



In this venue, I proceeded to take full minutes of the meeting's business with regard to the reporting of the presentations and related responses.

Now therefore, the course of the extraordinary shareholders' meeting held on 29 October 2018 of the afore-mentioned and following company is placed on record as follows:

"SAFILO GROUP S.P.A."

"On the twenty-ninth day of October two thousand and eighteen, at 11.00 a.m. in Milan, Borsa Italiana S.p.A., Piazza degli Affari No. 6 – Palazzo Mezzanotte.

the extraordinary shareholders' meeting of the following company met:

"SAFILO GROUP S.P.A."

with registered office in Settima Strada 15, Zona Industriale, Padua, Italy, share capital fully subscribed and paid-in for Euro 313,299,825.00, enrolled in the Padua Companies' Register, ordinary section, under enrolment number and tax identification No. 03032950242, Economic & Administrative Index No. 358600, a company whose shares are admitted for listing on the MTA organised and managed by Borsa Italiana S.p.A..

The lawyer Francesco Gianni, from Studio Gianni Origoni Grippo Cappelli & Partners, upon the invitation of the Chief Executive Officer Angelo Trocchia and upon the designation of the shareholders' meeting - given the absence of the Chairman of the Board of Directors - opens the meeting and takes the chair, in accordance with Article 11 of the Articles of Association.

It is hereby specified that in relation to the designation of the Chairman of the meeting, the shareholder Carlo Maria Braghero took the floor, proposing that the chair be taken by the chief executive officer; with a view to Article 11 of the Articles of Association, the majority of those present express that they were in favour of the lawyer Francesco Gianni taking the chair; it is hereby specified that those in favour of this appointment were all those attending other than Sonia Magnani, Mario Remorino, Andrea Maramotti (also in the name of the parties delegating them), Carlo Maria Braghero and Valter Da Rin Pagnetto. The Notary Public, Stefano Rampolla is appointed by the Chairman, with the consent of the meeting, to draw up the related minutes by public deed.

The Chief Financial Officer of Safilo Group, Mr. Gerd Graehsler, is also present. The Chairman of the meeting Francesco Gianni makes some preliminary declarations, of a mandatory nature, and in particular:

\* he discloses that:

- a recording system is running for the purpose of facilitating the subsequent drafting of the minutes;

- no personal recording devices of any kind, photographic equipment and similar devices can be introduced in the premises in which the Shareholders' Meeting is held, without specific prior authorisation:
- in accordance with current legislation regarding data protection, the data of the participants in the Meeting is collected and processed by the Company exclusively for the purposes of the execution of the mandatory fulfilments;
- \* he formally acknowledges that the Meeting has been validly called by means of notice of calling made available on 28 September 2018 on the Company's website and published in extract form on the same date in the newspaper "Il Sole 24 Ore";
- \* he discloses that:
  - the following Directors, besides the Chief Executive Officer Angelo Trocchia, are present on behalf of the Board of Directors: Guido Guzzetti and Catherine Gérardin-Vautrin, while, in addition to the Chairman Eugenio Razelli, the Directors Melchert Frans Groot, Jeffrey A. Cole, Cinzia Morelli-Verhoog, Ines Mazzilli and Robert Polet justified their absence;
  - the Chairman, Carmen Pezzuto, is present on behalf of the Board of Statutory Auditors along with the statutory auditor Bettina Solimando, while the other statutory auditor Franco Corgnati justified his absence;
  - the authorised personnel ascertained the right of the shareholders present to take part in the meeting as well as the compliance with the provisions set out by the current laws and the articles of association of the proxies shown by the representatives, which were filed with the Company's records.

The Chairman therefore declares that 9 (nine) parties are present, representing - personally or by proxy - 100 (one hundred) shareholders, holders of 42,763,400 (forty-two million, seven hundred and sixty-three thousand, four hundred) shares, all duly deposited pursuant to formalities and terms of the law, equal to 68.246766% of the share capital, as emerging from the attendance sheet which will be attached to the minutes of this meeting.

He recalls that, on the basis of the provisions set out by the laws and the articles of association, the extraordinary Shareholders' meeting in single call satisfies quorum requirements with the presence of at least a fifth of the share capital and the same resolves with the favourable vote of at least two thirds of the share capital present.

He therefore declares that the extraordinary Shareholders' meeting satisfied quorum requirements and valid for resolving upon the following agenda:

1. *Cancellation of the expressed par value of ordinary shares and subsequent amendment of Article 5 of the Company's Bylaws; related and consequent resolutions*

2. *Subject to approval of the proposed resolution as per point 1), share capital increase for consideration and divisibly, up to a maximum amount of Euro 150,000,000, including any share premium, through the issue of new ordinary shares without any indication of par value, having regular enjoyment, to be offered in option to the Company's shareholders pursuant to Article 2441, subsections 1, 2 and 3 of the Italian Civil Code. Subsequent amendments of the Company Bylaws; related and consequent resolutions*

The Chairman discloses to and informs those present that:

- the illustrative report on the items on the agenda has been published in compliance with current legislation and by the legal deadlines; in particular, he specifies that the same (i) has been filed with the registered offices, published in a specific section of the Company's website and made available at the authorised storage mechanism 1Info; (ii) has also been made available to those present and has been distributed to the shareholders, or their appointees, taking part in the shareholder's meeting;

- upon the request of Consob, the Company has also published an explanatory note to the afore-mentioned illustrative report on 26 October; in particular the same has been filed with the registered offices, published in a specific section of the Company's website and made available at the authorised storage mechanism 1Info. The explanatory note has also been made available to those present and distributed to the shareholders, or their appointees, taking part in the shareholders' meeting;

- that the share capital registered in the Companies' Register is currently authorised for Euro 487,199,825, of which Euro 313,299,825.00 fully subscribed and paid-in, divided up into 62,659,965 ordinary shares with a par value of Euro 5.00 each;

- the company does not hold any own shares in its portfolio;

- in relation to shareholders' meeting in question, it did not emerge that solicitation of mandates have been made as per Article 136 *et seq.* of the Consolidated Finance Act;

- the company did not receive any request to supplement the agenda, in accordance with Article 126 *bis* of the Consolidated Finance Act;

He also discloses that a number of questions were posed before the meeting by the shareholder Andrea Maramotti and proceeds to read them out, together with the related answers of the Company, as follows:

*"1) why has the shareholders' meeting been called in Milan and not at*

*the registered offices in Padua."*

The Chairman answers as follows: The Shareholders' meeting has been called in Milan on the basis of a series of considerations including the peculiarities of the transaction which require specific professional expertise and experience, more easily found in the Milan district of notaries.";

"2) *From 2011 to-date, the number of voting sessions on the resolutions of the BoD in which the directors MELCHERT FRANS GROOT, ROBERT POLET, JEFFREY A. COLE and EUGENIO RAZELLI have voted in disagreement with respect to the resolution proposed for the examination of the BoD.*

The Chairman answers as follows:

The question is not pertinent to the items on the agenda and he will reply in the appropriate venues.

"3) *Whether the Board of Statutory Auditors has directly checked with the banks with which Safilo has current accounts with a credit balance as of 30 June 2018, the veracity of the balances of the current accounts."*

The Chairman answers as follows:

The question is not pertinent to the items on the agenda and he will reply in the appropriate venues.

The Chairman proceeds and declares that the Company is aware of the existence of the following shareholders' agreement: agreement entered into on 9 May 2017 between Multibrands Italy B.V., holder of 26,073,783 ordinary shares of the share capital of the Company, and Mr. Eugenio Razelli, member and current Chairman of the Board of Directors of the Issuer, concerning, *inter alia*, the inclusion of Mr. Razelli as candidate to the office of director on the list to be presented for the appointment of the Board of Directors subsequent to the approval of the financial statements relating to the year ended as of 31 December 2017, as well as on any list to be presented for the possible renewal of the Board of Directors of the Issuer prior to the aforementioned expiry, the exercise of the vote in the related ordinary shareholders' meeting of Safilo Group S.p.A., as well as the appointment of Mr. Razelli as Chairman of the Board of Directors. The Agreement will cease to be effective for the appointment of the Board of Directors of the Issuer, after the approval of the financial statements relating to the year ended 31 December 2018.

He discloses and informs those present that:

- the name list of the participants at said Meeting, in person or via proxy, containing the number of shares represented by each one, the indication of any delegating shareholders as well as any parties voting in the capacity of pledgees, "*riportatori*" and beneficiaries, will be



means of raising their hand, giving their name;

- recommends those present to make concise interventions pertinent to the item on the agenda under discussion and disclosed that each intervention must not exceed roughly 5 minutes;

- specifies that:

- \* on each item on the agenda, the answers will be provided at the end of all the interventions and the related questions, and that an answer will be provided only to the questions pertaining to the items on the agenda, and which do not pertain to potentially confidential, reserved aspects or in any event those inherent to protected personal data in accordance with privacy legislation;

- \* upon request, after the clarifications and the answers to the questions which will be posed, a brief reply by the shareholders will be possible, preferably limited to 3 minutes, specifying that longer interventions on occurrence of the conditions referred to above will be allowed;

- informs those present that the summary of any interventions, with indication of the name of those intervening, the answers provided and any declarations by way of comment, will be included in the meeting minutes;

- requests the shareholders not to leave the meeting room, insofar as possible, during the shareholders' meeting, at least until the ballot operations and the declaration of the outcome of the voting have been completed. He informs those present that those who should leave the room, even just temporarily, will have to inform the appointed staff, present in the room, for the purpose of permitting the regularity of the course of the Meeting and the voting operations, specifying that the procedure will record the time of exit and the time of possible return;

- discloses that before each voting session the shareholders present will be formally acknowledged, ascertaining the details of those who have declared they do not wish to participate in the voting;

- informs those present that the voting on the items on the agenda will take place by a show of hands and that the shareholders will have to communicate their name and the number of shares for the purpose of the minute taking. He specifies that the names of the parties who will express a favourable, contrary vote or abstain from voting, and the related number of shares held and/or represented, will emerge from a document which will be attached to the minutes of the Meeting.

The Chairman therefore moves on to deal with the first item on the agenda which he reminds those present is the following:

**1. Cancellation of the expressed par value of ordinary shares and subsequent amendment of Article 5 of the Company's Bylaws; related and consequent resolutions**

He reminds those present that the Illustrative Report on the matter under discussion, "section A", drawn up in accordance with Article 125 *ter* of the Consolidated Finance Act and Article 72 and Annex 3A of the Issuers' Regulations, was published in accordance with the law and was also available to those present.

At this point, the appointee of the shareholder Multibrands Italy B.V. takes the floor and, in consideration of the fact that the aforementioned Report has been made available to the shareholders and published in accordance with the law, proposes to omit its full reading. The Chairman takes the floor again and asks whether those present are in agreement with the proposal of the appointee of the shareholder Multibrands Italy B.V.

No-one asks for the floor.

At this point the Chairman illustrates the essential elements of the proposal.

He reminds those present, in particular, that Articles 2328 and 2346 of the Italian Civil Code permit joint-stock companies to issue shares lacking par value or rather, with reference to the shares already issued, to eliminate the indication of the par value. He recalls that in such cases the shares, even if lacking express indication of the par value, in any event maintain an implicit book value, equal to the ratio between the total amount of the share capital and the number of shares issued (so-called "accounting par value").

He discloses that following the cancellation of the indication of the par value, the equity investment of each shareholders will therefore be represented by the number of shares held in relation to the total number of shares issued, it being understood that the par value of the equity investment will always be identifiable by means of the calculation of the implicit accounting par value.

He specifies that the cancellation of the par value of the shares (i) represents a simplification instrument, since it allows greater flexibility in the corporate transactions and (ii) also makes it possible to issue new shares, at the time of share capital increases against payment, also with an implicit value lower than the pre-existing accounting par value (so-called historical accounting par value).

He informs those present that, in the absence of an expressed par value, the issuer may freely determine the number of new shares in which to split the issue up into, requesting - by way of capital - a sum which may be equal to, greater or lower than the historical accounting par value, and may also - in this way - determine the final conditions of the capital increase with greater flexibility along with, therefore, the number of new shares to be issued, also taking into account situations of uncertainty and volatility which characterise the market in certain



moments.

He discloses that this end was of particular interest for the Company in consideration of the matters proposed within the sphere of the second item on the agenda, since it would allow greater flexibility to the Company in the determination of the final issue conditions of the new shares.

He recalls that the cancellation of the par value of the shares means that the Company's Articles of Association will have to indicate just the share capital and the number of shares which it is divided up into, with elimination of any mention relating to the expressed par value of the share and that, by virtue of Article 2346, paragraph 3 of the Italian Civil Code, in the absence of indication of the par value of the shares the provisions, wherever contained, which refer to the same, must be applied with regard to their number in relation to the total of the shares issued.

In conclusion, he makes reference, for the detailed illustration of the amendments to the articles of association consequent to the cancellation of the par value of the shares, to the text of the related illustrative report, section A.

The Chairman therefore reads out the following resolution proposal, which is followed by a discussion.

*"The Extraordinary Shareholders' Meeting of Safilo Group S.p.A:*

- *having examined the report by the Board of Directors;*
  - *having deemed it advisable to proceed for the purposes and in the manner described above;*
- resolves*

*(A) to eliminate pursuant to Articles 2328 and 2346 of the Italian Civil Code, the indication of the par value of the Company's ordinary shares, currently equal to EUR 5.00 each;*

*(B) to amend Article 5 of the Company Bylaws currently in force through the inclusion of a new subsection, worded as follows: Share capital amounts to Euro 313,299,825.00 (three hundred thirteen million two hundred ninety-nine thousand eight hundred twenty-five/00) divided into no. 62,659,965 (sixty-two million six hundred fifty-nine thousand nine hundred sixty-five) ordinary shares without any indication of par value. Option rights may be excluded, in respect of the capital increase, up to the limit of ten per cent of existing capital, on the condition that the issue price corresponds to the market value and this is confirmed in a report by the Company's auditors, pursuant to article 2441, paragraph 4, point 2, of the Italian Civil Code. By virtue of*

what has been specified, the extraordinary meeting of November 5, 2010 resolved to increase the share capital by a maximum value of Euro 8.500.000,00 by issuing new ordinary shares for an amount up to a maximum of no n. 1.700.000, without any indication of par value, to be offered for subscription to directors and/or employees of the Company and its subsidiaries. By virtue of what has been specified above, the extraordinary meeting of April 15th, 2014 resolved to increase the share capital by a maximum value of Euro 7,500,000.00 (seven million five hundred thousand/00) by issuing new ordinary shares for an amount up to a maximum of no. 1,500,000 (one million five hundred thousand/00) without any indication of par value, to be offered for subscription to directors and/or employees of the Company and its subsidiaries. The extraordinary general meeting of July 10th, 2014 has resolved to increase the capital in cash, payable and in divisible form, with the exclusion of the pre-emption right pursuant to article 2441, paragraph 5, of the Italian Civil Code, for a maximum amount of Euro 150,000,000 (one hundred and fifty million), inclusive of any possible share premium, to be issued in one or more times by means of issue of ordinary shares of the Company without any indication of par value, having the same characteristics of the outstanding ordinary shares, exclusively and irrevocably reserved to the conversion of the equity linked bond, of an amount equal to Euro 150,000,000 (one hundred and fifty million), with due date May 22nd, 2019, reserved to qualified investors, named "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked bonds due 2019", it being understood that the last possible due date for the underwriting of the newly issued ordinary shares is on June 30th, 2019, and that, in the event that on that date the capital increase is not completely underwritten, the capital in any case shall be considered increased by an amount equal to the collected underwritings and since the underwritings, expressly authorising the directors to issue new shares every time the shares are underwritten. On April 26, 2017, the extraordinary general meeting resolved to increase the share capital, in cash and in more tranches, by a maximum value of Euro 12,500,000.00 (twelve million five hundred thousand/00) attributable to the entire share capital by issuing new ordinary shares for an amount up to a maximum of no. 2,500,000 (two million five hundred thousand) without any indication of par value, having the same characteristics as those already issued, with regular enjoyment, with the exclusion of the option right pursuant to article 2441, paragraph 4, second part of the Italian Civil Code, to be offered for subscription to the beneficiaries of the 2017-2020 Stock Option Plan, at a certain exercise price, equal to the volume weighted average of the official price of the Safilo Group's

*shares registered on the Italian Stock Exchange organized and managed by Borsa Italiana S.p.A. (Mercato Telematico Azionario) for the preceding month leading up to the granting of options (therefore the period starting from the day preceding the Board of Directors' meeting which resolves the granting of options and ending on the same day of the previous calendar month, it being understood that, during the aforesaid period, only trading days will be taken into account to determine the weighted average). On April 24, 2018 the extraordinary general meeting resolved to integrate the resolution of capital increase of April 26, 2017, including that the issuance price of the new ordinary shares, equal up to a maximum of no. 2,500,000 (two million five hundred thousand) to be offered for subscription to the beneficiaries of the 2017-2020 Stock Option Plan, it being understood that such exercise price will be equal to the volume weighted average of the official price of the Safilo Group's shares registered on the Italian Stock Exchange organized and managed by Borsa Italiana S.p.A. (Mercato Telematico Azionario) for the preceding month leading up to granting of options (therefore the period starting from the day preceding the Board of Directors' meeting which resolves the granting of options under the Plan and ending on the same day of the previous calendar month, it being understood that, during the aforesaid period, only trading days will be taken into account to determine the weighted average), shall not in any case be lower than Euro 5 (five/00)per share;*

*(C) to grant to the Board of Directors, and through it the Chairman and the Chief Executive Officer, also severally, all the broadest powers to implement and carry out the above decisions, including, the power to change and/or supplement, in a non-substantial way, the adopted decisions should it become necessary and/or appropriate, and, in general, to carry out all that may be necessary for the complete performance of said decisions, also following possible requests of the competent Authority.*

At this point the Chairman declares the discussion on the first item on the agenda open and invites those present to formulate any requests for the floor and to reserve a slot by raising their hands, so as to establish the order of the interventions.

The shareholder Andrea Maramotti takes the floor requesting that his intervention be recorded in full in the Minutes as follows:

*"Dear Shareholders, I am bewildered. Just six months ago we were here to vote on the share buy-back plan and now we must vote for a share capital increase. Is this reality or are we on the "Scherzi a Parte" Italian TV show?*

*I feel like I am watching a film: "2009 - Safilo Share Capital Increase". Where the director and the performers are always the same. The actors change a little. Back then there was the Tabacchi family leaving the picture, remaining with a reduced holding in the share capital and which today will see itself completely ousted and diluted. Today, as then, "the extras", the real victims of this persistent incompetent industrial and financial management are the small direct and indirect shareholders, via the Institutional Investors, who naturally act like the three monkeys, "See no evil, Hear no evil, Speak no evil".*

*I will be told: "It's the market old boy", but when it's always and just the same party who wins, who always lands on his feet and never gets his fingers burnt, the game - in my opinion - is rigged.*

*And now please update what did then. With an oddity: the debt situation of Euro 171 million as at 30 June 2018, which should reduce in the second half of the year due to the collection of the last Euro 30 million deriving from the Gucci licence agreement with Kering, is by far from that in 2009 and completely normal considering both the sales turnover and the forecast business profitability as indicated in the update of the 2020 plan, dated August 2018. So much so that MOODY'S rating, the only agency which covers your debt, is B1, with a stable outlook, far from that "C" in 2009 and already takes into account, in their opinion, all the industrial and financial implications up until 2020. You, however, propose to carry out an extraordinary share capital increase for Euro 150 million, "for the purpose of equity and financial enhancement to support the execution of the business plan up to 2020", already expired and outdated, seeing that we do not even know whether the licences with LVMH expiring in 2020 will be renewed and in relation to which, during the first half of 2019, at the latest, a solution will have to be found, both for SAFILO and for Louis Vuitton. What are the real reasons lying behind your requests for this money from the shareholders?*

*I believe that, should we dig deep, we shall find confirmation that the share capital increase is not necessary, but has been premeditated to give the coup de grace to the prices of the stock, scare the minority shareholders, create mistrust in the stock, in order to be able to easily increase the holding of the majority shareholders at the time of the share capital increase, at a discounted price, lowering the average book value of HAL TRUST's investment, without having to launch a take-over bid or if necessary launch a take-over bid at a ridiculous price and without paying the majority premium to the other shareholders, despite of all the normal market rules. The apotheosis of all the speculative funds. The real "Fondo Locusta", in my opinion. From what previously you communicated, you should have assessed*

other alternative solutions such as, for example, the merger or the reverse merger on the subsidiary Safilo S.p.A., so as to unload on the "manufacturing company", according to the definition of the company's organisation chart, the financial debt, at present mainly represented - according to the 2017 financial statements - by just the "unsecured and unsubordinated equity-linked bond loan", guaranteed by Safilo S.p.A., maturing on 22 May 2019 for a total nominal amount of Euro 150 million" and thus also exploit other more agile forms of funding. Or issue another senior bond. Despite the B1 rating, if you had acted in time, with the current level of interest rates, it would have been possible to obtain interesting conditions from the market, maybe via a simple amortising senior bond with a duration of 7 years and 2 years of interest pre-amortization, which would have led to a market rate of no more than 6% per year. In reality you have marched towards the only solution which interested you, the share capital increase, for the reasons indicated above and with the end objective, after the share capital increase, of a company practically without debts, ready, possibly, to be fleeced, at the expense of the minority shareholders.

Your certainty with regard to the plan you are accomplishing and the shamelessness by means of which you are going through with it, run foul, fortunately, of the need for transparency.

Your illustrative report in fact demonstrates that once the share capital increase has terminated, Safilo will not have any debts, also considering the afore-mentioned Euro 30 million which you should have collected during the 3rd quarter of 2018, of which there is no trace in this report, and with almost Euro 700 million of shareholders' equity.

If the company really needed a share capital increase, it should have tried to unload the risk on the market, establishing a Guarantee and Placement Consortium as in 2009. This way you arrogate yourselves to the right to create, exclusively and with payment of a fee in your favour, a massacre among the historical shareholders.

Under point 9 the apotheosis: you set down on paper that whomever does not participate will be diluted in your favour.

But it is under point 2 of this shareholders' meeting proposal, "Amendments to the Articles of Association", where, in my opinion, you have committed a serious error. At the end of point 2, you hasten to indicate, in fact, that: "The proposed amendments to the Articles of Association proposals as per this Section A of the Report, do not give rise to any withdrawal right in favour of the shareholders as per Article 2437 of the Italian Civil Code, or rather in accordance with the Articles of Association which in Article 7 states: "The right to withdrawal may be exercised in those cases established by binding legal provisions

*and in the matter set out in law . The right to withdrawal may not be exercised for resolutions to prolong the Company's duration or to introduce, amend or remove constraints on the circulation of shares”.*

*In my opinion, this possibility cannot be excluded for the minority shareholders who exercise their disagreement in this meeting or who do not participate in the same. Do you believe that the cancellation of the Par Value of the shares, with the replacement of the so-called “Net Accounting Par Value” approach which gives a free rein to the BoD on the governance of the corporate equity, are not detrimental to the rights of the minority shareholders and therefore one can cancel without paying a token? If you want the entire company, at least allow the minority shareholders to recoup their holding in the company equity.*

*Do you need further proof? The “normal” majority shareholders usually, in order to safeguard their investment do their utmost so that the market value and/or the value of the listed shares does not depreciate and only as a last resort turn to share capital increases. You have acted in the opposite manner.*

*Even considering, with the benefit of the doubt, that the share capital increase is the only way out, why precisely of this entity and, above all why fix a maximum issue price for the new shares of just Euro 1.50 well in advance? It could well have been higher, given the interest which HAL TRUST should have had in safeguarding its equity investment. By contrast HAL TRUST/Multibrands Italy B.V., the controlling shareholder, not only does not support Safilo, but blackmails it, adopting timeframes and methods reminiscent of financial waterboarding. In the event of a share capital increase it is common practice, in fact, that the price at which the new shares are issued is communicated to the market in proximity to the launch of the share capital increase, so as to avoid speculations on the stock, already under pressure merely due to the announcement of said capital increase. Communicating any maximum price hugely well in advance leads to the opposite effect, speculation is encouraged, which tends to lead the value of the stock on the stock market towards the maximum price already fixed. This, in my opinion, is conduct which violates Articles 184 paragraph 1, letter c) (Insider dealing) and 185 Paragraph 1 (Market manipulation) of the Consolidated Finance Act (TUF) former Legislative Decree No. 58/1998.*

*However, I believe that the conclusive evidence of all that indicated above, are you, the Board of Directors. Or better still the participation of some of you in the Board of Directors and/or the senior positions within company sphere.*

*Melchert Frans Groot, Robert Polet, Jeffrey A. Cole and Eugenio*

*Razelli - Chairman of the Board of Directors of SAFILO GROUP S.P.A. since 26 April 2017.*

*Since 2010 you have been sitting on the Board of Safilo and you have been the absolute majority, in a position to condition every business choice. What should we call you? The band of four?*

*Ms. Mazzilli, you, as independent director, are: Chairman of the Control Risk and Sustainability Committee, Chairman of the Transactions with Related Parties Committee and member of the Supervisory Committee pursuant to Legislative Decree No 231/2011, do you have anything to say? Clear conscience? You are not present as well.*

*Mr. Guzzetti, independent director, your last reconfirmation as director of Safilo was in the capacity as representative of the list presented by BDL CAPITAL MANAGEMENT and no longer of the funds in their entirety. Can we still consider you to be so? Are we certain that there is no corporate or business link between HAL TRUST and BDL CAPITAL MANAGEMENT? Are we sure that the only reason is not that of also being on the board of Saipem, which, incidentally, recently experienced a transaction on the share capital entirely similar to that of Safilo?*

*How come despite the various disasters which you have caused in the management of the company over the last 4 years, you are still all in your position?*

*Within a "normal" company, all of you would have been replaced a long time ago for the awful results obtained, unless the purpose was different, ever since.*

*Gerd Graeshler, in his capacity as CFO has financial and accounting responsibility for the Group. How is it possible that, after 3 accounting periods which have caused Euro 400 million of losses in the financial statements, after not having found alternative solutions to a share capital increase, in my opinion avoidable, by means of the search for other forms of funding and/or other corporate-type transactions, such as those indicated above, he is still in his position?*

*In conclusion, a couple of gifts on your share capital increase proposal. A fee of 2% on the value of the share capital increase in favour of Multibrands Italy B.V..*

*In its capacity as majority shareholder Multibrands Italy B.V. should support the company in which it has invested at zero cost, seeing that it is also the main party responsible for the situation which has been created. This is further proof that the share capital increase was studied for other purposes than those declared. Anything but related parties transactions. In my opinion it is a clear violation of Article 2634 of the Italian Civil Code on misconduct in relation to corporate assets.*

*The treachery and greed known no limits. You also threat a take-over bid at Euro 1.50, if you do not get past 45% during the share capital increase, stealing from the other shareholders their portion of the Euro 535 million of shareholders' equity indicated in the 2017 financial statements.*

*Messrs Statutory Auditors, Messrs Independent Auditing Firm, Article 47 of the Constitution states: "The Republic encourages and safeguards savings in all its forms". You should apply the Law also and above all else aspiring to those principles. Are you sure that you have complied with Article 193 (Corporate information and duties of the statutory auditors, official independent auditors and the official independent auditing firms) of the Consolidated Finance Act? If you are here show me a sign.*

*I believe that this saga demonstrates that, if not otherwise approbated, the minority shareholders no longer have any rights.*

*It is logical that any proposal of yours in this connection will find my firm opposition and my contrary vote."*

The shareholder Mr. Carlo Maria Braghero takes the floor and thanks Mr. Maramotti for the interventions just concluded, which he declares he agrees with. He therefore declares that if he had read the interventions made by the shareholder Mr. Maramotti in the previous shareholders' meeting perhaps he would not have invested in the company Safilo.

He confirms that he was against the appointment of the lawyer Mr. Gianni as chairman of the meeting and informs those present that he believes that the Chief Executive Officer is more up-to-date with regard to the business events, albeit defining Mr. Gianni as very scrupulous and diligent.

He declares that he deems the circumstance that only the minority of the members of the Board of Directors were present to be incorrect and expresses disapproval vis-à-vis those absent.

With reference to the declaration of the Chairman regarding the presence in the room of journalists, officers and executives, he also asks that he might be informed of the identity of the individuals present during the meeting.

The shareholder Mr. Braghero therefore states that the reasons underlying the proposal to eliminate the par value of the shares, illustrated by the Board of Directors, are purely formal and of no substance and, as such, he defines them unacceptable.

He declares that he does not agree with this proposal and believes that, in the event of approval of the same, the forecast of a total amount of Euro 150,000.00 in the share capital increase proposal relating to the second item on the agenda - an amount which he recalls



was inclusive of any share premium - could allow the “controlling shareholder” to “domineeringly ascend” and, hypothetically, achieve 90% of the share capital and give rise to an obligatory take-over bid at a “contemptible” price.

Continuing with his intervention, the shareholder Mr. Braghero expresses the conviction that, probably, having called the shareholders’ meeting in Milan allowed a wider participation and a “slightly more correct schedule”.

In this connection he declares that he was baffled with regard to the fact that during the previous shareholders’ meeting a reply to the questions posed before and during said meeting had been provided after the voting; he states that he has never witnessed anything like it.

The shareholder Mr. Valter Da Rin Pagnetto takes the floor and declares that he believes the reasons adopted to support the request for a share capital increase to be lacking and that he hopes that the Board of Directors and the Board of Statutory Auditors had a “strategy” in this connection. He also hopes that Mr. Trocchia manages to boost the Company and to invert the trend of the last few years, which he believes has been awful due to the management of certain individuals, who he defines as “incompetent”.

Therefore, he asks the members of the Board of Directors and the Board of Statutory Auditors “where they were” in said period; he asks Mr. Guzzetti - who he reminds those present was appointed to “safeguard to minor shareholders” - what “role” the supervisory activities carried out by the same had played.

He declares that he has also hoped the arrival of Mr. Razelli might be a “turning point”, that a “reorganization” of the members of the Board of Directors might come about, with the appointment of competent individuals with experience in the fashion manufacturing industry.

He acknowledges that the market has not been confident in the individuals currently in office.

He concludes, wishing “good luck” in the interests of the entire complex in which Safilo operates.

At 11.45 a.m. the Chairman therefore suspends the meeting.

The meeting is resumed at 11.57 a.m..

The Chairman Mr. Gianni once again takes the floor and thanks those present for waiting.

He informs those present that he wishes to answer straightaway the two questions relating to the first item on the agenda, and to postpone the replies to the questions inherent to the second item on the agenda to a subsequent moment.

With regard to the question regarding the existence or not of the right to withdrawal in favour of the shareholders in relation to the matter

being dealt with, he confirms that he believes that no such right has arisen, since none of the cases envisaged in this sense by the Italian Civil Code has happened.

With regard to the question relating to the subscription price of the proposed share capital increase he reminds those present that in the resolution proposal, specific mandate to the Board of Directors is envisaged for the purpose of determining the related issue price; he specifies that, when this body had met to resolve on the calling of this shareholders' meeting, the Stock market value of the shares was approximately Euro 3, and therefore under the par value; he therefore confirms that, on that occasion, it has been deemed impossible to observe the par value of the shares, given that the market would not have responded to an offer with a price equal to Euro 5.

He discloses that the Board of Statutory Auditors suggested the prompt launch of the process also by means of a strengthening of the share capital and states that the other solutions taken into consideration by the Board of Directors would not have provided that chance of a positive response of the market sufficient for being able to obtain the necessary financial funding which the Company needs.

He therefore postpones any further analysis of the matter to the discussion of the second item on the agenda.

The Chairman therefore declares the discussion of the first item on the agenda closed, requests the appointed personnel to provide him with updated information on the attendees and invites the shareholders present or their appointees not to leave the meeting until the voting procedures have finished.

He informs those present that 101 shareholders holding, personally or via proxy, 42,763,405 shares equal to 68.246774% of the share capital, are present at the beginning of the voting.

He once again requests the Shareholders to declare the possible existence of causes which lead to suspension of the right to vote.

The Chairman therefore invites them to express their vote by means of a show of hands and with declaration of their name and the number of shares.

Voting therefore takes place, on conclusion of which the secretary taking the minutes, with the aid of the Chairman, therefore declares the proposal which was read out as approved by the Shareholders' meeting by the majority of those present, with vote by a show of hands,

with the following result

- 42,471,311	favourable votes,
- 13,530	contrary votes,
- 278,564	abstaining.

The Chairman reminds those present that the list of names of the Shareholders who expressed a favourable or contrary vote or abstained and the related number of shares will be attached to the minutes as an integral part of the same.

At this point, the Chairman declares the discussion of the second item on the Agenda open, which he reminds those present is the following:

**2. Subject to approval of the proposed resolution as per point 1), share capital increase for consideration and divisibly, up to a maximum amount of Euro 150,000,000, including any share premium, through the issue of new ordinary shares without any indication of par value, having regular enjoyment, to be offered in option to the Company's shareholders pursuant to Article 2441, subsections 1, 2 and 3 of the Italian Civil Code. Subsequent amendments of the Company Bylaws;**

He reminds those present that:

- the Illustrative Report on the matter in question, "section A", drawn up in accordance with Article 125 *ter* of the Consolidated Finance Act and Article 72 and Annex 3A of the Issuers' Regulations, was published in accordance with the law and was also available to those present.
- upon the request of Consob, on 26 October the Company also published an explanatory note to the afore-mentioned illustrative report, section B, which was also distributed to the shareholders, or their appointees, who are present.

At this point of the Meeting, the appointee of the shareholder Multibrands Italy B.V. takes the floor and, in consideration of the fact that the afore-mentioned Report was made available to the shareholders and published in accordance with the law, proposes to omit its complete reading.

The Chairman takes the floor again and asks whether those present are in agreement with the proposal of the appointee of the shareholder Multibrands Italy B.V..

No-one asks for the floor.

The Chairman therefore illustrates the essential elements of the proposal.

He reminds those present that the share capital increase for a maximum of Euro 150 million submitted for the approval of said shareholders' meeting is overall aimed at supporting the programme for the refinancing of the Group financial debt expiring in the next twelve months, strengthening and optimising the equity and financial structure of the Group so as to allow the same to focus on the growth objectives and the development plans outlined in the update of the 2020 business plan, disclosed on 2 August 2018.

He recalls that the share capital increase proposal envisaged that the

newly issued shares be offered under option to the shareholders of Safilo in accordance with Article 2441, paragraph 1 of the Italian Civil Code, and specifies that any unexercised rights at the end of the subscription period will be offered on the stock market in accordance with Article 2441, paragraph 3 of the Italian Civil Code.

He also highlights that the Board of Directors of Multibrands Italy B.V. ("Multibrands"), which he reminds those present is the main shareholder of the Company, with an equity investment equal to 41.61% in the share capital, positively assessed the transaction and on 26 September 2018 entered into an agreement with Company for the subscription of shares originating from the Share Capital Increase (the "Subscription Agreement"). In particular, he informs those present that the Agreement concerns the commitment of Multibrands:

(a) on one hand, to subscribe and integrally free up the entire holding pertaining to it in the share capital in proportion to the current investment in the Company's share capital,

(b) on the other hand, to subscribe and integrally free up all the shares which should possibly emerge as unsubscribed on conclusion of the auction of the unexercised option rights envisaged by Article 2441, paragraph 3 of the Italian Civil Code.

At this point he invites to refer to the details included in section B of the related illustrative report with regard to the terms and conditions of the Subscription Agreement, as well as to the details as per the explanatory note with regard to the assessment of the Subscription Agreement as a related party transaction of lesser importance, and therefore indicates that, if, further to the offer on the stock market, unsubscribed shares should remain, the same will be subscribed by Multibrands in accordance with the Subscription Agreement.

The Chairman also intervenes with regard to the equity linked bond issue involving a total nominal amount of Euro 150,000,000.00, expiring on 22 May 2019, known as the "Safilo Group Euro 150 million, 1.25 per cent Guaranteed Equity-Linked Bonds due 2019", ISIN XS1069899232 (the "Equity Linked Issue"), which he reminds those present was approved on 15 May 2014 and fully placed on 22 May 2014.

With regards to the above, he informs those present that the Company will take steps to carry out the adjustment of the conversion price in relation to the Share Capital Increase in accordance with Article 6 of the "Terms and Conditions" of the Equity Linked Issue.

He also emphasises that the resolution proposal submitted to the shareholders' meeting also envisages that the Board of Directors be granted all the necessary powers for defining, *inter alia*, the issue price of the new shares, thus for the purpose of placing the Board of

Directors in the position to execute the share capital increase in the best possible way, so as to ensure a satisfactory outcome of the transaction, also taking into account the uncertainty and volatility of the share markets.

In particular, the Chairman reminds those present that the proposal envisages that the issue price of the shares originating from the share capital increase be determined by the Board of Directors in proximity to the launch of the offer under option, taking into account - amongst other aspects - the conditions of the market in general and the trend of the prices and the volumes of the shares of the Company, expressed by the stock on the Stock Market, as well as the economic, equity and financial performance of the Company and having considered the market practices for similar transactions. He specifies that, without prejudice to the above criteria, the issue price will be determined applying, in accordance with market practices for similar transactions, a discount to the Theoretical Ex-Right Price - TERP of the existing shares, calculated according to the current methods.

He also reminds those present that:

- the proposal therefore envisages that the Board of Directors be granted all the necessary powers for defining the timeframe for the execution of the share capital increase resolution as well as the issue price of the new shares (inclusive of any share premium), according to the criteria indicated above, the number of new shares to be issued and the option ratio;
- the Board of Directors will by means of specific resolution establish the timeframe for the launch of the offer of the option rights, as well as the subsequent offer on the stock market of the possibly unexercised rights at the end of the subscription period, without prejudice to the final deadline of 31 August 2019 for the execution of the Share Capital Increase;
- that when establishing the afore-mentioned timeframe, the Board of Directors will also take into account the technical timeframes for Consob to issue the authorisation to publish the Prospectus.

He therefore informs those present that the Company intends in any event to complete the Share Capital Increase quickly, subject to obtaining the necessary corporate and regulatory approvals.

In conclusion, the Chairman draws attention to the circumstance that the Company has adopted three different incentive plans based on options for the subscription of ordinary shares, intended for the directors and/or employees of said Company and its subsidiaries, aimed at aligning the interests of management with those of the shareholders remunerating the creation of value over the long-term, as well as motivating and retaining the loyalty of the Group's strategic

resources.

In particular, he reminds those present that, as of the date of the meeting, the following Stock Option Plans are in force:

- 2010 - 2013 Safilo Group S.p.A. Stock Option Plan
- 2014 - 2016 Safilo Group S.p.A. Stock Option Plan
- 2017 - 2020 Safilo Group S.p.A. Stock Option Plan

Therefore, he highlights that, in accordance with the terms contained in the Regulations of the Plans, the Board of Directors is required to adjust the number of shares and/or the subscription price of the same at the time of extraordinary transactions such as the Share Capital Increase, for the purpose of maintaining a situation of neutrality for the holder of the securities concerned; in this connection, he makes reference to section B of the related illustrative report with regard to the details concerning the options assigned on the basis of the aforementioned Stock Option Plans which are in place as of the date of the Report (the "Granted Stock Options"), as well as the number of ordinary shares which, in the event of exercise will have to be issued by the respective deadlines.

Therefore, he draws attention to the following circumstances:

- that, for the purpose of the matters stated above, it is therefore necessary to identify an adjustment ratio which may represent the parameter to be used to determine any adjustments relating to the exercise price of the Granted Stock Options and to the number of shares to be issued further to the exercise of the related rights;
- that, likewise, it appears appropriate to apply the adjustment ratio identified also to the minimum exercise price of the options to be assigned within the sphere of the 2017-2020 Stock Option Plan, having taken into account that the forecast of this minimum price is anchored to the par value of the shares whose cancellation is proposed;
- that in the event of share capital increases under option this adjustment ratio is in common practice identified in the so-called K Factor, calculated as indicated in section B of the illustrative report;
- that the adjustment K Factor may however be calculated only once, on one hand, the issue price of the new shares has been determined in relation to the share capital increase and, on the other hand, the last price *cum* right of the existing shares is known as well as the theoretical ex-right price; he specifies that this information will be available only at the time the share capital increase has been executed by the Board of Directors on the basis of the powers granted to the same;
- that, in this connection, on the open stock market day prior to the launch of the Share Capital Increase, Borsa Italiana S.p.A. will take

steps to calculate and publish an adjusting K Factor in relation to the prices of the ordinary Safilo Group shares as a consequence of the Share Capital Increase (the "Adjustment Ratio").

In conclusion, and in relation to the matters stated above, the Chairman clarifies that:

- it is unnecessary to resolve a share capital increase pursuant to Article 2441, paragraph 4, sentence 2 of the Italian Civil Code to supplement the increases resolved by said Shareholders' meeting, respectively on 5 November 2010, 15 April 2014 and 26 April 2017 (the latter as supplemented on 24 April 2018) to serve the aforementioned Stock Option Plans;

- consequently, the proposal envisaged that the Shareholders' meeting resolves (i) to supplement the executive powers originally granted to the Board of Directors so that the same, after execution - partial and full - of the share capital increase, can make the appropriate adjustments in relation to these increases as emerging from the accurate application of the Adjustment Ratio to the underlying shares, subject to any appropriate rounding off, as well as to the minimum exercise price with regard to the 2017-2020 Stock Option Plan, and (ii) grants the Board of Directors every power necessary to make the amendments to Article 5 of the Articles of Association as a consequence of the board resolutions adopted in accordance with the matters illustrated above.

The Chairman therefore provides an update with regard to the new financing agreement for Euro 150,000,000, an integral part of the overall programme for refinancing the Group's financial debt.

In particular, he informs those present that the Group confirms the finalisation of the new afore-mentioned financing agreement for Euro 150,000,000, comprising a Term Loan credit facility of Euro 75,000,000 and a Revolving Credit Facility for the same amount, both maturing on 30 June 2023, between the subsidiary company Safilo S.p.A. and a pool of banks comprising Banca IMI S.p.A., BNP Paribas Succursale Italia and Unicredit S.p.A. in the capacity of arranger banks, BNP Paribas Succursale Italia, Intesa Sanpaolo S.p.A. and Unicredit S.p.A. in the capacity of financing banks and Unicredit Bank AG in the capacity of agent bank. This loan may be extended up to a maximum amount of Euro 200,000,000 further to the possible involvement of new financing banks and will represent the main source of funding for the Group once the Equity-Linked loan has been reimbursed.

At this point, upon the invitation of the Chairman, the Chairman of the Board of Statutory Auditors, Ms. Carmen Pezzuto, takes the floor and declares - in the name of said Board - that the share capital of Euro

313,299,825.00 is fully subscribed, paid-in and existing.

At this point I, the Notary Public, upon the invitation of the Chairman, read out the following resolution proposal:

*“The Extraordinary Shareholders’ Meeting of Safilo Group S.p.A:*

*- having examined the report by the Board of Directors and the proposal formulated therein;*

*- Having acknowledged the certification of the Board of Statutory Auditors that the share capital is equal to 313.299.825,00 (three hundred and ninety million two hundred and ninety-nine thousand eight hundred and twenty-five /00) is fully subscribed, paid-in and existing;*

*- Having acknowledged the resolution to eliminate, pursuant to Articles 2328 and 2346 of the Italian Civil Code, indication of the par value of Safilo Group S.p.A.’s ordinary shares, approved by today’s Shareholders’ Meeting pursuant to item 1 on the agenda;*

*hereby resolves*

*1) to approve the proposed divisible increase in share capital for consideration up to a maximum amount of 150,000,000 Euro, including any share premium, through the issue of new ordinary shares without any indication of par value, with the same characteristics as those in circulation and paying regular dividends, to be offered in option to Company shareholders, pursuant to Article 2441, paragraph one, two and three of the Italian Civil Code, in proportion to the number of shares held, at a unit price calculated taking into account, inter alia, market conditions in general and the trend of the Company’s share price and volumes, expressed on the stock exchange, as well as the Company’s economic, financial and capital performance and market practice for similar transactions. Without prejudice to the above criteria, the issue price will be calculated by applying a discount to the so-called Theoretical Ex- Right Price (TERP) of existing shares, calculated using current methodology;*

*2) to set 31 August 2019 as the deadline for execution of the Share Capital Increase and to establish, pursuant to Article 2439, subsection two of the Italian Civil Code, that the Share Capital Increase, where not subscribed in full, shall be limited to the amount resulting from subscriptions made by the above deadline;*

*3) to grant the Board of Directors with the broadest powers to define the timeframe for the execution of the Share Capital Increase resolution, especially for the launch of the rights offering, as well as subsequent offer on the stock exchange of any rights left unexercised upon termination of the subscription period, in compliance with the*



deadline set by the Shareholders' Meeting, i.e. 31 August 2019, as well as to determine, in the run-up to launch of the offer;

(i) the final amount of the Share Capital Increase, within the limits of the maximum amount of 150,000,000 Euro;

(ii) the issue price of the newly-issued shares and, therefore, the portion of issue price to be in case allocated to the share premium reserve;

(iii) as a result of what is defined under points (i) and (ii), the maximum number of newly-issued shares and the ratio of assignment in option, rounding off as needed with regard to the number of shares;

4) to amend Article 5 of the current Company Bylaws by inserting a new subsection, in accordance with the following wording: "On 29 October 2018 the extraordinary shareholders meeting resolved to increase the share capital divisible for consideration in compliance with the option right pursuant to Article 2441, paragraph 1, of the Italian Civil Code, up to a maximum amount of 150,000,000 Euro, including any share premium, through the issuance of ordinary shares without any indication of par value with the same characteristics as those in circulation to be subscribed by 31 August 2019 at a unit price calculated taking into account, *inter alia*, market conditions in general and the trend of the Company's share price and volumes, expressed on the stock exchange, as well as the Company's economic, financial and capital performance and market practice for similar transactions. Without prejudice to the above criteria, the issue price will be calculated by applying, in accordance with market practice for similar transactions, a discount to the so-called Theoretical Ex-Right Price (TERP) of existing shares, calculated using current methodology.";

5) to amend the resolutions approved respectively on November 5, 2010, April 15, 2014 and April 26, 2017 (the latter as integrated on April 24, 2018), pursuant to which the capital increases serving the incentive plans of the Company in force and under execution as at the date hereof (Stock Option Plan Safilo Group S.p.A. 2010 – 2013, Stock Option Plan Safilo Group S.p.A. 2014 – 2016 and Stock Option Plan Safilo Group S.p.A. 2017 – 2020) have been approved, granting to the Board of Directors all powers, without any exclusion or limitation, required to carry out, (after the execution, even partial, of the capital increase under item no. 2 of the today's agenda) all suitable adjustment of the number of shares to be issued pursuant to the incentive plan referred to above and, with reference to the Stock Option Plan 2017 – 2020, also the minimum subscription price of the underlying shares, up to the maximum amount resulting from the

*application of the adjustment ratio identified as the so-called factor K, which will be published by Borsa Italiana S.p.A.; and also granting to the Board of Directors all powers required to amend Article 5 of the Company's By-laws in accordance with its resolution it will approve in compliance with the above. All as illustrated in the Board of Director's Report prepared by same for the purposes of this Shareholders' Meeting, being it understood that all other terms and conditions of the delegations of powers approved by Shareholders' Meeting referred to above are not varied;*

6) *to grant the Board of Directors and the Chairman and the Chief Executive Officer on its behalf, also severally, with the broadest powers to implement the above resolutions for the success of the transaction, including, by way of example and not limited to, the powers to:*

(i) *formulate and submit all documents required for the purpose of executing the resolved capital increase, and to fulfill all formalities needed to perform the subscription offer and for admission and listing of the newly-issued shares on the MTA – Italian Equities Market organized and managed by Borsa Italiana S.p.A., including the powers to formulate and submit to the relevant authorities any application, claim, document or prospectus needed or appropriate for such purpose;*

(ii) *make any amendments and/or supplements which may prove necessary and/or appropriate to the resolutions adopted, including further to requests by relevant authorities or during registration and, generally speaking, to perform all actions needed for complete execution of the resolutions, with all and any powers needed or appropriate to this end, with no exceptions, including the task of filing the updated Company Bylaws including amendment of the share capital with the relevant Companies Register.”*

At this point of the Meeting the Chairman opens the discussion on the item on the agenda and invites those present to formulate any requests for the floor and reserve a slot by raising their hands, so as to establish the order of the interventions.

The shareholder Mr. Carlo Maria Braghero takes the floor and preliminarily expresses the conviction that if the Chairman had grouped together the discussions on the items on the agenda, maintaining the related voting sessions in any event separate, “the shareholders' meeting would have been more fluid”.

The shareholder Mr. Braghero therefore makes reference to the content of page 19 of the document distributed to those attending and, in particular, to the passage in which it is specified that Multibrands'

commitments are conditioned by the circumstance that the offer price for the newly-issued shares does not exceed Euro 1.50 per share; he therefore asks how come the decision was made to undertake to pay, to said shareholder, a fee of 2% and if this agreement must be considered to be alternative to the so-called "underwriting syndicate"; he also asks what the calculation basis for said percentage is.

He also makes reference to the matters illustrated by the Chairman and declares that he understood that the afore-mentioned new financing finalized on 27 October would serve to repay another loan of the same amount, whose rate, he believes is 1.25%. He therefore asks what the conditions of the new loan are.

He therefore mentions the three stock option plans referred to by the Chairman as indicated in the resolution proposal and:

(i) in the first place he requests to be told the results that came about due to the loyalty-retention intention underlying the plans, which envisage remarkable advantages for the beneficiaries; given the listing, it did not appear that said loyalty-retention were particularly appreciated;

(ii) in the second place he asks how many shares were issued in execution of said Plans.

The shareholder Mr. Braghero returns to the matter of the "fee" offered to the shareholder Multibrands Italy B.V. and the theoretical possibility that, in accordance with the increase, Euro 150 million may enter the Company's accounts, also stating that he believes that this should be considered to be - net - Euro 146 million by virtue of the related expenses. He therefore asks the following questions: (i) whether in the amount of the expenses, equal to Euro 4 million, the fee in favour of Multibrands Italy B.V. must be included or otherwise; (ii) asks for clarifications with regard to the meaning of item 2) of the resolution proposal and the sentence according to which if as at 31 August 2019 the increase is not fully subscribed it will be understood as limited to the amount emerging from the subscriptions, in light of the commitment of the same "Multibrands" to subscribe the unexercised part in full; he states that he believes that there might be disagreement in this connection.

With regard to the addendum to the illustrative report drawn up by the Board of Directors, the shareholder Mr. Braghero asks what the specific requests of Consob were.

The same expresses the conviction that the Company is not experiencing a fortunate period and says he is critical of the initiative adopted by the Board of Directors to call the shareholders' meeting today in light of the fact that the same Board will meet on 31 October for the approval of the "quarterly financial report". He states that he

believes that the Company, in relation to the proposed share capital increase, should have called the shareholders' meeting for the day after the approval of the "quarterly financial report" so as to present the shareholders with more up-to-date information, albeit acknowledging that in the afore-mentioned "addendum" there is additional information with respect to the original illustrative report.

During the discussion, the Chairman therefore suspends the meeting, at 12.33 p.m.; the meeting is resumed at 1.00 p.m..

The Chairman Mr. Gianni once again takes the floor and thanks those present for waiting.

He therefore declares that it is his intention to try to answer the questions posed by the shareholders in a consolidated manner.

With regard to the aspect relating to any alternative solutions to the share capital increase, he declares that the Board of Directors has verified - in a period prior to the summer - that they would have been much more costly for the Company, also having taken into account the current "economic conditions" noted on the market.

He therefore declares that the Board of Directors had thus assessed different hypothesis and at the end evaluated that the hypothesis less costly and most appropriate in the interests of the Company was the proposal of a share capital increase to the Shareholders.

The Chairman also discloses that even the solution to reach an agreement with Multibrands Italy B.V. appeared more favorable as opposed to the case of a placement or underwriting syndicate, in consideration of the additional charges to be paid to the participating Banks and the greater complexity in terms of the timing related to reaching agreements with the banking system.

The Chairman continues and, with reference to the matter of the issue price of the subscription agreement with Multibrands Italy B.V., he specifies that the Company is not tied to issuing the new shares at an overall price of Euro 1.50 but that the Board of Directors will determine, on the basis of the criteria already illustrated, the most appropriate value. He confirms that Multibrands Italy B.V. undertook vis-à-vis the Company to subscribe at a price not exceeding Euro 1.50 and that the latter, therefore, could hypothetically turn to the market proposing a higher price.

With regard to the so-called possibility of a partial subscription of the proposed share capital increase, the Chairman once again confirms that the Company was entitled to offer the newly issued shares at a price higher than the amount of Euro 1.50 as per the "underwriting obligations" pertaining to Multibrands Italy B.V.; he reveals that in this case the afore-mentioned commitment to subscribe the unexercised part by Multibrands Italy B.V. would cease and that, therefore, in the

event that shares offered were not fully placed and subscribed for the maximum amount of the share capital increase amounting to Euro 150 million, the share capital might be increased for the amount corresponding to just the subscriptions received.

With regard to the commission agreed in favour of Multibrands Italy B.V., the Chairman clarifies that it would be calculated on the so-called risk quotas, in other words - he specifies - the difference between the amount of Euro 150 million and the eventual portion of share capital, represented by newly issued shares, which could be subscribed by shareholders other than Multibrands Italy B.V. who undertake subscription commitments. He therefore discloses that said fee could reach a higher amount in the event of "maximum risk", or rather, he explains, in the event that no-one other than Multibrands subscribes; he also reveals in conclusion that the amount of said fee should in any event be considered to be included in the afore-mentioned sum of Euro 4 million.

The Chairman continues inviting the attendees to assess the transaction together with the renegotiation of the financial debt, which he declares amounts to Euro 300 million, of which Euro 150 million in credit facilities and Euro 150 million deriving from the payable due to the subscribers of the bonds, whose reimbursement date will mature in May 2019.

He therefore confirms that the Company needs "new funding" for an amount of Euro 300 million of which Euro 150 million can be tracked down by means of the execution of the proposed share capital increase and another Euro 150 million obtainable by means of two credit facilities, for Euro 75 million each, the agreement for which was signed last Friday.

With regard to the rate of 1.25%, mentioned by the shareholder Mr. Braghero, he clarifies that this interest rate is currently referable to the bond; he also specifies that the afore-mentioned new credit facilities for Euro 75 million each were essentially negotiated at economic conditions similar to the previous ones, albeit with an increase in costs to be considered insignificant, taking into consideration the current debt and the change in the market conditions between 2014 and 2018.

At this point the Chairman deals with the question of the "Stock Option Plans" and specifies that for two of them the deadline for the assignment of the options to subscribe shares has expired while it remains open for the third plan, i.e. the "2017-2020" plan. He therefore discloses that on page 14 of the illustrative report of the Board of Directors the options assigned and not yet subscribed have been indicated and he specifies that he believes they are currently "out of money", in other words not advantageous; in conclusion he defines the

amount corresponding to the shares which have so far been subscribed by virtue of the exercise of the assigned options, as not significant.

With regard to the question about what the requests of Consob were which led to the drafting and publication of the addendum to the illustrative report, he declares that he believes that the tenor and content of the answers provided by the Company in such addendum clearly infer the topics - and therefore the questions - on which the Supervisory Authority wanted clarifications; he concludes disclosing that it has not been deemed necessary to specifically indicate the requests put forward by Consob precisely because the same can be inferred from the answers provided in the explanatory note.

At this point the Chairman responds to the intervention of the shareholder Carlo Maria Braghero regarding the appropriateness of calling the shareholders' meeting on a date subsequent to the meeting of the Board of Directors; preliminarily, he clarifies that the approval of the quarterly report is no longer mandatory but said document is approved voluntarily by the Company; he also reminds those present that the approval of this document usually takes place in November and that, on one hand, only with a great deal of effort was the attempt made to bring forward said board meeting to the end of the current month while, on the other hand, steps were taken to call the extraordinary shareholders' meeting as soon as possible, also so as to avoid giving rise to the capital increase offer during the Christmas holiday period or at the beginning of the new year - period which he defines as "of little success" - and try by contrast to conclude the checks with the Supervisory Authority and the Stock Market thereby obtaining the execution of the increase by the end of the year.

The Chairman therefore requests those attending to confirm that he replied to all the questions posed.

At this point a discussion starts between the shareholder Andrea Maramotti, the Chairman of the meeting and the Chief Financial Officer Gerd Graehsler with regard to the financial debt of the Company and the various solutions for achieving the refinancing - which the same Chairman once again confirms as amounting to Euro 300 million - so as to reimburse both the bank debt and the debt vis-à-vis the bondholders; during said exchange of remarks the following interventions are made:

= the shareholder Andrea Maramotti requests clarifications both with regard to the amount of Euro 177 million, which he affirms was indicated in the accounts as of 30 June 2018 as net debt, and with regard to the incidence with respect to said amount of the

remuneration collected from Kering – Gucci, which he believes to be around Euro 30 million;

= the C.F.O., Gerd Graehsler, replies affirming that he believes the net financial position of the Company as at September to be equal to around Euro 142 million, considering the afore-mentioned Euro 30 million received from Kering. He clarifies that the indication of an amount relating to the “liquidity” of the Company as of a specific date cannot mean that in the subsequent period there is the possibility of using said entire amount to reimburse the debts and he confirms, in this connection, that “some cash flow” exists which expresses the increase or the decrease in this item over time; he concludes affirming that the cash flow should be less than Euro 150 million and that the Company deemed the solution of proceeding with the refinancing of the overall amount of Euro 300 million as appropriate;

= the shareholder Andrea Maramotti once again intervenes and declares that he believes that if Safilo Group had difficulty in obtaining bank credit facilities for Euro 150 million, it would mean that doubts might emerge with regard to the “health” of said Company;

= the C.F.O. Graehsler confirms that the Company worked for some time on the refinancing and was not able to find a favourable solution on the “debt market” not even for the part of the exposure deriving from the “equity linked bond”, also specifying that it was not possible to access another bond, nor take out a loan nor, in conclusion, dialogue with the current bondholders for alternative solutions, and for this reason the equity route was chosen.

The shareholder Carlo Maria Braghero takes the floor again and preliminarily thanks the Chairman for having provided documented and complete answers; he however declares that he believes the answers confirmed his perplexities with regard to two aspects: with regard to the increase in the cost of the new loan, in relation to which he asks the Chairman for confirmation; and with regard to the theoretical possibility for the Company to offer the newly issued shares at a different unit price higher than Euro 1.50; he declares that in this latter case the Company may not benefit from the “guarantee” provided by Multibrands and that – again theoretically – it might therefore occur that it does not receive the amount of Euro 150 million. He concludes expressing the conviction that the circumstance that the Company is not tied to the unit price of Euro 1.50 appears a contradiction in terms.

The C.F.O. Mr. Graehsler replies to the shareholder Mr. Braghero with regard to the first of the question raised, and states that the costs of the new loan are slightly higher but that it is necessary to assess this circumstance in light of the different market situation and the status of

the company compared with 2014, a period when, he reminds those present, the Company achieved an EBITDA of Euro 120 million; he concludes affirming that he believes the new conditions of the loan are acceptable.

At this point the Chairman takes the floor so as to respond on the second topic raised by the shareholder Mr. Braghero. Preliminarily he clarifies that in similar cases of share capital increase, the possibility of resorting to a placement and underwriting syndicate would not have provided the certainty of subscription of the desired amount, since in this case the banks belonging to the syndicate usually dictate extremely onerous conditions with regard to the guarantee obligation (so-called underwriting), with the consequence that these conditions might not be satisfied and, therefore, the syndicate might not become effective. He therefore specifies that in the case at stake the Company by contrast wished to reassure the market with regard to the unit price at which the newly shares might be offered, a price which - the same Chairman clarifies - was considered making reference, amongst other aspects, to the "Theoretical Ex Right Price - TERP" at the time the shareholders' meeting was called.

He further clarifies that the desire was to leave the Board of Directors discretion and responsibility in the determination of the price on the basis of the market conditions and affirms that he believes the commitment of Multibrands should be considered positively also in light of his experience with placement syndicates; he also says that the unit price envisage in the underwriting agreement seems to him higher than the hypothetical one established originally by the financial consultants.

He therefore invites those present to evaluate the glass as "half full" and to consider the proposal of the Board as a possible "safety net" in favour of the Company, if compared - he emphasizes - with the many actual cases where neither share capital increases nor listing were concluded.

The shareholder Mr. Braghero takes the floor again, affirming that he deems the glass to be "half empty" since the unit price per share was fixed at Euro 1.50 while he would have seen the commitment to subscribe "up to" a specific price more favorably.

At this point of the meeting, the appointee of the shareholder Only 3T S.r.l., Ms. Manuela Traldi, takes the floor and declares that she thinks that unfortunately the stock tends to draw close to the price of Euro 1.50; she therefore requests the courtesy of repeating what the timeline for the execution of the share capital increase is.

The Chairman replies that the timeline is yet definite since the approval which Consob will have to issue is still pending; he assures that the



Company is working with commitment so that the share capital increase can be concluded rapidly, hopefully by the end of December; in conclusion, he emphasized that a final deadline of 31 August 2019 was envisaged for dealing with any changes to the market conditions.

The Chairman therefore declares the discussion of the second item on the agenda closed, requests the appointed personnel to provide him with updated information on the attendees and invited the shareholders present or their appointees not to leave the meeting until the voting procedures have finished.

He informs those present that 101 shareholders holding, personally or via proxy, 42,763,405 shares equal to 68.246774% of the share capital, are present at the start of the voting.

He once again requests the Shareholders to declare the possible existence of causes which lead to suspension of the right to vote.

The Chairman therefore invites them to express their vote by means of a show of hands and with declaration of their name and the number of shares.

Voting therefore takes place, on conclusion of which the secretary taking the minutes, with the aid of the Chairman, therefore declared the proposal which had been read out as approved by the Shareholders' meeting by the majority of those present, with manifestation of the vote by a show of hands,

with the following result

- 42,295,802 favourable votes,
- 188,689 contrary votes,
- 278,914 abstaining.

The Chairman reminds those present that the list of names of the Shareholders who had expressed a favourable or contrary vote or abstained from voting and the related number of shares will be attached to the minutes as an integral part of the same.

The Chairman formally acknowledges that all the items on the agenda were discussed, thanks all those who took part and declares the Meeting closed at 1.32 p.m..

The Chairman therefore, for the purposes of the minute-taking, declared that the journalists present in the room were Messrs: Matteo Buffolo (AGI), Federico Nicoletti (Corriere Veneto), Claudia Cristoferi (Reuters) and Roberta Paolini (Mattino di Padova).

\* \* \*

Upon the request of the Declarer, the following are attached to the minutes:

\* under letter "A", under one single cover page, certified copy of the list of the attendees and the results of the voting sessions (drawn up by Computershare);

\* under letter "B", certified copy of the document containing the updated version of the Articles of Association with the above amendments, made clear that the updated version of the Articles of Association with the amendments resolved on 29 October 2018 has already been filed to the Companies' Register pursuant to article 2436 of the Italian Civil Code.

Data processing.

The Declarer gives his consent to the processing of the personal data provided, for the purposes and by means of the formalities indicated in the disclosure made available on the website and at the premises of the Notary Public's office.

I, the Notary Public,  
have read out this document to the Declarer, who approves and signs the same together with myself at 10:51 a.m, releasing myself from reading out the attachments.

Typed  
using electronic means by a person in whom I have confidence and completed by hand by myself, the Notary Public, this document comprises eighteen sheets and covers thirty-five pages up to this point.

Signed by Francesco Gianni

Signed by Stefano Rampolla

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