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**REPORT OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY  
SHAREHOLDERS' MEETING  
OF  
SAFILO GROUP S.p.A.  
CALLED ON APRIL 27, 2023, IN SINGLE CALL**

**ITEM NO. 3 ON THE AGENDA  
(Report drafted pursuant to Article 125-ter of the T.U.F. and Article 84-ter of  
the Issuer's Regulation)**

Dear Shareholders,

With this report we would like to illustrate item no. 3 on the agenda of the Ordinary Shareholders' Meeting of the Company, called at the registered office of the Company on April 27, 2023, at 10 am, in single call.

**Allocation of reserves to cover losses. Related and consequent resolutions.**

The Board of Directors hereby informs you that during the financial year, the Company completed analysis activities concerning the composition and nature of the reserves composing the Company's equity, as resulting from the financial statements as at December 31, 2022.

Following the analysis activities, it has emerged that certain items of the Company's equity needed to be rationalized.

In particular, it has been found appropriate to proceed to the integral coverage of the losses carried forward from the previous financial years. For this reason, the Board of Directors has made a proposal that consists of the use of profits and capital reserves.

In particular, it is proposed that:

the item Profits/ losses carried-forward equal to Euro 654,755,002 is integrally covered by using capital reserve "Share premium reserve" for the amount of Euro 654,755,002.

Please note that should the above mentioned proposal be approved, the Company's equity – after the coverage of the loss for the year 2022 and following the coverage of the losses carried forward from previous financial years – will be composed as follows.

<i>(Euro)</i>	<b>New Equity</b>	<b>Equity at 31 December 2022 (*)</b>	<b>Equity at 31 December 2022</b>
Share capital	384.846.311	384.846.311	384.846.311
Share premium reserve	27.360.913	682.115.915	692.520.684
Legal reserve	3.007.774	3.007.774	3.007.774
Stock option reserve	-	-	1.439.907
Reserve for actuarial gain (losses) of defined benefit plan	-	-	1.378
Losses carried forward	-	-654.755.002	-654.755.002
Loss for the year	-	-	-11.846.054
<b>Total</b>	<b>415.214.998</b>	<b>415.214.998</b>	<b>415.214.998</b>

*(\*) Post covered loss for the year 2022*

The proposal does not have any impact on the overall extent of shareholders' equity, but is considered appropriate by the Board for a more immediate and straightforward interpretation of such equity.

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For the reasons described above, the Board of Directors submits for your approval the following

***proposed resolution***

*“The Shareholders’ Meeting: having acknowledged the contents and reasons illustrated in the Explanatory Report of the Board of Directors,*

***resolves***

- *to approve the integral coverage of the item Profits/ losses carried-forward equal to Euro 654,755,002 is integrally covered by using capital reserve Share Premium Reserve for the amount of Euro 654,755,002.*

Padua, March 28, 2023

for the Board of Directors

Eugenio Razelli

Chairman