

**Extract from the shareholder agreements  
communicated to Consob pursuant to Article 122 of  
Legislative Decree No. 58 of February 24, 1998**

**F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A.**

Share Capital Euro 37,170,830 fully paid-in  
Registered office in Pero (MI), Via XXV April n. 5,  
Milan Companies Registration Office  
and Tax No. 08391050963

The present extract is published in accordance with Article 122 of Legislative Decree No. 58 of February 24, 1998 (hereafter the “**CFA**”) and Consob Regulation No. 11971/99 of May 14, 1999, as subsequently modified (the “**Issuers’ Regulations**”).

**1. Introduction**

(A) Space S.p.A., with registered office in Milan, via Vittor Pisani No. 27, Tax No. 08391050963 (“**Space**”), Space Holding S.r.l., with registered office in Milan, Via Vittor Pisani No. 27, Tax No. 08187660967 (“**Space Holding**”), F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A., with registered office in Milan, Via Giuseppe Pozzone No. 5, Tax No. 00843550153 (“**Incorporated Company**”) and Pencil S.p.A., with registered office in Turin, Piazza San Carlo Felice No. 7, Tax No. 10338010019 (“**Pencil**”), signed on January 15, 2015 an agreement (“**Framework Agreement**”) to govern the principal activities relating to a corporate merger between the Incorporated Company and Space, to be undertaken through the merger by incorporation of the Incorporated Company into Space (the “**Merger**”) with the allocation to the shareholders of Fila of Space shares from a share capital increase to service the Merger on the basis of a share swap ratio which was determined by the Board of Directors of Space and of the Incorporated Company on April 13, 2015;

(B) on May 6, 2015, the merger by incorporation deed was signed of the Incorporated Company into Space; (ii) on May 18, 2015, the merger deed was filed at the Milan Companies Registration Office (iii) on May 14, 2015 the Information Prospectus relating to the admission for trading on the Investment Vehicles market organised and managed by Borsa Italiana S.p.A. of the ordinary shares of Space issued within the Merger was filed at Consob following communication of the authorisation published on May 13, 2015, log No. 0037648/15; and therefore (iv) from June 1, 2015 (the “**Effective Merger Date**”) the legal, accounting and tax effects of the Merger were effective and Space took the name F.I.L.A. - Fabbrica Italiana Lapis ed Affini S.p.A. (“**Fila**”);

(C) in relation to the operations for the Merger, Pencil, Venice European Investment Capital S.p.A., with registered office in Vicenza, s.s. Padana verso Verona No.6, Tax No. 03644460242 (“**VEI**”), Space and Space Holding signed on January 15, 2015 a shareholder agreement which entered into force, as originally provided in accordance with the agreement, on the Effective Merger Date, which constitutes an integral and essential part of the agreements relating to the Merger (the “**Agreement**”). The Agreement concerns: (i) the appointment and composition of the Board of Directors and of the Board of Statutory Auditors of Fila; (ii) rights exercisable by VEI after the Effective Merger Date; and (iii) the circulation of Fila shares.

Hereafter Pencil, VEI, Space and Space Holding are referred to jointly as the “**Participants**”, and each, individually, a “**Participant**”.

The Agreement concerns the matters indicated above.

**1. Type of agreement**

The clauses contained in the Agreement, summarised in paragraph 5 below, refer to the shareholder clauses pursuant to Article 122, paragraphs 1 and 5, letter a) and b) of the CFA.

## **2. Company whose financial instruments are subject to the Agreement**

The current shareholder Agreement relate to the shares of Fila.

## **3. Parties subject to the Agreement and financial instruments thereof**

Parties to the Agreement: (i) Pencil; (ii) VEI; (iii) Space Holding; and (iv) Space.

This Agreement concerns the shares of Fila which are held by Pencil, VEI and Space Holding subsequent to and as a result of the completion of the Merger and, therefore:

(i) the ordinary shares of Fila held by Pencil;

(ii) the special class B shares of Fila held by Pencil;

(iii) the ordinary shares of Fila held by VEI;

(iv) the 805,000 ordinary shares Space Holding will hold following the automatic conversion of 161,000 special ordinary shares on the 5<sup>th</sup> day subsequent to the Effective Merger Date (i.e. June 8, 2015), as well as the ordinary shares of Fila which will from time to time be issued and allocated to Space Holding on the occurrence of the conversion events indicated at Article 5 of the By-Laws of Fila; and

(v) the 299,000 special class C shares (without voting rights) which Space Holding will continue to hold subsequent to the automatic conversion at point (iv) until these are converted into ordinary shares on the occurrence of the conversion events indicated in Article 5 of the By-Laws of Fila.

The following table illustrates for each Participant: (a) the number of shares conferred in the Agreement; (b) the number of voting rights which are conferred in the Agreement; (c) the percentage of these voting rights compared to the total voting rights to the share capital of Fila; (d) the percentage of these voting rights compared to the total voting rights conferred in the Agreement; and (e) the percentage of the shares conferred compared to the total shares of the same class issued by Fila. It should be noted that the percentages illustrated below are calculated taking into account that on the 5<sup>th</sup> trading day after the Effective Merger Date (i.e. June 8, 2015) 161,000 special Space shares owned by Space Holding will be converted into 805,000 ordinary shares.

<b>Participant</b>	<b>(a) No. of shares conferred</b>	<b>(b) No. of voting rights conferred</b>	<b>(c) % of total voting rights</b>	<b>(d) % of total voting rights conferred</b>	<b>(e) % of total share class</b>
<b>Pencil</b>					
- ord. shares	13,133,032	13,133,032	25.98%	34.97%	42.56%
- spec. B shares	6,566,508	19,699,524	38.97%	52.46%	100.00%
Total Pencil	19,699,540	32,832,556	64.95%	87.43%	-
<b>VEI</b>					
- ord. shares	3,916,291	3,916,291	7.75%	10.43%	12.69%
<b>Space Holding</b>					
- ord. shares	805,000	805,000	1.59%	2.14%	2.61%
- spec. C shares	299,000	-	-	-	100%
<b>Total</b>	<b>24,719,831</b>	<b>37,553,847</b>	<b>74.28%</b>	<b>100%</b>	<b>-</b>

#### **4. Control**

At the Effective Merger Date, Fila is controlled, in accordance with Article 93 of the CFA, by Massimo Candela, born in Milan on June 2, 1965, Tax No. CNDMSM65H02F205W, indirectly through Pencil. Massimo Candela directly holds 12% of the share capital of Pencil and, indirectly, through Wood I S.r.l. (of which he in turn holds 100% of the share capital) 11.76% of the share capital of Pencil and through Wood II S.r.l. (in which he in turn holds 100% of the share capital) 41.16% of the share capital of Pencil and therefore holds an overall shareholding of 64.92% of the share capital of Pencil.

#### **5. Provisions of the Agreement**

##### **(a) Commitments relating to the appointment and composition of the Board of Directors of Fila (subsequent to the Effective Merger Date)**

**(1)** In relation to the agreements reached within the Merger, the Parties are committed to ensure that, at the Effective Merger Date, the entire Board of Directors of Fila lapses with effect from its renewal and the Shareholders' Meeting will be called as soon as possible, within the period required by law, for the appointment of the new Board of Directors composed of 9 members (**"Appointment Shareholders' Meeting"**). Pencil is committed to present, in view of the Appointing Shareholders' Meeting, and to vote for, a slate of candidates for the Board of Directors composed of: (i) Massimo Candela, appointed by Pencil; (ii) Luca Pelosin, appointed by Pencil; (iii) Fabio Zucchetti, appointed by Pencil; (iv) Annalisa Barbera, appointed by Pencil; (v) Gianni Mion, appointed by Space Holding, who will also hold the office of Chairman of the Board of Directors; (vi) Francesca Prandstraller, appointed by Space Holding, independent pursuant to Article 147-ter, paragraph 4, of the CFA and the Self-Governance Code; (vii) Sergio Ravagli, appointed by VEI, independent pursuant to Article 147-ter, paragraph 4, of the CFA and the Self-Governance Code; (viii) Alberto Candela, appointed by Pencil, who will also hold the office of Honorary Chairman; (ix) Antonio Scarabosio, appointed by Pencil, independent pursuant to Article 147-ter, paragraph 4, of the CFA and the Self-Governance Code.

**(2)** Pencil also undertook commitments to ensure that the Board of Directors of Fila, until the approval of the Fila 2017 Annual Accounts, contains 2 directors appointed by Space Holding, of which 1 belonging to the under-represented gender and independent pursuant to Article 147-ter of the CFA and the Self-Governance Code.

**(3)** Pencil also undertook commitments in relation to VEI:

(i) to ensure the presence on the Board of Directors of Fila, until the approval of the 2017 annual accounts, of one director appointed by VEI who need not be independent pursuant to Article 147-ter, paragraph 4 of the CFA or belonging to the under-represented gender on the Board of Directors;

(ii) with reference to the appointment of the members of the Board of Directors of Fila with effect from the date of the approval of the 2017 Annual Accounts, subject to the fact that on that date VEI holds a stake in the share capital of Space equal to at least 6% (calculated as indicated in paragraph 5(d)), commits to: (a) present a slate containing one candidate nominated by VEI and to vote for this candidate for the duration of the three-year period; (b) ensure the presence on the Board of Directors of Fila of 1 director appointed by VEI. For these purposes, Pencil is also committed to ensure that the 2017 Annual Accounts are approved by the Shareholders' Meeting within 120 days from the end of the year 2017, or where such is not possible pursuant to Article 2364, paragraph 2, of the Civil Code, will discuss in good faith with VEI the manner by which to preserve the right of this latter to appoint a director to the board, including through a new shareholder agreement referring exclusively to this right.

***(b) Commitments relating to the appointment and composition of the Board of Statutory Auditors of Fila (subsequent to the Effective Merger Date)***

**(1)** In relation to the agreements reached within the Merger, informal agreement was received from the current members of the Board of Statutory Auditors to resign subject to the completion of the Merger. From the Effective Merger Date the entire Board of Statutory Auditors resigned. Pencil is committed to present, in view of the Appointing Shareholders' Meeting, and to vote for, a slate of candidates that includes 1 statutory auditor appointed by VEI (which must belong to the under-represented gender in the slate presented by Pencil).

**(2)** With reference to the appointment of the members of the Board of Statutory Auditors of Fila with effect from the date of the approval of the 2017 Annual Accounts, subject to the fact that on that date VEI holds a stake in the share capital of Space equal to at least 6% (calculated as indicated in paragraph 5(d)), Pencil commits to present a slate containing one standing auditor nominated by VEI (which must belong to the under-represented gender of the slate presented by VEI) and to vote for this candidate for the duration of the three-year period.

***(c) Prior consultation obligations (subsequent to the Effective Merger Date)***

Pencil commits, for the entire duration of the Agreement, to consult VEI and to inform them on their intentions in relating to some key shareholder motions concerning, among others: (i) allocation and/or distribution of dividends; (ii) mergers or spin-offs; (iii) share capital increases, with exclusion or limitation on rights options (to be settled in cash or in-kind); (iv) the winding-up and placement in liquidation of Fila; and (v) changes in market segment or listing on other markets.

***(d) Lapsing of VEI governance rights***

Subject to the provisions of the previous paragraphs 5(a)(3)(iii) and 5(b)(2), the right of VEI to appoint 1 director and 1 statutory auditor and the relative commitments of Pencil, as well as the prior consultation obligations, will terminate when VEI has a shareholding of lower than 3% in the share capital of Fila, calculated considering the entire share capital of Fila and therefore including the ordinary shares, class C and class B shares and without taking into account any inter-company transfers. Where the investment of VEI is below the threshold of 3%, VEI must ensure the resignation of the director appointed by them to the Board of Directors.

***(e) Commitments relating to the circulation of Fila shares (subsequent to the Effective Merger Date)***

**(1)** Pencil commits, from the Effective Merger Date, on its own behalf and of the companies and entities directly and/or directly controlled, not to transfer the shares of Fila belonging to any class, as well as any right, option and obligation which grants the holder the right to purchase or subscribe shares, securities or other financial instruments which provide rights, immediately or in the future, to the conversion into, or the subscription of, shares (options, obligations or other rights convertible into shares), new or pre-existing, of Fila (the "**Securities**") until the conclusion of the 18<sup>th</sup> month from the Effective Merger Date.

**(2)** The Participants have agreed that the following will be excluded from the application of point (1) above: (i) transfers of Securities in the case of public purchase or exchange offers on Securities, as per applicable law and regulations; (ii) transfers within the scope of mergers concerning Fila, further to the current Merger; (iii) transfers in favour of strategic partners of Fila with which Fila undertakes acquisitions and corporate finance operations in this period, with the prior approval of Space Holding to these transfers, which may not be unreasonably refused; and (iv) inter-company

transfers, provided that the relative transfer contract expressly provides that, on lapsing of the participation requirements which permitted exemption from transfer as per point (I) above, the transfer is considered void and the ownership of the Securities are retransferred to the transferring party.

**(3)** VEI commits, from the Effective Merger Date, on its own behalf and of the companies and entities directly and/or indirectly controlled: (i) not to undertake sales, disposals and/or any operations in relation to and/or as a result of the allocation and/or transfer to third parties, under any form, of shares of Fila held by them; and (ii) not to promote and or undertake derivative financial operations, which have the same effects, even of an economic nature, of the operations as per the preceding point (i); for a period of 180 days from the Effective Merger Date.

**(4)** The Participants have agreed that the following will be excluded from the application of point (3) above: (i) transfers of Securities in the case of public purchase or exchange offers on Securities, as per applicable law and regulations; (ii) inter-company transfers, provided that the relative transfer contract expressly provides that, on the lapsing of the participation requirements which permitted exemption from transfer as per point (I) above, the transfer is considered void and the ownership of the Securities are retransferred to the transferring party; and (iii) the transfers authorised by EQUITA SIM S.p.A. (with authorisation taking account of market conditions), as the Corporate Broker of Fila, within the limit indicated by EQUITA SIM S.p.A..

**(5)** It is recalled that, in addition to the commitments of the previous paragraph 5, letter (e), points (1) to (4) above, at the Effective Merger Date (and subsequently), the agreement signed between Space and Space Holding remains fully in force within the listing process of Space concerning the lock-up commitment of Space Holding with Space in relation to the ordinary shares of Fila from the conversion of special shares held by Space Holding within the following terms: (i) with reference to the ordinary shares of Fila from the conversion of 161,000 special shares on the 5<sup>th</sup> day after the Effective Merger Date, the lock-up commitment will be for a duration of 12 months from the Effective Merger Date and (ii) with reference to the ordinary shares of Fila from the conversion of special shares on the occurrence of certain events indicated in Article 5 of the Fila By-Laws, the lock-up commitment will be for a duration of 6 months from the relative conversion, subject to the fact that where the conversion occurs in the 12 months subsequent to the Effective Merger Date, the lock-up commitment will be until the latter date between a) 12 months from the Effective Merger Date and b) 6 months from the conversion.

## **6. Duration of the Agreement**

The Agreement will enter into force from the Effective Merger Date (i.e. June 1, 2015) and will have a duration of three years from that date.

## **7. Further information**

The Agreement was filed at the Milan Companies Registration Office on January 20, 2015.

The disclosures as per Article 130 of the Issuers' Regulations are published on the website [www.fila.it](http://www.fila.it).

The Agreement is governed by Italian law. Any litigation in relation to the Agreement will be pursued through arbitration.

Milan, June 3, 2015