



Safilo Group S.p.A.

Registered office in Padova 35129 – Zona Industriale, Settima Strada no. 15

Share capital of Euro 349.943.372,53 fully paid in

Registered with the Company Register of Padova with no. 03032950242

**INFORMATION DOCUMENT
CONCERNING A TRANSACTION WITH RELATED PARTIES OF GREATER IMPORTANCE**

(Document drafted pursuant to Article 5 of the Regulations for transactions with related parties approved by Consob with resolution no. 17221 of March 12, 2010)

Loan granted by the largest shareholder Multibrands Italy B.V. to the subsidiary Safilo S.p.A.

Update with respect to the Information Document published on February 13, 2020, as canceled and replaced on April 23, 2020

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DEFINITIONS

A list of the main terms used in this Information Document is provided below.

Acquisitions	Means: <ul style="list-style-type: none">- the purchase by Safilo America, a subsidiary of Safilo, of a 61.34% stake in the capital of Prive Goods LLC, a company incorporated under the United States law active in the wholesale and retail distribution of sunglasses and optical frames, announced and finalized on February 10, 2020 (the “Privé Acquisition”); and- the purchase by Safilo America, a subsidiary of Safilo, of a 70% stake in Blenders Eyewear LLC, a company incorporated under the United States law active in the wholesale and retail distribution of sunglasses and ski goggles, announced on December 9, 2019 and finalized on June 1, 2020 (the “Blenders Acquisition”).
Amendment Agreement	Means the agreement by Safilo and Multibrands, which modifies the Multibrands Loan Agreement, as signed on September 14, 2020.
Bank Loan Agreement	Means the unsecured and non-subordinated loan agreement, for a total amount of Euro 150 million expiring on June 30, 2023, signed on October 26, 2018 between Safilo, as a borrower, and a pool of national and international banks.
Board of Directors	Means the board of directors of the Company.
Company or Safilo Group	Means Safilo Group S.p.A., with registered office in Padua, Zona Industriale, Settima Strada no. 15, a company whose shares are listed on <i>Mercato Telematico Azionario</i> organized and managed by Borsa Italiana S.p.A..
Consob	Means the <i>Commissione Nazionale per le Società e la Borsa</i> (Italian Companies and Exchange Commission).
Group	Means the group headed by Safilo Group and composed by Safilo Group and the companies controlled by it.

Information Document	Means this information document drafted pursuant to Article 5 of the TRP Regulation and Article 3.2, letter (f), of the TRP Procedure.
Multibrands	Means Multibrands Italy B.V, with registered office at Weena 696, 3012 Rotterdam, Netherlands, which as of the date of this Information Document holds 49.843% of the share capital of Safilo Group.
Multibrands Loan Agreement	Means the loan agreement, for a total amount of Euro 90 million expiring on December 31, 2026, signed on February 6, 2020 between Safilo and Multibrands, as amended on September 14, 2020 following the Amendment Agreement.
Opinion of the TRP Committee on the Transaction	Means the reasoned opinion on the Company's interest in the Transaction, as well as on the convenience and substantial correctness of the related conditions, issued unanimously on February 4, 2020 by the TRP Committee in accordance with the TRP Regulation and the TRP Procedure.
Opinion of the TRP Committee on the Amendment Agreement	Means the reasoned opinion on the Company's interest in the Amendment Agreement, as well as on the convenience and substantial correctness of the related conditions, issued unanimously on September 2, 2020 by the TRP Committee in accordance with the TRP Regulation and the TRP Procedure.
Transactions with Related Parties Committee or TRP Committee	Means the committee for transactions with related parties appointed, in compliance with the TRP Regulation and the TRP Procedure, on April 24, 2018 and composed, at the date of the Information Document, by Ines Mazzilli (Chairman), Cinzia Morelli-Verhoog and Guido Guzzetti.
TRP Procedure	Means the procedure for transactions with related parties adopted by the Board of Directors on November 5, 2010, as subsequently amended and in force on the date of the Information Document.
TRP Regulations	Means the Regulations approved by Consob with resolution no. 17221 of March 12, 2010, containing provisions relating to transactions with related parties as subsequently amended and integrated.

SACE Loan Agreement	Means the loan agreement, for a total amount of Euro 108 million expiring on June 30, 2026, signed on September 15, 2020 between Safilo, as a borrower, and a pool of national and international banks, secured by SACE S.p.A. pursuant to the Law Decree 23/2020 (“Liquidity Decree”).
Safilo	Means Safilo S.p.A. with registered office in Padua, Zona Industriale, Settima Strada no. 15, a company controlled by Safilo Group.
Safilo America	Means Safilo America Inc. with registered office in 1007 Orange Street, Wilmington, Delaware, 19801, United States, a company controlled by Safilo and fully controlled, indirectly, by Safilo Group.
Transaction	Means the financing transaction by means of a loan granted by Multibrands in favor of Safilo described in this Information Document.
Transaction of Greater Importance	Means the Related Party Transactions identified in paragraph 2 (A) of the TRP Procedure, in accordance with Article 1.1, letter a) of Annex 3 of the TRP Regulation.

INTRODUCTION

This Information Document has been drafted by Safilo Group pursuant to Article 5 of the TRP Regulations, as well as Article 3.2, letter (f) of the TRP Procedure published on the Company's website (www.safilogroup.com/it).

The Information Document constitutes an update of the information document published by the Company on February 13, 2020, as canceled and replaced by the document published on April 23, 2020, and it has been drafted pursuant to Annex 4 of the TRP Regulations in order to provide the market with an exhaustive information framework regarding the loan granted by Multibrands to Safilo for a total amount of Euro 90,000,000 (ninety million/00), approved by the Board of Directors of Safilo Group on February 6, 2020 and functional to the Acquisitions, as amended on September 14, 2020 following the Amendment Agreement approved by Safilo Group's Board of Directors on September 4, 2020.

In this regard, it should be noted that the aforementioned Amendment Agreement, as illustrated below, must be considered in the context of the negotiations of the SACE Loan Agreement with the same pool of banks as the Bank Loan Agreement.

In particular, during the negotiations of the SACE Loan Agreement, the pool of banks requested Safilo, among other things, that the Multibrands Loan Agreement be subordinated, as to the repayment of capital, in addition to the Bank Loan Agreement, also to the SACE Loan Agreement and that the expiry of the Multibrands Loan Agreement, originally scheduled for December 31, 2023, be postponed beyond the maturity of the SACE Loan Agreement.

In addition to the above, following the amendments made to the Bank Loan Agreement and taking into account the terms and conditions of the SACE Loan Agreement, it was deemed necessary to reset the financial covenants of the loan granted by Multibrands in line with the aforementioned contracts, and to cancel the test date falling in June 2020. The Transaction qualifies as a related party transaction as Multibrands, a subsidiary of HAL Holding N.V., holds 49.843% of the Company's share capital, which, in turn, controls Safilo. Multibrands is therefore a related party of the Company.

The Transaction is a Transaction of Greater Importance, since the ratio between the counter value of the Transaction and the market capitalization of Safilo Group at the end of the last trading day included in the period covered by the Company's half-year financial report as at June 30, 2020 is equal to approximately 46% and, therefore, higher than the 5% threshold.

It should be remembered that, pursuant to Article 3.3 of the TRP Procedure, Safilo Group's Board of Directors had approved on February 6, 2020 the Transaction after receiving the Opinion of the TRP Committee on the Transaction issued on February 4, 2020 and the contract relating to the Transaction had been signed on February 6, 2020.

On September 4, 2020 the Board of Directors has also approved the Amendment Agreement, after receiving the Opinion of the TRP Committee on the Amendment Agreement issued on September 2, 2020, and such Amendment Agreement has been signed on September 14, 2020.

The Information Document is available to the public at the Company's registered office and on the website at the address www.safilogroup.com/it.

1. Warnings

1.1 Risks associated with potential conflicts of interest arising from the Transaction with related parties

As of the date of this Information Document, Multibrands holds 49.843% of the Company's share capital, which, in turn, is the holder of all outstanding shares of Safilo equal to 95.2% of its share capital (the remaining portion of Safilo's share capital is represented by its own shares). Multibrands is therefore a related party of the Company.

The Transaction does not expose Safilo Group and the companies of the Group to particular risks connected to potential conflicts of interest, other than those typically inherent to transactions with related parties, nor to risks other than those typically inherent to financing transactions.

In accordance with the TRP Procedure, the management has aligned the Committee on the negotiations relating to both the Multibrands Loan and the Amendment Agreement on a continuous basis, through ongoing meetings and, more in general, the delivery of a continuous, complete and timely flow of information, which allowed the TRP Committee to examine the documentation, make the appropriate investigations and formulate observations and, on February 4, 2020 to unanimously issue the Opinion of the TRP Committee on the Transaction and, thereafter, on September 2, 2020, to unanimously issue the Opinion of the TRP Committee on the Amendment Agreement, both attached to this Information Document.

2. Information on the Transaction

2.1 Description of the characteristics, modalities, terms and conditions of the Transaction

The Transaction consists of an interest-bearing loan granted by the largest shareholder Multibrands in favor of the indirect subsidiary Safilo for a total amount of Euro 90,000,000 (ninety million/00) functional to the Acquisitions. In particular, Safilo, through intercompany transactions, which are excluded from the application of the provisions on Transactions with Related Parties pursuant to Article 4.1 of the TRP Procedure, has provided to Safilo America, its US subsidiary, the necessary funding to complete the Privé Acquisition and the Blenders Acquisition. Both Acquisitions were completed as of the date of this Information Document.

The main terms and conditions of the Transaction are listed below, as amended by the Amendment Agreement.

Terms and conditions of the Transaction	
Amount of the loan	Euro 90,000,000
Purpose of the loan	Financing of the Acquisitions.
Conditions and timing of the Transaction	The loan was granted by Multibrands in favor of Safilo in two <i>tranches</i> : - Euro 30,000,000 have been made available to Safilo before the closing of the Privé Acquisition, which took place on February 10,

Terms and conditions of the Transaction	
	<p>2020;</p> <p>- Euro 60,000,000 have been made available to Safilo before the closing of the Blenders Acquisition which took place on June 1, 2020.</p>
Interest	<p>The loan accrues interest equal to the Euribor rate (with a minimum value equal to zero) plus a margin, to be paid every six months (on June 30 and December 31 of each year) and on the termination date, except as provided below.</p> <p>The initial margin, applicable for the first 12 months from the drawdown date of the corresponding <i>tranche</i>, is equal to 6% per annum; from the following year up to the termination date, the margin will be equal to 9% per annum.</p> <p>Safilo has the right not to pay interest accrued on the related payment date; in the event Safilo exercises such right, interest is capitalized and therefore added to the capital outstanding at the moment of the non-payment. Currently Safilo intends to exercise the above-mentioned right.</p> <p>If the ratio between the overall net debt (including the debt connected to the Transaction) on a test date falling on or after 30 June 2021 and the corresponding consolidated EBITDA for the last 12 months is lower than 1.25x, the right to capitalize interest ceases and the interest accrued from such date becomes due and payable on the related payment date.</p>
Subordination	<p>The contract relating to the Transaction establishes that the loan is subordinated as to the repayment of capital to the Bank Loan Agreement and, according to the Amendment Agreement, to the SACE Loan Agreement.</p>
Guarantees	<p>The Transaction does not provide for the establishment of personal guarantees and/or security interests.</p>
Financial Covenants	<p>The Multibrands Loan Agreement, along with the Bank Loan Agreement and the SACE Loan Agreement, provides for the compliance with some commitments and certain covenants to be tested, starting from December 2020, on June 30 and December 31 of each year as described below:</p> <p>(A) until 30 June 2022 included:</p> <ol style="list-style-type: none"> i. Minimum Cash (calculated including available undrawn amounts of the Bank Loan Agreement); ii. Maximum Net Financial Position (excluding any

Terms and conditions of the Transaction	
	<p>subordinated financial debt for the portion on which accrued interests are capitalized);</p> <p>iii. some limitations on the assumption of further financial indebtedness.</p> <p>(B) from 31 December 2022 included:</p> <p>i. Maximum Leverage Ratio (<i>i.e.</i>, the ratio between the net financial debt and the corresponding consolidated EBITDA for the last 12 months);</p> <p>ii. Minimum Interest <i>Service Coverage Ratio</i> (<i>i.e.</i>, the ratio between the EBITDA and net interest at consolidated level),</p> <p>in both cases excluding any subordinated financial debt for the portion on which accrued interests are capitalized.</p>
Termination date	<p>The repayment in full of the loan by Safilo must take place on December 31, 2026. Any prepayment of the loan is subject to certain limitations, given the subordinated nature of the loan in respect to the Bank Loan Agreement and the SACE Loan Agreement, except for a prepayment funded through the proceeds of a share capital increase with a rights' issue offered in option to the shareholders of Safilo Group.</p>

2.2 Indication of the related parties with which the Transaction was entered into, of the nature of the relationship and, where this is disclosed to the administrative body, of the nature and extent of the interests of these parties in the Transaction

The Transaction qualifies as a transaction between related parties pursuant to the TRP Regulations and the TRP Procedure as Multibrands, which acts as a lender, holds 49.843% of the share capital and therefore is the main shareholder of Safilo Group.

The loan was granted to Safilo, a subsidiary controlled by Safilo Group.

It should be remembered that the Transaction has been originally unanimously approved on February 6, 2020 by the Company's Board of Directors, with the sole abstention of the director Melchert Frans Groot, who declared to be the bearer of an interest in relation to the Transaction by virtue of his role as Chairman of the Executive Board of Hal Holding N.V., which indirectly controls Multibrands, the main shareholder of the Company.

On September 4, 2020 the Board of Directors of the Company unanimously, and again with the sole abstention of the director Melchert Frans Groot, also approved the Amendment Agreement.

2.3 Information on the economic rationale and convenience of the Transaction for the Company

With regard to the economic motivations and convenience of the Transaction for the Company and for the Group, it should be remembered that the Board of Directors had noted that the Transaction was

functional to the Acquisitions and, in particular, it had considered that the loan subject of the Transaction, made available in two separate *tranches*, was the most suitable means for a fast and timely closing of the Acquisitions, in particular of the Privè Acquisition, taking into account the tight schedule of the latter compared to the Blenders Acquisition. In addition, it had been considered that this loan could allow Safilo to maintain the necessary flexibility, in terms of availability for any future needs, of the revolving credit line granted under the Bank Loan Agreement, considering however that the available amount of this line, even if combined with existing and/or expected liquidity, would have not been sufficient to cover the overall expected disbursements to finance both Acquisitions.

Due to the impacts deriving from the evolution of the current Covid-19 pandemic and the measures adopted by the Italian Government to deal with the economic crisis caused by the health emergency (including the Law Decree 23/2020 (the "Liquidity Decree")), following the resolution of the Company's Board of Directors passed on May 6, 2020, the negotiations for the signing of the SACE Loan Agreement and for the amendment of some terms of the Bank Loan Agreement have begun.

In the context of the aforementioned negotiations, the pool of banks requested Safilo to make certain changes to the Multibrands Loan Agreement, asking that the repayment of the same be subordinated not only to the Bank Loan Agreement but also to the SACE Loan Agreement and that the related expiry, originally scheduled for December 31, 2023, be postponed beyond the expiry of the SACE Loan Agreement.

Furthermore, taking into account the terms and conditions of the SACE Loan Agreement and the changes made to some provisions of the Bank Loan Agreement, it was necessary to reset the financial covenants included in the Multibrands Loan Agreement in line with the aforementioned agreements and to cancel the test date falling in June 2020.

On September 4, 2020, the Company's Board of Directors has thus agreed that the Amendment Agreement is instrumental to the signing of the SACE Loan Agreement which, in the current scenario deriving from the evolution of the COVID-19 pandemic, is considered essential to ensure the Group's going concern as well as necessary to avoid a default under the Bank Loan Agreement and the same loan with Multibrands.

2.4 Modalities for the determination of the amount of the Transaction and evaluation of its consistency with market values related to similar transactions

The Transaction consists of an interest-bearing loan granted by the largest shareholder Multibrands in favor of the indirect subsidiary Safilo for a total amount of Euro 90,000,000, with the final repayment date on December 31, 2026, as amended by Amendment Agreement.

The Transaction's consideration is represented by the remuneration of the loan, which provides for the application of interest equal to the Euribor rate (with a minimum value equal to zero) plus a margin.

The initial margin, applicable for the first 12 months from the drawdown date of the corresponding *tranche*, is equal to 6% per annum; from the following year up to the termination date, the margin will be equal to 9% per annum.

The Transaction does not involve the payment of commissions, penalties or additional charges (*e.g.*, the provision of personal guarantees and/or security interests).

In order to verify whether the terms and conditions of the Multibrands Loan Agreement could be considered in line with the market, a comparative analysis was carried out and updated in order to verify whether also the terms and conditions of the Amendment Agreement could be considered in line

with the market, starting from the qualifying characteristics of the Transaction and precisely: the nature of the subordinated loan, Safilo's option not to pay the interest accrued at the end of each period and to proceed with the related capitalization (so-called PIK interest), Multibrands' right to demand, instead, the payment of interest accrued at the end of each period only in the case of particularly positive overall financial leverage, as well as the announced intention of Safilo to immediately exercise the aforementioned option.

Such comparative analysis continued on the basis of the information obtained from some of the Group's reference banks and market information publicly available for instruments with similar characteristics, even if not perfectly tying, collected through Bloomberg. In particular, in order to create a so-called comparison panel, existing bonds were selected with (i) PIK interest structure and (ii) subordinated or unsecured nature or with second/third ranking security. Lastly, the weighted average margin by tenor of the Multibrands Loan Agreement, as amended by the Amendment Agreement (approx. 8.55% compared to the previous 8.25% as the mere consequence of the 3 years extended maturity with not changes to the applicable contractual margin) was compared with the corresponding one in the Bloomberg panel (approx. 8.4%) and with the one indicated by the banks (approx. 6.75 %) at the time of the previous comparative analysis.

The analysis and the related discussion had already brought out that all the qualitative and quantitative terms and conditions of the Transaction were reasonable and the only possible, given the tight timing required by the Acquisitions and the substantial absence of appropriate financing alternatives (taking into consideration that the revolving credit facility referred to in the Bank Loan Agreement, though used in part to finance the Privé Acquisition, would not have been sufficient to cover even the whole Privé Acquisition itself) and given the reasonable comparability with the external benchmarks available. It was also taken into account that, thanks to the Transaction, the Group would have, as it actually has, preserved the access to the revolving credit facility.

Furthermore, from the update and discussions in the context of the Amendment Agreement it also resulted that the terms and condition of the Amendment Agreement are reasonable and that the Amendment Agreement be the only possible way to ensure, in light of the requests from the pool of banks, the execution of the SACE Loan Agreement and of the amendments to the Bank Loan Agreement.

2.5 Illustration of the economic, patrimonial and financial effects of the Transaction

The Transaction qualifies as a Transaction of Greater Importance pursuant to the TRP Procedure adopted by the Company, as the index of relevance of the value of the same Transaction, *i.e.* the ratio between the counter value of the Transaction and the market capitalization of Safilo Group at the end of the last trading day included in the period covered by the Company's half-year financial report as at June 30, 2020 is higher than the 5% threshold (being equal to circa 46%).

The economic effects of the Transaction consist of an increase in the financial expenses, for an amount on an annual basis resulting from the application of the Euribor rate (with a minimum value equal to zero) and the margin applicable to the two *tranches* of the loan, according to the respective drawdown date.

The balance sheet and financial effects of the Transaction consist of an increase in total financial debt for Euro 90,000,000 and for the additional amounts relating to capitalized interest.

2.6 Impact of the Transaction on the remuneration of the members of the administrative body of the Company and/or of its subsidiaries

The Transaction does not entail any change to the remuneration of the members of the administrative

body of the Company, or of any of its subsidiaries.

2.7 Information relating to the financial instruments of the Company held by the members of the administrative and control bodies, general managers and executives of the Issuer possibly involved in the Transaction and to the interests of the latter in extraordinary transactions

The Transaction does not involve, with personal interests, members of the administrative and control bodies or executives of the Company.

2.8 Indication of the bodies or directors who conducted or participated in the negotiations

Pursuant to Article 3.3 of the TRP Procedure, in the event that the transaction carried out by the subsidiary appears to be a Transaction of Greater Relevance, it must be submitted to the Board of Directors of Safilo Group, called to resolve upon it after obtaining the opinion of the TRP Committee.

The negotiations relating to the Transaction and Amendment Agreement have been conducted by the Group's management which, in compliance with the TRP Regulations and the TRP Procedure, kept the TRP Committee updated on the evolution of the negotiations on a continuous basis, sending all the necessary information and with the possibility to request information and to make observations.

It should be remembered that the Company's Board of Directors had examined and approved the Transaction on February 6, 2020, after obtaining the Opinion of the TRP Committee on the Transaction of February 4, 2020, relating to the Group's interest in the Transaction, as well as to the convenience and substantial correctness of the related terms and conditions. The Company's Board of Directors had unanimously approved the Transaction, with the sole abstention of the director Melchert Frans Groot, who had declared to be the bearer of an interest in relation to the Transaction by virtue of his role as President of the Executive Board of Hal Holding N.V., which indirectly controls Multibrands, the main shareholder of the Company. The contract relating to the Transaction had been signed on February 6, 2020.

On September 4, 2020 the Board of Directors of the Company has also approved the Amendment Agreement unanimously, and again with the sole abstention of the director Melchert Frans Groot, after receiving the Opinion of the TRP Committee on the Amendment Agreement issued on September 2, 2020. The Amendment Agreement was signed on September 14, 2020.

2.9 If the relevance of the Transaction derives from cumulating multiple transactions carried out during the year with the same related party, or with subjects related both to the latter and to the Company, the information indicated in the previous points must be provided with reference to all the aforementioned operations

The relevance of the Transaction, which is the subject of this Information Document, does not derive from the accumulation of multiple transactions carried out during the year with the same related parties or with related parties, neither to the latter nor to the Company.

Annex A: Opinion of the TRP Committee on the Amendment Agreement

Annex B: Opinion of the TRP Committee on the Transaction

ANNEX A

To the members of the Board of Directors of Safilo Group S.p.A.

Dear Sirs,

In compliance with applicable regulation concerning transactions with related parties and the internal rules for Transactions with Related Parties (the "Rules") of Safilo Group S.p.A. (the "Company"), the Transactions with Related Parties Committee of the Company (the "TRP Committee") has been required to express its opinion about the terms and conditions of an amendment (the "Amendment") of the loan agreement for an overall amount of Euro 90 million entered into by the controlled company Safilo S.p.A., on one side, and the reference shareholder Multibrands Italy B.V., on the other side (respectively, the "Facility", "Safilo" and "Multibrands"), before the submission to the approval of the Board of Directors.

This opinion has to be read in conjunction with the favorable opinion granted by this RPT Committee on February 4, 2020, in support of the decision taken by the Board of Directors on February 6, 2020, to approve the entering into the Facility to finance fully the acquisition of a controlling interest in Blenders Eyewear LLC and in part the acquisition of a controlling interest in Privé Goods LLC.

* * *

The TRP Committee, when drawing up this opinion and making its own evaluations, has received from the management of the Company on a continuous basis the relevant documentation and information necessary to give the opinion concerning the interest of the Company, of Safilo and of the subsidiaries of the Company (the "Safilo Group") in executing the Amendment, as well as the convenience and substantial fairness of its terms and conditions.

✓ Size of the Amendment

The countervalue of the Amendment remains the same of the Facility (the cash amount originally received by Multibrands, i.e. Euro 90 million), and therefore also the "Equivalent-value relevance ratio" (i.e. the ratio between the countervalue of the Amendment and the market capitalization of the Company as at June 30, 2020 – being this figure greater than the consolidated net equity value of the Company as at the same date), calculated in compliance with the Rules, remains above the 5% threshold. As a consequence, the Amendment is to be qualified as a Transaction with Related Parties of Greater Importance and subject to a prior opinion of the TRP Committee to the Board of Directors called to resolve on the Amendment pursuant to article 3.3 of the Rules.

✓ Background

The management of the Company has provided the TRP Committee with a background for the Amendment, as well as details on its terms and conditions.

The Amendment is to be evaluated in the context of the negotiations of a new term loan for an overall amount of Euro 108 million, guaranteed by SACE S.p.A. under the framework of Law Decree 23/2020, so called *Decreto Liquidità* (the "SACE Loan"), with the lending banks (BNP Paribas, ING Bank N.V., Intesa San Paolo S.p.A. and UniCredit S.p.A.) of the current Euro 150 million Term Loan and Revolving Credit Facility signed in 2018 (respectively, the "Banks" and the "2018 Financing"), among the actions pursued by the Company in order to overcome the severe COVID-19 crisis, as authorised by the Board of Directors of the Company on May 6, 2020.

In particular, the Banks have asked that the Facility, which is already subordinated to the 2018 Financing, is furthermore subordinated also to the SACE Loan, with the extension of its maturity beyond June 2026 (which is the maturity date of the SACE Loan).

In addition, the Company and the Banks have agreed on an amendment of certain provisions of the 2018 Financing, including (i) a reset of the financial covenants and (ii) the cancellation of the testing date falling on June 2020, as well as (iii) the inclusion of certain limitations to dividend distributions and repayment of subordinated loans, in accordance with the terms of the SACE Loan (the amendment of the 2018 Financing will be signed at the same time as the SACE Loan). Such amendments are to be applied also to the Facility, in order



to avoid a default under the 2018 Financing and the Facility itself and also to keep operational consistency with the Banks' long-term financings.

✓ **Convenience and substantial fairness of the terms and conditions of the Amendment and interest of the Safilo Group**

The weighted average margin by tenor of the Facility, as modified by the Amendment, remains substantially aligned to the original one (8.55% vs 8.25%), being the mere consequence of the 3 years extended maturity with no changes to the applicable margin.

Based on the comparative analysis already performed at the time of approval of the Facility in order to verify whether the terms and conditions of the same could be considered in line with the market, which took into account the qualifying characteristics of the Facility and was performed on the basis of the information obtained from some of the Group's reference banks and market information publicly available for instruments with similar characteristics, even if not perfectly tying, collected through Bloomberg, and on an update of such comparative analysis performed now, also the terms and conditions of the Amendment result in line with the terms and conditions applied to similar transactions for peculiarity, risk and entity with unrelated parties.

With regard to the Safilo Group's interest in entering into the Amendment, it has to be highlighted that the Amendment is deemed instrumental to the signing of the SACE Loan, which in the current COVID-19 scenario is considered essential to ensure the going concern of the Safilo Group, and is also required in order to avoid a default under the 2018 Financing and the Facility itself.

At the end of the evaluation of the documentation and the information given by the management of the Company, the TRP Committee has positively considered, at the date of this Report, the interest of the Safilo Group in entering into the Amendment, as well as the convenience and substantial fairness of its terms and conditions. Therefore, the TRP Committee, at the date of this Report, gives its favourable opinion.

September 2, 2020

Ines Mazzilli

Ines Mazzilli

Cinzia Morelli-Verhoog

Cinzia Morelli-Verhoog

Guido Guzzetti

Guido Guzzetti

ANNEX B

To the members of the Board of Directors of Safilo Group S.p.A.

Dear Sirs,

In compliance with applicable regulation concerning transactions with related parties and the internal Rules for Transactions with Related Parties (the "Rules") of Safilo Group S.p.A. (the "Company"), the Transactions with Related Parties Committee of the Company (the "TRP Committee") has been required to express its opinion about the terms and conditions of a loan agreement for an overall amount of Euro 90 million, between the controlled company Safilo S.p.A., on one side, and the reference shareholder Multibrands Italy B.V., on the other side (respectively, "Multibrands" and the "Agreement"), before the submission to the approval of the Board of Directors.

As illustrated below, the Agreement is intended to finance fully the acquisition of a controlling interest in Blenders Eyewear LLC, duly communicated to the market on 9 December 2019 (the "Blenders' Acquisition"), and in part the acquisition of a controlling interest in Privé Goods LLC (the "PR's Acquisition" and, together to the Blenders' Acquisition, the "Acquisitions").

This opinion follows, replacing in its entirety, the favorable opinion granted by this RPT Committee on 29 November 2019, in support of the decision taken by the Board of Directors held on 1 December 2019, to proceed with the signing of a loan agreement between Safilo S.p.A. and Multibrands, which was not entered into between the parties, as following the signing of the contract for the Blenders' Acquisition and before the relative closing, the opportunity to proceed also with the PR's Acquisition and its related financing arose.

* * *

The TRP Committee, when drawing up this opinion and making its own evaluations, has received from the management of the Company on a continuous basis the relevant documentation and information necessary to give the opinion concerning the interest of the Company, of Safilo S.p.A. and of the subsidiaries of the Company (the "Safilo Group") in executing the Agreement, as well as the convenience and substantial fairness of its terms and conditions.

Since the "Equivalent-value relevance ratio" (i.e. the ratio between the counter value of the Agreement and the consolidated net equity value of the Company as at June 30, 2019 – being this figure greater than the market capitalization of the Company as at the same date), calculated in compliance with the Rules is above the 5% threshold, the Agreement is to be qualified as a Transaction with Related Parties of Greater Importance, and as a consequence subject to a prior opinion of the TRP Committee to the Board of Directors called to resolve on the Agreement pursuant to article 3.3 of the Internal Rules.

The Agreement is to be evaluated in the context of the acquisitions, via the subsidiary Safilo America Inc., of: (a) a 70% majority stake in Blenders Eyewear LLC, and of (b) a 61.34% majority stake of Privé Goods LLC. In detail, the Agreement is aimed at fully financing the Blenders' Acquisition, for an amount equal to Euro 60 million, and at partially financing the PR's Acquisition for amount of Euro 30 million, the remaining portion of the estimated purchase price being financed through available cash and a partial withdrawal of a revolving credit facility from a pool of lending banks under a contract entered into on October 26, 2018 (the "RCF").

The repayment of the loan covered by the Contract will in any case be subordinated to the credit rights of the pool of lending banks of the RCF and of a Term Loan.

The management of the Company has provided the TRP Committee with a background for the Agreement, as well as details on its structure and main terms and conditions. The TRP Committee has also gone through an analysis in order to verify if the terms and conditions of the Agreement could be considered in line with the market on the basis of objective comparable elements taking into account its subordinated nature.



Based on the above-mentioned analysis, the terms and conditions of the Agreement have resulted in line with the terms and conditions applied to equivalent transactions for peculiarity, risk and entity with unrelated parties.

With regard to the Safilo Group's convenience in entering into the Agreement, it is worth noting that the Agreement is deemed instrumental for a fast and on time closing of the Acquisitions, and the PR's Acquisition in particular, in the light of its tight timeframe compared to that of the Blenders' Acquisition. In addition, the Contract allows the Group to keep the due flexibility, in terms of available headroom for any future need, under the RCF.

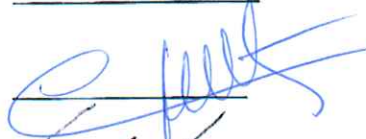
At the end of the evaluation of the documentation and the information given by the management of the Company about the Agreement, the TRP Committee has positively considered, at the date of this Report, the interest of the Safilo Group in entering into the Agreement, as well as the convenience and substantial fairness of the relevant terms and conditions. Therefore, the TRP Committee, at the date of this Report, gives its favourable opinion.

Milan, February 4, 2020

Ines Mazzilli



Catherine Gérardin-Vautrin



Guldo Guzzetti

