



TECNOINVESTIMENTI

**DIRECTORS' EXPLANATORY REPORT
TO THE ORDINARY
SHAREHOLDERS' MEETING OF
TECNOINVESTIMENTI S.P.A.
CALLED FOR
24 APRIL 2018 IN SINGLE CALL**

SHAREHOLDERS' MEETING OF 24 APRIL 2018

EXPLANATORY REPORT

Dear Shareholders,

At the registered office and on the Company's website at www.tecnoinvestimenti.it and at the authorised storage mechanism called SDIR-NIS, pursuant to Article 125-*ter* of Legislative Decree 58/98, as amended and supplemented (the "**Italian Consolidated Law on Finance (TUF)**"), and Article 84-*ter* of Consob Regulation no. 11971/1999, as amended and supplemented (the "**Issuers' Regulation**"), a report is available to you on the proposals concerning the following matters on the Agenda of the Ordinary Shareholders' Meeting, to which you have been invited to participate, at Via Meravigli 7, in the room that will be indicated by instructions on-site in Milan for 24 April 2018 at 2 pm, in single call, to discuss and decide on the following:

AGENDA

ORDINARY PART

1. Financial Statements for the year ended 31/12/2017; Directors' management report; Report from the external audit firm; Statutory Auditors' report; related and ensuing resolutions. Presentation of the Consolidated Financial Statements as at 31/12/2017.
2. Allocation of profit for the year.
3. Remuneration report pursuant to Art. 123-*ter*, paragraph 6, of Legislative Decree 58/98; related and ensuing resolutions.
4. Renewal of the Board of Directors: determination of the number and remuneration; appointment of the members and of the Chairman of the Board of Directors.
5. Renewal of the Board of Statutory Auditors: determination of the remuneration; appointment of the Statutory Auditors and of the Chairman of the Board of Statutory Auditors.

First item on the Agenda

Financial Statements for the year ended 31/12/2017; Directors' management report; Report from the external audit firm; Statutory auditors' report; related and ensuing resolutions. Presentation of the Consolidated Financial Statements as at 31/12/2017.

Dear Shareholders,

In relation to the first item on the Agenda, you have been called to the Shareholders' Meeting to approve the Financial Statements for the year ended 31 December 2017, the draft of which was approved by the Company's Board of Directors on 14 March 2018.

The Company's Financial Statements for the year ended 31 December 2017 show a profit of Euro 11,968,265.59.

At the Shareholders' Meeting, there will also be a presentation of the Company's Consolidated Financial Statements for the year ended 31 December 2017, with a net profit for the Tecnoinvestimenti Group of Euro 20,232,661.48. A copy of the documentation required by applicable legal and regulatory provisions and, in particular, a copy of the file relating to the Financial Statements and to the Consolidated Financial Statements both for the year ended 31 December 2017, along with the report from the Board of Statutory Auditors and the Audit Firm responsible for the external audit of the accounts (to which please refer for further information), will be provided at the Company's registered office, on its website and using the authorised storage mechanism, under the terms set out by applicable legal and regulatory provisions, along with the annual report on corporate governance and ownership structure, at the disposal of anyone wishing to see them.

In view of the above, the Board of Directors submits for your approval the following proposal:

"The Ordinary Shareholders' Meeting of Tecnoinvestimenti S.p.A.,

- *having examined the information in the Financial Statements for the year ended 31 December 2017 with the corresponding reports presented by the Board of Directors, by the Board of Statutory Auditors and by the audit firm;*
- *having noted the information in the Consolidated Financial Statements for the year ended 31 December 2017 with the corresponding reports presented by the Board of Directors, by the Board of Statutory Auditors and by the audit firm;*

resolves

- *to approve the Financial Statements for the year ended 31 December 2017."*

Second item on the Agenda

Allocation of profit for the year.

Dear Shareholders,

In relation to the second item on the Agenda, you are called to the Shareholders' Meeting to decide on the allocation of profit for the year. In particular, the Company's Financial Statements for the year ended 31 December 2017 report a Profit for the year of Euro 11,968,265.59.

In view of the above, the Board of Directors submits for your approval the following proposal:

"The Ordinary Shareholders' Meeting of Tecnoinvestimenti S.p.A.,

resolves

- to allocate Tecnoinvestimenti's net profit for the year 2017 of Euro 11,968,265.59 as follows:

- 5% of the profit for the year to the legal reserve, for an amount equal to Euro 598,413.28;*
- as regards Euro 6,520,236.80 to distribution of the dividend, equal to Euro 0.14 for each of the Ordinary Shares outstanding on 4 June 2018, the scheduled coupon date;*
- as regards Euro 4,849,615.51 to retained earnings.*

- to pay the aforementioned dividend for the year 2017 of Euro 6,520,236.80 – gross of any statutory deductions – from 6 June 2018, the coupon date being 4 June 2018 and the record date (i.e. the date of entitlement to payment of the dividend, pursuant to art. 83-terdecies of Legislative Decree dated 24 February 1998 no. 58 and art. 2.6.6, paragraph 2, of the Regulation for Markets organised and managed by Borsa Italiana S.p.A.) being 5 June 2018."

Third item on the Agenda

Remuneration report (section 1) pursuant to Art. 123-ter, paragraph 6, of Legislative Decree 58/98.

Dear Shareholders,

In relation to the third item on the Agenda, full reference is made to the Remuneration Report – prepared pursuant to Art.123-ter of the TUF and to Art. 84-*quater* of the Issuers' Regulation, and in compliance with the provisions of the Code of Conduct of Borsa Italiana S.p.A. – that will be placed at your disposal at the registered office and will be available on the Company's website as well as at the authorised storage mechanism in accordance with the Law.

Pursuant to art. 123-*ter*, paragraph 6, of the TUF, you are called upon to decide in favour of or against the first section of the Remuneration Report, set out by paragraph 3 of the aforementioned article 123-*ter* of the TUF, which illustrates the Company's policy with regard to the remuneration of members of management bodies, of the general manager and of executives with strategic responsibilities, as well as the procedures used for the adoption and implementation of this policy.

Please remember that, pursuant to the aforementioned art. 123-ter, paragraph 6, of the TUF, the resolution that you are called upon to adopt will in no case be binding.

In view of the above, the Board of Directors submits for your approval the following proposal:

“The Ordinary Shareholders’ Meeting of Tecnoinvestimenti S.p.A.,

- *having examined and discussed the section of the Remuneration Report set out by art. 123-ter, paragraph 3, of Legislative Decree 58/1998, prepared by the Board of Directors, containing an illustration of the Company’s policy with regard to the remuneration of members of management bodies, of the general manager and of executives with strategic responsibilities, as well as the procedures used for the adoption and implementation of this policy, and made available to the public by the methods and within the timeframes required by Law;*

resolves

favourably on the first section of the Remuneration Report adopted by the Board of Directors on [...] pursuant to art. 123-ter of Legislative Decree 58/1998”.

Fourth item on the Agenda

Renewal of the Board of Directors: determination of the number of members, of the term of office and of the remuneration; appointment of the members and of the Chairman of the Board of Directors.

Dear Shareholders,

With the approval of the Financial Statements for the year ended 31 December 2017, the current Board of Directors will expire and the Shareholders' Meeting called for 24 April 2018 is therefore called upon to renew the management body.

The outgoing Board recalls that, pursuant to art. 147-ter, paragraph 4 of the TUF, it is necessary that – in light of the number of members of the board defined by the Articles of Association, from 5 to 13 members – at least three new Directors possess the independence requirements envisaged for Statutory Auditors by art. 148, paragraph 3 of the TUF. The outgoing Board also underlines that the Company adheres to the code of conduct for listed companies (the "Code of Conduct") and that, therefore, in compliance with principle 3.C.3, last paragraph, contained therein, the number of independent Directors cannot be less than three.

Finally, the outgoing Board recalls that, pursuant to art. 10 of the Articles of Association, each list submitted for the renewal of the board of Directors must include at least three candidates who meet the independence requirements established by Law, mentioning such candidates separately.

The outgoing Board also proposes that the new management body be appointed for three financial years, therefore expiring with the approval of the Financial Statements for the year ended 31 December 2020.

The renewal of the board of Directors will take place through the list voting mechanism, in accordance with the provisions of art. 10 of the Articles of Association, which is indicated below (for the part relating to the procedure for appointment of the board).

"Article 10 (Directors: number, appointment and term of office)

The company is managed by a Board of Directors consisting of a minimum of 5 (five) and a maximum of 13 (thirteen) members, who remain in office for three financial years, expiring on the date of the Shareholders' Meeting called to approve the Financial Statements related to the last year in office.

The Directors must possess the requisites established by applicable pro-tempore legislation and by the Articles of Association and may be re-elected. Moreover, not less than three Directors must in any case possess the independence requirements pursuant to art. 148, paragraph 3, of Legislative Decree no. 58/1998. In the composition of the Board of Directors, the balance between the male gender and the female gender must be ensured in compliance with the applicable pro tempore provisions of the Law and regulations.

Loss of the requisites required for the office entails forfeiture of the same, specifying that loss of the independence requisites referred to above by a Director, without prejudice to the obligation to immediately notify the Board of Directors, does not determine the forfeiture if the requisites remain for the minimum number of Directors who, on the basis of these Articles of Association, must possess such requisites.

Before proceeding with their appointment, the Shareholders' Meeting determines the number of members of the Board.

The Board of Directors is appointed by the Shareholders' Meeting on the basis of lists in which candidates must be indicated according to a sequential number.

Each candidate may appear in one list only, under penalty of ineligibility.

Each list must contain, with express identification, a number of candidates who meet the independence requisites set forth in art. 148, paragraph 3, of Legislative Decree no. 58/1998 equal to at least the minimum provided for by these Articles of Association. Lists with a number of candidates greater than or equal to three must consist of candidates belonging to both genders (male and female), so that at least one third belongs to the least represented gender (rounded up to the next integer) of candidates.

Shareholders who, alone or together with other Shareholders, are overall holders, at the date of presentation of the list, of shares with voting rights in Shareholders' Meeting resolutions concerning the appointment of management and control bodies representing a percentage shareholding of share capital consisting of these shares, as subscribed on the date of presentation of the list, of at least: i) 2.5% (two point five percent) or ii) that established pursuant to the relative provisions of Law or regulations if the latter is different from the percentage foreseen under i), are entitled to present lists.

The percentage shareholding required for presentation of candidate lists is indicated in the notice calling the Shareholders' Meeting convened to deliberate on the appointment of the Board of Directors.

Each Shareholder cannot present or participate in presenting, nor, as any other party with voting rights, vote, not even through a third party or trustee, for more than one list. Furthermore, Shareholders who: i) belong to the same group (or pursuant to Article 93 of Legislative Decree No. 58/1998 are in a controlling relationship between the same or are subject to joint control, even when the parent is a natural person), or ii) participate in a significant Shareholders' agreement pursuant to art. 122 of Legislative Decree no. 58/1998 concerning the company's shares, or iii) participate in such a Shareholders' agreement and are, pursuant to the Law, parents or subsidiaries or subject to the joint control of one of these participating Shareholders, may not present or participate with others in presenting more than one list or, as any other party with voting rights, vote for different lists. Participations and votes expressed in violation of this prohibition will not be attributed to any list.

The lists, accompanied by the CVs of the candidates containing detailed information on the personal and professional characteristics of each of them and signed by the Shareholders who presented them, or their representative, with an indication of their respective identity and the overall percentage shareholding on the date of presentation, must be filed at the registered office at least twenty five days prior to the date set for the Shareholders' Meeting in first or single call, while the relative certification(s) or communication(s) certifying the above-mentioned shareholding and issued by an authorised intermediary pursuant to applicable legal or regulatory provisions, may also be received later, provided that this is at least twenty one days before the date set for the Shareholders' Meeting in first or single call.

When presenting the list, declarations must be filed with which individual candidates accept their candidacy and declare, under their own responsibility:

- 1) the absence of causes of ineligibility and incompatibility, as well as existence of the requisites required based on the provisions of the primary and secondary legislation in force;*
- 2) the existence of any independence requisites required by art. 148, paragraph 3, of Legislative Decree no. 58/1998.*

Lists presented without complying with the above provisions will be deemed to be not presented.

The lists and accompanying information presented are advertised as provided for also by pro-tempore regulations in force. Directors will be elected as follows:

- a) from the list that obtained the majority of votes in the Shareholders' Meeting (the "Majority List"), in accordance with the sequential order in which they were listed in said list, a number of Directors are elected representing all the members of the Board as previously determined by the Shareholders' Meeting (rounded down, in the case of a fraction) minus two members, who will be elected from the minority lists as regulated by point b) below, without prejudice to the following provisions to ensure the balance between genders in compliance with applicable pro-tempore Laws and regulations;*
- b) from the lists, other than that referred to in point a) above, which are not connected in any way, not even indirectly, pursuant to the current pro-tempore Laws and regulations, with those who presented or voted the list referred to in point a) above, two Directors will be elected, in proportion to the percentage of votes obtained: to*

this end, the votes obtained by each of these lists will be subsequently divided by one and two. The quotients thus obtained will be sequentially assigned to the candidates of each of these lists, according to the order respectively envisaged by the same. The quotients thus assigned to the candidates of the various lists will be arranged in a single descending ranking. Those having obtained the highest quotients will be elected. In the event that more than one candidate obtains the same quotient, the candidate from the list that has not yet elected any Director or who has elected the lowest number of Directors will be elected. In the event that none of these lists has yet elected a Director or all have elected the same number of Directors, among these lists, the candidate of the list that obtained the highest number of votes will be elected. In the event of a tied vote on lists and always with parity of quotients, a new vote will be held by the entire Shareholders' Meeting and the candidate who obtains a simple majority of votes will be elected.

For the purpose of the foregoing, however, lists that have not obtained a percentage of votes at least equal to half of that required for presentation of the lists put to the vote will not be taken into consideration.

If proceeding in this manner:

- compliance with the applicable pro-tempore Laws and regulations in force on gender balance is not ensured in the composition of the Board of Directors, the candidate of the most represented gender elected as the last in sequential order in the list that obtained the highest number of votes will be replaced by the first candidate of the least represented gender not elected in the same list according to the sequential order.

This replacement procedure will take place until the composition of the Board of Directors in compliance with the applicable pro-tempore Laws and regulations in force regarding gender balance is ensured. Finally, if this procedure does not ensure the result indicated above, the replacement will take place by means of a resolution passed by the Shareholders' Meeting with a relative majority, subject to presentation of candidates belonging to the less represented gender;

- the appointment of a number of Directors possessing the independence requisites pursuant to art. 148, paragraph 3, of Legislative Decree no. 58/1998 at least equal to the minimum number required by these Articles of Association in relation to the total number of Directors is not ensured, the candidate(s) without these requisites elected last in the sequential order in the list that obtained the highest number of the votes, pursuant to point a) above, will be replaced by the first candidate(s), according to the respective sequential order, in possession of such requisites not elected from said list or, if for any reason, this is not sufficient, from the subsequent lists that obtained the highest number of votes, starting with the one referred to in point b) above and continuing with the subsequent ones in descending order of the number of votes obtained, provided the applicable pro-tempore legal and regulatory provisions in force on gender balance are complied with. Finally, if this procedure does not ensure the result indicated above, the Shareholders' Meeting will proceed with the election with the legal majority, subject to the presentation of candidates who meet the necessary requisites, in any case ensuring compliance with the applicable pro-tempore Laws and regulations in force on gender balance.

In the event that two or more lists obtain an equal number of votes, the Shareholders' Meeting will proceed with a run-off between them with a resolution adopted by relative majority, in any case ensuring compliance with the applicable pro-tempore Laws and regulations in force concerning gender balance.

In the event that only one list is presented, the procedure indicated above is not followed and the Shareholders' Meeting, with the majorities required by Law, elects all the Directors from the same, according to the related sequential order and up to the number previously determined by the Shareholders' Meeting, subject to the presence of Directors in possession of the independence requisites pursuant to art. 148, paragraph 3, of Legislative Decree no. 58/1998, at least in the minimum number required by these Articles of Association and in any case ensuring compliance with the applicable pro-tempore Laws and regulations in force on gender balance.

In the absence of lists and in the event that, through the list voting mechanism, the number of candidates elected is lower than the minimum number required by the Articles of Association for the composition of the Board, the Board of Directors is, respectively, appointed or supplemented by the Shareholders' Meeting with the legal majorities. Also in relation to the provisions of the preceding paragraph, the Shareholders' Meeting ensures the presence of Directors possessing the independence requisites pursuant to art. 148, paragraph 3, of Legislative Decree no. 58/1998, at least in the minimum overall number required by these Articles of Association, and in compliance with the applicable pro-tempore Laws and regulations in force on gender balance.

Nevertheless, this is without prejudice to different and further provisions provided for by mandatory provisions of the Law or regulations."

It should also be noted that the shareholding required to present lists for election of the board of Directors was confirmed to be 2.50% of the share capital by CONSOB resolution no. 20273 of 14 January 2018.

* * * *

The outgoing Board invites Shareholders to first of all deliberate on the number of members of the Board of Directors, recalling that, according to article 10 of the Articles of Association, the Board may consist of a minimum of 5 and a maximum of 13 members.

* * * *

The outgoing Board therefore invites Shareholders to present lists for the appointment of the Board of Directors, taking into account the size of the management body and the gender and independence requisites set out above.

Regarding the **procedure for presenting lists** for the election of the new Directors, please note that:

- a) the lists presented by the Shareholders must be filed at the Company's registered office (**in Rome, Piazza Sallustio, 9**) by 5 pm on the twenty-fifth day preceding the date of the Shareholders' Meeting (and therefore by 30 March 2018) called to resolve on the appointment of the members of the Board of Directors; the lists will be made available to the public at the registered office, on the website and at the market management company at least twenty-one days before the date of the Shareholders' Meeting (and therefore by 3 April 2018), without prejudice to publication of the lists as provided for by Law;

- b) filing of the lists can be made by sending them by certified e-mail to tecnoinvestimenti@legalmail.it from a certified e-mail address. Each Shareholder may present or participate in the presentation of one list only. Shareholders belonging to the same Shareholders' agreement, as defined by Article 122 of the TUF, as amended, as well as the parent, subsidiaries and those subject to joint control, may present, or participate in presenting, one list only. Participations and votes expressed in violation of this paragraph will not be attributed to any list. Each candidate may appear in one list only, under penalty of ineligibility. Only Shareholders who, alone or together with other Shareholders, hold a total of at least 2.50% of the share capital with voting rights in the Ordinary Shareholders' Meeting will be entitled to present lists.
- c) Shareholders must send the appropriate confirmation of the shareholding to the company's registered office, together with the lists or also after their filing, provided that this takes place by the deadline for publication of the lists (and therefore by 3 April 2018). Together with each list, within the respective deadlines indicated above, the declarations with which individual candidates accept their candidacy and certify, under their own responsibility, the absence of causes of ineligibility and incompatibility and the existence of any requisites prescribed for the respective offices must be filed. With the declarations, a curriculum vitae concerning the personal and professional characteristics must be deposited for each candidate with possible indication of eligibility to qualify as independent. Each person entitled to vote may vote for one list only. It should also be noted that Directors must possess the requisites established by Law or by the relevant regulations and by the Code of Conduct, as previously indicated.

* * * *

Finally, with regard to the **remuneration** of the new Directors, art. 15 of the Articles of Association specifies that *“The Board of Directors is entitled to reimbursement of expenses incurred in executing their office. The Shareholders' Meeting may also allocate to the Board an overall amount for the remuneration of all Directors, included those vested with particular responsibilities, pursuant to art. 2389, section 3, second paragraph, of the Italian Civil Code, which may consist of profit sharing”*.

* * * *

The outgoing Board therefore invites Shareholders to resolve on the above, providing a specific indication as follows:

- number of Board members to be appointed;
- determination of the term of office of Directors;
- appointment of members by voting for a list;
- appointment of the Chairman of the Board of Directors;
- determination of the remuneration due to Directors.

* * * *

The Board of Directors, therefore, submits the following resolution proposal to the convened Shareholders' Meeting regarding the fourth item on the Agenda of the ordinary part:

“The Ordinary Shareholders’ Meeting of Tecnoinvestimenti S.p.A.,

resolves

- a) to establish the number of members of the Board of Directors to be [●];*
- b) to establish the term of office to be three financial years, therefore until the meeting called to approve the Financial Statements for the year ended 31 December 2020;*
- c) to establish the total annual gross remuneration for Directors, including those vested with particular responsibilities, pursuant to art. 2389, section 3, second paragraph, of the Italian Civil Code, to be Euro [●];*
- d) to establish the value of the attendance fee for each member of the Board of Directors to be Euro [●] gross, for each meeting attended by the Director;*
- e) to appoint [●] as Chairman of the Board of Directors;*
- f) to reimburse each member of the Board of Directors out-of-pocket expenses incurred in the execution of their office, where duly documented as per Company practice”;*

SAID RESOLUTION PROPOSAL

is then put to the vote and is proclaimed to be approved with the favourable vote of [●].

All as per the detailed attachments.

The Chairman declares that:

- i. it was resolved to appoint a Board of Directors with [●] members;*
- ii. he then continues to appoint the Directors with the list voting mechanism, indicating that:*
 - a. from the list that obtains the majority of votes in the Shareholders’ Meeting, in accordance with the sequential order in which they were listed in said list, a number of Directors are elected representing all the members of the Board as previously determined by the Shareholders’ Meeting (rounded down, in the case of a fraction) minus two members, without prejudice to the following provisions to ensure the balance between genders in compliance with applicable pro-tempore Laws and regulations;*
 - b. from the lists, other than that referred to in point a) above, which are not connected in any way, not even indirectly, pursuant to the current pro-tempore Laws and regulations, with those who presented or voted the list referred to in point a) above, two Directors will be elected, in proportion to the percentage of votes obtained: to this end, the votes obtained by each of these lists will be subsequently divided by one and two. The quotients thus obtained will be sequentially assigned to the candidates of each of these lists, according to the order respectively envisaged by the same. The quotients thus assigned to the candidates of the various lists will be arranged in a single descending ranking. Those having obtained the highest quotients will be elected. In the event that more than one candidate obtains the same quotient, the candidate from the list that has not yet elected any Director or who has elected the lowest number of Directors will be elected. In the event that none of these lists has yet elected a*

Director or all have elected the same number of Directors, among these lists, the candidate of the list that obtained the highest number of votes will be elected. In the event of a tied vote on lists and always with parity of quotients, a new vote will be held by the entire Shareholders' Meeting and the candidate who obtains a simple majority of votes will be elected;

- c. *specifying that the lists presented for the renewal of the Board of Directors, as per the dossier distributed at the entrance to the room, are [●] and precisely:*

List 1, presented by [●]: [●]

List [●], presented by [●]: [●]

- iii. *inviting Shareholders who intend to leave before the vote to inform the auxiliary staff present in the room, so that their shares are not considered to be present;*
- iv. *communicating that, at [●], there are [●] shares present, entitled to the same number of votes and equivalent to [●]% of the total number of Ordinary Shares;*
- v. *putting the presented lists to the vote at [●].*

The vote gives the following results.

List 1: (i) for: [●] shares; (ii) against: [●] shares; (iii) abstentions: [●] shares;

List [●]: (i) for: [●] shares; (ii) against: [●] shares; (iii) abstentions: [●] shares;

All as per the detailed attachments.

The Chairman therefore acknowledges that the majority of votes were obtained by List [●], from which [●] Directors must therefore be taken, according to the order in which they are listed therein, namely: [●].

Applying the quotient mechanism explained above, Director [●] is taken from the list [●], Director [●] is taken from the list [●] and the remaining Director [●] is taken from the list [●]. Therefore, the Chairman proclaims the new Board of Directors for the years 2018, 2019 and 2020 to be elected in the persons indicated above.

The Chairman then specifies that ascertainment of possession of the requisites by the newly appointed Board members will be carried out by the Board itself in the first meeting possible, as indicated in the Code of Conduct."

Fifth item on the Agenda

Renewal of the Board of Statutory Auditors: determination of the remuneration; appointment of the Statutory Auditors and of the Chairman of the Board of Statutory Auditors.

Dear Shareholders,

With the approval of the Financial Statements for the year ended 31 December 2017, the current Board of Statutory Auditors will expire, and the Shareholders' Meeting called for 24 April 2018 is therefore called upon to renew the control body.

Renewal of the Board of Statutory Auditors will take place using the mechanism provided for in article 20 of the Articles of Association, which is indicated below (for the part concerning the procedures for appointment of the Board).

"Article 20 (composition, appointment and meeting procedures)

The Board of Statutory Auditors consists of 3 (three) Standing Auditors and 2 (two) Substitute Auditors. The election of one Standing Auditor and one Substitute Auditor is reserved for the minority. In the composition of the Board of Statutory Auditors, the balance between the male gender and the female gender must be ensured in compliance with the applicable pro tempore provisions of the Law and regulations.

The Statutory Auditors, who are re-eligible, are chosen from those in possession of the requisites, also relating to the plurality of offices, provided for by current legislation and regulations, including those of professionalism, in accordance with the Decree of the Minister of Justice no. 162 of 30 March 2000, specifying, with regard to the provisions of article 1, paragraph 2, point b) and point c) of said decree, that the following are to be considered strictly pertaining to the company's activity: (i) subjects relating to commercial Law, tax Law, accounting, business economics, general, international and financial market economics, corporate finance, and (ii) sectors of the publishing industry and trade and those related to communication in general.

The appointment of the Board of Statutory Auditors takes place, in accordance with the procedures set out in this article, in compliance with the applicable pro tempore provisions of the Law and regulations in force concerning gender balance, based on the lists presented by Shareholders. Each list, which contains the names of one or more candidates, marked by a sequential number and a total number not exceeding 10 members to be elected, indicates whether the individual candidacy is presented for the office of Standing Auditor or for the office of Substitute Auditor. Lists with a total number of candidates greater than or equal to three must be composed of candidates belonging to both genders, so that at least one third (rounded up to the next integer) of candidates for the office of Standing Auditor and at least one third (rounded up to the next integer) of candidates for the office of Substitute Auditor in said list belong to the least represented gender.

Only Shareholders who, alone or together with other Shareholders, are overall holders, at the date of presentation of the list, of shares with voting rights in Shareholders' Meeting resolutions concerning the appointment of management and control bodies representing a percentage shareholding of share capital consisting of these shares, as subscribed on the date of presentation of the list, equal to at least the percentage applicable for the appointment of the Board of Directors as determined or referred to in these Articles of Association, are entitled to present lists.

The percentage shareholding required for presentation of candidate lists is indicated in the notice calling the Shareholders' Meeting called to deliberate on the appointment of the Board of Statutory Auditors.

Each candidate may appear in one list only, under penalty of ineligibility.

Each Shareholder cannot present or participate in presenting, nor, as any other party with voting rights, vote, not even through a third party or trustee, for more than one list. Furthermore, Shareholders who: i) belong to the

same group (or pursuant to Article 93 of Legislative Decree No. 58/1998 are in a controlling relationship between the same or are subject to joint control, even when the parent is a natural person), or ii) participate in a significant Shareholders' agreement pursuant to art. 122 of Legislative Decree no. 58/1998 concerning the company's shares, or iii) participate in such a Shareholders' agreement and are, pursuant to the Law, parents or subsidiaries or subject to the joint control of one of these participating Shareholders, may not present or participate with others in presenting more than one list or vote for different lists. Participations and votes expressed in violation of this prohibition will not be attributed to any list.

The lists, accompanied by the CVs of the candidates containing detailed information on the personal and professional characteristics of each of them with a list of the offices of administration and control held in other companies, and signed by the Shareholders who presented them, or their representative, with an indication of their respective identity and the overall percentage shareholding on the date of presentation, must be filed at the registered office twenty five days prior to the date set for the Shareholders' Meeting in first or single call, together with a declaration of the presenting Shareholders, when different from those that hold, also jointly, a controlling or relative majority shareholding in the share capital (the latter as defined above in this article), certifying the absence of relationships with the latter as provided for also by the regulations pro tempore in force. The related certification(s) or communication(s) certifying the aforementioned shareholding issued by an authorised intermediary pursuant to the applicable provisions of the Law or regulations may also be received later, provided that this is at least twenty one days before the date set for the Shareholders' Meeting in first or single call.

When presenting the list, declarations must be filed with which individual candidates accept their candidacy and declare, under their own responsibility: 1) the absence of causes of ineligibility and incompatibility, as well as existence of the requisites required based on the provisions of the primary and secondary legislation in force; 2) the existence of any independence requisites required by art. 148, paragraph 3, of Legislative Decree no. 58/1998. Lists presented without complying with the above provisions will be deemed to be not presented. In the event that, within the twenty-fifth day prior to the date of the first or single call, only one list has been presented, or lists have been presented only by Shareholders who are connected to each other pursuant to applicable pro-tempore Laws and regulations in force, further lists may be presented up to the third day following that date and the minimum shareholding for the presentation of lists indicated in the call notice shall be considered reduced by one half. Also in the case of such a presentation, the related certification(s) or communication(s) certifying the necessary shareholding issued by an authorised intermediary pursuant to the applicable provisions of the Law or regulations may also be received later provided that this is at least twenty one days before the date set for the Shareholders' Meeting in first or single call.

The lists and accompanying information presented are advertised as provided for also by pro-tempore regulations in force.

The election of Statutory Auditors proceeds as follows: a) from the list that obtained the highest number of votes in the Shareholders' Meeting, two standing members and one substitute member are taken, according to the sequential order with which they are respectively listed in the list, except as provided below to ensure gender balance in compliance with the applicable pro-tempore Laws and regulations in force; b) based on the sequential

order in which they are respectively listed in the list, the remaining standing member, who will be assigned the chair of the Board of Statutory Auditors, and the other substitute member are taken from the second list that obtained the highest number of votes in the Shareholders' Meeting and which is not connected, even indirectly, pursuant to pro-tempore Laws and regulations in force with those who presented or voted for the list that obtained the most number of votes referred to in point a) above.

For the purposes of appointing the Statutory Auditors referred to in point b) of the previous paragraph, in the event of a tie between lists, the one presented by Shareholders holding the largest shareholding or, failing that, by the largest number of Shareholders shall prevail.

In the event of a tie between two or more lists that have obtained the highest number of votes, a run-off will be held in the Shareholders' Meeting with a resolution adopted by a relative majority.

If a person connected to a member who has presented or voted for the list that obtained the highest number of votes voted for a minority list, the existence of such connection is relevant only if the vote was decisive for the purposes of election of the Statutory Auditor to be taken from such minority list.

In the event of the presentation of a single list, all candidates belonging to that list are elected by a relative majority vote of the share capital represented in the Shareholders' Meeting.

If, following voting of lists or voting of a single list, the composition of the Board of Statutory Auditors, in terms of its standing members, does not ensure compliance with the applicable pro-tempore Laws and regulations in force concerning gender balance, the candidate for Standing Auditor of the most represented gender elected as the last in sequential order from the list that obtained the highest number of votes or from the single list will be excluded and the latter will be replaced by the next candidate, according to the sequential order with which the candidates are listed, taken from the same list and belonging to the other gender.

If no list has been presented, the Shareholders' Meeting appoints the Board of Statutory Auditors by a relative majority vote of the share capital represented in the Shareholders' Meeting, in any case ensuring compliance with the applicable pro-tempore Laws and regulations in force concerning gender balance.

The chair of the Board of Statutory Auditors is, in the latter cases assigned, respectively, to the first in the list of the single list presented or to the person appointed by the Shareholders' Meeting in the event that no list has been presented.

Loss of the statutory requirements or those of the Articles of Association by the Statutory Auditor entails forfeiture of office.

In the event of replacement of a Statutory Auditor, the Substitute Auditor belonging to the same list as the former auditor takes over, provided that compliance with the applicable pro-tempore Laws and regulations in force concerning gender balance is ensured. Failing that, in the event of termination of a minority Statutory Auditor, the candidate who was subsequently placed in the same list to which the terminated auditor belonged, according to the original order of presentation and without taking into account the original candidacy for the office of Standing Auditor or Substitute Auditor or, otherwise, the first candidate in the minority list who obtained the

second highest number of votes takes over, provided that compliance with the applicable pro-tempore Laws and regulations in force on gender balance is ensured.

It is understood that the chair of the Board of Statutory Auditors will remain assigned to the minority Statutory Auditor.

When the Shareholders' Meeting is required to appoint Standing Auditors and/or Substitute Auditors necessary to supplement the Board of Statutory Auditors, this is done as follows: if it is necessary to replace Statutory Auditors elected in the majority list, the appointment is by relative majority vote without restriction of list, in compliance with the applicable pro-tempore provisions of the Law and regulations in force concerning gender balance; if, on the other hand, Statutory Auditors elected on the minority list are to be replaced, the Shareholders' Meeting will replace them by a relative majority vote, choosing them from the candidates indicated in the list of the Statutory Auditor to be replaced or, alternatively, in the minority list that obtained the second highest number of votes, in both cases without taking into account the original candidacy for the office of Standing Auditor or Substitute Auditor, always in compliance with the applicable pro-tempore Laws and regulations in force on gender balance. In any case, Shareholders intending to propose a candidate must submit in advance the same documentation relating to the latter as envisaged above in the case of presentation of lists for the appointment of the entire Board, if necessary by way of update of that already presented at that time.

If the application of these procedures does not, for any reason, allow replacement of the Statutory Auditors designated by the minority, the Shareholders' Meeting will proceed with a relative majority vote and in compliance with the applicable pro-tempore Laws and regulations in force concerning gender balance, subject to presentation of candidacies – for each candidate accompanied by the same documentation as provided for in the case of presentation of lists for the appointment of the entire Board – by Shareholders who hold, alone or together with other presenting Shareholders, shares with voting rights at least equal to the percentage of share capital necessary for the presentation of said lists, as determined or referred to by these Articles of Association, since such presentation is not allowed by Shareholders who hold, even jointly, a controlling or relative majority shareholding in the share capital (the latter always as defined above in this article) or have relations of connection with the latter as provided for also by the pro-tempore regulations in force. In ascertaining the results of this latter vote, the votes of Shareholders who are not allowed to present candidates will not be counted. The chair of the Board of Statutory Auditors remains assigned to the minority Standing Auditor appointed in this manner. In the absence of candidacies presented as described above, the Shareholders' Meeting will vote by relative majority in compliance with the applicable pro-tempore Laws and regulations in force regarding gender balance. Nevertheless, this is without prejudice to different and further provisions provided for by mandatory provisions of the Law or regulations.

Board of Statutory Auditors meetings may be held via teleconference or videoconference.

In this case: (i) the identification of all participants at each point of the connection, the possibility for each of them to intervene and express their opinion orally and the concomitance of the examination and the deliberation must

be ensured, (ii) the meeting is deemed to be held in the place where the Chairman and, if appointed, the secretary are located."

It should also be noted that the shareholding required to present lists for election of the Board of Statutory Auditors was confirmed to be 2.50% by CONSOB resolution no. 20273 of 14 January 2018.

With regard to remuneration pursuant to art. 2402 of the Italian Civil Code, the Shareholders' Meeting determines the annual remuneration of the members of the Board of Statutory Auditors for the entire terms of their office.

* * * * *

The outgoing Board therefore invites Shareholders to present lists for renewal of the Board of Statutory Auditors.

With regard to the procedures for presenting lists for the election of the Board of Statutory Auditors and of the Substitute Auditors, it should be noted that such lists must be filed at the Company's registered office (in Rome, Piazza Sallustio, 9) by 5 pm on the twenty-fifth day preceding the date of the Shareholders' Meeting (and therefore by 30 March 2018); the lists will be made available to the public at the registered office, on the website and at the market management company at least twenty-one days before the date of the Shareholders' Meeting (and therefore by 3 April 2018), without prejudice to publication of the lists as provided for by Law. The lists will be published by the filing Shareholders with reimbursement of costs by the Company.

Filing of the lists can be made by sending them by certified e-mail to tecnoinvestimenti@legalmail.it from a certified e-mail address pursuant to Article 144-*sexies*, paragraph 4-*ter* of the Issuers' Regulation. Only Shareholders who, alone or together with other Shareholders, hold a total of at least 2.50% of the share capital with voting rights in the Ordinary Shareholders' Meeting will be entitled to present lists. Shareholders must send the appropriate certification of the shareholding to the company's registered office, together with the lists or also after their filing, provided that this takes place by the deadline for publication of the lists (and therefore by 3 April 2018). In the case of presentation of lists by certified e-mail, a copy of a valid identity document of the presenters must also be sent.

If only one list or only lists presented by Shareholders that are connected with each other are filed by the aforementioned deadline for filing lists, this will be announced without delay and consequently lists may be presented until 5 pm of the third subsequent day (and, therefore, by 6 April 2018) by Shareholders who, alone or together with other Shareholders, hold a total of shares representing at least 1.25% of the share capital with voting rights in the Ordinary Shareholders' Meeting.

Each Shareholder has the right to vote for one list only.

It should be noted that the powers, duties and term of office of Statutory Auditors are those established by Law. Statutory auditors for whom, pursuant to Laws or regulations, there are reasons of ineligibility and forfeiture or who do not possess the necessary requisites may not be elected and, if elected, must forfeit their office. The requisite referred to in Article 1, paragraph 2, points b) and c), and paragraph 3 of the Decree of the Ministry of

Justice no. 162 of 30 March 2000 exists if the professional experience acquired concerns, respectively: (i) the business operations sector; (ii) legal, economic, financial and technical-scientific subjects, related to the sectors referred to in point (i) above.

In addition to the other cases provided for by Law, those who hold the office of Standing Auditor in more than 5 (five) Italian companies listed on Italian regulated markets may not be elected Statutory Auditors and, if elected, must forfeit their office. The further provisions on the limits of plurality of offices pursuant to art. 144-*terdecies* of the TUF shall apply.

* * * *

The outgoing Board therefore invites Shareholders to resolve on the above, providing a specific indication as follows:

- determination of the remuneration of the members of the Board of Statutory Auditors;
- appointment of members of the Board of Statutory Auditors and subsequent appointment of the chairman of the same.

* * * *

The Board of Directors, therefore, submits the following resolution proposal to the convened Shareholders' Meeting regarding the fifth item on the Agenda of the ordinary part:

“The Ordinary Shareholders' Meeting of Tecnoinvestimenti S.p.A., having ascertained that [●] lists have been presented for the appointment of the Board of Statutory Auditors and of the Substitute Auditors, as per the dossier distributed at the entrance to the room, and precisely:

List 1, presented by [●]: [●]

List [●], presented by [●]: [●]

- (i) that, following a request to Shareholders who intended to leave before the vote to inform the auxiliary staff present in the room, so that their shares were not considered to be present, at [●], [●] shares are present, entitling to the same number of votes and equivalent to [●]% of the total number of Ordinary Shares,*

puts the lists presented to the vote at [●].

The vote gives the following results.

List 1: (i) for: [●] shares; (ii) against: [●] shares; (iii) abstentions: [●] shares;

List [●]: (i) for: [●] shares; (ii) against: [●] shares; (iii) abstentions: [●] shares;

All as per the detailed attachments.

The Chairman therefore acknowledges that the majority of votes were obtained by List [●], from which one Substitute Auditor must therefore be taken, according to the order in which the names are listed, while List [●]

obtained the second highest number of votes, from which one Standing Auditor and one Substitute Auditor must be taken.

Therefore, the Chairman proclaims the new Board of Statutory Auditors to be elected as a result of this vote, with term of office for the three financial years 2018, 2019 and 2020, in the persons of: [●], Chairman, [●] and [●] (Standing Auditors) and [●] and [●] (Substitute Auditors). The new Board will expire with the approval of the Financial Statements of Tecnoinvestimenti S.p.A. as at 31 December 2020.

The Shareholders' Meeting, with [●] votes for, [●] votes against and [●] abstentions, also resolves to assign the following fees to the Statutory Auditors, in addition to reimbursement of documented travel and board and lodging expenses incurred in the execution of the office:

- 1. Euro [●];*
- 2. Euro [●].*

- [to establish the value of the attendance fee for each member of the Board of Statutory Auditors to be Euro [●] gross, for each Board of Directors meeting attended];

The Chairman then specifies that ascertainment of possession of the requisites by the newly appointed Statutory Auditors will be carried out by the Board itself in the first meeting possible, as indicated in the Code of Conduct."

** * **

Rome, 15 March 2018

For the Board of Directors

The Chairman