

RULES FOR THE “SPONSOR WARRANT AQUAFIL S.P.A.” WARRANTS

1 DEFINITIONS

1.1 In these Rules the following terms shall have the meanings thereto ascribed in the definitions set forth below. The definitions of terms in the singular shall also apply to the same in the plural, and vice versa.

- **“Shares”**: means the ordinary shares of the Company (as defined hereunder), without par value, admitted to trading on MTA (as defined hereunder), STAR segment, starting from December 4, 2017.
- **“Conversion Shares”**: means the maximum number of 800,000 Shares originating from the Company’s capital increase without options pursuant to Article 2441, paragraph 5, of the Italian Civil Code, approved by the Company’s extraordinary Shareholders’ Meeting on December 23, 2016, in service of the exercise of the “*Sponsor Warrant Aquafil S.p.A.*” warrants, according to the terms and conditions set out in these Rules, with the same dividend rights as the Shares already in issue.
- **“Notice from the Company”**: has the meaning indicated in Article 3.2.
- **“Exchange Trading Day”**: means a day on which the Italian exchange is open for business according to the Borsa Italiana S.p.A. trading calendar.
- **“MTA”**: means the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A.
- **“Exercise Period”**: means the period between the first Exchange Trading Day after December 4, 2017 and the tenth anniversary of the same date.
- **“Strike Price”**: has the meaning indicated in Article 3.4.
- **“Rules”**: means these rules, which govern the characteristics and exercise of the Warrants.
- **“De-merger”**: means the partial, proportional de-merger of Space2 (as defined

hereunder) for the benefit of the Company, according to the terms and conditions of the de-merger approved by the Shareholders' Meeting of the Company on December 23, 2016.

- **“Company”**: means (i) Space3 S.p.A., with registered office in Milan, Via Mauro Macchi 27, share capital of €50,000.00, divided into 5,000 shares, registration number in the Milan Companies Register, tax code and VAT number 09652170961; or, where appropriate, (ii) with reference to the period after December 4, 2017 (effective date of the merger by incorporation of Aquafil S.p.A. in Space3 S.p.A., following which the latter changed its company name to "Aquafil S.p.A."), Aquafil S.p.A. with registered office in Arco (TN), via Linfano n. 9, registration number with the Trento Companies Register, tax code and VAT number 09652170961.
- **“Sponsor Company”**: means Space Holding S.r.l., with registered office in Milan, Via Vittor Pisani 27, Economic and Administrative Index (REA) No. MI - 2008312, registration number in the Milan Companies Register, tax code and VAT number 08187660967.
- **“Space2”**: means Space2 S.p.A. with registered office in Milan, Via Mauro Macchi 27, Milan Companies Register number, tax code and VAT number 09105940960.
- **“Warrants”**: means the 800,000 “*Sponsor Warrant Aquafil S.p.A.*” warrants governed by these rules, the issue of which was approved by the Shareholders' Meeting of the Company on December 23, 2016 within the framework of the De-merger, and assigned to the Sponsor according to the exchange ratio of the De-merger set out in Article 2.13.

2 CHARACTERISTICS OF THE WARRANTS

- 2.1 The Company's extraordinary Shareholders' Meeting, during its session of December 23, 2016, approved, *inter alia*, a capital increase without options pursuant to Article 2441, paragraph 5, of the Italian Civil Code, in one or more tranches, up to €10,400,000, through the issue of a maximum of 800,000 ordinary shares without par value, in service of the exercise of the Warrants approved for issue by the Shareholders' Meeting during that same session within the framework of the De-merger.

- 2.2 The De-merger was executed by assigning ordinary shares, special shares, “*Market Warrant Space3 S.p.A.*” warrants and Warrants to the shareholders and holders of the warrants issued by Space2 and by canceling the financial instruments (ordinary shares, special shares, “*Market Warrant Space2 S.p.A.*” warrants and “*Sponsor Warrant Space2 S.p.A.*” warrants) issued by Space2.
- 2.3 The Warrants were assigned to the Sponsor according to the following ratio: one (1) cancelled “*Sponsor Warrant Space2 S.p.A.*” warrant and one (1) new Warrant assigned per each two (2) pre-De-merger “*Sponsor Warrant Space2 S.p.A.*” warrants.
- 2.4 The Warrants shall be subject to the dematerialization scheme pursuant to Articles 83-*bis et seq.* of Legislative Decree No. 58/98, as amended from time to time, and shall be admitted to the centralized management system of Monte Titoli S.p.A.
- 2.5 Each Warrant confers the right to subscribe one Conversion Share.
- 2.6 Warrants are registered. Warrants may be transferred to third parties with effect from the third anniversary from December 4, 2017. The transfer of Warrants prior to that date shall require the approval of the ordinary Shareholders’ Meeting by the legal majority, except in cases of transfer to the beneficiary company of a proportional de-merger of the Sponsor involving, *inter alia*, the Sponsor Company’s equity interest in the Company.
- 2.7 No application for the admission of the Warrants to trading on an Italian or foreign regulated market has been or shall be submitted.

3 TERMS AND CONDITIONS OF EXERCISE

- 3.1 Holders of the Warrants may exercise the Warrants, in whole or in part, during the Exercise Period only if the official price of the Shares recorded during at least one day within the Exercise Period is greater than or equal to €13.00.
- 3.2 By the second Exchange Trading Day after the satisfaction of the condition set out in Article 3.1 above, the Company shall send the holders of the Warrants, in the manner specified in Article 7 below, a specific written notice (the “**Notice from the Company**”) attesting to the satisfaction of that condition and provide the additional notices required by law with regard to the satisfaction of the said condition.

- 3.3 If the condition set out in Article 3.1 above is not satisfied, by the second Exchange Trading Day after the end of the Exercise Period the Company shall send the holders of the Warrants, in the manner set out in Article 7 below, the Notice from the Company certifying the failure to satisfy this condition and provide the additional notices required by law with regard to the failure to satisfy the said condition.
- 3.4 The price to be paid by each holder of the Warrants for the exercise of the Warrants and the subscription of each Conversion Share shall be €13.00 (the “**Strike Price**”), without prejudice to the adjustments provided for in Article 6 below.

4 EXPIRY AND LOSS OF EFFECT

- 4.1 Warrants not exercised by the end of the Exercise Period shall irrevocably lose all efficacy and be considered void, becoming of no effect whatsoever.

5 METHODS OF EXERCISE

- 5.1 Requests for the exercise of the Warrants must be submitted during the Exercise Period by each holder of the Warrants according to the terms of these Rules and the conditions to be indicated in the Notice from the Company.
- 5.2 Upon the submission of an application for exercise, the holder of the Warrants shall acknowledge that the Conversion Shares assigned in exercise of the Warrants have not been registered pursuant to the United States Securities Act of 1933, as amended.
- 5.3 A request for exercise may also be submitted in respect of only some of the Warrants possessed by each holder of Warrants.
- 5.4 By the tenth Exchange Trading Day of the calendar month after that in which the request for exercise is submitted, the Company shall make the Conversion Shares available to the entitled party in the brokerage account held by the said entitled party.

- 5.5 The Strike Price shall be paid in full upon the submission of the request for exercise, without any additional fees or expenses to be borne by the holders of the Warrants, to the current account that the Company will indicate to the holders of the Warrants who have submitted requests for exercise.
- 5.6 The Conversion Shares subscribed following the exercise of the Warrants shall have the same dividend rights as the Shares of the Company in issue as of the date of issue of the Conversion Shares.
- 5.7 The Exercise Period shall be suspended from the day after (included) the day on which the Board of Directors convenes the Shareholders' Meeting of the Company until the day (included) when the session of the General Shareholders' Meeting is held, in first or subsequent call. If the Board of Directors resolves to propose the distribution of dividends, the exercise of the Warrants shall be suspended from the day after (included) the date on which the Board of Directors passes such a resolution, until the day before (included) the ex-dividend date for any dividends approved by the General Shareholders' Meeting (each of the above periods is a "**Suspension Period**").
- 5.8 If the final term of the Exercise Period falls during a Suspension Period, calculation of the said term shall automatically be suspended starting on the first day of the Suspension Period and shall resume — for a number of days equal to the residual duration of the Exercise Period — from the first Exchange Trading Day after the final day of the Suspension Period.

6 TRANSACTIONS INVOLVING THE COMPANY'S SHARE CAPITAL

- 6.1 If, during the Exercise Period, the Company approves or executes:
- (i) capital increases in the form of rights issues to be subscribed in cash, the Strike Price shall be decreased by an amount, rounded down to the next thousandth of a euro, equal to $(P_{cum} - P_{ex})$, where: " P_{cum} " represents the simple arithmetic average of the last five official "*cum rights*" prices of the Share recorded on the electronic share market MTA organized and managed by Borsa Italiana S.p.A. and " P_{ex} " represents the simple arithmetic average

of the first five official “*ex rights*” prices of the Share recorded on the MTA organized and managed by Borsa Italiana S.p.A.;

- (ii) capital increases in the form of bonus issues of new Shares, the holder of the Warrants shall be entitled to receive, upon the exercise of the Warrants, a number of Conversion Shares, on free assignment, sufficient to permit the holder to retain the same percent equity interest guaranteed to the said holder through the exercise of the Warrants prior to the increase;
- (iii) capital increases involving the issue of shares without options pursuant to Article 2441 of the Italian Civil Code, neither the number of the Conversion Shares that may be subscribed per each Warrant nor the Strike Price shall be modified;
- (iv) voluntary reductions of capital pursuant to Article 2445 of the Italian Civil Code, the number of Conversion Shares that may be subscribed per each Warrant and the Strike Price shall remain unchanged;
- (v) reductions of capital due to losses through the cancellation of Shares (other than those held by the Company, if any), the number of Conversion Shares that may be subscribed per each Warrant shall be decreased in the same proportion existing between the Shares of the Company cancelled in execution of the resolution authorizing the capital reduction and the total Shares prior to the reduction, without prejudice to the Strike Price;
- (vi) free increases of the implicit par value of the Shares or reductions thereof due to losses, neither the number of Conversion Shares that may be subscribed per each Warrant nor the Strike Price shall be modified;
- (vii) splits or reverse splits of the Shares, the number of Conversion Shares that may be subscribed per each Warrant and the Strike Price shall be modified accordingly;
- (viii) mergers or de-mergers in which the Company is not the surviving company or beneficiary, respectively, the number of Conversion Shares that may be subscribed per each Warrant shall be modified accordingly on the basis of the respective exchange or assignment ratios.

- 6.2 In the event of the execution of another transaction, other than those set out in Article 6.1 above, capable of having similar effects, or in the event of a transaction involving the share capital of the Company (including, without limitation, those set out in Article 6.1 above) that may result in significant effects on the terms and conditions of exercise of the Warrants (including with reference to aspects other than those set out in Article 6.1 above), the Company's Board of Directors may amend or supplement these Rules as it deems necessary or appropriate to maintain unchanged, to the fullest possible extent, the essential content and aims of these Rules, including adjustments to the number of Conversion Shares that may be subscribed and/or the Strike Price and/or the condition to exercise the Warrants as per Article 3.1 above.
- 6.3 In the case where, as a result of the provisions of this Article, the exercise of Warrants results in a fractional number of Conversion Shares, the holder of the Warrants in question shall be entitled to subscribe Conversion Shares rounded down to the next whole number and may not lay any claim to the additional fractional portion.

7 NOTICES

- 7.1 The Company shall dispatch the notices mandated by these Rules to the holders of the Warrants by publishing them on the Company's website and using any additional methods prescribed by the applicable laws and/or regulations.

8 GENERAL PROVISIONS

- 8.1 Possession of the Warrants shall entail acceptance by the holder of the Warrants of all of the terms and conditions set out in these Rules.
- 8.2 Without prejudice to the provisions of Article 6.2 of these Rules, the Company's governing body may, at any time, amend these Rules as necessary or appropriate solely in order to: (i) bring these Rules into compliance with applicable legislation and any amendments thereof; and (ii) take due account of any recommendations or observations by the competent regulatory, control or supervisory authorities. In

such cases, the Company shall give notice of the amendments applied in the manner set out in Article 7 above.

- 8.3 These Rules shall be governed by the laws of Italy.
- 8.4 The Court of Milan shall have exclusive jurisdiction over any disagreements and disputes that may arise in respect of these Rules.