



REFERENCE LEGISLATION

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Legislative Decree no. 58 of 24 February 1998

Article 127-quinquies (Vote increase)

1. The articles of association may specify that increased voting rights may be attributed, up to a maximum of two votes, for each share belonging to the same subject for an uninterrupted period of no less than twenty-four months starting from the date of registration contemplated by subsection 2.

In such a case, the articles of association may also contemplate that the subject holding the voting right may irrevocably renounce, all or part, the increased votes.

2. The articles of association establish the methods for the attribution of the increased vote and for checking the relative conditions, contemplating, in any case, a specific list. Consob establishes with its own regulation the implementation provisions of this article in order to ensure the transparency of the ownership structures and observance of the provisions of Title II, Chapter II, Section II.

Without prejudice to the communication obligations borne by the holders of relevant stakes.

3. The transfer of shares for a consideration or free of charge, or the direct or indirect sale of the majority interest of a company or body whose voting right has increased to above the threshold contemplated by Article 120, section 2, involves the loss of the increased voting right. Unless otherwise laid down by the articles of association, the increased voting right:

- a) is maintained in the case of succession pursuant to death, as well as in the case of the merger or spin-off of the shares;
- b) extends to the newly issued shares in the case of a capital increase pursuant to Article 2442 of the Italian Civil Code.

4. The merger or spin-off project of a company whose articles of association rule that an increase in voting rights can contemplate that the increased voting right is also due to the entitled shares in lieu of those to which the increased vote is attributed. The articles of association may also rule that the increased voting right is extended proportionately to the shares issued in execution of a capital increase by means of new contributions.

5. The shares to which the benefit contemplated by subsection 1 is applied do not represent a special category of shares pursuant to Article 2348 of the Italian Civil Code.

6. The resolution to amend the articles of association in order to contemplate increased voting does not recognise the withdrawal right as envisaged by Article 2437 of the Italian Civil Code.

7. If the resolution to amend the articles of association referred to in subsection 6 is adopted during the procedure for the listing on a regulated market of the shares of a company not resulting from a merger involving a listed company, the relative clause can envisage that, for the purposes of the uninterrupted possession contemplated by subsection 1, it is also necessary to count the possession prior to the date of registration on the list contemplated by subsection 2.

8. Unless otherwise ruled by the articles of association, the vote increase is also calculated to determine the quorum for the constitution of the shareholders' meeting and for resolutions which regard the share capital quotas. The increase does not affect rights, other than voting rights, due pursuant to the possession of certain capital quotas.



Regulation implementing Italian Legislative Decree No. 58 of 24 February 1998, concerning the discipline of issuers (adopted by Consob under resolution No. 11971 of 14 May 1999 and subsequently amended by resolutions).

Article 85-bis (Changes to the share capital)

1. During changes to the share capital, issuers of shares shall disclose the amount of capital, the number and categories of shares into which it is divided:

a) to the public, in the ways specified by Articles 65-quinquies, 65-sexies and 65-septies, and b) to Consob, by means of the remote collection system, in accordance with the specific methods specified by it in a communication.

2. The communication envisaged by paragraph 1 is made within the day after:

a) filing with Companies House of the certificate of the share capital increase envisaged by Articles 2420-bis, paragraph 3 and 2444, paragraph 1 of the Italian Civil Code;

b) that on which the resolution to reduce the capital can be enforced in accordance with Article 2445, paragraph 3 of the Italian Civil Code;

c) the date on which the effects apply of the merger or spin-off in accordance with Articles 2504-bis and 2506-quater of the Italian Civil Code.

3. The communication is made within five days of registration with Companies House:

a) of the resolution for the share capital increase in accordance with Article 2442 of the Italian Civil Code or reduction of capital due to losses;

b) of the resolutions passed by the general and special shareholders' meetings, which order the mandatory conversions of shares of a category of shares to another category.

4. In the other hypotheses of capital changes, communication is made within the day after deposit, established by Article 2436, paragraph 6 of the Italian Civil Code, of the amended Articles of Association.

4-bis. If the articles of association contemplate increased voting rights pursuant to Article 127-quinquies, or the issue of multiple-voting shares pursuant to Article 127-sexies of the Consolidated Law, without prejudice to what is contemplated by the preceding subsections, the issuer communicates to the public and to Consob the total amount of the voting rights, with indication of the number of shares of which the capital is composed, by means of the procedures indicated under paragraph 1, within the fifth trading day from the end of each calendar month during which an increase or a decrease of such an amount has occurred, and also within the day following the date indicated in Article 83-sexies, paragraph 2, of the Consolidated Law.

Article 143-quater (Contents of the list)

1. In companies which allow for increased voting rights, the list contemplated by Article 127-quinquies, paragraph 2, of the Consolidated Law, contains at least the following information:

a) the identification data of the shareholders who have requested listing;

b) the number of shares for which listing has been requested with indication of the transfers and the restrictions relative to the same;



c) the listing date.

2. In a special section of the list, the following are also indicated:

a) the identification data of the shareholders who have obtained increased voting rights;

b) the number of shares with increased voting rights, with indication of the transfers and of the restrictions relative to the same, as well as the deeds of renunciation;

c) the date on which the increased voting rights were obtained.

3. The companies update the list according to the communications and reports made by the intermediaries, as contemplated by the Consolidated Law and by the relative implementation regulations, and on the basis of any communications received from the shareholders, within the term contemplated by the articles of association, if such is contemplated, and in any case in compliance with the provisions of Article 85-bis, paragraph 4-bis.

4. The contents of the list are made available to the shareholders, at their request, also on electronic support in a commonly used format.

5. Without prejudice to the provisions of the preceding subsection, the companies make known, by publication on their own Internet sites, of the identification data of the shareholders who have requested inclusion on the list, with indication of the relative stakes, which, in any case, must be above the threshold indicated under Article 120, paragraph 2, of the Consolidated Law, and of the entry data, within the term contemplated by paragraph 3.

Rules governing central depositories, settlement services, guarantee systems and related management companies. The Bank of Italy and Consob

Article 23-bis (Vote increase)

1. The subject intending to be registered on the list established by Article 127-quinquies, Section 2 shall make a specific request to the last intermediary, in compliance with the provisions of Article 21, Section 1.

2. The entitlement to register on the list is certified by a communication to the issuer containing the information pursuant to Article 21, Section 2, with the clause "until revoked".

3. Where the articles of association establish a subsequent certificate of entitlement in order to obtain the majority vote, once the continuous period specified in accordance with Article 127-quinquies, Section 1 of the Consolidated Law on Finance has expired, the subject on the list asks the last intermediary to make a second communication with the same characteristics as the communication pursuant to Section 2.

4. In the event of a share capital increase, the entitlement to extend the majority as may apply in accordance with Article 127-quinquies is certified by a communication to the issuer in accordance with Section 2.

5. The issuer notifies the intermediary without delay, and in any case by the accounting date on which the list is updated in accordance with the provisions of the regulation implementing Article 127-quinquies of the Consolidated Law on Finance, of failure or eventual registration or, as applicable, the achievement or failure to achieve majority, for all consequent requirements, explaining the reason for any denial.



6. The intermediary informs the issuer of any total or partial transfer of the shares concerned by the communication envisaged under Section 2 and the waiver of registration on the list where notified, through a communication of total or partial revocation, which also indicates the specific cause and the progressive annual issue number of the original communication, where available. If more than one communication has been made in accordance with Section 2 and the transfer or waiver do not relate to all shares, in order to indicate the progressive annual issue number of the original communication or communications, the intermediary shall consider the shares registered on the account as transferred on a "last in, first out" basis. In the cases where the indication of the annual progressive number of the original communication or communications is missing, the issuer shall apply the "last in, first out" criteria when updating the list.
7. The above Section does not apply to the case of total or partial transfer of the shares concerned by the communication pursuant to Section 2 without changing the account holder's name, carried out in ways that guarantee that the issuer can access the identity of the intermediaries involved in the centralised management system concerned by the transfer.
8. In the event of succession following death, merger or spin-off of the owner of the account, where notified to the intermediary, the intermediary shall inform the issuer of such events for the fulfilment of all requirements.
9. The intermediary informs the issuer of the establishment of restrictions in accordance with Article 83-octies of the Consolidated Law on Finance affecting shares involved by the communication envisaged by Section 2 and their amendment or extinguishing, also specifying the annual progressive number of the original communication or communications, where available.
10. The issuer notifies the intermediary without delay, and in any case by the accounting date on which the list is updated in accordance with the provisions of the regulation implementing Article 127-quinquies of the Consolidated Law on Finance, of cancellation from the list or, as applicable, loss of majority vote for reasons other than the sale or free transfer of shares, explaining the relevant reasons.
11. The intermediary shall preserve, in progressive order of year of issue, all records of communications made in accordance with this Article.
12. Intermediaries, issuers and centralised management companies are required to follow best market practices for operational aspects not expressly governed by this provision



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Art. 5-bis

"The share capital may be increased one or more times according to law, also with the issued of shares with different rights than those of the shares already in circulation.

The issuing of new ordinary shares or also shares with different rights from ordinary shares, having the same characteristics as the shares already in circulation, shall not require further approvals from the special meetings of shareholders of the different categories.

The meeting that decides on the capital increase may, in observance of the terms and methods provided by the law, exclude or limit the option rights when the interest of the Company requires it, when the newly issued shares must be freed by contributions in kind, and within the limit of ten percent of the pre-existing share capital pursuant to Art. 2441, subsection 4 of the Italian Civil Code.

The extraordinary shareholders' meeting may delegate to the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, the faculty to increase the share capital, also with the exclusion of the option rights, observing the methods and within the limits provided by the same Art. 2443 of the Italian Civil Code.

The shares are nominative and indivisible.

Each share shall carry the right to one vote, unless the shareholders' meeting resolves to issue shares without voting rights or with limited voting rights and except as provided by the following paragraph.

Notwithstanding the provisions of the preceding paragraph, each share gives the right to double votes if both the following conditions are met:

(i) the voting right is kept by the same person on the basis of a legitimating right in rem (full ownership, bare ownership with voting rights or usufruct with voting rights) for an uninterrupted period of at least twenty-four months (the "**Period**") starting from the date of registration in the list established for this purpose by the Company in accordance with this article (the "**List**");

(ii) condition *(i)* above is certified with a special communication issued, pursuant to current regulations, by the intermediary upon the request of the holder.

The increased voting rights will take effect from the last day of the calendar month in which the Period ended, provided that the intermediary's communication is received by the Company no later than the third trading day before the end of the same month, except as provided for in the following paragraph. It is understood that, if the intermediary's communication is not received by the Company within said period, the increased voting rights will take effect from the last day of the calendar month following that in which the Company received the communication.

Notwithstanding the above, in the event that the meeting of the Company's shareholders is convened, the increased voting rights will take effect on the date of the so-called record date contemplated by current regulations regarding the right to intervene and vote at the shareholders' meeting and with regard to constitution and resolution quorums, provided that the Period has ended by this date and the Company has received the intermediary's communication referred to in paragraph 7 *(ii)*. The Company's assessment of



eligibility for increased voting rights and non-existence of preclusive circumstances takes place with reference to the so-called record date.

The Company establishes and keeps the List, in the form and with the content required by applicable law and, where compatible, in compliance with the provisions relating to the shareholder register. The List is updated by the end of each calendar month for requests received before the last three trading days of each month.

The Company records in the List the owner of the shares who sent a written request to the Company and for whom, in accordance with current regulations, the intermediary has issued appropriate communication certifying the owner's entitlement to registration.

The request for registration may concern all or just some of the shares held. The requesting person may, at any time and using a separate request, indicate additional shares for which registration in the List is requested. In the case of persons other than natural persons, the request must state whether the subject is under the direct or indirect control of a third party and include data identifying the parent company. The right to be registered in the List and, following the end of the Period, the right to take advantage of increased voting rights result from the ownership of the legitimating right in rem (full ownership with voting rights, bare ownership with voting rights or usufruct with voting rights).

The person registered in the List is required to communicate, and agree that the intermediary communicates, to the Company any circumstance or event that entails the loss of the conditions for the increased voting rights or that affects the ownership of the shares and/or the related voting rights by the end of the month in which such circumstance occurred and no later than the trading day before the so-called record date.

Increased voting rights are lost if:

a) in the event of transfer, whether free or against payment, it being understood that "transfer" includes the establishment of a pledge, usufruct or other encumbrance on the share when this entails the loss of voting right by the shareholder. The establishment of a pledge, usufruct or other encumbrance and the transfer of the bare ownership while maintaining the usufruct do not result in the loss of entitlement to the increased voting rights provided the voting rights stay with the previous owner;

b) in the event of direct or indirect transfer of controlling stakes in companies or entities that hold shares with increased voting rights above the threshold provided by Art. 120, subsection 2 of Legislative Decree no. 58 of 24th February 1998.

The Company will cancel the shareholder from the List in the following cases:

a) when the shareholder concerned requests withdrawal. The persons entitled to increased voting rights are always recognised the right to withdraw irrevocably at any time, in whole or in part, from the increased voting rights, giving written notice to the Company, without prejudice to the shareholder's right to acquire the increased voting rights again for those same shares (for which withdrawal from the increased voting rights had been requested) with a new registration in the List and the full elapsing of a new Period in accordance with the provisions of these Articles of Association;

b) the shareholder's or intermediary's communication attesting the loss of the conditions for increased voting rights or the loss of ownership over the shares and/or related voting rights;



c) if the Company becomes aware of events entailing the loss of the conditions for increased voting rights or the loss of ownership over the shares and/or related voting rights;

The increased voting rights already matured or, if not yet matured, the ownership period necessary for the maturation of the increased voting rights is preserved:

a) in the event of inheritance, due to death, by the heir and/or legatee;

b) in the event of merger or de-merger of the shareholder, by the company resulting from the merger or beneficiary of the de-merger;

c) where the shares are held by a trust, in the event of a change of trustee;

d) in the event of transfer from one portfolio to another in the collective investment schemes (OICR in Italy) managed by one person.

Increased voting rights extend, without prejudice to the communications issued by the intermediary and required by current regulations and by these Articles of Association for the purposes of increased voting rights, to:

a) shares assigned in the case of a free capital increase, in accordance with Art. 2442 of the Italian Civil Code, and belonging to the owner in relation to shares that have already matured their increased voting rights;

b) shares assigned in exchange for those to which increased voting rights are attributed in the case of merger or de-merger of the Company, provided that - and within the terms - this is contemplated in the related merger or de-merger operation;

c) shares subscribed during the exercise of option rights in the case of a capital increase with new contributions.

In the hypotheses referred to in points a), b) and c) above, the new shares acquire increased voting rights (i) for the newly issued shares belonging to the owner in relation to shares for which the increased voting rights have already matured, from the moment of registration in the List, with no need for a further Period; (ii) for the newly issued shares belonging to the holder in relation to shares for which the increased voting rights have not already matured (but are in the process of maturation), from the time the Period is completed, calculated from the original registration in the List.

The increased voting rights apply for all Shareholder Meeting resolutions and for the calculation of constitution and resolution quorums relating to percentages of share capital. The increased voting rights will have no effect on rights, other than voting rights, that the possession of certain percentages of share capital entitles the shareholder.