

**GIGLIO GROUP S.P.A.**

**EXTRAORDINARY MEETING**

(31 OCTOBER 2019 IN A SINGLE CALL)

**BOARD OF DIRECTORS' REPORT ON ITEMS OF THE AGENDA PURSUANT TO ART. 125-*TER* OF LEGISLATIVE DECREE NO. 58/1998 AND ART. 84-*TER* OF THE REGULATION ADOPTED WITH CONSOB RESOLUTION NO. 11971/99**

Dear Shareholders,

Pursuant to Art. 125-*ter* of the Legislative Decree no. 58 of the 24 February 1998, as amended and integrated (hereinafter also referred to as "**CFA**"), as well as to Art. 84-*ter* of the Regulation adopted with Consob resolution no. 11971/99 as amended and integrated (the "**Issuers Regulation**"), Giglio Group S.p.A. Board of Directors provides you with the explanatory report regarding the items on the agenda of the Extraordinary Shareholders' Meeting called on 31 October 2019 at 14.30 in Milan, Piazza Armando Diaz 6, 20123, in a single call, to discuss and resolve upon the following:

**AGENDA**

1. Proposal of non-divisible and paid increase in share capital for a total amount of € 2,649,500.00 (of which € 151,400 at nominal value and the rest at share premium), excluding option rights, pursuant to Art. 2441, par. 4, second sentence of the Civil Code, with the consequent issue of no. 757,000 ordinary shares, with unit price of € 3.5 (of which € 3.3 at share premium), with regular dividend and with the same characteristics of the ordinary shares already issued at the issue date, to be paid through the contribution in kind of the shares of E-commerce Outsourcing S.r.l. on behalf of all the shareholders of the latter. Consequent amendment of Art. 6 of the By-laws. Relative and consequent resolutions.
2. Proposal of amendment of Art. 6 of the By-laws and introduction of paragraphs from 6.2.1 to 6.2.4 for the purpose of introducing the "shares with increased voting rights" system, provided for in Art. 127-*quinquies* of the Consolidated Act; relative and consequent resolutions.

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### **Item no. 1 on the Meeting's Agenda**

**Proposal of non-divisible and paid increase in share capital for a total amount of € 2,649,500.00 (of which € 151,400 at nominal value and the rest at share premium), excluding option rights, pursuant to Art. 2441, par. 4, second sentence of the Civil Code, with the consequent issue of no. 757,000 ordinary shares, with unit price of € 3.5 (of which € 3.3 at share premium), with regular dividend and with the same characteristics of the ordinary shares already issued at the issue date, to be paid through the contribution in kind of the shares of E-commerce Outsourcing S.r.l. on behalf of all the shareholders of the latter. Consequent amendment of Art. 6 of the By-laws. Relative and consequent resolutions.**

Dear Shareholders,

You have been called to attend the extraordinary shareholders' meeting in order to resolve, inter alia, about the proposal of non-divisible and paid increase in share capital for a total amount of € 2,649,500.00 (of which € 151,400 at nominal value and the rest at share premium), excluding option rights, pursuant to Art. 2441, par. 4, second sentence of the Civil Code, with the consequent issue of no. 757,000 ordinary shares (hereinafter also referred to as the "**New Shares**"), with unit price of € 3.5 (of which € 3.3 at share premium), with regular dividend and with the same characteristics of the ordinary shares already issued at the issue date, to be paid through the contribution in kind of the shares of E-commerce Outsourcing S.r.l. on behalf of all the shareholders of the latter (hereinafter also referred to as the "**Capital Increase**").

More specifically, the Capital Increase shall be reserved to all E-commerce Outsourcing S.r.l.'s shareholders, proportionally to the percentage of share capital held by each of them in E-commerce Outsourcing S.r.l., with registered office in Rho (MI), via Sesia 5, Italy, and fully paid-up share capital of € 37,500.00, registered at Milan, Monza and Brianza Companies Registration Office, Tax Code and VAT Number 08576060969 (hereinafter also referred to as "**ECO**"), that is:

- a. **Gedeone WEB S.r.l. in liquidation**, with registered office in Milan (MI), Corso Genova 6, 20123, registered at Milan, Monza and Brianza Companies Registration Office, Tax Code and VAT Number 08256310965, which holds 51.2% (fifty-one point two percent) of ECO's share capital, for a total nominal value of € 19,201.00 (nineteenthousandtwohundredandone/00);
- b. **Barni Carlo S.p.A.**, with registered office in Busto Garolfo (MI), Via Arconate 63, 20020, registered at Milan, Monza and Brianza Companies Registration Office, Tax Code and VAT Number 10635290157, which holds 32.0% (thirty-two percent) of ECO's share capital, for a total nominal value of € 12,000.00 (twelvethousand/00);
- c. **Testa Daniele**, born in Busto Arsizio (VA) on 31 December 1975, residing in San Bartolomé de Tirajana (Las Palmas), Calle Puerto del Carmen 33 (Spain), Tax Code TSTDNL75T31B300Y, who holds 5.0% (five percent) of ECO's share capital, for a total nominal value of € 1,875.00 (onethousandeighthundredseventyfive/00);
- d. **Parravicini Giorgio**, born in Milan (MI) on 31 May 1966, residing in via Fatebenefratelli 22, 20121, Tax Code PRRGRG66E30F205B, who holds 4.8% (four point eight percent) of ECO's share capital, for a total nominal value of €

1,800.00 (onethousandeighthundred/00);

- e. **Cuccarese Vincenzo**, born in Stigliano (MT) on 31 August 1980, residing in Sesto San Giovanni (MI), via Podgora 60, 20099, Tax Code CCCVCN80M301954F, who holds 2.0% (two percent) of ECO's share capital, for a total nominal value of € 750.00 (sevenhundredfifty/00);
- f. **Canegrati Andrea**, born in Rho (MI) on 28 September 1980, residing in Pregnana Milanese (MI), viale Lombardia 12, 20010, Tax Code CNGNDR80P28H264K, who holds 2.0% (two percent) of ECO's share capital, for a total nominal value of € 750.00 (sevenhundredfifty/00);
- g. **Napoleone Marco Antonio**, born in Milan (MI) on 27 January 1982, residing in Milan, via Mauro Macchi 42, Tax Code NPLMCN82A27F205D, who holds 1.5% (one point five percent) of ECO's share capital, for a total nominal value of € 562.00 (fivehundredsixtytwo/00); and
- h. **Fumagalli Marco**, born in Mariano Comense (CO), residing in via Ruvigliana-Lugano (Switzerland), via Ceresio di Suvigliana 18, Tax Code FMGMRC70H27E951P, who holds 1.5% (one point five percent) of ECO's share capital, for a total nominal value of € 562.00 (fivehundredsixtytwo/00).

For any information – to be made available pursuant to (a) Art. 2441, par. 6 of the Italian Civil Code, (b) Art. 70, par. 4 of the Issuers' Regulation and (c) the general criteria referred to in Annex 3A of the Issuers' Regulation – regarding:

- (i) The explanation of the operation;
- (ii) The reasons for the exclusion of the option right in the context of the Capital Increase, deriving from its payment through the contribution in kind of 100% of ECO's share capital;
- (iii) The indication of the value assigned to ECO shares, as set out in the experts' report issued pursuant to Art. 2343-ter, par. 2, letter B) of the Italian Civil Code;
- (iv) The indication of the number, category, accrual date and issuance price of New Shares;
- (v) The criteria for determining the issuance price of the New Shares
- (vi) The tax effects of the operation on Giglio Group S.p.A.;
- (vii) The indication of Giglio Group S.p.A.'s shareholders structure and of any eventual controlling entity pursuant to Art. 93 of the CFA following the Capital Increase; and
- (viii) The effects of the Capital Increase on any eventual relevant shareholders agreement pursuant to Art. 122 of the CFA, concerning Giglio Group's shares,

See the Directors' Report drafted pursuant to Art. 2441, par. 6 of the Italian Civil Code, to Art. 70, par. 4 of the Issuers' Regulation and in accordance with the general criteria referred to in Annex 3A of the Issuers' Regulation, which shall be made available to the public in line with the administrative formalities and deadlines set forth in applicable laws and regulations (hereinafter also referred to as the "**Directors' Report**").

In addition to what stated in the Directors' Report, fully referred to herein, it is noted that, following the execution of the Capital Increase, Art. 6.1 of Giglio Group S.p.A.'s By-laws

shall be amended in order to update the amount of Share Capital and the number of shares issued by Giglio Group S.p.A..

The following table shows the comparison between the previously in force by-laws text and the one with the proposed amendments, with an indication of each single variation. For the purpose of facilitating the identification of said variations, it is noted that, for each statutory provision subject to an amendment's proposal, the procedure was as follows:

- (i) The text previously in force is shown in the left column of the table,
- (ii) The text proposed for adoption is shown in the right column of the table, and the amended parts are highlighted in review mode, and
- (iii) Articles not mentioned remain unchanged.

TEXT PREVIOUSLY IN FORCE	PROPOSED TEXT
6.1 The Share Capital amounts to € 3,208,050.00 (threemilliontwohundredeightthousandfifty /00) and is divided into no. 16,040,250 (sixteenmillionfortythousandtwohundredanddfifty) without express nominal value.	6.1 The Share Capital amounts to € 3,359,450.00 (threemillionthreehundredfiftyninethousandfo urhundredandfifty/00) and is divided into no. 16,797,250 (sixteenmillionsevenhundredninetyseventhous andtwohundredandfifty) without express nominal value.

It is noted that the adoption of the resolutions concerning the amendment of Art. 6.1 of the By-laws does not entitle shareholders to exercise their right of withdrawal.

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By making reference to the Directors' Report for a greater variety of information, we submit the following for your approval

#### **resolution proposal**

*"Giglio Group S.p.A. Shareholders' Meeting,*

- *Having examined and discussed the proposal of non-divisible and paid increase in share capital for a total amount of € 2,649,500.00 (of which € 151,400 at nominal value and the rest at share premium), excluding option rights, pursuant to Art. 2441, par. 4, second sentence of the Civil Code, with the consequent issue of no. 757,000 ordinary shares, with unit price of € 3.5 (of which € 3.3 at share premium), with regular dividend and with the same characteristics of the ordinary shares already issued at the issue date, to be paid through the contribution in kind of the shares of E-commerce Outsourcing S.r.l. on behalf of all the shareholders of the latter,*
- *Having examined the Directors' Report, as well as the report drafted by Directors pursuant to Art. 123-ter of Legislative Decree no. 58 of 24 February 1998, as*

*amended and integrated, as well as to Art. 84-ter of the Regulation adopted with Consob resolution no. 11971/99 as amended and integrated;*

- *Having taken into consideration the assessment drafted by Mr. Massimo Garmondi pursuant to Art. 2343-ter, par. 2, letter b) of the Italian Civil Code;*
- *Having taken note of the fairness opinion regarding the issuance price of Giglio Group S.p.A.'s New Shares, issued by EY S.p.A. pursuant to Art. 158 of Legislative Decree no. 58 of 24 February 1998;*

#### **resolves**

- (i) *To enforce a non-divisible and paid increase in Giglio Group S.p.A.'s share for a nominal amount of € 151,400.00 (onehundredfiftyonethousandfourhundred/00), other than a share premium of € 2,498,100.00 (twomillionfourhundredninetYEIGHTthousandandonehundred/00), excluding option rights pursuant to Art. 2441, par. 4 of the Italian Civil Code, reserved to E-commerce Outsourcing S.r.l.'s shareholders, to be paid through the contribution in kind on behalf of the latter of its own shares representing 100% of E-commerce Outsourcing S.r.l., with registered office in Rho (MI), via Sesia 5, Italy, and fully paid-up share capital of € 37,500.00, registered at Milan, Monza and Brianza Companies Registration Office, Tax Code and VAT Number 08576060969, against the issuance of € 757,000 (sevenhundredfiftyseventhousand) ordinary shares without nominal value, with regular dividend and with the same characteristics of the ordinary shares already issued at the issue date, presenting a unit price of € 3.5 per share, of which € 3.3 at share premium;*
- (ii) *To vest the Board of Directors - and on its behalf the legal representative pro tempore, also with separate signing power - with proxy powers, all authorities - none excluded nor excepted - required to carry out any necessary or advisable action for the execution of the capital increase referred to in the previous resolution, including the authority necessary to offer for subscription to contributing shareholders the capital increase, to subscribe the underwriting and thus to carry out any formality and subscribe any deed and/or document related to said capital increase, establishing as of now that the capital increase must be carried out by and not later than 20 November 2019 (subject to, if required, the update of the expert estimate);*
- (iii) *To amend, starting from the subscription of the aforementioned capital increase, Art. 6.1 of the By-laws as follows "6.1 The Share Capital amounts to € 3,359,450.00 (threemillionthreehundredfiftyninethousandfourhundredandfifty/00) and is divided into no. 16,797,250 (sixteenmillionsevenhundredninetYEIGHTthousandtwohundredandfifty) without express nominal value;*
- (iv) *To vest the Board of Directors - and on its behalf the legal representative pro tempore, also with separate signing power - with proxy powers, all authorities - none excluded nor excepted - required to deposit and publish, pursuant to the law, the text of the By-laws with the amendments carried out following previous resolutions;*

(v) *To vest the Board of Directors – and on its behalf the legal representative pro tempore, also with separate signing power – with proxy powers, all authorities – none excluded nor excepted – required to carry out minor amendments to the aforementioned resolutions that shall be deemed necessary or advisable in order to execute the capital increase approved above, to carry out all necessary deposits to the Companies Registration Office and/or to comply to any prescription of competent authorities.”.*

## **Item no. 2 on the Meeting's Agenda**

**Proposal of amendment of Art. 6 of the By-laws and introduction of paragraphs from 6.2.1 to 6.2.4 for the purpose of introducing the "shares with increased voting rights" system, provided for in Art. 127-*quinquies* of the Consolidated Act; relative and consequent resolutions.**

Dear Shareholders,

You are also called to attend the extraordinary shareholders' meeting in order to resolve also on the proposal of amendment of the By-laws in order to enable the "shares with increased voting rights" system, introduced by Art. 20, par. 1 of the Decree Law no. 91 of 24 June 2014, converted by Law no. 116 of 11 August 2014.

Art. 127-*quinquies* of the CFA allows companies with shares listed on a regulated market to provide for the attribution of shares with increased voting rights, through specific amendment of the By-laws, "up to two votes for each share held by the same entity, for a continuous period of no less than 24 months starting from the acquisition date" in a specific list held by the Company.

By introducing this system, the Italian legislator overcame the traditional "one share - one vote" principle, in an attempt to allow listed companies to acquire, when deemed appropriate by the same companies, an incentive tool for shareholders who chose to prefer a lasting investment in the listed company, thus strengthening its role in its governance through shares with increased voting rights

The CFA and Issuers' Regulation laws leave plenty of space for corporate autonomy, allowing each company to define in detail the modalities to attribute shares with increased voting rights, to verify the existence of relative requirements and, more in general, to actually implement the increased voting rights' system.

The Board of Directors, also in light of the transformational phase of the Company, which is progressively strengthening its role in the e-commerce sector, deems it necessary to favour a long-term investment's approach by offering shareholders who wish to take part in a stable way in the shareholders structure the possibility to resort to shares with increased voting rights.

For this purpose, the Board of Directors proposes to carry out the following amendments to the Company's By-laws, regarding Art. 6.2, introducing the "shares with increased voting rights" system, pursuant to Art. 127-*quinquies* of the CFA, as well as the formal connecting amendment to Art. 6.4 as shown in the following comparative table.

### **Explanation of the amendments to By-laws clause set out in Art. 6, par. 2**

1. The first amendment proposed is merely formal and aimed at connecting different parts of the By-laws. Indeed, it is proposed to hold without prejudice, in Art. 6, par.

2 – where it is provided that ordinary shares give right to one vote each – the provision set out in paragraphs 6.2.1 and 6.2.4 regulating share with increased voting rights.

2. Paragraph 6.2.1 introduces the generic provision of increased voting rights pursuant to Art. 127-*quinquies* of the CFA and clearly describes three choices that refer to statutory autonomy:
  - a) The *duration of the holding period*, which represents the basis for increased voting rights, in relation to which the Board of Directors proposes to keep the minimum duration provided by the law (24 months), deeming it sufficient to configure an adequate stability of shares ownership.
  - b) The *increased voting rights' coefficient*, for which the Board of Directors deemed it reasonable to fully avail itself of the power envisaged by the Law (two votes per share), finding no reason to reduce the effects of the stable holding of shares on behalf of the same shareholder;
  - c) The *power to irrevocably waive*, in whole or in part, the increased voting rights for the shares held by each shareholder, a power covered by the statutory amendment's proposal, taking into account the eventual interest that one or more shareholders could have in the future, as well as the lack of disadvantages for a freedom such as this, granted to each shareholder.
3. Moreover, paragraph 6.2.1 regulates the modalities for the attribution of the increased voting rights and for the verification of the existence of relative requirements. More specifically, pursuant to Art. 127-*quinquies*, par. 2 of the CFA, the entitlement to access the benefit of the increased voting right system requires the insertion of all shareholders who wish to benefit from such right in a specific list whose contents are regulated by Art. 143-*quater* of the Issuers' Regulation. This list is complementary to the Shareholders' Register and therefore, the same rules on publicity apply also on the list, including the right to scrutiny on behalf of shareholders, pursuant to Art. 2422 of the Italian Civil Code.

Art. 6.2.1 thus provides for:

- a) The institution of said special list at the Company's headquarters and the conferment of a mandate and any related power to the Board of Directors in order to: (i) determine the procedures for keeping the list in accordance with the applicable law and, in particular, with Art. 143-*quater* of the Issuers' Regulation, and (ii) to appoint the entity responsible for keeping the special list;
- b) The procedure for the request of accessing the increased voting right through the inclusion in the special list, which requires an application on behalf of the shareholder accompanied by the following documents: (a) the number of shares for which the increased voting rights are requested (it could be limited to a quota of the shares held), (b) the name of the intermediary on whose account the shares pending the increased voting rights' request are recorded, together with a certificate of ownership of the same shares in the same person; (c) any other document required by current regulations;



- c) The possibility, at any moment following the inclusion in the special list, to request in writing to the Company to be removed by the special list for all or for a part of the shares included, with consequent loss of the right to benefit from the increased voting system and, in any case, with the irrevocable waiver of the already accrued increased voting rights, always by notice in writing to the Company;
  - d) For the purpose of obtaining the increased voting rights, the submission of a further notice on behalf of the interested shareholder, released by the intermediary on whose accounts the shares included in the special list are recorded, that certifies the owning of the shares, referring to the date of the beginning of the continuous period of 24 months;
  - e) The acquisition of the increased voting rights after three trading days of the month following the date of the beginning of the continuous period of 24 months, upon inclusion in the special list.
4. Moreover, paragraph 6.2.1, specifies that, for the purpose of attributing the increased voting rights, the circumstance that the “share should belong to the same entity” set out in Art. 127-*quinquies* of the CFA should be interpreted with regard to the shares whose voting right belonged to the same entity on the basis of a real legitimising right, such as: (i) the full ownership of the share with voting rights, (ii) the bare ownership of the share with voting rights; o (iii) usufruct of the share with voting rights.
5. Paragraph 6.2.2, on the other hand, reiterates the provisions already set out in Art. 127-*quinquies*, par. 3 of the CFA, that is that the benefit of increased voting rights shall terminate: (i) in case of transfer, free of charge or not, of the share, and (ii) in case of transfer, direct or indirect, of controlling shareholdings in companies or entities that hold more shares with increased voting right than the threshold laid down in Art. 120, par. 2 of the CFA, it being understood that (a) “transfer” also means the granting of a pledge, an usufruct or any other restriction on the share, when this entails the loss of voting right on behalf of the shareholder, and (b) in the event of free or paid transfer of just a part of the shares with increased voting rights, the transferor keeps the increased voting rights on the shares that were not transferred.
6. Par. 6.2.3, on the other hand, contains some choices that were expressly reserved to statutory autonomy by the Law. In particular, it is provided for that the increased voting right:
- a) Shall be kept in the event of inheritance due to death and in case of merger and division of the shareholder, deeming it almost punitive for the “loyal” shareholder to lose its right not due to its will to “dispose” of its shares, but due to a phenomenon of “universal succession”;
  - b) Shall be extended to newly issued shares in the event of capital increase pursuant to Art. 2442 of the Italian Civil Code, considering that the shares issued following a free share capital increase are a sort of “formal extension” of the same “substantial participation” already held by the same shareholder;

- c) Shall be extended also to shares granted in exchange for shares with increased voting rights in the event of merger or division, if the related project so provides, considering yet again this event as a situation of substantial "continuity" with the participation to the corporate operation subject to a structural change such as merger and division;
  - d) Shall be extended proportionally to the shares issued upon execution of capital increase through new contributions, considering otherwise less incentivising the participation in the gathering of new risk capital by the shareholder who attained, or is about to attain, shares with increased voting rights.
7. Lastly, the paragraph 6.2.4 confirms the provisions of Art. 127-*quinquies*, par. 8 of the CFA, i.e. that the increased voting rights shall be counted after calculating the voting quorums, for constitution and passing resolutions, of the shareholders' meeting that refer to the share capital's rates, it being understood that it has no effect on the rights, other than the voting one, entitled to shareholders in possess of specific share capital's rates.

### **Effects of the introduction of shares with increased voting rights on the Company's ownership structure**

On the date of this Report, Meridiana Holding S.r.l., majority shareholder of the Company, holds a representative investment of 55.671% in the Company's share capital.

Therefore, in the hypothesis that Meridiana Holding S.r.l. shall request and obtain increased voting rights on all of its shares and that no other shareholder shall request increased voting right, upon completion of the 24 continuous holding months from the date of inclusion in the special list, Meridiana Holding S.r.l. could exercise, altogether, 66.67% voting rights on all exercisable voting rights in the Company's shareholders' meeting.

### **Effects of the adoption of the By-laws amendment's resolution on the eventual shareholders' right of withdrawal**

With regard to the aforementioned amendments, it is noted that, as also provided for by Art. 127-*quinquies*, par. 6 of the CFA, "*the resolution to amend the By-laws in order to introduce shares with increased voting rights shall not confer also the right of withdrawal pursuant to Art. 2437 of the Italian Civil Code.*"

### **Decision-making process**

The Board of Directors, which met on 16 September 2019, resolved, inter alia, to call for an extraordinary Shareholders' Meeting in order to propose the adoption of the By-laws

amendments explained in this report for the purpose of introducing the “shares with increased voting rights” system.

In particular, all directors in office participated in the Meeting of the Board of Directors, including 2 independent directors Ms. Silvia Olivotto and Mr. Giorgio Mosci. The decision to propose to the extraordinary Shareholders’ Meeting the By-laws amendments explained in this report has been taken by the directors by unanimity, upon assessing the conformity of the proposed amendments with the Company’s business interest. As a matter of facts, the directors found that the introduction in the By-laws of the “shares with increased voting rights” system could effectively allow the Company to achieve the objective to incentivise medium/long-term investments by allowing the shareholder who gave and still gives proof of its loyalty to the Company (by holding for a specific period of time its shares) to benefit from said specific right.

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The following table shows the comparison, article by article, between the previously in force by-laws text and the one with the proposed amendments, with an indication of each single variation.

For the purpose of facilitating the identification of said variations, it is noted that, for each statutory provision subject to an amendment’s proposal, the procedure was as follows:

- (iv) The text previously in force is shown in the left column of the table,
- (v) The text proposed for adoption is shown in the right column of the table, and the amended parts are highlighted in review mode, and
- (vi) Articles not mentioned remain unchanged.

TEXT PREVIOUSLY IN FORCE	PROPOSED TEXT
6.1 The Share Capital amounts to € 3,208,050.00 (threemilliontwohundredeightthousandfifty/00) and is divided into no. 16,040,250 (sixteenmillionfortythousandtwohundredandfifty) without express nominal value.	6.1 The Share Capital amounts to € 3,208,050.00 (threemilliontwohundredeightthousandfifty/00) and is divided into no. 16,040,250 (sixteenmillionfortythousandtwohundredandfifty) without express nominal value.
6.2 Each share gives the right to one vote and may not be divided; the case of joint ownership is regulated by Art. 2347 of the Civil Code.	6.2 Each share gives the right to one vote and may not be divided, except as provided for in the following paragraphs 6.2.1 and 6.2.4; the case of joint ownership is regulated by Art. 2347 of the Civil Code.
	6.2.1 In derogation from the previous paragraph, each share gives the right to two votes if the share was held by the

same entity by virtue of a real right legitimising the exercise of the voting right for a continuous period of at least 24 months. The recurrence of this precondition shall also be attested by: (i) the continuous inclusion for a period of at least 24 months in the special list (hereinafter also referred to as the "**List**"); (ii) a specific notice attesting the continuous holding for a period of 24 months, released by the financial intermediary, with whom the shares are deposited pursuant to the current Law.

The acquisition of the increased voting rights shall be obtained after three trading days of the month following the date of the beginning of the continuous period of 24 months, upon inclusion in the special list.

The definition of share ownership shall be understood with reference to those shares whose voting right was held by the same entity on the basis of a real legitimising right, such as: (i) the full ownership of the share with voting rights, (ii) the bare ownership of the share with voting rights; or (iii) usufruct of the share with voting rights.

For this purpose, the Company shall establish and keep in its registered office, in the form and content foreseen by the applicable law, the List, where the shareholders who wish to benefit from shares with increased voting rights shall be included. For the purpose of being included in the Special List, the entity empowered pursuant to this article shall submit the appropriate application, attaching a notice attesting its shares' ownership - that can concern also only part of the shares owned by the shareholder - issued by the intermediary with whom the shares are deposited pursuant to the current Law. Increased voting rights can be requested also for only part of the shares owned by the shareholder. In the event of entities other than natural persons, the application shall

	<p>specify whether the entity is under direct or indirect third-party control or not, and shall provide identification data for the eventual controlling party.</p> <p>The Company shall remove a shareholder from the Special List in the following cases: (i) waiver by the interested party; (ii) notice of the interested party or of the intermediary attesting the absence of the preconditions for the increased voting right or the loss of ownership of the real legitimising right and/or of the relative voting right; (iii) automatically, if the Company gave notice of the occurrence of the absence of the preconditions for the increased voting right or the loss of ownership of the real legitimising right and/or of the relative voting right.</p>
	<p>6.2.2 Pursuant to Art. 127-<i>quinquies</i>, par. 3, of Legislative Decree no. 58 of 24 February 1998, as amended (the “<b>CFA</b>”), the benefit of the increased voting right shall cease: (i) in case of transfer, free of charge or not, of the share, it being understood that “transfer” also means the granting of a pledge, an usufruct or any other restriction on the share, when this entails the loss of voting right on behalf of the shareholder. In the hypotheses of free or paid transfer of only a part of shares with increased voting rights, the transferor shall maintain the increased voting rights on the remaining shares, and (ii) in case of transfer, direct or indirect, of controlling shareholdings in companies or entities that hold more shares with increased voting right than the threshold laid down in Art. 120, par. 2 of the CFA.</p>
	<p><b>6.2.3</b> Increased voting rights:</p> <ul style="list-style-type: none"> <li>a) Shall be kept in the event of inheritance due to death and in case of merger and division of the shareholder;</li> <li>b) Shall be extended to newly issued</li> </ul>

	<p>shares in the event of capital increase pursuant to Art. 2442 of the Italian Civil Code;</p> <p>c) Shall be extended also to shares granted in exchange for shares with increased voting rights in the event of merger or division, if the related project so provides;</p> <p>d) Shall be extended proportionally to the shares issued upon execution of capital increase through new contributions (considering otherwise less incentivising the participation in the gathering of new risk capital by the shareholder who attained, or is about to attain, shares with increased voting rights).</p>
	<p>6.2.4 The increased voting rights shall be counted after calculating the voting quorums, for constitution and passing resolutions, that refer to the share capital's rates but that do not have an effect on the rights, other than the voting one, entitled to shareholders in possession of specific share capital's rates.</p>
<p>6.3 Shares can be freely transferred pursuant to the Law and can be subject to pledge, usufruct and seizing.</p>	<p>6.3 Shares can be freely transferred pursuant to the Law and can be subject to pledge, usufruct and seizing.</p>
<p>6.4 Shares are nominal, indivisible and are placed in the book entry system subject to the current law and issued in the centralised management system of financial tools referred to in Art. 83-bis et seq. of the Legislative Decree no. 58 of 24 February 1998 (the "CFA").</p>	<p>6.4 Shares are nominal, indivisible and are placed in the book entry system subject to the current law and issued in the centralised management system of financial tools referred to in Art. 83-bis et seq. of the CFA.</p>
<p>6.5 The quality of shareholder constitutes acceptance of these By-laws.</p>	<p>6.5 The quality of shareholder constitutes acceptance of these By-laws.</p>
<p>6.6 The Share Capital can be increased upon resolution of the Meeting also with the issuance of shares with different rights from the ordinary ones and with different contributions other than money, to the</p>	<p>6.6 The Share Capital can be increased upon resolution of the Meeting also with the issuance of shares with different rights from the ordinary ones and with different contributions other than money, to the</p>

<p>extent permitted by the Law. In the event of a Share Capital increase, upon resolution of the Meeting, the norms and conditions related to the issuance of the new capital, the dates and the payment modalities shall be determined by the Board of Directors. In the event of a paid Share Capital increase, the option right may be excluded with a Meeting resolution or, if appointed by proxy, with a Board of Directors' resolution, within the limits and the modalities foreseen by Art. 2441, par. 4, first and second sentence, par. 5 and par. 8 of the Italian Civil Code.</p>	<p>extent permitted by the Law. In the event of a Share Capital increase, upon resolution of the Meeting, the norms and conditions related to the issuance of the new capital, the dates and the payment modalities shall be determined by the Board of Directors. In the event of a paid Share Capital increase, the option right may be excluded with a Meeting resolution or, if appointed by proxy, with a Board of Directors' resolution, within the limits and the terms and conditions foreseen by Art. 2441, par. 4, first and second sentence, par. 5 and par. 8 of the Italian Civil Code.</p>
<p>6.7 The Meeting can grant directors with the power to increase once or more times the Share Capital pursuant to Art. 2443 of the Civil Code.</p>	<p>6.7 The Meeting can grant directors with the power to increase once or more times the Share Capital pursuant to Art. 2443 of the Civil Code.</p>
<p>6.8 The Meeting shall be able to resolve the Share Capital decrease with the terms and conditions established by the Law.</p>	<p>6.8 The Meeting shall be able to resolve the Share Capital decrease with the terms and conditions established by the Law.</p>
<p>6.9 On 29 October 2018, the extraordinary Shareholders' Meeting resolved to vest the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years starting from the date of the meeting's resolution, with the power to increase the share capital upon payment, without option rights pursuant to Art. 2441, par. 8 and – as far as applicable – par. 5 of the Italian Civil Code, in separate issues pursuant to Art. 2439, par. 2 of the Italian Civil Code, for a maximum amount of € 138,000.00 in nominal value, through the issue, also in more tranches, of a maximum of no. 690,000.00 ordinary shares without any nominal value, with the same characteristics of the ordinary shares already issued by the issue date, with regular dividend, to be offered in subscription to the beneficiaries of the "Stock Option Plan 2018–2021" approved by the Ordinary Shareholders Meeting on 29 October 2018. Pursuant to Art. 2439, par. 2 of the Italian Civil Code, in the event of a</p>	<p>6.9 On 29 October 2018, the extraordinary Shareholders' Meeting resolved to vest the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years starting from the date of the meeting's resolution, with the power to increase the share capital upon payment, without option rights pursuant to Art. 2441, par. 8 and – as far as applicable – par. 5 of the Italian Civil Code, in separate issues pursuant to Art. 2439, par. 2 of the Italian Civil Code, for a maximum amount of € 138,000.00 in nominal value, through the issue, also in more tranches, of a maximum of no. 690,000.00 ordinary shares without any nominal value, with the same characteristics of the ordinary shares already issued by the issue date, with regular dividend, to be offered in subscription to the beneficiaries of the "Stock Option Plan 2018–2021" approved by the Ordinary Shareholders Meeting on 29 October 2018. Pursuant to Art. 2439, par. 2 of the Italian Civil Code, in the event of a</p>

<p>partial subscription of the share capital by the deadline set by the Board of Directors, the capital shall be increased by an amount equal to the subscriptions received. 6.10 On 29 October 2018, the extraordinary Shareholders' Meeting resolved to vest the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years starting from the date of the meeting's resolution, with the power to increase the share capital upon payment, without option rights pursuant to Art. 2441, par. 4, second sentence of the Italian Civil Code, in separate issues pursuant to Art. 2439, par. 2 of the Italian Civil Code, within the limits of 10% (ten percent) of the existing share capital, through the issue, also in more tranches, of ordinary shares without any nominal value, with the same characteristics of the ordinary shares already issued by the issue date, with regular dividend, to be offered in subscription to entities identified by the Board of Directors - including qualified industrial and/or financial investors - provided that the issue price of the shares corresponds to the market value of those already issued and that this is confirmed by a specific report from a statutory auditor or an auditing company.</p>	<p>partial subscription of the share capital by the deadline set by the Board of Directors, the capital shall be increased by an amount equal to the subscriptions received. 6.10 On 29 October 2018, the extraordinary Shareholders' Meeting resolved to vest the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years starting from the date of the meeting's resolution, with the power to increase the share capital upon payment, without option rights pursuant to Art. 2441, par. 4, second sentence of the Italian Civil Code, in separate issues pursuant to Art. 2439, par. 2 of the Italian Civil Code, within the limits of 10% (ten percent) of the existing share capital, through the issue, also in more tranches, of ordinary shares without any nominal value, with the same characteristics of the ordinary shares already issued by the issue date, with regular dividend, to be offered in subscription to entities identified by the Board of Directors - including qualified industrial and/or financial investors - provided that the issue price of the shares corresponds to the market value of those already issued and that this is confirmed by a specific report from a statutory auditor or an auditing company.</p>
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In view of the foregoing, in the event that you agree with what is proposed above, we ask you to adopt the following

**resolution proposal**

*"Giglio Group S.p.A. Shareholders' Meeting, having examined the Directors' Report, prepared pursuant to Art. 125-ter of Legislative Decree no. 58 of 24 February 1998 as amended and Art. 73 of the Regulation adopted by Consob with resolution no. 11971 of 14 May 1999 as amended;*

*resolves*



- 1. To amend Art. 6, par. 2 and 4 of the By-laws and to introduce paragraphs 6.2.1, 6.2.2, 6.2.3 and 6.2.4 in the version displayed in the column "Proposed Text" of the table present in the Directors' Report; and*
- 2. To vest the Board of Directors – and on its behalf the legal representative pro tempore, also with separate signing power – with all authorities required to eventually adopt a regulation for managing the special list in order to provide further details about the inclusion, keeping and update modalities of the list itself, publishing it on the Company's website if needed;*
- 3. To vest the Board of Directors – and on its behalf the legal representative pro tempore, also with separate signing power – with all authorities required to enforce the aforementioned resolutions, as well as to comply with necessary formalities, including the registration of the resolution at the Companies Registration Office, for the purpose of providing with regulatory approval the resolution adopted, with the authority to introduce any eventual and non substantial amendment, addition or cancellations necessary for this purpose, also upon its subscription, and in general to perform all necessary activities for the complete enforcement of the resolution itself, with any and all powers needed for that purpose, none being excluded, also in order to comply with all formalities, deeds and applications or documents' submissions required by the relevant market supervisory authorities and/or by applicable law provisions or regulations.*
- 4. To authorise the Chairman of the Board of Directors, with proxy powers, to submit and publish, pursuant to the Law, the updated text of the By-laws with the amendments made following the previous resolution."*

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Milan, 30 September 2019

For the Board of Directors  
The Chairman of the Board of Directors