

TESMEC

TESMEC S.P.A.

ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF 18 APRIL 2024

ON SINGLE CALL

REPORT OF THE BOARD OF DIRECTORS

ON THE ITEMS ON THE AGENDA OF THE EXTRAORDINARY PART

Board of Directors' Explanatory Report of Tesmec S.p.A., written pursuant to Articles 125-ter of Legislative Decree no. 58 of 24 February 1998, as subsequently integrated and amended ("TUF"), 72 and 84-ter of the Regulation adopted by Consob Resolution no. 11971 of 14 May 1999, as subsequently integrated and amended ("Issuers' Regulation").

Dear Shareholders,

this report illustrates the proposals submitted for your approval by the Board of Directors of Tesmec S.p.A. (hereinafter "**Tesmec**" or the "**Company**") in relation to the items on the agenda of the Extraordinary Shareholders' Meeting to be held on April 18, 2024, at 10:30 a.m. at Tesmec's registered office in Grassobbio (BG), Via Zanica 17/O 24050

1. Amendments to Article 5 and Article 9 of the Company's Bylaws in order to introduce the increased voting right pursuant to Article 127-quinquies of Legislative Decree no. 58/1998; related and consequent resolutions.

1.1. Reasons and aims of the proposal

Article 127-quinquies of the TUF introduces the possibility for companies with shares listed on a regulated market to provide, by means of a special amendment to the Bylaws, for the attribution of an increased vote 'up to a maximum of two votes, for each share' to shareholders who maintain their shareholding for an uninterrupted period of not less than twenty-four months from the date of registration on a special list kept by the issuer.

This would primarily enable listed companies to equip themselves with an incentive tool for shareholders who have chosen to prefer a long-term investment in the listed company, also bringing benefits in terms of (i) countering the phenomena of share volatility, often linked to the short-term choices of financial investors; and (ii) stability of the Group's assets.

In light of the above, the Board of Directors proposes to you the introduction of an increase in voting rights, pursuant to Article 127-quinquies of the TUF, and, therefore, to amend the Company's Bylaws in the terms outlined below.

1.2. Majority Coefficient and Vesting Period

Art. 127-quinquies of the TUF allows companies to determine in their Bylaws the extent of the increased voting right (up to a maximum of two votes per share) and the minimum period of ownership of the shares eligible to determine the acquisition of the increased voting right (provided that it is not less than 24 months from the date of registration in a special list kept by the Company).

With regard to the amount of the increased voting right, the Board of Directors deems appropriate to make full use of the option granted by Article 127-quinquies of the TUF and to set the maximum limit of the increase at two votes per share.

The Board of Directors believes, in fact, that a majority coefficient of two votes is appropriate to ensure that the increase rewards adequately shareholders who wish to participate, and that a vesting period of 24 months is coherent with the objective of ensuring stable and long-lasting investments in the Company.

1.3. Special list: registration and waiver

Pursuant to Article 127–quinquies, paragraph 2, of the TUF, the entitlement to benefit from the increased voting right requires the registration of shareholders who intend to benefit from such right in a special list, the content of which is governed by Article 143–quater of the Consob Regulation on Issuers (“Special List”). Entry in the Special List occurs following an application by the interested party accompanied by a communication from the intermediary on whose accounts the shares are registered, certifying the ownership of such shares by the requesting shareholder. This is done in order to start the period of time necessary to accrue the right to the vote increase. The request may also be made with respect to only a part (and not all) of the shares held by the requesting party.

This list does not constitute a new company register, but is complementary to the shareholders' register and, therefore, it is subject to the rules of publicity applicable to the shareholders' register, including the right of inspection by shareholders pursuant to Article 2422 of the Civil Code.

Accordingly, the Board of Directors proposes to set up such Special List and to grant the Board of Directors the mandate and all related powers to (i) adopt the regulation for the increased voting right (the “Regulation”) aimed mainly at determining the procedures for the registration, maintenance and updating of the Special List, in compliance with applicable laws and regulations and, in particular, with the provisions of Article 143–quater of the Consob Regulation on Issuers; and to (ii) appoint the person in charge of maintaining the Special List.

The Board of Directors also proposes to specify in the Company’s Bylaws:

- (i) Shareholders who intend to take advantage of the increased voting right must apply to be registered in the Special List supporting their application with: (a) an indication of the number of shares for which registration is required (which may also be limited to a part of the shares held); (b) a communication from the intermediary with whom the shares are deposited attesting to the ownership of the shares by the applicant; and (c) any other documentation required by the regulations in force. the request must specify whether the entity is subject to direct or indirect control by third parties and the identification data of the possible controlling party;
- (ii) following registration in the Special List, the registered party may, at any time, request in writing to the Company to be removed from the Special List for all or part of the registered shares, with the consequent loss of entitlement to the benefit of the increased voting right and, in any case, irrevocably waive, for all or part of the shares, the increased voting right already accrued, by means of a written notice to the Company; in the event of resignation, the increased voting rights may be reacquired upon re–registration in the Special List and full expiry of the period of continuous membership of not less than 24 (twenty–four) months;
- (iii) it being understood that the increased voting right accrues automatically after twenty–four months from the date of entry in the Special List, the acquisition of the benefit of the increased voting right is ascertained on the earlier of the following dates: (a) the fifth trading day of the calendar month following the month in which the conditions required by the Bylaws for obtaining the increased voting right have been fulfilled; or (b) the so–called *record date* of any shareholders' meeting, determined in accordance with applicable law, following the date on which the conditions required by the Bylaws for obtaining the increased

voting right have been fulfilled;

- (iv) the updates of the Special List are made by the fifth trading day following the end of each calendar month and, in any case, by the so-called record date provided for by the regulations in force in relation to the right to participate and vote in shareholders' meetings, so as to be able to fulfil the obligations to notify Consob and the public of the total amount of voting rights, in accordance with the procedures and timing set forth in Article 85-bis, paragraph 4-bis of the Consob 'Regulations on Issuers

1.4. Legitimising right in rem and possible transfer

The Board of Directors proposes that it should be stated in the Bylaws that, for the purpose of the attribution of the increased voting right, the uninterrupted ownership referred to in Article 127-quinquies of the TUF, must be interpreted as referring to the shares whose voting rights have been held by the same person for the uninterrupted period of 24 months from the date of registration in the Special List by virtue of one of the following legitimising rights in rem:

- a. full ownership of the share with voting right;
- b. the bare ownership of the share with voting right;
- c. usufruct of the share with voting right.

Pursuant to Article 127-quinquies, paragraph 3, of the TUF, without prejudice to what is stated in the following paragraph, the benefit of the increased voting rights ceases to apply:

- (i) in the event of a transfer of the share for valuable consideration or free of charge, it being understood that "transfer" means any transaction involving the transfer of the share, as well as the establishment of a pledge, usufruct or other encumbrance on the share when such establishment entails the loss of the shareholder's voting right;
- (ii) in the event of the direct or indirect disposal of controlling interests in companies or entities holding shares with voting rights in excess of the threshold provided for in Article 120, paragraph 2, of the TUF.

The occurrence of any of the aforementioned cases during the 24 (twenty-four) month period following registration in the Special List determines the removal from the Special List and inhibits the accrual of the benefit, without prejudice to the effects of a new registration, if the conditions are met.

The Board of Directors proposes to state in the Bylaws that the following do not entail the loss of the increased voting right or the restarting of the computation of the uninterrupted period of ownership necessary for the attribution of the benefit:

- a. succession due to death of the person registered in the Special List
- b. the establishment, by the person registered in the Special List, of a pledge or usufruct or other lien on the shares (as long as the voting right remains with the shareholder);
- c. the merger or demerger of the entity registered in the Special List;

- d. a gratuitous transfer in favour of an entity such as, by way of example, a trust, estate fund or foundation of which the transferor himself or his heirs are beneficiaries;
- e. where the legitimising right in rem is held through a trust or trust company, the change of trustee or trust company and the beneficiaries or trustees do not change.

1.5. Preservation and extension of increased voting rights

The Board of Directors, as allowed by Article 127–quinquies of the TUF, deems appropriate to provide within the Bylaws the extension of the benefit of the increased voting right in the following cases:

- a. proportionally to the newly issued shares in the event of a capital increase, whether free or with new contributions;
- b. to the shares allotted in exchange for those to which the increased voting right is attributed, in the event of merger or demerger if so provided by the relevant merger or demerger plan;
- c. proportionally to the newly issued shares in the event of the exercise of the conversion right attached to convertible bonds and other debt securities, however structured, which so provide in their regulations.

In relation to the aforementioned cases, the Bylaws should specify that the new shares acquire the increased voting rights:

- (i) for newly issued shares to which the holder is entitled in relation to shares for which the increased voting right has already accrued, from the time of their registration in the Special List, without the need for a further uninterrupted holding period;
- (ii) for newly issued shares to which the holder is entitled in respect of shares for which the increased voting right has not already accrued (but is in the process of accruing), from the time of completion of the holding period calculated from the date of original registration in the Special List.

1.6. Calculation of Shareholders' meeting *quorum*

Pursuant to Article 127–quinquies, paragraph 8, of the TUF., the Board of Directors intends to propose that the increased voting right be counted for the purpose of calculating the *quorum*, constitutive and deliberative, of shareholders' meetings that refer to percentages of the share capital, it being understood that the increase has no effect on rights, other than voting rights, due by virtue of the possession of certain percentages of the share capital.

1.7. Effects that the introduction of increased voting would have on the Company's ownership structure.

It should be noted, also for the purposes of Recommendation No. 2 of the Corporate Governance Code, that as of the date of this Report, the shareholders holding a significant stake in the Company's share capital are as follows (1):

- TTC S.r.l. which holds, directly and through its subsidiary FI.IND. S.p.A. and its subsidiaries RX S.r.l. and MTS – Officine Meccaniche di Precisione S.p.A., a 47.813% stake in the share capital; and
- Palladio Holding S.p.A., which holds, directly and through Fenice S.r.l., a 4.78% stake in the share capital.

In the event that the above-mentioned relevant shareholders were to request the increase of their voting rights with respect to their entire shareholding and no other shareholders were to request the increase of their voting rights, at the end of the 24 uninterrupted period of ownership, starting from the date of their registration in the Special List, **such shareholders could exercise a percentage of the voting rights equal to 62.67% and 6.26%, respectively (percentages calculated by not eliminating treasury shares from the total voting rights referring to the Company's shares)⁽²⁾.**

Shareholder	Number of shares held	% of share capital (2)	Number of voting rights	% on voting rights (3)
TTC S.r.l.(*)	289.967.679	47,813%	579.935.358	62,67%
Palladio Holding S.p.A.(**)	28.968.114	4,78%	57.936.228	6,26%

(*) Directly and through FI.IND. S.p.A., MTS – Officine Meccaniche Di Precisione S.p.A. and RX S.r.l.

(**) Directly and through Fenice S.r.l.. The companies are traceable to Jacopo Meneguzzo.

Therefore, it should be noted that if the relevant shareholders indicated above should request the increase of their voting rights with respect to the entire shareholding held by them and no other shareholder should request the increase of their voting rights, at the end of the 24 (twenty-four) continuous months of holding, starting from the date of registration in the Special List, TTC S.r.l. would retain control over the Company pursuant to Articles 2359 of the Civil Code and 93 of the TUF.

In light of the above, it is not expected that the introduction of the increased voting rights will have any significant effects on the Company's ownership structure and future strategies.

1.8. Decision-making process followed in the formulation of proposals for statutory amendments

¹ The data concerning the percentage of Tesmec S.p.A.'s share capital was taken from the communications received by the Company pursuant to Article 120 TUF

² Si rinvia alla nota 2.

³ Si rinvia alla nota 2.

Also for the purposes of Recommendation No. 2 of the Corporate Governance Code, it should be noted that the proposal for amendments to the Bylaws referred to in this Report was approved by the Board of Directors on 8 march 2024, as it was a matter outside the competence of the internal committees. The resolution was submitted to the Board following an induction activity with information material prepared for this purpose, and was adopted unanimously.

The reasons for this positive assessment are expressed in the preceding paragraphs of this Report.

1.9. Comparison of statutory clauses

Text in force	Proposed text
Art. 5	Art. 5
1. The share capital shall total EUR 15.702.162,00 and shall be divided into 606.460.200 shares, with no indication of their nominal value.	UNCHANGED
2. The shares shall be registered and indivisible and may be freely transferred and shall entitle their owners to equal rights.	2. The shares shall be registered and indivisible and may be freely transferred and shall entitle their owners to equal rights, <u>except as provided in the following Art. 9.</u>
3. If and as long as the shares are traded on a regulated market, the option right may be excluded, in the event of share capital increase, within the limit of ten percent of the previously existing capital pursuant to Article 2441 (4) of the Italian Civil Code.	UNCHANGED
4. The shares shall be issued in paperless form and managed by the centralised system for financial instruments traded in regulated markets.	UNCHANGED
5. Pursuant to Article 2349 of the Italian Civil Code the Company may distribute profits, according to the procedures permitted by law.	UNCHANGED
6. Shareholders who did not contribute to approval of resolutions concerning the introduction, amendment or removal of restrictions on share circulation shall not be entitled to withdraw.	UNCHANGED

Art. 9	Art. 9
1. Each share shall entitle to one vote.	UNCHANGED
	<p><u>2. Notwithstanding the foregoing, each share is entitled to two votes per share where both of the following conditions are met: (i) the share has belonged to the same person by virtue of a right in rem legitimating the exercise of voting rights (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for an uninterrupted period of at least twenty-four months; (ii) the recurrence of the condition under iii) is attested by the uninterrupted registration for the Period in the special list set up by the Company in accordance with this Article 9 of the Articles of Association (the "Special List").</u></p>
	<p><u>3. Notwithstanding the fact that the increased voting right accrues automatically upon the expiry of the twenty fourth month from the date of registration in the Special List, the acquisition of the benefit of the increased voting right will be ascertained on the earlier of the following dates: (i) The fifth trading day of the calendar month following the month in which the conditions required by the Bylaws for the increased voting right have been fulfilled; or (ii) the so-called record date of any shareholders' meeting, determined in accordance with applicable laws and regulations, subsequent to the date on which the conditions required by the Bylaws for the increase in voting right have been fulfilled.</u></p>
	<p><u>. The Company establishes and maintains, in accordance with the forms and contents provided for by the applicable laws and regulations, the Special List to which shareholders who intend to benefit from the increased voting right must register. In order to obtain registration in the Special List, the person entitled pursuant to this Article must submit a specific request, attaching a</u></p>

communication certifying share ownership – which may also concern only part of the shares owned by the owner – issued by the intermediary with whom the shares are deposited pursuant to applicable regulations.

The increase voting right may also be requested for only part of the shares held by the shareholder. The applicant may at any time, by means of a special request, indicate additional shares for which it requests registration in the Special List.

In the case of entities other than natural persons, the request must specify whether the entity is subject to direct or indirect control by third parties and the identification data of the controlling entity.

The Special List will be updated by the Company by the fifth trading day following the end of each calendar month and, in any case, by the so-called record date provided for by the regulations in force in relation to the right to attend and vote in shareholders' meetings.

The person registered in the Special List must notify and consent to the intermediary notifying the Company of any circumstance and event that results in the loss of the prerequisites for the increase of the voting right or affects the ownership of the legitimising right in rem and/or the relative voting right by the end of the month in which such circumstance occurs and in any case by the trading day preceding the so-called record date.

The provisions relating to the register of shareholders set forth in Article 2422 of the Italian Civil Code and any other relevant provisions in force apply to the Special List, mutatis mutandis also with regard to the publicity of information and the right of inspection of members.

	<p><u>5. The Company shall proceed to the removal from the Special List in the following cases:</u></p> <p><u>(i) waiver, total or partial, by the interested party of the benefit of the increased vote. The right of the person entitled to the increased voting right to irrevocably renounce the increased voting right at any time, with respect to all or part of the shares for which registration in the Special List has been effected, by means of a written notice to be sent to the Company, is always recognised, it being understood that the increased voting right may be reacquired with respect to the shares for which it was renounced with a new registration in the Special List and the full expiry of the uninterrupted Period of ownership of not less than 24 months;</u></p> <p><u>(ii) communication by the interested party or intermediary proving that the conditions for the increase of the voting right have ceased to exist or that the ownership of the legitimising right in rem and/or the related voting right has been lost;</u></p> <p><u>(iii) ex officio, if the Company becomes aware of the occurrence of facts entailing the loss of the prerequisites for the increase of the voting right or the loss of the ownership of the legitimising right in rem and/or of the relevant voting right.</u></p>
	<p><u>6. Notwithstanding the provisions of the following paragraph, the increased voting right shall cease to apply:</u></p> <p><u>a) in the event of a transfer for consideration or free of charge of the share, it being understood that "transfer" shall mean any transaction involving the transfer of the share, as well as the constitution of a pledge, usufruct or other encumbrance on the share when such constitution entails the loss of the shareholder's voting right. The constitution of a pledge, usufruct or other encumbrance and the transfer of bare ownership with retention of the usufruct shall not result in the loss of the shareholder's entitlement to the increased voting right if the</u></p>

	<p><u>voting right is retained by the previous holder. If, following the establishment of the aforesaid encumbrances with loss of voting rights by the shareholder, subsequently the voting rights for the shares subject to the encumbrances are again attributed to the shareholder himself, the increased voting right may be acquired again for such shares (also in part) with a new entry in the Special List and the full expiry of the uninterrupted Period of ownership of not less than 24 months.</u></p> <p><u>b) in the event of the direct or indirect disposal of controlling interests in companies or entities that hold shares with increased voting right in excess of the threshold provided for pro tempore by Article 120(2) of Legislative Decree No. 58 of 24 February 1998, or by subsequent regulations replacing it in whole or in part.</u></p>
	<p><u>7. The increased voting right, if already accrued, or, if not accrued, the period of ownership necessary to accrue the increased voting right shall be retained:</u></p> <p><u>a) in the event of succession at death in favour of the heir and/or legatee;</u></p> <p><u>b) establishment, by the person registered in the special list, of a pledge or usufruct on the shares (as long as the voting right remains attributed to the person creating the pledge or granting the usufruct;</u></p> <p><u>c) in the event of a merger or demerger of the entity registered in the List holder of the shares;</u></p> <p><u>d) in the case of a gratuitous transfer in favour of an entity, such as, by way of example, a trust, estate fund or foundation of which the transferor himself or his heirs are beneficiaries;</u></p> <p><u>e) where the legitimising right in rem is held through a trust or trust company, the trustee or trust company changes and the beneficiaries or trustees do not change.</u></p>

	<p><u>8. Increase voting right is extended, subject to the notifications by the intermediary provided for by the regulations in force and these Bylaws for the purpose of the increased voting right:</u></p> <p><u>a) proportionally to the newly issued shares in the event of a capital increase pursuant to Article 2442 of the Italian Civil Code and capital increase by means of new contributions;</u></p> <p><u>b) the shares allotted in exchange for those to which increased voting right is attributed, in the event of a merger or demerger, if so provided by the relevant plan and within the terms indicated therein;</u></p> <p><u>c) pro rata to the newly issued shares in the event of the exercise of the conversion right attached to convertible bonds and other debt securities, however structured, which so provide in their regulations</u></p> <p><u>In the cases referred to in sub-paragraphs a), b) and c) of the preceding paragraph, the new shares acquire the increased voting rights:</u></p> <p><u>(i) in respect of newly issued shares to which the holder is entitled in relation to shares for which the increased voting right has already accrued, from the time of their registration in the Special List, without the need for a further uninterrupted period of ownership;</u></p> <p><u>(ii) in respect of newly issued shares to which the holder is entitled in relation to shares for which the increased voting right has not already accrued (but is in the process of accruing), from the time of completion of the Period calculated from the date of the original registration in the Special List.</u></p>
	<p><u>9. The increased voting right shall also be taken into account in the determination of the quorums for constitutive and deliberative resolutions that refer to percentages of the share capital, but shall have no effect on the rights, other than voting rights, accruing by virtue of the possession of certain percentages of the share capital</u></p>

	<u>10. For the purposes of this Article, the notion of control is that provided for in Article 93 TUF</u>
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1.10. Information about recurrence withdrawal right

The proposed amendment to the Bylaws does not grant shareholders the right of withdrawal pursuant to Article 2437 of the Italian Civil Code, in accordance with the provisions of Article 127-quinquies, paragraph 6 of the TUF.

1.11. Resolution Proposal

Dear Shareholders,

In view of the foregoing we invite you to adopt the resolutions proposed below.:

“The Extraordinary Shareholders' Meeting of Tesmec S.p.A.,

– Having regard to the Report prepared by the Board of Directors with reference to the first item on the extraordinary part of the agenda (the 'Report') and agreed with the reasons for the proposals contained therein;

resolves

1) to amend Article 5 and Article 9 of the Company's Bylaws and to approve the new wording as illustrated in the Board of Directors' Report;

2) to confer to the Chairman of the Board of Directors and Chief Executive Officer, all the widest powers, in compliance with the provisions of the law, with the faculty of sub-delegation, for the full implementation of the above resolution, with any and all powers necessary and appropriate for this purpose, none excluded and excepted, as well as to fulfil the necessary formalities, including the registration of the resolution in the Company Registry, in order for the adopted resolution to obtain the approvals required by law with the power to introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration, and in general all that is necessary for the complete execution of the resolution itself (also for the purpose of fulfilling any formality, deed, filing of petitions or documents required by the competent market Supervisory Authorities and/or provisions of law or regulations however applicable); and

3) to authorise the Board of Directors, with the power to delegate, the possible adoption of a regulation for the management of the special list referred to in Article 143-quater of the Consob Regulation on Issuers, which would regulate the procedures for its registration, maintenance and updating in compliance with the applicable rules and regulations and, in any case, such as to ensure the timely exchange of information between shareholders, issuer and intermediary and for the appointment of the person in charge of maintaining the Special List.”

2. Amendments to the Chapter "Shareholders' Meeting" of Bylaws; related and consequent resolutions

2.1 Proposal motivations

The proposed amendments to Tesmec's Bylaws, as better illustrated below, take consideration of – and, partially, anticipate the – contents of the draft law on "*Interventions in support of the competitiveness of capital and delegation to the Government for the organic reform of the provisions on capital markets set forth in the Consolidated Act referred to in Legislative Decree 24 February 1998, no. 58 of 24 February 1998, and of the provisions on capital companies contained in the Civil Code also applicable to issuers*" (the "**DLL Capitali**"), finally approved on 27 February 2024 by the Senate of the Republic and published in the Official Gazette on 12 March 2024.

Specifically, through the introduction of Article *135-undecies.1* of the TUF, is introduced the possibility of making applicable, on a permanent basis, the provisions initially issued in the context of the COVID-19 health emergency, which provide for the option, for listed companies and for companies admitted to trading on a multilateral trading system, to establish that the intervention and exercise of voting rights at the Shareholders' Meeting for those entitled to do so shall take place exclusively by means of proxy (or sub-delegation) to the Designated Representative, as long as the Bylaws expressly provide for it.

With the amendments to the chapter "Shareholders' Meeting" of the Bylaws – and in particular to Articles 6, 8 and 10 – detailed below, it is therefore proposed to introduce the power for Tesmec to designate the person provided for in Article *135-undecies* of the TUF, the Designated Representative to whom shareholders may grant proxy to participate in the Shareholders' Meeting and to establish – where permitted by law and/or *pro-tempore* regulatory provisions in force – that the participation and voting rights in the Shareholders' Meeting for those entitled thereto shall take place exclusively through the granting of proxy or sub-delegation to the Designated Representative.

The provision is accompanied by the further specification pursuant to which if the Company opts for participation in the Shareholders' Meeting exclusively through the Appointed Representative, participation in the Shareholders' Meeting by the entitled parties may also, or solely, take place by means of suitable telecommunications, without the need for the Chairman, Secretary and/or Notary Public to be in the same place. This opportunity, which was also granted as an exception to the various provisions of the bylaws in the context of the emergency regime, was then endorsed by notarial practice (See Maxima No. 187 "*Intervention in Shareholders' Meetings by Telecommunication Means*" of 11 March 2020 and Maxima No. 200 "*Clauses in the Bylaws legitimising the Calling of Shareholders' Meetings exclusively by Telecommunication Means*" of 23 November 2021, of the Notary Council of Milan).

As known, the Company has made use of such organisational methods in the holding of its Shareholders' Meetings since 2020, and from this experience it can be deduced that the figure of the sole Designated Representative has not only facilitated the participation of shareholders, but has also made the conduct of the meeting more agile.

The proposed changes are further detailed below.

2.2. Comparison of statutory clauses

Below is the proposed amendment to the text of Articles 6, 8 and 10 of the Bylaws.

Text in force	Proposed text
Shareholders' Meeting	Shareholders' Meeting
Art. 6	Art. 6
<p>1. The Shareholders' meeting may be ordinary or extraordinary pursuant to law and shall be convened at the head office or at another venue stated in the notice of call, provided that it is in Italy.</p>	UNCHANGED
<p>2. The ordinary or extraordinary Shareholders' Meeting may be convened, upon decision of the directors, by videoconference or teleconference, with attendance spread over a number of separate adjacent or distance venue, provided that formal meeting requirements and the principles of good faith and equal treatment of shareholders are observed, and specifically provided that:</p> <p>(a) the chairman of the meeting, also using the resources of his office, is able to ascertain the identity of those present and their right to attend, regulate the course of the meeting, ascertain and proclaim the outcome of voting;</p> <p>(b) the person recording the minutes is able to appropriately follow the events of the meeting to be recorded; (c) those attending are able to participate in the discussion and in simultaneous voting on the items on the agenda.</p> <p>The meeting shall be deemed to have been held at the venue attended by the chairman and the person recording the minutes.</p>	<p>2. The ordinary or extraordinary Shareholders' Meeting may be convened, upon decision of the directors, by videoconference or teleconference, with attendance spread over a number of separate adjacent or distance venue, provided that formal meeting requirements and the principles of good faith and equal treatment of shareholders are observed, and specifically provided that:</p> <p>(a) the chairman of the meeting, also using the resources of his office, is able to ascertain the identity of those present and their right to attend, regulate the course of the meeting, ascertain and proclaim the outcome of voting;</p> <p>(b) the person recording the minutes is able to appropriately follow the events of the meeting to be recorded; (c) those attending are able to participate in the discussion and in simultaneous voting on the items on the agenda.</p> <p><u>Except as provided in the subsequent Art. 8.7,</u> The the meeting shall be deemed to have been held at the venue attended by the chairman and the person recording the minutes.</p>
<p>3. The ordinary Shareholders' Meeting for approval of the financial statements must be convened within 120 days of close of the financial year or within the term, which may even be longer, established by regulations in</p>	UNCHANGED

force at the relevant time and applicable to the Company.	
Art. 8	Art. 8
1. Those entitled to the voting right may attend the Shareholders' Meeting.	UNCHANGED
2. They shall be entitled to attend the Shareholders' Meeting through dispatch of the communication of the intermediary who keeps the accounts, pursuant to law.	UNCHANGED
3. Those entitled to attend the Shareholders' Meeting may give written proxy for attendance and voting, in accordance with provisions of the law.	UNCHANGED
4. If and as long as the shares are traded on a regulated market, those entitled to vote may give the proxy using electronic means, if this is permitted by special regulation of the Ministry of Justice and in accordance with the procedures established therein. In this case, electronic notification of the proxy must be provided using the special section of the Company's website, in accordance with the procedures stated in the notice of call, or alternatively, by certified email to the email address stated in the notice of call.	4. If and as long as the shares are traded on a regulated market, those entitled to vote <u>they can be represented in the Assembly in accordance with the law, by means of a proxy issued in accordance with the procedures established by current legislation</u> vote may give the proxy using electronic means, if this is permitted by special regulation of the Ministry of Justice and in accordance with the procedures established therein. In this case, electronic notification of the proxy must be provided using the special section of the Company's website, in accordance with the procedures stated in the notice of call, or alternatively, by certified email to the email address stated in the notice of call.
5. The Company shall not however be obliged to designate a person to whom proxies may be given for attendance and voting in the meeting for each Shareholders' Meeting.	5. The Company <u>shall not however be obliged</u> to designate a person to whom proxies may be given for attendance and voting in the meeting for each Shareholders' Meeting.
	<u>6. Where provided for and/or permitted by the law in force from time to time, the Company may provide in the notice of call that the participation and exercise of voting rights in the Shareholders' Meeting by the persons entitled thereto may take place exclusively through the granting of a proxy (or sub-delegation) of</u>

	<u>voting rights to the designated representative referred to in paragraph 5 above.</u>
	<u>7. In the event the Board of Directors of the Company should make use of the option set forth in previous paragraph, the Board of Directors of the Company may provide that the attendance of the Shareholders' Meeting by the authorised parties (directors, auditors, representatives of the auditing firm, the notary, the designated representative and other subjects who are allowed to participate in the Meeting pursuant to the law and the Articles of Association, other than those who have the right to vote) may also or purely take place by conference call that guarantee their identification without the need for the Chairman, Secretary and/or Notary to be in the same place, provided that: (a) the president of the Assembly is allowed to ascertain the identity and legitimacy of those present, regulate the proceedings of the meeting, ascertain and proclaim the results of the vote; (b) the person taking the minutes is allowed to adequately perceive the meeting events being recorded; (c) those in attendance are allowed to participate in the discussion and the designated representative to proceed with the simultaneous vote on the items on the agenda. In this case the meeting must be considered held in the place where the person taking the minutes will be present.</u>
Art. 10	Art. 10
1. The Shareholders' Meeting shall be chaired by: (i) the Chairman of the Board of Directors or, in his absence, (ii) by the Vice Chairman, if appointed, or, in his absence, (iii) by the Chief Executive Officer - or by one of the Chief Executive Officers, if more than one, designed by the majority of the shareholders present, according to the number of votes held - or, in the absence of Chief Executive Officers, (iv) by another person elected by the majority of the	1. The Shareholders' Meeting shall be chaired by: (i) the Chairman of the Board of Directors or, in his absence, (ii) by the Vice Chairman, if appointed, or, in his absence, (iii) by the Chief Executive Officer - or by one of the Chief Executive Officers, if more than one, by the eldest the designed by the majority of the shareholders present, according to the number of votes held - or, in the absence of Chief Executive Officers, (iv) by another person elected by the majority of the shareholders

shareholders present, according to the number of votes held.	present, according to the number of votes held.
2. The Chairman of the Shareholders' Meeting shall ascertain the identity of those present and their right to attend; establish that the meeting has been regularly convened and the presence of the number of shareholders required to deliberate validly; regulate the course of the meeting, establish the voting procedures and ascertain the outcome of voting.	2. The Chairman of the Shareholders' Meeting shall ascertain the identity of those present and their right to attend; establish that the meeting has been regularly convened and the presence of the number of shareholders required to deliberate validly; regulate the course of the meeting, <u>and the correct adoption of the resolutions included in the agenda</u> ; establish the voting procedures and ascertain the outcome of voting. exercising all the necessary prerogatives for this purpose.
3. The Chairman of the Shareholders' Meeting shall be assisted by a secretary who need not be a shareholder, designed by the shareholders present, by majority of the votes they hold, upon proposal of the Chairman of the meeting or, when required by law or when established by the Chairman of the meeting, by a notary public. The assistance of a secretary shall not be required when the minutes of the Shareholders' Meeting are drawn up by a notary public.	UNCHANGED

2.3. Right of withdrawal

The proposed amendments to the Bylaws illustrated above do not entail the right of withdrawal pursuant to Article 2437 of the Italian Civil Code for those shareholders who did not participate in the resolutions subject of this report.

2.4 Relosution proposal

Dear Shareholders,

In view of the foregoing we invite you to adopt the resolutions proposed below.:

"The Extraordinary Shareholders' Meeting of Tesmec S.p.A.:

– Having regard to the Report prepared by the Board of Directors with reference to the second item on the extraordinary part of the agenda (the 'Report') and agreed with the reasons for the proposals contained therein;

resolves

1) to amend Articles 6, 8 and 10 of the Company's Bylaws and to approve the new wording as illustrated in the Board of Directors' Report; and

2) to confer to the Chairman of the Board of Directors and Chief Executive Officer, all the widest powers, in compliance with the provisions of the law, with the faculty of sub-delegation, for the full implementation of the above resolution, with any and all powers necessary and appropriate for this purpose, none excluded and excepted, as well as to fulfil the necessary formalities, including the registration of the resolution in the Company Registry, in order for the adopted resolution to obtain the approvals required by law with the power to introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration, and in general all that is necessary for the complete execution of the resolution itself (also for the purpose of fulfilling any formality, deed, filing of petitions or documents required by the competent market Supervisory Authorities and/or provisions of law or regulations however applicable)"

Grassobbio, 28 March 2024

TESMEC S.p.A.

The Chairman of the Board of Directors
Ambrogio Caccia Dominioni