

**Tesmec S.p.A.**

Registered office in Milan, Piazza S. Ambrogio no. 16

Fully paid up share capital Euro 10,708,400

Tax code and registration number at the Milan Register of Companies 10227100152 REA 1360673

**MINUTES OF THE ORDINARY SHAREHOLDERS' MEETING**

The ordinary meeting of the shareholders of "TESMEC S.p.A." was held today, 16 April 2019, 02.30 pm, in single call, at the Tesmec S.p.A. ("**Tesmec**" or the "**Company**") headquarters, in Via Zanica 17/O, Grassobbio (BG), to discuss and deliberate on the following

**Agenda**

1. Presentation of the Tesmec Group's consolidated financial statements and review and approval of the financial statements as at 31 December 2018 and relevant reports, including the Consolidated Non-Financial Statement; allocation of result for the period; related and consequent resolutions.
2. Consultation on the first section of report on remuneration pursuant to Article 123-ter paragraph 6 of Italian Legislative Decree no. 58/1998.
3. Proposal of authorization to purchase and dispose of treasury shares, subject to the withdrawal of the resolution passed by the Shareholder's Meeting of 6 April 2018; related and consequent resolutions.
4. Appointment of the Board of Directors:
  - 4.1 determination of the number of members of the Board of Directors;
  - 4.2 determination of their term in office;
  - 4.3 appointment of the Board of Directors;
  - 4.4 appointment of the Chairperson of the Board of Directors;
  - 4.5 determination of directors' compensation;
  - 4.6 related and consequent resolutions.
5. Appointment of the Board of Statutory Auditors:
  - 5.1 appointment of the Board of Statutory Auditors;
  - 5.2 appointment of the Chairperson of the Board of Statutory Auditors;

- 5.3 determination of the compensation of the Board of Statutory Auditors;
- 5.4 related and consequent resolutions.
- 6. Granting of the engagement to perform the legal audit of the accounts for the financial years 2019–2027 and determination of the relevant remuneration; related and consequent resolutions.

The Chairman, with reference to his tasks determining whether the shareholders' meeting is duly formed and whether the shareholders are legitimized, ascertains that:

- a) the Shareholders' Meeting has been regularly convened by means of a notice published on 6 March 2019 on the Company's website and by the other means envisaged by the regulations in force;
- b) there has been no request to add additional items to the agenda or draft resolutions on items already on the agenda, pursuant to Article 126 bis of Italian Legislative Decree no. 58 of 24 February 1998 ("Consolidated Law on Finance, ("TUF");
- c) the Company designated Mrs. Silvia Fuselli as the delegated party with the authority to vote pursuant to Article 135–undecies of the Consolidated Law on Finance (TUF), as indicated in the notice of call; he clarifies that in accordance with the law, no party has been delegated;
- d) as regards today's Shareholders' Meeting, no proxies have been solicited, pursuant to Article 136 et sequitur of the Consolidated Law on Finance (TUF);
- e) no authorized party has availed itself of the right to submit questions before the shareholders' meeting pursuant to Article 127–ter of the Consolidated Law on Finance (TUF);
- f) in addition to himself, for the Board of Directors, Directors Gianluca Bolelli, Lucia Caccia Dominioni, Caterina Caccia Dominioni, Gioacchino Attanzio and Sergio Arnoldi are in attendance;
- g) the Chairman Simone Cavalli and the Statutory Auditors Alessandra De Beni and Stefano Chirico are in attendance for the Board of Statutory Auditors;
- h) the share capital subscribed, and paid-up today is Euro 10,708,400.00 divided in

107,084,000 ordinary shares with a par value of Euro 0.10, and the shares of the Company are admitted to trading on the Italian Electronic Stock Market, STAR segment, organized and managed by Borsa Italiana S.p.A.;

- i) the Company qualifies as SME pursuant to article 1, paragraph *quater*.1 of the Consolidated Law on Finance (TUF). Therefore, the relevant reporting threshold of significant equity investments pursuant to Article 120, paragraph 2, of the Consolidated Law on Finance (TUF), is 5% instead of 3%;
- j) this being stated, the shareholders who are attending directly or indirectly by holding over 5% of the subscribed share capital represented by shares with voting rights, on the basis of the shareholders' register, supplemented by Consob communications, pursuant to Article 120 of the Consolidated Law on Finance (TUF) and by other available information, are:
  - (i) TTC S.r.l., which holds:
    - 32,448,000 shares directly accounting for 30.301% of the share capital;
    - 15,322,400 shares indirectly through Fi.Ind S.p.A., accounting for 14.308% of the share capital;
  - (ii) Quaero Capital Funds (Lux), already Argos Investment Managers S.A., which holds accounting for 7.922% of the share capital;
- k) the Company is not aware of the existence of shareholders' agreements on the share capital of Tesmec pursuant to article 122 of the Consolidated Law on Finance (TUF);
- l) 9 shareholders are present, of which 5 in person and 4 by proxy legitimized to attend the meeting pursuant to Article 83–sexies of the Consolidated Law on Finance (TUF) and representing 60,887,013 shares accounting for 56.859113% of 107,084,000 shares representing the entire share capital;
- m) Tesmec holds a total of 4,711,879 treasury shares, accounting for 4.400% of the share capital;
- n) the right of the shareholders in attendance or represented at the meeting was certified and in this way, it has been verified that the proxies submitted by the persons attending comply with the regulations in force and with the articles of association, and the proxies have been recorded in the company's registers;
- o) the list of shareholders attending the Meeting on their own behalf or by proxy, with an

indication of their shares, and, in case of delegation, the shareholder represented, as well as the subjects that may be voting as secured creditors, taker-ins or beneficial owners will be enclosed with the report of this Shareholders' Meeting;

- p) the lists of shareholders who have voted against a resolution, or who have abstained or who have distanced themselves before voting, with the relative number of shares held will be recorded in the minutes;
- q) the summary of the interventions (save the right to present a written text by the persons attending) by indicating the name of the persons attending, answers given, and any comment will be reported in the minutes of the shareholders' meeting;
- r) pursuant to Italian Legislative Decree regarding the protection of personal data, the data of the persons attending the Shareholders' Meeting is collected and processed by the Company only for the purpose of carrying out the obligations required by the Shareholders' Meeting and by the company.

The Chairman also announces that:

- about the agenda, the obligations - concerning disclosure or otherwise - provided for by the current laws and regulations in force were regularly carried out;
- the Company did not issue shares with special rights;
- the documents pertaining to the items on the agenda that will be the subject-matter of the discussion at today's Shareholders' Meeting are contained in the file at the disposal of the shareholders attending the Meeting;
- some employees and collaborators of the Company were admitted to the shareholders' meeting to meet the technical and organizational requirements of the works;
- an audio recording system is active in the room for recording this meeting and invites the Shareholders to concentrate any question at the end of the discussion in order to better fulfil the requests for clarification. As regards the voting method, the Chairman announces that the voting will be carried out by a show of hands, inviting those for, against and abstentions to give their opinion separately.

Before moving on to the first item on the agenda, the Chairman asks the shareholders not to leave the meeting as much as possible, by specifying that, should the persons attending leave the room

permanently or temporarily before the end of the meeting, they are requested to make it known upon entry for the relevant records.

The Chairman specifies that, pursuant to Article 120 of the Consolidated Law on Finance (TUF) and to the implementing regulations issued by Consob, those who own directly and indirectly more than 5% of the share capital of the company and have not reported this to the Company and to the Consob, cannot exercise the voting rights of the shares that have not been reported, and also that the voting right concerning the shares for which the disclosure requirements set forth in article 122, paragraph 1, of the Consolidated Law on Finance (TUF) have not been fulfilled, cannot be exercised. Therefore, the Chairman invites the persons attending to indicate, now and at every single vote, any lack of voting rights pursuant to the rules in force and asks the Secretary to note that none of the persons attending reported the existence of causes that prevent or limit the voting right.

No statement is made to that effect by any person attending; therefore, the Chairman believes that there is no lack of voting rights.

The Chairman, after declaring that the meeting is regularly convened to decide, declares the session open.

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On the **first item on the agenda** (*“Presentation of the consolidated financial statements of the Tesmec Group and approval of the financial statements as at 31 December 2018 and relevant reports including the Non-financial report; allocation of profit or loss for the period; related and consequent resolutions”*), the Chairman reminds the persons attending that the Company’s financial statements as at 31 December 2018, together with the accompanying reports, were held on file pursuant to the law at the operating office in Grassobio, Via Zanica no. 17 and by Borsa Italiana S.p.A. for 21 days prior to the shareholders’ meeting, available to shareholders. The Chairman continues by mentioning that the independent auditors expressed a judgment containing no remarks and informs that the auditing of the financial statements as at 31 December 2018 took a total of 1,590 hours whereas the auditing of the consolidated financial statements as at 31 December 2018 and a desk review of the financial statements of the subsidiary and associated companies took a total of 405 hours, by invoicing the Company, as established by the offer approved by the Shareholders’ Meeting, a total amount of Euro 161,000 excluding VAT, expenses and Consob supervision fee.

The TTC S.r.l. shareholder proceeds, proposing not to read out the financial statements and relative reports in full. Since all the persons attending agree, the Chairman takes the floor, covering the key financial and economic figures present in the annual financial statements.

The Chairman illustrates to those present as with no. 254, 30 December 2016 Legislative decree, (the "**Decree**") the 2014/95/UE directive was implemented and it has been introduced the obligation for the subjects that, pursuant to art. 2 of the Decree, are qualified as significant public interest entities to prepare and publish, for each financial year, a Non-financial report that covers to the extent necessary to ensure the understanding of the Group's activities, its progress, its results and its impact, including the data of the parent company, of its subsidiaries consolidated on a line-by-line basis and covering environmental, social, personnel-related issues, respect for human rights, the fight against active and passive corruption, which are important considering the business and the characteristics of the company (Article 4, paragraph 1). Re-entering Tesmec as part of the subjective application of the standard, it then drafted the Non-financial report and published it in a specific section of the Report on operations. This declaration, as required by law, has also been subject to a supervisory activity by the Board of Statutory Auditors, which has confirmed in its report to the Shareholders' Meeting compliance with the provisions that regulate its preparation pursuant to the afore mentioned Decree. In addition, the independent auditors determined that the Board of Directors prepared the Non-financial report and expressed a statement of compliance of the information provided with the requirements of the Decree and with the principles, methods and reporting methods used.

The Chairman asks the Secretary to read out the following draft resolution:

*"The Ordinary Shareholders' Meeting,*

- after examining the financial statements of the Company as at 31 December 2018 and the report of the Board of Directors on operations and the Consolidated Non - financial report included and prepared pursuant to Legislative Decree 254/2016;*
- considering the Report of the Board of Statutory Auditors to the Shareholders' Meeting set forth in Article 153 of Italian Legislative Decree no. 58 of 24 February 1998;*
- considering the report of the Independent Auditors regarding the draft financial statements as at 31 December 2018;*

**decides**

- *to approve the Company's financial Statements as at 31 December 2018 and the Report on Operations drawn up by the Board of Directors;*
- *to allocate the net profit of Euro 4,330,954.95 to the Extraordinary Reserve."*

Therefore, the Chairman opens the discussion on the above draft resolution by inviting the persons who have the right to vote and who wish to take the floor to give their name and the number of shares represented in person or via proxy and by mentioning that the answers to the questions that were formulated will be given at the end of all the interventions on this item on the agenda.

As no one asks to take the floor, the Chairman closes the discussion and opens the voting, informing the persons attending that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right. He invites the Shareholders' Meeting to vote by a show of hands, and those for, against and abstentions to give their opinion separately.

Voting then takes place, at the end of which the Chairman declares the read-out proposal approved unanimously by the persons attending.

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On the **second item on the agenda** ("*Consultation on the first section of the report on remuneration pursuant to article 123-ter, paragraph 6, of Italian Legislative Decree no. 58/1998*"), the Chairman reminds the persons attending that, pursuant to article 123-ter, paragraph 6, of the Consolidated Law on Finance (TUF), the Shareholders' Meeting is required to deliberate in favor of or against the first section of the report on remuneration, drawn up pursuant to Articles 123-ter of the Consolidated Law on Finance (TUF) and 84-quater of the Regulation adopted with Consob Resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented ("**Issuers' Regulation**"), which illustrates the Company's policy on the remuneration of the members of management bodies and of executives with strategic responsibilities, as well as the procedures used to adopt or implement said policy.

The Chairman continues stating that said report must be organized into two sections and must be structured as detailed below. The first section must illustrate: (a) the policy adopted by the Company as regards the remuneration of members of the management bodies, general managers and

executives with strategic responsibilities (if such exist) with reference to at least the following year;

(b) the procedures used for the adoption and implementation of this policy. The second section, individually naming the members of management and control bodies, the general managers and grouping executives with strategic responsibilities (if such exist), must (i) provide an adequate indication of each of the items that comprise remuneration, including payments envisaged in the event of the termination of an office or of a contract of employment, illustrating consistency with the company's policy on remuneration approved in the previous year; and (ii) analytically illustrate the amounts paid in the financial period under review for any reason and in any form by the Company and by associated or subsidiary companies, indicating any components of said payments that refer to activities performed in years prior to the financial period under review and also indicating payments to be made in one or more subsequent years for activities performed in the financial period under review.

The Chairman also reminds the persons attending that this report was approved by the Board of Directors on 5 March 2019 and was made available to the public at the operative office, on the Company's website and with other methods established by Consob Regulation twenty-one days prior to today's Shareholders' Meeting.

The Chairman also notes that, pursuant to the above-mentioned article 123-ter, paragraph 6, of the Consolidated Law on Finance (TUF), the resolution that the Shareholders' Meeting is required to pass will not be binding in any case.

The TTC S.r.l. shareholder proposes not to read out the financial statements in full.

Since all the persons attending agree, the Chairman asks the secretary to read out the following draft resolution:

*"The Ordinary Shareholders' Meeting,*

*- after having examined the section of the report on remuneration envisaged by article 123-ter, paragraph 3, of Italian Legislative Decree no. 58 of 24 February 1998, drawn up by the Board of Directors on the proposal of the Remuneration Committee, containing an illustration of the Company's policy on the remuneration of members of the management bodies and of executives with strategic responsibilities, as well as the procedures employed to adopt and implement said policy, and to make it available to the public in the manner and timeframe envisaged by the legislation in force;*



– *considering that the aforesaid section of the report on remuneration and the policy described in it are in compliance with what is provided by the applicable regulations on the remuneration of the members of the board of directors and executives with strategic responsibilities*

***decides***

*in favor of the first section of the report on remuneration set forth in the above-mentioned article 123-ter of Italian Legislative Decree no. 58 of 24 February 1998, approved by the Board of Directors on 5 March 2019, containing an illustration of the Company's policy on the remuneration of members of the management bodies and of executives with strategic responsibilities, as well as the procedures employed to adopt and implement said policy."*

Therefore, the Chairman opens the discussion on the above draft resolution by inviting the persons who have the right to vote and who wish to take the floor to give their name and the number of shares represented in person or via proxy and by mentioning that the answers to the questions that were formulated will be given at the end of all the interventions on this item on the agenda.

As no one asks to take the floor, the Chairman closes the discussion and opens the voting, informing the persons attending that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right. By inviting the Meeting to vote by a show of hands, and those for, against and abstentions to give their opinion separately.

Voting then takes place, at the end of which the Chairman declares the read-out proposal approved unanimously by the persons attending.

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On to **the third item on the agenda** ("*Proposal of authorization to purchase and dispose of treasury shares, subject to the withdrawal of the resolution passed by the Shareholders' Meeting of 6 April 2018; related and consequent resolutions*"), the Chairman mentions that the report drawn up pursuant to and by effect of article 73 of the Issuers' Regulation, was made available to the public at the registered office, on the Company's website and with other methods established by Consob Regulation, and that as at today's date, the Company holds 4,711,879 treasury shares equal to 4.400% of share capital. The Chairman proceeds, proposing not to read out the report in full, and after being unanimously authorized to this by the person attending. The Chairman explains to those present that, with resolution no. 20876 of 3 April 2019, CONSOB has revised the rules governing

the so-called "Admitted market practices", with effect from 30 June 2019. The Chairman therefore states that the Board of Directors will pass resolutions regarding the implementation of the purchase and disposal program of treasury shares in accordance with the legislation in force from time to time as well as pro-tempore admitted market practices in force (where applicable), as envisaged in the proposal subject of this resolution.

The Chairman asks the secretary to read out the following draft resolution:

*"The Ordinary Shareholders' Meeting, after examining the Report of the Board of Directors; and*

***acknowledging***

*– that, if the resolution shown below is approved also by majority vote of the shareholders of Tesmec S.p.A., present at the meeting, other than the shareholder or shareholders that hold, jointly or otherwise, the majority interest, relative or otherwise, provided more than 10 percent (i.e. TTC S.r.l. and Fi.Ind S.p.A.) the exemption contemplated by the combined provision of Article 106, paragraphs 1 and 3, of the Consolidated Law on Finance (TUF) and of Article 44-bis, second paragraph, of the Issuers' Regulation as regards TTC S.r.l. and Fi.Ind S.p.A. shall apply;*

***decides***

- 1. to revoke the previous resolution authorizing the purchase and disposal of treasury shares dated 6 April 2018, effective as of the date of approval of this resolution;*
- 2. to authorize the Board of Directors, with the right to sub-delegate, the purchase and the disposal, also through subsidiary companies, up to a maximum of the Company's ordinary shares, with a par value of Euro 0.10 each, corresponding to 10% of the pro tempore share capital, within the limits and for the purposes envisaged for the pursuit of the intended purposes by the Report of the Board of Directors, and with respect to law and market practice (where applicable), by, taking into account the specific exemption provided by paragraph 3 of Article 132 of the Consolidated Law on Finance (TUF) – on one or more occasions for a maximum period of 18 months from the date of this resolution. The purchase of treasury shares will be made within the limits of the distributable profits and of the available reserves resulting from the last financial statements approved by the company making the purchase.*

The purchase transactions must be carried out as follows:

- i) purchases must be made on the market in a manner that does not allow direct matching of negotiation proposals with predetermined sales negotiation proposals and must be carried*

*out at a price that does not exceed the highest price between the price of the last independent transaction and the price of the current higher independent offer in trading venues where the purchase is made, without prejudice to the fact that the purchase transactions must be carried out at a price that does not deviate down and up for more than 10% compared to the reference price recorded by the security in the trading session before each transaction;*

*ii) the disposals of treasury shares purchased will be carried out, in one or more times in the manner deemed most appropriate in the interests of the Company and in compliance with applicable law, in the manner hereinafter specified:*

- at a price set on each occasion by the Board of Directors based on opportunity criteria, it being understood that said price should optimize the economic impact on the Company, where the security in question is intended to serve the issuance of debt instruments convertible into or exchangeable with equity instruments or incentive plans related to the exercise by the relative beneficiaries of options to purchase shares granted to the same, or where the security is offered for sale, exchange, swap, transfer or other form of disposal, for the acquisition of shareholdings and/or real estate and/or to conclude agreements (trade agreements or otherwise) with partners, and/or to implement industrial projects or extraordinary finance transactions, which fall within the expansion objectives of the Company and of the Tesmec Group;*
- at a price that is no more than 10% higher or lower than the reference price recorded for the stock in the stock market session prior to each individual transaction for subsequent purchase and sale transactions.*

*iii) The maximum number of treasury shares that can be purchased on a daily basis will not be greater than 25% of the average daily volume of "Tescmec" shares traded on the market.*

*iv) The operations of disposal of treasury shares may be carried out, without time limits, in one or more times, even before having exhausted the amount of shares that can be purchased. The disposal may be carried out in the manner deemed most appropriate in the Company's best interests, and in any event, in compliance with the applicable law and market practices approved by Consob.*

*3. to grant all powers to the Chairman and Chief Executive Officer to carry out the adopted resolutions and fulfil all the tasks required for their implementation, also through holders of*

*special power of attorney, complying with the provisions in force applicable each time issued by the competent Authorities.”*

Therefore, the Chairman opens the discussion on the draft resolution by inviting the persons who have the right to vote and who wish to take the floor to give their name and the number of shares represented in person or via proxy and by mentioning that the answers to the questions that were formulated will be given at the end of all the interventions on this item on the agenda.

As no one asks to take the floor, the Chairman closes the discussion and opens the voting, informing the persons attending that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right. He invites the Shareholders' Meeting to vote by a show of hands, and those for, against and abstentions to give their opinion separately.

Voting then takes place, at the end of which the Chairman declares the read-out proposal approved by majority by the persons attending, stating that, net of treasury shares held by the Company:

n. 60,624,775 shares voted in favor; and

n. 262,238 shares voted against; (Acadian Non US Microcap Equity Fund LLC);

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With regard to **the fourth item on the agenda** (“*Appointment of the Board of Directors: 4.1 determination of the number of members of the Board of Directors; 4.2 determination of their term in office; 4.3 appointment of the Board of Directors; 4.4 appointment of the Chairperson of the Board of Directors; 4.5 determination of directors' compensation; 4.6 related and consequent resolutions*”), the Chairman informs that, as shown in the report of the Board of Directors on the items on the agenda of this Shareholders' Meeting, with the approval of the financial statements as at 31 December 2018, the Board of Directors of Tesmec, appointed by the Shareholders' Meeting of 29 April 2016 is expiring because its mandate has been completed.

Therefore, the Shareholders' Meeting is convened, in agreement with the applicable provisions – regulatory or otherwise – and with article 14 of the articles of association, to:

- establish the number of members of the Board of Directors;
- establish the term of office;
- appoint the Board of Directors;

- appoint the Chairman of the Board of Directors; and
- establish the remuneration of the members of the Board of Directors.

The Chairman notes that pursuant to the articles of association and regulatory provisions in force, the appointment of the Board of Directors should take place on the basis of lists of candidates presented by shareholders who own shares, on their own or together with others, with voting rights representing at least 4.5% of the subscribed and paid-up share capital in the Ordinary Shareholders' Meeting for corporate officers (share determined with Consob no. 13 resolution of 24 January 2019 pursuant to article 144-quater of Issuers' Regulation).

Then, the Chairman continues pointing out that, no later than the deadline of twenty-five days before the date of the Shareholders' Meeting in single call, a single list for the appointment of the members of the Board of Directors must be presented, as requested by the articles of association and by the law provisions and regulations in force. The list, which is held on file among the records of the Company, was presented by the Shareholder TTC S.r.l., holder of no. 32,448,000 ordinary shares representing 30.301% of the share capital. The documents proving the ownership of the shares required for presenting them was filed together with the list. Moreover, the following attachments were sent for each candidate (i) *curriculum vitae* concerning the personal and professional characteristics of the candidate, (ii) the declaration by which the candidate accepts the appointment of the office and certifies the non-existence of causes of ineligibility or incompatibility, as well as the existence of the requirements prescribed by law provisions, regulations and articles of association to hold the office and (iii) the declaration of each candidate referred to as independent in accordance with law and the Self-regulatory Code of Conduct for listed companies certifying that they meet the independence requirements established by law and by the Self-regulatory Code of Conduct.

The Chairman specifies that the Company disclosed only the list presented in accordance with the regulations in force by filing with the registered office and publishing on the Company's website as well as with the other methods established by Consob Regulation.

Then, the Chairman reads out the composition of the single list presented shown below:

List presented by TTC S.r.l.

- 1 Ambrogio Caccia Dominioni
- 2 Gianluca Bolelli

- 3 Lucia Caccia Dominioni
- 4 Caterina Caccia Dominioni
- 5 Paola Durante
- 6 Simone Andrea Crolla
- 7 Emanuela Teresa Basso Petrino
- 8 Guido Luigi Traversa

The candidates of the above-mentioned list Paola Durante, Simone Andrea Crolla, Emanuela Teresa Basso Petrino e Guido Luigi Traversa declared, in particular, that they have the independence requirements set forth in article 148, paragraph 3, of the Consolidated Law on Finance (TUF) as well as the requirements to be classified as independent also according to the criteria envisaged by the Self-regulatory Code of Conduct of the listed companies.

At this point, according to the provisions of article 14 of the articles of association, the Chairman invites the Shareholders' Meeting to appoint the new Board of Directors, upon establishing the number of the Board's members, which, on the basis of the articles of association, can vary from a minimum of 5 (five) to a maximum of 15 (fifteen) members, and their term of office.

Therefore, the Chairman opens the discussion on the fourth item on the agenda and, in particular, on items 4.1 and 4.2, by inviting the persons who have the right to vote and who wish to take the floor to give their name and the number of shares represented in person or via proxy and by mentioning that the answers to the questions that were formulated will be given at the end of all the interventions on this item on the agenda.

The shareholder TTC S.r.l takes the floor and proposes to set the number of members of the Board of Directors to 8 (eight) and to appoint the directors for a three-year period and so until the Shareholders' Meeting that will be called to approve the financial statements as at 31 December 2021.

Shareholder Luca Santi takes the floor and recommends that the new Boards of government and control of the Company, ensure maximum transparency in relations between related parties, hoping that in the three-year period there will be a substantial reduction in such relations.

As no one else asks to take the floor, the Chairman closes the discussion and opens the voting, informing the persons attending that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right.

The Chairman proposes to vote the following resolution:

*“The Ordinary Shareholders’ Meeting:*

*– having in mind the law provisions and articles of association*

***decides***

*– to set in 8 (eight) the number of members of the Board of Directors;*

*– to determine the term of office of the directors in three financial years and so until the Shareholders’ Meeting that will be called to approve the financial statements as at 31 December 2021.”*

Therefore, the Chairman puts to the vote by a show of hands and invites those for, against and abstentions to give their opinion separately on the number of directors and on the term of office.

Voting then takes place, at the end of which the Chairman declares the read-out proposal approved unanimously by the person attending.

With regard to the appointment of the members of the Board of Directors for the 2019, 2020 and 2021 financial years, the Chairman puts to the vote by a show of hands the list presented by the shareholder TTC S.r.l., informing that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right and inviting those for, against and abstentions to give their opinion separately.

Voting then takes place, at the end of which the Chairman declares the list presented by the shareholder TTC S.r.l. approved unanimously by the persons attending

Considering the number of members of the Board of Directors established above, since the list of the shareholder TTC S.r.l. is the only list presented and since it has received the unanimous and favorable vote of the persons attending, pursuant to article 14 of the articles of association, consequently, all the directors to be elected are drawn from it.

Therefore, the Chairman declares approved the appointment of the new Board of Directors in the persons of:

- 1 Ambrogio Caccia Dominioni
- 2 Gianluca Bolelli
- 3 Lucia Caccia Dominioni
- 4 Caterina Caccia Dominioni

- 5 Paola Durante  
6 Simone Andrea Crolla  
7 Emanuela Teresa Basso Petrino  
8 Guido Luigi Traversa

all Italian citizens.

Therefore, the Chairman invites the persons attending to deliberate on the appointment of the Chairman of the Board of Directors among its elected members.

Therefore, the Chairman opens the discussion on item 4.4 on the agenda by inviting the persons who have the right to vote and who wish to take the floor to give their name and the number of shares represented in person or via proxy and by mentioning that the answers to the questions that were formulated will be given at the end of all the interventions on this item.

The shareholder TTC S.r.l takes the floor and proposes to appoint Ambrogio Caccia Dominioni Chairman of the Board of Directors.

As no one else asks to take the floor, the Chairman closes the discussion and opens the voting, informing the persons attending that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right.

Therefore, the Chairman proposes to vote the following resolution:

*“The Ordinary Shareholders’ Meeting:*

*– having in mind the law provisions and articles of association*

***decides***

*– to appoint Ambrogio Caccia Dominioni Chairman of the Board of Directors.”*

Therefore, the Chairman puts to the vote by a show of hands and invites those for, against and abstentions to give their opinion separately on the appointment of the Chairman.

Voting then takes place, at the end of which the Chairman declares the read-out proposal approved by majority by the persons attending stating that, net of the treasury shares held by the Company:

n. 60,614,190 shares voted in favor; and

n. 272,823 shares voted against; (Acadian Non US Microcap Equity Fund LLC e Ishares VII PLC)



Moving on to item 4.5 on the agenda, in accordance with the provisions of article 14 of the articles of association, the Chairman invites the Shareholders' Meeting to deliberate on the establishment of the remuneration of the directors.

Therefore, the Chairman opens the discussion on item 4.5 on the agenda, by inviting the persons who have the right to vote and who wish to take the floor to give their name and the number of shares represented in person or via proxy and by mentioning that the answers to the questions that were formulated will be given at the end of all the interventions on this item.

The shareholder TTC S.r.l takes the floor and proposes to establish an annual remuneration base for the members of the Board of Directors up to Euro 750,000.00 (seven hundred and fifty thousand/00), without prejudice to the incentive remuneration of directors appointed with special offices in compliance with the articles of association.

As no one else asks to take the floor, the Chairman closes the discussion and opens the voting, informing the persons attending that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right.

Therefore, the Chairman proposes to vote the following resolution:

*"The Ordinary Shareholders' Meeting:*

*- having in mind the law provisions and articles of association*

***decides***

*- to establish an annual remuneration base for the members of the Board of Directors up to Euro 750,000.00 (seven hundred and fifty thousand/00), without prejudice to the incentive remuneration of directors appointed with special offices in compliance with the articles of association."*

Therefore, the Chairman puts to the vote by a show of hands and invites those for, against and abstentions to give their opinion separately on the number of directors and on the term of office.

Voting then takes place, at the end of which the Chairman declares the read-out proposal approved by majority by the persons attending stating that, net of the treasury shares held by the Company:

n. 60,614,190 shares voted in favor; and

n. 272,823 shares voted against; (Acadian Non US Microcap Equity Fund LLC e Ishares VII PLC)

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On the fifth item on the agenda (“Appointment of the Board of Statutory Auditors: 5.1 appointment of the Board of Statutory Auditors; 5.2 appointment of the Chairman of the Board of Statutory Auditors; 5.3 establishment of the remuneration of the Board of Statutory Auditors; 5.4 related and consequent resolutions”) at, as shown in the report of the Board of Directors on the items on the agenda of this Shareholders Meeting, with the approval of the financial statements as at 31 December 2018, the Board of Statutory Auditors of Tesmec, appointed by the Shareholders Meeting of 29 April 2016, is expiring because its mandate has been completed.

Therefore, the Shareholders Meeting is convened, in agreement with the applicable provisions – regulatory or otherwise – and with article 22 of the articles of association, to:

- appoint for the 2019, 2020 and 2021 financial years three Statutory Auditors and two Alternate Auditors;
- appoint the Chairman of the Board of Statutory Auditors, if it is not possible to identify him as a result of the application of the list voting mechanism; and
- establish the remuneration of the members of the Board of Statutory Auditors.

The Chairman notes that pursuant to the articles of association and regulatory provisions in force, the appointment of the Board of Statutory Auditors should take place on the basis of lists of candidates presented by shareholders who own shares, on their own or together with others, with voting rights representing at least 4.5% of the subscribed and paid-up share capital in the Ordinary Shareholders Meeting for corporate officers (share determined with Consob no. 13 resolution of 24 January 2019 pursuant to article 144-*quater* of the **Issuers’ Regulation**).

Then, the Chairman continues pointing out that, no later than the deadline of twenty-five days before the date of the Shareholders Meeting in single call, as well as the longer term set forth in article 144-*sexies*, paragraph 5, of the Issuers’ Regulation, a single list for the appointment of the Board of Statutory Auditors must be presented, as requested by the articles of association and by the law provisions and regulations in force. The list, which is held on file among the records of the Company, was presented by the Shareholder TTC S.r.l., holder of no. 32,448,000 ordinary shares representing 30.301% of share capital. The documents proving the ownership of the shares required for presenting them was filed together with the list. Moreover, the following attachments were sent for each candidate (i) *curriculum vitae* concerning the personal and professional characteristics of

the candidate, along with the list of the administrative and auditing offices held by him/her in other companies, (ii) the declaration by which the candidate accepts the appointment of the office and certifies the non-existence of causes of ineligibility not to exceed the limit to the number of administrative and auditing offices established by Consob Regulation as well as the existence of the requirements prescribed by law provisions, regulations and articles of association to hold the office. Then, the Chairman reads out the composition of the single list presented shown below:

List presented by TTC S.r.l.

Statutory Auditors:

1 Simone Cavalli

2 Alessandra De Beni

3 Stefano Chirico

Alternate Auditors:

1 Attilio Marcozzi

2 Stefania Rusconi

The Company disclosed only the list presented in accordance with the regulations in force by filing with the registered office and publishing on the Company's website as well as with the other methods established by Consob Regulation.

The Chairman acknowledges that the limit to the number of offices envisaged by article 148-bis of the Consolidated Law on Finance (TUF) and by article 144-terdecies of the Issuers' Regulations has been complied with.

At this point, the Chairman proposes that this list be put to the vote, as well as the establishment of the remuneration of the Chairman of the Board of Statutory Auditors and of the Statutory Auditors, and to omit the reading of the lists of the administrative and auditing offices held by auditor candidates in other companies, considering the fact that these lists have already been made available to the shareholders and attached to the lists with the procedures established by law, and therefore made known to the Shareholders' Meeting pursuant to article 2400 of the Italian Civil Code.

The Chairman, with the consent of the Shareholders' Meeting, points out that, since only one list has been filed, two separate votes will be cast concerning: 1) the appointment of the Statutory Auditors and Alternate Auditors and 2) the establishment of the remuneration of the members of

the Board of Statutory Auditors. The first candidate as Statutory Auditor on the single list will be vested with the chairmanship of the new Board of Statutory Auditors, pursuant to Article 22 of the articles of association, should this obtain the relative majority votes.

Therefore, with regard to the appointment of the Statutory and Alternate Auditors for the 2019, 2020 and 2021 financial years, the Chairman puts to the vote by a show of hands the list presented by the shareholder TTC S.r.l. for the appointment of the Board of Statutory Auditors, informing that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right.

Voting then takes place, at the end of which the Chairman declares the list presented by the shareholder TTC S.r.l. approved unanimously by the persons attending

The Chairman declares and acknowledges that the list presented by the shareholder TTC S.r.l. obtained the unanimity of the votes cast at the Shareholders' Meeting. Since the list of the shareholder TTC S.r.l. is the only list presented and since it has obtained the unanimity of the votes, as a result, all the Statutory and Alternate Auditors to be elected are drawn from it pursuant to article 22 of the articles of association.

Therefore, the Chairman declares approved the appointment of the new Board of Directors in the persons of:

Statutory Auditors:

1 Simone Cavalli

2 Alessandra De Beni

3 Stefano Chirico

Alternate Auditors:

1 Attilio Marcozzi

2 Stefania Rusconi

all Italian citizens.

Due to the above-mentioned appointments, pursuant to the provisions of article 22 of the articles of association, Simone Cavalli, indicated as first Statutory Auditor candidate in the single list approved by the majority, is vested with the Chairmanship of the Board of Statutory Auditors.

The Chairman continues by submitting the establishment of the remuneration of the members of the Board of Statutory Auditors to the approval of the Shareholders' Meeting.

Therefore, the Chairman opens the discussion on the above draft resolution by inviting the persons who have the right to vote and who wish to take the floor to give their name and the number of shares represented in person or via proxy and by mentioning that the answers to the questions that were formulated will be given at the end of all the interventions on this item.

Therefore, the shareholder TTC S.r.l. proposes the following overall annual remuneration of Euro 87,500.00 (eighty-seven thousand five hundred/00), including 37,500.00 (thirty-seven thousand five hundred/00) for the Chairman of the Board of Statutory Auditors and Euro 25,000.00 (twenty-five thousand/00) each for the other two Statutory Auditors.

As no one else asks to take the floor, the Chairman closes the discussion and opens the voting, informing the persons attending that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right.

Therefore, the Chairman proposes to vote the following resolution:

*"The Ordinary Shareholders' Meeting:*

*- having read the Report of the Board of Directors,*

*- having in mind the law provisions and articles of association*

***decides***

*- to establish the annual remuneration to be paid to the Statutory Auditors in Euro 37,500.00 (thirty-seven thousand five hundred/00) for the Chairman and in Euro 25,000.00 (twenty-five thousand/00) each for the other"*

Therefore, the Chairman puts to the vote by a show of hands and invites those for, against and abstentions to give their opinion separately on the establishment of the remuneration of the members of the Board of Statutory Auditors.

Voting then takes place, at the end of which the Chairman declares the read-out proposal approved by majority by the persons attending, stating that, net of the treasury shares held by the Company:

n. 60,876,428 shares voted in favor; and

n. 10,585 shares voted against; (Ishares VII plc).

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On the sixth item on the agenda (*“Granting of the engagement to perform the legal audit of the accounts for the financial years 2019–2027 and determination of the relevant remuneration; related and consequent resolutions.”*), the Chairman mentions that with the approval of the annual financial statements as of 31 December 2018, the engagement to perform the statutory audit of the accounts that was granted in 2010 at the Ordinary Shareholders’ meeting to the independent auditors Reconta Ernst & Young S.p.A. will expire, thereby completing the nine–year period as set forth in current law. In this regard, taking into account the prior filing and making available to the public and Shareholders, of the Directors’ Explanatory Report on this item on the agenda, and the Recommendation of the Board of Statutory Auditors to grant the engagement for the statutory audit of the accounts for the years 2019–2027, drawn up pursuant to and by effect of article no. 13 of the Italian Legislative Decree no. 39 of 27 January 2010, and article 16 of European Regulation 537/2014, the Chairman, with the unanimous consent of those present, omits reading these documents, and reports the contents of the final part of the reasoned recommendation of the Statutory Board itself, where the terms of the appointment and the relative total remuneration considered are recalled.

The Chairman asks the Secretary to read out the following draft resolution :

*“The shareholders at the Ordinary Shareholders’ Meeting of Tesmec S.p.A.:*

- *acknowledging that, with the approval of the financial statements as of 31 December 2018, the engagement to perform the statutory audit of the Company’s accounts that was granted in 2010 to the independent auditors Reconta Ernst & Young S.p.A. will expire;*
- *having examined the justified proposal of the Board of Statutory Auditors, acting as the “Internal Control and Audit Committee,” and considering its recommendation and the preference it indicated,*

***hereby resolves***

1. *to engage the firm Deloitte & Touche S.p.A. to perform the statutory audit of the accounts of Tesmec S.p.A. for the years 2019–2027, subject to any grounds for early termination, on the terms and conditions set forth in that independent auditors’ proposal, the financial terms of which are summarized in the explanatory Report prepared by the Directors for purposes of the*

*Shareholders' Meeting;*

2. *to grant a broad mandate to the legal representatives in office pro tempore so that they may individually, alone or through special attorneys-in-fact, take all actions necessary or useful to carry out this resolution, and to comply with any related and necessary formalities at competent bodies and/or offices, with the power to make any immaterial changes thereto that are necessary for that purpose, and in general to take all actions needed to fully implement the same, with any and all necessary and appropriate powers, in accordance with current law."*

Therefore, the Chairman opens the discussion on the above draft resolution by inviting the persons who have the right to vote and who wish to take the floor to give their name and the number of shares represented in person or via proxy and by mentioning that the answers to the questions that were formulated will be given at the end of all the interventions on this item on the agenda.

As no one asks to take the floor, the Chairman closes the discussion and opens the voting, informing the persons attending that the number of shareholders is unchanged and that no one reported the existence of causes that prevent or limit the voting right. He invites the Shareholders' Meeting to vote by a show of hands, and those for, against and abstentions to give their opinion separately.

Voting then takes place, at the end of which the Chairman declares the read-out proposal approved unanimously by the persons attending.

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As there are no more items on the agenda of this Shareholders' Meeting to discuss, the Chairman thanks the attendees and declares the meeting closed at 3.45 p.m.

The Chairman

Ambrogio Caccia Dominioni

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The Secretary

Avv. Manfredi Vianini Tolomei

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