

**Directors' Report of Landi Renzo S.p.A. in accordance with section 125-ter of legislative decree 58/1998 and sections 84-ter, 72 and 73 of Consob regulation no. 11971 of 1999, to the ordinary and extraordinary Shareholders' Meeting, to be held at the registered office of the Company in Corte Tegge, Cavriago (Reggio Emilia), Via Nobel 2/4, on 29 April 2020 at 9:00 a.m. in single call.**

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**ORDINARY SESSION**

1. **1.1 FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019, DIRECTORS' REPORT ON OPERATIONS, BOARD OF STATUTORY AUDITORS' REPORT AND INDEPENDENT AUDITORS' REPORT; ANY RELATED RESOLUTIONS. 1.2. RESOLUTIONS REGARDING THE RESULTS OF THE FINANCIAL YEAR; ANY RELATED RESOLUTIONS.**

Dear Shareholders,

the draft financial statements for the year ended 31 December 2019, which we are submitting to your approval, report a profit for the financial year of Euro 2,705,828.03.

We are also submitting the consolidated financial statements of Landi Renzo for the year ended as of 31 December 2019 which, although does not need to be approved by the Shareholders' Meeting, sets out additional information provided with the Landi Renzo S.p.A. financial statements for the year (the "**Company**").

For more information, please refer to the financial statements for the year ended as of 31 December 2019 and the related management report which you are asked to approve. We submit to your approval the following

**proposed resolution**

"The Shareholders' Meeting of Landi Renzo S.p.A., having acknowledged the Board of Director's management report, the Board of Statutory Auditors' report and the independent auditors' report, and having reviewed the financial statements for the year ended on 31 December 2019,

**resolves**

- to approve the financial statements for the year ended on 31 December 2019, which report a profit for the financial year of Euro 2,705,828.03, as presented by the Board of Directors with regard to the aggregate accounts, the individual items, as well as the management report prepared by the Board of Directors;
- to approve the allocation of the profit of the year of Euro 2,705,828.03, provided that the legal reserve has already reached one fifth of the share capital, as follows: Euro 360,174.74 to a reserve unavailable for distribution, for the purpose of value the participations into the net assets (*patrimonio netto*) (article 6, first paragraph, letter a) of the Italian legislative decree no. 38 of 2005) and, the remainder, equal to Euro 2,345,653.29, to extraordinary reserve."

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2. **REPORT ON THE REMUNERATION POLICY AND THE COMPENSATION PAID AS AT 31 DECEMBER 2019. 2.1. ANALYSIS AND APPROVAL OF THE FIRST SECTION, PURSUANT TO ARTICLE 123-TER, SIXTH PARAGRAPH, OF ITALIAN LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AS**

**SUBSEQUENTLY AMENDED AND INTEGRATED, AND ARTICLE 84-QUATER OF THE REGULATION ADOPTED BY CONSOB WITH THE RESOLUTION NO. 11971 OF 14 MAY 1999, AS SUBSEQUENTLY AMENDED AND INTEGRATED. 2.2. RESOLUTIONS RELATING TO THE SECOND SECTION, PURSUANT TO ARTICLE 123-TER OF THE ITALIAN LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AS SUBSEQUENTLY AMENDED AND INTEGRATED, AND ARTICLE 84-QUATER OF THE REGULATION ADOPTED BY CONSOB WITH THE RESOLUTION NO. 11971 OF 14 MAY 1999, AS SUBSEQUENTLY AMENDED AND INTEGRATED; ANY RELATED RESOLUTIONS.**

Dear Shareholders,

we submit to your attention the Report on the remuneration policy and compensation paid, prepared in accordance with sections 123-*ter* of the Consolidated Financial Act and 84-*quater* of the Regulations for Issuers.

We reiterate that the Report on the remuneration policy and compensation paid is set out in two sections, which respectively describe: (i) the Company's policy regarding the remuneration of members of the management bodies and managers with strategic duties with regard to at least the next financial year and, without prejudice to the provisions of article 2402 of the Italian civil code, the members of the auditing bodies, as well as the procedures employed for the adoption and implementation of this policy; and (ii) each of the items included in the remuneration of members of the management and internal audit bodies, and of the managers with strategic duties, as well as fees paid to them for whatever reason in the last financial year.

Pursuant to article 123-*ter*, paragraph 3-*bis*, of the Consolidated Financial Act, the first section of the report is subject to a binding vote by the Shareholders' Meeting. If the Shareholders' Meeting will not approve the remuneration policy, the Company will continue to pay remuneration in accordance with the most recent remuneration policy adopted; in this event, the Company is required to submit a new remuneration policy to the vote of the Shareholders' Meeting at the latest in the context of the next Shareholders' Meeting provided for in Article 2364, paragraph 2, of the Italian civil code.

With regard to the second section of the abovementioned report, pursuant to the sixth paragraph of article 123-*ter* of the Consolidated Financial Act, the Shareholders' Meeting shall vote in favour or against it with a non-binding resolution.

Having stated the above and making reference for more information in this regard to the information set out in the Report on the remuneration policy and compensation paid, we submit, in accordance with the provisions of section 123-*ter*, paragraph 3-*bis* and 6, of the Consolidated Financial Act, to your approval the following

**proposed resolution**

"The Shareholders' Meeting of Landi Renzo S.p.A.,

- having acknowledged the Report on the remuneration policy and compensation paid prepared by the Board of Directors and drawn up in accordance with section 123-ter of the Consolidated Financial Act and section 84-quater of the Regulations for Issuers,
- having specifically reviewed the "*first section*" regarding the policy of the Company on the remuneration of members of the management body and of the managers with strategic duties and, without prejudice to the provisions of article 2402 of the Italian civil code, of the members of the auditing bodies and the procedures used for the adoption and implementation of this policy,
- having examined the "*second section*", which illustrates by name each of the items of the remuneration of the members of the management bodies, the auditing bodies and the managers with strategic duties, as well as the remuneration paid to them, for any reason, in the financial year ended on 31 December 2019,
- having regard to the Self-Regulatory Code, which the Company has adopted,

**resolves**

1. to approve, pursuant to and for the purposes of article 123-ter, paragraph 3-bis, of the Consolidated Financial Act, the first section of the report on the remuneration policy and compensation paid, prepared in accordance with articles 123-ter of the Consolidated Financial Act and 84-quater of the Issuers' Regulation; and
2. in favour of the second section of the report on the remuneration in accordance with article 123-ter, sixth paragraph, of the Consolidated Financial Act."

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**3. AUTHORISATION TO PURCHASE AND DISPOSE OF TREASURY SHARES AFTER REVOCATION OF THE RESOLUTION ADOPTED BY THE SHAREHOLDERS' MEETING HELD ON 29 APRIL 2019, TO THE EXTENT NOT IMPLEMENTED; ANY RELATED RESOLUTIONS.**

**(report in accordance with section 73 of the Regulations for Issuers)**

Dear Shareholders,

the Shareholders' Meeting of 29 April 2019 authorised the Company to purchase treasury shares during the 18 months following the date of that resolution, as well as to sell any treasury shares without any time limit.

In the 2019 financial year and until now, the Company did not purchase any treasury shares. The Company, therefore, has no treasury shares in its portfolio as of the date hereof.

Since the term of validity of the above authorisation will expire on 29 October 2020, to avoid having to call a specific Shareholders' Meeting before such expiry date and given

that this proposal is in line with the practice followed by the majority of listed companies, we believe it would be useful to propose that you provide a new authorisation to purchase and to sell treasury shares in accordance with sections 2357 and following of the Italian Civil Code, after having revoked the prior authorisation approved by the Shareholders' Meeting to the extent unused.

Below we set out the reasons and terms and conditions for the purchase and sale of treasury shares which we ask you to authorise.

**(A) Reasons for the request to have the Shareholders' Meeting to authorise the purchase and sale of treasury shares**

The authorisation is requested, in accordance with the purposes provided under section 5, paragraph 2, of the Regulation (UE) No. 596/2014 of the European Parliament and of the Council of 16 April 2014, to sell treasury shares to be used in the context of remuneration plans based on the allocation of financial instruments pursuant to section 114-*bis* of the Consolidated Financial Act (including, without limitation, the Performance Shares Plan 2019-2021 approved by the Shareholders' Meeting on 29 April 2019) for executive directors and/or employees, including managers and other contractors of the Company and its subsidiaries, or to service issues of debt securities convertible into shares of the Company.

The authorisation is also required in order to conduct a stabilising action of the courses related to short-term market situations and however in accordance with the provisions set forth under section 5, paragraph 4, of the Regulation (UE) No. 596/2014 of the European Parliament and of the Council of 16 April 2014.

The purchase of such treasury shares, moreover, can be used to manage the Company's liquidity efficiently or to be used as consideration for acquisitions or share exchange tender offers.

We ask the Shareholders' Meeting to simultaneously authorise the Board of Directors to sell any shares that might be purchased since we consider this to be an important managerial and strategic instrument.

**(B) Maximum number and nominal value of shares authorised for purchase/sale**

The authorisation is sought for the purchase of a maximum number of ordinary shares of the Company, whose aggregate nominal value, inclusive of the nominal value of any Company shares owned by the Company's subsidiaries, cannot exceed one fifth of the Company's share capital in compliance with the limits set forth in section 2357, paragraph 3, of the Italian Civil Code. To ensure compliance with the above aggregate limit of 20% of the Company's share capital, the Landi Renzo subsidiaries will be instructed to report promptly any purchase of Landi Renzo shares.

The compensation paid or received from the sale and purchase of treasury shares will be recorded in the accounts directly as shareholders' equity in accordance with the accounting principle "IAS 32" and, in any event, in compliance with the accounting rules and regulations applicable from time to time.

**(C) Term of the Authorisation's Validity**

The authorisation to purchase is being requested for 18 months from the date on which the Shareholders' Meeting approves the resolution, while the authorisation to sell is requested without a time limit.

**(D) Consideration for the purchase and sale of shares**

The purchase price of any share shall range from 20% less than, and up to 20% more than, the reference price recorded by the shares on the stock exchange on the trading day before each sale transaction, and however at a price not exceeding the highest price between the price of the last independent operation and the price of the highest current independent purchase offer in the trading venue where the purchase is done, even when the shares are traded in different trading venues.

The sale price of any share shall range from 20% less than, and up to 20% more than, the reference price recorded by the shares on the stock exchange on the trading day before each sale transaction. These price limitations will not apply for sales or transfers without consideration of shares to employees, including managers, executive directors and other contractors of Landi Renzo and its subsidiaries in the context of remuneration plans based on the allocation of financial instruments pursuant to section 114-*bis* of the Consolidated Financial Act, of which they benefit.

**(E) Terms and Conditions for the purchase and sale of shares**

The Company shares will be purchased in compliance with the regulations applicable to listed companies and therefore in compliance with section 144-*bis* of the Issuers Regulation and section 132 of the Consolidated Financial Act, the provisions of the Italian Stock Exchange Rules approved by Borsa Italiana S.p.A. and all other applicable legislation, including the provisions of Regulation (UE) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 and related Italian and EU implementing regulations, and therefore as follows:

- (i) public offer of purchase or exchange;
- (ii) on regulated markets or on multilateral trading platforms using operating modalities, in accordance with the operating rules and regulations set forth in the rules governing such markets, which do not allow direct matching of proposals to purchase with predefined proposals to sell;
- (iii) purchase and sale of derivative instruments traded on regulated markets or on multilateral trading platforms that provide for physical delivery of the underlying shares, provided that the market's rules and regulation allow terms and conditions similar to those set forth in section 144-*bis*, paragraph 1, letter c), of the Regulation.
- (iv) assignment to the shareholders, proportionally to the shares held by each, of a put option to be exercised within a pre-defined term as approved by the resolution of the Shareholders' Meeting authorising the purchase programme;

- (v) in the performance of the systematic internalisation activities using non-discriminatory modalities that provide for execution of transactions automatically and non-discretionally on the basis of pre-defined parameters;
- (vi) with the modalities established by permitted market practice pursuant to section. 13 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014;
- (vii) on the conditions set out in section 5 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014.

The treasury shares held can be sold, eventually even before all purchases are completed, where allowed by the applicable EU and national laws and regulations, in one or more transactions, on regulated markets or on non-regulated markets, as well as off the markets, by way of offering to the public or to the Shareholders, institutional placement, placement of rights to purchase (*buoni d'acquisto*) and/or warrants, or as consideration in the context of acquisitions or public offers of exchange.

With effect from the date of the Shareholders' Meeting resolution, the unused portion of the resolution to purchase and sell treasury shares approved by the ordinary Shareholders' Meeting of 29 April 2019 shall be considered accordingly revoked.

Based on the above, we submit to your approval the following

**proposed resolution**

"The Shareholders' Meeting of Landi Renzo S.p.A., having acknowledged the proposal of the Board of Directors and having regard to the provisions of sections 2357 and following of the Italian Civil Code,

**resolves**

1. to revoke, as from the date of this resolution and to the extent unused, the resolution authorising the purchase and sale of treasury shares approved by the ordinary Shareholders' Meeting on 29 April 2019;
2. to authorise the Board of Directors, pursuant to and for the effects of section 2357 of the Italian Civil Code, the purchase of treasury shares of the Company, up to the number, at the price and at the terms and conditions set out below:
  - in one or more purchase transactions, within 18 months from the date of the resolutions, subject to the available reserves and profits available for distributions as shown on the most recently approved financial statements, with the purchases being recorded in the accounts in compliance with the law and the applicable accounting principles;
  - the purchase price of any share shall range exclusively from 20% less than, and up to 20% more than, the reference price recorded by the shares on the stock exchange on the trading day before each sale transaction and however at a price not exceeding the highest price between the price of the last

independent operation and the price of the highest current independent purchase offer in the trading venue where the purchase is done, even when the shares are traded in different trading venues;

- the maximum number of shares purchased shall be such so that their aggregate nominal value, inclusive of the nominal value of any shares owned by the subsidiaries, does not exceed one fifth of the share capital taking into account for this purpose also the shares owned by the subsidiaries;
- the purchase of treasury shares will be effected in compliance with the regulations applicable to listed companies and therefore in compliance with section 144-*bis* of the Regulations for the Issuers and section 132 of the Consolidated Financial Act, the Italian Stock Exchange Rules approved by Borsa Italiana S.p.A. and all other applicable legislation, including the provisions of Regulation (UE) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 and related Italian and EU implementing regulations, and therefore as follows:
  - (i) public offer of purchase or exchange;
  - (ii) on regulated markets or on multilateral trading platforms using operating modalities, in accordance with the operating rules and regulations set forth in the rules governing such markets, which do not allow direct matching of proposals to purchase with predefined proposals to sell;
  - (iii) purchase and sale of derivative instruments traded on regulated markets or on multilateral trading platforms that provide for physical delivery of the underlying shares, provided that the market's rules and regulation allow terms and conditions similar to those set forth in section 144-*bis*, paragraph 1, letter c), of the Regulations for Issuers;
  - (iv) assignment to the shareholders, proportionally to the shares held by each, of a put option to be exercised within a pre-defined term as approved by the resolution of the Shareholders' Meeting authorising the purchase programme;
  - (v) in the performance of the systematic internalisation activities using non-discriminatory modalities that provide for execution of transactions automatically and non-discretionally on the basis of pre-defined parameters;
  - (vi) with the modalities established by permitted market practice pursuant to Art. 13 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014;
  - (vii) on the conditions set out in Art. 5 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014;





3. to authorise the Board of Directors, pursuant to Article 2357-ter, first paragraph, of the Italian Civil Code, to sell all or part, at one or more times without any time limit, the treasury shares held, eventually even before completing all purchases, where allowed by the applicable EU and national law provisions, including on regulated markets or on non-regulated markets, as well as off the markets, by way of offering to the public or to the shareholders, institutional placement, placement of rights to purchase (*buoni d'acquisto*) and/or warrants, or as consideration in the context of acquisitions or public offers of exchange, at a price that shall range from 20% less than, and up to 20% more than, the reference price recorded by the shares on the stock exchange on the trading day before each sale transaction. These price limitations will not apply for sales or transfers without consideration of shares to employees, including managers, executive directors and other contractors of Landi Renzo and its subsidiaries in the context of remuneration plans based on the allocation of financial instruments pursuant to section 114-bis of the Consolidated Financial Act, of which they benefit;
4. to authorise the Board of Directors, pursuant to section 2357-ter, third paragraph, of the Italian Civil Code, to make any suitable or necessary accounting record or entry in relation to treasury shares transactions, in compliance with the applicable legislation and accounting principles;
5. to grant to the Board of Directors, and on its behalf to the Chairman or the Managing Director, severally, all authority and powers to allow the purchases and sales and to implement all the foregoing resolutions, including through especially appointed attorneys in fact, and complying with all formalities required by the authorities involved."

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#### **EXTRAORDINARY SESSION**

4. **PROPOSAL OF AMENDMENT OF ARTICLE 6-BIS OF THE COMPANY'S BYLAWS REGARDING THE "SHARES WITH INCREASED VOTING RIGHTS" SYSTEM, PROVIDED FOR IN ARTICLE 127-QUINQUIES OF THE ITALIAN LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AS SUBSEQUENTLY AMENDED AND INTEGRATED, IN ORDER TO ALIGN IT WITH THE MOST RECENT INTERPRETATIVE GUIDANCE EXPRESSED BY CONSOB IN THE COMMUNICATION NO. 0214548 OF 18 APRIL 2019; ANY RELATED RESOLUTIONS.**

Dear Shareholders,

You are called to attend the shareholders' meeting in extraordinary session in order to resolve upon the proposal of amendment of article 6-bis of the Company's bylaws (the "**Bylaws**") regarding the "shares with increased voting rights" system, provided for under section 127-quinquies of the Consolidated Financial Act, in order to align the Bylaws' regulations concerning the acquisition of the increased voting right to the most recent interpretation expressed by Consob in the communication no. 0214548 of 18 April 2019.

### Reasons of the proposed amendments to the bylaws

With resolution of 24 April 2015, the Extraordinary Shareholders' Meeting of the Company approved the introduction of the shares with voting rights system, provided for under section 127-*quinquies* of the Consolidated Financial Act, by introducing articles 6-*bis*, 6-*ter* and 6-*quater* of the Bylaws.

In particular, pursuant to article 6-*bis* of the Bylaws, the increased voting right is acquired, subject to registration in the relevant special list kept by the Company pursuant to article 6-*quater* of the Bylaws (the "**Special List**"), upon occurrence of the following conditions:

- a) following a request by the relevant holder – which may concern even only part of the shares held by the relevant holder – accompanied by a communication attesting the possession of shares, issued by the last intermediary with whom the shares are filed, in accordance with the provisions of article 23-*bis* of the regulations governing the services of centralized management, liquidation, guarantee systems and of the relevant management companies, adopted by the Bank of Italy and Consob by order of 22 February 2008 (as subsequently amended and supplemented, the "**Joint Regulations**");
- b) upon expiry of a twenty-four month period of uninterrupted ownership starting from the registration with the Special List, also attested by a specific communication of the last intermediary with whom the shares are filed, in accordance with article 23-*bis* of the Joint Regulation and, therefore, with the continuous enrolment for that period
- c) with effect from the fifth open market day of the calendar month following that of the period referred to in point (b) above.

The above provisions were the result of initial interpretations of the relevant legislation accepted also by Consob, which, in the outcome document of the consultation of 26 November 2014 concerning the relevant amendments to the Regulations for Issuers, had stated that "*article 127-quinquies of the Consolidated Financial Act does not expressly clarify if, upon expiry of the continuous holding period of not less than twenty-four months of the enrolment date in the list, the benefit of the increased voting rights shall be automatically effective (without prejudice to the possibility of waiver, where applicable), or still requires an initiative of the relevant shareholder*", and that "*in the silence of the law, it is deemed that companies can independently regulate the increased voting right system in one direction rather than the other*". Consob had also considered "*more protective for the relevant shareholders that the acquisition of the increased voting right be conditional upon a statement addressed to the issuer by the shareholder, including an assessment of any further prerequisites required by the bylaws, together with a confirmation of the information included in the communications*".

With the recent communication no. 0214548 of 18 April 2019, Consob expressed a diverging opinion from its initial position, stating that, pursuant to section 127-*quinquies* of the Consolidated Financial Act "*no discretion shall be given to the statutory autonomy in the definition of the legal and factual prerequisites to which the acquisition of the increased voting right shall follow, as these are already defined by the legislator and limited to the circumstances that the company' shares (a) are registered with a dedicated list and (b) have belonged to the same person for a continuous period of time (of not less than twenty-four months) from the date of registration in the list*".

Moreover, according to this new approach, being part of the statutory autonomy to decide "*the modalities for the attribution of the increased voting right and for the assessment of the relative prerequisites*" (section 127-*quinquies*, second paragraph, of the Consolidated Financial Act), any further instructions or conditions that may be provided for in the by-laws concerning the attribution or exercise of the increased voting right can only be understood as "modalities" by which the company may assess the effectiveness of the increased voting right, but not as essential elements additional to the legal requirements already indicated by the law.

Consob has therefore excluded the possibility that the statutory autonomy could affect (and possibly delay) the effectiveness of the benefit to a choice of the shareholder (to make or not to make the request), being all the conditions laid down by the legislator referred to above have already met (registration of the shares in the special list; continuous minimum holding period).

Therefore, the Consob communication leads to align, for the sake of clarity, the current statutory provisions governing the shares with increased voting rights system to the position adopted by Commission on the matter.

**Effects of the adoption of the Bylaws amendment's resolution on the eventual shareholders' right of withdrawal**

It is noted that the proposed amendments outlined above, not being related to the voting rights, but concerning the alignment to the most recent interpretation on the acquisition of the increased voting rights and the modalities for the assessment of the relevant requirements, do not confer shareholders the right of withdrawal provided for under article 2437 of the Italian Civil Code.

**The proposed amendments to the current text of the Bylaws**

The following table shows the comparison, article by article, between the previously in force Bylaws 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 (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
<p><b>Article 6-bis – Shares with increased voting right system</b></p> <p>The holder of ordinary shares, should the requirements and conditions provided for in primary and secondary legislation in force be met, has, in relation to the shares held continuously for at least twenty-four months, and as of the date referred to in the next paragraph, two votes for each share.</p>	<p><b>Article 6-bis – Shares with increased voting right system</b></p> <p>The holder of ordinary shares, should the requirements and conditions provided for in primary and secondary legislation in force be met, has, in relation to the shares held continuously for at least twenty-four months, <b>and as of the date referred to in the next paragraph</b>, two votes for each share.</p>



The increased voting right is gained, subject to registration in the relevant special list kept by the Company pursuant to the following article 6-*quater* (the "Special List"):

- a) following a request by the relevant holder – which may concern even only part of the shares held by the relevant holder – accompanied by a communication attesting the possession of shares, issued by the last intermediary with whom the shares are filed, in accordance with the provisions of article 23-*bis* of the regulations governing the services of centralized management, liquidation, guarantee systems and of the relevant management companies, adopted by the Bank of Italy and Consob by order of 22 February 2008 (as subsequently amended and supplemented, the "Joint Regulations");
- b) upon expiry of a twenty-four month period of uninterrupted ownership starting from the inclusion into the Special List also attested by a specific communication of the last intermediary with which the shares are deposited, in accordance with article 23-*bis* of the Joint Regulation and, therefore, with the continuous enrolment for that period; and
- c) with effect from the fifth open market day of the calendar month following that of the period referred to in point (b) above.

Increased voting rights already acquired, or if not acquired, the holding period needed for

The increased voting right is gained, subject to registration in the relevant special list kept by the Company pursuant to the following article 6-*quater* (the "Special List"):

- ~~a) following a request by the relevant holder – which may concern even only part of the shares held by the relevant holder – accompanied by a communication attesting the possession of shares, issued by the last intermediary with whom the shares are filed, in accordance with the provisions of article 23-*bis* of the regulations governing the services of centralized management, liquidation, guarantee systems and of the relevant management companies, adopted by the Bank of Italy and Consob by order of 22 February 2008 (as subsequently amended and supplemented, the "Joint Regulations");~~
- ~~b) upon expiry of a twenty-four month period of uninterrupted ownership starting from the inclusion into the Special List in accordance with the modalities provided for in the specific regulations adopted by the Board of Directors. also attested by a specific communication of the last intermediary with which the shares are deposited, in accordance with article 23-*bis* of the Joint Regulation and, therefore, with the continuous enrolment for that period; and~~
- ~~e) with effect from the fifth open market day of the calendar month following that of the period referred to in point (b) above.~~

Increased voting rights already acquired, or if not acquired, the holding period needed for



<p>the acquisition of the increased voting rights, shall be kept:</p> <ul style="list-style-type: none"><li>a) in the event of inheritance due to death, for the benefit of the heir and/or legatee;</li><li>b) in case of merger or demerger of the shareholder, for the benefit of the resulting entity of the merger or the beneficiary entity of the demerger, without prejudice to the provisions under paragraph seven below.</li></ul> <p>The increased voting right shall be extended to the shares (the "<b>New Shares</b>"): </p> <ul style="list-style-type: none"><li>i. issued upon execution of a capital increase pursuant to article 2442 of the Italian Civil Code and to be allocated to the shareholder in relation to the shares in which respect the increased voting rights have already be acquired (the "<b>Original Shares</b>");</li><li>ii. to be allocated in exchange of the Original Shares in case of merger or demerger, and provided that this is envisaged by the merger or demerger plan;</li><li>iii. subscribed by the shareholder of the Original Shares in the exercise of its option right relating to the same.</li></ul> <p>In the events set out in previous paragraph four, should the increased voting rights for the Original Shares not be acquired yet, but being in the progress of being acquired, the increased voting right shall be allocated to the New Shares actually registered with the Special List upon conclusion of the holding period, calculated starting from the inclusion in the Special List of the Original Shares.</p> <p>The benefit of the increased voting right shall cease in relation to the shares: (i) transferred, free of charge or not, or made subject of pledge, or usufruct or any other restriction</p>	<p>the acquisition of the increased voting rights, shall be kept:</p> <ul style="list-style-type: none"><li>a) in the event of inheritance due to death, for the benefit of the heir and/or legatee;</li><li>b) in case of merger or demerger of the shareholder, for the benefit of the resulting entity of the merger or the beneficiary entity of the demerger, without prejudice to the provisions under paragraph seven below.</li></ul> <p>The increased voting right shall be extended to the shares (the "<b>New Shares</b>"): </p> <ul style="list-style-type: none"><li>i. issued upon execution of a capital increase pursuant to article 2442 of the Italian Civil Code and to be allocated to the shareholder in relation to the shares in which respect the increased voting rights have already be acquired (the "<b>Original Shares</b>");</li><li>ii. to be allocated in exchange of the Original Shares in case of merger or demerger, and provided that this is envisaged by merger or demerger plan;</li><li>iii. subscribed by the shareholder of the Original Shares in the exercise of its option right relating to the same.</li></ul> <p>In the events set out in previous paragraph four, should the increased voting rights for the Original Shares not be acquired yet, but being in the progress of being acquired, the increased voting right shall be allocated to the New Shares actually registered with the Special List upon conclusion of the holding period, calculated starting from the inclusion in the Special List of the Original Shares.</p> <p>The benefit of the increased voting right shall cease in relation to the shares: (i) transferred, free of charge or not, or made subject of pledge, or usufruct or any other restriction</p>
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conferring the voting right to any third party (ii) owned by companies or entities (the "**Participants**") owning stakes higher than the threshold provided under article 120, second paragraph, of the Italian legislative decree no. 58 of 1998 (as subsequently amended and integrated) in case of transfer of the direct or indirect control (in the meaning provided for in article 2359, first paragraph no. 1 of the Italian Civil Code), free of charge or not, in the Participants, it being understood that the case provided under previous paragraph three shall not constitute a relevant transfer for the purposes of the above. The benefit of the increased voting right shall cease in case the relevant shareholder waives, in whole or in part, the increased voting right itself. The waiver is irrevocable and the increased voting right can be acquired again with a new registration in the Special List and upon expiry of the continuous holding period set out in the first paragraph.

The shareholder included in the Special List agrees that the intermediary may report any circumstance and event that, pursuant to the regulations in force and the bylaws, would make cease the conditions for the increased voting right or affect the relevant right, and the shareholder itself is also obliged to report any such circumstance and event, by the end of the month in which any such circumstance or event occurs and in any case by no later than the date provided for in the following article 6-*quater*, third paragraph, (i.e. the record date).

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Based on the above, we submit to your approval the following

**proposed resolution**

"The Extraordinary Shareholders' Meeting of Landi Renzo S.p.A., having examined the Directors' Report, prepared pursuant to article 125-*ter* of the Consolidated Financial Act and article 72 of the Regulations for Issuers

**resolves**

1. to amend article 6 of the by-laws adopting the text indicated in the column "Proposed Text" of the table included in the Directors' Report;
2. to give mandate to the Board of Directors to implement any necessary amendments to the Regulations for the increased voting right system, adopted by the Board itself on 27 August 2015, in accordance with the previous resolution; and
3. to grant to the Board of Directors, and on its behalf to the Chairman or the Managing Director, severally, all authority and powers to enforce the aforementioned resolutions, as well as to comply with necessary formalities, including the registration of the resolution with the Companies' Register, 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 full 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 submissions of documents as required by the relevant supervisory authorities and/or by applicable laws or regulations; and
4. to authorise the Chairman of the Board of Directors and the Managing Director, severally and with proxy powers, to file and publish, pursuant to the applicable law, the updated text of the by-laws with the amendments made in accordance with the previous resolutions."

Cavriago, 7 April 2020

The Chairman of the Board of Directors

Stefano Landi