

Extraordinary Administration
of
Alitalia – Società Aerea Italiana S.p.A.
Alitalia Cityliner S.p.A.

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**CALL FOR EXPRESSIONS OF INTEREST FOR THE ACQUISITION OF THE
CORPORATE ACTIVITIES OF ALITALIA – SAI S.P.A. AND ALITALIA
CITYLINER S.P.A. BOTH UNDER EXTRAORDINARY ADMINISTRATION.**

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1. Recitals

- 1.1 Alitalia – Società Aerea Italiana S.p.A. (“**Alitalia**”) and Alitalia Cityliner S.p.A. (“**Cityliner**” and, jointly with Alitalia, the “**Companies under EA**”) are companies based in Italy and operating in the air transport sector, both having been admitted to an extraordinary administrative procedure in accordance with Decree Law 347/2003, amended and converted into Law 39/2004, by way of decrees issued by the Ministry for Economic Development on 2 May 2017 and 12 May 2017, respectively, and declared insolvent by the Court of Civitavecchia, on 11 May 2017 and 26 May 2017, respectively.
- 1.2 On 12 December 2019, Mr. Giuseppe Leogrande was appointed Extraordinary Commissioner of the Companies under EA is (the “**Extraordinary Commissioner**”).

1.3 Decree Law 137/2019, amended and converted into Law 2/2020, assigns the Extraordinary Commissioner the task of integrating the extraordinary administrative arrangements with a plan for implementing reorganisation and efficiency-enhancement measures, with regard to the organisation and operations of the Companies under EA, functional to the procedure herein (the “**Plan**”), which is still at a work-in-progress stage.

2. Purpose of the procedure

2.1 The purpose of the procedure (the “**Procedure**”) is to transfer the activities of the Companies under EA, for the purpose of achieving the reorganisation and efficiency-enhancing objectives of the Plan. Bids will also be accepted for separate lots as specified below (collectively, the “**Operation**”).

In particular, the interested entities shall express their interest in the Operation, in accordance with the terms and procedures set out in this call for expressions of interest (the “**Call**”), with respect to:

- (a) the corporate activities as a whole (“**Single Lot**”), or, alternatively,
- (b) the aviation activities alone (“**Aviation Lot**”); and/or
- (c) the handling activities alone (“**Handling Lot**”); and/or
- (d) the maintenance activities alone (“**Maintenance Lot**”).

The expressions of interest concerning any corporate matters other than those described in the above mentioned lots shall be admitted to a subsequent stage only if no bids are received in relation to the Single Lot or the Lots to which the relevant assets, contracts or activities of interest belong.

In any case, all the assets shall be transferred on an "as is" basis, at the date of the Operation.

Regarding the employment relationships of the employees of the Companies under EA, in accordance with article 63(4) of Legislative Decree 270/1999, the provisions governing business transfers carried out within the framework of extraordinary administrative procedures relating to large companies in a state of insolvency shall apply, as well as the provisions laid down in article 1(4) of Decree Law 137/2019, amended and converted into Law 2/2020.

2.2 The Aviation Lot includes the assets and legal contracts relating to the air transport activities of the Companies under EA, and resulting from the reorganisation and efficiency-enhancement measures referred to in point 1.3 above.

The Handling Lot includes the assets and legal contracts entered into by the Companies under EA and relating to the ground assistance services at airports provided to third parties.

The Maintenance Lot includes the assets and legal contracts relating to aircraft maintenance activities.

The Single Lot includes all the assets and legal contracts included in the Aviation Lot, the Handling Lot and the Maintenance Lot.

2.3 Regarding the Procedure – in the case of a substantial equivalence of the bids, determined at assessment – preference will be given, in accordance with the principles regulating the extraordinary administrative procedure of large companies in a state of insolvency, firstly to the bids for the Single Lot, and, secondly to those concerning more than one Lot, among those indicated in point 2.1 above. In any case, the bids for the Single Lot shall provide for the implementation of a management turnaround, economic and otherwise, by the bidder, in accordance with article 1(4) of Decree Law 137/2019, amended and converted into Law 2/2020.

Likewise, preference will be given to a number of interdependent bids, submitted contextually by two or more entities but aimed at implementing a single combined business project, or of independent bids albeit conducive to the implementation of a single combined business project, regarding the Single Lot as a whole, in the case of a substantial equivalence, compared to any individual bids for more than one lot, among those indicated in point 2.1 above.

3. Eligibility to express an interest

3.1 Interest in the Operation, in relation to the Single Lot or the Aviation Lot, may be expressed by individual enterprises or corporations (qualifying as such under the

applicable law of the country where they are registered) of any nationality, or groupings of individual enterprises or companies of any nationality (the “**Consortiums**”) possessing the following requirements:

(a) an average annual gross turnover, as reported over the latest three financial years, of at least 1 billion euros (or equivalent value in any foreign currency).

In the case of a group of companies, the requirement set out herein may also refer to the consolidated group turnover; in the case of Consortiums, the requirement herein may refer to the aggregate turnover of the Consortium members; in the case of an investment fund, the requirement herein may refer to the pro rata aggregate turnover of the companies invested in by the fund or by the fund's management company (on the basis of the stake held and regardless of the date of acquisition of the companies);

or

(b) a net equity of at least 250 million euros (or equivalent value in any foreign currency), as reported at the end of the last financial year, or the possession of own financial resources for the same amount (subject to the presentation of adequate support documents, which may also consist of a letter of confirmation by a prime national or international bank with a permanent establishment in Italy). In the case of a group of companies, the requirement herein may also refer to the consolidated net equity of the group; in the case of Consortiums, this requirement herein may refer to the aggregate net equity of the Consortium members; in the case of an investment fund, the requirement herein may refer to the latest available net equity of the fund or to the financial resources available for investment by the fund or its shareholders (meaning liquid or equivalent funds for investment and “*callable capital*” – provided that adequate support documents are provided).

3.2 Interest in the Operation, in relation to the Handling Lot, may be expressed by individual enterprises or corporations (qualifying as such under the applicable law of the country of origin) of any nationality, or Consortiums possessing the following requirements:

(a) an average annual gross turnover, as reported over the latest three financial years, of at least 50 million euros (or equivalent value in any foreign currency). In the case of a group of companies, the requirement set out herein may also refer to the consolidated group turnover; in the case of Consortiums, the requirement herein may refer to the aggregate turnover of the Consortium members; in the case of an investment fund, the requirement herein may refer to the pro rata aggregate turnover of the companies invested in by the fund or by the fund's management company (on the basis of the stake held and regardless of the date of acquisition of the companies);

or

(b) a net equity of at least 25 million euros (or equivalent value in any foreign currency), as reported at the end of the last financial year, or the possession of own financial resources for the same amount (subject to the presentation of adequate support documents, which may also consist of a letter of confirmation by a prime national or international bank). In the case of a group of companies, the requirement herein may also refer to the consolidated net equity of the group; in the case of Consortiums, the requirement herein may refer to the aggregate net equity of the Consortium members; in the case of an investment fund, the requirement herein may refer to the latest available net equity of the fund or to the financial resources available for investment by the fund or its shareholders (meaning liquid or equivalent funds for investment and "*callable capital*" – provided that adequate support documents are provided).

3.3 Interest in the Operation, in relation to the Maintenance Lot, may be expressed by individual enterprises or corporations (qualifying as such under the applicable law of the country of origin) of any nationality, or Consortiums possessing the following requirements:

(a) an average annual gross turnover, as reported over the latest three financial years, of at least 30 million euros (or equivalent value in any foreign currency). In the case of a group of companies, the requirement set out herein may also refer to the consolidated group turnover; in the case of Consortiums, the requirement herein may refer to the aggregate turnover of the Consortium

members; in the case of an investment fund, the requirement herein may refer to the pro rata aggregate turnover of the companies invested in by the fund or by the fund's management company (on the basis of the stake held and regardless of the date of acquisition of the companies);

or

(b) a net equity of at least 15 million euros (or equivalent value in any foreign currency), as reported at the end of the last financial year, or the possession of own financial resources for the same amount (subject to the presentation of adequate support documents, which may also consist of a letter of confirmation by a prime national or international bank). In the case of a group of companies, the requirement herein may also refer to the consolidated net equity of the group; in the case of Consortiums, the requirement herein may refer to the aggregate net equity of the Consortium members; in the case of an investment fund, the requirement herein may refer to the latest available net equity of the fund or to the financial resources available for investment by the fund or its shareholders (meaning liquid or equivalent funds for investment and "*callable capital*" – provided that adequate support documents are provided).

3.4 In any case, the eligible entities shall be allowed, during the Procedure, to establish and/or modify a Consortium – also by joining with entities that have expressed no interest according to this Invitation – consistently with the terms and procedures that will be subsequently notified during the Procedure.

3.5 In any case, expressions of interest in the Operation (the **Expressions of Interest in the Operation**) shall not be allowed from individual enterprises or corporations or Consortiums in which one or more of the members find themselves in any of the following circumstances of ineligibility:

(a) if, in the 12 (twelve) months prior to the date of publication of the Call, they were or are being liquidated and/or find themselves in any of the situations referred to in articles 2446 and 2447 of the Civil Code and/or in any equivalent situation according to the applicable law in the country where they are registered;

- (b) if, in the 12 (twelve) months prior to the publication of the Call, they were or are involved in insolvency or bankruptcy proceedings, in accordance with the legislation of their country where they are registered, or any other procedure for determining a state of insolvency, financial distress, termination of business activities or extraordinary administration, according to the applicable law in the country where they are registered;
- (c) they are subject to disqualification penalties, pursuant to article 9(2)(c) of Legislative Decree 231/2001, or equivalent sanctions entailing the prohibition to enter into contracts with the public administration, according to the applicable law of the country where they are registered;
- (d) if the owner, or, in the case of corporations, the members of the management and supervisory bodies, have been convicted, by way of a final judgment, or have been issued penalty orders, or have been sentenced under a plea-bargaining arrangement, pursuant to article 444 of the Italian Criminal Code – without prejudice to the effects of rehabilitation – in respect of any of the offences referred to in article 80(1)(a), (b), (c), (d), (e), (f) and (g) of Legislative Decree 50/2016 and to whom, therefore, the causes of disqualification, suspension or prohibition provided in article 67 of Legislative Decree 159/2011 apply, or any equivalent offences or prohibitions pursuant to the applicable law of the country where they are registered.

3.6 No Expressions of Interest in the Operation be taken into account if submitted by a person not yet officially appointed, intermediaries or trust companies, or with regards to which it proves impossible to clearly identify the relevant individual enterprise or corporation or members of the Consortium submitting the Expression of Interest.

3.7 The eligibility requirements set out in points 3.1(a), 3.2(a) and 3.3(a) above must be stated in the form published on the website referred to in point 9.8 below, and evidence must also be provided in the form of company and/or consolidated financial statements (if the relevant conditions exist) or, in the case of individual enterprises, by producing an equivalent certificate of eligibility. The eligibility

requirements set out in points 3.1(b), 3.2(b) and 3.3(b) above must be stated in the form published on the website referred to in point 9.8 below, and evidence must also be provided in the form of suitable documentation of origin of the interested entity and/or the financial institute or institutions.

- 3.8 The absence of causes of ineligibility, with regard to the Procedure referred to in point 3.4 above, shall be certified by the interested entity and, in the case of a Consortium, by each member thereof, by way of a declaration in lieu of an affidavit, made pursuant to the Decree of the President of the Republic 445/2000 (to the extent that this is applicable).
- 3.9 The Extraordinary Commissioner reserves the right to verify the accuracy and validity of the statements made and documentation submitted, and to request any further documents that may be useful and/or necessary, in relation to the said declarations and documentation.

4. Contents of the Expression of Interest in the Operation

- 4.1 The Expression of Interest in the Operation shall contain:
 - (a) essential information for fully identifying the applicant entity (in the case of a corporation: its name, registered office, tax identification number and VAT registration number, or other forms of identification according to the applicable law of the country where it is registered; in the case of an individual enterprise: the owner's name, surname, tax identification number and VAT registration number, or other forms of identification according to the applicable law of the country of which he/she is a citizen);
 - (b) the contact address or number to which any notices relating to the Procedure may be sent, such as an email address and/or fax number;
 - (c) the documents and declarations pursuant to points 3.7 and 3.8 above;
 - (d) a confidentiality undertaking and the Data Room regulation signed by the same person signing the Expression of Interest in the Operation. Both documents are published in the website referred to in point 9.8 below and must be signed

without any changes and/or additions. Both documents are published in Italian and English, although only the Italian language version must be signed, as the only valid text for the purposes of this procedure.

4.2 The Expression of Interest in the Operation shall be accompanied by:

- (a) a copy of this Call initialled on each page and signed at the bottom by the applicant entity (in the case of a corporation, by its legal representative or other authorised person vested with the necessary power to legally bind the interested entity; in the case of a Consortium, by its legal representative or other authorised person vested with the necessary power to legally bind each and every member), as a token of full and unconditional acceptance of the terms and conditions set out therein;
- (b) in the case of a corporation, a document certifying the signing powers of the person signing the Expression of Interest in the Operation, a copy of the company registration certificate, with full historical details (or other equivalent document) updated to no more than 7 (seven) days prior to the date of the Expression of Interest in the Operation.

4.3 The Expression of Interest in the Operation, and the attached documents, shall be made in Italian only. If the Expression of Interest in the Operation and/or the relevant documents are drafted in any other language, a translation into Italian must be attached. For the company and consolidated financial statements, and the further documents required in accordance with point 3.7 above, the translation shall exclusively concern the highlights of the applicant entity's, taken from the statement of financial position, the statement of profit and loss and the statement of cash flows. In any case, only the Italian translation shall be considered valid, for the intents and purposes of this Call.

If the applicant entity is controlled by another individual enterprise or corporation, or is part of a group of companies, it must provide the information and documentation referred to in point 4 also for its controlling company or the holding company of the group to which it belongs. For the purposes of this Call, a control relationship is deemed to exist in accordance with paragraphs 1 and 2 of article

2359 of the Italian Civil Code, or similar situations envisaged by the applicable law of the country in which the company is registered.

5. Terms for submitting the Expression of Interest in the Operation

5.1 The Expression of Interest in the Operation shall be sent, complete with the relevant documentation and declarations required by this Call, to the following certified email addresses projectAZ.Rothschild@pec.it and ItalyProjectAZ@Rothschildandco.com accompanied by the transmission message [*“Project AZ – Expression of Interest in the Operation”*].

5.2 The Expression of Interest in the Operation shall be received no later than 23:59 hours, Italian time, of 18 March 2020.

Any Expressions of Interest in the Operation received beyond the above date and time shall not be taken into consideration.

The date and time of receipt of the email will be taken as the date and time of receipt of the Expression.

6. Admission of applicant entities to the Procedure

6.1 No later than 5 (five) working days from receiving the Expression of Interest in the Operation, the Extraordinary Commissioner, through the Advisor, shall notify each eligible applicant entity of its admission to the next stage of the Procedure, by way of a Letter of Procedure, which, *inter alia*, shall also regulate admission to the Data Room, in relation to the purpose of the Expression of Interest in the Operation.

6.2 Within the same deadline set out in point 6.1 above, the Extraordinary Commissioner, through the Advisor, shall notify the applicant entity of any further documents that may be required to prove its eligibility.

The applicant entity shall not be admitted to the next stage of the Procedure until it has provided full proof of its eligibility.

7. Presentation of a Binding Offer and subsequent negotiation and/or improvement phase with regards to the Binding Offer

7.1 The deadline – which is the same for all the entities admitted to the Procedure, regardless of their respective Data Room access dates – for submitting the binding offers in relation to the Operation (the “**Binding Offers**”) shall be notified to the admitted entities by way of a Letter of Procedure, also taking into account the timeline set out in Decree Law 137/2019, amended and converted into Law 2/2020.

7.2 The timeline of the various stages of the Procedure, the manner of submission, any allowable flexibility in relation to the Lots referred to in point 2.1 above, and the assessment criteria applied to the Binding Offers shall also be notified to the admitted entities by way of a dedicated Letter of Procedure, which Letter shall also regulate the negotiation and/or improvement phase with regards to the Binding Offers.

7.3 The assessment criteria applied to the binding offers and the related scores shall be indicated, in accordance with the principle of transparency, in a Letter of Procedure sent to the admitted entities and shall primary concern:

- (a) the offered price and the valorisation of the transferred assets (comprehensively, the “financial criteria”);
- (b) the business plan and guarantee of continuity of the company’s activities (comprehensively, the “business criteria”).

8. Requests for clarification

8.1 If the interested entities require clarifications and/or further information about how to submit the Expression of Interest in the Operation they must send a request, in Italian, exclusively by email to the following address: MILProjectAZ@rothschildandco.com.

9. Further provisions

- 9.1 The publication of this Call and the receipt of an Expression of Interest in the Operation by the Extraordinary Commissioner shall not constitute an obligation on or commitment by the latter to follow up on this Call, *vis-à-vis* the applicant entities, nor grounds for any claims by the former against the Extraordinary Commissioner.
- 9.2 The Extraordinary Commissioner reserves the right, at any time, to decide not to go ahead with this Call and/or to collect binding offers or to suspend, stop and/or modify the terms and conditions of this Call, and the applicant entities shall not be entitled to any claims whatsoever for damages or compensation against the Extraordinary Commissioner, nor for any other purposes, including the costs incurred for submitting the Expression of Interest in the Operation and/or the subsequent Binding Offers.
- 9.3 The advisors of the Extraordinary Commissioner assisting him in the extraordinary administrative arrangements and/or the Procedure accept no obligations and/or liability towards the applicant entities, which, by signing the Call, expressly waive any claims that they might have in relation to the activities of the said advisors carried out on account of the Extraordinary Commissioner.
- 9.4 This Call does not constitute an invitation to offer, nor an offer, to the public, within the meaning of article 1336 of the Italian Civil Code, nor a request for public savings, within the meaning of article 94 et seq. of Legislative Decree 58/1998.
- 9.5 Each applicant entity shall incur the expenses required for any research and assessments, including the costs incurred for its legal counsels and advisors, and any other costs incurred in connection with this Call, and the preparation and presentation of the Expression of Interest in the Operation.

9.6 The personal and other data supplied by the applicant entities, in relation hereto, shall be processed in accordance with Regulation (EU) N. 2016/6709 (GDPR). According to the said Regulation, the data processing operations shall guarantee the full protection of the rights of the applicant entities, as well as full data confidentiality; the purpose of the data processing is to establish the eligibility of the applicants to submit the Expression of Interest in the Operation. The data controller is Alitalia – SAI SpA in extraordinary administration, in the person of the Extraordinary Commissioner (or other authorised person).

9.7 This Call, and its contents, shall be governed by Italian law and subject to the jurisdiction of Italian courts.

9.8 This Call has been published on the website of Alitalia, in Italian and English, subject to the proviso that only the Italian text is authoritative.

Fiumicino, 5 March 2020

Avv. Giuseppe Leogrande