

**Shareholders' Meeting of 29 April 2026**  
**Explanatory Report by the Board of Directors**

**Item 1 on the agenda**

**Financial report at 31 December 2025: management report prepared by the Board of Directors including the the Consolidated Sustainability Statement; Independent Auditors' Report and Report of the Board of Statutory Auditors; Approval of the Financial statements at 31 December 2025.**

Dear Shareholders,

We present to you, in compliance with the applicable legal and regulatory provisions, the Annual Financial Report of Sabaf S.p.A. (hereinafter referred to as "**Sabaf**" or the "**Company**"), containing the draft financial statements for the 2025 financial year; the consolidated financial statements; the management report of the Board of Directors containing the Consolidated Sustainability Statement as at 31 December 2025, prepared in accordance with the requirements of Legislative Decree 125 of 6 September 2024, which implements Directive 2022/2464/EU (also known as the Corporate Sustainability Reporting Directive or CSRD); the Report of the Board of Statutory Auditors and the Independent Auditors' Report.

These documents are filed at Sabaf's registered office and published on the website [www.sabafgroup.com](http://www.sabafgroup.com) and with the other procedures set forth by the prevailing regulations.

In addition to illustrating the financial statements, Sabaf, one of the first international-level companies to embrace the trend of integrated reporting, intends to continue along this path, aware that integrated, complete and transparent reporting can benefit both the companies themselves, through a better understanding of the structure of the strategy and greater internal cohesion, and the community of investors, which can thus more clearly understand the connection between strategy, governance and company performance.

As we thank our employees, the Board of Statutory Auditors, the Independent Auditors and the supervisory authorities for their invaluable cooperation, we would kindly ask the shareholders to approve the financial statements ended 31 December 2025 with a profit for the year of €10,652,568.

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Dear Shareholders,

We therefore ask you to approve the following draft resolution:

*"The Shareholders' Meeting:*

- *having taken note of the Board of Directors Management Report, the Board of Statutory Auditors Report, and the Independent Auditors' Report;*
- *having examined and debated the financial statements at 31 December 2025, which closed with an operating profit of €10,652,568.*

***resolved***

*to approve the financial statements at 31 December 2025".*

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Ospitaletto, 27 March 2026

For the Board of Directors  
The Chairman  
Claudio Bulgarelli

**Item 2 on the agenda****Resolution on the allocation of the profit and on dividend proposal**

Dear Shareholders,

the Board of Directors proposes to allocate the profit for the year of Euro 10,652,568 as follows:

- to the shareholders an ordinary dividend of Euro 0.58 per share, payable on 27 May 2026 (ex-dividend date 25 May 2026, *record date* 26 May 2026); with regard to treasury shares, we invite you to allocate to the Extraordinary Reserve an amount corresponding to the dividend of the shares held in the portfolio on the ex-dividend date;
- the remainder to the Extraordinary Reserve.

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Dear Shareholders,

We therefore ask you to approve the following draft resolution:

*“The Shareholders’ Meeting:*

- *having taken note of the resolution passed with respect to Item 1 on the agenda*

***resolved***

*to allocate the profit for the year of €10,652,568 in the following manner:*

- *a dividend of €0.58 per share to be paid to shareholders as from 27 May 2026 (ex-dividend date 25 May 2026 and record date 26 May 2026).*
- *with regard to treasury shares, an amount corresponding to the dividend on the shares held in portfolio on the ex-date to the Extraordinary Reserve;*
- *the remainder to the Extraordinary Reserve.*

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Ospitaletto, 27 March 2026

For the Board of Directors  
The Chairman  
Claudio Bulgarelli

### **Item 3 on the agenda**

#### **Report on remuneration policy and remuneration paid**

- 3.1. Resolution on the first section pursuant to paragraphs 3-bis and 3-ter of Article 123-ter of Legislative Decree no. 58/1998**
- 3.2. Resolution on the second section pursuant to paragraph 6 of Article 123-ter of Legislative Decree no. 58/1998**

Dear Shareholders,

in view of the sudden death of the company's managing director Mr Pietro Iotti, the Company promptly made changes to its governance. By resolution of 18 February 2026, the Board of Directors assigned *ad interim* to director and CFO Mr Gianluca Beschi the powers previously granted to Mr Iotti. On 24 March 2026, the Board of Directors confirmed Gianluca Beschi as CEO and CFO and appointed Mr Andrea Bonfadelli, previously Technical Director of the Gas Division and Group Supply Chain Director, as General Manager of the Company, by attributing them with the relative delegations and powers.

Faced in particular with these changed arrangements, as well as the adjustments related to the proposed amendments to the 2024-2026 stock grant plan (referred to in item 4 of the agenda of the shareholders' meeting of 29 April 2026), by resolution of 24 March 2026, the Company's Board of Directors, upon the proposal of the Remuneration and Appointments Committee - taking into account Consob resolution no. 21623/20 of 10 December 2020, which amended Article 84-quater of Consob Regulation No. 11971 of 14 May 1999 (the "**Issuers' Regulation**"), as well as the recommendations expressed by the Corporate Governance Code for Listed Companies - decided to approve a new remuneration policy for the year 2026, introducing changes with respect to the previous policy.

The Report on the general remuneration policy for the year 2026 and remuneration paid in 2025 has been prepared in compliance with Annex 3A, schemes 7-bis and 7-ter, of the Issuers' Regulation, and was made available to the public by the deadlines and in the manner pursuant to the law. The Report on the general remuneration policy for the year 2026 and remuneration paid in 2025 is also available on the Company's website [www.sabafgroup.com](http://www.sabafgroup.com).

Therefore, this Shareholders' Meeting is called upon to express, pursuant to Article 123-ter of Legislative Decree no. 58 of 24 February 1998 as amended and supplemented (the "**TUF**"), to express:

- a) its binding vote on the first section of the Report on remuneration policy and remuneration paid, containing:
  - (i) the policy adopted by the Company on remuneration of members of the board of directors, general managers and executives with strategic responsibilities and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, of the members of the control bodies;
  - (ii) the procedures used for the adoption and implementation of this policy.
  
- b) its advisory vote on the second section of the Report on the general remuneration policy for the year 2026 and remuneration paid in 2025, containing – with regard to the administration and control bodies, general managers and, in aggregate form, executives with strategic responsibilities –:
  - (i) the representation of the items making up the remuneration;
  - (ii) an analytical illustration of the remuneration paid in the financial year under review for any reason and in any form by the Company or by subsidiaries or associates.

We acknowledge that, pursuant to Article 123-ter, paragraph 8-bis of the TUF, the company appointed to audit the financial statements has checked the preparation by the directors of the second section of the Report on the general remuneration policy for the year 2026 and remuneration paid in 2025.

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Dear Shareholders,

We therefore ask you to approve the following draft resolutions:

*“The Shareholders’ Meeting:*

*- having taken note of and considered the Report on the general remuneration policy for the year 2026 and remuneration paid in 2025;*

***resolved***

*to approve the first section of the Report on the general remuneration policy for the year 2026 and remuneration paid in 2025, with a binding vote pursuant to and for the purposes of Article 123, paragraphs 3-bis and 3-ter of Legislative Decree 58/1998.*

Moreover:

*“The Shareholders’ Meeting:*

*- having taken note of and considered the Report on the general remuneration policy for the year 2026 and remuneration paid in 2025;*

*- having taken note of the fact that the independent auditors have checked the provisions of Article 123, paragraph 8-bis of Italian Legislative Decree no. 58/1998, regarding the preparation by the directors of the second section of this Report*

***resolved***

*to approve the second section of the Report on the general remuneration policy for the three-year period from 2024 to 2026 and remuneration paid in 2025, with an advisory vote pursuant to and for the purposes of Article 123, paragraph 6 of Legislative Decree 58/1998.”*

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Ospitaletto, 27 March 2026

For the Board of Directors

The Chairman

Claudio Bulgarelli

## Item 4 on the agenda

### **Remuneration plan based on financial instruments in favour of directors and employees of the Company and of Subsidiaries approved by the Shareholders' Meeting of 8 May 2024; Resolution pursuant to Art. 114-bis of Italian Legislative Decree 58/1998; granting of proxies to the Board of Directors**

Dear Shareholders,

The Board of Directors convened you to resolve on the proposed amendment to the plan for the free allocation of shares (so-called stock grants) in favour of directors and executives of the Company and its subsidiaries (the "Plan"), linked to the achievement of financial and non-financial targets in the three-year period 2024-2026, approved by the Shareholders' Meeting on 8 May 2024 and subsequently implemented by the resolutions of the Board of Directors of 18 June 2024, which had approved the Plan regulations and identified certain beneficiaries of the Plan.

The amendments proposed to be made to the Plan, with reference to its entire duration, are set forth in detail in the information document relating to the Plan, prepared pursuant to the aforesaid Article 114-bis of the TUF and Article 84-bis of the Issuers' Regulation (the "**Information Document**"), which is made available to the public, also with evidence of the amendments made, in the manner and within the time limits set forth by applicable laws and regulations.

These changes essentially concern the following aspects.

- (i) The definition *Neutral Leaver* (regarding cases mutual termination of the relationship, termination for just cause, revocation of the Board of Directors without just cause, termination for objective reasons) has been introduced and, at the same time, the definition *Good Leaver* has been modified (limiting it to retirement scenarios, death or physical impediment which prevents work performance for a period of at least 6 months), providing for a separate regulation between *Neutral Leaver* and *Good Leaver* for the Allocation of the Shares (as defined in the Plan), in the case of early termination of the Relationship between the Company and the Beneficiary (as defined in the Plan). In the case of both *Neutral Leaver* and *Good Leaver*, the Allocation of the Shares would remain conditional upon the achievement, in whole or in part, of the Performance Objectives already envisaged in the Plan, according to a progressive criterion established by the Board of Directors. However, while for cases of *Neutral Leaver*, the Allocation of the Shares would continue to be conditional also on the continuation of the Relationship with the Beneficiary as at 31 December 2026, with reference only to the cases of *Good Leaver*, in the event of termination of the Relationship during the Maturity Period (as defined in the Plan), the Beneficiary (or his heirs) would retain the right to receive an amount of Shares in proportion between: (a) the time the Relationship was actually in existence during the Reference Period (as defined in the Plan); and (b) the entire duration of the Reference Period. Also in this case, the verification of the achievement of the Performance Targets to determine the number of Shares to be granted will be conducted following the approval of the financial statements for the last financial year of the Reference Period. Obviously, this provision would not affect the further conditions provided for in the Plan with reference, inter alia, to the Malus and Claw Back clauses (as described and defined in the Plan).
- (ii) The original Plan already provided for the right of the Company - to be exercised by resolution of the Board of Directors, after obtaining the opinion of the Remuneration and Nomination Committee - to pay to the beneficiaries, instead of and in lieu of the shares, all or part of a sum of money (the "Replacement Amount") not exceeding 40% (forty per cent) of the shares actually vested and allocated, in the cases provided for in the Plan Regulations. It is now proposed to grant the Board of Directors the power, subject to the approval of the Remuneration and Appointments Committee, to raise the maximum percentage of the Replacement Amount in the case of *Good Leaver* and in the presence of justified reasons.



- (iii) In the event of *delisting* or Change of Control (as defined in the Plan), the original Plan provided that the Board of Directors could define the manner and terms of allocation of the Shares, also providing for the amendment of the Plan. It is now proposed to slightly revise these rules and to provide that, in the same hypotheses, the Board of Directors shall establish - subject to the opinion of the Remuneration and Appointments Committee where envisaged by the Rules - the conditions, terms and conditions for the early allocation of the Shares to the Beneficiaries with respect to the terms set forth in the Plan. In such cases, the power of the Board of Directors to define the procedures and terms for the allocation of the Shares, also by amending the Plan, would remain unchanged.

All the aforesaid changes are aimed at ensuring a better incentive structure for the Plan, consistent with its objectives, and this also in the event of termination of the relationship with the Beneficiary for reasons - death, retirement or physical impediment that prevents work performance for a period of not less than 6 months - that are objective and totally independent of an act of will, while allowing the Board of Directors the necessary flexibility in managing the Plan itself in the hypotheses considered. Taken as a whole, the changes make it possible to achieve the aforementioned goals, while still ensuring consistency with the evolving corporate environment and helping to maintain a proper alignment between the interests of management, the Company and the shareholders, while respecting market dynamics and expectations.

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Dear Shareholders,

For the reasons set out above, we ask you to approve what was proposed by the Board of Directors with reference to the item on the agenda, and consequently to pass the following resolution:

*"The Shareholders' Meeting of Sabaf S.p.A., on the basis of the report of the Board of Directors, having taken note of the proposed amendments to the Stock Grant Plan 2024-2026 based on Sabaf S.p.A. ordinary shares approved by the Shareholders' Meeting of 8 May 2024, as set forth in detail in the information document relating to the aforementioned Plan, prepared pursuant to Article 114-bis of Legislative Decree no. 58 of 24 February 1998, and Article 84-bis of the Issuers' Regulation adopted by Consob resolution No. 11971 of 14 May 1999, and made available to the public in the manner and within the time limits provided for by applicable laws and regulations (the 'Information Document')*

**resolved**

*- to approve, with effect subject to the approval of the amendment on the remuneration policy for the financial year 2026, as set forth in point 3.1. above, the amendment of the provisions of the Stock Grant Plan 2024-2026 as illustrated in the Board of Directors' Explanatory Report on this agenda item and in the Information Document, without prejudice to all further terms and conditions not otherwise amended;*

*- to attribute to the Board of Directors, with the right to sub-delegate, all the powers necessary for the concrete implementation of the resolutions passed pursuant to the previous point, to be exercised in compliance with the provisions set forth in the relevant Disclosure Document".*

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Ospitaletto, 27 March 2026

For the Board of Directors

The Chairman

Claudio Bulgarelli

**Item 5 on the agenda****Appointment of a director to supplement the Board of Directors.**

Dear Shareholders,

We would like to inform you that, faced with the sudden death of CEO Mr Pietro Iotti, effective as of 18 February 2026, against a resolution passed on the same date, the Board of Directors replaced him with Mr. Christian Prinoth, pursuant to Article 13 of the Articles of Association. In accordance with the above mentioned provision of the Articles of Association, the director thus appointed remains in office until the present Shareholders' Meeting, which is called upon to appoint a new director, thus integrating and reconstituting the Board of Directors in its plenary session. Also by virtue of Article 13 of the Articles of Association, the mandate of the director to be appointed will cease upon expiry of the mandates of the directors already in office and, therefore, upon approval of the financial statements for the year ended 31 December 2026. The appointment of the new director must be made by the Shareholders' Meeting, in the absence of any other special provision of the articles of association, on the basis of the majority principle.

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Notwithstanding the provisions of Art. Article 125-bis of the TUF, the Board of Directors refrains from formulating specific proposals regarding this item on the agenda because, since it concerns the appointment of a member of the Board of Directors on the basis of the majority principle, the concrete contents of the draft resolution that will be put to the vote will depend on the proposals that will be formulated by the shareholders at the Shareholders' Meeting.

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Shareholders, all this being said, you are invited:

to resolve on the appointment of a new member of the Board of Directors on the basis of the majority principle, with the mandate expiring on the date of approval of the financial statements for the year ended 31 December 2026.

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Ospitaletto, 27 March 2026

For the Board of Directors

The Chairman

Claudio Bulgarelli

## **Item 6 on the agenda**

### **Appointment of auditors and determination of remuneration:**

- 6.1. Appointment of the Statutory Auditor Related and consequent resolutions.**
- 6.2. Appointment for the audit of the Consolidated Sustainability Statement. Related and consequent resolutions.**

Dear Shareholders,

The statutory audit of Sabaf's accounts is currently carried out by EY S.p.A. pursuant to the engagement conferred by the Company's Shareholders' Meeting on 8 May 2018, for the period 2018-2026; this engagement will expire with the approval of the financial statements for the year ending 31 December 2026. In the light of the relevant regulatory provisions, the Board of Statutory Auditors, in its role as the Internal Control and Audit Committee pursuant to Legislative Decree no. 135/2016 deemed it appropriate for the Shareholders' Meeting, called to approve Sabaf's Financial Report as at 31 December 2025, to also resolve on the choice of the Company's new statutory auditor for the period 2027-2035. Consistent with the common practice among listed issuers, the procedure for the selection of the new auditing firm for the 2027-2035 financial years has been brought forward by one year with respect to the expiry of EY S.p.A.'s mandate, as this allows for a more efficient rotation between the outgoing and the incoming auditing firm, and ensures compliance with the cooling-in period rule introduced by Article 5 of the EU Regulation no. 537 of 16 April 2014, to safeguard the independence of the incoming auditor.

In addition, Legislative Decree No. 125/2024 repealed the regulations on the disclosure of non-financial information introduced into our legal system by Legislative Decree No. 254 of 30 December 2016, transposing Directive 2014/95/EU, and replaced the obligation to prepare the non-financial statement with the obligation to include Consolidated Sustainability Statement in a special section of the management report, which must contain the information required by the aforementioned Legislative Decree.

For the current financial year, the limited audit of Consolidated Sustainability Statement, as required by Article 8 of the Legislative Decree 125/2024, will be carried out by the current auditor EY S.p.A., in accordance with the information already provided on this point by the Board of Directors to the Shareholders' Meeting on 29 April 2025 and with the provisions of Article 18 of Legislative Decree no. 125/2024; however, for the reasons stated above, the Board of Statutory Auditors deemed it appropriate for the Shareholders' Meeting called to approve Sabaf's Financial Report as of 31 December 2025 to also deliberate on the assignment to certify the conformity of the Consolidated Sustainability Statement for the period 2027-2029. In this regard, pursuant to the amended Art. 13, para. 2-ter of Legislative Decree no. 39 of 27 January 2010, the appointment of the sustainability auditor is granted, upon justified proposal of the control body, by the Shareholders' Meeting, which also determines the fee payable to the sustainability auditor for the entire three-year term of the appointment and any criteria for adjusting such fee during the term of the appointment. It should be noted that, according to the regulations in force, the appointment may be renewed no more than twice and may only be conferred on the same person again after the lapse of four financial years.

With a view to a better coordination of audit activities, the Company considered: (i) preferable that the appointment of the auditor of the Consolidated Sustainability Statement under Leg. Decree 125/2024 be entrusted to the same party responsible for the statutory audit of the financial statements, subject to compliance with the terms of duration of the relative engagement and other conditions applicable thereto; (ii) it is appropriate to entrust the engagement for the statutory audit of the accounts and the engagement to certify the compliance of the Consolidated Sustainability Statement for the various companies belonging to the relative Group, as better specified in the reasoned proposal (the "**Reasoned Proposal**"), referred to below, of the Board of Statutory Auditors.

Based on the aforesaid assumptions, the procedure for the selection of the new auditing company was started according to the provisions of the applicable legislation on statutory audits and, in particular, with reference to Articles 17 and 19 of Legislative Decree No. 39/2010 and Article 16 of Regulation No. 537/14.

The Board of Statutory Auditors, in its capacity as the Internal Control Committee, formulated a Reasoned Proposal, in compliance with the relevant regulations, envisaging two possible alternatives for the conferment of the statutory audit assignment and two alternatives for the conferment of the assignment to certify the compliance of Consolidated Sustainability Statement, indicating, for each, the preference for one of the two candidates.

The aforementioned Reasoned Proposal of the Board of Statutory Auditors, in its capacity as Internal Control and Audit Committee, is attached to this Report, which has been prepared pursuant to Art. 125-ter paragraph 1 of the TUF and Art. 84-ter of the Issuers' Regulations, has been approved by Sabaf's Board of Directors and is made available to the public, within the terms of the law and regulations, at the Company's registered office, on the Company's website, as well as in the other ways provided for by the regulations in force.

That being stated, the Shareholders' Meeting of the Company is called upon to vote on the proposals submitted, also pursuant to Article 13 of Legislative Decree No. 39/2010, as amended, by the Board of Statutory Auditors, concerning:

- (i) the appointment of the statutory auditors for the period from 1 January 2027 to 31 December 2035 and the determination of their remuneration;
- (ii) to the appointment of the assignment to certify the conformity of the Company's Consolidated Sustainability Statement for the period 2027-2029 and the determination of the related remuneration.

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Dear Shareholders,

In light of the contents of this report, the Board of Directors invites you to adopt the following resolutions.

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Item 6.1 on the agenda: Appointment of the Statutory Auditor Related and consequent resolutions

*“The Extraordinary Shareholders' Meeting of Sabaf S.p.A.*

- *having taken note of the explanatory report by the Board of Directors;*
- *having examined the reasoned proposal formulated by the Board of Auditors;*

**resolved**

- *to approve the reasoned recommendation of the Board of Statutory Auditors regarding the appointment of the independent auditors Deloitte & Touche S.p.A. for the financial years 2027-2035 for the legal audit of the annual financial statements and consolidated financial statements, consequently appointing the same, and to set the annual fee at Euro 252,000;*
- *to grant the Chief Executive Officer all necessary and appropriate powers to execute this resolution”.*

In the alternative, should the previous resolution not be approved:

*“The Extraordinary Shareholders' Meeting of Sabaf S.p.A.*

- *having taken note of the explanatory report by the Board of Directors;*
- *having examined the reasoned proposal formulated by the Board of Auditors;*

**resolved**

- *to appoint PricewaterhouseCooper S.p.A. as independent auditor of the annual financial statements and consolidated financial statements for the financial years 2027-2035, consequently appointing the same, and to set the annual fee at EUR 359,000;*
- *to grant the Chief Executive Officer all necessary and appropriate powers to execute this resolution”.*

Item 6.2 on the agenda: Appointment for the audit of Consolidated Sustainability Statement. Related and consequent resolutions.

*“ The Extraordinary Shareholders' Meeting of Sabaf S.p.A.*

- having taken note of the explanatory report by the Board of Directors;*
- having examined the reasoned proposal formulated by the Board of Auditors;*

***resolved***

- to approve the reasoned recommendation of the Board of Statutory Auditors on the appointment of the auditing firm Deloitte & Touche S.p.A. for the financial years 2027-2035 to certify the conformity of the Company's Consolidated Sustainability Statement, consequently appointing the same, and to set the annual fee at Euro 38,000;*
- to grant the Chief Executive Officer all necessary and appropriate powers to execute this resolution".*

In the alternative, should the previous resolution not be approved:

*“ The Extraordinary Shareholders' Meeting of Sabaf S.p.A.*

- having taken note of the explanatory report by the Board of Directors;*
- having examined the reasoned proposal formulated by the Board of Auditors;*

***resolved***

- to appoint the auditing firm PricewaterhouseCooper S.p.A. to certify the conformity of the Company's Consolidated Sustainability Statement for the financial years 2027-2035, consequently appointing the same, and to set the annual fee at EUR 50,000;*
- to grant the Chief Executive Officer all necessary and appropriate powers to execute this resolution".*

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Ospitaletto, 27 March 2026

For the Board of Directors

The Chairman

Claudio Bulgarelli

## **Item 7 on the agenda**

### **Authorisation to purchase and sell treasury shares, subject to revocation, for the unexecuted part of the resolution dated 29 April 2025; related and consequent resolutions.**

Dear Shareholders,

On the occasion of this Shareholders' Meeting, we deem it appropriate to submit to your attention the proposal of authorisation for the purchase and disposal, by the Company, of treasury shares, under the terms and following the procedures indicated hereunder.

#### **A. Reasons why the authorisation for the purchase and disposal of treasury shares is requested**

The reasons leading the Board of Directors to submit to the Shareholders' Meeting its request for authorisation to carry out operations of purchase of treasury shares and disposal thereof are set out hereunder:

- I use, in line with the Company's strategic lines, the treasury shares as part of operations related to industrial projects and agreements with strategic partners, or as part of investment operations, also through exchange, conferral, transfer, or other acts of disposal of the treasury shares for the acquisition of stakes or shareholding packages, or other operations of extraordinary finance that involve assigning or disposing of treasury shares;
- II dispose of treasury shares to be destined to serve the stock incentive plans reserved for directors and/or employees of the Company or subsidiaries and, in particular, the stock grant plan submitted for the approval of the Shareholders' Meeting of 8 May 2024 under item 4 on the agenda, as modified by the Shareholders' Meeting of 29 April 2026, in case of adoption of the resolution provided for at item 4 of the agenda;
- III offer shareholders an additional instrument to monetise their investment;
- IV carry out activities in support of market liquidity.

#### **B. Maximum number, category and nominal value of shares to which the authorisation refers**

As of the date hereof, the Company's share capital equals €12,686,795 and consists of 12,686,795 ordinary shares of a nominal value of €1.00 each.

The maximum number of treasury shares for which the purchase is proposed, within the limits of the profits that can be distributed and the available reserves based on the latest, duly approved financial statements, is 634,339, which is to say the different number that represents, from time to time, the maximum limit of 10% (ten per cent) of the share capital, in the event of a resolution to increase and/or reduce the share capital during the authorisation period as per point D below.

The request for authorization regards the power of the Board of Directors to carry out repeated and successive operations of purchase and sale, or of other acts of disposal (including assignment, free of charge, at the service of the stock incentive plan) of treasury shares on a revolving basis, also for fractions of the maximum authorized amount, in such an amount that the treasury shares held by the Company might not at any rate exceed the maximum limit established by law.

#### **C. Additional information of use for assessing compliance with the provision established by art. 2357, paragraph 3, of the Italian Civil Code**

For the purposes of assessing compliance with the limits pursuant to art. 2357, paragraph 3 of the Italian Civil Code, it is pointed out that the Company's capital equals €12,686,795 and consists of 12,686,795 ordinary shares of a nominal value of € 1.00 each. It should be noted that at the date of this report, the Company holds in portfolio 363,671 treasury shares, equal to 2.867% (two point eight hundred and sixty-seven per cent) of the share capital.

It is to be borne in mind that, pursuant to art. 2357, paragraph 1 of the Italian Civil Code, the purchase of treasury shares is permitted within the limits of the profits that can be distributed and of the available reserves

resulting from the latest, duly approved financial statements.

The Company's financial statements at 31 December 2024, duly approved by the Shareholders' Meeting on 29 April 2025, shows that the Company had available reserves totalling €111,353,489, as follows:

- share premium reserve of €26,160,299;
- revaluation reserve, Italian law no. 413/91 of €42,207;
- revaluation reserve, Italian law no. 342/00 of €1,591,967;
- revaluation reserve, law no. 104/2020 of €4,873,519;
- available retained earnings of €75,943,028.

Moreover, the draft of the Company's financial statements at 31 December 2025, approved by the Board of Directors on 24 March 2026 and to be submitted to the Shareholders' Meeting on 29 April 2026, in a single call, shows that the Company has available reserves totalling €100,784,877, as follows:

- share premium reserve of €26,160,299;
- revaluation reserve, Italian law no. 413/91 of €42,207;
- revaluation reserve, Italian law no. 342/00 of €1,591,967;
- revaluation reserve, law no. 104/2020 of €4,873,519;
- available retained earnings of €68,116,885.

It is specified that the Board of Directors is bound to verify compliance with the conditions required by art. 2357 of the Italian Civil Code for the purchase of treasury shares at the moment in which it completes any authorised purchase.

On the occasion of the purchase of shares or their disposal, exchange, conferral, or write-down, the appropriate accounting entries must be done in compliance with the provisions of law and with the applicable accounting standards.

The subsidiaries and their respective governing bodies shall be given suitable provisions so that they may promptly signal any acquisition of shares done pursuant to art. 2359-bis of the Italian Civil Code.

Pursuant to Article 44-bis of the Issuers' Regulation, as subsequently amended and supplemented, it is pointed out that the treasury shares held by the company are excluded from the share capital upon which the relevant stake for the purposes of the obligations deriving from Article 106, paragraphs 1 and 3, letter b) of the TUF, as subsequently amended and supplemented, is calculated, except in the case in which the shares have been purchased in execution of a shareholders' meeting resolution that, without prejudice to the provisions of articles 2368 and 2369 of the Italian Civil Code, has also been approved with the favourable vote of the majority of the shareholders present at the shareholders' meeting, other than the shareholder or shareholders that, even jointly, hold the majority stake, or even the relative majority provided that it exceeds 10% (ten per cent). Moreover, pursuant to Art. 44-bis, paragraph 3 of the aforementioned Issuers' Regulation, it is pointed out that the share capital upon which the majority stake for the purposes of the obligations derived from Art. 106, paragraphs 1 and 3, letter b) of the TUF is calculated do not exclude the treasury shares held by the Company to serve the stock incentive plans, reserved for directors and/or employees of the Company or of subsidiaries.

#### **D. Duration for which the authorisation is requested**

The authorisation for the purchase of treasury shares is requested for a period of 18 (eighteen) months, starting from the date when the Shareholders' Meeting adopts the corresponding resolution.

The authorisation to dispose of the treasury shares that may be purchased, and/or of those already in the portfolio, is requested without time limits.

#### **E. Minimum payment and maximum payment**

The Board of Directors proposes that the unit payment for the purchase of the treasury shares, including the accessory purchase charges, not exceed 10% (ten percent) of the average of the official prices recorded on the

screen-based market in the five sessions prior to the purchase, in compliance at any rate with the terms and conditions established by Delegated Regulation (EU) no. 1052 of 8 March 2016 and by the practices admitted and recognised by Consob pursuant to Article 13 of Regulation (EU) no. 596 of 16 April 2014 and Article 180, paragraph 1, letter c) of the TUF, as subsequently amended and supplemented with resolution no. 16839 of 19 March 2009 (“Admitted Practices”), where applicable.

The Board of Directors also proposes being authorised to dispose of and/or use, on any grounds and at any time, in whole or in part, in one or more operations, the purchased treasury shares (even already in the portfolio), for the purposes indicated herein, in accordance with the procedures, terms, and conditions determined from time to time by the Board of Directors, in compliance with the terms, conditions, and requirements established by the applicable regulations and by the Admitted Practices.

#### **F. Procedures through which the purchases and acts of disposal will be carried out**

The treasury share purchase operations shall start and end by the times established by the Board of Directors after any authorisation by this Shareholders’ Meeting.

The treasury share purchase operations shall be carried out, in one or more operations, on a revolving basis, through purchase on regulated markets, in accordance with modes of operation that do not permit the direct combination of purchase negotiation proposals with predetermined sale negotiation proposals, in compliance with the laws and regulations from time to time in force, and in particular pursuant to Art. 132 of the TUF and Art. 144-bis, first paragraph, letter b) of the Issuers’ Regulations.

The purchase of treasury shares may take place by procedures other than those indicated above where permitted by Article 132, paragraph 3, of the TUF or by other provisions applicable from time to time at the moment of the operation.

As concerns the operations to dispose of the shares, the Board of Directors proposes that, in compliance with the applicable regulations and with market practice, the authorisation might permit the adoption of any procedure that is appropriate to correspond with the pursued purposes – including the use of the treasury shares at the service of the stock incentive plan –, and in particular that the disposal of the shares might take place, in one or more operations, even prior to having finished the purchases. Given the effects on the float that may derive from the performance of treasury share purchase and sale operations, the Board of Directors proposes that the authorisation provide for the obligation for the Board of Directors to carry out operations for the purchase and sale of the Company’s shares in accordance with procedures and times that are such as not to impair the Company’s maintenance of the maximum float required for STAR qualification.

#### **G. Additional information, where the purchase operation is instrumental to the reduction in share capital through the cancellation of purchased treasury shares**

It is specified that the request for authorisation for the purchase of treasury shares is not, in the present state of affairs, subordinated to operations reducing the share capital through cancellation of the purchased treasury shares.

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Dear Shareholders,

For the reasons set out above, we therefore ask you to approve what was proposed by the Board of Directors with reference to the item on the agenda, and consequently to pass the following resolution:

*“The Shareholders’ Meeting of Sabaf S.p.A., based on the report of the Board of Directors, considering articles 2357 et sequitur of the Italian Civil Code, Article 132 of Legislative Decree no. 58 of 24 February 1998, and the current regulations issued by Consob*

#### ***resolved***

*1. to revoke, for the part not yet carried out, the resolution for the purchase and sale of treasury shares made during the Shareholders’ Meeting of 29 April 2025;*

2. to authorise, pursuant to and to the effects of art. 2357 of the Italian Civil Code, the purchase, in one or more operations, of a maximum number, on a revolving basis (with this to be understood as the maximum amount of treasury shares from time to time held in the portfolio), of 634,339 ordinary shares, or such different maximum number as shall represent 10% (ten per cent) of the share capital in the event of resolutions and execution of increases and/or reductions of the share capital during the period of the authorisation, taking account of the shares that may from time to time be held by the Company's subsidiaries, and at any rate in compliance with the limits of law, for the pursuit of the purposes better described in the Board of Directors Report and under the following terms and conditions:

- the shares may be purchased until the expiry of the eighteenth month starting from the date of this resolution;
- the purchase may be carried out through purchase on regulated markets in accordance with operating methods that do not permit the direct combination of purchase negotiation proposals with predetermined sale negotiation proposals, in compliance with the laws and regulations from time to time in force, and in particular pursuant to art. 132 of Legislative Decree no. 58 of 24 February 1998, and art. 144-bis, first paragraph, letter b) of the Consob Regulation 11971/1999, or by other procedures, where permitted by art. 132, paragraph 3, of Legislative Decree no. 58 of 24 February 1998, or by other provisions applicable from time to time at the moment of the operation;
- the unit payment for the purchase of shares may not exceed 10% (ten per cent) of the average of the official prices recorded on the screen-based market in the five sessions prior to each individual purchase operation, in compliance at any rate with the terms and conditions established by Delegated Regulation (EU) no. 1052 of 8 March 2016 and by the Admitted Practices, where applicable;
- the operations for the purchase and sale of the Company's shares must be carried out by the Board of Directors with procedures and times that are such as not to impair the Company's maintenance of the maximum float required for STAR qualification;

3. to authorise, pursuant to and to the effects of art. 2357-ter of the Italian Civil Code, the completion of acts of disposal, in one or more operations, on the purchased treasury shares, even if already held in the portfolio, in compliance with the laws and regulations from time to time in force, for the pursuit of the purposes as per the Board of Directors report to the shareholders, and under the following terms:

- the treasury shares held from time to time may be disposed of or otherwise transferred at any time, and with no time limits;
- the disposal operations may also be carried out before having completed the purchases, and may take place in one or more operations on the market, also in fulfilment of the provisions of the stock incentive plans in favour of the directors and/or employees of the Company or subsidiaries, in accordance with any procedure permitted by the regulations in force, at the discretion of the Board of Directors;
- the criteria, procedures, terms and conditions of use of the treasury shares in the portfolio that are appropriate for corresponding to the pursued purposes may be established by the Board of Directors,

*in compliance with the terms, conditions and requirements established by the applicable regulations and by the Admitted Practices;*

4. to confer to the Board of Directors, with express power of delegation to one or more of its members, all the broadest powers necessary and appropriate for executing this resolution, also approving any and every executive order related to the programme for the purchase and transfer of the treasury shares.”

\*\*\*

Ospitaletto, 27 March 2026

For the Board of Directors  
The Chairman  
Claudio Bulgarelli

**REASONED RECOMMENDATION OF THE BOARD OF STATUTORY AUDITORS OF SABAF S.P.A., IN ITS CAPACITY AS INTERNAL CONTROL AND AUDIT COMMITTEE, FOR THE APPOINTMENT OF THE STATUTORY AUDIT FOR THE PERIOD 2027-2035**

## 1. Introduction

*With the approval of the financial statements for the financial year 2026, the engagement for the legal audit for the period 2018-2026 of Ernst & Young S.p.A. ("EY") will expire.*

*According to current statutory audit legislation, in particular, European Regulation No. 537/2014 (the "Regulation") and Legislative Decree No. 39/2010 (the "Decree"):*

- i the statutory audit engagement lasts for nine financial years for audit firms and seven financial years for statutory auditors, and cannot be entrusted to the same person again unless at least four financial years have elapsed since the termination of the current engagement; therefore, the engagement cannot be entrusted to EY again;*
- ii the new statutory audit engagement must be entrusted by means of a special selection procedure, to be carried out in accordance with the criteria and procedures set out in Article 16 of the Regulation.*

*The Board of Statutory Auditors of SABAF S.p.A. (the "Board"), acting as the Internal Control and Audit Committee pursuant to Article 19 of the Decree, in agreement with the relevant corporate functions, therefore initiated the selection procedure in 2025 for the assignment of the legal audit engagement for the period 2027-2035.*

*The Board has agreed with the relevant company structures on the identification of the auditing companies receiving the requests for proposals according to transparent and non-discriminatory criteria, as required by the relevant regulations, opening participation to bidders with adequate expertise and experience in the sector and structures suitable for auditing the Sabaf Group.*

*The assignment covered the following:*

- a) statutory audit of the separate financial statements of Sabaf S.p.A. (the "Company") and the Sabaf Group companies listed in Annex 1;*
- b) statutory audit of the Sabaf Group's consolidated financial statements;*
- c) formulation of an opinion on the consistency of the management report with the annual financial statements and the consolidated financial statements pursuant to Article 14, paragraph 2, letter e) of the Decree, including the verification of consistency with regard to information on corporate governance and ownership structure, pursuant to Article 123-bis, paragraph 4, of Legislative Decree 58/1998;*
- d) audit of the consolidated half-yearly financial report of the Sabaf Group, pursuant to Consob Communication No. DAC/RM/97001574 of 20 February 1997, in accordance with the procedures and criteria defined in Consob Resolution No. 10867 of 31 July 1997 and subsequent amendments;*
- e) auditing the annual reporting package of Sabaf Group companies;*
- f) limited assurance engagement of the Sabaf Group companies' half-yearly reporting package for the purposes of the Sabaf Group's consolidated half-yearly report;*
- g) verification, during the course of the financial year, of the regular keeping of company accounts and the correct recording of operating events in the accounting records pursuant to Article 14(1)(b) of the Decree, with reference to Sabaf S.p.A. and the companies of the Sabaf Group;*
- h) verification on the consistency of the management report with the financial statements pursuant to Art. 14(2)(e) of the Decree of Sabaf Group companies unless specifically indicated;*
- i) verification and signing of tax declarations (770, Unico, IRAP, National Consolidation) of the Italian*

companies of the Sabaf Group;

- j) *limited assurance engagement of the Consolidated Sustainability Statement pursuant to Leg. Decree 125/2024, for an initial term equal to the first three years (financial years 2027-2028-2029), unless renewed in accordance with the law.*

*The Board of Statutory Auditors has therefore prepared this recommendation (the "Recommendation") for the forthcoming Shareholders' Meeting called to deliberate on the appointment of the statutory auditors in accordance with the purposes prescribed by current legislation.*

*The Recommendation provides for two possible alternatives for the assignment and indicates a duly justified preference for one of them, resulting from the final score awarded at the end of the selection procedure.*

## **2. Regulatory framework**

*The main EU and national reference legislation for the statutory audit is set out below:*

- *Directive 2006/43/EC, as amended by Directive 2014/56/EU, (the "Directive"), on the statutory audit of annual accounts and consolidated accounts;*
- *Leg. Decree no. 39/2010, which transposed the Directive and whose Art. 13, paragraph 1, provides that "the shareholders' meeting, upon the reasoned proposal of the supervisory board, shall appoint the statutory auditor or the statutory auditing firm for the entire duration of the appointment and determine the remuneration payable to the statutory auditor or the statutory auditing firm and any criteria for adjusting this remuneration during the term of the appointment".*
- *European Regulation No. 537/2014 on the audit of public interest entities, in force since 17 June 2016;*
- *Directive 2022/2464/EU, on sustainability reporting requirements, in force since 5 January 2023, transposed in Italy by Legislative Decree 125 of 6 September 2024.*

*The purpose of the EU legislation, as transposed in Italy, was to harmonise the rules originally introduced by the Directive at EU level in order to strengthen the independence, objectivity, transparency and reliability of auditors as well as the quality of audit work, also with a view to increasing public confidence in the annual and consolidated financial statements of public interest entities and consequently contributing to the smooth functioning of the market. The Regulation strengthened the role of the Audit Committee in the selection of the new statutory auditing firm, giving it the task of submitting a reasoned "recommendation" in order to enable the Shareholders' Meeting to make a properly considered decision.*

*The Board of Statutory Auditors, in drafting this Recommendation, has also taken into account Rule Q.8.1. of the "Rules of Conduct for the Board of Statutory Auditors of Listed Companies" published by the National Council of Accountants and Tax Advisers in December 2024 and in force since 1 January 2025.*

*The Recommendation was therefore prepared following a selection procedure carried out in accordance with Article 16(3) of the Regulation.*

## **3. The selection procedure**

### **3.1. Introduction**

*For the purposes of activating the selection procedure, the Board of Statutory Auditors availed itself of the operational support of Sabaf S.p.A.'s internal structures, with which it set up an internal commission comprising the CFO and current CEO Mr Gianluca Beschi, Ms Silvia Torcoli and Ms Elena Gironi.*

### **3.2. Auditing companies**

*A preliminary evaluation was carried out in order to identify the auditing companies to be invited to tender; for this purpose, the following aspects were taken into consideration:*

- *“skills”, taking as a signalling value the sector customers audited in Italy;*
- *“knowledge of the Sabaf Group”, based on their assignments in recent years;*
- *“turnover for audit services performed in Italy”, in order to avoid potential independence risks.*

*At the end of this preliminary phase, three auditing companies were selected: PricewaterhouseCoopers S.p.A. (hereinafter “PWC”); Deloitte & Touche S.p.A. (hereinafter “DT”) and BDO Italia S.p.A.*

### **3.3. Selection Criteria**

*Before starting the selection process, the selection criteria were identified in order to ensure a process characterised by transparency and traceability of the activities carried out and decisions made.*

*In defining the selection criteria, it was intended to emphasise:*

#### **A. Qualitative elements:**

- ✓ *the revision plan;*
- ✓ *business/sector expertise;*
- ✓ *technical skills;*
- ✓ *the organisational structure;*
- ✓ *reputation in the market;*

#### **B. Quantitative elements:**

- ✓ *total fees in the nine-year period covered by the proposal;*
- ✓ *weighted hourly rates by professional qualification.*

### **3.4. Running of the call for tenders**

*Following the call for tenders, proposals were received from DT and PWC (hereinafter collectively referred to as “Bidding Companies” or also “Bidders”).*

*On 6 February 2026, in-depth meetings were held with the individual Bidding Companies.*

*On the basis of the documents received, the information acquired during the in-depth meetings and taking into account the evaluation criteria (as defined below), the proposals were evaluated in detail through the analysis of the distinctive and qualifying aspects of the Bidding Companies.*

### **3.5. Verification of the independence requirements, absence of grounds for incompatibility and suitability of the Bidding Companies**

*As part of the selection procedure and prior to the comparative evaluation of the proposals received, the Board of Statutory Auditors proceeded to verify that the Bidding Companies met the requirements provided for by the applicable regulations for the performance of the statutory audit assignment, with particular regard to the profiles of independence, absence of causes of incompatibility and technical-professional suitability.*

*In particular, the Board of Auditors noted that:*

- (i) Both DT and PWC are entities registered in the Register referred to in Article 7 of the Decree;
- (ii) both PWC's proposal and DT's proposal contain a specific declaration concerning the commitment to prove the possession of the independence requirements provided for by law, with particular reference to Articles 10 and 17 of the Decree, and to monitor the occurrence of any situations that could jeopardise the independence and objectivity in the performance of the statutory audit assignment, in accordance with the provisions of the regulations in force;
- (iii) for the purposes of the verification and constant monitoring of the absence of any grounds for incompatibility that might jeopardise the statutory audit engagement, both PWC and DT acknowledged in their respective proposals:
  - the absence of causes of incompatibility under the law in relation to both the Company and the other legal entities of the Sabaf Group covered by the scope;
  - the presence of internal procedures for verifying the absence of causes of incompatibility and for monitoring any changes that may affect independence;
- (iv) with reference to the performance of prohibited non-audited services pursuant to Article 5 of the Regulation, it should be noted that DT stated in its proposal that it has no outstanding assignments with companies of the Sabaf Group at present. On the other hand, PWC currently holds a number of non-audit engagements, as indicated in Annex A of its proposal. Specifically, for the period 2025-2027, PWC is in charge of outsourced internal audit activities for the Sabaf Group, as well as activities to support the monitoring of SABAF's Model 231. Furthermore, Mr. Giuseppe Garzillo, Risk Private Partner of PWC, was appointed as a member of the Supervisory Board of Sabaf and its subsidiary Faringosi Hinges S.r.l. On this point, it should be noted that PWC, in its independence protocol, provides for the prompt removal of any incompatible situation or activity;
- (v) both PWC and DT are found to have adequate organisation and technical-professional suitability to hold the office, pursuant to Articles 10-bis, 10-ter, 10-quater, 10-quinquies and 10-sexies of the Decree, and the requirements of the Regulation.

### 3.6. Evaluation criteria

As indicated, for the purposes of this Recommendation, it was intended to value both qualitative and quantitative elements, which were given a maximum total score of 60 and 40 points respectively, as detailed below.

#### A. Qualitative elements:

- (i) Revision plan - max 12 points;
- (ii) Business/sector expertise - max 12 points;
- (iii) Technical skills - max 12 points;
- (iv) Organisational structure - max 12 points;
- (v) Market reputation - max. 12 points.

#### B. Quantitative elements:

- (i) Total fees in the nine-year period covered by the proposal - max. 25 points;
- (ii) Weighted hourly rates per professional qualification - max 15 points.

With regard to the evaluation process of the qualitative and quantitative aspects outlined above, the Board took into account the considerations set out below.

#### A. Qualitative elements

- A(i) *Audit plan: within this evaluation area, attention was paid to the risk assessment processes and techniques, the audit methodology and the IT tools adopted, as well as the number of hours per staff member involved, with distinction of seniority level.*
- A(ii) *Business/sector expertise: Within this evaluation area, attention was paid to previous knowledge of Sabaf S.p.A. and its Group gained from previous auditing assignments, previous business sector experience gained in auditing and the capital market sector as well as previous business sector knowledge gained in other areas.*
- A(iii) *Technical expertise: within this evaluation area, particular attention was paid to expertise and authority in IFRS and ESRS and the availability of adequate support in IT, financial instruments, valuation and impairment.*
- A(iv) *Organisational structure: the individual, associate and network structure of the Bidding Companies, as well as their local, regional, national and international spread, were taken into account in this evaluation area.*
- A(v) *Market Reputation: the evaluation of these qualitative aspects included membership of a network and customer portfolio in the relevant sector as well as the possible presence of sanctions imposed by the Supervisory Authorities in the last five years.*

#### **B. Quantitative elements**

- B(i) *Total fees over the nine-year period covered by the proposal.*
- B(ii) *Weighted hourly rates per professional qualification.*

*The evaluation of the economic aspects concerning the audit activities took into account the cost-effectiveness of the proposals, awarding the highest score to the most economically advantageous proposal and a lower score to the other proposal determined in proportion to its economic value compared to the most advantageous proposal.*

### **3.7. Evaluation of the proposals**

#### **A. Qualitative elements:**

##### *A(i) Revision Plan:*

- *both Bidding Companies described in their proposals, in connection with the Sabaf Group's audit plan, appropriate risk assessment processes and techniques, structured audit methodologies and innovative supporting IT tools;*
- *as to the estimated number of hours for the performance of the task by each Bidding Company:*
  - o *DT estimated a total of 4,940 hours per year with no change over the duration of the assignment (except for an estimated additional commitment of 15% in the first year, which DT nevertheless decided to keep entirely at its own expense). However, DT has not estimated (nor quoted) the business hours for its US subsidiary Mansfield Engineered Components LLC, for which DT intends to use another auditing firm operating in the US, in continuity with the current auditor EY. The percentage of "senior" hours (Partners and Managers) estimated by DT is more than 22% of total hours (with potential increase to 30% as a result of the use of technology);*
  - o *Instead, PWC projected a total of 7,185 hours per year in the first three-year period, decreasing over the next two three-year periods to 6,360 and 6,230 hours, respectively, with a percentage of "senior" hours not made explicit, but calculable at around 21% in the first three-year period, 19% in the second and 18% in the third;*

##### *A(ii) Business/sector expertise:*

- both Bidding Companies described their prior knowledge of Sabaf S.p.A. and its Group: DT held audit appointments until the year 2017 and was involved in other Group projects; PWC is currently involved in several projects, including those currently mentioned in section 3.5 above. Both Bidding Companies also have adequate previous experience in auditing, capital markets and other sector areas;

**A(iii) Technical skills:**

- both Bidding Companies have proven expertise and authority in IFRS and ESRS, as well as adequate support in IT, financial instruments, valuation and impairment. DT explicitly includes in its proposal the support of an Innovation Specialist, with specialised skills in innovation and data analysis, who would ensure the use of innovative audit tools during the audit of the Sabaf Group, with the aim of increasing the quality of work for the benefit of the audit team and the Sabaf Group. PWC specified that it is not planned to include an Innovation/AI Specialist in (or in support of) the audit team, since, in their structure, this is an internal function that does not come into contact with the client.

**A(iv) Organisational structure:**

- Both Bidding Companies have an adequate individual, associated and networked organisational structure, with a widespread presence at local (including offices in Brescia), regional, national and international level;

**A(v) Reputation in the market:**

- both Bidding Companies are part of structured global networks, fully capable of handling complex assignments such as the audit of listed groups with an international presence. They also have an extensive and consolidated customer portfolio in the Industrial Manufacturing sector, with significant experience in comparable companies to the Sabaf Group;
- According to the two proposals, both Bidding Companies have been subject to sanctioning measures by Consob and/or the Bank of Italy in the last five years (October 2020 - October 2025) as subjects directly involved in statutory auditing activities. Only the sanction against PWC, as of the date of the proposals received, was final.

**B. Qualitative elements**

**B(i) Total fees over the nine-year period covered by the proposal:**

- with regard to the total fees over the nine-year period covered by the proposal:
  - o for the years 2027 - 2035, DT quoted an annual fee of EUR 140,000 for Sabaf S.p.A.'s activities. (including limited assurance of Consolidated Sustainability Statement) and Euro 175,000 for activities related to Italian and foreign subsidiaries. Please refer to Annex 2 for details of the quotations at Group level. These fees, totalling EUR 315,000/year, are subject to annual adjustment as of 1 January 2028 based on the change in the consumer price index of each country as well as possible increases due to the impact of the use of technology platforms and artificial intelligence, which could lead to an increase in the hours spent by Partners and Managers. DT did not include in its listing the activities related to its US subsidiary Mansfield Engineered Components LLC, for which DT intends to use another auditing firm operating in the US, in continuity with the current auditor EY. On 11 March 2026, DT also submitted an update of its proposal, reducing the total fees to EUR 290,000/year;
  - o PWC divided its economic proposal over the three-year period of the assignment, quoting, with reference to the activities relating to Sabaf S.p.A, an annual fee of Euro 123,000 for the first three-year period (including limited assurance of the Consolidated Sustainability Statement), Euro 70,000 for the second three-year period and Euro 68,000 for the third three-year period; for the other companies of the Sabaf Group, PWC estimated an annual fee of Euro 286,000 for the first three-year period, Euro 277,000 for the second three-year

period and Euro 271,000 for the third three-year period. Consequently, the total fees amount to Euro 409,000/year (first three-year period), Euro 347,000/year (second three-year period) and Euro 339,000/year (third three-year period). Please refer to Annex 3 for details of the quotations at Group level. These fees are subject to annual adjustment as of 1 January 2028 according to the change in each country's consumer price index.

Both DT and PWC provide, in addition to the above-mentioned fees, for the reimbursement of out-of-pocket expenses incurred for travel up to a maximum of 10 per cent of the fees, plus VAT and the Consob supervisory fee.

B(ii) Weighted hourly rates per professional qualification:

- with regard to hourly rates for the various professional qualifications:
  - o DT provides an average hourly rate of 119.50 Euro/hour for Partners + Managers (weight 22%) and 45.25 Euro/hour for Senior + Staff (weight 78%). This results in a weighted average rate of 61.43 Euro/hour;
  - o PWC expects an average hourly rate of 165 Euro/hour for Partner + Manager (weight 21%) and 43 Euro/hour for Senior + Associate (weight 79%). This results in a weighted average rate of 69.01 Euro/hour.

#### 4. Results of the selection procedure

The documentation collected, the meetings held and the analyses conducted revealed the high standing of the Bidding Companies and the audit teams presented. Some differences were appreciated, however, which led to the following final scores (the column headings recall the qualitative and quantitative criteria presented above).

	A(i)	A(ii)	A(iii)	A(iv)	A(v)	B(i)*	B(ii)	TOTALE
<b>DT</b>	11	12	11	12	12	25	15	98
<b>PWC</b>	11	11	10	12	11	17,47	13,15	85,62

As a result, the following ranking emerged from the selection procedure:

- 1) DT points 98;
- 2) PWC points 85.62.

(\*) For the purposes of comparing the proposals, the simple arithmetic average of the fees was taken into account for PWC.

#### 5. Recommendation of the Board of Statutory Auditors

All the foregoing being stated, the Board of Statutory Auditors, in relation to the assignment for the period 2027 - 2035 of the engagement for the legal audit activities detailed in paragraph 1, on the basis of the procedure carried out, the proposals received, the evaluations made and the results thereof, taking into account that Article 16, paragraph 2, of the Regulation provides that the reasoned recommendation of the Board of Statutory Auditors must contain at least two possible assignment alternatives in order to allow the right of selection

#### WHEREAS

- that the aforementioned Article 16(2) of the Regulation also requires the Board of Auditors to express a duly justified preference;



- that, on the basis of the analyses carried out, both Bidding Companies appear to have adequate organisation, technical expertise, sectoral experience and international structure suitable for carrying out the legal audit of the Sabaf Group, in compliance with the requirements of the applicable regulations;
- that both Bidding Companies have declared that they have procedures in place to verify, monitor and ensure the independence requirements and the absence of causes of incompatibility; that at the end of the selection procedure described above and on the basis of the proposals received, the Board of Statutory Auditors carried out a comparative evaluation of the proposals submitted by the Bidding Companies, taking into account both the qualitative and quantitative elements defined in the evaluation criteria;

#### **RECOMMENDS**

*the Shareholders' Meeting to appoint the company Deloitte & Touche S.p.A. or PricewaterhouseCoopers S.p.A. for the financial years 2027 - 2035 to audit the Sabaf Group, in accordance with the details indicated in paragraph 1; between the two*

#### **EXPRESS,**

*on the basis of the analyses carried out and the overall scores awarded as emerged from the ranking list above, its preference towards Deloitte & Touche S.p.A., whose proposal obtained the highest score according to the selection procedure carried out by a special Technical Committee set up for this purpose as indicated in paragraph 4.*

#### **6. Declaration**

*Pursuant to Art. 16, para. 2 of the Rules, the College declares that this Recommendation has not been influenced by third parties and that none of the clauses of the kind referred to in Art. 16, para. 6 of the aforementioned Rules have been applied.*

*Ospitaletto, 12 March 2026  
The Board of Statutory Auditors*

*Alessandra Tronconi (Chairperson)*

*Maria Alessandra Zunino de Pignier (Standing Auditor)*

*Mauro Vivenzi (Standing Auditor)*

#### **Annex 1**

#### **List of Group companies to be audited**

Company name	Annual audit				Limited biannual review		Accounting controls
	Separate financial statements (statutory)	Consolidated financial statements	Reporting Package	Consolidated Sustainability Statement	Consolidated half-yearly report	Reporting Package	
Sabaf S.p.A.	X	X		X	X		X
Faringosi Hinges S.r.l.	X		X			X	X
A.R.C. S.r.l.	X		X			X	X
C.M.I. S.r.l.	X		X			X	X
C.G.D. S.r.l.	X		X			X	X
P.G.A s.r.l.	X		X			X	X
Sabaf do Brasil Ltda. (Brazil)	X		X			X	
Sabaf Beyaz Esya Parcalari Sanayi Ve Ticaret Limited Sirketi (Turkey)	X		X			X	
Sabaf India Private Limited (India)	X		X			X	
Sabaf Mexico Appliance Components (Mexico)			X			X	
Mansfield Engineered Components LLC (USA)			X			X	

Audit services to be rendered in favour of Sabaf do Brasil Ltda. (Brazil) and of Sabaf Beyaz Esya Parcalari Sanayi Ve Ticaret Limited Sirketi (Turkey) will be provided by professionals operating in the states where the aforementioned companies are based.

## Annex 2

### Annual fees proposed by Deloitte & Touche S.p.A. \*

Company	Country	Auditor	Scope of work	Fees	Hours
Sabaf S.p.A	Italy	Deloitte Italy	Audit of statutory financial statements, including quarterly reviews, and tax filings	55,000	820
Sabaf S.p.A	Italy	Deloitte Italy	Audit of consolidated financial statements	23,000	320
Sabaf S.p.A	Italy	Deloitte Italy	Limited review of the half-yearly condensed consolidated financial statements	17,000	240
Sabaf S.p.A	Italy	Deloitte Italy	Audit of the Consolidated Sustainability Statement	45,000	670
<b>Total Sabaf S.p.A.</b>				<b>140,000</b>	<b>2,050</b>
C.M.I. Cerniere meccaniche industriali S.r.l.	Italy	Deloitte Italy	Audit of statutory financial statements, including quarterly reviews, and tax filings	28,000	400
A.R.C. S.r.l.	Italy	Deloitte Italy	Audit of statutory financial statements, including quarterly reviews, and tax filings	13,000	185
P.G.A. S.r.l.	Italy	Deloitte Italy	Audit of statutory financial statements, including quarterly reviews, and tax filings	13,000	185
C.G.D. S.r.l.	Italy	Deloitte Italy	Audit of statutory financial statements, including quarterly reviews, and tax filings	11,000	170
Faringosi Hinges S.r.l.	Italy	Deloitte Italy	Audit of statutory financial statements, including quarterly reviews, and tax filings	15,000	220
Sabaf Mexico Appliance Components	Mexico	Deloitte Italy	full audit year end reporting + limited review half-yearly RP	12,000	180
Sabaf Beyaz Esya Parcalari Sanai ve Ticaret	Turkey	Deloitte Turkey	statutory and full audit year end reporting + limited review half-yearly RP	45,000	850
Sabaf do Brazil Ltda	Brazil	Deloitte Brazil	statutory and full audit year end reporting + limited review half-yearly RP	23,000	400
Sabaf India Private Limited	India	Deloitte India	statutory and full audit year end reporting + limited review half-yearly RP	15,000	300
<b>Total Sabaf Group</b>				<b>315,000</b>	<b>4,940</b>

In light of our strong interest in this engagement, we have decided to grant you an additional lump-sum discount, which will be allocated at a later stage, reducing the total fees to **€ 290,000**.

\* Source: Deloitte & Touche S.p.A.

### Annex 3

#### Annual fees proposed by PricewaterhouseCooper S.p.A.\*

	Hours	Fees in Euro	Hours	Fees in Euro	Hours	Fees in Euro
	Three-year period 2027-2029		Three-year period 2030-2032		Three-year period 2033-2032	
PwC SpA-Audit Sabaf SpA	900	73,000	865	70,000	840	68,000
PwC SpA-Audit Italian subsidiaries	770	57,000	730	54,000	690	52,000
PwC SpA-Audit foreign subsidiaries	415	35,000	390	32,000	370	30,000
Network PwC -Audit foreign subsidiaries	4,440	194,000	4,375	191,000	4,330	189,000
<b>Total Audit fees</b>	<b>6,525</b>	<b>359,000</b>	<b>6,360</b>	<b>347,000</b>	<b>6,230</b>	<b>339,000</b>
Limited review on the Consolidated Sustainability Statement	660	50,000				
<b>Total amount</b>	<b>7,185</b>	<b>409,000</b>	<b>6,360</b>	<b>347,000</b>	<b>6,230</b>	<b>339,000</b>

\* Source: PricewaterhouseCoopers S.p.A.