

THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING APPROVES THE CAPITAL INCREASE WITH ISSUE OF WARRANTS

- **THE ORDINARY SHAREHOLDERS' MEETING AUTHORISED THE BOARD OF DIRECTORS TO PURCHASE TREASURY SHARES AND REDUCED THE NUMBER OF DIRECTORS FROM 7 TO 6.**
- **THE EXTRAORDINARY SHAREHOLDERS' MEETING AUTHORISED:**
 - **SHARE CAPITAL INCREASE FOR CASH, TO BE OFFERED AS AN OPTION TO SHAREHOLDERS HOLDING ORDINARY SHARES, FOR A MAXIMUM TOTAL AMOUNT OF € 1,500,000, THROUGH THE ISSUE OF SHARES WITH COMBINED WARRANTS SG COMPANY 2018-2025 TO BE ASSIGNED FREE OF CHARGE TO THE SUBSCRIBERS OF THE CAPITAL INCREASE, IN THE RATIO OF 1 WARRANT FOR EVERY 1 SHARE HELD**
 - **SHARE CAPITAL INCREASE WITH EXCLUSION OF PRE-EMPTIVE RIGHTS FOR € 250,000, RESERVED FOR SUBSCRIPTION BY THE CEO AND CFO OF THE COMPANY**
 - **THE PROPOSAL TO GRANT THE BOARD OF DIRECTORS THE POWERS TO INCREASE THE SHARE CAPITAL, WITH THE EXCLUSION OF OPTION RIGHTS, UP TO A MAXIMUM TOTAL AMOUNT OF € 2,000,000 AND € 1,000,000, RESPECTIVELY, TO BE OFFERED TO PERSONS IDENTIFIED BY THE BOD AND TO DIRECTORS, MANAGERS, AND COLLABORATORS OF THE COMPANY**

Milan 20 November 2021 – SG Company Società Benefit S.p.A., one of Italy's leading players in the Entertainment&Communication sector, listed on the Euronext Growth Milan (EGM) market of Borsa Italiana (ticker: SGC), communicates the Ordinary and Extraordinary Shareholders' Meeting resolutions, held on 20 November 2021 at 10.30 a.m., on second call, and of the Warrant Holders' Meeting, also held on 20 November 2021 at 12.30 p.m.

Ordinary Shareholders' Meeting

The Ordinary Shareholders' Meeting resolved to authorize the Board of Directors, and on its behalf the pro tempore Chairman of the Board of Directors, with the right to sub-delegate, to purchase, in one or more tranches, for a period of eighteen months from the date of this resolution, SG Company SB S.p.A. ordinary shares, pursuant to articles 2, 3, 5, 7, and consequent of the Italian Civil Code.

The purposes are to be found, as better described in the Board of Directors' Explanatory Report, in the possibility of using the treasury shares (i) as an investment object for an efficient use of the liquidity generated by the Company's core business and (ii) for the allocation to the beneficiaries of any incentive plans, stock option plans, and/or stock grants approved by the competent corporate bodies, (iii) as part of transactions connected with the management or projects consistent with the lines of expansion and growth that the Company intends to pursue.

It should also be noted that the authorisation has been granted within the limits and conditions set out in the Directors' Report and in particular

- the maximum number of shares purchased, taking into account the SG shares held in the portfolio from time to time by the Company and its subsidiaries, may not have a total nominal value greater than 10% of the Company's share capital;
- the purchases will be made at a unit price neither lower nor higher than 15% of the official stock exchange price of the shares as recorded by Borsa Italiana S.p.A. in the session prior to each individual transaction.

The Board of Directors has also been authorized to dispose of the treasury shares purchased in the manner deemed most appropriate in the interest of the Company and in compliance with applicable regulations, for the purposes set out in the BoD's illustrative report, and in particular with the procedures described therein.

The Shareholders' Meeting also noted the resignation of Director Elena Elda Lina Melchioni, dated 30 September 2021, and resolved to set the number of members of the Board of Directors at six, confirming the current composition and remuneration.

Extraordinary Shareholders' Meeting

The Extraordinary Shareholders' Meeting resolved to increase the Company's share capital, for payment and in divisible form, for a maximum total amount of € 1,500,000, including share premium, to be paid in cash, by issuing ordinary shares with no indication of par value and with regular dividend rights, to be offered as an option to the holders of ordinary shares in proportion to the number of shares held, pursuant to Article 2441, paragraphs 1, 2, and 3 of the Italian Civil Code, establishing that, if not fully subscribed by the date of 31.03.2022, the said increase in share capital will remain firmly within the limits of the subscriptions collected by that date and that the increase will be released and executed at the same time as each subscription.

The Shareholders' Meeting also approved the issue of additional "SG Company 2018-2025 Warrants", to be assigned in combination with the ordinary shares resulting from the aforementioned capital increase, at a ratio of 1 Warrant for every 1 new share, under the same terms and conditions as the "SG Company 2018-2025 Warrants" in circulation.

The purpose of the share capital increase is to support the Company's business plan, approved by the Board of Directors on 29 October 2020 and, in particular, to favor:

1. the policy of future acquisition of entrepreneurial realities complementary to the Group's business lines;
2. commercial development in foreign countries, particularly in Europe, and business diversification activities by entering new domestic and foreign reference markets;
3. the introduction of new skills aimed at implementing the new business lines;
4. financing the digital transformation process aimed at expanding and diversifying the Group's commercial strategy, with the launch of a new digital business line and the integration of market-driven technology solutions for greater market competitiveness;
5. strengthening of the capital structure.

Concerning the aforementioned resolution, the Shareholders' Meeting granted the Board of Directors, which will be held on 24 November 2021, the widest possible powers to define, in proximity to the launch of the options offer (expected by the end of November 2021), the final amount of the increase, in compliance with the maximum total amount approved by the Shareholders' Meeting, and to determine the number of shares to be issued, the option ratio, and the issue price (including any share premium), by referring to the most commonly recognized and used valuation methods, also taking into account market practices.

The Shareholders' Meeting also resolved:

- to approve the proposal to increase the share capital against payment with the exclusion of option rights according to Article 2441 (5) of the Italian Civil Code, for the amount of EUR 250,000 (of which EUR 200,000 as a share premium) to be executed by 31 December 2021, in one or more tranches, through the issue of 1,000,000 ordinary shares at a unit price of Euro 0.25 (of which Euro 0.20 as share premium) with regular dividend rights, reserved for Davide Verdesca and Francesco Merone, respectively CEO and CFO of the Company.
- to authorize the Board of Directors, according to Article 2443 of the Italian Civil Code, to increase by payment in cash, in one or more tranches, within a period of five years from the date of this meeting resolution, the share capital up to a maximum of EUR 2,000,000, by issuing ordinary shares having the same characteristics as those in circulation, with the exclusion of option rights according to Article 2441, paragraphs 4 and 5 of the Italian Civil Code, to be offered to parties identified by the Board of Directors itself, with the power to place the shares with qualified investors and/or commercial, financial, and/or strategic partners identified from time to time and/or concerning transactions to be carried out through contributions in kind.
- to further authorize the Board of Directors, according to Article 2443 of the Italian Civil Code, to increase the share capital with the exclusion of pre-emption rights, by payment in cash, on a divisible basis, within a period of 5 years from the date of this shareholders' resolution, according to art. 2441 paragraphs 5 and 8 of the Italian Civil Code, up to a maximum total amount of Euro 1,000,000, including share premium, by issuing ordinary shares with the same characteristics as those in circulation, to be reserved for subscription by directors, managers (employees and non-employees), and continuous collaborators of the Company and/or of its subsidiaries according to Article 2359, paragraph 1, of the Italian Civil Code, always at the discretion of the Company's Board of Directors.

Warrant Holders' Meeting

The General Meeting of Warrant Holders approved the proposal to amend the "Regulation of the Warrants SG Company 2018-2025" in the new text which will be viewable on the Company's website, to acknowledge the increase in the number of Warrants issued and the new capital increase to serve the issue of additional shares.

Documentation

All further information and documentation relating to the Shareholders' Meetings are available on the Company's website in the Shareholders' Meetings section.

This press release is publicly available in the Investor Relations section of the Company website [Financial market press releases | SG Company Società Benefit S.p.A.](#)

SG Company Società Benefit S.p.A. is a Digital Company, ISO 9001 certified and listed on the EGM market of Borsa Italiana (ticker: SGC), Technology segment, is an Innovative SME and, in keeping with its mission of "Sharing Growth", has also embarked on the ESG (Environmental, Social and Governance) path to ensure an increasingly future-oriented sustainable management of the Company, firmly believing in the value of business for the collective benefit. One of Italy's top players for over 20 years now in the Entertainment&Communication industry, it specializes in the areas of Digital & Live Communications, Hybrid Events, Video Production, Consumer Format, and Meetings & Events Industry. In its 2021-2023 Business Plan, it has embarked on a path of digital transformation, integrating a data valorization strategy on each business area thanks to the implementation of Marketing Technology solutions on every activity. Its distinctive positioning hinges on the synergy between data and content, as well as on the ability to offer a single direction over creativity, production and technology natively for each project, guaranteeing clients constant integration between physical and digital. The Company boasts a portfolio of high-standing clients at global level. It has planned, promoted and produced many successful national and international formats such as Milano Food Week, Obecity, Sneakerness, Digital Design Days, Business Tech Forum and others.

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