

## **MYBEST GROUP S.P.A.**

Registered office in Sesto San Giovanni (MI), Viale Casiraghi 359 – 20099

Share capital **€ 3.334.309,50 fully paid**

VAT 04227580968 – Tax code 04227580968

Milan R.E.A. registration no. 1735084

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### **Minutes of the ordinary shareholders' meeting**

**In the year 2019, on the 28<sup>th</sup> of May, at 11:00am**, at the registered office of the company MY BEST GROUP spa in Sesto San Giovanni 20099 (MI), Viale Fratelli Casiraghi 359, the shareholders' meeting of the company **MyBest Group S.p.A.** was held, after a second call, to discuss and decide on the following:

#### **Agenda**

##### **Ordinary session**

1. Update on the equity, financial and economic situation of the Company and the Group and related proposals by the Board of Directors; relevant and consequent resolutions.
1. Integration of the Board of Statutory Auditors following the resignation of its members.
2. Determination of the number of Board members.

Under the Deed of Incorporation, Mr. Fabio Regolo, Chairman of the Board of Directors, takes over the chair.

With the consent of those present, Ms. Alice Tarantino (lawyer) takes on the role of Secretary of the meeting.

For the purpose of verifying the regular constitution of the meeting, the Chairman establishes and declares the following:

= for the Board of Directors, the Managing Director, Mr. Paul Manfredi, and the Directors Mr. Fabio Regolo and Mr. Daniele Viganò are present.

= for the Board of Statutory Auditors, Mr. Alfredo Fossati is present, the others being absent and resigning auditors under prorogatio.

= there are no. 6 shareholders, representing themselves and/or by proxy, no. 3.053,821 ordinary shares equal to 45,79% of the share capital, all detailed in the attached list (letter a);

= the meeting was called for today's date by means of a notice published in the "Gazzetta Ufficiale" on 09<sup>th</sup> of May 2019.

Therefore, the meeting is legally constituted and can validly decide on what is on the agenda.

The Chairman asks the participants to communicate any situations that may impede the right to vote and no one intervenes.

Then, the items on the agenda are discussed.

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The Chairman, Mr. Fabio Regolo, begins with the discussion of the **first item** on the agenda.

He reminds preliminarily that, after the listing process concluded in September 2018, about half of the share capital increase approved by the shareholders' meeting held in the same month of July was subscribed, and therefore a total amount of 2.451 million euros remains, which can be subscribed by the end of 2019. Therefore, the activities had to be reorganised in order to contain costs and reduce some unprofitable activities carried out by some subsidiary companies: in particular, MY Best Option s.r.l. and MyBest Option Spain.

In these months the preparation of a new business plan has also begun, which takes into account the changed scenario linked to the failure to fully subscribe the planned capital increase, and which is a prerequisite for a more general restructuring of the group debt. At the beginning of last February, contacts were initiated with a potential investor (represented by an investment fund), which was granted an exclusive period for carrying out due diligence, after which the investor did not confirm its interest in developing a possible partnership with the Group.

The Chairman, then, informs those present that the parent company is evaluating the transition to IAS accounting standards and that, for this reason, the companies of the group chose to use an extension of 180 days for the approval of the 2018 financial statements.

The Chairman also informs that the financial situation of the Group was complicated by some legal actions taken by some creditors and mainly by Unicredit, and that the interruption of negotiations with the aforementioned fund has caused some delay in the definition of the guidelines for the new industrial plan that should have been submitted to this Meeting to be evaluated as required.

The Chairman confirms the commitment of the Board of Directors to complete the aforementioned business plan quickly, and then to take the consequent necessary actions to implement it (also by calling a new meeting).

The managing director, Mr. Paul Manfredi, informs that the Board of Directors is checking the draft financial statements as of 31.12.2018 of the companies of the Group in order to complete the financial considerations, and therefore to fully define the financial statements of the companies themselves. Deloitte, the auditing firm, will begin in a few days to carry out its audit.

He highlights the need to complete, in the shortest possible time, the financial statement assessments and the definition of the guidelines for the business plan so as to submit to the shareholders the request to proceed with the subscription of the remaining part of the increase of capital and meet the deadline.

Mr. Amato (Director) takes the floor and asks for more information about the nature of the fund's expression of interest.

The Chairman, Mr. Regolo, answers that the parent company received a simple expression of interest with which the said fund had declared its willingness to contribute to the reorganisation and industrial management of the group but that, after carrying out due diligence, it did not confirm its interest.

The partner, For2Net Srl, in the person of its representative, Mr. Daniele Viganò (who reminds the Meeting that he is also a Member of the Board of Directors of MyBest Group), takes the floor to express some considerations about the Group future development opportunities.

After reminding that, since January 2018, he is no longer working for the Group, while he still covers management positions, he emphasizes that the group can still have great potential, and that he will continue to search for new investors for the completion of the capital increase approved at the time.

Mr. Daniele Viganò, partner and shareholder of the Group without delegation and not in charge of any operation, receives from the CEO, Mr. Paul Manfredi, a printed copy of the economic forecast for the closure of the company and a precise financial situation, as requested by him via email a few weeks before.

After examining the economic/financial situation, he believes that the Company should act according to some guidelines such as (i) not selling the Group individual strategic assets, (ii) defining, with the banks, a solution for the renegotiation and rescheduling of outstanding debt and (iii) quickly completing the industrial plan based on current activities, which can later be expanded with the development of energy reselling activities.

He believes that these three components could attract investors interested in completing the approved capital increase.

Mr. Sacha Gentili (Director) intervenes and asks Mr. Viganò if, when he talks about possible investors, he is referring to some agreements made, or it is only a hypothesis to be evaluated. Mr. Daniele Viganò answers that, so far, no agreements were signed, but he heard of people who might be interested.

Mr. Amato (Director) takes the floor to ask the Managing Director, Mr. Paul Manfredi, if the performance of the Mybest Contact business in 2019 is improving.

Mr. Paul Manfredi answers that the business is in line with expectations and points out that the difficult financial situation of the company is due to the split payment which allows VAT credit to be offset only in the first few months of the year (with a legal limit of 700 thousand euros per year).

Mr. Amato (Director), then, referring to the idea/proposal suggested by Mr. Daniele Viganò on behalf of the partner For2Net, points out that and asks if they should rather focus on the companies of the group instead of using funds and the capital to launch a new project, which could require an investment.

He adds that it would be more appropriate to focus only on the operating and productive companies by making investments to support their growth, and therefore expresses his perplexity in launching a new line of Business at this time.

No one else takes the floor and the Shareholders' Meeting takes note of the information received while waiting for the industrial plan of the Group to be completed, in order to be able to assess, in the next meeting to be called in weeks, the economic and financial situation of the Group.

Since the discussion of the first item on the agenda is completed, the second item can be discussed.

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Continuing the discussion with the **second item on the agenda**, that is, the integration of the Board of Statutory Auditors, the Chairman, Mr. Regolo takes the floors and informs the shareholders that the standing auditors, Mr. Francesco Pecere and Mr. Roberto Giannella resigned in January 2019, and were replaced by two alternate auditors, Mr. Nicola Tufo and Mr. Pierluigi Pipolo, who took over and then resigned a few days later by written notice.

The Chairman of the Board of Statutory Auditors, Mr. Alfredo Fossati, then, is now the only member of the Board.

The Chairman, Mr. Regolo, reminds that, according to the position of the Supreme Court of Cassation (Cassation Section 1, no. 5928 of 9 October 1986), the resignation by an auditor has immediate effects only when the automatic replacement of the resigning member with an alternate auditor is possible (as it happened with the statutory, Mr. Pecere and Mr. Giannella). Once the alternate auditors have taken over, their resignation cannot result in their replacement (in the absence of other alternate auditors) and therefore they must be considered under prorogatio.

He adds that the auditors, Mr. Pipolo and Mr. Tufo informed them that they consider their resignation to be immediately effective, citing in support of this interpretation a contrasting position of the Foundation of the Accountants of 2014 and the Commission of the Notary Council of Triveneto in 2011.

The Chairman of the Board of Statutory Auditors points out that, in his opinion, reference should be made to the jurisprudence of the aforementioned Court of Cassation, and also mentions the recent sentence no. 9416 of 12.4.2017 in which the Supreme Court ruled that the prorogatio "only exists when the number of resigning auditors is greater than the number of alternate auditors", which is exactly the current situation of the company.

In any case, he immediately requested the call for a meeting for the appointment of new auditors in order to overcome the conflict specified above, and, in any case, have a Board of Statutory Auditors that is not based on the prorogatio of resigning auditors.

The Chairman, Mr. Regolo, informs that it was not possible to identify any potential candidate to fill the vacant position and asks the Meeting if it can suggest possible candidates for the position. No proposal to appoint new members of the Board of Statutory Auditors is received from the meeting, although some shareholders reserve the right to investigate whether it is possible to identify suitable candidates among the professionals they know.

The Chairman of the Board of Statutory Auditors, Mr. Fossati, shows his disappointment about the fact that the Shareholders' Meeting, today, is not able to appoint a new Board of Statutory Auditors and hopes that the situation can be resolved, at the latest, with the next shareholders' meeting to be called to submit the business plan, and, in any case, no later than next June 2019, reserving the right to evaluate the appropriate actions to be taken if the Shareholders' Meeting does not appoint a new Board of Statutory Auditors within this deadline.

The Meeting, then, takes note of the fact that no candidacies were suggested, and therefore of the impossibility to resolve on this item on the agenda, referring the matter to the next meeting as described above.

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Finally, **the third item on the agenda**, that is, the determination of the number of Board members is discussed.

Mr. Regolo take the floor to point out that the meeting of 29 June 2017 had appointed five members of the Board of Directors. Subsequently, Mr. Bonuglia and Mr. Bonora resigned, and the Board of Directors did not proceed with any replacement by co-optation.

Therefore, the shareholders' meeting is informed that currently the Board of Directors of MBG spa consists of three Directors, including the Managing Director.

The Chairman invites the Meeting to deliberate on the possibility of continuing with a Board of Directors composed of three Directors, pursuant to art. 15 of the Deed of Incorporation.

After extensive discussion, the Shareholder's Meeting unanimously:

AUTHORISES

the Board of Directors to operate regularly in its current composition of 3 (three) Directors.

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Since there is nothing else to be decided, and no one else asking for the floor, the ordinary meetings is closed at 12:15pm.

The Chairman  
Mr. Regolo Fabio

The Secretary  
Ms. Alice Tarantino (lawyer)