

**BIESSE S.P.A.**

**EXPLANATORY REPORT OF THE DIRECTORS FOR THE ORDINARY SHAREHOLDERS' MEETING OF BIESSE S.P.A. OF 28 AND 29 APRIL 2021, PREPARED IN ACCORDANCE WITH ART. 125-TER OF THE LEGISLATIVE DECREE OF 24 FEBRUARY 1998 NO. 58 ("TUF") AND ARTICLES 73 AND 84-TER OF THE ISSUER REGULATION ADOPTED WITH CONSOB RESOLUTION NO. 11971 OF 14 MAY 1999, AS AMENDED (THE "ISSUER REGULATION").**

*15 MARCH 2021*

Dear Shareholders,

With notice of call published in the IL SOLE 24 ORE newspaper on 19 March 2021 and on the Biesse S.p.A. (the "Company", "Biesse" or the "Issuer") website on the same date, the Shareholders' Meeting of the Company was called in ordinary session for 28 April and 29 April 2021, respectively on first and second call, at the registered office in Pesaro, Via della Meccanica, 16 at 9.00 am, to discuss and resolve on the following:

### **Agenda**

#### Ordinary Session

1. Approval of the financial statements at 31 December 2020; Directors' Report on Operations; reports of the Board of Statutory Auditors and the Independent Auditors on the financial statements at 31 December 2020; inherent and consequent resolutions. Presentation of the consolidated balance sheet for year ending 31 December 2020. Presentation of the non-financial statement pursuant to Legislative Decree 254/2016 ("NFS") - Sustainability Report at 31 December 2020.
2. Allocation of the 2020 profits of Biesse S.p.A..
3. Appointment of the Board of Directors
  - 3.1 determination of the number of members of the Board of Directors;
  - 3.2 appointment of the Board of Directors;
  - 3.3 determination of the overall emoluments of the members of the Board of Directors.
4. Appointment of the Board of Statutory Auditors
  - 4.1 appointment of the Board of Statutory Auditors;
  - 4.2 appointment of the Chairman of the Board of Statutory Auditors;
  - 4.3 determination of the remuneration of the members of the Board of Statutory Auditors.
5. Advisory vote on "Compensation paid in 2020" reported in the second section of the Remuneration Report, pursuant to Art. 123-ter, paragraph 6 of Legislative Decree No. 58/1998.

#### Extraordinary session

1. Updating of the Articles of Association in line with regulatory provisions on gender balance.

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**Firstly**, it should be noted that, pursuant to Art. 106 of the Law Decree No. 18 of 17 March 2020 (so-called "Cura Italia" Decree), as amended by Law No. 21 of 26 February 2021, during the conversion of Law Decree No. 183 of 31 December 2020, which also extended its application to the shareholders' meetings convened by 31 July 2021, **participation in the Shareholders' Meeting by those who have the right to vote is only allowed through a Designated Representative.**

Consequently, the Company appointed **Computershare S.p.A.** - with registered office in Milan, via Mascheroni No. 19, 20145 - to represent the shareholders pursuant to Art. 135-*undecies* of Legislative Decree No. 58/98 and of the aforementioned Law Decree (the "**Designated Representative**"). Shareholders wishing to attend the Shareholders' Meeting must therefore confer a proxy to the Designated Representative, with voting instructions on all or some of the proposed resolutions in relation to the items on the agenda, using the specific proxy form, including the electronic version, prepared by the same Designated Representative in agreement with the Company, available on the Company's website at [www.biessegroupp.com](http://www.biessegroupp.com) (section "*Investor Relations*" - "*Information for investors*" - "SHAREHOLDERS 'MEETING 28/04/2021") where the link to a procedure for the electronic submission of the proxy itself can be found.

The proxy form with voting instructions must be sent by following the instructions on the form itself and on the Company's website by the second trading day preceding the meeting (by **26 April 2021**, with reference to the first call and by **27 April 2021**, with reference to the second call) and may be revoked within the same period.

The proxy conferred in this way is only effective for the proposals in relation to which voting instructions have been given.

It should be noted that the shares for which the proxy has been conferred, even partial, are counted for the purposes of the regular constitution of the Shareholders' Meeting. In relation to the proposals for which no voting instructions have been given, the shares are not counted for the purposes of calculating a majority and the share of capital required for the approval of resolutions.

It should also be noted that the Designated Representative may also be given proxies or sub-proxies pursuant to Art. 135-*novies* of the TUF, notwithstanding Art. 135-*undecies*, paragraph 4 of Legislative Decree No. 58/98, in the manner and within the deadline indicated on the aforementioned Company website.

The Designated Representative is available for clarifications or information on 02 46776814 or at the email address [ufficiomi@computershare.it](mailto:ufficiomi@computershare.it).

The entitlement to attend and exercise the right to vote at the Shareholders' Meeting, by granting a proxy to the Designated Representative, is certified by a communication to the Company made by the intermediary, in accordance with its accounting records, in favour of the person responsible for the right to vote; this communication is made by the intermediary on the basis of the evidence relating to the end of the accounting day of the seventh trading day preceding the date set for the first call of the Shareholders' Meeting (i.e. by Monday **19 April 2021**). Those who become owners of shares after that date are not entitled to attend and vote at the Shareholders' Meeting.

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### Ordinary Session

- 1. APPROVAL OF THE FINANCIAL STATEMENTS AT 31 DECEMBER 2020; DIRECTORS' REPORT ON OPERATIONS; REPORTS OF THE BOARD OF STATUTORY AUDITORS AND THE INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS AT 31 DECEMBER 2020; INHERENT AND CONSEQUENT RESOLUTIONS. PRESENTATION OF THE CONSOLIDATED BALANCE SHEET FOR YEAR ENDING 31 DECEMBER 2020. PRESENTATION OF THE NON-FINANCIAL STATEMENT PURSUANT TO LEGISLATIVE DECREE 254/2016 ("NFS") - SUSTAINABILITY REPORT AT 31 DECEMBER 2020.**

Dear Shareholders,

The Shareholders' Meeting called for 28 April and 29 April 2021 (possible second call) has been called to approve the Company's financial statements at 31 December 2020. Biesse will make the Company's Annual Financial Report 2020 (including the draft financial statements at 31 December 2020, the consolidated financial statements, the operational report and the certification referred to in 154-bis of the TUF) by 31 March 2021, together with the reports of the Independent Auditors on the aforementioned separate and consolidated financial statements and the report of the Board of Statutory Auditors. Therefore, reference should be made to this documentation for more information on the first item on the agenda of the Shareholders' Meeting.

The Board of Directors, therefore, submits the following proposed resolution on the first item on the agenda of the ordinary session of the called Shareholders' Meeting:

*“The Ordinary Shareholders' Meeting of Biesse S.p.A.,*

- having acknowledged the Report of the Board of Directors on operations,*
- having acknowledged the Reports of the Board of Statutory Auditors and the Independent Auditors,*
- having examined the draft financial statements of Biesse S.p.A. as of 31 December 2020,*

**RESOLVES**

*(a) to approve the financial statements of Biesse S.p.A. (statutory Group parent company) as at 31 December 2020, which show a net profit of € 5,541,929.54.*

*(b) to take note of the presentation of the consolidated financial statements at 31 December 2020.*

*Said Proposal for Resolution*

*is therefore put to a vote and is declared approved with a favourable vote of [●]. All as per the attached details.”*

**2. ALLOCATION OF THE 2020 PROFITS OF BIESSE S.P.A..**

Dear Shareholders,

The Shareholders' Meeting called for 28 April and 29 April 2021 (possible second call) is also called to resolve on the allocation of the profits for the year as at 31 December 2020.

In the meeting of 15 March 2021, the Board of Directors proposed to the Shareholders' Meeting not to distribute dividends on Biesse shares.

Consequently, the net profit for the year is to be allocated to the Extraordinary Reserve (second item on the agenda of the ordinary session):

*“The Ordinary Shareholders' Meeting of Biesse S.p.A., having acknowledged the financial statements at 31 December 2020,*

**RESOLVES**

*(a) not to distribute profit to the Shareholders in the form of a dividend, but as a precaution to allocate the profit made to the Company's Extraordinary Reserve.*

*Said Proposal for Resolution*

*is therefore put to a vote and is declared approved with a favourable vote of [●]. All as per the attached details."*

**3. APPOINTMENT OF THE BOARD OF DIRECTORS - 3.1 DETERMINATION OF THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS; - 3.2 APPOINTMENT OF THE BOARD OF DIRECTORS; - 3.3 DETERMINATION OF THE OVERALL EMOLUMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS.**

Dear Shareholders,

with the approval of the financial statements at 31 December 2020, the Board of Directors currently in office will expire and the Shareholders' Meeting called for 28 and 29 April 2021 (possible second call) is therefore called to renew the administrative body, first by determining the number of members.

In relation to this, the outgoing Board - having assessed the size, composition and functioning of the body and committees into which it was divided during the period in which it operated and believing that efficiency and operational speed can, in any case, be maintained- proposes to reduce the number of Directors to seven.

The outgoing Board also reports that, with the renewal of the corporate bodies for the years 2021 - 2023, expected during the Shareholders' Meeting of 28 and 29 April 2021, pursuant to Art. 147-ter, paragraph 1-ter, of Legislative Decree 24 February 1998, No. 58 ("TUF"), as amended by Law No. 160 of 27 December 2019, the Company must provide that the body has at least two fifths of Directors belonging to the less represented gender (so-called "pink quota" legislation). The outgoing Board also reports that the Company's current Articles of Association, which stipulate that at least one third of the candidates on the lists must belong to the least represented gender, must be considered superseded by the entry into force of the aforementioned legislation and, therefore, at least two fifths of the candidates must belong to the least represented gender. In this regard, the Shareholders' Meeting convened will deliberate, in an extraordinary session, on the adjustment of the Association to the new gender legislation.

The outgoing Board also underlines that Biesse adheres to the Corporate Governance Code and that, therefore, in compliance with recommendation No. 5, contained therein, the number of Independent Directors cannot be less than two. The outgoing Board therefore recommends appointing at least two Independent Directors.

Please note that, pursuant to Art. 16 of the Articles of Association, the administrative body remains in office for three years, therefore expiring on the approval of the financial statements of Biesse at 31 December 2023.

The renewal of the Board of Directors will take place with the list voting mechanism, in accordance with the provisions of Art. 16 of the Articles of Association, which is shown below (the section relating to the procedures for appointing the Board).

*"16) The Company is managed by a Board of Directors composed of 2 to 15 members who may or may not be shareholders.*

*The Board of Directors is appointed by the Shareholder Meeting on the basis of lists submitted by shareholders in which the number of candidates presented may not exceed the number to be appointed and who must be listed in numerical order.*

*In order to ensure gender balance on the Board, at least one third (or one fifth for the first mandate in application of the regulation) of the candidates presented on the lists must belong to the less represented gender.*

*Each candidate may only be on one list. Failure to comply will mean ineligibility.*

*Shareholders are only entitled to submit voting lists if, individually or with other Shareholders, they represent at least 2.5% (two point five percent) of the share capital or hold another minimum ownership share as established by Consob in its Regulation.*

*No Shareholder may submit or participate in submitting more than one list, by proxy or by a trust company.*

*Shareholders who form part of a voting syndicate may present or participate in the presentation of one list only.*

*In the event of violation of this rule, the vote of the Shareholder in question will not be taken into account for any of the lists presented.*

*Every vote holder may vote on only one list.*

*The lists of candidates, accompanied by exhaustive information regarding the personal and professional characteristics of the candidates, with an indication of their suitability to qualify as independent, must be filed at the registered office by the twenty-fifth day prior to the scheduled date of the Shareholders' Meeting and are made available to the public, in the manner prescribed by law and by Consob with Regulations, at least twenty-one days before the Shareholders' Meeting.*

*Together with each list, individual candidates must file declarations in which they accept the candidacy and certify under their own responsibility that nothing is liable to render them ineligible or incompatible for election as prescribed by the law, and that they are in possession of any requirements set by law and by the regulations for membership of the Board of Directors.*

*Any list which does not comply with the aforementioned statutory requirements shall be considered as not presented.*

*The members of the Board of Directors will be elected in the following manner:*

*a) all the Directors to be elected, minus one, are selected from the candidate list which obtains the highest number of shareholder votes, based on the sequential order in which they appear in the list;*

*b) the first name on the candidate list which obtains the second highest number of shareholder votes is selected as the remaining Director to be elected.*

*Should the foregoing mechanism fail to produce a composition of the Board of Directors that complies with the gender balance required by law, instead of appointing the last candidate in numerical order on the list that received the highest number of votes, the next available candidate, in numerical order, from the same list belonging to the less represented gender will be appointed as a Director.*

*The first candidate on the candidate list obtaining the highest number of shareholder votes is appointed Chairman of the Board of Directors.*

*Where only one candidate list is filed or voted for, all the candidates on the list are appointed to the Board.*

*In the absence of a list, the Board of Directors is appointed by a Shareholders' Meeting with the majorities laid down by Italian law. [...]"*

\* \* \* \*

The outgoing Board therefore invites the Shareholders to submit lists for the appointment of the Board of Directors, taking into account the size of the administrative body and the gender and independence requirements recommended above.

In relation to the **procedures for submitting lists** for the election of new Directors, it is noted that:

- a) the lists presented by Shareholders must be filed at the Company's registered office (**in Pesaro, Via della Meccanica 16**) by 5.00 pm on the twenty-fifth day prior to the date of the Shareholders' Meeting (**Saturday 3 April 2021**) called to resolve on the appointment of the members the Board of Directors; the lists will be made available to the public at the registered office, on the website and at the market management company at least twenty-one days before the date of the Shareholders' Meeting (**Wednesday 7 April 2021**), without prejudice to the publication of the lists in accordance with the law;
- b) lists can be filed by sending by a certified email to [investor@biesse.com](mailto:investor@biesse.com) from a certified email box pursuant to Art. 144-sexies, paragraph 4-ter of the Issuers' Regulation. Each Shareholder may only present or participate in the presentation of one list. Shareholders who belong to a shareholders' agreement, as defined by Art.122 of the TUF as amended, as well as the parent, subsidiaries and companies subject to joint control, may submit or participate in submitting only one list. Memberships and votes expressed in violation of the prohibition referred to in this paragraph will not be attributed to any list. Each candidate may only be on one list. Failure to comply will mean ineligibility. Only those Shareholders who, either alone or together with others, hold shares representing at least 2.5% of the share capital with voting rights in the ordinary Shareholders' Meeting are entitled to present lists
- c) Shareholders must send the appropriate communication proving ownership of the shares to the Company's registered office, together with the lists or after their filing, provided that it is within the deadline set for the publication of the lists (**Wednesday 7 April 2021**). Together with each list, within the respective terms indicated above, the declarations must be filed with which the individual candidates accept their candidacy and certify, under their own responsibility, the non-existence of causes of ineligibility and incompatibility, and the existence of the requirements prescribed for the respective offices. Along with the declarations, curriculum vitae covering the personal and professional characteristics must be filed for each candidate with a possible indication of suitability to qualify as independent. Each person entitled to vote may vote for only one list. It should also be noted that the Directors must possess the requisites established by law, also in relation to gender equality, and by the relevant regulations and Corporate Governance Code, as previously indicated. In particular, it should be noted that the Board of Directors has proposed the appointment of three Independent Directors pursuant to the law and the aforementioned Corporate Governance Code.

\* \* \* \*

Finally, in relation to the remuneration of the new Directors, the outgoing Board proposes that the convened Shareholders' Meeting determines a sum of remuneration for the Directors equal to € 1.350.000,00, plus benefits and reimbursement of expenses, where applicable, for each year the Board remains in office, which will

subsequently be divided among the Directors pursuant to Art. 2389 of the Italian Civil Code, taking into consideration the principles set out in the Company's Remuneration Policy and the Remuneration Committee's recommendations on this matter.

\* \* \* \*

The Board of Directors, therefore, submits the following proposed resolution on the third item on the agenda of the ordinary session to the called Shareholders' Meeting:

*“The Ordinary Shareholders' Meeting of Biesse S.p.A.,*

***resolves***

- (a) with regard to item 3.1 to determine the number of members of the Board of Directors as [●];*
- (b) with regard to item 3.3 to establish the annual gross remuneration for the members of the Board of Directors as € [●], without prejudice to the right of the Board itself to establish the remuneration for individual Directors pursuant to Art. 2389 of the Italian Civil Code;*

***Said Proposal for Resolution***

*is therefore put to a vote and is declared approved with a favourable vote of [●].*

*All as per the attached details.*

*The Chairman continues:*

- (i) indicating that the Shareholders' Meeting has determined the number of members of the Board of Directors as [●]; therefore, as per the Articles of Association, [●] Directors will be taken from the list that gains the highest number of votes, while the remaining Director will be drawn from the list that gains the second highest number of votes.*
- (ii) specifying that there are [●] lists submitted for the renewal of the Board of Directors, as per the dossier distributed upon entering the room, and precisely:*

*List 1, presented by [●]: [●]*

*List [●], presented by [●]: [●]*

- (iii) noting that, at [●], there are No. [●] shares, entitled to an equal number of votes and equivalent to [●]% of the total ordinary shares;*

- (v) putting the presented lists to the vote at [●].*

*The vote has the following results.*

*List 1: (i) in favour: [●] shares; (ii) against: [●] shares; (iii) abstaining: [●] shares;*

*List [●]: (i) in favour: [●] shares; (ii) against: [●] shares; (iii) abstaining: [●] shares;*

*All as per the attached details.*



*The Chairman therefore acknowledges that List [●] has gained the majority of votes, from which [●] Directors must therefore be drawn, according to the order in which they are listed therein and precisely: [●]. The remaining Director [●] is taken from the list that gained the second highest number of votes. Therefore, with reference to item 3.2, the Chairman declares the new Board of Directors elected for the years 2021, 2022 and 2023, in the persons indicated above.*

*The Chairman then specifies that the verification of the possession of the requisites by the newly appointed Directors will be carried out by the same Board of Directors in the first useful meeting, as indicated in the Corporate Governance Code.”*

**4. APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS - 4.1 APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS; - 4.2 APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS; - 4.3 DETERMINATION OF THE REMUNERATION OF THE MEMBERS OF THE BOARD OF STATUTORY AUDITORS.**

Dear Shareholders,

with the approval of the financial statements at 31 December 2020, the Board of Statutory Auditors currently in office will expire and the Shareholders' Meeting called for 28 and 29 April 2021 (possible second call) is therefore called to renew the control body.

The renewal of the Board of Statutory Auditors will take place with the list voting mechanism, in accordance with the provisions of Art. 19-*bis* of the Articles of Association, which is shown below (the section relating to the procedures for appointing the Board of Statutory Auditors).

*19 bis)The Board of Statutory Auditors comprises three Standing Statutory Auditors and two Alternate Statutory Auditors elected by the Shareholders' Meeting, which also sets down the wages to be paid to said Statutory Auditors. The minority is entitled to elect one Standing Statutory Auditor and one Alternate Statutory Auditor.*

*The Board of Statutory Auditors is appointed based upon the list presented by the shareholders, in which the candidates must be listed in numerical order.*

*The number of candidates cannot exceed the number of candidates to be elected. Shareholders from voting syndicates will only be entitled to present a single list.*

*The list consists of two sections: one for candidates for the office of Standing Statutory Auditor, the other for candidates for the office of Alternate Statutory Auditor.*

*To ensure gender balance within the Board of Statutory Auditors, at least one third (or one fifth, for the first mandate of application of the legislation) of the candidates in both sections of the lists must also belong to the less represented gender.*

*Only those Shareholders who, either alone or together with others, are the owners of voting Shares representing at least 2% (two percent) of the capital are entitled to vote at the Ordinary Shareholders' Meeting are entitled to present lists or the different minimum quota established by Consob with the Regulation. No Shareholder, nor the Shareholders in the same group, may present more than one list, nor may he vote for different lists even through a nominee or trust company. If this rule is broken, the vote of the Shareholder in question will not be taken into*

*account for any of the candidate lists filed. Each candidate may only be on one list. Failure to comply will mean ineligibility.*

*Candidates who already hold the office of Statutory Auditor in five other listed companies, with the exception of controlling and controlled companies of the company or who do not meet the integrity and professionalism requirements established by the applicable legislation, cannot be included in the lists.*

*For the purposes of Art.1, paragraph 2, letters b) and c), and paragraph 3 of Ministerial Decree No. 162 dated 30 March 2000 on the subject of the professional requirements for members of the Board of Statutory Auditors of listed companies, the subjects and sectors strictly pertaining to those of interest to the company are intended to comprise commercial and company law, business economics, financial and statistical sciences, and all the other subjects of the same or similar nature, although with different names, whereas the sectors strictly connected or relating to those in which the company operates are understood to comprise the production, distribution and sale of machines and tools, automation systems, software and precision components.*

*Statutory Auditors leaving office may be re-elected.*

*The lists presented must be filed at the Company's registered office at least twenty-five days prior to the date set for the Shareholders' Meeting and will be made publicly available, in the manner provided for by law and the Consob Regulation, at least twenty-one days before the Shareholders' Meeting.*

*The professional curriculum vitae of each candidate must be filed together with each list along with the declarations with which each candidate accepts candidacy and certifies, under his own responsibility, that there is no cause of ineligibility or incompatibility, and that the legal and statutory requirements for the respective positions are met.*

*Where lists do not meet the above requirements, they will not be considered presented.*

*A Statutory Auditor is elected as follows: two Standing Statutory Auditors and one Alternate Statutory Auditor are selected, in the consecutive order in which they are listed, from the candidate list that obtained the highest number of votes in the Shareholders' Meeting; the names of one Standing Statutory Auditor and another Alternate Statutory Auditor are selected from the candidate list with the second highest number of shareholder votes, according to the sequential order in which they appear in the list. The Standing Statutory Auditor will assume the role of Chairman.*

*If there is a tie among two or more candidate lists, the Statutory Auditors appointed will be those most senior in age.*

*Should the foregoing mechanism fail to produce a composition of the Board of Statutory Auditors that complies with the gender balance required by law, instead of appointing the last candidate in numerical order on the list that received the highest number of votes, the next available candidate, in numerical order, from the same list belonging to the less represented gender will be appointed as Standing Statutory Auditor or Alternate Statutory Auditor [...]"*

It is also noted that, with the renewal of the corporate bodies for the years 2021 - 2023, expected during the Shareholders' Meeting of 28 and 29 April 2021, pursuant to Art. 148, paragraph 1-bis, of Legislative Decree 24 February 1998, No. 58 ("TUF"), as amended by Law No. 160 of 27 December 2019, the Company must provide that the body has at least two fifths of Statutory Auditors belonging to the less represented gender (so-called "pink quota" legislation). The outgoing Board also reports that the Company's current Articles of Association, which

stipulate that at least one third of the candidates on the lists must belong to the least represented gender, must be considered superseded by the entry into force of the aforementioned legislation and, therefore, at least two fifths of the candidates must belong to the least represented gender. In this regard, the Shareholders' Meeting convened will deliberate, in an extraordinary session, on the adjustment of the Association to the new gender legislation.

The outgoing Board proposes that the convened Shareholders' Meeting determines the emoluments for the Statutory Auditors on the basis of the proposals that may be put forward by the Shareholders during the course of the Shareholders' Meeting.

\* \* \* \*

The outgoing Board therefore invites the Shareholders to submit lists for the appointment of the Board of Statutory Auditors, taking into account the gender requirements recommended above.

In relation to the procedures for submitting lists for the election of the members of the Board of Statutory Auditors, please note that they must be filed at the Company's registered office (**in Pesaro, Via della Meccanica 16**) by 5.00 pm on the twenty-fifth day prior to the date of the Shareholders' Meeting (**Saturday 3 April 2021**); the lists will be made available to the public at the registered office, on the website and at the market management company at least twenty-one days before the date of the Shareholders' Meeting (**Wednesday 7 April 2021**), without prejudice to the publication of the lists in accordance with the law.

Lists can be filed by sending by a certified email to [investor@biesse.com](mailto:investor@biesse.com) from a certified email box pursuant to Art. 144-sexies, paragraph 4-ter of the Issuers' Regulation. Only those Shareholders who, either alone or together with others, hold shares representing at least 2% of the share capital with voting rights in the ordinary Shareholders' Meeting are entitled to present lists. Shareholders must send the appropriate certification proving ownership of the shares to the Company's registered office, together with the lists or after their filing, provided that it is within the deadline set for the publication of the lists (**Wednesday 7 April 2021**). Where lists are submitted by certified email, a copy of a valid identity document of the presenters must also be sent.

In the event that within the deadline for filing the aforementioned lists, only one list has been filed or only lists presented by shareholders who are connected to each other, notice will be given without delay and consequently lists may be presented up to 5.00 pm of the third following day (**Tuesday 6 April 2021**) by Shareholders who alone, or together with other Shareholders, hold shares representing at least 1% of the share capital with voting rights in the ordinary Shareholders' Meeting. Each Shareholder has the right to vote for one list only.

It should be noted that the Board of Statutory Auditors is made up of 3 (three) Standing Statutory Auditors and 2 (two) Alternate Statutory Auditors, who can be re-elected. The powers, duties and term of office of the Statutory Auditors are those established by law. Where individuals, pursuant to the law or regulations, are ineligible or lose eligibility or do not possess the necessary requisites, they cannot be elected Statutory Auditors, and if elected they lose their office. The requirement referred to in Art. 1, paragraph 2, letters b) and c), and paragraph 3 of the decree of the Ministry of Grace and Justice No. 162 of 30 March 2000, exists if the professionalism acquired respects respectively: (i) the business sector of the company; (ii) the legal, economic, financial and technical-scientific matters, relating to the sectors referred to in letter (i) above. In addition to the other cases provided for by law, those who hold the office of Statutory Auditor in more than 5 (five) Italian companies listed on Italian regulated markets cannot be elected as Statutory Auditors and if elected, they lose their office. The additional provisions on the limits of the accumulation of offices envisaged by Art. 144-terdecies of the Issuers' Regulation apply.

Lists consisting of 2 (two) sections are presented: one for the appointment of the Standing Statutory Auditors and the other for the appointment of the Alternate Statutory Auditors. The lists must contain a number of candidates not exceeding the number of members to be elected, listed in numerical order.

\* \* \* \*

The Board of Directors, therefore, submits the following proposed resolution on the fourth item on the agenda of the ordinary session to the called Shareholders' Meeting:

*“The Ordinary Shareholders' Meeting of Biesse S.p.A. finds that:*

*(i) there are [●] lists presented for the renewal of the Board of Statutory Auditors, as per the file distributed upon entering the room, and precisely:*

*List 1, presented by [●]: [●]*

*List [●], presented by [●]: [●]*

*(ii) that at [●], there are No. [●] shares, entitled to an equal number of votes and equivalent to [●]% of the total ordinary shares,*

*putting the presented lists to the vote at [●].*

*The vote has the following results.*

*List 1: (i) in favour: [●] shares; (ii) against: [●] shares; (iii) abstaining: [●] shares;*

*List [●]: (i) in favour: [●] shares; (ii) against: [●] shares; (iii) abstaining: [●] shares;*

*All as per the attached details.*

*The Chairman therefore acknowledges that List [●] has gained the majority of votes, from which two Standing Statutory Auditors and one Alternate Statutory Auditor must therefore be drawn, according to the order in which they are listed therein, while by number of votes received list [●] is second, from which one Standing Statutory Auditor (who will assume the office of Chairman of the Board of Statutory Auditors) and one Alternate Statutory Auditor are to be drawn.*

*Therefore, with reference to **items 4.1 and 4.2**, the Chairman declares the following persons elected as a result of this vote to the new Board of Statutory Auditors in office for the three financial years 2021, 2022 and 2023: [●], Chairman, [●] and [●] (Standing Statutory Auditors) and [●] and [●], (Alternate Statutory Auditors). The new Board of Statutory Auditors will expire with the approval of the financial statements of Biesse S.p.A. as of 31 December 2023.*

*In relation to **item 4.3**, the Shareholders' Meeting, with the favourable vote of [●], those against [●] and the abstention of [●], also resolves to attribute the following emoluments to the Statutory Auditors: All as per the attached details.*

*The Chairman then specifies that the verification of the possession of the requisites by the newly appointed Board of Statutory Auditors will be carried out by the same Board of Statutory Auditors in the first useful meeting, as indicated in the Corporate Governance Code.”*

**5. ADVISORY VOTE ON "COMPENSATION PAID IN 2020" REPORTED IN THE SECOND SECTION OF THE REMUNERATION REPORT, PURSUANT TO ART. 123-TER, PARAGRAPH 6 OF LEGISLATIVE DECREE NO. 58/1998.**

Dear Shareholders,

The Shareholders' Meeting convened for 28 and 29 April 2021 (possible second call) is also called to resolve, with a non-binding vote, pursuant to Art. 123-ter, paragraph 6, of the TUF, on the second section of the Remuneration Report, which provides, in a clear and understandable way, an adequate representation of each of the remuneration items for the year ended 31 December 2020. This is in consideration and implementation of the "**Remuneration Policy**", (contained in the first section of the Remuneration Report), approved by the Shareholders' Meeting on 21 April 2020. Pursuant to Art. 123-ter, paragraph 3-bis, of the TUF, the Remuneration Policy is submitted to the vote of the Shareholders' Meeting with the frequency required by the duration of the policy, and in any event every three years or on the occasion of changes to the policy itself. In this regard, it should be noted that the recently approved Remuneration Policy provides for a duration of three years starting from the date of approval of the financial statements closed on 31 December 2019 and, therefore, since no changes have been made to its content, requires no further approval from shareholders.

The Report on the remuneration of the Biesse group provided for by Art. 123-ter of the TUF, including the second section (Art. 123-ter, paragraph 4, of the TUF), was made available to the public within the terms of law and regulation.

The Board of Directors, therefore, submits the following proposed resolution on the fifth item on the agenda of the ordinary session to the called Shareholders' Meeting:

*"The Ordinary Shareholders' Meeting of Biesse S.p.A., having acknowledged what was illustrated by the Chairman and the documentation submitted to them,*

**RESOLVES**

- (a) pursuant to and for the purposes of Art.123-ter, paragraph 6, of Legislative Decree No. 58/1998, to approve the second section of the Remuneration Report referred to in Art.123-ter, paragraph 4, of Legislative Decree No. 58/1998.*

*Said Proposal for Resolution*

*is therefore put to a vote and is declared approved with a favourable vote of [●]. All as per the attached details."*

Extraordinary session

**1. UPDATING OF THE ARTICLES OF ASSOCIATION IN LINE WITH REGULATORY PROVISIONS ON GENDER BALANCE.**

Dear Shareholders,

the Shareholders' Meeting convened for 28 and 29 April 2021 (possible second call) is also called upon to update the company's Articles of Association in line with the regulatory provisions that have come into force in relation to the criterion for the allocation of gender quotas within corporate bodies.

In relation to this, the Board of Directors notes that Art. 1, paragraphs 302 and 303, of Law No. 160 of 27 December 2019, has amended, among other things, Art. 147-ter, paragraph 1-ter and 148, paragraph 1-bis, of the TUF, providing that the less represented gender must now account for at least two fifths of the members of the administrative body and the control body and that this criterion applies to six consecutive terms.

The Board also notes that Art. 1, paragraph 304, of Law No. 160 of 27 December 2019, established that the allocation criterion of at least two-fifths provided for by paragraphs 302 and 303 shall apply from the first renewal of the administrative and control bodies of companies listed on regulated markets following the date of entry into force of this law.

Therefore, the convened Shareholders' Meeting is called to approve the amendment to the Company's Articles of Association in order to adapt them to the aforementioned legislation.

In any event, the Board proposes to the Shareholders' Meeting to determine the content of the statutory clause in question in generic terms, without specifying the aforementioned ratios, to avoid, in the event of a subsequent regulatory change of these, having to change the Articles of Association again.

Pursuant to Annex 3A to the Issuers' Regulations, the text of the current Company Articles of Association is shown below compared with the new proposed text, highlighting the proposed amendments illustrated above.

Current Text	New Proposed Text
<b>Art. 16</b>	<b>Art. 16</b>
<p>The Company is managed by a Board of Directors which will consist of 2 to 15 members, including non-shareholders. The Board of Directors is appointed by the Shareholder Meeting on the basis of lists submitted by shareholders in which the number of candidates presented may not exceed the number to be appointed and who must be listed in numerical order.</p> <p><b>To ensure gender balance within the Board, at least one third (or one fifth, for the first mandate of application of the legislation) of the candidates on the lists must also belong to the less represented gender.</b></p> <p>Each candidate may only be on one list. Failure to comply will mean ineligibility. Shareholders are only entitled to submit voting lists if, individually or with other Shareholders, they represent at least 2.5% (two point five percent) of the share capital or hold another minimum ownership share as established by Consob in its Regulation. No shareholder may</p>	<p>The Company is managed by a Board of Directors which will consist of 2 to 15 members, including non-shareholders. The Board of Directors is appointed by the Shareholder Meeting on the basis of lists submitted by shareholders in which the number of candidates presented may not exceed the number to be appointed and who must be listed in numerical order.</p> <p><b>In order to ensure gender balance within the Board, the less represented gender must have a number of members equal to that established by the applicable laws and regulations. Therefore, the lists must contain a number of candidates belonging to the less represented gender equal to that required by the aforementioned legislation.</b></p> <p>Each candidate may only be on one list. Failure to comply will mean ineligibility. Shareholders are only entitled to submit voting lists if, individually or with other Shareholders, they represent at least 2.5% (two point five percent) of the share capital or hold another minimum ownership share as established by Consob in</p>

Current Text	New Proposed Text
<p>present or participate in presenting more than one list, not even through a third party or trust company. Shareholders who are members of a voting syndicate may present or contribute to presenting only one list. In the event of violation of this rule, the vote of the Shareholder in question will not be taken into account for any of the lists presented. Every vote holder may vote on only one list. The lists of candidates, accompanied by exhaustive information regarding the personal and professional characteristics of the candidates, with an indication of their suitability to qualify as independent, must be filed at the registered office by the twenty-fifth day prior to the scheduled date of the Shareholders' Meeting and are made available to the public, in the manner prescribed by law and by Consob with Regulations, at least twenty-one days before the Shareholders' Meeting.</p> <p>Together with each list, individual candidates must file declarations in which they accept the candidacy and certify under their own responsibility that nothing is liable to render them ineligible or incompatible for election as prescribed by the law, and that they are in possession of any requirements set by law and by the regulations for membership of the Board of Directors. Any list which does not comply with the aforementioned statutory requirements shall be considered as not presented. The members of the Board of Directors will be elected in the following manner: a) all the Directors to be elected, minus one, are selected from the candidate list which obtains the highest number of shareholder votes, based on the sequential order in which they appear in the list; b) the first name on the candidate list which obtains the second highest number of shareholder votes is selected as the remaining Director to be elected.</p> <p>Should the foregoing mechanism fail to produce a composition of the Board of Directors that complies with the gender balance required by law, instead of appointing the last candidate in numerical order on</p>	<p>its Regulation. No shareholder may present or participate in presenting more than one list, not even through a third party or trust company. Shareholders who are members of a voting syndicate may present or contribute to presenting only one list. In the event of violation of this rule, the vote of the Shareholder in question will not be taken into account for any of the lists presented. Every vote holder may vote on only one list. The lists of candidates, accompanied by exhaustive information regarding the personal and professional characteristics of the candidates, with an indication of their suitability to qualify as independent, must be filed at the registered office by the twenty-fifth day prior to the scheduled date of the Shareholders' Meeting and are made available to the public, in the manner prescribed by law and by Consob with Regulations, at least twenty-one days before the Shareholders' Meeting.</p> <p>Together with each list, individual candidates must file declarations in which they accept the candidacy and certify under their own responsibility that nothing is liable to render them ineligible or incompatible for election as prescribed by the law, and that they are in possession of any requirements set by law and by the regulations for membership of the Board of Directors. Any list which does not comply with the aforementioned statutory requirements shall be considered as not presented. The members of the Board of Directors will be elected in the following manner: a) all the Directors to be elected, minus one, are selected from the candidate list which obtains the highest number of shareholder votes, based on the sequential order in which they appear in the list; b) the first name on the candidate list which obtains the second highest number of shareholder votes is selected as the remaining Director to be elected.</p> <p>Should the foregoing mechanism fail to produce a composition of the Board of Directors that complies with the gender balance required by law, instead of appointing the last candidate in numerical order on the list that received the highest number of votes, the next available candidate, in numerical order, from the same list belonging to the less represented gender will be</p>

Current Text	New Proposed Text
<p>the list that received the highest number of votes, the next available candidate, in numerical order, from the same list belonging to the less represented gender will be appointed as a Director. The first candidate on the candidate list obtaining the highest number of shareholder votes is appointed Chairman of the Board of Directors.</p> <p>Where only one candidate list is filed or voted for, all the candidates on the list are appointed to the Board. In the absence of lists, the Board of Directors is appointed by the Shareholders' Meeting with the majorities established by law, without prejudice in any event to compliance with the proportion of genders required by law. If during the year one or more Directors leave office for any reason, the Board of Directors will proceed to replace them by co-opting candidates with the same requisites, also taking into account the legal provisions regarding the balance of genders.</p> <p>The Board of Directors remains in office for three years and can be re-elected. If during the year one or more Directors leave office, the others replace them with a resolution approved by the Board of Statutory Auditors. The Directors thus appointed remain in office until the next Shareholders' Meeting. If, due to resignations or other reasons, the number of Directors in office is reduced to less than half, all Directors will be deemed to have left their office and the Shareholders' Meeting must be called for the appointment of an entire Board of Directors. The Board of Directors may appoint one or more Chief Executive Officers, the Executive Committee and one or more Directors with specific duties and may establish other committees, conferring on them the powers it considers to be appropriate, also to implement codes of conduct prepared by the management organisation governing regulated markets or by trade associations.</p> <p>Meetings of the Board of Directors will be held at the Company's registered office or at any other location indicated in the notice of Meeting as long as it is</p>	<p>appointed as a Director. The first candidate on the candidate list obtaining the highest number of shareholder votes is appointed Chairman of the Board of Directors.</p> <p>Where only one candidate list is filed or voted for, all the candidates on the list are appointed to the Board. In the absence of lists, the Board of Directors is appointed by the Shareholders' Meeting with the majorities established by law, without prejudice in any event to compliance with the proportion of genders required by law. If during the year one or more Directors leave office for any reason, the Board of Directors will proceed to replace them by co-opting candidates with the same requisites, also taking into account the legal provisions regarding the balance of genders.</p> <p>The Board of Directors remains in office for three years and can be re-elected. If during the year one or more Directors leave office, the others replace them with a resolution approved by the Board of Statutory Auditors. The Directors thus appointed remain in office until the next Shareholders' Meeting. If, due to resignations or other reasons, the number of Directors in office is reduced to less than half, all Directors will be deemed to have left their office and the Shareholders' Meeting must be called for the appointment of an entire Board of Directors. The Board of Directors may appoint one or more Chief Executive Officers, the Executive Committee and one or more Directors with specific duties and may establish other committees, conferring on them the powers it considers to be appropriate, also to implement codes of conduct prepared by the management organisation governing regulated markets or by trade associations.</p> <p>Meetings of the Board of Directors will be held at the Company's registered office or at any other location indicated in the notice of Meeting as long as it is within the European Community. The Board of Directors will be considered validly met when the majority of its members in office are present, and resolutions will be</p>



Current Text	New Proposed Text
<p>within the European Community. The Board of Directors will be considered validly met when the majority of its members in office are present, and resolutions will be passed with a majority vote by those present. If votes are even, the Chairman will cast the deciding vote.</p> <p>Unless otherwise provided for by current regulations, the meetings are normally convened by the Chairman on his/her own initiative, or, in the event of his absence or impediment, by the Chief Executive Officer(s), or at the request of at least two thirds of the Directors by prior communication to the Chairman of the Board of Directors, by the Board of Statutory Auditors or individually by each member of the Board of Statutory Auditors. Notice of convocation must be sent by post, telegram, telex, fax, or any similar means as long as it is legally recognised at least five days before the date set for the meeting and, in urgent cases by telegram, fax, or any similar means at least one day (24 hours) before the date set for the meeting. Meetings of the Board of Directors are however considered to be validly constituted, even in the absence of convocation, as long as all Directors and Standing Statutory Auditors are present. Meetings may also be conducted by teleconference and/or video-conference (in which case the notice of meeting must include the time that participants will be electronically connected) on the condition that all participants can be identified and are able to follow the discussions and intervene in real time to contribute to the discussions and can see, receive and discuss documentation. Given the foregoing conditions, the Board of Directors is considered held in the location where the Chairman is present which must coincide with that indicated in the notice of meeting, with the exception of plenary meetings. The secretary to the meeting must be present in the same place to draw up the minutes and, together with that of the Chairman, sign the relevant meeting minutes book.</p>	<p>passed with a majority vote by those present. If votes are even, the Chairman will cast the deciding vote.</p> <p>Unless otherwise provided for by current regulations, the meetings are normally convened by the Chairman on his/her own initiative, or, in the event of his absence or impediment, by the Chief Executive Officer(s), or at the request of at least two thirds of the Directors by prior communication to the Chairman of the Board of Directors, by the Board of Statutory Auditors or individually by each member of the Board of Statutory Auditors. Notice of convocation must be sent by post, telegram, telex, fax, or any similar means as long as it is legally recognised at least five days before the date set for the meeting and, in urgent cases by telegram, fax, or any similar means at least one day (24 hours) before the date set for the meeting. Meetings of the Board of Directors are however considered to be validly constituted, even in the absence of convocation, as long as all Directors and Standing Statutory Auditors are present. Meetings may also be conducted by teleconference and/or video-conference (in which case the notice of meeting must include the time that participants will be electronically connected) on the condition that all participants can be identified and are able to follow the discussions and intervene in real time to contribute to the discussions and can see, receive and discuss documentation. Given the foregoing conditions, the Board of Directors is considered held in the location where the Chairman is present which must coincide with that indicated in the notice of meeting, with the exception of plenary meetings. The secretary to the meeting must be present in the same place to draw up the minutes and, together with that of the Chairman, sign the relevant meeting minutes book.</p> <p>The Secretary and the Chairman, if they consider it appropriate, may, during the meeting or after it, collect the approval or signature of the participants by teleconference and/or videoconference by fax, network, electronic signature or similar of any copy or draft of the minutes. The secretary, on the recommendation of the Chairman or the Directors, can keep and archive</p>

Current Text	New Proposed Text
<p>The Secretary and the Chairman, if they consider it appropriate, may, during the meeting or after it, collect the approval or signature of the participants by teleconference and/or videoconference by fax, network, electronic signature or similar of any copy or draft of the minutes. The secretary, on the recommendation of the Chairman or the Directors, can keep and archive recordings of the videoconference and/or teleconference. The Board of Directors has ordinary and special management powers, with the exception of those reserved by law for the Meeting of Shareholders. The Board of Directors is also vested with the power to resolve on proposals relating to: - mergers and demergers of companies in the cases and according to the procedures established by law; - updates of the Articles of Association in line with regulatory provisions. The Executive Committee, if appointed, will be composed of a maximum of three members and will be chaired by the Chairman of the Board of Directors. The same rules governing the convocation of and voting in meetings of the Board of Directors will apply to convocations of and voting in meetings of the Executive Committee.</p> <p>The Board of Directors, also through its Chairman (also as Chairman of the Executive Committee, if appointed) or the Chief Executive Officer(s) should report to the Board of Statutory Auditors with regard to any transaction of major economic, financial or capital significance carried out by the Company and/or its subsidiaries, where they exist; in particular, on transactions that give rise to potential conflicts of interests. These reports should as a rule be made on the occasion of meetings of the Board of Directors and, in any event, at least on a quarterly basis.</p> <p>The Board of Directors can delegate all or some of its powers to the Chairman and may delegate to its own individual members and to third parties the concrete execution of regularly approved resolutions. The Chief Executive Officer(s) and</p>	<p>recordings of the videoconference and/or teleconference. The Board of Directors has ordinary and special management powers, with the exception of those reserved by law for the Meeting of Shareholders. The Board of Directors is also vested with the power to resolve on proposals relating to: - mergers and demergers of companies in the cases and according to the procedures established by law; - updates of the Articles of Association in line with regulatory provisions. The Executive Committee, if appointed, will be composed of a maximum of three members and will be chaired by the Chairman of the Board of Directors. The same rules governing the convocation of and voting in meetings of the Board of Directors will apply to convocations of and voting in meetings of the Executive Committee.</p> <p>The Board of Directors, also through its Chairman (also as Chairman of the Executive Committee, if appointed) or the Chief Executive Officer(s) should report to the Board of Statutory Auditors with regard to any transaction of major economic, financial or capital significance carried out by the Company and/or its subsidiaries, where they exist; in particular, on transactions that give rise to potential conflicts of interests. These reports should as a rule be made on the occasion of meetings of the Board of Directors and, in any event, at least on a quarterly basis.</p> <p>The Board of Directors can delegate all or some of its powers to the Chairman and may delegate to its own individual members and to third parties the concrete execution of regularly approved resolutions. The Chief Executive Officer(s) and Executive Committee, if appointed, will have all or part of the powers conferred on the Board of Directors with the sole exception of those which the law states may not be delegated. The Board of Directors may therefore carry out purchases and sales of securities and real estate; undertake obligations, including bills of exchange and mortgage loans; take shareholdings in companies, both established and newly formed also via conferral, to carry out all types of transactions with the directorate of Public Debt</p>

<b>Current Text</b>	<b>New Proposed Text</b>
<p>Executive Committee, if appointed, will have all or part of the powers conferred on the Board of Directors with the sole exception of those which the law states may not be delegated. The Board of Directors may therefore carry out purchases and sales of securities and real estate; undertake obligations, including bills of exchange and mortgage loans; take shareholdings in companies, both established and newly formed also via conferral, to carry out all types of transactions with the directorate of Public Debt and Cassa Depositi e Prestiti (state investment institution), banks, the national Institute of credit issues and any other public or private credit institute; allow the constitution, subrogation, subordination and deferment, cancellation and renunciation of mortgages and loans of any kind, exempting the curators of Property Registers, the Director of Public Debt and Cassa Depositi e Prestiti and any other public or private entity from any responsibility. It can take legal action including actions brought before the Court of Cassation and on appeal, for settlements and transactions and can also appoint arbitrators and negotiators of amicable settlements. It may approve any commercial contract; appoint and suspend employees and fix their salaries; it can appoint and revoke Directors and authorised representatives with similar or more limited powers.</p>	<p>and Cassa Depositi e Prestiti (state investment institution), banks, the national Institute of credit issues and any other public or private credit institute; allow the constitution, subrogation, subordination and deferment, cancellation and renunciation of mortgages and loans of any kind, exempting the curators of Property Registers, the Director of Public Debt and Cassa Depositi e Prestiti and any other public or private entity from any responsibility. It can take legal action including actions brought before the Court of Cassation and on appeal, for settlements and transactions and can also appoint arbitrators and negotiators of amicable settlements. It may approve any commercial contract; appoint and suspend employees and fix their salaries; it can appoint and revoke Directors and authorised representatives with similar or more limited powers.</p>
<p><b>Art. 19-bis</b></p>	<p><b>Art. 19-bis</b></p>
<p>The Board of Statutory Auditors comprises three Standing Statutory Auditors and Two Alternate Statutory Auditors elected by the Shareholders' Meeting, which also establishes the remuneration to be paid to said Statutory Auditors. The minority is entitled to elect one Standing Statutory Auditor and one Alternate Statutory Auditor. The Board of</p>	<p>The Board of Statutory Auditors comprises three Standing Statutory Auditors and Two Alternate Statutory Auditors elected by the Shareholders' Meeting, which also establishes the remuneration to be paid to said Statutory Auditors. The minority is entitled to elect one Standing Statutory Auditor and one Alternate Statutory Auditor. The Board of Statutory Auditors is</p>

Current Text	New Proposed Text
<p>Statutory Auditors is appointed based upon the list presented by the shareholders, in which the candidates must be listed in numerical order. The number of candidates cannot exceed the number of candidates to be elected.</p> <p>Shareholders from voting syndicates will only be entitled to present a single list. The list consists of two sections: one for candidates for the office of Standing Statutory Auditor, the other for candidates for the office of Alternate Statutory Auditor.</p> <p><b>To ensure gender balance within the Board of Statutory Auditors, at least one third (or one fifth, for the first mandate of application of the legislation) of the candidates in both sections of the lists must also belong to the less represented gender.</b></p> <p>Only those Shareholders who, either alone or together with others, are the owners of voting Shares representing at least 2% (two percent) of the capital are entitled to vote at the Ordinary Shareholders' Meeting are entitled to present lists or the different minimum quota established by Consob with the Regulation. No Shareholder, nor the Shareholders in the same group, may present more than one list, nor may he vote for different lists even through a nominee or trust company. If this rule is broken, the vote of the Shareholder in question will not be taken into account for any of the candidate lists filed. Each candidate may only be on one list. Failure to comply will mean ineligibility.</p> <p>Candidates who already hold the office of Statutory Auditor in five other listed companies, with the exception of controlling and controlled companies of the company or who do not meet the integrity and professionalism requirements established by the applicable legislation, cannot be included in the lists.</p> <p>For the purposes of Art.1, paragraph 2, letters b) and c), and paragraph 3 of Ministerial Decree No. 162 dated 30 March 2000 on the subject of the</p>	<p>appointed based upon the list presented by the shareholders, in which the candidates must be listed in numerical order. The number of candidates cannot exceed the number of candidates to be elected.</p> <p>Shareholders from voting syndicates will only be entitled to present a single list. The list consists of two sections: one for candidates for the office of Standing Statutory Auditor, the other for candidates for the office of Alternate Statutory Auditor.</p> <p><b>In order to ensure gender balance within the Board of Statutory Auditors, the less represented gender must have a number of members equal to that established by the applicable laws and regulations. Therefore, both sections of the lists must contain a number of candidates belonging to the less represented gender equal to that required by the aforementioned legislation.</b></p> <p>Only those Shareholders who, either alone or together with others, are the owners of voting Shares representing at least 2% (two percent) of the capital are entitled to vote at the Ordinary Shareholders' Meeting are entitled to present lists or the different minimum quota established by Consob with the Regulation. No Shareholder, nor the Shareholders in the same group, may present more than one list, nor may he vote for different lists even through a nominee or trust company. If this rule is broken, the vote of the Shareholder in question will not be taken into account for any of the candidate lists filed. Each candidate may only be on one list. Failure to comply will mean ineligibility.</p> <p>Candidates who already hold the office of Statutory Auditor in five other listed companies, with the exception of controlling and controlled companies of the company or who do not meet the integrity and professionalism requirements established by the applicable legislation, cannot be included in the lists.</p> <p>For the purposes of Art.1, paragraph 2, letters b) and c), and paragraph 3 of Ministerial Decree No. 162 dated 30 March 2000 on the subject of the professional</p>

Current Text	New Proposed Text
<p>professional requirements for members of the Board of Statutory Auditors of listed companies, the subjects and sectors strictly pertaining to those of interest to the company are intended to comprise commercial and company law, business economics, financial and statistical sciences, and all the other subjects of the same or similar nature, although with different names, whereas the sectors strictly connected or relating to those in which the company operates are understood to comprise the production, distribution and sale of machines and tools, automation systems, software and precision components. Statutory Auditors leaving office may be re-elected.</p> <p>The lists presented must be filed at the Company's registered office at least twenty-five days prior to the date set for the Shareholders' Meeting and will be made publicly available, in the manner provided for by law and the Consob Regulation, at least twenty-one days before the Shareholders' Meeting.</p> <p>The professional curriculum vitae of each candidate must be filed together with each list along with the declarations with which each candidate accepts candidacy and certifies, under his own responsibility, that there is no cause of ineligibility or incompatibility, and that the legal and statutory requirements for the respective positions are met. Where lists do not meet the above requirements, they will not be considered presented.</p> <p>A Statutory Auditor is elected as follows: two Standing Statutory Auditors and one Alternate Statutory Auditor are selected, in the consecutive order in which they are listed, from the candidate list that obtained the highest number of votes in the Shareholders' Meeting; the names of one Standing Statutory Auditor and another Alternate Statutory Auditor are selected from the candidate list with the second highest number of shareholder votes, according to the sequential order in which they appear in the list. The Standing Statutory Auditor will assume the role of Chairman. If there is a tie</p>	<p>requirements for members of the Board of Statutory Auditors of listed companies, the subjects and sectors strictly pertaining to those of interest to the company are intended to comprise commercial and company law, business economics, financial and statistical sciences, and all the other subjects of the same or similar nature, although with different names, whereas the sectors strictly connected or relating to those in which the company operates are understood to comprise the production, distribution and sale of machines and tools, automation systems, software and precision components. Statutory Auditors leaving office may be re-elected.</p> <p>The lists presented must be filed at the Company's registered office at least twenty-five days prior to the date set for the Shareholders' Meeting and will be made publicly available, in the manner provided for by law and the Consob Regulation, at least twenty-one days before the Shareholders' Meeting.</p> <p>The professional curriculum vitae of each candidate must be filed together with each list along with the declarations with which each candidate accepts candidacy and certifies, under his own responsibility, that there is no cause of ineligibility or incompatibility, and that the legal and statutory requirements for the respective positions are met. Where lists do not meet the above requirements, they will not be considered presented.</p> <p>A Statutory Auditor is elected as follows: two Standing Statutory Auditors and one Alternate Statutory Auditor are selected, in the consecutive order in which they are listed, from the candidate list that obtained the highest number of votes in the Shareholders' Meeting; the names of one Standing Statutory Auditor and another Alternate Statutory Auditor are selected from the candidate list with the second highest number of shareholder votes, according to the sequential order in which they appear in the list. The Standing Statutory Auditor will assume the role of Chairman. If there is a tie among two or more candidate lists, the Statutory Auditors appointed will be those most senior in age. Should the foregoing</p>

Current Text	New Proposed Text
<p>among two or more candidate lists, the Statutory Auditors appointed will be those most senior in age. Should the foregoing mechanism fail to produce a composition of the Board of Statutory Auditors that complies with the gender balance required by law, instead of appointing the last candidate in numerical order on the list that received the highest number of votes, the next available candidate, in numerical order, from the same list belonging to the less represented gender will be appointed as a Standing Statutory Auditor or Alternate Statutory Auditor. In the event that an Statutory Auditor loses or relinquishes the qualifications or credentials required by law and the Articles, they will be removed from office.</p> <p>For the appointment of Standing or Alternate Statutory Auditors to complete the composition of the Board of Statutory Auditors following substitution or departure from office, the Standing or Alternate Statutory Auditor belonging to the same list as the outgoing Statutory Auditor will replace them, without prejudice to compliance with the proportion of genders required by law. If this is not possible the Meeting must decide on the basis of the required majority for ordinary Meetings without prejudice to the stipulations in paragraph 1 of the present Article and compliance with the proportion of genders required by law.</p>	<p>mechanism fail to produce a composition of the Board of Statutory Auditors that complies with the gender balance required by law, instead of appointing the last candidate in numerical order on the list that received the highest number of votes, the next available candidate, in numerical order, from the same list belonging to the less represented gender will be appointed as a Standing Statutory Auditor or Alternate Statutory Auditor. In the event that an Statutory Auditor loses or relinquishes the qualifications or credentials required by law and the Articles, they will be removed from office.</p> <p>For the appointment of Standing or Alternate Statutory Auditors to complete the composition of the Board of Statutory Auditors following substitution or departure from office, the Standing or Alternate Statutory Auditor belonging to the same list as the outgoing Statutory Auditor will replace them, without prejudice to compliance with the proportion of genders required by law. If this is not possible the Meeting must decide on the basis of the required majority for ordinary Meetings without prejudice to the stipulations in paragraph 1 of the present Article and compliance with the proportion of genders required by law.</p>

The Board notes that the proposed amendment to the Articles of Association does not give the shareholders the right of withdrawal pursuant to Art. 2437 of the Italian civil code.

The Board of Directors, therefore, submits the following proposed resolution on the first item on the agenda of the extraordinary session to the called Shareholders' Meeting:

*“The Ordinary Shareholders' Meeting of Biesse S.p.A., having acknowledged what was illustrated,*

### **RESOLVES**

*(a) to amend articles 16 and 19-bis of the Articles of Association, adapting them to current legislation.*

*Said Proposal for Resolution*

*is therefore put to a vote and is declared approved with a favourable vote of [●]. All as per the attached details."*

\* \* \*

Pesaro, 15 March 2021

The Chairman of the Board of Directors