

BIESSE S.p.A.

Share capital Euro 27,393,042 fully paid up

Registered office in Pesaro – Via Della Meccanica 16

Tax code/VAT no. and Pesaro-Urbino Company Register number
no. 00113220412

Notice of convocation of an Ordinary and Extraordinary Meeting of Shareholders

The shareholders are invited to attend the Ordinary and Extraordinary Meeting to be held in Pesaro, Via della Meccanica 16, at the registered office of **Biesse S.p.A.**, on **23 April 2018**, at 09.00 in first convocation and in second convocation on **24 April 2018** at the same time and in the same place, in order to discuss and approve the following

Agenda

Ordinary session

1. Approval of the Financial Statements for the financial year to 31 December 2017; the Directors' report on operations, including the Disclosure of Non-Financial Information pursuant to Legislative Decree 254/2016; the report of the Board of Statutory Auditors and the Independent Auditors' report on the Financial Statements for the financial year to 31 December 2017; Discussion of all matters relating thereto and arising therefrom. Presentation of the Consolidated Financial statements for the year to 31 December 2017.
2. Allocation of the results for the 2017 financial year of Biesse S.p.A.;
3. Appointment of the Board of Directors, having prior approval of the number of constituent Directors. Discussion of all matters relating thereto and arising therefrom.
4. Appointment of the Board of Statutory Auditors. Discussion of all matters relating thereto and arising therefrom.
5. Approval of the Remuneration Policy of Biesse Group.

Extraordinary session

1. Introduction of Loyalty Shares and related amendments to the Articles. (increased vote rights)

ALLOCATION OF THE RESULTS FOR THE YEAR

The proposed dividend to be approved by the Shareholders' Meeting will be paid, in accordance with the applicable laws and regulations, on 9 May by detachment of coupon no.14 on 7 May for payment on 9 May 2018 record date 8 May 2018.

In accordance with article 83-*terdecies* of Legislative Decree 58/1998, all persons registered as shareholders on the basis of the accounting records at the end of the business day on 8 May 2018 (record date) will be entitled to receive dividends.

PROCEDURE TO BE FOLLOWED BY SHAREHOLDERS TO ATTEND AND VOTE IN THE SHAREHOLDERS' MEETING

Questions regarding the items on the Agenda

Shareholders who are entitled to attend the meeting may submit questions regarding the items on the Agenda prior to the Meeting and until the third day preceding the Meeting, by sending their questions by registered letter with return receipt to the Company's registered office and/or by sending an electronic communication to the following certified e-mail address, investor@biesse.it, from a certified e-mail address. Questions submitted in this way will be raised and answered during the Shareholders' Meeting. A single response will be given to questions that have the same content.

Right to representation by proxy

Any person who may legitimately attend the Shareholders' Meeting may be represented by a written proxy in accordance with the laws in force also by also by signing the proxy included at the foot of the page of the communication from authorised intermediaries; alternatively, they can use the proxy form available in the Investor Relations section of the website www.biessegroup.it. Those entitled to vote may also arrange for representation in the Meeting through a proxy granted electronically in accordance with prevailing applicable regulations. The proxy mandate may be communicated electronically to the Company by sending the mandate by certified e-mail to the address [Biesse certified e-mail address].

The Company has not designated anyone to whom Shareholders may grant their proxy with instructions on how to vote.

There are no means of voting by post or by electronic means.

Legitimate attendance and exercise of the right to vote at the Shareholders' Meeting

Under article 83 *sexies* of Legislative Decree 58/98, legitimate attendance and exercise of the right to vote at the Shareholders' Meeting must be proved by a communication sent to the Company from an intermediary confirming share ownership in accordance with the accounting records on behalf of the person having the right to vote; this communication is made by the intermediary on the basis of evidence of possession of the shares at the end of the accounting day on the seventh trading day prior to the date set for the first convocation of the Shareholders' Meeting (and therefore by 12 April 2018). Those who appear as shareholders of the Company after this date are not permitted to attend or vote in the Shareholders' Meeting.

Submission of Lists

With regard to Item 3 on the Agenda (Appointment of the Board of Directors), it should be noted that article 16 of the Company's Articles of Association, provides for the appointment of the Board of Directors to take place on the basis of lists presented by shareholders, according to which candidates should be listed in numerical order. The lists presented by shareholders must be deposited at the Company's registered offices (in Pesaro, Via della Meccanica 16) by 17.00 hours on the twenty-fifth day preceding the date set for the meeting (Thursday 29 March

2018) called to approve the appointments of the members of the Board of Directors; the lists will be made publicly available at the registered offices, on the website and at the offices of the stock market management company at least twenty-one days before the date of the meeting (Monday 2 April 2018).

The lists may be deposited by e-mail to the following registered e-mail address investor@biesse.it from a registered e-mail address. Each shareholder may present or combine with others to present one list only. Shareholders who are part of the same shareholder pact as defined in article 122 of Legislative Decree 58/98 and its subsequent amendments, as the controlling shareholder, subsidiaries and those subject to common control may present or combine to present one list only. Attendance and votes cast in violation of the prohibition referred to in the present paragraph will not be attributed to any list. Each candidate can present themselves in one list only or risk being declared ineligible. The right to present lists is restricted to shareholders who individually or jointly with other shareholders have a total shareholding representing at least 1% of the share capital with rights to vote in Ordinary Meetings of Shareholders. Shareholders must present at the Company's registered offices, together with the lists or even subsequent to the deposition provided that it is done so within the time limits set for the publication of lists (Wednesday 2 April 2018) the appropriate communication proving their shareholding. Declarations from each individual candidate accepting their candidacy and testifying, under their own responsibility, to the inexistence of any reason that may make them ineligible or unfit for the position and their possession of any requirements that may be needed for the relevant positions must be deposited together with these lists, and within the aforementioned time limits. Together with these declarations, each candidate must deposit a curriculum vitae regarding their personal and professional credentials with, where necessary, indication of their suitability to be qualified as independent. Any person with a right to vote can vote for one list only. It should also be noted that the Board of Directors must be in possession of the necessary credentials required by law, including the regulations governing gender equality, and by the relevant regulations (and by the self-regulatory code published by Borsa Italiana). It should further be noted that the Board of Directors has proposed the appointment of two independent Directors in accordance with the law and the requirements of the self-regulatory Code.

With regard to Item 4 on the Agenda (Appointment of the Board of Statutory Auditors) it should be noted that in order to elect the Board of Statutory Auditors, in accordance with article 19 of the Company's articles of association, the lists presented by shareholders must be deposited and published in accordance with the regulations issued by Consob and, specifically, must be deposited at the Company's registered offices (in Pesaro, Via della Meccanica 16) by 17.00 hours on the twenty-fifth day preceding the date set for the meeting (Thursday **29 March 2018**); the lists will be made publicly available at the registered offices, on the website and at the offices of the stock market management company at least twenty-one days before the date of the meeting (Monday **2 April 2018**). The lists may be deposited by e-mail to the following registered e-mail address investor@biesse.it from a registered e-mail address. The right to present lists is restricted to shareholders who individually or jointly with other shareholders have a total shareholding representing at least 1.0% of the share capital with rights to

vote in Ordinary Meetings of Shareholders. Shareholders must deposit the appropriate communication proving their shareholding at the Company's registered offices, together with the voting lists or even subsequent to the deposition of the lists provided that it is done so within the time limits set for the publication of lists (Monday 2 April 2018).

In the event that only one list has been presented within the aforementioned time limits for the submission of lists or where lists presented within this time frame are lists submitted by shareholders who are acting jointly, notification will be given without delay and consequently lists may be submitted until 18.00 hours of the subsequent third day (Sunday 1 April 2018) by shareholders who individually or jointly with other shareholders, are holders of shares representing at least 0.5% of the share capital with rights to vote in ordinary meetings of shareholders. Each shareholder has the right to vote for one list only. It should be noted that the Board of Statutory Auditors is composed of 3 Standing statutory auditors and 2 Substitute statutory Auditors, who may be re-elected. The attributions, duties and period in office of the Statutory auditors are those established by law. No person may be elected as a Statutory auditor, or if elected will be annulled, if that person is ineligible or invalid by law or who does not possess the required credentials. The requirement defined in article 1, paragraph 2, sections b) and c), and paragraph 3 of Ministerial Decree no. 162/2000 exists where the professional experience achieved relates to respectively: (i) the sector in which the Company is active; (ii) to all legal, economic, financial, technical and scientific matters relating to the sectors referred to in (i) above. In addition to the other cases provided by law, no person may be elected as statutory auditors, and if elected will be annulled, if that person also holds the position of Standing statutory auditor in more than five Italian companies listed on regulated Italian markets. Further provisions regarding the accumulation of positions held as defined in article 144-*terdecies* of Legislative Decree 58/98 will be applied.

Lists presented will have two sections: one for the nomination of Standing statutory auditors and another for the nomination of Substitute statutory auditors. The number of candidates on the lists must not exceed the number of members to be elected and must be listed in numerical order. The lists presented must comply with regulations regarding gender equality.

Inclusion of items to the agenda

In accordance with article 126-*bis* of Legislative Decree 58/98 shareholders who, jointly or separately, represent at least one-fortieth of the share capital may request, within ten days of publication of the present notice, the addition of items to the Agenda, indicating in their request the matters they wish to include. Requests must be submitted in writing by registered mail with proof of receipt to the registered office of the Company and/or by e-mail to the following registered e-mail address investor@biesse.it from a registered e-mail address. Shareholders who request additions of items must, in accordance with the law, make available a report on the matters they wish to be discussed; this report must be sent to the administrative body within the aforementioned period of ten days. At least fifteen days prior to the date set for the Shareholders' Meeting, the Company must give notice, in the same form of publication used for the present notice, of any proposed additions or inclusions submitted, at the same time making the report accompanied by any publicly available relevant evaluations.

Method and terms of accessing the documentation regarding the items on the agenda

The following documents and information are available on the website www.biessegroupp.it, in the Investor Relations section, at the same time as publication of the present notice or in accordance with legal requirements if different:

- the documents submitted to the Shareholders' Meeting, including the reports required under articles 123-*bis*, 123-*ter*, 125-*ter* and 154-*ter* of Legislative Decree 58/98 and 84-*ter* and 84-*quater* of Issuer's Regulations 11971/99, with the full text of the proposals for approval;
- the forms that Shareholders may use for proxy votes;
- information regarding the share capital, its amount, and the total number of shares and categories of shares into which it is subdivided. It should be noted that at the time of publication of the present notice: (i) the share capital is Euro 27,393,042 composed of 27,393,042 ordinary shares each of nominal value Euro 1; (ii) each share carries the right to one vote in the ordinary shareholders' meeting; (iii) the Company holds 10,000 treasury shares.

As required by enacted law, the documentation regarding the items on the agenda will be deposited at the Registered Office of the Company and Borsa Italiana S.p.A. and, in accordance with law, Shareholders will be able to obtain copies. The documentation will also be available in the Investor Relations section of the website www.biessegroupp.it, together with the present notice of convocation of the Shareholders' Meeting.

Shareholders are requested to arrive at least one hour before the Shareholders' Meeting commences in order to facilitate registration.

**For the Board of Directors
The Chairman Roberto Selci**