In case of an early closure of the Offering Period, the Issue Date will remain unchanged and the Notes will be issued on 13 May 2021. Ownership of interests in Notes will be limited to persons that have accounts with Euroclear and/or Clearstream, Luxembourg or persons that hold interests in the Notes through participants in Euroclear and/or Clearstream, Luxembourg, including Monte Titoli. Euroclear and Clearstream, Luxembourg will hold interests in the Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. Payments and transfer of the Notes will be settled through Euroclear and Clearstream, Luxembourg.

Estimated expenses charged to the Investors by the Issuer

The Issuer will not charge any costs, expenses or taxes directly to any Investor. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence related to the opening of a bank account or a temporary deposit account with an Intermediary, if necessary, and/or any costs related to the execution, acceptance and transmission of Purchase Offers imposed by such Intermediaries.

Why is this prospectus being produced?

Reasons for the offer and use of proceeds: The Issuer intends to use the net proceeds from the Offering to support its external growth strategy to be implemented through one or more M&A activities and/or manage its sources of funding in order to provide the Company with higher financial flexibility. In particular, the proceeds will be used for:

- (i) a quick implementation of that M&A activity in the context of the very fragmented Italian wine and food market, that should allow the Issuer to further increase the Group's size, strengthening its product offering among the fastest growth categories in the Company's core business. In particular, at least 30% of the net proceeds of the Offering will be used for acquisitions of companies which generate at least 50% of their turnover abroad (i.e. in Foreign Markets, different from Italy). Increasing the Group's size and market share is considered a key element to allow the Issuer to further improve its profitability and the cash flow generation, benefiting from additional economies of scale and a better product mix; and/or
- (ii) according to the proceeds actually available from time to time, refinancing of existing facilities, pursuing general corporate purposes (including the distribution of any dividends).

Any interest that is material to the issue/offer including conflicting interests: There are no interests of natural and legal persons other than the Issuer and the Placement Agent involved in the issue, including conflicting ones that are material to the issue.

The Placement Agent and its affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Placement Agent and its affiliates have received or will receive customary fees and commissions.

• **RISK FACTORS**

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer and the industry in which the Issuer operates, together with all other information contained in this Prospectus, including, in particular, the risk factors described below.

We have described below those risks that we currently consider to be specific to the Issuer and the Notes and which are material for taking an informed investment decision in the Notes. Additional risks and uncertainties that are not presently known to our Group or that our Group currently deems immaterial may also materially and adversely affect our Group's business, financial condition or results of operations. We have assessed the materiality of the risk factors below based on the probability of their occurrence and the expected magnitude of their negative impact.

Each of the risks discussed below could have a material adverse effect on the Issuer's business, financial condition, results of operations or prospects which, in turn, could have a material adverse effect on the principal amount and interest which Investors will receive in respect of the Notes. In addition, each of the risks discussed below could adversely affect the trading or the trading price of the Notes or the rights of Investors under the Notes and, as a result, Investors could lose some or all of their investment. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Prospectus have the same meanings in this section.

Prospective investors should read the entire Prospectus and reach their own views prior to making any investment decision.

RISKS RELATING TO THE ISSUER

- **Risks relating to the Issuer's financial situation**
- Risks associated with the COVID-19 pandemic

The recent outbreak of a new coronavirus (named COVID-19 ("**COVID-19**")) that was first detected in China in December 2019, was declared a pandemic by the World Health Organization (WHO) on 11 March 2020. As of the date of this Prospectus this pandemic is having, and may have for an unforeseeable period of time, significant health, social and economic consequences worldwide.

In addition to the worsening of the global macroeconomic scenario and the risk of deterioration of the credit profile of a considerable number of countries (including Italy), the above-mentioned pandemic has already led to significant slowdowns in many business activities due to the significant adverse impact on global supply chains, tourism revenues, commodity prices, capital flows and demand, and financial markets.

The ultimate severity and related consequences of COVID-19 is causing significant uncertainty in both domestic and global financial markets and could have an impact on the business environment as well as on the legal, tax and regulatory framework (particularly further to certain legislative measures adopted by national governments).

In this context, the IWB Group continued to operate uninterruptedly, in particular thanks to the essential nature of the product category sold (wine and food products) and exposure to sales channels that were only partially affected by the impact of the lockdown. In fact, the web/e commerce sales channel has reached a weight on total Distance Selling Division revenues of around (27.75%); the channel's growth rate in Italy (87.01%) was much higher than that achieved in Italy by companies operating in the same sector during the lockdown period due to the COVID-19.

However, following the resurgence of the COVID-19 pandemic and the new restrictive measures imposed by the Italian government, aimed at countering the new phase of growth in contagions

due to such pandemic, the Group's operations could be slowed down due, for example, to the partial closure of bottling and logistic plants, despite the fact that the Group adopted necessary actions to ensure continuity of business operations (i.e. re-organization of business spaces in order to guarantee sufficient distance among people, activation of remote working for white collars, set up of separated teams for production and transport activities).

While the Group is continuing to monitor and assess the evolution of the pandemic and its macroeconomic effects, as of the date of the Prospectus it is not possible for the Group to reliably calculate the impact of COVID-19 on the Group's activities, financial performance and operations, which could, in turn, adversely affect the ability of the Issuer to fulfil its obligations under the Notes.

- **Risks related with the impairment of the Group's intangible assets**

The Group carries significant intangible assets on its consolidated statement of financial position. The carrying amount of intangible assets on its consolidated statement of financial position, as of 31 December 2020 and 31 December 2019, was equal to, respectively, Euro 102,313,295 and Euro 87,929,186, representing 46.05% and 45.12% of the Group's total assets.

The Group performs an impairment test on its intangible assets having an indefinite useful life at least annually in accordance with IAS 36. In respect of the goodwill and the trademarks with indefinite useful life, "Giordano Vini" and the trademarks directly and indirectly owned by Provinco Italia, in accordance with the impairment test carried out for the year ended 31 December 2020, the Group is not required to impair goodwill and trademarks with indefinite life.

Should the Group's cash flows and economic results be worse than those set forth in the forecasts and estimates on which the impairment test was based, the Group may be required to impair goodwill and trademarks with indefinite life recorded on the statement of financial position, and record related expenses in the income statement, which, in turn could have a material adverse effect on the Group's business, financial condition and results of operations and on the Issuer's ability to fulfill its obligations under the Notes.

- **Risks related to the Issuer's business activity and industry**

- **Risks related to the Group's future acquisitions and its strategy for growth through acquisitions**

Considering the traditionally limited organic growth rate of wine and food companies, the Group has consistently pursued and intends to pursue in the future a strategy to grow through acquisitions. As part of its future growth strategy, the Group intends to perform suitable scouting activities to select investment opportunities in the wine and food sector, as well as market practice legal, financial, tax and operational due diligence reviews before completing any acquisition. As of the date of this Prospectus the Group is not part of any binding offers with regard to potential acquisitions.

The Group is exposed to the risk that such acquisitions are completed on different terms and conditions than those originally planned or that its evaluations and assumptions underlying such investment decisions may prove incorrect. In addition, the Group is also exposed to the risk that the economic and financial results of the acquired businesses negatively differ from those expected or from those of its preceding acquisitions.

In addition, there can be no assurance that in the future the Group will be able to identify suitable targets or to complete acquisitions within the envisaged time periods or by the planned means or that it will not incur unexpected costs and liabilities, contingent liabilities, additional interests or exceptional goodwill amortization.

However, following the resurgence of the COVID-19 pandemic and the new restrictive measures imposed by the Italian government, aimed at countering the new phase of growth in contagions due to such pandemic, the Group's strategy for growth through acquisitions could be slowed down due to the impact of the COVID-19 on the merger and acquisition ("M&A") activities.

These circumstances could have a material adverse effect on the Group's business, results of operations or financial condition.

- *Risks related to the concentration of the Group's revenue on a limited number of key customers*

A substantial portion of the Group's revenue is generated from a limited number of clients. The loss of, or a significant reduction in purchases, by such key clients could adversely affect the Group's results.

The percentage of the Group's consolidated revenues that the Group's top first and five customers accounted for in the year ended 31 December 2020 are, respectively, 10.07% and 32.70%.

With specific reference to the Group, the Wholesale Division, which is based on a limited number of players in the great organized distribution sector ("GDO") represents the Group's main source of revenues, in fact it represents 54.0% of the revenues in the financial year ended on 31 December 2020 and 51.6% of the revenues in the financial year ended on 31 December 2019. Most of the Group's arrangements with players of the GDO are evidenced by written annually contracts which contain termination clauses as well as automatic renewal clauses, in certain specific cases connected to the attainment of certain revenue targets.

If one or more of such key customers does not renew its contracts or reduces its orders, this would significantly reduce the volumes, sales and earnings of the Group and its business could be materially adversely affected.

The realization of this risk could have a material adverse effect on the Group's business and financial conditions and results of operations.

- *Risks deriving from the exchange rate fluctuations*

The Group operates in an international setting, with transactions carried out in different currencies. The Group is subject to the market risk deriving from exchange rate fluctuations and the exposure to risk arises both from the geographical distribution of the business (i.e. Italy and Foreign Markets) and from the various countries in which purchases are made.

In fact, in 2020 the contribution to growth came in particular from Foreign Markets (+32.8% compared to 2019), where the Group records more than 80% of its business (80.3% in 2020 compared to 78.8% in 2019).

Significant changes in the fluctuation of exchange rates (in particular, between the euro and the U.S. dollar, pound sterling, Russian rouble and Chinese yuan renminbi) could have a material adverse effect on the business, results of operations and on the ability of the Issuer to fulfill its obligations under the Notes.

- *Risks related to the strong competition and the ability of the Group to maintain or expand its current market position*

The Group operates in the highly competitive wine and food market which is characterized by rapid change in consumer preferences. In this market: (i) the increasing competitive pressure from private label products and also from well-established companies which have significant, marketing, sales and development resources, in many of the Group's markets, (ii) the continuous promotional and discount campaigns, in particular at times of overproduction of grapes and (iii) the ongoing concentration trend in the GDO sector, may result in strong pricing pressures.

The Group's sales volume, in particular to GDO customers, and its margins may be significantly affected by the Group's competitors and the above market trends, which may have a material

adverse effect on its business, results of operations or financial condition which could, in turn, adversely affect the ability of the Issuer to fulfill its obligations under the Notes.

- *Risks related to the ability of the Group to retain and attract key personnel*

The success of the Group depends to a significant extent on the contribution of certain individuals who hold key roles in its organization and who have significant professional and management experience, including the members of the Board of Directors (such as Mr. Alessandro Mutinelli, Mr. Simone Strocchi and Mr. Pier Paolo Quaranta) and the key managers. The performance of the Group and its ability to implement the Group strategies depend on the efforts and abilities of its executive officers and key employees. The Group also depends on its ability to attract and retain highly trained personnel. There can be no guarantee that in the future the Group will be able to retain its management team or its current personnel.

Moreover, while employees are incentivized to stay with the Group through an incentive plan, there is no assurance that they decide to opt out of such incentive plan. Furthermore, there may be a limited number of persons with the requisite skills to serve in these positions and the Group may be unable to replace key employees with qualified personnel on acceptable terms. The Group's ability to recruit, motivate and retain personnel is important to its success and there can be no assurance that the Group will be able to do so given the market in which it operates.

Loss of one or more of these managers (in particular, of Mr. Alessandro Mutinelli) or of a significant number of highly trained personnel could make the Group less competitive and delay or prevent its growth and, in turn, materially adversely affect its business, financial condition and results of operations and its ability to fulfill its obligations under the Notes.

- *Risks related to product and potential reputational harm*

The Group is exposed to the risk that any of its products is found to be defective, which may result in an harm to the Group's reputation and significant loss of clients and revenues, despite the fact that raw materials are carefully chosen and wine control, testing, processing and storage are realized by an internal and specialized team of oenologists at the two wineries owned by Giordano Vini and located in Diano d'Alba and in Torricella di Manduria.

There can be no assurance that the consumption of the Group's wine and food products will not harm the end customer and, while the Group (i) takes precautions to ensure that its products are free of defects, (ii) maintains insurance policies against certain product liability risks, and (iii) is currently not involved in any material legal proceedings, product liability claims may be asserted against the Group in the future by its customers and end consumers, causing the Group to pay damages that may not be adequately covered by its insurance policies. Should any defects appear in the Group's products or any product liability claim be brought against it, the business, results of operations, financial condition and future prospects of the Group could be adversely affected.

- *Risks related to the Group's logistic plants*

The Group has entered into a multi-year lease agreement for a highly automated logistics hub in Cherasco (Cuneo) which is material for the business of the Group due to the fact that the latter carries out all the products storage, packaging, shipping and distribution activities in the above mentioned logistic hub.

This logistics hub is subject to normal operational risks including, but not limited to, equipment failures, failure to comply with applicable regulations, revocation of permits and licenses, labour shortages, natural disasters and significant interruptions in product supplies.

The Company has taken out various insurance policies against any potential injuries to staff, fire, theft and damage to products, plant and equipment.

Any interruption of activity at the above logistics hub (also due to the resurgence of the COVID-19 pandemic and the new restrictive measures imposed by the Italian government) or the termination

of, or the failure to, renew such lease agreement could have a material adverse effect on the business, results of operations or financial condition of the Group and on the ability of the Issuer to fulfill its obligations under the Notes.

- *Risks related to climate conditions and to the fluctuations in the cost of raw materials*

The Group neither manages nor owns vineyards and purchases the raw materials necessary for the production of wines (grapes, must and bulk wine) directly from third-party producers. The market trend of these raw materials, which are natural products, largely depends on the results of the harvests, which in turn are influenced, in quantitative and qualitative terms, by phytopathological, polluting and, in particular, climatic factors. With regard to the latter, it should be noted that the drastic and sudden peaks of temperature within the same season - that have characterized the last years - are able to create significant damage to harvest.

Although the Group has adopted a flexible purchasing system based on the purchase of raw materials from year to year in the main Italian wine-making regions according to harvest trends and has developed consolidated relationships with suppliers, it cannot be excluded that particularly poor harvests caused by bad weather conditions may lead to a significant increase in the prices of raw materials or make it more difficult to obtain grapes, musts and bulk wine in the quantities and qualities needed to sustain customer demand.

Significant weather variations could have a material negative effects on the results, the outlook and the economic and financial position of the Group and, consequently, on the Issuer's ability to fulfil its financial obligations undertaken in relation to the issuance of the Notes.

- *Risks related to seasonal factors*

The Group neither manages nor owns vineyards and therefore purchases the raw materials necessary for the production of wines (grapes, must and bulk wine) on an annual basis directly from third-parties operating in the agricultural products market, which is affected by seasonal phenomena linked to the harvesting activities. In fact, despite the timing of harvesting activities is influenced by many factors (such as, for example, the type of grape, stratification of the soil and production area), such activities are always concentrated in certain periods of the year.

The IWB Group's economic performance during the year is generally affected by seasonal phenomena because of different consumption patterns or consumer habits. All the companies of the Group registered an increase in sales of its products in the last quarter of the year, (i.e. the end-of-year vacations) and a slowdown in activities in the third quarter of the year (i.e. during the summer vacations).

There can be no assurance that the Group will continue to manage effectively the stocking of its products influenced by seasonal variation or that severe weather events will not reduce the raw materials necessary for the production of the Group's products, the occurrence of which could have a material adverse effect on the Group's business, financial condition and results of operation.

These phenomena could have a material negative effects on the results, the outlook and the economic and financial position of the Group and, consequently, on the Issuer's ability to fulfil its financial obligations undertaken in relation to the issuance of the Notes.

- *Risks relating to the collection, storage and processing of personal data*

The Issuer and the companies of the Group are exposed to the risk that the procedures implemented, the measures adopted and the activities performed in relation to the European legislation on data protection referred to in EU Regulation 2016/679 (General Data Protection Regulation, so-called "**GDPR**") prove to be inadequate and that the necessary privacy safeguards are not correctly implemented and/or data could be lost, stolen, disclosed or processed for purposes other than those disclosed or authorized by the interested parties.

This is a material risk due to the fact that, in carrying out its business and in particular with regard to the Distance Selling Division, the Group collects, stores and processes, also for commercial purposes, personal data of the relevant final customers, including data relating to preferences in product selection and economic data (such as IBAN code, credit card numbers and payment details). Consequently, the Group has the obligation to comply with GDPR, laws and regulations above mentioned.

The circumstances above mentioned could (i) have a material adverse effects on the Group's business, including in reputational terms, (ii) result in the imposition of administrative and criminal penalties on the Group by the Data Protection Authority, with material adverse effects on the Group's business and its economic and financial position, as well as (iii) entail the risk of legal action by interested parties who may have suffered damage as a result of such circumstances.

- *Risks associated with the operation of IT systems*

The activities carried out by the Group, and in particular by the Distance Selling Division, are based on a wide use of IT systems, subject to operational risks, such as, for instance, equipment breakdowns, work interruptions, third parties' unlawful conducts as well as events of an exceptional nature, including natural disasters, which could jeopardise the functioning of said systems and compel the Group companies to suspend or interrupt the provision of its services.

Furthermore, the Group's activities are closely connected to its ability to safeguard its IT systems and technological equipment from any damage which may be caused by potential breakdown of telecommunications services, computer viruses and other events that may prevent the regular operations or such systems and equipment. In fact, over the last few years, the Group has invested in updating of its IT systems, particularly with regard to the digitization of sales processes and, therefore, of the Distance Selling Division. There can be no certainty with regards to the fact that the security measures adopted by the Group are apt and effective to protect its systems and equipment from the above risks.

The occurrence of events capable of impacting on the Group's logistics activities could have a negative effects on the Issuer's business and on the Group's economic and financial situation and assets.

- *Credit risks*

The Group's sales are conducted in accordance with the normal conditions prevailing in the various markets in which it operates. Credit risk is represented by the exposure of Group to potential losses that may result from the failure to meet obligations by its counterparts.

The receivables recorded essentially comprise receivables from consumers related to Distance Selling Division (i.e. final consumers) for whom the risk of nonrecovery is moderate and in any case of a minimum individual amount. The Company has instruments for the preventive control of the solvency of each customer, as well as instruments for monitoring and reminding of receivables through the analysis of collection flows, payment delays and other statistical parameters.

Nonetheless, significant breach by counterparts in the fulfillment of their obligations could have negative effects on the results, the outlook and the economic and financial position of the Group and, consequently, on the Issuer's ability to fulfil its financial obligations undertaken in relation to the issuance of the Notes.

- **Legal, taxation and regulatory risks**

- *Risk relating to changes of tax and other laws affecting the Issuer, external tax audits and additional tax payments*

Changes to taxation or the interpretation or application of tax laws could have an adverse effect on the Issuer's business, financial condition and operations result.

The Issuer is subject to Italian tax laws. Any changes to Italian tax legislation and/or case law or to its interpretation or application by the Italian tax authorities, including through the application of anti-avoidance or anti abuse principles, a different tax treatment or a different interpretation or classification from a legal or substantive point of view in relation to any transaction and/or operation, including extraordinary transactions, or a different classification of the components recorded in the financial statements, may cause the Issuer to incur higher taxes or be subject to applicable penalties and late payment interest, to the reduction of previous tax losses, or to other events that could have a material adverse effect on its business, results of operations and financial condition.

The Group sell their products in different countries (i.e. Italy, UK, France, Germany, Ireland, Russia, Switzerland, Sweden, Belgium, Netherlands, Austria, Denmark, Poland, Hungary, USA, Canada and China), consequently, from time to time, it is subject to tax audits and investigations by the tax authorities in the countries where it operates, which include investigations with respect to the direct tax and indirect tax regime of any of the Group's transactions and/or value-added tax classification of products sold

Adverse development in these laws or regulations, or any change in position by the relevant Italian tax authority regarding the application, administration or interpretation of these laws or regulations, could have a material adverse effect on its business, results of operations and financial condition.

- *Risks related to changes in laws and regulations, including with respect to the composition, labelling and safety of wine and foods*

The Group operates in different jurisdictions (in particular, Europe, North America and Asia) and is therefore subject to several national and EU laws and regulations relating to the composition, labeling and safety of the wine and food products it manufactures and sells.

The Group is exposed to changes in these laws and regulations and therefore may not always be in compliance with such laws and regulations. Variations or changes in the regulatory framework applicable to the composition, labeling or safety of wine and food products which require significant structural adjustments to the Group's plants or operating and logistics units, or changes to the production or marketing processes, such as more stringent requirements to obtain or maintain certifications and authorizations necessary for conducting the Group's activities, could require the Group to make investments and/or incur unforeseen costs or cause potentially negative repercussions on its activities and operating results, financial position and cash flows.

- **Environmental, social and governance risks**
- *Risks linked to health, safety and the environment*

The Group is exposed to the risk of being sanctioned as a result of a breach of any regulation relating to health, safety and the environment.

More specifically, the Group must comply with laws and regulations on health and safety in the workplace. There is a possibility that in the course of the Group's business, potential accidents affecting the employees and/or the environment may occur.

In the event of contamination and/or pollution in the areas where the production and logistic plants are situated (in particular, Diano d'Alba, Torricella di Manduria and Cherasco), there is an obligation to notify the competent authority, and, in some cases, commence remediation and/or safety interventions on the same areas, bearing the relevant costs. It is possible that such procedures may further result in the imposition of sanctions, (which may include criminal sanctions), and impact the regular operation of the facilities.

Should any of such events occur or in case of breach of any regulation concerning health and safety in the workplace, as a result there may be negative effects on the results, the outlooks and the economic and financial position of the Group, notwithstanding the insurance policies in force.

- **Other risks**
- *Risks linked to the organisational and management model pursuant to Legislative Decree No. 231/2001*

As of the date of this Prospectus, Giordano Vini and Provinco Italia have adopted a model pursuant to and in compliance with Legislative Decree 231/2001 (the “**231 Model**”), as well as an ethics code, while the Company does not have a risk and control system in place in compliance with 231 Model and therefore the Issuer may potentially face the risk of criminal liabilities pursuant to Legislative Decree No. 231/2001.

Furthermore, it is possible that the 231 Model and the code of ethics adopted by the Subsidiaries could be considered insufficient by the judicial authority which has jurisdiction on criminal cases brought forward under the abovementioned laws, so that the Group may potentially face civil or administrative sanctions, including those provided under Legislative Decree No. 231/2001, where applied to the Group and, as a consequence, the Group’s approvals, authorisations, licences and permits may be suspended or revoked.

RISKS RELATING TO THE NOTES

- **Risks relating to the nature and specific features of the Notes**
- *The Notes are unsecured*

The Notes will constitute (subject to “*Terms and Conditions of the Notes – Negative Pledge*”) direct, unconditional and unsecured obligations of the Issuer and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights and, therefore, in the event of any insolvency or winding-up of the Issuer, the Notes will rank equally with the Issuer’s other unsecured senior indebtedness.

The Notes are unsecured and, therefore, will be effectively subordinated to the liabilities of the Issuer and the Group’s companies that are secured by property and assets that do not secure the Notes to the extent of the value of the property or assets securing such debt and, although they restrict the giving of security by the Issuer and its Subsidiaries over Relevant Indebtedness and guarantees in respect of such Relevant Indebtedness, a number of exceptions apply, as more fully described in “*Terms and Conditions of the Notes – Negative Pledge*”.

Therefore, the Subsidiaries of the Issuer will not provide any security in respect of the Notes and will not have any obligation to pay any amounts due under the Notes or to make funds available to the Issuer for that purpose. Moreover, the holders of indebtedness of, and trade creditors of the Subsidiaries, including lenders under bank financing agreements, are, generally, entitled to payments of their claims from the assets of such Subsidiaries before these assets are made available for distribution to the Issuer, as a direct or indirect shareholder and the creditors of the Issuer will have no right to proceed against the assets of such Subsidiary.

Where security has been granted over assets of the Issuer to secure indebtedness, in the event of any insolvency or winding-up of the Issuer, such secured indebtedness will rank in priority over the Notes and other unsecured indebtedness of the Issuer in respect of such assets.

- *The Notes are subject to optional redemption*

The Notes contain an optional redemption feature, as set out in Conditions 7(b) (*Redemption for taxation reasons*) and 7(c) (*Redemption at the option of the Issuer*) which is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

- Interest rate risks

Investment in the Notes, which bear a fixed rate of interest that will be determined prior to the start of the Offering Period, involves the risk that if market interest rates subsequently increase above the rate paid on the Notes (which shall not be less than the Minimum Interest Rate), this will adversely affect the value of the Notes. While the nominal interest rate of the Notes is fixed during their life, market interest rates typically change on a daily basis. As market interest rates change, the price of the Notes will change in the opposite direction. If market interest rates increase, the price of the Notes will typically fall, until the yield of such security will be approximately equal to the prevailing market interest rate. Conversely, if market interest rates fall, the price of the Notes will typically increase, until the yield of the Notes will be approximately equal to the prevailing market interest rate. Therefore, investors should be aware that the market price of the Notes may fall as a result of movements in market interest rates.

- If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in Euro. This entails certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than Euro (the "**Investor's Currency**"). These include the risk that exchange rates may change significantly (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

In addition, government and monetary authorities may impose, as some have done in the past, exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

- The Notes are subject to inflation risks

The inflation risk is the risk of future money depreciation. The real yield from an investment, including the yield of the Notes that will be set out in the Interest Rate, Yield and Redemption Prices Notice, is reduced by inflation. Therefore, the higher the rate of inflation, the lower the real yield of the Notes. If the inflation rate is equal to or higher than the nominal yield of the Notes, the real yield of the Notes is zero or even negative. As at the date of this Prospectus, worldwide interest rates are low. Any increases in such interest rates would reduce the real amount of a Noteholder's return on an investment in the Notes.

- The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Please consider that under Italian law Noteholders have the right to attend (in person or through audio systems or by proxy) and vote at meetings of Noteholders. Vote at the meeting can be given

by Noteholders who have been notified to the Issuer of the Notes as being Noteholders by the relevant custodian bank through the release of proper proofs of holding of the Notes. Moreover, Italian COVID-19 emergency provisions provide that corporate meetings (including Noteholders' meeting) may be attended online. Please also note that as a matter of practice, the attendance to this meeting is generally run through a proxy and the process to gather proxy is generally run through the clearing systems by depositary banks so that each person entitled to attend can vote in the meeting by proxy.

As a result, a Noteholder is subject to the risk of being outvoted and losing rights against the Issuer under the Notes, as the case may be, against its will in the event that Noteholders holding a sufficient aggregate principal amount of the Notes participate in the vote and agree to amend the Terms and Conditions in accordance with such provisions.

- *The value of the Notes could be adversely affected by a change in Italian law or administrative practice*

The Terms and Conditions of the Notes are based on Italian law in effect as at the date of this Prospectus. In particular, Condition 13 (*Meetings of Noteholders, modification, waiver and substitution*) which sets forth the provisions concerning the meetings of Noteholders and the appointment of a Noteholders' Representative in respect of the Notes are subject to compliance with Italian law. No assurance can be given as to the impact of any possible judicial decision or change to Italian law or administrative practice after the date of this Prospectus and any such change could materially adversely impact the value of any Notes affected by it. See also "*Noteholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances*" below.

- *Decisions at Noteholders' meetings bind all Noteholders*

The Terms and Conditions of the Notes (at Condition 13 (*Meetings of Noteholders, modification, waiver and substitution*)) contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally, including modifications to the terms and conditions relating to the Notes and the waiver of rights that might otherwise be exercisable against the Issuer. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend or were not represented at the relevant meeting and Noteholders who voted in a manner contrary to the majority. Any such modifications to the Notes may have an adverse impact on Noteholders' rights and on the market value of the Notes. See also "*Noteholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances*" below.

- *Noteholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances*

As mentioned in "*The value of the Notes could be adversely affected by a change in Italian law or administrative practice*" above, the provisions relating to Noteholders' meetings (including quorums and voting majorities) are subject to compliance with certain mandatory provisions of Italian law, which may change during the life of the Notes. In addition, as currently drafted, the rules concerning Noteholders' meetings are intended to follow mandatory provisions of Italian law that apply to Noteholders' meetings where the issuer is a company listed on the Italian multilateral trading facility (MTF) called AIM Italia/*Mercato Alternativo del Capitale*, managed and organized by Borsa Italiana (AIM Italia). As at the date of this Prospectus, the Issuer's ordinary shares are admitted to trading on the AIM but, if the Issuer becomes an issuer with shares significantly spread among the public (*società con azioni diffuse fra il pubblico in misura rilevante*) or its shares are listed on the Italian regulated market called *Mercato Telematico Azionario* (MTA) of Borsa Italiana while the Notes are still outstanding, then the mandatory provisions of Italian law that apply to Noteholders' meetings will be different (particularly in relation to the rules relating to the calling of meetings, participation by Noteholders at meetings, quorums and voting majorities). In addition, certain Noteholders' meeting provisions could change as a result of amendments to the Articles of Association (as defined below). Accordingly, Noteholders should not assume that the provisions relating to Noteholders' meetings - set out in the Agency Agreement and summarised in the Conditions - will correctly reflect mandatory

provisions of Italian law applicable to Noteholders' meetings at any future date during the life of the Notes.

- *The Noteholder generally will not be entitled to a gross-up for any Italian withholding taxes or for any withholding or deduction for FATCA, unless the Italian withholding tax is caused by a failure of the Issuer to comply with certain procedures*

The Issuer is organized under the laws of Italy and is Italian resident for tax purposes and therefore payments of principal and interest on the Notes and, in certain circumstances, any gain on the Notes, will be subject to Italian tax laws and regulations. All payments in respect of Notes will be made free and clear of withholding or deduction of Italian taxation, unless the withholding or deduction is required by law. In that event, subject to a number of exceptions, the Issuer will pay such additional amounts as will result in the holders of the Notes receiving such amounts as they would have received in respect of such Notes had no such withholding or deduction been required. The Issuer is not liable to pay any additional amounts to holders of Notes under certain circumstances set out under Condition 9 (*Taxation*), including if any withholding or deduction is required pursuant to Decree 239 (as defined in the section "*Taxation*"), except, where the procedures required under Decree 239 in order to benefit from an exemption have not been complied with due to the actions or omissions of the Issuer or its agents. In such circumstances where no additional amounts are due by the Issuer, investors subject to Italian withholding or deduction required under Decree 239 will only receive the net proceeds of their investment in the Notes.

Holders of Notes will bear the risk of any change in Decree 239 after the date hereof, including any change in the White List (as defined in the section "*Taxation*"). The regime provided by Decree 239 and in particular the exemption from *imposta sostitutiva*, which is in principle granted to holders of the Notes resident in White List countries, is also subject to certain procedural requirements being met. Should the procedural requirements not be met, Italian *imposta sostitutiva* may apply on the payments made on the Notes to foreign investors resident in White List countries.

Furthermore, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended, or otherwise imposed pursuant to Sections 1471 to 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other Person will be required to pay any additional amounts in respect of FATCA Withholding.

- *Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer*

The Notes will be represented by the Global Notes, except in certain limited circumstances described in the Permanent Global Note, which will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg. While the Notes are represented by the Global Notes (i) investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg; and (ii) the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders.

A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes.

- *Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Investors who hold less than the minimum specified denomination may be unable*

to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

The Notes have denominations consisting of a minimum specified denomination of €1,000 each plus one or more higher integral multiples of another smaller amount and as such it is possible that such Notes may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case, a Noteholder who, as a result of trading such amounts, holds Notes in an amount which is less than the minimum specified denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum specified denomination such that its holding amounts to a specified denomination. Further, a Noteholder who, as a result of trading such amounts, holds Notes in an amount which is less than the minimum specified denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum specified denomination such that its holding amounts to the minimum specified denomination.

- **Risks related to the offer to the public and/or admission of the securities to trading on a regulated market**
- The market value of the Notes could decrease if the creditworthiness of the Issuer worsens or is perceived to worsen

If any of the risks regarding the Issuer described under "Risk Factors – Risks relating to the Issuer" above materialises, then the Issuer is less likely to be in a position to fully perform all obligations under the Notes when they fall due, and the market value of the Notes will suffer. In addition, even if the Issuer is not actually less likely to be in a position to fully perform all obligations under the Notes when they fall due, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business areas as the Issuer could adversely change and have resulting effects on the perceptions of the Issuer's creditworthiness, whether warranted or otherwise.

Furthermore, changes in accounting standards may lead to adjustments in the relevant accounting positions of the Issuer or the Group which could have an adverse effect on the Issuer's or the Group's financial condition, which could in turn affect the market value of the Notes.

- An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although application has been made to Euronext Dublin for the Notes to be admitted to the official list and to trading on its Regulated Market and to Borsa Italiana for the listing and to trading of the Notes on the MOT, there is no assurance that an active trading market will develop, and if a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors including prevailing interest rates, the market for similar securities, general economic conditions and the creditworthiness of the Issuer as well as other factors such as the time remaining to maturity of the Notes, the outstanding amount of the Notes and the redemption features of the Notes. Such factors will also affect the market value of the Notes.

- *The Offering Period may be extended or amended, and the Offering may be terminated or withdrawn*

The Issuer together with the Placement Agent has the right to extend or amend the Offering Period and to terminate, postpone or withdraw the Offering for a number of reasons, including a failure to satisfy the Minimum Offer Condition or any extraordinary change in the political, financial, economic, regulatory, currency or market situation of the markets in which the Group operates that could have a materially adverse effect on the conditions of the Group and their business activities. See "*Subscription and Sale — Offering of the Notes — Offering Period, Early Closure, Extension and Withdrawal*" below.

- *Transfers of the Notes may be restricted, which may adversely affect the secondary market liquidity and/or trading prices of the Notes*

The ability to transfer the Notes may also be restricted by securities laws or regulations of certain jurisdictions or regulatory bodies. See "*Subscription and Sale*" below. The Notes have not been, and will not be, registered under the Securities Act. Noteholders may not offer the Notes in the United States or for the account or benefit of a U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, transfers to certain persons in certain other jurisdictions may be limited by law, or may result in the imposition of penalties or liability. For a description of restrictions which may be applicable to transfers of the Notes, see "*Subscription and Sale*" below.

• DOCUMENTS INCORPORATED BY REFERENCE

The following documents are published simultaneously with this Prospectus and have been filed with the Central Bank of Ireland and shall be incorporated in, and form part of, this Prospectus:

- a) the audited consolidated financial statements of the Group as of and for the years ended 31 December 2020 and containing the relevant auditors' report therein (the "**2020 Consolidated Financial Statements**") previously published on the Issuer's Website (see the following hyperlink);

<https://www.italianwinebrands.it/wp-content/uploads/2021/03/IWB-Fascicolo-completo-consolidato-31.12.20-inglese.pdf>

- b) the audited consolidated financial statements of the Group as of and for the years ended 31 December 2019 and containing the relevant auditors' report therein (the "**2019 Consolidated Financial Statements**" and, together with the 2020 Consolidated Financial Statements, the "**Consolidated Financial Statements**") previously published on the Issuer's Website (see the following hyperlink);

<https://www.italianwinebrands.it/wp-content/uploads/2021/03/IWB-Fascicolo-completo-esercizio-31.12.19-inglese.pdf>

- c) the interim consolidated financial statements of the Group subject to limited review as at 30 June 2020 and containing the relevant auditors' report therein (the "**Interim Report as at 30 June 2020**") previously published on the Issuer's Website (see the following hyperlink);

<https://www.italianwinebrands.it/wp-content/uploads/2021/03/IWB-Fascicolo-completo-esercizio-30.6.20-inglese.pdf>

- d) the interim consolidated financial statements of the Group subject to limited review as at 30 June 2019 and containing the relevant auditors' report therein (the **Interim Report as at 30 June 2019**, and, together with the **Interim Report as at 30 June 2020**, the "**Interim Reports**") previously published on the Issuer's Website (see the following hyperlink);

<https://www.italianwinebrands.it/wp-content/uploads/2021/03/IWB-Fascicolo-completo-esercizio-30.6.19-inglese.pdf>

provided, however, that any statement contained in this Prospectus or in any information or in any of the documents incorporated by reference in, and forming part of, this Prospectus shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement, **provided that** such modifying or superseding statement is made by way of a supplement to this Prospectus pursuant to Article 23 of the Prospectus Regulation.

Cross-reference list

The tables below set out the relevant page references for the Consolidated Financial Statements and for the Interim Reports:

2020 and 2019 Consolidated Financial Statements	2020	2019
Consolidated statement of financial position	29	28
Comprehensive Income Statement	30	29
Statement of Changes in Shareholders' Equity	31	30
Statement of Cash Flows	32	31
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2020 and 2019 Interim Reports	2020	2019
Consolidated statement of financial position	24	25
Comprehensive Income Statement	25	26
Statement of Changes in Shareholders' Equity	26	27
Statement of Cash Flows	27	28
Form and content of the Consolidated Financial Report	28	29
Notes to the Financial Statements	48	49
Accountant's review report for the interim financials	First page after the cover	First page after the cover

The information incorporated by reference that is not included in the cross reference lists above is considered additional information and is not required by the relevant schedules of Commission Regulation (EU) No. 2019/980 (as amended).

Copies of the documents specified above as containing information incorporated by reference in this Prospectus may be inspected, free of charge, at the registered office of the Issuer. Any information contained in any of the documents specified above which is not incorporated by reference in this Prospectus is either not relevant to investors or is covered elsewhere in this Prospectus.

The information on the website of the Issuer (www.italianwinebrands.it), as well as any information on any other website mentioned in this Prospectus does not form part of this Prospectus and has not been scrutinized or approved by the CBI unless specific information is expressly incorporated by reference herein.

• TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes which (subject to modification and inclusion of the Rate of Interest and final amount of the Notes) will be endorsed on each Note in definitive form:

The up to €130,000,000 Senior Unsecured Notes due 2027 (the "**Notes**"), which expression shall in these terms and conditions (the "**Conditions**"), unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further issues*) and forming a single series with the Notes of Italian Wine Brands S.p.A. (the "**Issuer**" or "**IWB**") will be issued on 13 May 2021 (the "**Issue Date**") and are subject to, and have the benefit of, an agency agreement dated on or about the Issue Date (as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") between the Issuer and The Bank of New York Mellon, London Branch as fiscal agent and principal paying agent (the "**Fiscal Agent**") and the other initial paying agents named in the Agency Agreement (together with the Fiscal Agent, the "**Paying Agents**"). The holders of the Notes (the "**Noteholders**") and the holders of the interest coupons appertaining to the Notes (the "**Couponholders**" and the "**Coupons**", respectively) are entitled to the benefit of a deed of covenant (the "**Deed of Covenant**") dated on or about the Issue Date and made by the Issuer. The issue of the Notes was authorised by a resolution of the Board of Directors' meeting of the Issuer passed on 14 April 2021. These Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement, which includes the form of the Notes and the Coupons. Copies of Agency Agreement and the Deed of Covenant are available for inspection during normal business hours by the Noteholders and the Couponholders at the specified office of each of the Paying Agents and, on the website of the Issuer (the "**Issuer's Website**"). The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. References in these Conditions to the Fiscal Agent and the Paying Agents shall include any successor appointed under the Agency Agreement.

1 Definitions and interpretation

(a) **Definitions:** In these Conditions:

"Acceptable Bank" means:

- (a) a bank or financial institution which has a rating for its long term unsecured and non-credit enhanced debt obligations of at least BBB- by Standard & Poor's Rating Services or Fitch Ratings Ltd or at least Baa3 by Moody's Investor Services Limited or a comparable rating from an internationally recognised credit rating agency; or
- (b) any bank or financial institution at which the Issuer holds a bank account as at the Issue Date; or
- (c) any other bank or financial institution approved by the Noteholders (or, if appointed, the Noteholders' Representative);

"Accounting Principles" means IFRS or generally accepted accounting principles in Italy;

"Acquired Indebtedness" means Indebtedness of a Person or any of its Subsidiaries existing at the time such Person becomes a Subsidiary of the Issuer or at the time it merges or consolidates with or into the Issuer or any of its Subsidiaries or assumed in connection with the acquisition of assets from such Person and in each case not incurred by such Person, including any guarantee granted by the Issuer in connection to the same, in connection with, or in anticipation or contemplation of, such Person becoming a Subsidiary of the Issuer or such acquisition, merger or consolidation;

"Business Day" means, a day that is not a Saturday and Sunday on which commercial banks and foreign exchange markets in London and Milan are open for general business and which is a TARGET Settlement Day;

"Capital Stock" means:

- (i) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including each class of Common Stock and Preferred Stock of such Person, and all options, warrants or other rights to purchase or acquire any of the foregoing; and
- (ii) with respect to any Person that is not a corporation, any and all partnership, membership or other equity interests of such Person, and all options, warrants or other rights to purchase or acquire any of the foregoing;

"Certified Date" means 31 December in each year, starting on 31 December 2021;

"Common Stock" of any Person means any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person's common stock, whether outstanding on the Issue Date or issued after the Issue Date, and includes, without limitation, all series and classes of such common stock;

"Compliance Certificate" means the compliance certificate to be delivered on each Reporting Date and signed by a duly authorised signatory of the Issuer certifying the matters set out in Condition 4(b) (*Compliance Certificate*);

"Consolidated Adjusted EBITDA" means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation:

- (a) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period;
- (b) not including any accrued interest owing to any member of the Group;
- (c) after adding back any amount attributable to provisions and the amortisation, depreciation or impairment of assets;
- (d) before taking into account any Exceptional Items;
- (e) before taking into account any unrealised gains or losses on any derivative instrument; and
- (f) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset;

"Consolidated Cash" means, in respect of any Relevant Period, cash in hand or at bank and (in the latter case) credited to an account in the name of a member of the Group with a bank and to which a member of the Group is alone (or together with other members of the Group) beneficially entitled and for so long as:

- (a) that cash is repayable within 5 Business Days after the relevant date of calculation;
- (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness (other than that included in the Consolidation Indebtedness of Operations) of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;

- (c) there is no Security Interest over that cash except for any Permitted Security Interest constituted by a netting or set-off arrangement entered into by members of the Group in the ordinary course of their banking arrangements; and
- (d) the cash is freely and immediately available to be applied in repayment or prepayment of the Notes or any indebtedness included in the Consolidated Indebtedness of Operations without double counting;

"Consolidated Cash Equivalent Investments" means, in respect of any Relevant Period:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable into any other security;
- (c) commercial paper not convertible or exchangeable into any other security:
 - (i) for which a recognised trading market exists;
 - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Economic Area;
 - (iii) which matures within one year after the relevant date of calculation; and
 - (iv) which has a credit rating of either "A-1" or higher by Standard & Poor's Rating Services or "F1" or higher by Fitch Ratings Ltd or "P-1" or higher by Moody's Investors Service Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;
- (d) any investment in money market funds which (i) have a credit rating of either "A-1" or higher by Standard & Poor's Rating Services or "F1" or higher by Fitch Ratings Ltd or "P-1" or higher by Moody's Investors Service Limited, (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (d) above and (iii) can be turned into cash on not more than 30 days' notice; or
- (e) any other debt security approved in advance by an Extraordinary Resolution, in each case, to which any member of the Group is alone (or together with other members of the Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security Interest;

"Consolidated Indebtedness of Operations" means, in respect of any Relevant Period:

- (a) moneys borrowed and debit balances at banks or other financial institutions (including any overdraft);
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any indebtedness which is in the form of, or represented or evidenced by, bonds, convertible bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

- (d) receivables sold or discounted (only on a recourse basis);
- (e) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles;
- (f) any indebtedness deriving from the adoption of IFRS 16 Leases;

"Consolidated Net Leverage Ratio" means, for any Relevant Period, the ratio of the Net Consolidated Financial Position of Operations of the Group for such period to the Consolidated Adjusted EBITDA of the Group for such period;

"Determination Date" means 31 December in each year;

"Disqualified Stock" means, with respect to any Person, any Capital Stock of such Person which, by its terms (or by the terms of any security into which it is convertible or for which it is redeemable or exchangeable), or upon the happening of any event: (1) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (2) is convertible or exchangeable for Indebtedness or Disqualified Stock of such Person or (3) is redeemable at the option of the holder thereof, in whole or in part (other than solely as a result of a change of control), in each case prior to 91 days after the earlier of the maturity date of the Notes or the date the Notes are no longer outstanding; provided, however, that only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Stock;

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock);

"Enterprise Value" means an amount determined as follows:

- (a) the purchase price to be paid by the Issuer or any of its Subsidiaries in relation to the acquisition of a company or a business unit, not including the net financial position of such company or business unit; plus
- (b) the financial indebtedness, conditional payments, deferred payments of such company or business unit; plus
- (c) securities (if any) granted by such company or business unit to the Issuer and/or any of its Subsidiaries; less

net cash and cash equivalents of such company or business unit;

"Event of Default" has the meaning given to it in Condition 10 (*Events of Default*);

"Exceptional Items" means, in respect of any Relevant Period, any exceptional, one off, non-recurring or extraordinary items arising for example on:

- (a) the restructuring of the activities of an entity (including the refocusing or restructuring of the Group's product portfolio) and reversals of any provisions for the cost of restructuring;
- (b) disposals, revaluations, write downs or impairment of non-current assets or any reversal of any write down or impairment; and

- (c) any costs related to the annual component of any long-term incentive plan, including stock option plans and stock grant plans in favour of directors and key personnel of the Issuer and any of its Subsidiaries;

"Extraordinary Resolution" has the meaning ascribed to it in the Agency Agreement;

"Group" means the Issuer and its Subsidiaries from time to time;

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under currency exchange or interest rate swap, cap and collar agreements, and other similar or like agreements or arrangements;

"Indebtedness" means with respect to any Person, without duplication,

- (i) the principal of indebtedness of such Person for borrowed money;
- (ii) the principal of indebtedness of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (iii) the principal component of obligations representing the deferred purchase price of property or services due more than one year after such property is acquired or, if later, delivered or such services are completed (but excluding trade accounts payable and other accrued liabilities arising in the ordinary course of business that are not overdue by 180 days or more after delivery of the relevant goods or completion of the relevant services or are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted);
- (iv) obligations representing reimbursement obligations in respect of any letter of credit, banker's acceptance or similar credit transaction (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 120 days of incurrence);
- (v) all Receivables Financing;
- (vi) the mark-to-market value of any Hedging Obligations of such Person;
- (vii) guarantees of the principal component of Indebtedness referred to in paragraphs (i) through (vi) above;
- (viii) the principal component of indebtedness of the type referred to in paragraphs (i) through (vii) above which are secured by any lien on any property or asset of such Person, the amount of such obligation being deemed to be the lesser of the fair market value (as determined in good faith by the Board of Directors of the Issuer) of such property or asset and the amount of the obligation so secured; and
- (ix) the principal component of obligations or liquidation preference with respect to all Preferred Stock or Disqualified Stock issued by any Subsidiary of the Issuer (but excluding in each case any accrued dividends) to, and held by, third parties which are not members of the Group;

"Interest Period" means the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date;

"Interest Rate, Yield and Redemption Prices Notice" means the notice setting out the Rate of Interest, the yield and the redemption prices to be published by the Issuer prior to the start of the offering period of the Notes and prior to the Issue Date.

"Minimum Interest Rate" means 2 per cent.

"Net Consolidated Financial Position of Operations" means, in respect of any Relevant Period, Consolidated Indebtedness of Operations, less Consolidated Cash, less Consolidated Cash Equivalent Investments, less current and non-current financial assets. For the avoidance of doubt, the calculation excludes the effects of any outstanding derivatives contracts;

"Permitted Indebtedness" means:

- (i) Indebtedness under the Notes, *provided that* this shall not include any Notes issued after the Issue Date pursuant to Condition 14 (*Further Issues*);
- (ii) Indebtedness of the Issuer or any Subsidiaries outstanding on the Issue Date after giving effect to the use of proceeds of the Notes;
- (iii) Hedging Obligations of the Issuer or any of its Subsidiaries entered into for non-speculative purposes;
- (iv) Indebtedness of the Issuer to a Subsidiary of the Issuer or Indebtedness of a Subsidiary of the Issuer to the Issuer or another Subsidiary of the Issuer for so long as such Indebtedness is held by a Subsidiary of the Issuer or the Issuer; *provided that* any Indebtedness of the Issuer to any Subsidiary of the Issuer is unsecured and subordinated, pursuant to a written agreement, to the Issuer's obligations under the Notes;
- (v) Indebtedness of the Issuer or any of its Subsidiaries in respect of performance bonds, performance and completion guarantees, bankers' acceptances, workers' compensation claims, surety or appeal bonds, payment obligations in connection with self-insurance or similar obligations, accrued and unpaid tax liabilities and bank overdrafts (and letters of credit in respect thereof to the extent undrawn, or if and to the extent drawn, is honoured in accordance with its terms and, if to be reimbursed, is reimbursed no later than the 30th Business Day following receipt of a demand for reimbursement) in the ordinary course of business;
- (vi) Refinancing Indebtedness;
- (vii) Indebtedness of the Issuer and its Subsidiaries in respect of any customary cash management, cash pooling or netting or setting off arrangements;
- (viii) Acquired Indebtedness of any Person outstanding on the date on which such Person becomes a Subsidiary of the Issuer or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Issuer or any of its Subsidiaries provided, however, that at the time of the acquisition or other transaction pursuant to which such Indebtedness was deemed to be incurred, the Issuer would have been able to incur €1.00 of additional Indebtedness pursuant to Condition 4(a) (*Covenants – Limitation on Indebtedness*) after giving effect to the incurrence of such Indebtedness pursuant to this paragraph; and
- (ix) Subordinated Indebtedness incurred by any member of the Group;

"Permitted Reorganisation" means any solvent amalgamation, merger, demerger or reconstruction involving the Issuer or any Subsidiary under which all or part of the assets and liabilities of the Issuer or the relevant Subsidiary are assumed by the entity resulting from such amalgamation, merger, demerger or reconstruction, and, where the same involves the Issuer, such entity assumes all the obligations of the Issuer in respect of the Notes and an opinion of an independent legal adviser of internationally recognised

standing in the Republic of Italy has been delivered to the Noteholders, confirming the same prior to the effective date of such amalgamation, merger or reconstruction;

"Permitted Security Interest" means any Security Interest:

- (a) arising by operation of law;
- (b) existing on the Issue Date;
- (c) to secure Indebtedness over or with respect to any present or future assets, receivables, remittances or payment rights of the Issuer or any of its Subsidiaries (the **"Charged Assets"**) which is created pursuant to any financing, leasing, factoring, securitisation or similar arrangements whereby all or substantially all the payment obligations in respect of such Indebtedness are to be discharged solely from the Charged Assets;

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Preferred Stock" of any Person means any Capital Stock of such Person that has preferential rights to any other Capital Stock of such Person with respect to dividends or redemptions or upon liquidation;

"Receivables Financings" means factoring, securitisations of receivables or any other receivables financing (including, without limitation, through the sale of receivables in a factoring arrangement or through the sale of receivables to lenders or to special purpose entities formed to borrow from such lenders against such receivables, including *'linee di credito autoliquidanti'*, *'sbf'*, etc.), whether or not with recourse to the Issuer or any of its Subsidiaries, but in each case only to the extent that such factoring, securitisation or financing would either be treated as financial payables under Accounting Principles or as indebtedness under IFRS;

"Refinance" means, in respect of any security or Indebtedness, to refinance, extend, renew, refund, repay, prepay, redeem, defease or retire, or to issue a security or Indebtedness in exchange or replacement for, such security or Indebtedness in whole or in part. **"Refinanced"** and **"Refinancing"** shall have correlative meanings;

"Refinancing Indebtedness" means any Refinancing by the Issuer or any Subsidiary of the Issuer of Indebtedness incurred in accordance with Condition 4(a) (*Covenants – Limitation on Indebtedness*) and under paragraphs (i), (ii), (vi) and (viii) of the definition of **"Permitted Indebtedness"**, in each case that does not:

- (i) result in an increase in the aggregate principal amount of Indebtedness of such Person as of the date of such proposed Refinancing (plus the amount of any premium or accrued interest required to be paid under the terms of the instrument governing such Indebtedness and plus the amount of reasonable fees and expenses incurred by the Issuer in connection with such Refinancing); or
- (ii) create Indebtedness with: (a) a Weighted Average Life to Maturity that is less than the Weighted Average Life to Maturity of the Indebtedness being Refinanced; or (b) a final maturity earlier than the final maturity of the Indebtedness being Refinanced; provided that if such Indebtedness being Refinanced is subordinate or junior to the Notes, then such Refinancing Indebtedness shall be subordinate to the Notes, as the case may be, at least to the same extent and in the same manner as the Indebtedness being Refinanced;

"Relevant Date" means whichever is the later of (A) the date on which such payment first becomes due and (B) if the full amount payable has not been received by the Paying Agents on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Noteholders;

"Relevant Indebtedness": means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being or are or are intended by the issuer thereof to be quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market and (ii) any guarantee or indemnity in respect of any such indebtedness;

"Relevant Jurisdiction" means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes and Coupons;

"Relevant Period" means a 12-month period ending on (and including) a Determination Date;

"Reporting Date" means a date falling no later than sixty days after the approval by the Issuer's Board of Directors of its consolidated financial statements relating to a Relevant Period ending on 31 December, and, in any event, falling no later than 30 June of the calendar year immediately following the end of such Relevant Period, *provided that* the first Reporting Date shall be the date falling no later than 60 days after the approval by the Issuer's Board of Directors of its audited annual consolidated financial statements as of and for the year ended 31 December 2021 and, in any event, falling no later than 30 June 2022;

"Security Interest" means, without duplication, a mortgage, charge, pledge, lien or other security interest or other preferential interest or arrangement having a similar economic effect, excluding any right of set-off, but including any conditional sale or other title retention arrangement or any finance leases;

"Subordinated Indebtedness" means Indebtedness of the Issuer or any of its Subsidiaries that is subordinated or junior in right of payment to the Notes *provided that* such Subordinated Indebtedness:

- (i) does not mature or require any amortisation or other payment of principal prior to the expiry of the sixth month following the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Equity Interests of the Issuer or such Subsidiary or for any other security or instrument meeting the requirements of the definition);
- (ii) does not require the payment of cash interest prior to the expiry of the sixth month following the maturity of the Notes;
- (iii) is subordinated in right of payment to the prior payment in full in cash of the Notes in the event of any default, bankruptcy, reorganisation, liquidation, winding up or other disposition of assets of the Issuer; and
- (iv) does not restrict the payment of amounts due in respect of the Notes or compliance by the Issuer with its obligations under the Notes and the Agency Agreement;

"Subsidiary" means in relation to any person (the **"first person"**) at any particular time, any other person (the **"second person"**):

- (x) whose affairs and policies the first person controls or has power to control, whether by ownership or share capital, contract, the power to appoint or remove members of the governing body of the second person or otherwise; or
- (y) whose financial statements are, in accordance with applicable law and the Accounting Principles, consolidated with those of the first person;

"TARGET Settlement Day" means any day on which the TARGET System is open;

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto;

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the then outstanding aggregate principal amount of such Indebtedness into (b) the sum of the total of the products obtained by multiplying (i) the amount of each then remaining instalment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the making of such payment.

(b) **Interpretation:** In these Conditions:

- (i) any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition or any undertaking given in addition to or substitution for it under the Agency Agreement; and
- (ii) any reference in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to Condition 14 (*Further issues*) and forming a single series with the Notes.

2 Form, Denomination and Title

- (a) **Form and denomination:** The Notes are in bearer form, serially numbered, in the denomination of €1,000 each with Coupons attached on issue. No Notes in definitive form will be issued with a denomination above €1,000.
- (b) **Title:** Title to the Notes and Coupons passes by delivery.
- (c) **Holder Absolute Owner:** The Issuer and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon) and shall not be required to obtain any proof thereof or as to the identity of such bearer and no Person shall be liable for so treating such Noteholder.

3 Status of the Notes

The Notes and Coupons constitute direct, unconditional and (subject to Condition 5 (*Negative pledge*)) unsecured obligations of the Issuer and (subject as provided above) shall at all times rank *pari passu* and without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

4 Covenants

- (a) **Limitation on Indebtedness:** So long as any of the Notes or Coupons remain outstanding, the Issuer shall not, and the Issuer shall procure that none of its Subsidiaries will, incur any additional Indebtedness (other than Permitted Indebtedness) *provided*

however that each of the Issuer and any of its Subsidiaries may incur additional Indebtedness if, as at the date of such incurrence, the following requirements are met (each an "**Indebtedness Requirement**"):

- (i) the Consolidated Net Leverage Ratio is equal to or lower than 3.5:1 as referred to in the Compliance Certificate relating to the immediately preceding Relevant Period; or
- (ii) to the extent that the Issuer or one of its Subsidiaries has completed in a Relevant Period the acquisition of a company or a business unit having an Enterprise Value of at least €30,000,000 (the "**Relevant Acquisition**"), the Consolidated Net Leverage Ratio is equal to or lower than 4:1 as referred to in the Compliance Certificate relating to the immediately preceding Relevant Period, such ratio to apply until the end of the Relevant Period following the Relevant Acquisition.

Notwithstanding the above, after an Indebtedness Trigger has occurred, as resulting from the Compliance Certificate delivered on a Reporting Date, the Issuer may give notice that such Indebtedness Trigger is cured by delivering on the following Reporting Date a Compliance Certificate pursuant to Condition 4(b) (*Compliance Certificate*) below. Upon delivery of such Compliance Certificate the Indebtedness Requirement shall be deemed met for the purpose of this Condition 4(a).

For the purpose of this Condition 4(a):

- (i) the Consolidated Net Leverage Ratio for the applicable Relevant Period shall be determined giving a *pro forma* effect to the incurrence of such additional Indebtedness (together with any other additional Indebtedness already incurred since the end of such Relevant Period) as if the same had been incurred, and the net proceeds thereof applied, on the first day of such Relevant Period;
- (ii) "**Indebtedness Trigger**" means that the Indebtedness Requirement under Condition 4(a)(ii), as applicable, is not met for a Relevant Period.

For the avoidance of doubt, the non-compliance by either the Issuer or any of its Subsidiaries of the Indebtedness Requirements under this Condition 4(a) shall not constitute an Event of Default pursuant to Condition 10(b) (*Breach of other obligations*) below *provided that* a breach of the Issuer of any of its other obligations under this Condition 4(a) shall constitute an Event of Default pursuant to Condition 10(b) (*Breach of other obligations*) below.

- (b) **Compliance Certificate:** For so long as any Notes or Coupons remain outstanding, the Issuer will on each Reporting Date thereafter according to Condition 4(a) (*Covenants – Limitation on Indebtedness*), provide the Noteholders, in accordance with Condition 15 (*Notices*), with a Compliance Certificate confirming:

- (i) among other things, the Issuer's compliance with Condition 4(a) (*Covenants – Limitation on Indebtedness*) since the previous Reporting Date, or in the case of the first Reporting Date, since the Issue Date;
- (ii) that as at the Certified Date the Issuer has complied with its obligations under the Agency Agreement and that as at such date there did not exist, nor had there existed since the Certified Date of the last Compliance Certificate, or in the case of the first Compliance Certificate since the Issue Date, any Event of Default or potential Event of Default, or if such an event has occurred or if the Issuer is not in compliance, specifying such event or the nature of such non-compliance; and
- (iii) the Consolidated Net Leverage Ratio for the Relevant Period (stating also the Net Consolidated Financial Position of Operations of the Group and the Consolidated Adjusted EBITDA of the Group, in each case for such period).

For the avoidance of doubt, any certification by the Issuer given in the Compliance Certificate with respect to the compliance by the Issuer with its obligations under the Conditions (including, but not limited to, the covenants in Condition 4(a) (*Covenants – Limitation on Indebtedness*)) shall include a statement that the Issuer, as the case may be, has complied with its obligation to procure that its respective Subsidiaries comply with the relevant covenant, requirement or obligation as to which the relevant certification is given.

- (c) The Noteholders shall have no duty to monitor compliance by the Issuer or any of its Subsidiaries with the covenants set out in Condition 4(a) (*Covenants – Limitation on Indebtedness*) and shall rely without liability to any Person and without further enquiry on the Compliance Certificates as to the compliance by the Issuer and/or its respective Subsidiaries or non-compliance as aforementioned.

5 Negative pledge

So long as any Note or Coupon remains outstanding, the Issuer will not, and will procure that none of its Subsidiaries will create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**"), upon, or with respect to, the whole or any part of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness (other than Refinancing Indebtedness), unless the Issuer, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that (a) all amounts payable by it under the Notes and the Coupons are secured by the Security Interest equally and rateably with the Relevant Indebtedness; or (b) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) shall be provided as is approved by an Extraordinary Resolution of the Noteholders; provided that, the foregoing provisions shall not apply to any Security Interest (i) arising by operation of law or (ii) created by an entity which becomes a Subsidiary after the date of creation of such Security Interest where the Security Interest was not created in connection with or in contemplation of such entity becoming a Subsidiary and does not extend to or cover any undertaking, assets or revenues (including any uncalled capital) of the Issuer or any of its other Subsidiaries.

6 Interest

- (a) **Interest Rate and Interest Payment Dates:** The Notes bear interest on their principal amount outstanding from and including the Issue Date to, but excluding, 13 May 2027, at a rate of interest per annum (the "**Rate of Interest**") which is a minimum rate of 2 per cent. per annum (the "**Minimum Interest Rate**"). The Rate of Interest is payable in equal instalments annually in arrears on 13 May in each year, commencing on 13 May 2022 (each an "**Interest Payment Date**"). *The Rate of Interest will be determined prior to the Issue Date and will be set out in the Interest Rate, Yield and Redemption Prices Notice and will be included in the final form of the Conditions.*
- (b) **Interest Accrual:** Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of principal in respect of the Notes is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest shall continue to accrue until whichever is the earlier of (a) the day on which all amounts due in respect of such Note up to that day are received by or on behalf of the relevant holder, and (b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15 (*Notices*).
- (c) **Method of calculation:** Save as provided above in relation to equal instalments, the day-count fraction will be calculated on an "Actual/Actual (ICMA)" basis as follows:

- 1) if the Accrual Period is equal to or shorter than the Determination Period during which it falls, the day-count fraction will be the number of days in the Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- 2) if the Accrual Period is longer than one Determination Period, the day-count fraction will be the sum of:
 - (i) the number of days in such Accrual Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (ii) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (a) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year.

where:

"Accrual Period" means the relevant period for which interest is to be calculated (from and including the first such day to but excluding the last); and

"Determination Period" means the period from and including 13 May in each year to but excluding the immediately following 13 May in each year.

Interest in respect of any Note shall be calculated per €1,000 in principal amount of the Notes (the **"Calculation Amount"**). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the Rate of Interest, the Calculation Amount and the day-count fraction (calculated on an "Actual/Actual (ICMA)" basis, as set out above) for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

7 Redemption and Purchase

- (a) **Final redemption:** Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 13 May 2027 (the **"Maturity Date"**). The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 7.
- (b) **Redemption for taxation reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their principal amount, together with interest accrued to the date fixed for redemption, if
 - (i) the Issuer would be required to pay additional amounts as provided or referred to in Condition 9 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and
 - (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 7(b), the Issuer shall (A) deliver to the Fiscal Agent a certificate signed by a duly authorised signatory of the Issuer stating that the obligation

referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it, and (B) obtain an opinion, addressed to the Issuer, of independent legal advisers of recognised international standing to the effect that the Issuer has or will be obliged to pay such additional amounts as a result of such change or amendment. Further to the publication of any such notice of redemption pursuant to this Condition 7(b) the certificate referred to in (A) above will be made available to the Noteholders upon request.

- (c) **Redemption at the option of the Issuer:** The Issuer may, at any time on or after 13 May 2023, on giving:

- (i) not more than 60 nor less than 30 days' irrevocable notice to the Noteholders in accordance with Condition 15 (*Notices*); and
- (ii) notice to the Fiscal Agent not less than 15 days before giving the notice referred in (i) above,

redeem the Notes in whole or in part at the following redemption prices (expressed as a percentage of the principal amount of the Notes outstanding as at the date fixed for redemption) plus any accrued and unpaid interest as at the relevant date for redemption specified in the above notices:

Redemption Period	Redemption prices
13 May 2023 (included) - 12 May 2024 (included)	principal amount of the Notes outstanding on the date fixed for redemption plus 50% of the Rate of Interest
13 May 2024 (included) - 12 May 2025 (included)	principal amount of the Notes outstanding on the date fixed for redemption plus 25% of the Rate of Interest
13 May 2025 (included) – 12 May 2026 (included)	principal amount of the Notes outstanding on the date fixed for redemption plus 12.5% of the Rate of Interest

- (d) **No other redemption:** The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Condition 7(b) (*Redemption for taxation reasons*) and Condition 7(c) (*Redemption at the option of the Issuer*).
- (e) **Notice of redemption:** All Notes in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition 7.
- (f) **Purchases:** The Issuer and each of its Subsidiaries may at any time purchase Notes in the open market or otherwise at any price (provided that, if they should be cancelled under Condition 7(g) (*Cancellation*) below, they are purchased together with all unmatured Coupons relating to them). The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of these Conditions. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to the Fiscal Agent for cancellation.
- (g) **Cancellation:** All Notes which are purchased by or on behalf of the Issuer or any its Subsidiaries and, at the option of the Issuer, surrendered for cancellation pursuant to Condition 7(f) (*Purchases*) or (iii) to be redeemed, together with any unmatured Coupons

attached to or surrendered with them, will be cancelled and may not be re-issued or resold.

8 Payments

- (a) **Method of payment:** Payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Notes or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent by transfer to a Euro account specified by the payee with a bank in a city in which banks have access to the TARGET System. Payments of interest due in respect of any Note other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Note.
- (b) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (c) **Surrender of unmatured Coupons:** Each Note should be presented for redemption together with all unmatured Coupons relating to it, failing which, the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of the relevant Note (whether or not the Coupon would otherwise have become void pursuant to Condition 11 (*Prescription*)) or, if later, 5 years after the date on which the Coupon would have become due, but not thereafter.
- (d) **Payments on Business Days:** A Note or Coupon may only be presented for payment on a day which is a Business Day in the place of presentation and, in the case of payment by credit or transfer to a Euro account as described above, is a TARGET Settlement Day. No further interest or other payment will be made as a consequence of the day on which the relevant Note or Coupon may be presented for payment under this Condition 8 falling after the due date.
- (e) **Paying Agents:** The names of the initial Paying Agents and their initial specified offices are set out in the Agency Agreement. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that:
 - (a) there will at all times be a Fiscal Agent;
 - (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be at least one Paying Agent (which may be the Fiscal Agent) having a specified office in the place (if any) to the extent required by the rules and regulations of the relevant stock exchange or any other relevant authority; and
 - (c) there will at all times be a Paying Agent (which may be the Fiscal Agent) authorised to carry out its services within the European Union.

Notice of any variation, termination, appointment and/or of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 15 (Notices).

9 Taxation

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of IWB (acting as the Issuer) shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction, shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (a) the holder of which is liable for Taxes in respect of such Note or Coupon by reason of having some connection with the Relevant Jurisdiction other than a mere holding of the Notes; or
- (b) presented for payment in the Republic of Italy or in any Relevant Jurisdiction; or
- (c) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence, but fails to do so upon presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or
- (d) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Business Day for payment as provided in Condition 8(d) (*Payments on Business Days*); or
- (e) for or on account of "*imposta sostitutiva*" pursuant to Decree No. 239, as amended and/or supplemented or, for the avoidance of doubt, Italian Legislative Decree 21 November 1997, No. 461 as amended and supplemented and in all circumstances in which the procedures set forth in Decree 239, in order to benefit from an exemption from "*imposta sostitutiva*" have not been met or complied with; or
- (f) where such withholding or deduction is required to be made pursuant to Italian Law Decree 30 September 1983, No. 512 converted into law with amendments by Law 25 November 1983, No. 649; or
- (g) for any Taxes that are imposed or withheld pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as of the Relevant Date (or any amended or successor version of such sections that is substantively comparable and not materially more onerous to comply with), any regulations promulgated thereunder, any official interpretations thereof, any similar law or regulation adopted pursuant to an intergovernmental agreement between a non-U.S. jurisdiction and the United States with respect to the foregoing or any agreements entered into pursuant to Section 1471(b)(1) of the Code.

10 Events of Default

If any of the following events occurs and is continuing (each an "**Event of Default**"), then, in the case of Event of Default 10(f) (*Insolvency*) the Notes shall automatically become immediately due and payable and, in the case of each of the other Events of Default, any Noteholder may, by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent and specifying one or more of the Events of Default to which such notice relates, request that all (but not some only) of the Notes then outstanding become due and payable at their principal amount together (if applicable) with accrued interest (each such notice being a separate "**Acceleration Request**" in respect of each Event of Default specified therein (even if contained in a single document)) and all of the Notes then outstanding

shall become due and payable at their principal amount together (if applicable) with accrued interest upon the earlier to occur of:

- (i) Acceleration Requests being received by the Issuer from Noteholders representing not less than 30% in principal amount of the Notes then outstanding specifying the same Event of Default;
- (ii) the Issuer delivering to the specified office of the Fiscal Agent notice that it accepts any Acceleration Request (or more than one);
- (iii) if neither of events (i) nor (ii) above has occurred in respect of any Acceleration Request, the relevant Acceleration Request(s) (which shall be notified by the Issuer to the other Noteholders within 30 days from the receipt of the relevant Acceleration Request specifying the relevant Event of Default by delivery of a written notice, hereinafter a "**Potential Acceleration Notice**", which may specify more than one Acceleration Request and shall specify the relevant Event of Default for each Acceleration Request), being ratified by Noteholders representing at least 30% in principal amount of the Notes then outstanding by delivery of a written notice to the Issuer or the specified office of the Fiscal Agent by no later than fifteen days following the date of the delivery of a Potential Acceleration Notice,

and the Issuer shall immediately upon the occurrence any the earlier of (i) to (iv), send a notice to the Noteholders of the same in accordance with Condition 15 (*Notices*) (an "**Acceleration Notice**"):

- (a) **Non-payment:** any default is made in the payment of any principal and such default continues for a period of five Business Days or interest due in respect of the Notes, and such default continues for a period of ten Business Days; or
- (b) **Breach of other obligations:** except as otherwise specified in these Conditions, the Issuer does not perform or comply with any one or more of its other obligations relating to the Notes, which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after notice of such default shall have been given to the Issuer by any Noteholder; or
- (c) **Cross-default of the Issuer or a Subsidiary:**
 - (i) any other present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default or event of default (howsoever described); or
 - (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period; or
 - (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised,

provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred equals or exceeds €5,000,000 or its equivalent; or

- (d) **Enforcement proceedings:** an attachment, execution or other enforcement process (which is executive ('*esecutivo*')) is levied or enforced on or against any part of the property, assets or revenues of the Issuer having an aggregate value of at least €3,000,000 or its equivalent, other than any attachment, execution or other enforcement process under or in connection with (i) a Permitted Reorganisation or (ii) any matter described in Condition 10(e) (*Security Enforced*) below and in any such case unless such attachment, execution or other enforcement process (i) is being disputed in good faith

with a reasonable prospect of success as confirmed by an opinion of independent legal advisers of recognised standing or (ii) is discharged or stayed within 120 days after the date on which the Issuer is notified thereof or, if later, the date specified therein for payment; or

- (e) **Security enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer having an aggregate value of at least €500,000 becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar Person) unless such enforcement is discharged or stayed within 120 days after the date on which the Issuer is notified thereof; or
- (f) **Insolvency:** other than for the purposes of, or pursuant to, a Permitted Reorganisation, the Issuer is insolvent or bankrupt or unable to pay its debts, stops or suspends payment of all or a material part of (or of a particular type of) its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer; or
- (g) **Cessation of business:** the Issuer ceases to carry on all or a substantial part of its business (other than for the purposes of, or pursuant to, a Permitted Reorganisation); or
- (h) **Unlawfulness:** it is or will become unlawful for the Issuer to maintain issued the Notes or perform or comply with its obligations under any of the Notes; or
- (i) **Delisting:** the Notes cease to be listed on one of either (i) the official list of the Irish Stock Exchange plc. trading as Euronext Dublin ("**Euronext Dublin**") (and admitted to trading on the Regulated Market (the "**Regulated Market**") of Euronext Dublin) or (ii) the *Mercato Telematico delle Obbligazioni* (the "**MOT**") of Borsa Italiana S.p.A. ("**Borsa Italiana**"), unless the Issuer, within 30 days after notice of any such de-listing have been given to the Issuer by Euronext Dublin and/or Borsa Italiana, causes the Notes to be listed and admitted to trading on any other regulated market for the purposes of Directive 2014/65/EU (as amended or supplemented from time to time).

11 Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 8 (*Payments*) within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

12 Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent, subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

13 Meetings of Noteholders, modification, waiver and substitution

Meetings of Noteholders: In accordance with the rules of the Italian civil code, the Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes or Coupons or any of the provisions of the Agency Agreement.

All meetings of the Noteholders will be held in accordance with applicable provisions of Italian law in force at the time and, where applicable Italian law so requires, the Issuer's by-laws in force from time to time. In accordance with Article 2415 of the Italian civil code, the meeting of Noteholders is empowered to resolve upon the following matters: (i) the appointment and revocation of the appointment of the Noteholders' Representative (as defined below), (ii) any amendment to these Conditions, (iii) motions for the composition with creditors (*concordato*) of the Issuer; (iv) establishment of a fund for the expenses necessary for the protection of the common interests of the Noteholders and the related statements of account; and (v) any other matter of common interest to the Noteholders.

Such a meeting may be convened by the Board of Directors of the Issuer or the Noteholders' Representative (as defined below) at their discretion and, in any event, upon the request of any Noteholder(s) holding not less than one-twentieth of the principal amount of the Notes for the time being remaining outstanding. If the meeting has not been convened following such request of the Noteholders, the same may be convened by the board of the statutory auditors (or other analogous body or supervisory body) of the Issuer or, if they so default, by a decision of the competent court in accordance with the provisions of Article 2367 of the Italian civil code. Every such meeting shall be held at a place as provided pursuant to Article 2363 of the Italian civil code.

A meeting will be validly held if (subject to mandatory laws, legislation, rules and regulations of Italian law in force from time to time and, where applicable Italian law so requires, the Issuer's by-laws in force from time to time) there are one or more persons present being or representing Noteholders holding (i) more than one half of the aggregate nominal amount of the Notes for the time being outstanding in the case of the first meeting, and (ii) more than one third of the aggregate nominal amount of the Notes for the time being in the case of the second or further adjourned meeting. The majority required to pass a resolution at any meeting convened to vote on any resolution will be one or more persons holding or representing (i) more than one half of the aggregate nominal amount of the Notes for the time being outstanding represented at the first meeting and (ii) at least two thirds of the aggregate nominal amount of the Notes represented at the second or further adjourned meeting; provided, however, that certain proposals (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons) may only be sanctioned by a resolution passed at a meeting (including any adjourned meeting as provided under Article 2415, paragraph 1 item 2 and paragraph 3 of the Italian Civil Code) of Noteholders by one or more persons holding or representing not less than one half of the aggregate nominal amount of the Notes for the time being outstanding.

Officers and statutory auditors of the Issuer shall be entitled to attend the Noteholders' meetings but not participate or vote with reference to the Notes held by the Issuer.

To the extent permitted under applicable laws, the Issuer's by-laws may in each case provide for higher majorities and such higher majorities shall prevail.

Any resolution duly passed at any such meeting shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

A representative of the Noteholders (*rappresentante comune*) (the "**Noteholders' Representative**"), subject to applicable provisions of Italian law, may be appointed pursuant to Articles 2417 and 2418 of the Italian civil code in order to represent the Noteholders' interests under these Conditions and to give effect to resolutions passed at a meeting of the Noteholders.

The Noteholders' Representative may be a person who is not a Noteholder and may be (i) a company duly authorised to carry on investment services (*servizi di investimento*) or (ii) a trust company (*società fiduciaria*). The Noteholders' Representative is appointed by a resolution passed at a Noteholders' meeting. If a Noteholders' meeting fails to appoint the Noteholders' Representative, the appointment is made by a competent court upon the request of one or more Noteholders or the directors of the Issuer. The Noteholders' Representative shall remain in

office for a period not exceeding three financial years from appointment and may be reappointed; remuneration shall be determined by a meeting of Noteholders.

- (b) **Modification and waiver:** The Issuer may agree, without the consent of the Noteholders or Couponholders, to:
- (a) any modification of the Notes, the Coupons, the Deed of Covenant or the Agency Agreement which could not reasonably be expected to be prejudicial to the interests of the Noteholders, save in respect of any mandatory provisions of Italian law which may apply to any meeting of Noteholders; or
 - (b) any modification of the Notes, the Coupons, the Deed of Covenant or the Agency Agreement which, in the opinion of the Issuer, is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

14 Further issues

The Issuer may, from time to time, without the consent of the Noteholders or Couponholders, create and issue further securities, either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them), and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes), or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Notes.

15 Notices

Except as otherwise provided in the Conditions or the Prospectus, all notices to the Noteholders will be valid if duly published on the Issuer's Website and in a manner which complies with the rules and regulations of any stock exchange on which the Notes are, for the time being, listed. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are, for the time being, listed. Any such notice shall be deemed to have been given on the date of first publication (or if published more than once or on different dates, on the first date on which publication shall have been made). Couponholders will be deemed for all purposes to have notice of the contents of any notice given to Noteholders in accordance with this Condition

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Fiscal Agent or, if the Notes are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedures.

16 Governing law and submission to jurisdiction

- (a) **Governing law:** The Agency Agreement (including the provisions of Clause 21 (*Meetings of Noteholders*) of the Agency Agreement which relate to the convening of meetings of Noteholders and the appointment of a Noteholders' representative), the Deed of Covenant, the Notes (including Condition 13(a) (*Meetings of Noteholders*)) and the Coupons, and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with the laws of the Republic of Italy.

- (b) **Jurisdiction:** The court of Milan has exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a "**Dispute**") and the Issuer and any Noteholders and Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the court of Milan.

- **SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM**

The Notes will initially be in the form of a Temporary Global Note which will be deposited on or around the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg.

The Notes will be issued in new global note ("**NGN**") form. On 13 June 2006, the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ECB credit operations" of the central banking system for the Euro (the "**Eurosystem**"), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The Notes are intended to be held in a manner which would allow Eurosystem eligibility – that is, in a manner which would allow the Notes to be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

The Notes will be represented by the Global Notes except in certain limited circumstances described in the Permanent Global Note. The Global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Permanent Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by the Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

The Temporary Global Note will be exchangeable in whole or in part for interests in the Permanent Global Note not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership in compliance with the U.S. Internal Revenue Code of 1986, as amended ("**TEFRA D**"). No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

The Permanent Global Note will become exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**") in the denomination of Euro 1,000 each, at the request of the bearer of the Permanent Global Note against presentation and surrender of the Permanent Global Note to the Fiscal Agent if Euroclear or Clearstream, Luxembourg or any alternative clearing system through which the Notes are held is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business.

So long as the Notes are represented by a Global Note and the relevant clearing system(s) so permit, the Notes will be tradeable only in the minimum authorised denomination of Euro 1,000.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the occurrence of the relevant Exchange Event.

In addition, the Temporary Global Note and the Permanent Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Temporary Global Note and the Permanent Global Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Temporary Global Note and the Permanent Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Temporary Global Note or (as the case may be) the Permanent Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Temporary Global Note or (as the case may be) the Permanent Global Note, the Issuer shall procure that the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

Payments on Business Days: In the case of all payments made in respect of the Temporary Global Note and the Permanent Global Note Condition 8(d)) (*Payments on Business Days*) shall not apply, and all such payments shall be made on a day on which the TARGET System is open.

Redemption of the option of the Issuer: In order to exercise the option contained in Condition 7(b) (*Redemption for taxation reasons*) and 7(c) (*Redemption at the option of the Issuer*) the Issuer shall give notice to the Noteholders, the relevant clearing system and the Fiscal Agent (or procure that such notice is given on its behalf) within the time limits set out in and containing the information required by that condition and Condition 7(e) (*Notice of redemption*). In the case of Condition 7(c) (*Redemption at the option of the Issuer*) and a partial exercise of an option, the rights of accountholders with the relevant clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and Clearstream, Luxembourg and shall be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion. Following the exercise of any option, the Issuer shall procure that the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note shall be reduced accordingly.

Notices: Notwithstanding Condition 15 (*Notices*), while all the Notes are represented by the Permanent Global Note (or, as the case may be, by the Permanent Global Note and/or the Temporary Global Note) and the Permanent Global Note is (or, as the case may be, the Permanent Global Note and/or the Temporary Global Note are) held on behalf of Euroclear or Clearstream, Luxembourg or an alternative clearing system, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg or such alternative and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 15 (*Notices*) on the day after the day of delivery to Euroclear and Clearstream, Luxembourg except that, for so long as such Notes are listed on any stock exchange or admitted to listing or to trading by any other relevant authority and such stock exchange or relevant authority so requires, any such notices shall be duly published in a manner which complies with the rules and regulations of any such stock exchange or other relevant authority.

• **USE OF PROCEEDS**

The Issuer expects the gross proceeds of the Offering to be between Euro 100,000,000 and Euro 130,000,000 (net proceeds being between Euro 98,500,000 and Euro 128,000,000).

The estimated total expenses of the Offering will be between Euro 1,500,000 and Euro 2,000,000 (depending on the final size of the Offering), including the Placement Agent's commission and estimated expenses in respect of the Offering.

The Issuer intends to use the net proceeds from the Offering to support its external growth strategy to be implemented through one or more M&A activities and/or manage its sources of funding in order to provide the Company with higher financial flexibility. In particular, the proceeds will be used for:

- (iii) a quick implementation of that M&A activity in the context of the very fragmented Italian wine and food market, that should allow the Issuer to further increase the Group's size, strengthening its product offering among the fastest growth categories in the Company's core business. In particular, at least 30% of the net proceeds of the Offering will be used for acquisitions of companies which generate at least 50% of their turnover abroad (i.e. in Foreign Markets, different from Italy). Increasing the Group's size and market share is considered a key element to allow the Issuer to further improve its profitability and the cash flow generation, benefiting from additional economies of scale and a better product mix; and/or
- (iv) according to the proceeds actually available from time to time, refinancing of existing facilities, pursuing general corporate purposes (including the distribution of any dividends).

• DESCRIPTION OF THE ISSUER

Italian Wine Brands S.p.A. is a joint stock company ("*società per azioni*") incorporated and established in Italy and operating under Italian law IWB has its registered office at Viale Abruzzi No. 94, Milan, is registered with the Milan Companies Register under no. 08851780968 (telephone number +39 0230516516) and its ordinary shares are listed on the "AIM Italia/Mercato Alternativo del Capitale" ("**AIM Italia**") a multilateral trading system managed and organized by Borsa Italiana since 29 January 2015. The Issuer's subscribed and paid-up share capital is equal to Euro 879,853.70 divided into 7,402,077 ordinary shares without nominal value and there are no different share classes. The Issuer's legal entity identifier (LEI) is 815600251190FB2E7172.

In accordance with Article 4 of the Issuer's articles of association as of the date of this Prospectus (the "**Articles of Association**"), the Issuer's term is until 31 December 2070. Such term can be extended or terminated in advance by a resolution passed at a shareholders' meeting.

In accordance with Article 24 of the Articles of Association, the Issuer's financial year ends on 31 December of each year.

History

IWB was established on 27 November 2014 in Milan (Italy) as the result of an integration process of two companies, such as Giordano Vini S.p.A (the "**Giordano Vini**") and Provinco Italia S.p.A. (the "**Provinco Italia**" and, together with Giordano Vini, the "**Subsidiaries**").

On 31 October 2014, IPO Challenger S.p.A., Private Equity Partners S.g.r. S.p.A., Private Equity Partners S.p.A., Private Equity Partners S.g.r. S.p.A. on behalf of JPMorgan Italian Fund III, Private Equity Partners S.g.r. S.p.A. on behalf of Private Equity Partners Fund IV, Emisys Capital S.g.r. S.p.A. on behalf of Mid Capital Mezzanine, MEP S.r.l., Mr. Simon Pietro Felice, Fer. Gia. S.r.l., Provinco S.r.l., Mr. Loris Delvai, Mr. Gianpiero Avesani and Giordano Vini entered into a specific framework agreement containing, in addition to some shareholder provisions, the terms and conditions of the purchase by IWB the entire share capital of both Giordano Vini and Provinco Italia.

On 16 December 2014, the Company's Shareholders' Meeting, pursuant to the framework agreement, resolved to approve, among other things:

1. the admission to trading of the IWB's ordinary shares and warrants on AIM Italia;
2. a capital increase in kind reserved to OGV S.r.l. (a holding company of former shareholders of Giordano Vini) for a total maximum amount of Euro 13,700,000 (including share premium), by issuing 1,370,000 redeemable shares, to be paid by OGV S.r.l. by means of the contribution of all the shares constituting the entire capital of Giordano Vini, at a subscription price of Euro 10 each;
3. a capital increase in kind reserved to Provinco S.r.l., Mr. Loris Delvai and Mr. Gianpiero Avesani for a total maximum amount of Euro 8,000,030 (including share premium), through the issue of a maximum number of 800,003 ordinary shares, to be released by Provinco S.r.l., Mr. Loris Delvai and Mr. Gianpiero Avesani by means of the contribution of 53,143 shares of Provinco Italia (equal to 40% of the share capital of the same company), at a subscription price of Euro 10 each;
4. the authorization, pursuant to Article 2343-bis of the Italian Civil Code, of the purchase by IWB of a total of 79,714 shares in Provinco Italia (equal to the remaining 60% of its share capital) held by Provinco S.r.l., Mr. Loris Delvai and Mr. Gianpiero Avesani for a total price of Euro 11,999,970, without prejudice to any adjustment mechanisms;
5. a paid and cash capital increase for a total amount of Euro 3,000,000 (including share premium), by means of the issue of 300,000 new ordinary shares at a subscription price of Euro 10. each, subscribed as follows: (i) 3,000 ordinary shares subscribed by Private Equity Partners S.p.A.; (ii) 97,000 ordinary shares subscribed by Private Equity Partners S.g.r.

S.p.A. on behalf of Private Equity Partners Fund IV; (iii) no. 100,000 ordinary shares subscribed by Fer. Gia. S.r.l.; and (iv) 100,000 ordinary shares subscribed by Emisys Capital S.g.r. S.p.A. on behalf of Mid Capital Mezzanine;

6. a paid and cash capital increase, for a maximum total of Euro 41,950,000 (including share premium), through the issue of a maximum of 4,195,000 ordinary shares at a subscription price of Euro 10 (ten/00) each, with free warrants at a ratio of 3 warrants for every 2 ordinary shares, subscribed by IPO Challenger S.p.A.;
7. a paid capital increase, in separate issues, for a maximum nominal amount of Euro 181,377, to service the exercise of the warrants, through the issue of a maximum number of 1,813,770 conversion shares with no indication of nominal value, regular dividend rights, to be reserved for subscription exclusively to the holders of the warrants, in accordance with the provisions of the related regulations. As of the date of the Prospectus, there are no warrants in circulation;
8. the adoption of the Articles of Association.

On 19 January 2015: i) IPO Challenger S.p.A. subscribed the capital increase reserved to it (as referred to in n. 6 above) and ii) the Company acquired the ownership of the total of the share capital of both Giordano Vini and Provinco Italia, following the execution of:

- a) the capital increase in kind reserved to OGV S.r.l. (as referred to in n. 2 above);
- b) the capital increase in kind reserved to Provinco S.r.l. (as referred to in n. 3 above);
- c) the purchase of a 60% stake in the share capital of Provinco Italia by IWB (as referred to in n. 4 above).

On 22 January 2015, Borsa Italiana issued to IWB the notice to trading of the Company's ordinary shares and warrants on the AIM Italia. The first day to trading of IWB's shares and warrants was on 29 January 2015.

As stated above, IWB is a result of an integration process of Giordano Vini and Provinco Italia. Below is a brief summary of the evolution of the activities of Giordano Vini and Provinco Italia before the integration process of IWB.

Evolution of Giordano Vini's activity

The origins of Giordano Vini's activities date back to 1900, when Giordano family established the homonymous winery and started the production of a limited selection of wines in the winery of Valle Talloria.

In the 1930's there was the first relevant phase of growth, by means of the enlargement of the facilities and the acquisition of new lands for vineyards (which were subsequently extinguished).

Starting from 1950's, there was a phase of progressive affirmation and development thanks to the adoption of innovative marketing tools such as postal advertising and teleselling, which allowed Giordano Vini to greatly expand its customers base.

Between the 50's and the 80's, Giordano Vini developed its activities and became an innovator and a precursor in Italy of what is usually referred to as "distance selling" distribution channel, reaching with its products thousands of families directly at home.

Starting from the beginning of the '80s, in order to support the company development, Giordano Vini implemented its organization and its structure through, among other things, the renewal of the vinification and bottling plants with advanced technologies, the creation of new lines and new brands, the introduction of a production and commercial strategy oriented towards marketing with further development of direct mailing and teleselling channels. During these years, the company started an expansion of the commercial offer towards new wine and food products such as extra

virgin olive oil, coffee and specialty foods to complete the offer of wine. The assortment of this range of products has constantly increased in importance in all the following years.

In the '90s Giordano Vini started to expand its activities in foreign markets, starting firstly from the neighboring countries of northern Europe, and then moving towards United Kingdom. Thanks to the high receptivity in the worldwide markets of "Made in Italy" wines and products and also thanks to the importance that direct sales channels have always had in foreign countries, non-domestic markets have become very important for the company, getting to represent more than half of its revenues.

In 1999, in order to improve its own expansion, Giordano Vini bought the Torricella winery, located near Taranto, which is known for the production of DOC (Denominazione di Origine Controllata) and IGT (Indicazione Geografica Tipica) wines coming from Apulia and Salento and obtained from grapes that, thanks to the favorable climate conditions, have excellent qualitative potentialities.

In 2002, Giordano Vini realized the new logistic platform as well as a new sales channel through the implementation of e-commerce.

In 2007, Private Equity Partners S.g.r. S.p.A. acquired, through its managed funds, the majority share capital of Giordano Vini. The company began to consolidate business processes such as management control, certification of quality and safety systems and the organizational model ex D.Lgs. n. 231/2001.

In 2008, Giordano Vini Retail S.r.l. (a company wholly owned by Giordano Vini) was established in order to directly manage sales outlets of the Group and, in 2017, such company was merged into Giordano Vini.

In 2012, Giordano Vini was one of the first wine operator starting with the newborn e-commerce activity.

In the last 30 years Giordano Vini has grown significantly, consolidating its market position in Italy and increasing exports, thanks to new investments in production capacity (quantity and assortment) and the enlargement of the oenological and commercial staff.

Evolution of Provinco Italia's activity

Provinco Italia was established in 1996 for the commercialization of Italian wines.

In 2000, Provinco Deutschland GmbH (a company entirely owned by Provinco Italia) was established in order to support commercial activity of Provinco Italia within the German territory.

During the two-year period 2011-2012 (i) Provinco S.r.l. (a company wholly owned by Mr. Alessandro Mutinelli) was established and it acquired control of Provinco Italia with a majority shareholding equal to 84% of the share capital of Provinco Italia; and (ii) the registered office of Provinco Italia was transferred to Rovereto (TN).

During the last years, Provinco Italia has established itself as one of the most important operators in the export of Italian wines, becoming the reference player for the large retailer chains across all Europe.

The acquisitions after the integration with IWB

In 2018 the Group, through Giordano Vini, acquired 100% of the quotas of Promozione Distribuzione Vendita S.r.l. with its own brand "Svinando.com", one of the emerging and most innovative wine clubs in the Italian market, in order to enlarge its activities on the e-commerce growing segment.

In 2020, the Group, through Provinco Italia completed the acquisitions of 100% of the share capital of the Swiss company Raphael Dal Bo AG and its wholly-owned subsidiary Raphael Dal Bo S.r.l. of Valdobbiadene. Raphael Dal Bo AG, with registered office in Riedikon (Zurich) and subsidiary in Valdobbiadene (TV), boasts an important position in Switzerland in the organic sparkling and semi-sparkling wines sector with its own brands "Raphael Dal Bo," "La vita è bella" and "Raffaello".

The company has a wide range of products characterized by a very high brand recognition and a good and competitive positioning in market segments with the highest added value ("affordable premium"). The products are sold to an important international customer base, made up of both leading retail chains and major specialist store chains.

Business Description

Overview

The IWB Group is a relevant player in the production and distribution of branded domestic wines, which seeks consumer well-being by selling healthy, high-quality products at affordable prices, while promoting the best Italian traditions through its distribution channels and sales network.

The Group is able to provide its customers with a full range of Italian wines and also to realize high-end blends mixing the highest quality grapes coming from all around Italy. IWB neither manages nor owns vineyards, but purchases the raw materials necessary for the production of wines (grapes, must and bulk wine) on an recurring basis directly from a hundreds of third-party producers which are localized over a large part across all Italy (such as in Piedmont, Apulia, Veneto, Tuscany, Sicily, Sardinia, Marche, Lazio and Emilia Romagna) and Spain.

Purchases of grapes and musts are usually defined in proximity of single harvests, then wines are progressively retired during the whole year.

Wine control, testing, processing and storage are realized by an internal team of oenologists at the two wineries owned by Giordano Vini one of which is in Diano d'Alba and the other one is in Torricella di Manduria (Taranto) which have a capacity of about 280,000 hectolitres of wine¹. All of these plants are characterized by a high technological content and are managed by a proprietary computer system which supervises all the production phases as well as the allocation of wine in the tanks of the cellars and the aging phases.

Bottling activities are partly made externally and partly made internally by Giordano Vini, who owns two bottling lines at its Diano d'Alba winery, one of which for processing large batches of wine, and one for special processing, capable of flexibly handling small batches of wine and more formats, with a total capacity of 20,000 bottles per hour².

Sales and distribution channels

With centralised governance functions (finance & IT, marketing, production and quality, and purchasing), the IWB Group is unique because it has two different sales and distribution channels.

The first is the wholesale division (58.6% of net sales in 2020³) for the sale of products to operators in the GDO sector (Coop, Aldi, Tesco, Norma, Costco, Netto, Spar and other major players), state monopolies and traditional trade (the "**Wholesale Division**"). IWB can rely upon longstanding and close relationships with all of its customers and has been able to increase its share of wallet year after year on each of them.

The second distribution channel (41.1% of net sales in 2020⁴) is the distance selling for the sales of products directly at home of private consumers using three different commercial point of touch: i) web/e-commerce, ii) direct mailings and iii) teleselling. (the "**Distance Selling Division**"). All product storage, packaging, shipping and distribution activities are done in Cherasco (Cuneo) where the Group, through Giordano Vini, has entered into a multi-year lease agreement for a highly automated logistics hub with an area of approximately 100,000 square meters' total surface, of which 40,000 covered, dedicated to packaging and delivery to clients⁵. In particular, the logistic

¹ Source: Company Profile.

² Source: Company Profile.

³ Source: 2020 Consolidated Financial Statements.

⁴ Source: 2020 Consolidated Financial Statements.

⁵ Source: Company Profile.

hub, with a 17,000 pallets stock capacity⁶, includes: (i) a fully automated warehouse; (ii) an automatic packaging lines with a capacity of 2,000 packages per hour⁷; (iii) a finished product warehouse; and (iv) 8 laser guided vehicles for picking⁸.

The Group stands out for the size of the reference markets in which it operates, the number of brands it has in its portfolio and the variety of distribution channels. In terms of its target markets, IWB's business is predominantly and increasingly achieved with foreign customers (80.6%⁹) and only the remaining part with domestic customers (19.4%¹⁰).

The Group's marketing and branding activities

IWB Group has a totally new approach to the wine market, placing its customers at the centre of its activities. IWB through its internal marketing team, in strictly coordination with the winemakers, focuses to develop and manage brands and blends with the aim of catching market trends and gaining strong identity and recognizability in the market. IWB's management is firmly convinced that the brand management, the continuous innovation and the trade marketing are the key factors for success and long-term maintenance of margins, both in the Wholesale Division and in the Distance Selling Division.

Dedicated and centralized marketing team, with strong specialization on in the digital competitive arena allows the Group for a continuous monitoring of market trends. Moreover, account managers with strong relationships with the retailers propose test of new products, brands and blends. Each year many new products, such as new brands, blends or existing product extension, are developed and tested on the market.

The products of the Group are marketed under several proprietary and registered brands, many of which have national and international recognition, such as: "GIORDANO VINI®", "GRANDE ALBERONE®", "RONCO DI SASSI®", "Raphael Dal Bo", "OROPERLA®", "Old World Italian Wine" and "San Zenone".

The Group's Principal Geographic Markets

The Group sells products in more than 15 countries into Europe (Italy, UK, France, Germany, Ireland, Russia, Switzerland, Sweden, Belgium, Netherlands, Austria, Denmark, Poland and Hungary), North America (USA and Canada) and Asia Pacific (China).

During the year ended as of 31 December 2020 the Group's consolidated total revenues from sales reached Euro 204.3 million, a significant and consistent increase compared to Euro 157.5 million in the year ended as of 31 December 2019 (+29.7%).

The table below shows the breakdown of revenue from sales recorded in Italy and in other countries, different from Italy, where the Group operates ("**Foreign Markets**"):

	31.12.2020	31.12.2019	%19/20
Total revenues from sales.....	204.311	157.494	29.73%
Revenue from sales - Italy	39.539	33.333	18.62%
Revenue from sales – Foreign Markets	164.080	123.543	32.81%
Other revenues	692	617	12.20%

⁶ Source: Company Profile.

⁷ Source: Company Profile.

⁸ Source: Company Profile.

⁹ Source: 2020 Consolidated Financial Statements.

¹⁰ Source: 2020 Consolidated Financial Statements.

The trend in sales saw i) a further consolidation of the Group on the international markets with the sale of proprietary wine brands (“GRANDE ALBERONE®”, “RONCO DI SASSI®”, “GIORDANO VINI®”, “OROPERLA®”, “AIMONE®”), ii) the successful introduction on the international markets of the new proprietary wine brands (“POGGIO DEL CONCONE®”, “ELETTRA®”) iii) the entrance in the Group of Raphael Dal BO® (Raphael Dal Bo AG and its wholly-owned subsidiary Raphael Dal Bo S.r.l.) that accounted for total Euro 11.9 million.

As in recent years, also in 2020 the contribution to growth came in particular from Foreign Markets (+32.8% compared to 2019), where the Group records more than 80% of its business (80.3% in 2020 compared to 78.8% in 2019). After years of commercial repositioning, also the domestic market recorded an important growth (+18.6% year over year), growth mainly due to the web/e-commerce.

The table below shows the detailed breakdown of revenue from sales recorded in Italy and in Foreign Markets.

<i>(In thousands of Euro)</i>	31.12.2020	31.12.2019	%19/20
Revenues from sales - Italy	39.539	33.333	18.62%
Revenues from sales – Foreign Markets	164.080	123.544	32.81%
Switzerland	48.814	27.572	77.04%
Germany	41.961	35.298	18.88%
England	24.254	17.262	40.51%
Austria	18.493	14.589	26.76%
Belgium	6.641	4.039	64.40%
France	5.760	5.087	13.23%
Denmark	5.020	5.177	(3.02%)
Netherlands	1.709	960	78.02%
Sweden	1.586	1.324	19.78%
USA	1.561	3.018	(48.29%)
Hungary	1.544	1.312	17.68%
Ireland	1.516	1.008	50.49%
Poland	1.086	1.038	4.65%
China	882	1.264	(30.23%)
Canada	877	617	42.11%
Other countries	2.378	3.979	40.25%
Other revenues	692	617	12.20%
Total revenues from sales	204.311	157.494	29.73%

Revenues by distribution channels

The following table shows a breakdown of revenues by distribution channels (i.e. Wholesale Division and Distance Selling Division) for the years up until 31 December 2020 and 31 December 2019:

(In thousands of Euro)

	31.12.2020	31.12.2019	%19/20
Total Revenues from sales	204.311	157.494	29.73%
Revenues from Wholesale Division	119.629	87.654	36.48%
Revenues from Distance Selling Division	83.990	69.223	21.33%
Direct mailing	43.175	37.373	15.52%
Web/e-commerce	23.312	13.393	74.06%
Teleselling	17.502	18.457	(5.17%)
Other revenues	692	617	12.20%

The figures for the Wholesale Division shows in the table above testify the strength of the Group's competitive positioning both in terms of the product/brand portfolio and the customer portfolio.

In particular, 2020 growth is attributable to the organic development for Euro 20 million on existing and new customers and for the remaining Euro 11.9 million to the acquisition of a Swiss company Raphael Dal Bo AG (and its wholly-owned subsidiary Raphael Dal Bo S.r.l.) one of the main producers of organic sparkling wines with sourcing of the product in Italy and retail customers in Switzerland and Belgium.

The table below shows the detailed breakdown of revenue from sales in the Wholesale Division recorded in Italy and in Foreign Markets:

(In thousands of Euro)

	31.12.2020	31.12.2019	% 19/20
Revenues from Wholesale Division- Italy	5.524	3.645	51.56%
Revenues from Wholesale Division – Foreign Markets	114.106	84.009	35.83%
Switzerland	45.117	24.279	85.82%
Austria	15.856	12.346	28.44%
Germany	14.833	11.123	33.35%
England	14.703	13.206	11.34%
Belgium	5.997	3.674	63.25%
Denmark	5.020	5.177	(3.02%)
Sweden	1.586	1.324	19.78%
USA	1.561	3.018	(48.29%)

Hungary	1.544	1.312	17.68%
Ireland	1.516	1.008	50.49%
Netherlands	1.093	542	101.57%
Poland	1.086	1.038	4.65%
China	882	1.264	(30.23%)
Canada	877	617	42.11%
France	164	103	60.39%
Other countries	2.269	3.979	(42.99%)
Total revenue Wholesale Division	119.629	87.654	36.48%

The figures shown in the table above are very positive and testify the strength of the Group's competitive positioning both in terms of the product/brand and the customer portfolio. The reference territory in which it operates and its positioning has allowed IWB to outperform the reference market for Italian wine in terms of growth rates (approximately equal to about 2-3% of the annual increase in values¹¹). These results have been achieved mainly through:

- i. a renewal, expansion and enhancement of the own brand product portfolio, which today accounts for over 90% of the channel's sales and which makes the IWB Group's commercial offering attractive, recognized on the market and synonymous with quality;
- ii. an increase in the market share of sales from existing accounts thanks to excellent stock rotation parameters of its customers;
- iii. the acquisition of new accounts, essentially in each country in which the Group operates.

As regards the individual markets, we should point out the performances achieved in Switzerland (+85.8% year over year), which is the Group's number-one country in terms of revenues. This growth is linked to:

- i. the growing commercial success of the brands in the portfolio, in particular "GRANDE ALBERONE®" and "RONCO DI SASSI®";
- ii. the introduction of new branded products such as "POGGIO DEL CONCONE®", "DURANTE®" and "ELETTRA®";
- iii. the acquisition of new customers;
- iv. the acquisition of Rafael Dal BO AG (and its wholly-owned subsidiary Raphael Dal Bo S.r.l.).

Austria has returned to represent the Group's second market thanks, also in this case, thanks to the listing of branded products on existing customers.

Over the last two years the IWB Group has significantly strengthened its presence in the German market, where historically the Group was only marginally operating due to the very strong competitive prices imposed by discount retail chains. Following this strengthening action, characterized by the inclusion of the Group's branded products in the retailers' assortments, sales volumes in Germany have increased by more than 50% over the last two years¹².

¹¹ Source: 2020 Consolidated Financial Statements.

¹² Source: 2020 Consolidated Financial Statements.

England, in 2020, the fourth market in terms of size, marked a consolidation of the business of branded still wines ("AIMONE®" and "GRANDE ALBERONE®"), which have guaranteed retailers excellent turnover and profitability.

Belgium represented an important outlet market in 2020 for IWB. Sales grew by 63.3% during the year thanks to new listings and the success of the brands already marketed¹³.

In Scandinavia, the Group continued its growth trend in Sweden, while in Denmark sales felt slightly due to the decrease in duty free activities commonly carried out on the ferries connecting this country, Norway and Sweden due to the COVID-19 pandemic.

The United States and Asia sales were generally affected by the negative global distribution situation. In these areas imports of food products from Foreign Markets have drastically decreased.

In the other smaller countries (Hungary, Ireland, Poland and the Netherlands) the growth was sustained. The development of these markets was mainly due to distribution agreements that have been signed with important international retail chains.

Since the beginning of 2018, the Group has been operating in Italy through its Wholesale Division, supplying both Italian organized distribution chains and an important German large-retail chain, already a primary customer of the Group in this business area. In addition, new distribution agreements have been concluded with four other chains of significant size. The positive results in terms of growth recorded during 2020 are proving that this important strategic choice made by the Group is right, while maintaining the utmost attention to Foreign Markets, where the possibilities of growth and margins are greater.

The tables show the detailed breakdown of revenue from sales in the Distance Selling Division recorded in Italy and in Foreign Markets:

<i>(In thousands of Euro)</i>			
	31.12.2020	31.12.2019	% 19/20
Revenue from Distance Selling Division - Italy	34.016	29.688	14.58%
Revenue from Distance Selling Division – Foreign Markets	49.974	39.535	26.40%
Germany	27.128	24.176	12.21%
England	9.550	4.056	135.47%
France	5.594	4.984	12.25%
Switzerland	3.697	3.293	12.26%
Austria	2.637	2.243	17.53%
Belgium	644	366	75.98%
Netherlands	615	417	47.41%
Other countries	109	0	N/A
Total Revenues Distance Selling Division	83.990	69.223	21.33%

The Distance Selling Division, after 4 years of commercial repositioning, recorded in 2020 a strong growth due mainly to the web/e-commerce commercial channel. This performance is the result of

¹³ Source: 2020 Consolidated Financial Statements.

a strategy embraced by the Group in 2017 to gradually shift orders from the traditional Teleselling commercial channel to the web/e-commerce platforms. To achieve its goal, the Group has:

- i. strongly invested in digital transformation;
- ii. developed digital communication;
- iii. constantly improved the quality of its products;
- iv. optimised logistic operations;
- v. acquired and developed multibrand platforms in Italy and in Foreign Markets (www.svinando.com).

The above mentioned actions made it possible to fully grasp the generalized development of online sales during the current year as well as to progressively and significantly improve the redemption and conversion parameters of the entire customer database which are in line with those of the main online operators in the wine sector.

The following table shows revenues from sales of the Distance Selling Division, broken down by commercial channel:

<i>(In thousands of Euro)</i>			
	31.12.2020	31.12.2019	% 19/20
Revenues from Distance Selling Division - Italy	34.016	29.688	14.58%
Direct Mailing	16.107	14.067	14.51%
Teleselling	9.816	11.294	(13.09)%
Web/e-commerce	8.092	4.327	87.01%
Direct Mailing % on total Italy	47.4%	47.4%	
Teleselling % on total Italy	28.9%	38.0%	
Web/e-commerce% on total Italy	23.8%	14.6%	
Revenues from Distance Selling Division – Foreign Markets	49.974	39.535	26.40%
Direct Mailing	27.068	23.306	16.14%
Teleselling	7.686	7.163	7.30%
Web/e-commerce	15.220	9.066	67.88%
Direct Mailing % on total Foreign Markets	54.2%	59.0%	
Teleselling % on total Foreign Markets	15.4%	18.1%	
Web/e-commerce% on total Foreign Markets	30.5%	22.9%	

Total revenue Distance Selling Division	83.990	69.223	21.33%
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Thanks to the substantial investments made in recent years, the web/e-commerce channel has reached a weight on total Distance Selling Division revenues of around 27.7%. The channel's growth rate in Italy (+87.01%) was much higher than that achieved in Italy by companies operating in the food grocery sector during the lockdown period due to the COVID-19 (+ 70%¹⁴). The Group confirms its position as a relevant Italian digital player on the European wine market, with notable growth in both structural terms and remuneration.

The Group's products

The Group is focused into the activities related to the production of wines and to the activities connected with the distribution of wine in Italian and international markets through the both Distance Selling Division (directly to final customers) and Wholesale Division (to large-scale distribution chains) through the Subsidiaries Giordano Vini (which has its headquarters in Diano d'Alba (Cuneo)) and Provinco Italia (which has its headquarters in Rovereto (TN)).

The range of wines offered by the Group consists mainly in red wines as well as white wines, rose wines and sparkling wines and it is characterized by the preponderance of high quality Italian wines with high recognition of brands both with indication of origin (DOC, DOCG and IGT) and without indication of origin (blends of the best Italian quality wines, such as Tuscan, Apulia and other traditional grapes variety).

The offer of products is completed, for the Distance Selling Division, also by the distribution of enogastronomic products, with a catalogue of non-wine products, such as (i) extra virgin olive oils, which are different for fragrance and taste, (ii) craft beers, (iii) coffee capsule system and (iv) typical products of the regional food tradition (dry pasta, ready sauces, preserves, sweets, coffee and grappa). The production of these products is, instead, completely outsourced.

The Group's production process has been awarded the ISO 9001:2008 quality certification (CSQ) and the OHSAS 45001:2018 occupational health and safety certification.

Competitive Strengths

The management believes that the Group's competitive strengths are focused on the following points.

1. Among the largest, structured and well managed wine Groups in Italy

In 2019, IWB Group was overall the eleventh wine group in Italy in terms of revenues from sales and the fifth excluding cooperatives¹⁵. With 2020 revenues from sales IWB Group should overall jump as one of the first six groups in Italy in terms of dimension, including cooperatives.

Dimension and structure in the wine sector are essential for a number of reasons both for customers and for suppliers.

From the customers perspective, large international retailers are concentrating their purchases towards large counterparts able to provide them with i) a one-stop-shop solutions ii) high quality standards in terms of certifications iii) reliability in terms of product quality iv) competitive prices thanks to industrial economies of scale. Moreover, "digital customers" are looking for innovative and quality products at convenient prices. IWB Group perfectly fits with all of the above mentioned features.

From the suppliers of bulk wine, grape or must perspective, IWB Group is considered as one of the best customers in terms of reliability, stability of quantities purchased each year and terms of

¹⁴ Source: WineMonitor – Nomisma, <https://www.nomisma.it/e-commerce-vino-dati-da-nomisma-wine-monitor/>.

¹⁵ Source: Mediobanca "Studio sul settore del Vino 2019".

payment. IWB, in turn, may so rely to a very high number of trusted suppliers and choose the best qualities of raw materials available from time to time.

2. *High quality and well diversified wines portfolio of 30 proprietary brands and labels, well positioned and renowned in the European market.*

IWB commercial proposal is wide and deep, able to satisfy every kind of customer, both retailers and private consumers. Current product portfolio is made of more than 30 proprietary brands corresponding to more than 300 labels well known by customers and with a good positioning on the international markets.

IWB marketing and sales teams manage, in cooperation with the wine makers team, a constant monitoring of product portfolio experiencing a continuous product innovation and creation of new brands and blends with the aims to catch opportunities and new trends so increasing market penetration and assuring profits and margins long-term sustainability.

Large part of IWB products is positioned in the popular premium wines (from Euro 3.00 per bottle to Euro 14.00 per bottle). The popular premium segment allows for high volumes of addressable market and, at the same time, IWB business model and dimension allow the Group to be present on the market with products characterized by an extraordinary quality / price ratio. To a lesser extent, IWB realizes also premium wines (from Euro 14.00 per bottle to Euro 50.00 per bottle).

IWB commercial offer, addressed towards its two main distribution channels, assures a good competitive positioning for the Group in the market in case of steady consumptions growth rates and also in case of COVID-19 pandemic situation were to persist.

3. *Solid, growing and high spending international customer base*

The Group has a strong export tendency with more than 80% of turnover generated in Foreign Markets towards solid, growing and high spending customer base.

The largest part of the IWB Group sales from revenues are generated with branded products towards solid and growing GDO operators (which are part of the Wholesale Division) that are looking for structured wine producers able to cover all of their needs globally and also able to propose innovation in terms of product offering.

The remaining sales from revenues of IWB Group come from the Distance Selling Division with a existing final customer ready to exploit the growth on the web/e-commerce, also thanks to the Group's effort to comply with the GDPR in relation, *inter alia*, to the processing of final customers' data. IWB Group has an attractive competitive price positioning in such segment compared to other e-commerce distributors thanks to its internal production and economies of scale in its operations.

4. *Asset light, scalable business model with low capital intensity.*

IWB does not own, neither invests in, lands and is not involved in any agricultural activities. This decision has been taken first of all in order to get maximum flexibility to the business in terms of product offering being IWB capable of sourcing, time by time, the best raw materials available on the market and then also to minimize risks relating bad local harvests and poor production or quality of a specific plot of land.

IWB strategically decided to externalize to third parties a portion of the bottling activities, maintaining a strict control over raw material flows and processes of its suppliers. In this way, there are few constraints to business growth and the management team can focus operations and investments on marketing, branding and product quality, considered as the most valuable portion of the value chain.

5. *Outstanding historical financial results since the listing in terms of growth of revenues margins and cash flow generation.*

Since the listing at the beginning of 2015, IWB Group delivered a series of growing financial results year over year both in terms of growth of revenues and in terms of margins as well as a steady and growing cash flow at the same time.

In particular, revenues from sales jumped from Euro 144.8 million in 2015 to Euro 204.3 million in 2020, Consolidated Adjusted EBITDA jumped from Euro 12.1 million to Euro 25.6 million, Net profit from Euro 3.6 million to Euro 14.2 million, while the Net Financial Position reduced from Euro 20.1 million as at 31 December 2015 to Euro (1.4) million as at 31 December 2020 (without considering IFRS 16 effects and deferred price for the acquisition of Raphael Dal Bo AG and its wholly-owned subsidiary Raphael Dal Bo S.r.l.).

Such results testify the ability of the management team to perfectly integrate the Subsidiaries (Provinco Italia and Giordano Vini) and to create a leading wine Group with a strong revenues stream and a solid asset-light business model both in terms of capital expenditure needs and Net Working Capital investments.

6. *Successful M&A track record with further consolidation possibilities*

All the achievements reached in the latest three years have been boosted by the acquisition of two targeted companies, Raphael Dal Bo AG (and its wholly-owned subsidiary Raphael Dal Bo S.r.l.) and Promozione Distribuzione Vendita S.r.l. (the company who runs the activities of e-commerce "www.svinando.com"). Both the acquisitions aforementioned have been perfectly integrated inside IWB Group operations and are positively contributing to its overall financial results. Italian wine sector is actually very fragmented, with the biggest player (i.e. GIV - Gruppo Italiano Vini S.p.A.) accounting in 2019 just for nearly 3.4% of total Italian wine market¹⁶. Consolidation of the Italian sector is on the way, with also financial players such as private equity funds active on the market.

IWB Group can play a leading role in this scenario and already is targeting potential companies in order to enlarge customer base, enrich product portfolio and expand into new geographies.

Significant investments

The following table provides a breakdown by business unit of the Group's investments in property, plant and equipment, intangible assets and acquisition of targeted companies at 31 December 2020 and 31 December 2019:

<i>(In Euro thousand and percentage)</i>		
	31.12.2020	31.12.2019
Machinery and equipment	1.736	1.049
IT systems (e-commerce, CRM and ERP)	730	602
Customer database enlargement	2.334	1.157
Acquisition of Raphael Dal Bo AG	11.642	-
Total investments	16.443	2.808

Issuer's purpose

Under Article 3 of the Articles of Association, the Issuer's purpose consists in

- the exercise, within the limits and in the manners provided for by law, of the activity of assumption and management of equity holdings in other companies and enterprises, including relating to the sector of production and marketing of products in the winegrowing and producing sector, as well as the granting of loans in any form to companies and enterprises that are part of the same group, and in any event not towards the general public,

¹⁶ Source: Istat, OIV, Mediobanca – "Indagine sul settore vinicolo 2019".

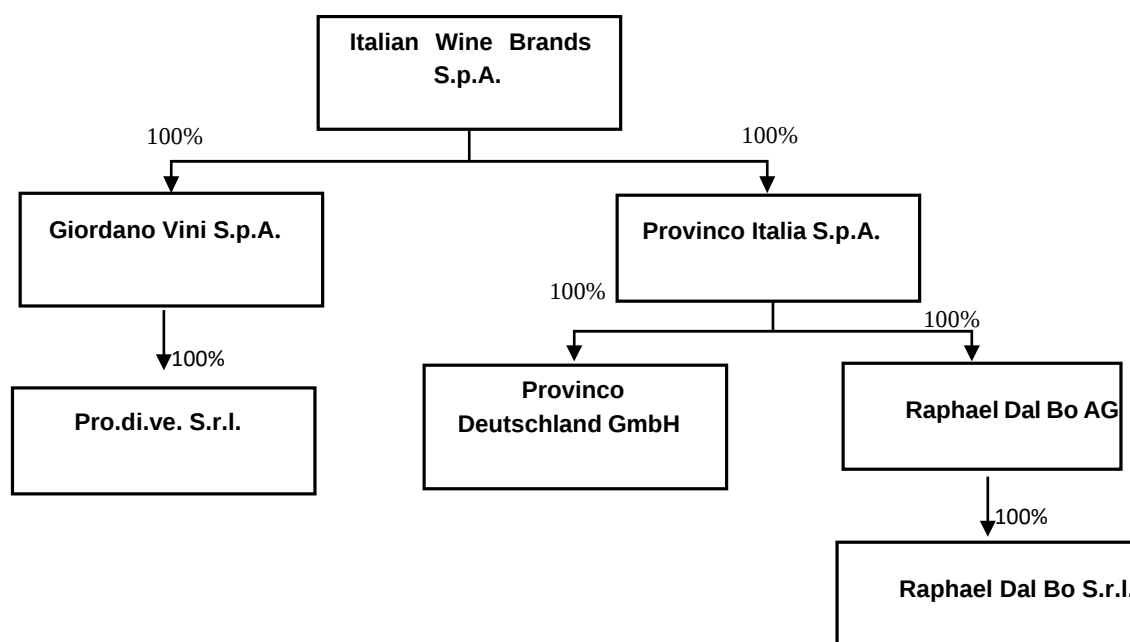
in addition to other financial activities that can be exercised under law and ancillary and related activities;

- the activity of production and marketing of food products and products in the wine-growing and producing sector, and foodservice in all forms.

Organisational structure

The Issuer controls, in accordance with Article 2359, paragraph 1 no. 1 of the Italian Civil Code and Article 93 of the Consolidated Financial Act, Giordano Vini and Provinco Italia. As of the date of this Prospectus, IWB holds the entire share capital of both Subsidiaries.

The following diagram illustrates the Group's organisational structure, highlighting the companies that are a part thereof as of the date of this Prospectus.



Liability under Article 2497 *et seq.* of the Italian Civil Code

IWB directs and coordinates the companies that are part of the Group in accordance with Article 2497 *et seq.* of the Italian Civil Code.

Pursuant to Article 2497 the Italian Civil Code, the Issuer can be held liable *vis à vis* the shareholders and creditors of the companies directed and coordinated by it, if its direction and coordination activity is carried out in its or others' interest in violation of the principles of fair corporate and business management of the directed companies – and as a consequence either: (i) with regard to the shareholders of the directed companies, adversely affects the profitability and the value of the controlled company; or (ii) adversely affects, with regard to the directed company's creditors, the company's assets. This liability does not arise when: (i) no loss has been suffered in light of the overall result of the parent company's management and coordination of the subsidiary; or (ii) it has been fully remedied as a result of transactions conducted for such purpose.

IWB, which directs and coordinates the companies that are part of the Group, has a subsidiary liability. It can, therefore, be sued only if the shareholder and the subsidiary's creditor have not been satisfied by the assets of the company directed and coordinated by the parent company. Anyone who has, in any event, taken part in the relevant event which has caused damage can be held jointly and severally liable, as can, within the limits of the advantage obtained, those who have knowingly benefited therefrom.

Legislative Framework

General

The Group operates in a highly regulated legislative and regulatory context.

The following overview is not an exhaustive account of all applicable laws and regulations. Prospective investors and/or their advisers should make their own analysis of the legislation and regulations applicable to the Group and of the impact they may have on the Group and any investment in the Notes and should not rely on this overview only. For more information please see *"Risk Factors" – "Risks related to changes in laws and regulations, including with respect to the composition, labelling and safety of wine and foods"*.

Wine manufacturing and marketing authorizations

The authorizations for the manufacturing and marketing of wine are essentially governed by the Law No. 238 of 12 December 2016. Such Law establishes national standards for production, marketing, designations of origin, geographical indications, traditional terms, labelling and presentation, management and the control system and penalties for wine makers referred to in Regulations (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013, and No 1306/2013 of the European Parliament and of the Council of 17 December 2013 as well as to delegated Regulation (EU) 2016/1149 of the Commission of 15 April 2016 and to Commission Implementing Regulation (EU) 2016/1150 of 15 April 2016.

Food manufacturing and marketing authorizations

The authorizations for the manufacturing and marketing of food are essentially governed by the following regulations: EU Regulation No. 852/2004 of April 29, 2004 on Hygiene of Foodstuffs, and Legislative Decree No. 193 of November 6, 2007.

In accordance with Article 6 of EU Regulation No. 852/2004, each operator, before beginning the manufacturing and marketing of foodstuffs, must notify the prevention department of the responsible Local Health Authority (*Azienda Sanitaria Locale*, hereinafter "**ASL**") (also through the Municipality) regarding each enterprise under its control. Such notification is for the purpose of registering the enterprise and needs to be updated in the event of any subsequent changes in the performance of the activity. When making such notifications, the operator must represent its compliance with European standards on food hygiene and safety.

Food sector operators must also ensure that the ASL is always updated on information regarding establishments, including any significant changes in activity or any closure of existing establishments. According to Article 6 of Legislative Decree No. 193, of November 6, 2007, unless a crime, anyone active in any of the stages of manufacturing, processing and distribution of food, who is required to notify the competent authority pursuant to EU Regulation No. 852/2004 but does not so notify when the registration is suspended or withdrawn, shall be subject to an administrative fine from Euro 1,500 to Euro 9,000, or Euro 500 to Euro 3,000, if the establishment is registered but the competent authority has not been updated as required.

Food traceability

"Traceability" is an important aspect of food safety, and is defined by EU Regulation No. 178/2002 of January 28, 2002, as "the ability to trace and follow a food, feed, food-producing animal or substance intended to be, or expected to be incorporated into a food or feed, through all stages of production, processing and distribution". Article 18 of EU Regulation No. 178/2002 provides that traceability needs to be possible for food, feed, food-producing animals and any other substance intended or likely to become part of a food or feed, at all stages of manufacturing, processing and distribution. The food and feed sector operators should therefore be able to identify who supplied them with a foodstuff, feed, food-producing animal or any substance intended or likely to become part of a foodstuff or feed. To that end, food sector operators (i) must have systems and procedures in place to make information available to the competent authorities on request; and (ii) they must have systems and procedures in place to identify the enterprises to which they have supplied their products. Foodstuffs or feed which are, or are likely to be, placed

on the European Union market must also be adequately labelled or identified to facilitate traceability, by means of pertinent documentation or information in accordance with the relevant requirements of more specific provisions. Article 2 of Legislative Decree No. 190/2006 (violation of obligations under Article 18 of EU Regulation No. 178/2002 on traceability) provides that, unless a crime, food and feed sector operators who do not comply with the obligations set forth in Article 18 of EU Regulation No. 178/2002 are subject to the payment of an administrative financial fine from EUR 750 to EUR 4,500.

Labelling of foodstuffs

The principles, requirements and responsibilities governing the labelling of foodstuffs are defined in EU Regulation No. 1169/2011 of 25 October 2011 (on the provision of food information to consumers). The main rules are as follows:

- a) in order to improve the readability of the information provided in the labels, a minimum font size for mandatory indications is established at 1.2 mm (except packages < 80 cm, in which the minimum size is 0.9 mm);
- b) the nutritional label is mandatory from 13 December 2016 regarding the statement of the caloric content (energy), fats, saturates, carbohydrates with specific reference to sugars and salt expressed as amounts per 100g or per 100ml or per portion
- c) ingredients or adjuvants causing allergies should be included in the list of ingredients with a clear reference to the name of the substance defined as "allergen". Furthermore, the allergen should be highlighted by means of a font that is clearly distinguished from others, by size, style or background color; and
- d) the subject responsible for the presence and accuracy of food information is to be identified, *i.e.* the operator under whose name or business name the product is marketed, or, if that operator is not established in the European Union, the importer into the EU market.

Obligations of food sector operators to consumers

The main obligations of food sector operators towards consumers can be found in EU Regulation No. 178/2002 of 28 January 2002.

According to Article 20 of EU Regulation No. 178/2002, if a food sector operator determines or has reason to believe that a foodstuff which it has imported, produced, processed, manufactured or distributed is not in conformity with the food safety requirements, and the foodstuff is no longer under the immediate control of that initial food sector operator, it shall immediately initiate procedures to withdraw it and inform the competent authorities. If the product reaches the consumer, the operator will inform consumers effectively and accurately of the reason for withdrawal, and if necessary, recall the products already supplied to consumers, when other measures are insufficient to achieve a high level of health protection.

More specifically, food sector operators (i) must immediately inform the competent authorities when they consider or have reason to consider that a food product they have placed on the market may be harmful to human health. They will inform the competent authorities of the action taken to prevent risks to the final consumer and will not prevent or discourage the cooperation of anyone with the competent authorities, according to national legislation and legal practice, in the event where such cooperation may prevent, reduce or eliminate a risk arising from a food product; and (ii) they must further collaborate with the competent authorities on actions taken to avoid or reduce risks posed by a food product which they supply or have supplied.

Article 4 of Legislative Decree No. 190/2006 (violation of the obligations in respect of consumers and users referred to in Articles 19 and 20 of EU Regulation No. 178/2002) provides that, unless a crime, food and feed sector operators, which having imported, produced, processed or distributed a product that does not conform to safety requirements that has then reached the consumer or the user, do not inform the latter regarding the reasons for the activation of the

procedure for the withdrawal from the market, are subject to the payment of an administrative financial fine from EUR 2,000 to EUR 12,000.

HACCP

The HACCP (*Hazard Analysis and Critical Control Points*) system is mainly governed by EU Regulation No. 852/2004 and — as regards the sanctioning aspects — by Legislative Decree No. 193/2007. According to Article 5 of EU Regulation No. 852/2004, food sector operators will establish, implement and maintain one or more permanent procedures based on the principles of the HACCP system.

The HACCP principles are the following: (a) identify any hazards that must be prevented, eliminated or reduced to acceptable levels; (b) identify the critical control points at the step or steps at which control is essential to prevent or eliminate a hazard or to reduce it to acceptable levels; (c) determine, in the critical control points, critical limits which separate acceptability from unacceptability for the prevention, elimination or reduction of identified hazards; (d) establish and implement effective monitoring procedures at critical control points; (e) establish the corrective actions to be undertaken in the event monitoring indicates that a particular critical control point is not under control; (f) establish procedures, to be applied regularly, to verify the effective functioning of the measures referred to in points (a) to (e); and (g) provide documents and records commensurate to the nature and size of the food enterprise to demonstrate the effective application of the measures referred to in points (a) to (f). Where any change occurs in the product, process or at any other stage, food sector operators will review the procedure and make any necessary changes thereto.

Food sector operators must:

- a) demonstrate to the competent authority that they comply with the procedures based on the HACCP principles, in the manner required by the competent authority, taking into account the type and size of the food enterprise;
- b) ensure that all documents describing the procedures developed under this article are constantly updated; and
- c) maintain all other documents and records for an appropriate period.

According to Article 6 of Legislative Decree No. 193/2007, the food sector operator operating under EU Regulations No. 852/2004 and No. 853/2004, at a level other than that of primary manufacturing, which fails to establish self-control procedures based on the principles of the HACCP system is subject to an administrative financial fine from EUR 1,000 to EUR 6,000.

Food hygiene

EU Regulation No. 852/2004 (supplemented by EU Regulation No. 853/2004) also sets forth a number of provisions on food hygiene. In particular, to the fullest extent possible, food sector operators must ensure that primary products are protected from contamination.

To this end, essentially the following obligations are established:

- a) food sector operators must maintain and retain records relating to measures adopted to control hazards in an appropriate manner and for an appropriate period of time and commensurate to the nature and size of the food enterprise and must make available to the competent authorities and food sector operators receiving the products, the relevant information contained in such records, at their request;
- b) food facilities must be kept clean, maintained and kept in good condition;
- c) the compartments of conveyances and/or containers used for transporting foodstuffs must be kept clean and maintained in good repair in order to protect foodstuffs from

contamination and are, where necessary, designed and constructed in such a way as to allow adequate cleaning and disinfection;

- d) food waste, inedible by-products and other waste must be removed from the premises where the food is located as soon as possible, in order to prevent its accumulation;
- e) a food enterprise must not accept raw materials or ingredients, other than live animals, or any other material used in processing products, if they are contaminated, or might reasonably be expected to be contaminated, with parasites, pathogenic or toxic micro-organisms, decomposed or foreign substances to such an extent that, even after the food enterprise has hygienically performed normal sorting and/or the preliminary procedure or treatment, the final product would be unfit for human consumption;
- f) raw materials and all ingredients stored at a food enterprise shall be stored appropriately in such a way as to avoid harmful deterioration and contamination.

In that regard, Article 6 of Legislative Decree No. 193/2007 provides for the following penalties:

- a) unless a crime, the food sector operator operating at the level of primary manufacturing and related operations which does not comply with the general hygiene requirements set out in Part A of Annex I to EU Regulation No. 852/2004 and the other specific requirements established in EU Regulation No. 853/2004 will be subject to an administrative financial fine from EUR 250 to EUR 1,500; and
- b) unless a crime, the food sector operator operating under EU Regulations No. 852/2004 and No. 853/2004, at a level other than that of primary manufacturing which does not comply with the general hygiene requirements set out in Annex II to EU Regulation No. 852/2004 and the other specific requirements established in EU Regulation No. 853/2004 will be subject to an administrative financial fine from EUR 500 to EUR 3,000.

Biological production and labeling of biological products

Regulation (EC) No. 834/2007 of 28 June 2007 - which repealed the previous Regulation (EEC) no. 2092/91 - governs biological production and labeling of biological products. In particular, this regulation provides the basis for the sustainable development of organic production and, at the same time, ensures the effective functioning of the internal market, guarantees fair competition, ensures consumer confidence and protects their interests.

Administrative, management and supervisory bodies

Board of Directors

In accordance with the Articles of Association, the Issuer is managed by a Board of Directors composed of seven, or nine, or eleven board members, including non-shareholders, who hold office for the period established in the deed of appointment, but no more than three financial years (the "**Board of Directors**"). They resign and are re-elected or replaced according to the law and the Articles of Association and their office expires on the date of the meeting called to approve the financial statements for the last year of their office and can be re-elected.

In accordance with Article 16 of the Articles of Association, the Board of Directors is entitled to the widest powers for running the Issuer, with the sole exclusion of what the law expressly reserves to the shareholders' meeting.

The Board of Directors is also assigned, in compliance with the provisions of Article 2365, paragraph 2, of the Italian Civil Code, the resolutions concerning: (i) any merger and split-ups in the cases provided for under Article 2505 and 2505-*bis* also referred to, for the purpose of demerger, under Article 2506-*ter* of the Italian Civil Code; (ii) the establishment or closure of secondary offices; (iii) the indication of which the directors can represent the company; (iv) the reduction in the share capital in the event of withdrawal of a shareholder; (v) adjustments of the

Articles of Association to regulatory provisions; and (v) the transfer of the registered office within Italy.

The shareholders' meeting held on 22 April 2021 appointed the Board of Directors of the Issuer. The Board of Directors of the Issuer as of the date of this Prospectus consists of 7 directors who will remain in office until the approval of the financial statements of the year ending on 31 December 2023.

The following table sets forth the members of the Board of Directors as of the date of the Prospectus:

Name	Position	Place and date of birth
Alessandro Mutinelli	Chairman and Managing Director	Rovereto (TN), 31 August 1966
Simone Strocchi	Deputy Chairman	Milano (MI), 10 June 1968
Pier Paolo Quaranta	Director	Cividale Del Friuli (UD), 27 June 1975
Angela Oggionni	Director (*)	Cassano D'Adda (MI), 8 June 1982
Massimiliano Mutinelli	Director (*)	Rovereto (TN), 12 August 1968
Antonella Lillo	Director (*)(**)	Treviso (TV), 19 August 1961
Luca Magliano	Director (*)	Mondovì (CN), 2 September 1988

(*) Non-executive Director.

(**) Independent Director pursuant to Article 147-ter, paragraph 4 of the Consolidated Financial Act.

The business address of each member of the Board of Directors is the Company's registered office.

Set forth below are brief biographies of each member of the Board of Directors.

Alessandro Mutinelli

Mr. Mutinelli obtained a degree in economics and business at the University of Trento in 1991. From 1992 to 1993 he worked as an auditor for Deloitte. In 2002 Mutinelli purchased a minority stake in the share capital of Provinco Italia and then in 2008 became the majority shareholder. Subsequently, the company Provinco S.r.l. was founded (company held entirely by Alessandro Mutinelli), which acquired control of Provinco Italia with a stake of 84% of Provinco Italia's share capital and Mr. Mutinelli is the director of such company since 1996. In 2015 Mr. Mutinelli took part in the integration process of IWB and he is currently the Chairman and Managing Director of the Company.

Simone Strocchi

Mr. Strocchi obtained a degree in economics and business at the University of Pavia in 1996, he was an officer in the Italian Navy and after experiences in various sectors with increasing levels of responsibility during his early career, he became the co-director of the Department of Financial Engineering of the Structured Finance and Advisory Division of BCI (Banca Intesa). In 2002 he founded the Electa group, an independent advisory & merchant bankers firm, of which is managing partner, specialized in deal structuring and M&A Advisory, assisting on over 100 purchase/sale transactions focused on SMEs in a period of 10 years, on behalf of leading European private equity funds. Since 2012 he has been a pioneer in the creation of SPACs and "pre-booked companies" in Italy, focused on outstanding SMEs, of which he is a sponsor and promoting investor. Strocchi

was the founder and former chairman of Genus, a company that in 2011 created the first SPAC under Italian jurisdiction, “Made in Italy1”, of which he was the managing director until the success of the business combination with SeSa (in January 2013), one of the leading companies active in IT, currently listed on the MTA/STAR segment. In 2014 he founded IPO Challenger, an innovative pre-booking company which shaped and prepared the listing of IWB in 2015; in 2017 he founded IPO Challenger 1, of which he was chairman, a further rapid cycle pre-booking company which brought Pharmanutra to the stock market; he launched IPOC 2 that invested into and listed Digital Value (one of the Italian leading system integrators and IT solution providers, born from the integration of Italware and ITD Solutions), through the latest evolution of the SPAC model by Electa, SPAC in CLOUD. Simone Strocchi is also board member of various listed and private companies, as well as chairman of the Advisory Committee of the IPO Club fund, an Italian closed-ended fund focused on investing in IPO acceleration, conceived and realized with the Azimut group. Simone Strocchi is Chairman of AISPAC – Italian Association for the promotion of SPACs and pre-booking companies. As mentioned, Simone Strocchi took part of the integration process of IWB and he is currently Vice Chairman of the Company.

Pier Paolo Quaranta

Mr. Quaranta obtained his degree in economics and business with full marks from the University of Turin in 1998. That same year he began his career at Arthur Andersen in Turin as an auditor. In 2001 he joined the UniCredit group in Milan, where he worked on corporate finance and structured loans in support of M&A operations and Leveraged Buy-Outs. In 2006, as partner and director of the investment team, he participated in the launch and management of the Mid-Capital Mezzanine fund managed by AF Mezzanine SGR. In 2012 Pier Paolo joined the investment team of Private Equity Partners SGR and became director of the Company's board of director starting from March 2014. He is currently managing director of Giordano Vini. In 2016, he joined IWB, where he currently is a director and the Investor Relations Manager of the Company.

Angela Oggionni

Ms. Oggionni obtained her degree cum laude in International Management – Language Sciences from the Catholic University of Milan in 2005. She is Managing Partner of Electa Ventures, independent merchant firm, with which she started to collaborate in the Milan business unit Electa Italia in 2004, dealing with transactions in the private equity tail-ends segment and cooperating with the international team of the group, providing technical assistance to VC and PE funds focused on southern Europe and Italian market. Since 2010 she has been mainly taking care of the creation, promotion and implementation of alternative investments, among which: Made in Italy 1, the first Italian SPAC, that arranged the listing of SeSa; IPO Challenger pre-booking companies that respectively took Italian Wine Brands and Pharmanutra public; IPO CLUB, feeder fund of SPACs and pre-booking companies, conceived in partnership with Azimut and strategically advised by Electa; SPAC in CLOUD, the digital evolution of the SPAC, created in partnership with Elite on the Elite Club Deal platform. Angela Oggionni is an independent board member of SeSa and member of the Advisory Committee of AISPAC, the Italian SPAC Association. As mentioned, Ms. Oggionni took part of the integration process of IWB and she is currently a director of the Company.

Massimiliano Mutinelli

Mr. Mutinelli obtained his degree in Business Economics from the University of Trent in 1993, and completed a PSM at the Bocconi University of Milan in 2006. From 1990 to 1996 he was founder and shareholder of Valman, an Italian start-up in the sector of bird nutrition. For the next three years, until 1999, he worked in Brazil for Luxottica do Brasil and in particular in the sales, supplies, imports and distribution sectors. From 1999 to 2000, still with the Luxottica Group, and in particular with Luxottica Holland BV, he coordinated all of the activities linked to the acquisition of Ray Ban. From 2000 to 2008 he performed his duties in France, where he was appointed chairman and managing director of Luxottica France. Finally, in 2009 transferred to Luxottica Italia. Since 2011 he has been director of wholesale distribution for the Luxottica Group for the entire area of Europe, and also director of the e-commerce sector since September 2014. In 2015, he joined IWB, where he is currently a director of the Company.

Antonella Lillo

Ms. Lillo obtained her degree at the Law University of Padua in 1986, with first class honors. Practices as a Lawyer since 1989 (qualified for the Superior Jurisdictions since 2002), Member of the Treviso Bar Association, founder and managing partner of BM&A Studio Legale, a Law Firm based in Treviso and Milan which employs more than 40 lawyers, lately awarded with the Top Legal Award “Law Firm of the Year – North”. She concentrates her practice in commercial law, banking law, bankruptcy law, civil execution and e-commerce, acting as general counsel for banks, companies and financial institutions (both domestic and foreign). She has gained a remarkable experience in judicial litigation assisting banks, bank associations, financial institutions and interbank consortia. Entrusted by the Court of Treviso as lawyer of several bankruptcy procedures, assists companies for the management of financial and industrial crisis with a successful track record of clients entering into major restructuring agreements. Acts as a consultant for financial and real estate investment funds, both residents and non-residents. Participates in several symposia on banking law, bankruptcy law and wealth management with publications in legal review on the subject matter. Arbitrator in the National Arbitration Court, as well as Member of STEP (Society of Trust and Estate Practitioners). In 2017 awarded with the LOY Award as “Avvocato dell'anno – litigation banking”. Since May 2017 she was appointed as Member of the board of directors of Ascopiave S.p.A.. In 2018, Ms. Lillo joined IWB and she is currently a director of the Company.

Luca Magliano

Mr. Magliano obtained his degree in Economics and Management of Financial Institutions and Markets from the Bocconi University in 2013, with a semester at Corvinus University in Budapest (CEMS member). After a first experience in corporate finance (advisory and structured finance) at GE Capital Interbanca where he analyzed and followed structured finance transactions, also in cooperation with the London team, he is now junior partner of Electa, an independent merchant bank. In nine years of professional experience he has structured and followed more than fifty extraordinary transactions (acquisitions, add-ons, exits and listings through innovative models conceived and developed by Electa) promoted by pan-European first-tier private equity funds, targeting excellent SMEs in Italy, France, Spain and Germany operating in different economic sectors, as well as proprietary deals promoted by Electa. Mr. Magliano is also responsible for the development of internal projects and the pipeline of funds for which Electa is strategic advisor, including IPO Club, a closed-end fund under Italian law developed with the Azimut group. In 2021, he joined IWB, where he is currently a director of the Company.

None of the members of the Board of Directors have a family relationship with other members of the Board of Directors within the meaning of applicable Italian law, except for Alessandro Mutinelli and Massimiliano Mutinelli (who are brothers), or with the Board of Statutory Auditors or with IWB's executive officers or other key employees.

The following table indicates the companies where the members of the Board of Directors (i) currently serve or have served during the past 5 years as a member of an administrative, management or supervisory body; (ii) are or have been holders of an equity stake at any time during the past five years, as well as the status of their position or equity stake as of the date of this Prospectus.

Name	Company	Office or equity stake held in the Company	Status of office
Alessandro Mutinelli	Provinco S.r.l.	Sole Director and Quotaholder	Current
	Giordano Vini S.p.A.	Chairman of the board of directors	Current
	Provinco Italia S.p.A.	Chairman of the board of directors	Current

	Raphael Dal Bo AG	Chairman of the board of directors	Current
	Provinco Deutschland GmbH	Sole Director	Current
Simone Strocchi	Electa Ventures S.r.l.	Chairman of the board of directors and Quotaholder	Current
	Electa Italia S.r.l.	Sole Director and Quotaholder	Current
	IPOC S.r.l.	Chairman of the board of directors and Quotaholder	Current
	Giordano Vini S.p.A.	Director	Current
	Provinco S.p.A.	Director	Current
	ITH S.p.A.	Director	Ceased
	IPOC1 S.r.l.	Director	Current
	Pharmanutra S.p.A.	Director	Ceased
	Digital Value S.p.A. (già IPOC 2 S.p.A.)	Director	Current
Pier Paolo Quaranta	Giordano Vini S.p.A.	Managing Director	Current
	Raphael Dal Bo AG	Director	Current
	Metronome Capital S.r.l.	Sole Director	Ceased
	OGV S.r.l.	Liquidator	Ceased
	GC3 S.r.l.	Liquidator	Ceased
	Metronome Capital S.r.l.	Quotaholder	Ceased
Angela Oggionni	Sesa S.p.A.	Director	Current
	IPOC S.r.l.	Director and Quotaholder	Current
	Electa Ventures S.r.l.	Director and Quotaholder	Current
	The Organic Factory S.p.A.	Director	Ceased
Massimiliano Mutinelli	Salmoiraghi e Viganò S.p.A.	Chairman of the board of directors and Managing Director	Ceased
	Luxottica Italia S.r.l.	Chairman of the board of directors	Current

Antonella Lillo	AscoPiave S.p.A.	Director	Ceased
	Somec S.p.A.	Director	Ceased
	Autostrade Meridionali S.p.A.	Director	Current
	Latterie del Montello S.p.A.	Statutory auditor	Current
	Fondazione MilanoCortina2026	Director	Current
	Alma Ltd Malta	Quotaholder	Current
	Zulu Medical S.r.l.	Quotaholder	Current
Luca Magliano	Ingredients Bidco S.r.l.	Director	Current
	IPOC S.r.l.	Director	Current
	Performance S.p.A.	Director	Current

The regulation on gender balance provides that in the first renewal of the Board of Directors following listing on a regulated market, the portion to be reserved for the less represented gender be equal to at least two fifth of the elected directors. The current composition of the Board of Directors complies with the legislation on gender balance on a voluntary basis.

The Board of Directors has not constituted an executive committee.

It should be noted that, as of the date of the Prospectus:

- i. the Vice Chairman of the Board of Directors of IWB, Mr. Simone Strocchi, has a shareholding equal to 41% of Electa Ventures S.r.l.'s corporate capital (in which he holds the office of chairman). Electa Ventures S.r.l.'s which holds 99,998% of the Electa Italia S.r.l.'s corporate capital (in which he holds the office of sole director), which in turn holds 15.605% of the IPOC S.r.l.'s corporate capital. Mr. Strocchi also holds directly a shareholding equal to 35% of the IPOC S.r.l.'s corporate capital (in which he holds the office of chairman). It should be noted that IPOC S.r.l. holds a shareholding equal to 8.69% of the Issuer's share capital;
- ii. the Independent Director, Ms. Antonella Lillo, has provided legal consultancy for an insignificant amount to Provinco S.r.l. and to Subsidiary Giordano Vino.

On 20 January 2020, the Board of Directors of the Issuer approved the regulations (the "**Regulations**") of the incentive plan called "2020 - 2022 Incentive Plan of IWB S.p.A." (the "**Plan**"). The Plan provides for the free assignment to the beneficiaries which are identified by the Board of Directors among who holds a key role within the Group - subject to the fulfilment of the terms and conditions of the Regulations – of the rights to receive from the Company (also free of charge) the bonus, 50% of which will be paid in shares of the Company and the remaining 50% in the so-called "phantom shares" (i.e. the unit of measurement which virtually represents one ordinary share of IWB and which will be paid in cash through the payment of the bonus, subject to the fulfilment of the conditions, the terms and the procedures set out in the Plan). Among the above beneficiaries are (i) the Chairman and Managing Director Mr. Alessandro Mutinelli and (ii) the director Mr. Pier Paolo Quaranta.

Powers of the Board of Directors

In accordance with the Articles of Association, IWB is managed exclusively by the Board of Directors, which is entrusted with the broadest possible powers permitted by law to manage

the Company and to undertake all actions deemed to be necessary or advisable in pursuing the Company's objectives.

The Board of Directors is also responsible for passing resolutions on the following matters, without prejudice to the powers of the shareholders:

- a) mergers and demerges under Articles 2505, 2505-bis and 2506-ter of the Italian Civil Code;
- b) the establishment or closing of branches;
- c) appointment of directors granted with the powers to represent the Company;
- d) reductions of the share capital in the Company in the event of withdrawal by the shareholders;
- e) amendment of Articles of Association due to regulatory requirements;
- f) transfer of the registered office within Italy; and
- g) issuance of bonds and convertible bonds, to the extent permitted under the applicable laws and regulations.

The Board of Directors has the power to delegate its general authority to one or more directors within the limits prescribed by Article 2381 of the Italian Civil Code. In this regard, the Board of Directors on 22 April 2021 authorized the Chairman and Managing Director of the Board of Directors, Mr. Alessandro Mutinelli to take action on behalf of the Company in respect of all matters related to the ordinary and extraordinary course of business of the Company (*inter alia*, the ordinary finance operations up to Euro 250,000). Mr. Simone Strocchi, in his capacity as Deputy Chairman, was authorized by the Board of Directors, jointly with other members of the Board of Directors, to take action on behalf of the Company in respect of all matters related to the ordinary and extraordinary course of business of the Company only when the President is absent or unable to carry out his duties. The Board of Directors also granted to the director Mr. Pier Paolo Quaranta the powers concerning (i) the relations with the shareholders (*inter alia*, the updating of the information on the corporate brochures and on the website, the support in the creation of presentations and press releases related to relevant news, the monitoring of the share performance and of the reference markets, (ii) the preparation of all corporate accounting documents.

Board Committee

Following the Shareholders' Meeting of 22 April 2021, the Issuer has only one Independent Director, Ms. Antonella Lillo, who is vested with the functions and powers set out in the procedure for related party transactions adopted by IWB (the "**RPT Procedure**"). In fact, as set out in art. 5 of the RPT Procedure, if at least two unrelated Independent Directors are not in office, related party transactions are approved by the Independent Director in office.

Below is a brief description of the functions and powers conferred to the Independent Director by the RPT Procedure.

The Independent Director is responsible for ensuring the integrity of transactions with related parties by living an opinion on the Company's interest in completing a specific transaction, as well as on the suitability and fairness of the corresponding conditions.

The duties of the Independent Director include:

- a) providing prior advice on the procedures for identifying and managing related parties transactions carried out by the Issuer and/or the companies of the Group, as well as on the related amendments;
- b) giving prior and motivated opinions, in the cases expressly provided for, on the interest of the Issuer in carrying out the transaction with related parties; and

- c) in case of major related party transactions, the Independent Director shall be involved in the negotiation phase and in the preliminary phase by receiving a complete and timely information flow, with the right to request information and formulate observations to the persons responsible for the conduct of negotiations or the investigation.

The Independent Director possesses the required knowledge and experience. Such knowledge was evaluated by the Board of Directors at the time of the appointment.

In performing their functions related to the RPT Procedure, the Independent Director is entitled to obtain access to all information and corporate functions necessary to perform their tasks and to avail themselves of support from consultants.

Board of Statutory Auditors

Under Article 21 of the Articles of Association, the board of statutory auditors consists of three standing auditors and two alternates, in possession of the qualifications required by the laws and regulations in force and appointed in compliance with the legislation in force for the time being concerning the balance between genders (the "**Board of Statutory Auditors**").

The members of the Board of Statutory Auditors, who remain in office for three financial years and who are re-elected, attend the shareholders' meetings and the meetings of the Board of Directors. The statutory auditors are appointed on the basis of lists submitted by the shareholders in order to ensure that the minorities appoint one standing auditor and one alternate auditor.

The Board of Statutory Auditors in office as of the date of this Prospectus was appointed during the general shareholders' meeting held on 16 June 2020 and will remain in office until approval of the financial statements ended on 31 December 2022. It should be noted that, at the time of appointment, the statutory auditors stated that they were in possession of the requirements of integrity, independence and professionalism.

The following table sets forth the members of the Board of Statutory Auditors as of the date of this Prospectus:

Name	Position	Place and date of birth
David Reali	Chairman	Forlì (FC), 21 January 1966
Eugenio Romita	Statutory auditor	Roma (RO), 26 February 1965
Debora Mazzaccherini	Statutory auditor	Cascina (PI), 26 May 1971
Alessandro Maruffi	Alternate auditor	Milano (MI), 23 October 1974
Marco Curti	Alternate auditor	Pavia (PV), 24 November 1978

Each member of the Board of Statutory Auditors is domiciled at the Company's registered office for the purpose of such office. All the members of the Board of Statutory Auditors satisfy the independence requirements set forth in Article 148, paragraph 3 of the Consolidated Financial Act, as verified by the Board of Statutory Auditors on 16 June 2020. None of the members of the Board of Statutory Auditors have had an investment or professional relationship, directly or indirectly through other companies or professional firms, with the Company, the Group, or companies that control or are under common control with the Group during the past three years, except as noted below.

In addition, all of the members of the Board of Statutory Auditors meet the professionalism and integrity requirements pursuant to Article 148 of the Consolidated Financial Act and the implementing regulation enacted by Ministry of Justice Decree No 162/2000.

To the best of the Issuer's knowledge, none of the members of the Board of Statutory Auditors have, during the last five years, been convicted in connection with the offenses of fraud or

fraudulent bankruptcy, nor in performing their respective positions and functions been involved in bankruptcy, receivership or involuntary liquidation proceedings. Further, no members of the Board of Statutory Auditors (during the last five years) has been subject to official charges and/or penalties by government or regulatory authorities (including designated professional associations) in the performance of their positions and functions, or been barred from administrative, management or audit and control positions with the Company or from management or operational positions with other companies.

No member of the Board of Directors is a related party to any other member of the Board of Statutory Auditors, members of the Board of Directors, or the principal officers of the Company.

It should be noted that, as of the date of the Prospectus (i) the firm “Studio Chiaravelli Reali e Associati” for which the Chairman of the IWB’s Board of Statutory Auditors, Mr. Reali, is a member, provided consultancy services for an insignificant amount to the company Electa Ventures S.r.l., which indirectly holds 15.605% of the corporate capital of IPOC S.r.l., which, in turn, holds 8.69% of the share capital of IWB; (ii) the Chairman of the Company’s Board of Statutory Auditors, Mr. Reali received a notice of termination of the preliminary investigations for the offences referred to in articles 223, paragraph 2, no. 1 and 2 and 219, paragraph 1 and paragraph 2 no. 1 of R.D. 267/42 with regard to his office as chairman of the board of directors of Implant Lab S.r.l. (formerly Elledent S.r.l.) in the period 29 November 2014 – 28 February 2016 which has been declared bankrupt. Such notice provides for the preliminary hearing to be held on 16 April 2021 and, in continuation, on May 14, 2021 at the Court of Bergamo.

The regulation on gender balance provides that in the first renewal of the control body following listing on a regulated market that the portion to be reserved for the less represented gender be equal to at least two fifth of the elected statutory auditors. The current composition of the Board of Statutory Auditors complies with the legislation on gender balance on a voluntary basis.

The biographies of each Statutory Auditor are set out below.

David Reali

Mr. Reali obtained a degree in business and economics magna cum laude from the Bocconi University of Milan in 1988. Since 1989 he has been registered in the Register of Certified Accountants, and since 1995 in the Register of Auditors. David Reali is also registered in the list of experts of the Court of Milan for tax, accounting and budget matters. David Reali is a partner in the “Chiaravalli, Reali e Associati – Commercialisti” firm in Milan. He is specialized in accounting, tax and budget issues, and has published articles on tax matters in various publications, including the magazine Il Fisco and the Magazine of Certified Accountants. He is a consultant to numerous industrial, commercial and financial companies; he holds the position of acting auditor in various companies, including large listed companies. He currently deals with extraordinary finance transactions (corporate transformations, mergers and split-ups; contributions and assignments of businesses). Mr. Reali has been the Chairman of the Issuer's Board of Statutory Auditors since 2016.

Eugenio Romita

Mr. Romita obtained a degree in business and economics from the Cassini University in 1991, has been registered in the Register of Certified Accountants since 1993 and the Register of Auditors since 1995. He is a partner of different law firms where he is responsible for the tax department. He works principally on corporate tax matters (M&A, reorganization of groups, litigation, real estate) and financial matters (equity/mezzanine/debt securities, capital markets, investment funds, debt restructuring). He is a member of the board of statutory auditors of banks, asset management companies, industrial and financial companies. He teaches in various tax law Masters courses (Bocconi University, Sole 24 Ore Business School), the Master in financial market law at the Statale University of Milan, the High Training School of the Association of Certified Accountants of Rome. Mr. Romita speaks at conferences and seminars on tax matters in Italy and abroad, and has authored numerous contributions and on tax issues included in books and specialized magazines in Italy and abroad. He has been a member of the International tax and European law commission of the Association of Certified Accountants of Rome since 2013. Mr. Romita has been a member of the Issuer's Board of Statutory Auditors since 2017.

Debora Mazzaccherini

Ms. Mazzaccherini obtained a degree in economics and business cum laude from the University of Pisa in 1995. Since 1996 she has been registered in the Register of Certified Accountants and Register of Auditors. After having gained significant experience in tax and financial reporting matters, from 2000 to 2004 she was director of Ernst & Young Financial Business Advisors, in charge of operational projects regarding financial planning, privatization of companies partially owned by local authorities and M&A. Since 2005 she has been a Corporate Finance consultant, for both enterprises and investment funds and banks, with the role of managing the finance area, preparing industrial plans, evaluating companies, and providing assistance for extraordinary and restructuring operations. She has taught Masters courses for specialization in finance and holds the role of statutory auditor in various companies. She has been a member of the Issuer's Board of Statutory Auditors since 2016.

Alessandro Maruffi

Mr. Maruffi obtained a degree in economics at Bocconi University in 1999, qualified as certified public accountant and registered auditor in 2004. In 2012 he became partner of Chiaravalli Reali e Associati, a tax law and chartered accountants firm. He has been an alternate member of the Issuer's Board of Statutory Auditors since 2014.

Marco Curti

Mr. Curti obtained a degree in business administration from the University of Pavia in 2002, qualified as certified public accountant and registered auditor, respectively, in 2009 and in 2010. He has been an alternate member of the Issuer's Board of Statutory Auditors since 2017.

The following table indicates the companies where the members of the Board of Statutory Auditors (i) currently serve or have previously served as a member of an administrative, management or supervisory body and/or (ii) are or have been holders of an equity stake at any time during the past five years, as well as the status of their position or equity stake as of the date of this Prospectus.

Name	Company	Office held in the Company	Status of office
David Reali	3CIME S.p.A.	Chairman of the board of statutory auditors	Current
	Agrifarma S.p.A.	Chairman of the board of statutory auditors	Ceased
	Angelica S.r.l.	Sole auditors	Ceased
	Argos Sodic Italia S.p.A.	Chairman of the board of statutory auditors	Ceased
	Banca della Nuova Terra S.p.A.	Statutory auditor	Ceased
	Bracchi S.r.l.	Statutory auditor	Current
	Conductix-Wampfler S.r.l.	Chairman of the board of statutory auditors	Ceased
	Emisys Capital SGR S.p.A.	Statutory auditor	Ceased
	FAS Funi ed Attrezzature per il Sollevamento S.p.A.	Statutory auditor	Current

	FAST Financial Administration Solutions & Teehnologies S.r.l.	Statutory auditor	Ceased
	Fineurop Partecipazioni S.p.A.	Statutory auditor	Ceased
	Fineurop Soditic S.p.A.	Statutory auditor	Current
	Marcolin S.p.A.	Chairman of the board of statutory auditors	Current
	Misia S.r.l.	Statutory auditor	Current
	Nidec-Àsi S.p.A.	Statutory auditor	Current
	Giordano Vini S.p.A.	Statutory auditor	Current
	Edison Facility Solutions (già Zephyro S.p.A.)	Chairman of the board of statutory auditors	Ceased
	Implanta S.r.l. in fallimento	Chairman of the board of statutory auditors	Ceased
	Business Integration Partners S.p.A.	Statutory auditor	Ceased
	Minetti S.p.A.	Chairman of the board of statutory auditors	Current
	CEME S.p.A.	Chairman of the board of statutory auditors	Ceased
	DVLBBDO S.p.A.	Statutory auditor	Current
	Pirelli & C S.p.A.	Statutory auditor	Ceased
	MB Facta S.p.A.	Chairman of the board of statutory auditors	Current
	Jove Invest S.r.l.	Director	Ceased
	Zorro S.r.l.	Chairman of the board of statutory auditors	Ceased
	Gruppo Zaffiro S.r.l.	Chairman of the board of statutory auditors	Ceased

	IPO Challenger 1 S.p.A.	Chairman of the board of statutory auditors	Ceased
	Thélíos S.p.A.	Chairman of the board of statutory auditors	Current
	Ricerche e Studi S.p.A.	Chairman of the board of statutory auditors	Current
	Sprintitaly S.p.A.	Statutory auditor	Ceased
	Digital Value S.p.A.	Statutory auditor	Current
	TP Industrial Holding S.p.A.	Statutory auditor	Current
	Prometeon Tyre Group S.p.A.	Statutory auditor	Current
	Marco Polo International Italy S.r.l.	Statutory auditor	Current
	Life Care Capital S.p.A.	Statutory auditor	Ceased
	NEW DEAL ADVISORS S.p.A.	Shareholder	Ceased
Eugenio Romita	Genextra S.p.A.	Chairman of the board of statutory auditors	Current
	Green Stone SICAF S.p.A.	Chairman of the board of statutory auditors	Current
	Immobiliare.it S.p.A.	Chairman of the board of statutory auditors	Current
	IPOC 3 S.r.l.	Chairman of the board of statutory auditors	Current
	Mediobanca SGR S.p.A.	Chairman of the board of statutory auditors and of the supervisory body in compliance with D.lgs. 231/2001	Current
	Objectway S.p.A.	Chairman of the board of statutory auditors	Current
	Pargen S.p.A. in liquidazione	Chairman of the board of statutory auditors	Current

	Permasteelisa S.p.A.	Chairman of the board of statutory auditors	Current
	Selmabipiemme Leasing S.p.A.	Statutory Auditor and member of the supervisory body in compliance with D.lgs. 231/2001	Current
	Spafid Trust S.r.l.	Statutory Auditor and member of the supervisory body in compliance with D.lgs. 231/2001	Current
	CMT Holding S.r.l.	Sole Auditor	Current
	Banca Esperia S.p.A.	Statutory Auditor	Ceased
	Vorwerk Management S.r.l.	Statutory Auditor	Ceased
	Giordano Vini S.p.A.	Statutory Auditor	Ceased
	Futuro S.p.A.	Statutory Auditor	Ceased
	Algorfin S.p.A.	Statutory Auditor	Ceased
	Alkimis SGR S.p.A.	Statutory Auditor	Ceased
	Mezzanove Capital S.r.l. in liquidazione	Quotaholder	Current
Debora Mazzaccherini	La Chiantigiane Soc. Cop.	Statutory auditor	Current
	Corpo Vigili Giurati S.p.A. (FI)	Statutory Auditor and member of the supervisory body in compliance with D.lgs. 231/2001	Ceased
	Laviosa Minerals S.p.A.	Sole auditor	Ceased
	Corpo Vigili Giurati S.p.A. (PI)	Statutory Auditor and member of the supervisory body in compliance with D.lgs. 231/2001	Ceased
	Centrobus S.r.l.	Alternate auditor	Ceased
	TAT S.p.A.	Alternate auditor	Current
	CO.TIR. soc. consortile a r.l.	Alternate auditor	Current
	EASYTRIP S.p.A.	Alternate auditor	Current

	APRILE S.p.A.	Alternate auditor	Current
	Commercial Department Containers C.D.C. S.p.A.	Alternate auditor	Current
	CENTRALERISK S.p.A.	Alternate auditor	Current
Alessandro Maruffi	3 Cime S.p.A.	Statutory auditor	Current
	Alef 5 S.p.A.	Statutory auditor	Current
	BetaGlue Technologies S.p.A.	Statutory auditor	Current
	Endostart S.r.l.	Sole auditor	Current
	Fond.ne Accademia Panino Italiano	Auditor (Revisore Legale)	Current
	Friends Invest S.p.A.	Chairman of the board of statutory auditors	Current
	Giordano Vini S.p.A.	Statutory auditor	Current
	Golf Club Monticello A.S.D.	Auditor (Revisore Legale)	Current
	I.L.P.R.A. S.p.A.	Chairman of the board of statutory auditors	Current
	IMCA S.r.l. in liquidazione	Liquidator	Current
	Implanta S.r.l. in liquidazione	Sole auditor	Current
	Wunderman Thompson Italia S.p.A.	Statutory auditor	Current
	Fast S.r.l.	Statutory auditor	Current
	Metalli 2000 S.p.A.	Statutory auditor	Current
	New Deal Advisory S.p.A.	Statutory auditor	Current
	Panino Giusto S.p.A.	Statutory auditor	Current
	TP Industrial Holding S.r.l.	Statutory auditor	Current
	Tecnofoodpack S.p.A.	Chairman of the board of statutory auditors	Current
	Alef 4 S.p.A.	Statutory auditor	Ceased
	Argos Sodic Italia S.p.A.	Statutory auditor	Ceased

	Business Integration Partners S.p.A.	Statutory auditor	Ceased
	Castel S.r.l.	Statutory auditor	Ceased
	Wdreamers S.r.l. in liquidazione	Liquidator	Ceased
	Dieci Decimi S.r.l. in liquidazione	Liquidator	Ceased
	Conductix-Wampfler S.r.l.	Statutory auditor	Ceased
	Marmolada S.p.A.	Statutory auditor	Ceased
	Cristallo S.p.A.	Statutory auditor	Ceased
	AR.LA.VE.S. S.r.l.	Statutory auditor	Ceased
	MEC Delachaux S.r.l.	Statutory auditor	Ceased
	Decalia Asset Management SIM S.p.A.	Chairman of the board of statutory auditors	Ceased
	Panakès SGR S.p.A.	Statutory auditor	Ceased
	DP Group S.p.A.	Sole auditor	Ceased
	Fintre S.r.l.	Sole auditor	Ceased
	Korma S.r.l. in liquidazione	Statutory auditor	Ceased
	New Lisi S.p.A.	Statutory auditor	Ceased
	Pozzoli S.r.l.	Statutory auditor	Ceased
Marco Curti	2° Accounting & auditing partners S.r.l.	Managing Director and Quotaholder	Current
	DLV BBDO S.p.A.	Statutory auditor	Current
	New Deal Advisors S.p.A.	Statutory auditor	Current
	Dec Impianti S.p.A.	Alternate auditor	Current
	Friends Invest S.p.A.	Statutory auditor	Current
	FAS S.p.A.	Alternate auditor	Current
	Pozzoli S.r.l.	Alternate auditor	Current
	Pozzi Arturo S.p.A.	Chairman of the board of statutory auditors	Current
	Cabi Cattaneo S.p.A.	Statutory auditor	Current

	J. Walter Thompson Italia S.p.A.	Alternate auditor	Current
	Burkert Contromatic Italiana S.p.A.	Alternate auditor	Current
	3 Cime S.p.A.	Statutory auditor	Current
	Betaglue Technologies S.p.A.	Alternate auditor	Current
	Rhea System S.p.A.	Statutory auditor	Current
	Immobiliare P5 S.r.l.	Auditor (Revisore Legale)	Current
	Kulzer S.r.l.	Auditor (Revisore Legale)	Current
	Technical Publications Service S.p.A.	Statutory auditor	Current
	Giordano Vini S.p.A.	Alternate auditor	Current
	Castel S.r.l.	Alternate auditor	Current
	Pantex International S.p.A.	Alternate auditor	Current
	Forall S.p.A.	Alternate auditor	Current
	3F Group S.p.A.	Alternate auditor	Current
	Farmer S.p.a.	Statutory auditor	Current
	Grintall S.r.l.	Statutory auditor	Current
	Honeywell Security Italia S.p.A.	Statutory auditor	Ceased
	Mosaicoon S.p.A.	Statutory auditor	Ceased
	DMC Immobiliare S.r.l.	Sole director	Ceased
	Brezza Leggera S.r.l.	Sole director	Ceased
	Ipsen S.p.A.	Member of supervisory body in compliance with D.lgs. 231/2001	Ceased
	Moto Italia S.r.l.	Auditor (Revisore Legale)	Ceased
	Trime S.p.A.	Statutory auditor	Ceased
	Newlisi S.p.A.	Statutory auditor	Ceased
	Implanta S.p.A.	Alternate auditor	Ceased
	Laboratorio di Analisi Mediche Martini S.r.l.	Statutory auditor	Ceased

	Qubix S.p.A.	Statutory auditor	Ceased
	Indata S.r.l.	Auditor (Revisore Legale)	Ceased
	Jove Invest S.r.l.	Auditor (Revisore Legale)	Ceased
	Granular S.p.A.	Statutory auditor	Ceased

Conflicts of interest of the members of the Board of Directors and the Board of Statutory Auditors

Except as indicated below, as of the date of this Prospectus, to the Issuer's knowledge, none of the members of the Board of Directors and the Board of Statutory Auditors are bearers of private interests in conflict with their obligations under the offices held at IWB.

It should be noted that, as of the date of this Prospectus, Mr. Alessandro Mutinelli (i) owns the entire corporate capital of Provinco S.r.l., the company which holds 9.08% of the IWB's share capital (ii) directly owns 1.18% of the IWB's share capital and (ii) is the Chairman and the Managing Director of the Issuer.

231 Model and Supervisory Body

As of the date of this Prospectus, the Company does not have a risk and control system in place, which includes a 231 Model adopted pursuant to and in compliance with Legislative Decree 231/2001, as well as an ethics code.

Giordano Vini and Provinco Italia have adopted 231 Model and an ethics code. Both Subsidiaries, under the 231 Model, have created a Supervisory Body.

The 231 Model consists of: (a) an introductory section, which includes, *inter alia*, the composition and the functioning of the Supervisory Body, together with a set of sanctions in case of violations of the 231 Model; and (b) the special sections containing the general conduct principles and the control procedures protocol for each of the possible alleged crimes considered to be relevant for the company.

As of the date of this Prospectus, the Supervisory Body is composed by (i) Paolo Della Piana and Giacomo d'Elia, for Giordano Vini and (ii) Paolo Della Piana, for Provinco Italia.

The Supervisory Body complies with the requirements of autonomy, independence, professionalism and continuity of action required by the applicable law.

As of the date of the Prospectus, Provinco Deutschland GmbH - whose share capital is entirely owned by Provinco Italia and, hence, indirectly owned by IWB - is not required to adopt, under German law, and has indeed not adopted 231 Model.

Independent Auditors

The independent auditor of the Issuer is BDO Italia S.p.A., whose registered office is at Viale Abruzzi, No. 94, Milan (Italy), is authorised and regulated by the Italian Ministry of Economy and Finance ("MEF") and registered in the special register of auditing firms held by the MEF. BDO Italia S.p.A. is a member of ASSIREVI, the Italian association of auditing firms.

The Shareholders' Meeting of 22 April 2021 resolved to appoint BDO Italia S.p.A. for a nine-year period as independent auditors pursuant to Article 17 of the Legislative Decree 39/2010, making its effectiveness, with effect from the commencement to trading of the Company's notes on the MOT. This audit involves the statutory audit of the financial statements and the consolidated financial statements (including the verification of the regular keeping of accounts and the correct recording of management events in accounting records) for the nine-year period 2021-2029, as well as the limited review of the half-yearly financial report of the Company for the semesters which will close on 30 June 2021-2029.

Major Shareholders

As of the date of the Prospectus, the Issuer is a small medium enterprise ("SME") pursuant to Article 1, paragraph 1, letter *w-quater.1)* of the Consolidated Financial Act. As an SME with ordinary shares listed on the AIM Italia, the minimum shareholding reporting threshold is 5% of the share capital (with voting rights).

The following table sets out the entities holding a significant shareholding in the Issuer as of the date of the Prospectus pursuant to such reporting threshold (i.e. 5% of the share capital with voting rights).

Shareholder	% share capital	% voting rights
Otus Capital Management Ltd	9,93%	9,93%
Provinco S.r.l.(*)	9,08%	9,08%
IPOC S.r.l.	8,69%	8,69%
Praude Asset Management LLC	6,33%	6,33%

(*) The Chairman and Managing Director of IWB's Board of Directors, Mr. Alessandro Mutinelli, holds the entire corporate capital of Provinco S.r.l.

As of the date of this Prospectus, the Issuer holds 6,092 treasury shares, representing 0.0823 per cent. of total share capital, which do not vote.

Employees

The following table shows the number of employees employed by the Group in the years ended 31 December 2020 and 31 December 2019, broken down by main categories.

	Timely number 31.12.2020	Average number 31.12.2020	Timely number 31.12.2019	Average number 31.12.2019
Manager	6	7	6	8
Executives	14	12	10	10
Employees	121	122	122	126
Workers	20	19	16	18
Total	161	160	154	162

Related parties transactions

As of the date of the Prospectus, there have been no significant transaction with related parties . In particular, with regard to (i) the commercial lease agreement signed between the Subsidiary Provinco Italia and Provinco S.r.l. and (ii) the consultancy agreement granted by IWB to Electa Italia S.r.l., refer, respectively, to p. 78, paragraph "*Related-party transactions*" and p. 25, paragraph "*Transactions with related parties*" of the 2020 Consolidated Financial Statements incorporated by reference in this Prospectus.

Material Contracts

Other than the financing agreements and the first demand guarantee described under "Material Financings of the Company" below, no material contracts are currently in place.

Material Financings of the Company

The Issuer is party to the following financing agreements:

- a) Medium/long-term loan granted to Giordano Vini for a total of Euro 35 million paid out on 19 July 2017 and expiring on 30 June 2024, divided as follows:
- “Amortizing” tranche totaling Euro 28 million with repayment in increasing sixmonthly instalments of principal in arrears and a rate equal to 6-month Euribor plus 1.60%. At 31 December 2020, the residual debt valued using the amortised cost method amounted to Euro 16,3 million.
 - “Revolving” tranche of a total of Euro 7 million with interest rate equal to Euribor at 1, 3 or 6 months depending on the relative period of use plus 1.15% used in this way:
 - Euro 3 million disbursed on 23 April 2018 with a term of 6 months and gradually renewed until the next expiration date of 12 February 2021;
 - Euro 4 million disbursed on May 10, 2019 with a term of 6 months and subsequently renewed until the next expiration date of May 11, 2021.

Such medium/long-term loan provides for financial covenants based on the trend of certain parameters at consolidated Group level. These covenants have been largely met both at 31 December 2019 and 31 December 2020.

- b) Short-term "hot money" loan granted by Banca d'Alba to the Subsidiary Giordano Vini with current account credit facility of Euro 1.5 million, renewed quarterly at a rate of 0,80%. The maturity of the loan is fixed at the maturity of each quarter;
- c) Short-term “overdrawn account,” loan granted by Banca d'Alba to the Subsidiary Giordano Vini with current account credit facility of Euro 1.5 million and with a rate equal to 2,75%;
- d) Short-term “import” loan granted by Banca d'Alba to the Subsidiary Giordano Vini with a credit facility of Euro 1 million, renewed quarterly at a rate of 0.80%;
- e) Mixed-use credit line equal to Euro 1 million;
- f) Medium-term loan of Euro 2 million granted to the Subsidiary Giordano Vini on 20 February 2017 by Intesa Sanpaolo, with repayment in quarterly instalments and extinction on 20 February 2022 at a rate equal to the 3-month Euribor increased by a spread of 2.10%. At 31 December 2020, the residual debt valued using the amortised cost method amounted to Euro 499 thousand.
- g) Short-term "Revolving" loan granted on 6 May 2019 to the Subsidiary Giordano Vini by Crédit Agricole for an amount of Euro 3.5 million with quarterly maturity and a rate equal to the 3-month Euribor plus a spread of 0.60%;
- h) Medium-term loan of Euro 2 million granted to the Subsidiary Provinco Italia disbursed on 27 December 2018 repayable in quarterly instalments and extinguished on 27 December 2021, at a rate equal to the 3-month Euribor plus a spread of 1.75%. At 31 December 2020, the residual debt amounted to Euro 658 thousand.
- i) Medium-term loan of Euro 3 million granted to the Subsidiary Provinco Italia disbursed on 30 November 2020 repayable in quarterly instalments and extinguished on 30 November 2023, at a rate equal to the 3-month Euribor plus a spread of 2.00%
- j) Medium-term loan of Euro 2,4 million guaranteed by Medio Credito Centrale, granted to the Subsidiary Giordano Vini disbursed on 26 February 2021 repayable in quarterly instalments and extinguished on 26 February 2026, at a fixed rate equal to 1.00%.

Legal Proceedings

In the ordinary course of its business, the Group is a party to various legal proceedings. The Group believes such litigation is routine in nature and incidental to the conduct of its business.

As of the date of this Prospectus, no legal proceedings may have a significant effect on the Issuer and/or Group's financial position or profitability. For the "provisions for legal risks" for the legal proceedings of the Group, refer to p. 71, paragraph "*Provisions for risks and charges*" of the 2020 Consolidated Financial Statements incorporated by reference in this Prospectus.

• TAXATION

The statements herein regarding taxation are based on the laws, and the interpretation thereof, in force in Italy as at the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. The following overview is not intended to be, nor should it construed to be, legal or tax advice and does not consider any specific facts or circumstances that may apply to a particular purchaser.

Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

Furthermore, the tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the Notes.

REPUBLIC OF ITALY

Tax treatment of interest

Legislative Decree No. 239 of April 1, 1996 as subsequently amended ("**Decree No. 239**") sets forth the applicable regime regarding the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price, hereinafter collectively referred to as "**Interest**") deriving from Notes falling within the category of bonds (*obbligazioni*) and similar securities (pursuant to Article 44 of Presidential Decree No. 917 of December 22, 1986, as amended and supplemented ("**Decree No. 917**")), issued, *inter alia*, by companies resident in Italy for tax purposes whose shares are listed on a regulated market or on a multilateral trading platform of EU Member States or States party to the EEA Agreement allowing a satisfactory exchange of information with the Italian tax authorities as included in the decree of the Ministry of Economy and Finance of September 4, 1996, as subsequently amended and supplemented or superseded pursuant to Article 11(4)(c) of Decree No. 239 (the "**White List**").

For these purposes, securities similar to bonds (*titoli similari alle obbligazioni*) are securities that incorporate an unconditional obligation for the Issuer to actually pay, at maturity (or at any earlier redemption), an amount not lower than their nominal/face value/principal and that do not provide any right of direct or indirect participation in, or control on, the management of the Issuer or of the business in connection with which they are issued.

Italian-resident Noteholders

Noteholders not engaged in an entrepreneurial activity

If an Italian-resident beneficial owner of the Notes (a "**Noteholder**") is:

- (a) an individual not engaged in an entrepreneurial activity to which the Notes are connected;
- (b) a non-commercial partnership (*società semplice*) or a professional association;
- (c) a non-commercial private or public institution (other than Italian undertakings for collective investment); or
- (d) an investor exempt from Italian corporate income taxation,

then interest derived from the Notes, and accrued during the relevant holding period, is subject to a tax withheld at source (*imposta sostitutiva*), levied at a rate of 26 per cent., unless the relevant

Noteholder holds the Notes in a discretionary investment portfolio managed by an authorised intermediary and has validly opted for the application of the *risparmio gestito* regime under Article of Legislative Decree No. 461 of November 21, 1997 ("**Decree No. 461**") (see also "*Tax treatment of capital gains — Discretionary investment portfolio regime (Risparmio gestito regime)*" below).

Subject to certain conditions (including a minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes (being financial instruments issued by an Italian resident corporation) may be exempt from any income taxation (including the 26 per cent. *imposta sostitutiva*) if the Noteholder is an Italian resident individual not engaged in entrepreneurial activity and the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of December 11, 2016, Article 1, paragraphs 211 – 215, of Law No. 145 of 30 December 2018, as implemented by the Ministerial Decree 30 April 2019 and Article 13-bis of Law Decree No. 124 of 26 October 2019, converted into Law with amendments by Law No. 157 of 19 December 2019, as lastly amended and supplemented by Article 136 of Law Decree No. 34 of 19 May 2020, converted into Law with amendments by Law No. 77 of 17 July 2020 and by Article 68 of Law Decree No. 104 of 14 August 2020, converted into Law with amendments by Law No. 126 of 13 October 2020.

Noteholders engaged in an entrepreneurial activity

In the event that the Italian-resident Noteholders mentioned under letters a) and c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax. Interest will be included in the relevant beneficial owner's Italian income tax return and will be subject to Italian ordinary income taxation and the *imposta sostitutiva* may be recovered as a deduction from Italian income tax due.

If a Noteholder is an Italian-resident company or similar commercial entity, or a permanent establishment in Italy of a non-resident company to which the Notes are effectively connected, and the Notes are deposited with an authorised intermediary, interest from the Notes will not be subject to the *imposta sostitutiva*. Interest must, however, be included in the relevant Noteholder's income tax return and is therefore subject to general Italian corporate income taxation and, in certain circumstances, depending on the status of the Noteholder, also to the Italian regional tax on productive activities ("IRAP").

Real estate investment funds and real estate SICAFs

Payments of interest deriving from the Notes made to Italian resident real estate collective investment funds and real estate closed-ended investment companies (*società di investimento a capitale fisso*, or "**SICAFs**"), provided that the Notes, together with the coupons relating thereto, are timely deposited directly or indirectly with an Italian authorised financial intermediary (or permanent establishment in Italy of a non-resident intermediary) are subject neither to *imposta sostitutiva* nor to any other income tax at the level of the real estate investment fund or the real estate SICAF. However, a withholding or substitute tax of 26 per cent. will apply, in certain circumstances, to income realised by unitholders or shareholders in the event of distributions, redemption or sale of the units or shares. Moreover, subject to certain conditions, income realised by Italian real estate investment funds or real estate SICAFs is attributed pro rata to the Italian resident unitholders irrespective of any actual distribution on a tax transparency basis.

Funds, SICAVs and non-real estate SICAFs

If an Italian resident Noteholder is a non-real estate open-ended or a closed-ended collective investment fund ("**Fund**"), an open-ended investment company (*società di investimento a capitale variabile*, or "**SICAV**") or a non-real estate SICAF established in Italy and either (i) the Fund, SICAV or the non-real estate SICAF or (ii) their manager is subject to the supervision of a regulatory authority and the Notes are deposited with an authorised intermediary, interest accrued during the holding period on the Notes will not be subject to *imposta sostitutiva*, but must be included in the management results of the Fund, the SICAV or the non-real estate SICAF. The Fund, the SICAV or the non-real estate SICAF are subject neither to *imposta sostitutiva* nor to any other income tax at their level, but a withholding tax of 26 per cent. will be levied, in certain circumstances, by the

Fund, the SICAV or the non-real estate SICAF on proceeds distributed in favour of their unitholders or shareholders.

Pension funds

If an Italian-resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of Italian Legislative Decree No. 252 of December 5, 2005) and the Notes are deposited with an authorised intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the results of the relevant portfolio accrued at the end of the tax period (which will be subject to a 20 per cent. substitute tax). Subject to certain limitations and requirements (including a minimum holding period) Interest in respects to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax pursuant to Article 1, paragraph 92, of Law No. 232 of 11 December 2016, if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1(100-114) of Law No. 232 of December 11, 2016, Article 1, paragraphs 211 – 215, of Law No. 145 of 30 December 2018, as implemented by the Ministerial Decree 30 April 2019 and Article 13-bis of Law Decree No. 124 of 26 October 2019, converted into Law with amendments by Law No. 157 of 19 December 2019, as lastly amended and supplemented by Article 136 of Law Decree No. 34 of 19 May 2020, converted into Law with amendments by Law No. 77 of 17 July 2020 and by Article 68 of Law Decree No. 104 of 14 August 2020, converted into Law with amendments by Law No. 126 of 13 October 2020.

Application of the imposta sostitutiva

Pursuant to Decree No. 239, the *imposta sostitutiva* is applied by banks, brokerage companies (*società di intermediazione mobiliare*, or "**SIM**"), fiduciary companies, *società di gestione del risparmio* ("**SGR**"), stockbrokers and other entities identified by decrees of the Ministry of Economy and Finance (each, an "**Intermediary**").

An Intermediary must:

- (a) be resident in Italy, or be a permanent establishment in Italy of a non-Italian-resident financial intermediary; and
- (b) participate, in any way, in the collection of Interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change in ownership of the relevant Notes or in a change in the Intermediary with which the Notes are deposited.

If the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by the relevant Italian financial intermediary (or permanent establishment in Italy of a non-Italian resident financial intermediary) paying the Interest to a Noteholder or, absent that, by the Issuer and gross recipients that are Italian resident corporations or permanent establishments in Italy of non-resident corporations to which the Notes are effectively connected are entitled to deduct *imposta sostitutiva* suffered from income taxes due.

Non-Italian resident Noteholders

If the Noteholder is a non-resident for tax purposes, an exemption from the *imposta sostitutiva* applies, provided that the non-resident Noteholder is:

- (a) a beneficial owner of the payment of Interest with no permanent establishment in Italy to which the Notes are effectively connected and resident, for tax purposes, in a state or territory included in the White List; or
- (b) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or

- (c) an "institutional investor", whether or not subject to tax, which is established in a state or territory included in the White List, even if it does not possess the status of a taxpayer in its own state of establishment; or
- (d) a central bank or an entity which manages, *inter alia*, the official reserves of a foreign state.

In order to ensure gross payment, non-resident Noteholders beneficial owner of the Interest must promptly deposit the Notes together with the coupons relating to such Notes 'directly or indirectly' with:

- (i) an Italian or non-resident bank or financial institution (there is no requirement for the bank or financial institution to be EU resident) (the "**First Level Bank**"), acting as intermediary in the deposit of the Notes held, directly or indirectly, by the Noteholder with a Second Level Bank (as defined below); or
- (ii) an Italian-resident bank or SIM, or a permanent establishment in Italy of a non-resident bank or SIM, acting as depositary or sub-depositary of the Notes appointed to maintain direct relationships, via telematic link, with the Department of Revenue of the Ministry of Economy and Finance (the "**Second Level Bank**"). Organizations and companies that are not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Italian Ministry of Economy and Finance (which include Euroclear and Clearstream) are treated as Second Level Banks, provided that they appoint an Italian representative (an Italian resident bank or SIM, or permanent establishment in Italy of a non-resident bank or SIM, or a central depositary of financial instruments pursuant to Article 80 of Legislative Decree No. 58 of February 24, 1998) for the purposes of the application of Decree No. 239. If a non-resident Noteholder deposits the Notes directly with a Second Level Bank, the latter shall be treated both as a First Level Bank and a Second Level Bank.

The exemption from the *imposta sostitutiva* for non-resident Noteholders is conditional upon:

- (i) the deposit of the Notes, either directly or indirectly, with an institution which qualifies as a Second Level Bank; and
- (ii) the submission to the First Level Bank or the Second Level Bank (as the case may be) of a statement of the relevant Noteholder (*autocertificazione*), to be provided only once, in which it declares, *inter alia*, that it is the beneficial owner of any interest on the Notes and it is eligible to benefit from the exemption from the *imposta sostitutiva*.

Such statement must comply with the requirements set forth by a Ministerial Decree dated 12 December 2001, is valid until withdrawn or revoked (unless some information provided therein has changed) and does not need to be submitted where a certificate, declaration or other similar document for the same or equivalent purposes was previously submitted to the same depositary. The above statement is not required for non-Italian resident investors that are international bodies or entities set up in accordance with international agreements entered into force in Italy referred to in point (b) above or Central Banks or entities also authorised to manage the official reserves of a State referred to in point (d) above. Additional requirements are provided for "institutional investors" referred to in point (c) above (in this respect see, among others, Circular Letters Nos. 23/E of 1 March 2002 and No. 20/E of 27 March 2003).

The *imposta sostitutiva* will be applicable at a rate of 26 per cent. to interest paid to Noteholders who do not qualify for the foregoing exemption or do not timely and properly satisfy the requested conditions (including the procedures set forth under Decree No. 239 and in the relevant implementation rules).

Noteholders who are subject to the *imposta sostitutiva* might, nevertheless, be eligible for full or partial relief under an applicable tax treaty, subject to timely filing of required documentation provided by Regulation of the Director of Italian Revenue Agency No. 2013/84404 of July 10, 2013.

Tax treatment of capital gains

Italian-resident Noteholders

Noteholders not engaged in an entrepreneurial activity

Where an Italian-resident Noteholder is an individual not engaged in an entrepreneurial activity to which the Notes are connected, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to a capital gain tax (**imposta sostitutiva**, or "CGT") levied at a rate of 26 per cent. Noteholders may set off any capital losses with their capital gains.

In respect of the application of the *imposta sostitutiva*, taxpayers may opt - under certain conditions - for any of the three regimes described below.

Tax return regime. Under the tax return regime (*regime della dichiarazione*), which is the default regime for Italian-resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the CGT on capital gains will be chargeable, on a cumulative basis, on all capital gains (net of any incurred capital loss) realised by the Italian-resident individual holding the Notes during any given tax year. Italian-resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in their annual tax return, and pay the CGT on such gains, together with any balance of income tax due for such year. Within the same time limit, capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

Non-discretionary investment portfolio regime (Risparmio amministrato regime). As an alternative to the tax return regime, Italian-resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the CGT separately on capital gains realised on each sale or redemption of the Notes (*regime del risparmio amministrato*). Such separate taxation of capital gains is allowed subject to:

- (i) the Notes being deposited with an Italian bank, SIM or certain authorised financial intermediaries; and
- (ii) an express election for the *risparmio amministrato* regime being made in writing in a timely fashion by the relevant Noteholder.

The depository must account for the CGT in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss. The depository must also pay the CGT to the Italian tax authorities on behalf of the Noteholder, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, any possible capital loss resulting from a sale or redemption or certain other transfer of the Notes may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years, up until the fourth tax year. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains/losses realised within said regime in the annual tax return.

Discretionary investment portfolio regime (Risparmio gestito regime). In the *risparmio gestito* regime, any capital gains realised by Italian-resident individuals holding the Notes not in connection with an entrepreneurial activity and who have entrusted the management of their financial assets (including the Notes) to an authorised intermediary, will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at tax year-end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Any decrease in value of the managed assets accrued at the tax year-end may be carried forward against any increase in value of the managed assets accrued in any of the four succeeding tax years. The Noteholder is not required to declare the capital gains or losses realised within said regime in its annual tax return. The Noteholder is not required to declare the capital gains realised in the annual tax return.

Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains on the Notes may be exempt from any income taxation (including from the 26 per cent. CGT) if the Noteholder is an Italian resident individual not engaged in entrepreneurial activity and the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets all the requirements set forth in Article 1(100-114) of Law No. 232 of December 11, 2016, Article 1, paragraphs 211 – 215, of Law No. 145 of 30 December 2018, as implemented by the Ministerial Decree 30 April 2019 and Article 13-bis of Law Decree No. 124 of 26 October 2019, converted into Law with amendments by Law No. 157 of 19 December 2019, as lastly amended and supplemented by Article 136 of Law Decree No. 34 of 19 May 2020, converted into Law with amendments by Law No. 77 of 17 July 2020 and by Article 68 of Law Decree No. 104 of 14 August 2020, converted into Law with amendments by Law No. 126 of 13 October 2020.

Noteholders engaged in an entrepreneurial activity

Any gain obtained from the sale or redemption of the Notes will be treated as part of taxable business income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of net value of the production for IRAP purposes), if realised by an Italian company, a similar commercial entity (including the Italian permanent establishment of non-resident entities to which the Notes are connected) or Italian-resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Real estate investment funds and real estate SICAFs

Any capital gains realised by a Noteholder which qualifies as an Italian real estate investment fund or an Italian real estate SICAF will be subject neither to CGT nor to any other income tax at the level of the real estate investment fund or the real estate SICAF (see "*Tax treatment of interest – Real estate investment funds and real estate SICAFs*" above). However, a withholding or substitute tax of 26 per cent. will apply, in certain circumstances, to income realised by unitholders or shareholders in the event of distributions, redemption or sale of the units or shares. Moreover, subject to certain conditions, income realised by Italian real estate investment funds or real estate SICAFs is attributed pro rata to the Italian resident unitholders irrespective of any actual distribution on a tax transparency basis.

Funds, SICAVs and non-real estate SICAFs

Any capital gains realised by a Noteholder which is a Fund, a SICAV or a non-real estate SICAF will not be subject to CGT but will be included in the result of the relevant portfolio accrued at the end of the relevant fiscal year. Such result will not be taxed at the level of the Fund, the SICAV or the non-real estate SICAF, but income realised by the unitholders or shareholders in case of distributions, redemption or sale of the units/shares may be subject to a withholding tax of 26 per cent.

Pension funds

Any capital gains realised by a Noteholder which qualifies as an Italian pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of December 5, 2005) will be included in the result of the relevant portfolio accrued at the end of the relevant tax period, and subject to 20 per cent. substitute tax. Subject to certain limitations and requirements (including a minimum holding period), capital gains realised in respect of the Notes may be excluded from the taxable base of the substitute tax pursuant to Article 1, paragraph 92, of Law No. 232 of 11 December 2016, if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) pursuant to Article 1(100-114) of Law No. 232 of December 11, 2016, Article 1, paragraphs 211 – 215, of Law No. 145 of 30 December 2018, as implemented by the Ministerial Decree 30 April 2019 and Article 13-bis of Law Decree No. 124 of 26 October 2019, converted into Law with amendments by Law No. 157 of 19 December 2019, as lastly amended and supplemented by Article 136 of Law Decree No. 34 of 19 May 2020, converted into Law with amendments by Law No. 77 of 17 July 2020 and by Article 68 of Law Decree No. 104 of 14 August 2020, converted into Law with amendments by Law No. 126 of 13 October 2020.

Non-Italian resident Noteholders

A 26 per cent. CGT may be payable on capital gains realised on the sale or redemption of the Notes by non-Italian resident persons without a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held in Italy. However, under Article 23(1)(f)(2) of Decree No. 917, capital gains realised by non-resident Noteholders from the sale or redemption of notes issued by an Italian-resident issuer and traded on regulated markets in Italy or abroad are not subject to CGT, subject to the filing of required documentation in a timely fashion (in particular, a self-declaration that the Noteholder is not resident in Italy for tax purposes) with Italian qualified intermediaries (or permanent establishments in Italy of foreign intermediaries) with which the Notes are deposited, even if the Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty.

Capital gains realised by non-resident Noteholders from the sale or redemption of Notes issued by an Italian-resident issuer, even if the Notes are not traded on regulated markets, are not subject to CGT, provided that the beneficial owner is:

- (a) a beneficial owner of the capital gains with no permanent establishment in Italy to which the Notes are effectively connected and resident, for tax purposes, of a state or territory included in the White List; or
- (b) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or
- (c) an "institutional investor", whether or not subject to tax, which is established in a state or territory included in the White List, even if it does not possess the status of a taxpayer in its own state of establishment; or
- (d) a central bank or an entity which manages, *inter alia*, the official reserves of a foreign state.

In order to ensure gross payment, non-Italian resident Noteholders must satisfy the same conditions set forth above to benefit from the exemption from the *imposta sostitutiva* in accordance with Decree 239 (see "*Tax treatment of interest*" above).

If none of the above conditions is met, capital gains realised by non-Italian resident Noteholders from the sale or the redemption of Notes issued by an Italian resident issuer and not traded on regulated markets may be subject to CGT at the current rate of 26 per cent. However, Noteholders might benefit from an applicable tax treaty with Italy, providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the State where the recipient is tax resident, subject to certain conditions to be satisfied.

Under these circumstances, if non-resident persons without a permanent establishment in Italy to which the Notes are effectively connected hold Notes with an Italian authorised financial intermediary and are subject to the *risparmio amministrato* regime or elect for the *risparmio gestito* regime, exemption from Italian taxation on capital gains will apply upon condition that the non-resident Noteholders file in time with the authorised financial intermediary appropriate documents which include, *inter alia*, a certificate of residence from the competent tax authorities of their country of residence.

The *risparmio amministrato* regime is the ordinary regime automatically applicable to non-Italian resident persons and entities holding Notes deposited with an Intermediary, but non-Italian resident Noteholders retain the right to waive this regime.

Certain reporting obligations for Italian-resident Noteholders

Under Law Decree No. 167 of June 28, 1990, as subsequently amended and supplemented, individuals, non-business entities and non-business partnerships that are resident in Italy and, during the tax year, hold investments abroad or have financial assets abroad (including possibly the Notes) must, in certain circumstances, disclose these investments or financial assets to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a

proper form that must be filed within the same time as prescribed for the income tax return). The requirement applies also where the persons above, being not the direct holders of the financial assets, are the actual economic owners thereof for the purposes of anti-money laundering legislation.

No disclosure requirements exist for investments and financial assets (including the Notes) under management or administration entrusted to Italian resident intermediaries (Italian banks, SIMs, fiduciary companies or other professional intermediaries, indicated in Article 1 of Decree No. 167 of June 28, 1990) and for contracts concluded through their intervention, provided that the cash flows and the income derived from such activities and contracts have been subjected to Italian withholding or substitute tax by the such intermediaries.

Italian inheritance tax and gift tax

The transfer of Notes by reason of gift, donation or succession proceedings is subject to Italian gift and inheritance tax as follows:

- (a) 4 per cent. for transfers in favour of the spouse or direct relatives exceeding, for each beneficiary, a threshold of Euro 1 million;
- (b) 6 per cent. for transfers in favour of siblings exceeding, for each beneficiary, a threshold of Euro 100,000;
- (c) 6 per cent. for transfers in favour of relatives up to the fourth degree and to all relatives in law in direct line and to other relatives in law up to the third degree, on the entire value of the inheritance or the gift; and
- (d) 8 per cent. for transfers in favour of any other person or entity, on the entire value of the inheritance or the gift.

If the heir/heirress or the donee is a person with a severe disability pursuant to Law No. 104 of February 5, 1992, inheritance tax or gift tax is applied to the extent that the value of the inheritance or gift exceeds Euro 1.5 million.

With respect to Notes listed on a regulated market, the value for inheritance and gift tax purposes is the average stock exchange price of the last quarter preceding the date of the succession or of the gift (including any accrued interest).

Italian inheritance tax and gift tax applies to non-Italian resident individuals for bonds issued by Italian resident companies.

The *mortis causa* transfers of financial instruments included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016, as subsequently amended and supplemented from time to time, are exempt from inheritance taxes.

Wealth tax – direct holding

Pursuant to Article 19(18) and (20) of Law Decree No. 201 of December 6, 2011, converted with Law No. 214 of December 22, 2011 (as amended by Article 134 of Law Decree No. 34 of May 19, 2020, converted with Law No. 77 of July 17, 2020), Italian resident individuals, Italian non-profit organizations, Italian non business partnerships and similar Italian resident persons holding financial products, including the Notes, outside Italy without the involvement of an Italian financial intermediary are required to pay a wealth tax currently at the rate of 0.20 per cent. (the level of tax being determined in proportion to the period of ownership). The wealth tax applies on the market value at the end of the relevant year or, in the absence of a market value, on the nominal value or redemption value of such financial products held outside Italy. Taxpayers are generally permitted to deduct from the wealth tax a tax credit equal to any wealth taxes paid in the State where the financial products are held (up to the amount of the Italian wealth tax due). The wealth tax cannot exceed Euro 14,000 per year for Italian holders other than individuals.

Stamp taxes and duties – holding through financial intermediary

Under Article 13(2ter) of the tariff, Part I of the Decree No. 642 of October 26, 1972, a 0.2 per cent. stamp duty generally applies on communications and reports that Italian financial intermediaries periodically send to their clients in relation to the financial products that are deposited with such intermediaries. The Notes are included in the definition of financial products for these purposes. Communications and reports are deemed to be sent at least once a year even if the Italian financial intermediary is under no obligation to either draft or send such communications and reports.

The stamp duty cannot exceed Euro 14,000 for Noteholders other than individuals. Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy and Finance on 24 May 2012, the 0.2 per cent. stamp duty does not apply to communications and reports that the Italian financial intermediaries send to investors who do not qualify as "clients" according to the regulations issued by the Bank of Italy.

The taxable base of the stamp duty is the market value or, in the lack thereof, the nominal value or the redemption amount of any financial product.

Registration tax

Contracts relating to the transfer of the Notes are subject to the registration tax as follows:

- (a) public deeds and private deeds with notarised signatures (*atti pubblici e scritture private autenticate*) are subject to fixed registration tax at rate of Euro 200; and
- (b) private deeds (*scritture private non autenticate*) are subject to fixed registration tax of Euro 200 only in the "case of use" or voluntary registration or occurrence of the so-called *enunciazione*.

- **SUBSCRIPTION AND SALE**

General

In connection with the Offering, Equita S.I.M. S.p.A. as placement agent (the "**Placement Agent**") has, according to Article 2.4.3 of the trading rules of Borsa Italiana, been appointed by the Issuer to offer and display the Notes for sale on the MOT.

The fees payable to the Placement Agent ("**Fees**") in connection with the Offering will be the following: (i) a structuring commission of 0.40 per cent. of the total principal amount of the Notes issued and (ii) a placing commission of 0.50 per cent. of the principal amount of the Notes issued pursuant to offers to purchase the Notes ("**Purchase Offers**") collected by the Placement Agent from institutional investors. In any case the Fees are subject to a minimum total amount of Euro 950,000. In addition to the foregoing, the Issuer may grant to the Placement Agent an additional fee ("**Additional Fee**") up to a maximum amount of Euro 50,000. The Placement Agent considers its clients to be each of the Issuer and any potential investors in the Notes. The Placement Agent and its affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer or its affiliates, for which the Placement Agent and its affiliates have received or will receive customary fees and commissions.

In addition, in the ordinary course of their business activities, the Placement Agent and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Typically, the Placement Agent and its affiliates would hedge and do hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Placement Agent and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

There are no interests of natural and legal persons other than the Issuer and the Placement Agent involved in the issue of the Notes, including conflicting ones that are material to the issue.

Offering of the Notes

- *Offering Amount*

Subject to the Minimum Offer Condition, the Issuer is offering for subscription and listing and admission to trading on the MOT a minimum of €100,000,000 aggregate principal amount of the Notes (the "**Minimum Offer Amount**") and a maximum of €130,000,000 aggregate principal amount of the Notes (the "**Maximum Offer Amount**"). The Maximum Offer Amount may be reduced by the Issuer prior to the Launch Date (as defined below). If the Maximum Offer Amount is reduced below €130,000,000 the Issuer will publish a notice specifying the revised Maximum Offer Amount on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana. Moreover, in such a case a supplement to this Prospectus will be published by the Issuer in accordance with Article 23 of the Prospectus Regulation.

For the purpose of this section "**Minimum Offer Condition**" shall occur if, at the expiration of the Offering Period, Purchase Offers have not been placed sufficient for the sale of at least the Minimum Offer Amount, the Offering will be withdrawn.

- *Pricing Details*

The Notes will be issued at a price of 100 per cent. of their principal amount (the "**Issue Price**").

Disclosure of the Interest Rate, Yield, Redemption Prices and the Results of the Offering

The interest rate (which shall not be less than the Minimum Interest Rate) will be determined on the basis of the tenor of the Notes, the yield and the demand by investors in the course of the determination of the conditions (the book-building procedure) prior to the start of the Offering Period. In the course of the book-building procedure, the Placement Agent will accept within a limited period of time indications of interest in subscribing for the Notes from investors, including credit spreads usually within a predetermined spread range. Subsequently, the Placement Agent will determine, in consultation with the Issuer and based on, among other things, the quantity and quality of the expressions of interest received from Investors during the book-building procedure, the interest rate (coupon), the final yield and the redemption prices. The interest rate of the Notes (which shall not be less than the Minimum Interest Rate), the yield and the redemption prices will be set out in the Interest Rate, Yield and Redemption Prices Notice, which will be filed with the CBI and Euronext Dublin, and published on the Issuer's Website (<https://www.italianwinebrands.it>), the Euronext Dublin Website (<https://live.euronext.com/>) and released through the SDIR-NIS system of Borsa Italiana prior to the start of the Offering Period.

The aggregate principal amount of the Notes, the number of Notes sold and the proceeds of the Offering will be set out in the Offering Results Notice which will be filed with the CBI and Euronext Dublin, and published on the Issuer's Website (<https://www.italianwinebrands.it>), the Euronext Dublin Website (<https://live.euronext.com/>) and released through the SDIR-NIS system of Borsa Italiana no later than the first Business Day after the end of the Offering Period. No trading in the Notes will start before the Offering Results Notice is published as set out above.

- Conditions of the Offering

Except for the Minimum Offer Condition, the Offering is not subject to any conditions.

Subscription rights for the Notes will not be issued. Therefore, there are no procedures in place for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

- Offering Period, Early Closure, Extension and Withdrawal

The Offering will open on 5 May 2021 at 09:00 (CET) (the "**Launch Date**") and will expire on 10 May 2021 at 17:30 (CET) (the "**Offering Period End Date**"), subject to amendment, extension or postponement by the Issuer and the Placement Agent (the "**Offering Period**").

The Investors will be required to remit payment in exchange for the issuance of the Notes for which they have placed Purchase Offers on the Issue Date, which will initially be 13 May 2021. In the case of an extension of the Offering Period the Issue Date will be the fifth Business Day following the closure of the Offering Period. Notwithstanding any early closure of the Offering, the Notes will be issued on the original Issue Date (13 May 2021).

The Offering Period is an approximate period and has been determined by the Issuer. The Issuer expressly reserves the right to postpone or extend the Offering Period in light of the market conditions or modify the Launch Date and/or the Offering Period End Date in agreement with the Placement Agent by giving due notice to the CBI, Euronext Dublin and Borsa Italiana - through the publication of a supplement to this Prospectus (a "**Supplement**"), to the extent such postponement or extension will be a significant new factor, as defined in Article 23 of the Prospectus Regulation - and by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana, to the general public. Any notice of postponement or modification of the Offering Period will be given no later than the Business Day prior to the Launch Date. If, following the Launch Date and before the Offering Period End Date, the Notes have not been placed for an amount equal to the Maximum Offer Amount or the Minimum Offer Amount because of the market conditions and the Issuer decides to extend the Offering Period in agreement with the Placement Agent, a notice of extension of the Offering Period will be published before the last day of the Offering Period.

If, during the Offering Period, Purchase Offers exceed the Maximum Offer Amount, the Placement Agent, in agreement with the Issuer, will close the Offering prior to the expiration of the Offering Period, and all Purchase Offers in excess of the Maximum Offer Amount will not be executed. The Issuer will promptly communicate an early closure of the Offering Period to the CBI, Euronext Dublin and Borsa Italiana and, by way of a dedicated notice published on the Issuer's Website, to the general public.

The Issuer and the Placement Agent (i) expressly reserve the right to withdraw the Offering at any time prior to 16:45 (CET) on the Offering Period End Date and (ii) shall withdraw the Offering if Purchase Offers are lower than the Minimum Offer Amount. The Issuer will promptly communicate a withdrawal of the Offering to the CBI, Euronext Dublin and Borsa Italiana and, subsequently, to the general public, by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana.

The Placement Agent, in agreement with the Issuer, expressly reserves the right to cancel the launch of the Offering at any time between the date of this Prospectus and the Launch Date or to withdraw the Offering at any time after the Launch Date and before 16:45 (CET) on the Offering Period End Date in the case of (i) any extraordinary change in the political, financial, economic, regulatory, currency or market situation of the markets in which the Issuer and/or the Group operates which could have a materially adverse effect on the Offering, or the economic, financial and/or management conditions of the Issuer and/or the Group or on its/their business activities, or (ii) any act, fact, circumstance, event, opposition or any other extraordinary situation which has not yet occurred at the date of this Prospectus which may have a materially adverse effect on the Offering, or the economic, financial and/or management conditions of the Issuer and/or the Group or on its/their business activities. If the launch of the Offering is cancelled or the Offering is withdrawn, the Offering itself and all submitted Purchase Offers will be deemed cancelled. Prompt notice of any decision to cancel the launch of the Offering or withdraw the Offering after the Launch Date will be communicated to the CBI, Euronext Dublin, Borsa Italiana and, by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana, to the general public.

If, prior to the Issue Date, Borsa Italiana has failed to set the MOT Trading Start Date, the Offering will be automatically withdrawn by giving notice to the CBI, Euronext Dublin and, no later than the day after notice has been given to CBI and Euronext Dublin, by notifying the general public by way of a notice published on the Issuer's Website, the Euronext Dublin Website and released through the SDIR-NIS system of Borsa Italiana.

- Technical Details of the Offering on the MOT

The Offering will take place through Purchase Offers made by Investors on the MOT through Intermediaries (as defined below) and coordinated by the Placement Agent, who has been appointed by the Issuer to offer and display the Notes for sale on the MOT according to the trading rules of Borsa Italiana. Purchase Offers may only be made with the MOT through an investment company, bank, wealth management firm, registered financial intermediary, securities house and any other intermediary authorised to make Purchase Offers directly on the MOT or - if such institution is not qualified to perform transactions on the MOT - through an intermediary or agent authorised to do so (each an "**Intermediary**"). Purchase Offers must be made during the operating hours of the MOT for a minimum quantity of aggregate par value of €1,000 of the Notes, and may be made for any multiple thereof.

During the Offering Period, Intermediaries may make irrevocable Purchase Offers directly or through any agent authorised to operate on the MOT, either on their own behalf or on behalf of third parties, in compliance with the operational rules of the MOT.

The Notes shall be assigned, up to their maximum availability, based on the chronological order in which Purchase Offers are made on the MOT. The acceptance of a Purchase Offer on the MOT does not alone constitute the completion of a contract with respect to the Notes requested thereby. The perfection and effectiveness of contracts with respect to the Notes are subject to confirmation of the correct execution of the Purchase Offer and issuance of the Notes. Each Intermediary

through whom a Purchase Offer is made will notify Investors of the number of Notes they have been assigned within the Issue Date.

After the end of the Offering Period, Euronext Dublin, in conjunction with the Issuer, shall set and give notice of the start date of the official admission to trading on the regulated market of Euronext Dublin and Borsa Italiana shall set and give notice of the start date of official trading of the Notes on the MOT (the "**MOT Trading Start Date**"). The MOT Trading Start Date shall correspond to the Issue Date.

Investors wishing to make Purchase Offers who do not have a relationship with any Intermediary may be requested to open an account or make a temporary deposit for an amount equivalent to that of the Purchase Offer. In case of partial sale of the Notes or a cancellation or withdrawal of the Offering, all amounts paid as temporary deposits, or any difference between the amount deposited with the Intermediary and the aggregate value of the Notes actually sold to the Investor, will be repaid to the Investor who initiated the Purchase Offer by the Issue Date. See "*Terms and Conditions of the Payment and Delivery of the Notes*".

Except as otherwise set forth herein, Purchase Offers, once placed, may not be revoked. See "*Revocation of Purchase Offers*" below.

Any Purchase Offer received outside the Offering Period, or within the Offering Period but outside the operating hours of the MOT, will not be accepted.

Investors may place multiple Purchase Offers.

Purchase Offers placed by Italian Investors through telecommunication means are not subject to the withdrawal provisions applicable to distance marketing of consumer financial services, services in accordance with articles 67-bis and 67-duodecies of Italian Legislative Decree no. 206 of 6 September 2005 as regards the public offer in Italy.

- Revocation of Purchase Offers

If the Issuer publishes any Supplement, any Investor who has placed a Purchase Offer prior to the publication of the Supplement shall be entitled to revoke such Purchase Offer by delivering a written notice to the Intermediary through whom the Purchase Offer was made by no later than the second Business Day following the publication of the Supplement in accordance with Article 23(2) of the Prospectus Regulation. The Intermediary will in turn notify the Placement Agent of such revocation.

- Terms and Conditions of the Payment and Delivery of the Notes

Investors will pay the Issue Price to the Intermediaries through whom they have placed Purchase Offers on the Issue Date.

A press release will be published to inform Investors and potential Investors of any early closure of the Offering or extension of the Offering Period. In case of an extension of the Offering Period the Issue Date will be postponed to the fifth Business Day following the closure of the Offering Period, as extended. In case of an early closure of the Offering Period, the Issue Date will remain unchanged and the Notes will be issued on 13 May 2021. For more information about the circumstances in which the Offering Period may be closed early or extended, see "*Offering Period, Early Closure, Extension and Withdrawal*" above.

Ownership of interests in the Notes will be limited to persons that have accounts with Euroclear and/or Clearstream, Luxembourg or persons that hold interests in the Notes through participants in Euroclear and/or Clearstream, Luxembourg, including Monte Titoli. Euroclear and Clearstream, Luxembourg will hold interests in the Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. Payments and transfers of the Notes will be settled through Euroclear and Clearstream, Luxembourg.

None of the Issuer and the Paying Agents or any of their respective agents will have any responsibility, or be liable, for any aspect of the records relating to the ownership of interests in the Notes.

- Costs and Expenses Related to the Offer

The Issuer will not charge any costs, expenses or taxes directly to any Investor. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence related to the opening of a bank account or a temporary deposit account with an Intermediary, if necessary, and/or any costs related to the execution, acceptance and transmission of Purchase Offers imposed by such Intermediaries. See "*Technical Details of the Offering on the MOT*".

Consent to the Use of this Prospectus

The Issuer has granted its consent to the use of this Prospectus for the Offering of the Notes during the Offering Period without conditions and accepts responsibility for the content of the Prospectus also with respect to the subsequent resale or final placement of the Notes by any financial intermediary which was given consent to use this Prospectus in Italy.

Public Offer and Selling Restrictions

The Offering is addressed to the general public in Italy and to qualified investors (as defined in the Prospectus Regulation) in Ireland and Italy following the approval of this Prospectus by the CBI for the purposes of the Prospectus Regulation, and the effectiveness of the notification of this Prospectus by the CBI to CONSOB according to Article 25 of the Prospectus Regulation.

Purchase Offers may only be placed through Intermediaries. Any persons who, at the moment of making a Purchase Offer, even if they are resident in Italy, may be considered as being resident in the United States, or in any other country – such as Australia, Canada or Japan - in which the offer of financial instruments is not permitted to be made unless it has been authorised by the competent authorities of such country (the "**Other Countries**") are not entitled to subscribe for the Notes in the Offering.

If, according to the Intermediaries, Purchase Offers were made by persons resident in Italy in breach of the provisions in force in the United States or in Other Countries, the Intermediaries shall adopt any adequate measure to remedy the unauthorised Purchase Offers and shall promptly notify the Placement Agent.

The Notes are not intended to qualify as packaged retail and insurance-based investment products (PRIIPs) and, as such, no key information document required by the Regulation (EU) No 1286/2014 has been or will be prepared by the Issuer.

- United States and its Territories

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes have not been, and will not be, offered or sold within the United States or to U.S. Persons except in accordance with Rule 903 of Regulation S. Neither the Issuer nor the Placement Agent or the Intermediaries, nor any persons acting on their behalf, have engaged, or will engage, in any directed selling efforts with respect to the Notes. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are in bearer form and are subject to U.S. tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code of 1986, as amended, and may not be offered, sold or delivered within the United States or its possessions or to a United States

person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including TEFRA D.

In accordance with TEFRA D, the Placement Agent and each Intermediary represents and agrees that:

- except to the extent permitted under TEFRA D, (a) it has not offered or sold, and until 40 days after the later of the commencement of the offering and the Closing Date (the "**Restricted Period**") will not offer or sell, the Notes to a person who is within the United States or its possessions or to, or for the account or benefit of, a United States person and (b) it has not delivered and will not deliver within the United States or its possessions definitive Notes (if any) that are sold during the Restricted Period;
- it has, and throughout the Restricted Period will have, in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling the Notes are aware that such Notes may not be offered or sold during the Restricted Period to a person who is within the United States or its possessions or to, or for the account or benefit of, a United States person, except as permitted by TEFRA D;
- if the Intermediary is a United States person, it represents that it is acquiring the Notes for purposes of resale in connection with their original issuance and, if such Intermediary retains the Notes for its own account, it will only do so in accordance with TEFRA D;
- with respect to each affiliate (if any) that acquires from such Intermediary the Notes for the purpose of offering or selling such Notes during the Restricted Period, such Intermediary either (a) hereby represents and agrees on behalf of such affiliate to the effect set forth in the three bullet points above or (b) agrees that it will obtain from such affiliate, for the benefit of the Issuer, the representations and agreements contained in the three bullet points above; and
- such Intermediary will obtain for the benefit of the Issuer the representations and agreements contained in the four bullet points above from any person other than its affiliate with whom it enters into a written contract, as defined under TEFRA D, for the offer and sale during the Restricted Period of the Notes.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including TEFRA D. In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

- European Economic Area

In relation to each Member State of the European Economic Area, the Placement Agent has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Member State other than the offers contemplated in this Prospectus in Italy from the time the Prospectus has been approved by the competent authority in Ireland and published and notified to the relevant competent authorities in accordance with the Prospectus Regulation, and provided that the Issuer has consented in writing to use of the Prospectus for any such offers, except that it may make an offer of such Notes to the public in that Member State:

- a) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Placement Agent; or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes shall require the Issuer or the Placement Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129 and includes any relevant implementing measure in the Member State.

- United Kingdom

The Placement Agent has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- a) to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom, subject to obtaining the prior consent of the Placement Agent; or
- c) in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000 (the "**FSMA**"),

provided that no such offer of Notes shall require the Issuer or the Placement Agent to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

- Other regulatory restrictions

The Placement Agent has represented, warranted and undertaken that:

- a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

• GENERAL INFORMATION

Authorisation

The issue of the Notes was authorised by a resolution of the Board of Directors' meeting of the Issuer passed on 14 April 2021.

Expenses related to Admission to Trading

The total expenses related to the admission to trading of the Notes are expected to amount to Euro 19,590 in respect of the admission to trading of the Notes on the Regulated Market and an amount ranging between Euro 7,500 and Euro 13,000 (depending on the size of the Offering) in respect of the admission to trading of the Notes on the MOT.

Listing and Admission to Trading

Application has been made to Euronext Dublin for the Notes to be admitted to the official list and to trading on its Regulated Market. Application has also been made to Borsa Italiana for the Notes to be admitted to the official list and to trading on the MOT. The Regulated Market and the MOT are regulated markets for the purposes of MiFID II.

Borsa Italiana has admitted the Notes to listing and to trading on the MOT with order n. LOL-004442 dated April 26, 2021. The MOT Trading Start Date will be set by Borsa Italiana and shall correspond to the settlement date of the purchase agreements with respect to the Notes and the Issue Date. See "*Subscription and Sale — Offering of the Notes — Technical Details of the Offering on the MOT*".

Arthur Cox Listing Services Limited is acting solely in its capacity as Irish listing agent for the Issuer in relation to only the admission to listing of the Notes on the Regulated Market and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the Regulated Market of Euronext Dublin.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN of the Notes is XS2331288212 and the Common Code is 233128821. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

Legal Entity Identifier (LEI)

The Issuer's Legal Entity Identifier (LEI) is 815600251190FB2E7172. The CFI Code for the Notes is DBFXFB.

Significant/Material Change

Save as set out in "*Description of the Issuer – History*", since 31 December 2020 there has been no material adverse change in the prospects of the Issuer or the Group.

Since 31 December 2020 there has been no significant change in the financial performance or the financial position of the Issuer or the Group.

Legal and Arbitration Proceedings

Other than as described in the section "*Description of the Issuer - Legal Proceedings*" on page 79 of this Prospectus, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer is aware) which may

have, or have had during the 12 months prior to the date of this Prospectus, a significant effect on the Issuer and/or the Group's financial position or profitability.

Auditors

The current independent Auditors of the Issuer are BDO Italia S.p.A., whose registered office is at Viale Abruzzi, No. 94, Milan (Italy). BDO Italia S.p.A. is registered under No. 167911 in the Register of Independent Auditors held by the Ministry of Economy and Finance pursuant to Legislative Decree No. 39 of 27 January 2010 and the relevant implementing regulations and is also a member of ASSIREVI (*Associazione Nazionale Revisori Contabili*), the Italian association of auditing firms.

The independent Auditors' appointment by the Issuer was conferred for the period 2021 - 2029 by the Issuer's shareholders' meeting of 22 April 2021.

The reports of the auditors of the Issuer are included or incorporated in this Prospectus in the form and context in which they are included or incorporated, with the consent of the relevant auditors who have authorised the contents of that part of this Prospectus.

Documents Available

For so long as any Notes remain outstanding, copies of the following documents will, when published, be available for inspection from the specified office of the Fiscal Agent for the time being in London:

the memorandum and Articles of Association (*statuto*) of the Issuer;

the Agency Agreement;

the Consolidated Financial Statements;

the Interim Reports

a copy of this Prospectus, any supplement thereto, if any, and any document incorporated by reference therein.

A copy of the documents listed above will be electronically available for viewing on the Issuer's Website (www.italianwinebrands.it).

A copy of this Prospectus will also be electronically available for viewing on the website of Euronext Dublin (<https://live.euronext.com/>).

Material Contracts

The Issuer and the companies forming part of the Group have not entered into any contracts in the last two years outside the ordinary course of their business which could result in the Issuer being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders of the Notes.

Potential Conflicts of Interest

The Placement Agent and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions (including, without limitation, the provision of loan facilities) with, and may perform services for, the Issuer and their respective affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Placement Agent and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities

activities may involve securities and/or instruments of the Issuer or its affiliates or any entity related to the Notes. The Placement Agent and its affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Placement Agent and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Placement Agent and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. In particular, the Placement Agent will receive a commission (as further described in "*Subscription and Sale*" above).

Foreign Languages used in the Prospectus

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Yield

On the basis of the Issue Price of the Notes of 100 per cent. of their principal amount and a Minimum Interest Rate of 2 per cent. per annum, the gross real yield of the Notes is a minimum of 2 per cent. on an annual basis. The final yield will be set out in the Interest Rate, Yield and Redemption Prices Notice (see "*Subscription and Sale – Disclosure of the Interest Rate, Yield, Redemption Prices and the Offering*"). The yield indicated in this paragraph is calculated, and the final yield set out in the Interest Rate, Yield and Redemption Prices Notice will be calculated, as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Legend Concerning US Persons

The Notes and any Coupons appertaining thereto will bear a legend to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

Post-issuance Information

The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

Rating

None of the Issuer and the Notes is rated.

Third Party Information

Certain third-party information has been extracted from external sources as described in this Prospectus. The Issuer confirms that such information has been accurately reproduced and, as far as it is aware and is able to ascertain from published information, no facts have been omitted which would render the reproduced information inaccurate or misleading. Neither the Issuer, the Fiscal Agent nor the Placement Agent makes any representation as to, and is not responsible for, the accuracy or completeness of such third-party information provided herein.

REGISTERED OFFICE OF THE ISSUER

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20131 Milan
Italy

PLACEMENT AGENT

Equita SIM S.p.A.

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20121 Milan
Italy

FISCAL AGENT AND PAYING AGENT

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LISTING AGENT

Arthur Cox Listing Services Limited

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To the Issuer as to Italian law:

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