

Esprinet S.p.A.
Via Energy Park 20 – 20871 Vimercate (MB)

**“REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS’ MEETING
PURSUANT TO ARTICLE 153 OF LEGISLATIVE DECREE NO. 58/1998 AND ARTICLE 2429(3) OF THE ITALIAN
CIVIL CODE – FINANCIAL STATEMENTS AS AT 31-12-2019”**

Dear Shareholders,

By means of this Report, drawn up in accordance with Article 153 of Legislative Decree No. 58/1998 (“TUF”), also taking into account the applicable Consob Recommendations and the Code of Conduct of the Board of Statutory Auditors of Listed Companies issued by the National Council of Chartered Accountants and Bookkeepers, the Board of Statutory Auditors of Esprinet S.p.A. (hereinafter also referred to as the “Company”) reports to you on the supervisory activity carried out during the year ended 31 December 2019 and the outcome thereof.

The current Board of Statutory Auditors was appointed by the Shareholders’ Meeting of 4 May 2018 for a three-year term. The appointment was made, in accordance with the law and the Articles of Association, on the basis of lists submitted by shareholders, also taking into account provisions on gender balance.

1. Supervision performed and information received.

During the financial year ended 31 December 2019, the Board of Statutory Auditors performed the supervisory activities provided for by law, by the Code of Conduct of the Board of Statutory Auditors of Listed Companies issued by the National Council of Chartered Accountants and Bookkeepers, by Consob Recommendations on company audits and activities of the board of statutory auditors (in particular, Communication No. DAC/RM 97001574 of 20 February 1997 and Communication No. DEM 1025564 of 6 April 2001, later supplemented by Communication No. DEM/3021582 of 4 April 2003 and Communication No. DEM/6031329 of 7 April 2006) and by guidelines laid down in the Corporate Governance Code.

To this end, during the year the Board of Statutory Auditors:

- held 17 board meetings;
- attended the 13 meetings of the Board of Directors in accordance with rules governing the Board of Statutory Auditors;

- attended 9 meetings of the Control and Risk Committee and 3 meetings of the Appointments and Remuneration Committee in accordance with rules governing the Board of Statutory Auditors;
- attended the Shareholders' Meeting;
- frequently exchanged information and held regular meetings with the Audit Company for the purposes of timely exchange of data and information relevant for the performance of their duties;
- frequently exchanged information and held regular meetings with the head of the Internal Audit department and Enterprise Risk Management;

The Board also met with the Board of Statutory Auditors of the subsidiary Celly S.p.a. and the subsidiary 4Side Srl in relation to administration and control systems and the general performance of company activities, with no significant issues needing to be reported in this Report, and met regularly with the Supervisory Board appointed pursuant to Legislative Decree No. 231/2001.

During Board meetings, the Directors reported to the Board of Statutory Auditors on the activity carried out by the Company, the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries and associates, and the transactions in which they held an interest on their own account or that of third parties.

During meetings and contact with the Independent Auditors, no reprehensible conduct came to light.

With regard to Board activities, during 2019:

- no reports were received under Article 2408 of the Italian Civil Code;
- no complaints were received;
- a report was received for information by the Supervisory Board, whereby the importer of the "Sport Technology" line declared, *inter alia*, that it had served the writ of summons referred to in paragraphs 2 and 3.

2. Main economic, financial and equity transactions and events Transactions with related parties

With regard to the main economic, financial and equity transactions carried out by the Company and the Group during 2019 and, more generally, the most significant events, the Board of Statutory Auditors reports as follows:

- On 30 September, Esprinet S.p.A. entered into a 3-year unsecured RCF-Revolving Credit Facility agreement with a pool of domestic and international banks for a

total of €152.5 million. This transaction was concluded following the full repayment of the previous outstanding pool loan of €72.5 million, with the associated €65.0 million revolving line of credit remaining unused. The loan is supported by a financial covenant structure typical for similar transactions.

- In 2019, as part of a plan to promote the autonomous lending capacity of the Spanish subsidiaries, 7 unsecured amortising loans with a term of between 3 and 5 years were issued for a total of €47.0 million, of which €34.0 million was paid to Esprinet Iberica and €13.0 million to Vinzeo.

In addition, on 7 November 2019 the subsidiary Vinzeo Technologies S.A.U. obtained approval from two Spanish credit institutions for 2 x 5-year loans totalling €10.0 million. As a result of the new pool loan and the medium-term loans received or approved during the period totalling €72.0 million, the review of the Group's financial structure was completed.

- In June 2019, the Board of Directors of Esprinet S.p.A. approved the waiver of a call option on 20% of the share capital of Celly S.p.A., accepting by way of consideration the free transfer of a 5% stake. The transfer was finalised on 13 September 2019.
- On 20 March 2019, Esprinet S.p.A. completed the acquisition of 51% of the shares of 4Side S.r.l., a company active in the marketing and exclusive distribution in Italy of Activision Blizzard branded products, with the aim of positioning itself as a leading operator in a sector deemed strategic for the development of the company's business.
- On 6 February 2019, the long-standing importer of the "Sport Technology" line, in the person of the Liquidator, and its shareholders, brought a civil action against Esprinet S.p.A., seeking compensation for damages of €55 million for alleged unlawful conduct in its commercial dealings with the importer that allegedly brought about its financial crisis.
- On 19 February 2019, the majority shareholder in the supplier of the Sport Technology line, through its Liquidator (in the meantime it had also gone into voluntary liquidation), brought a further civil action against Esprinet S.p.A., requesting the cancellation of a letter of guarantee issued by that shareholder in favour of Esprinet S.p.A. and in the interest of its subsidiary, or that said letter be declared null and void.

- The Board of Directors of Esprinet S.p.A. resolved to appear and contest the action in court, requesting that all claims against it be dropped.
- On 21 May 2019 the Liquidator of the aforementioned supplier filed a petition with the Court of Milan for a conditional arrangement with creditors, pursuant to paragraph 6 of Article 161 of the Bankruptcy Act. With respect to that procedure, the Board learned that the original deadline for submitting the final proposal for an arrangement, the composition plan and the additional documentation provided for in Article 161 of the Bankruptcy Act had been extended by the Court until 4 October 2019, although to date the Company has not been able to obtain further information on said insolvency procedure.
- Esprinet S.p.A. has a number of pending lawsuits involving requests for the payment of indirect taxes brought against the Company, for a total amount of €18.7 million, plus penalties and interest, in relation to transactions undertaken between 2010 and 2013. For more information on current litigation, please see the notes to the financial statements.

Opinion of the Board of Statutory Auditors

In general, the Board considers that the law, the Articles of Association and the principles of proper administration have been upheld.

The Board did not find or receive any news from the Audit Company or the Head of Internal Audit manager of any atypical and/or unusual transactions, as defined in the Consob Communication of 6 April 2001 and Consob Communication No. DEM/6064293 of 28 July 2006, conducted with third parties, related parties or within the group.

Regarding transactions with related parties, the Board of Statutory Auditors ensured that the procedure adopted by the Company complied with the principles laid down by Consob.

This procedure, which can be consulted on the Company's website, exempts resolutions regarding the remuneration of directors and other managers with strategic responsibilities under certain conditions.

In light of the specific nature of the Group's business, the inclusion of transactions that "fall within the ordinary course of business and related financial activities (identified on the basis of the criteria set forth in the Regulation and Consob Communication No. 1007868 of 24 September 2010 and that are (...) concluded under conditions equivalent to market or

standard conditions” under “Ordinary transactions with related parties” assumes particular importance.

The Directors gave an account in the Report on Operations and in the Explanatory Notes of ordinary and less significant transactions carried out with related parties, indicating the nature and extent of those transactions. This disclosure is appropriate given the size of the transactions.

For its part, the Board of Statutory Auditors did not find any infringements of legal provisions or the Articles of Association, or transactions executed by Directors that are manifestly imprudent or risky, in potential conflict of interest, contrary to resolutions adopted by the Shareholders' Meeting or that could in any case compromise the integrity of the Company's assets.

Esprinet S.p.A. exercised management and coordination activities with regard to all subsidiaries resident in Italy. Intragroup transactions are set out in detail in the notes to the financial statements.

3. Organisational structure, internal control and risk management system and administrative and accounting system.

The Board of Statutory Auditors verified compliance with principles of sound administration together with the adequacy of the organisational structure by acknowledging the fitness of the accounting and administrative system for the purpose of correctly representing management facts.

The internal control system is defined as a set of rules, procedures and organisational structures able to allow the Company to be managed soundly and correctly and consistently with the established goals, through an adequate identification, measurement, management and monitoring of the main risks.

The Head of Internal Audit, who does not perform operational functions, frequently reports to the Control and Risk Committee, to which he submits the annual work programme and reports periodically on activity being carried out. In its capacity as internal control committee established under Article 19 of Legislative Decree 39/2010, the Board maintains constant dialogue with the Department manager, verifying the effectiveness of his work.

After examining the activity carried out by this department, no significant problems emerged in the definition and effective application of the internal control and risk management system that could significantly compromise the achievement of an acceptable overall risk profile.

With regard to activities relating to the internal control system, the Board - supported by the Audit Company's findings - reported the constant monitoring and improvement of internal procedures. The Board was involved in a constant exchange of information with the Control and Risk Committee and also attended the Committee's meetings.

With reference to the internal control system, Esprinet S.p.A., adopting ERM methodology, is gradually identifying the main areas of corporate risk, monitoring such areas and implementing actions to improve them.

In 2019, following the writ of summons mentioned in paragraph 2, which alleges misconduct in its commercial dealings with the long-standing importer of the "Sport Technology" line, the Company, at the request of the Board of Statutory Auditors, initiated an internal due diligence process for the necessary discussions. The due diligence activities in respect of the procedures applied and the transactions carried out, as well as the related legal aspects, did not provide proof of any reprehensible conduct.

The Report on Operations provides information on the risks to which the Company is exposed, including for the purposes of Article 19(1)(b) of Legislative Decree 39/2010 and Legislative Decree 254/2016.

The Company adopted the organisation and management model for the prevention of crimes laid down in Legislative Decree 231/2001 (the "Organisational Model") concerning the administrative responsibility of companies for offences committed by their employees and contractors, published on the corporate intranet and most recently updated on 15 April 2020: the Organisational Model introduced the system for the reporting of unlawful activities, or whistleblowing, through a dedicated platform, as advertised on the Company's website, which, as required by law, guarantees anonymity for the informant.

During the financial year, the Board was in constant contact with the Supervisory Body, whose Chair regularly attended meetings of the Board of Statutory Auditors. As a result of the meetings and the exchange of information it was found that no reports had been received by the Supervisory Body, with the exception of a communication on 8 March 2019 and again on 28 June 2019, about alleged violations of the Code of Ethics related to the writ of summons mentioned in paragraph 2. There were no findings of reprehensible conduct following the due diligence process mentioned above.

The Board also noted that the Supervisory Body had continually updated the organisational model adopted by the Company, including in relation to changes in applicable legislation.

The Italian Supervisory Body also performs a linking and monitoring function with the Spanish subsidiaries in relation to this matter.

With particular reference to the administrative area, in the Corporate Governance and Ownership Report, the Board of Directors set out in detail the main features of existing risk management and internal control systems with regard to the financial reporting process, in accordance with the provisions of Article 123-bis of the TUF.

The Company has complied with the provisions introduced by Law 262/2005. The Board of Statutory Auditors has verified that the manager responsible continues to fulfil all the legal requirements.

Audit Company

The Company is subject to auditing by the Auditing Firm PricewaterhouseCoopers S.p.A. ("PWC") appointed by the Shareholders' Meeting of 8 May 2019.

- a) *Surveillance and control activities carried out by the Board of Statutory Auditors in relation to tasks assigned to it in its capacity as the "Internal Control and Audit Committee"*

As a result of the Reform of the statutory audit of the separate and consolidated financial statements of companies, transposing (via Legislative Decree No. 135/2016) Regulation (EU) No. 537/2014 and Directive No. 2014/56, the Board of Statutory Auditors, in its role as the "Internal Control and Audit Committee" (also the "ICAC"), independently assessed the organisational measures aimed at fully implementing the regulatory provisions which are specifically intended to strengthen the quality of auditing and the independence of statutory auditors and audit companies, in order to improve market and investor confidence in financial reporting.

In relation to the new and other duties imposed on the Board in its capacity as the ICAC, independent assessments were therefore carried out on organisational measures designed to fully implement the new regulatory provisions.

With particular reference to the scope of Public Interest Entities ["**PIEs**"], such as Esprinet S.p.A., the regulatory changes involved a strengthening of the interaction between auditors and the ICAC, placing particular emphasis on maintaining the requirement of independence, including through constant monitoring of the activities carried out by the auditor, distinguishing between audit and non-audit services and, within these, those

which are permitted and those which are prohibited by Article 5 of the above Regulation, which expressly stipulates that the ICAC must first assess and give an opinion on any task which is assigned to the Auditor and can be classed as a non-audit service. During 2019, the Board of Statutory Auditors, with particular regard to the adequacy of the provision of non-audit services to the audited entity, in accordance with Article 5 of the EU Regulation, continually verified and monitored the independence of the Auditor, issuing dedicated and specific opinions for any task assigned and classed as a non-audit service.

With reference, however, to the audit activity, the Board, during the numerous meetings held with the auditor PWC:

- (i)* obtained information about the handover by the outgoing auditor, on the checks undertaken in terms of the proper keeping of the Company's accounts and the correct recording of management events in the accounting records;
- (ii)* received from the Audit Company, pursuant to Article 11 of Regulation (EU) No. 537/2014, the Additional Report to the Internal Control and Audit Committee, from which: i) no significant shortcomings were identified in the internal control system for financial reporting and/or in the accounting system; ii) no cases of fraud or suspected fraud were identified; iii) no significant issues were identified regarding non-compliance cases; iv) no significant difficulties warranting the attention of the ICAC were encountered, nor difficulties related to the process of obtaining the necessary audit evidence;
- (iii)* received from the Auditing Firm, pursuant to Article 6, paragraph 2a) of Regulation (EU) No 537/2014, and pursuant to paragraph 17 of ISA Italia 260, confirmation of its independence. The Board of Statutory Auditors also examined the reports prepared by the independent auditor PWC and issued on 30 April 2020, whose activities supplement the general framework of control functions established by law with reference to the financial reporting process.

The text of the Audit Report also includes the Key Aspects of the audit, i.e. those aspects considered the most significant in the context of the audit of the separate and consolidated financial statements.

With regard to opinions and certifications, in the Audit Report, the Audit Company:

- issued an opinion stating that the separate and consolidated financial statements of Esprinet S.p.A. give a true and fair view of the assets and financial position of the Company and the Group at 31 December 2019, of the income statement and of the cash flows for the year then ended;
- issued an opinion on consistency stating that the Reports on Operations accompanying the separate and the consolidated financial statements as at 31 December 2019 and certain specific information contained in the "Corporate Governance and Ownership Report" indicated in Article 123-bis, paragraph 4, of the TUF, which is the responsibility of the Company's Directors, had been drawn up in accordance with the law and were consistent with the Esprinet group's consolidated financial statements at 31.12.2019;
- declared, with reference to any significant errors in the Reports on Operations, based on its knowledge and understanding of the Company and the context of the audit activity, that it had nothing to report.

With reference, however, to the identification of Key Aspects, the Board of Statutory Auditors observed that they relate to:

- (i) assessment of the recoverability of goodwill;
- (ii) the recognition of revenues, net of adjustments for allowances and discounts;
- (iii) the recognition of adjustments in the cost of purchase from suppliers;
- (iv) contingent liabilities and provisions for risks and charges.

and specifically with regard to the financial statements of Esprinet SpA

- v) equity investments in subsidiaries and associates.

b) Supervision of the independence of the external auditor

The Board of Statutory Auditors examined the Report on the Independence of the External Auditor, issued pursuant to Article 6(2)a) of Regulation (EU) No. 537/2014, and pursuant to paragraph 17 of ISA Italia 260, issued on 30 April 2020, and found that there were no situations that compromised its independence or reasons for incompatibility, pursuant to

Articles 10 and 17 of Legislative Decree No. 39/2010 and Articles 4 and 5 of Regulation (EU) No. 537/2014.

The following table, prepared pursuant to Article 149-*duodecies* of the CONSOB Issuers' Regulation (Resolution No. 11971 of 14 May 1999 as subsequently amended and supplemented) sets out the fees for 2019 for auditing services for the Esprinet Group and other services provided by the Audit Company and companies belonging to its network.

Tipologia servizio	Soggetto erogatore	Destinatario	Corrispettivi (euro/ 000)	
			2019	2018 ⁽¹⁾
Revisione contabile				
	PwC S.p.A.	Esprinet S.p.A.	220,0	240,9
	PwC S.p.A.	Società controllate	91,0	19,2
	Rete di PwC	Società controllate	216,2	221,3
Altri servizi				
	PwC S.p.A.	Esprinet S.p.A.	30,0	36,0
	Rete di PwC	Società controllate	80,4	3,4
Totale			637,6	520,8

(1) Fees for the previous Auditor EY S.p.A.

In addition to the fees shown in the table, there are €36,000 in additional fees for the 2018 statutory audit by the previous auditor EY S.p.A.

As mentioned, in relation to the assignment of non-audit services, the Board of Statutory Auditors has continually carried out its own independent assessments of the potential risks to the independence of the external auditor and of the safeguards applied pursuant to Article 22-*ter* of Directive 2006/43/EC.

These assignments, for 2019, consist of €30,000 for a limited review of the Company's sustainability reports (NFS) and €80,400 for other services carried out for the Spanish subsidiary companies.

In relation to the above, with regard to the tasks assigned to PwC and its network by Esprinet S.p.A. and Group companies, the Board of Statutory Auditors does not believe that there are any critical issues in terms of the Auditor's independence.

In light of the above, the Board considers that the internal control system is well organised to perform its duties and is achieving satisfactory results.

4. Results for the year and financial situation.

The 2019 financial year ended with a consolidated profit of €23.6 million, up by 66% compared with 31.12.2018 (€14.2 million). Net profit for the year was €4.6 million, compared with € -1 million at 31.12.2018.

The net consolidated financial position at 31.12.2019 showed a positive balance of €272.3 million, compared with €241 million at 31.12.2018.

Consolidated equity at 31.12.2019 amounted to €359 million compared with €342.9 million at 31.12.2018, an increase of €16.1 million.

Our examination of the Financial Statements, delivered to the Board in accordance with the law together with all the relevant annexes, was conducted in accordance with the code of conduct of the Board of Statutory Auditors recommended by the National Council of Chartered Accountants and Bookkeepers, by the National Companies and Stock Exchange Committee and in accordance with the rules set out in Legislative Decree No. 58/1998.

The Board of Statutory Auditors, also on the basis of information obtained from the Audit Firm, notes that:

- the format and contents of the financial statements are generally compliant with the law and that the applicable accounting principles have been correctly adopted;
- the financial statements correspond with the facts and information that the Board is aware of as a result of attending meetings of corporate bodies and exercising its supervisory duties as well as its powers of inspection and control;
- completeness of the Financial Statement file in accordance with the rules applicable to this case.

The Report on Operations was drawn up in accordance with the law and contains all the information necessary for a complete, clear and truthful representation of the Company's performance.

The Board considers that the Board of Directors has also fully provided in the Report on Operations and in the Notes to the Financial Statements the information required by:

- joint Banca d'Italia, Consob and ISVAP document No. 2 of 06.02.2009, i.e. disclosures regarding business continuity, financial risks, impairment tests and uncertainties in the use of estimates;

- joint Banca d'Italia, Consob and ISVAP document No. 4 of 03.03.2010, i.e. disclosures regarding impairment tests, contractual clauses of financial liabilities and fair value hierarchies. None of the other types of disclosure laid down in the above document apply, i.e. impairment of equity-based financial instruments classified as "available for sale" and debt restructuring.
- Consob Communication No. 0003907 of 19.01.2015 on the most important issues in financial reports, as well as subsequent Consob Communication Nos. 0007780 of 28.01.2016 and 0031948 of 10.03.2017.
- Consob Notice No. 6/20 of 9 April 2020.

Furthermore, the Report on Operations also contains environmental and staff information pursuant to Article 2428 of the Italian Civil Code and the Notes to the Financial Statements also contain the information laid down in Article 149-*duodecies* of the Issuers' Regulation on remuneration paid to the audit firm.

The Notes to the Financial Statements refer to the Notes to the Consolidated Financial Statements, which disclose the remuneration paid to managers with strategic responsibilities and the remuneration paid to Directors in Group companies, which are also disclosed in the report on the remuneration policy under Article 123-*ter* of Legislative Decree 58/1998.

The Company also prepared the consolidated financial statements.

The effects of the Covid-19 health emergency in evidence after 31 December 2019 do not constitute an "adjusting" event according to the principles of international accounting standards. Therefore, they did not have a corrective effect on financial statement values, but do require, however, specific disclosure.

In this regard, we examined Directors' representations in the Report on Operations with regard to activation of the necessary "business continuity" safeguards and strict compliance with the health protocols designed to preserve the health and safety of employees and staff, macroeconomic scenarios, and actions taken to strengthen liquidity reserves and protect profitability. In the Report on Operations, the Directors provided an analysis of the potential impact of the health emergency on the Company's and the Group's profitability, while with regard to the effects on the financial and cash flow position, they concluded that there was insufficient information, particularly with regard to a possible deterioration in customers' solvency levels, to produce a reliable estimate.

5. Corporate governance

Detailed information on how the corporate governance principles approved by Borsa Italiana (contained in the relevant Corporate Governance Code, hereinafter referred to in short as the "Borsa Italiana Code") were implemented was provided by the Directors in the Annual Corporate Governance and Ownership Report approved on 15 April 2020 and attached to the notes to the financial statements.

This Report satisfies the provisions of Article 123-*bis* of the TUF.

During 2019, the Board of Statutory Auditors verified the correct application of the criteria and procedures for ascertaining the independence requirements of members of the Board of Directors, pursuant to application criterion 3.C.5 of the Corporate Governance Code, carried out the self-assessment process on its members, and also acknowledged that the Board of Directors also carried out its own self-assessment.

The independent auditors confirmed in their own reports that the review of operations and some specific information contained in the corporate governance and ownership structure report indicated in Article 123-*bis* (4) of Legislative Decree No. 58/98 were consistent with the individual and consolidated financial statements.

The Board monitored the implementation of the corporate governance rules provided for in the Borsa Italiana Code, with which by way of public disclosure the Company states it complies.

The Board of Statutory Auditors also noted the process of preparing the 2019 Annual Report on Remuneration and Incentive Policies, pursuant to Article 123-*ter* of Legislative Decree 58/1998 and in the context of the disclosures required by Article 84-*quater* of Consob Regulation 11971/1999, which consists of two sections:

- the first section, which contains the Esprinet Group's remuneration policy for 2020, to be submitted for the approval of the Shareholders' Meeting called to approve the Financial Statements for the year ended 31.12.2019;
- the second section, to be submitted to the non-binding vote of the Shareholders' Meeting, which describes the manner in which the remuneration policy in force in 2019 was implemented during the relevant year and provides a final account of the remuneration actually paid.

The composition of the Board of Directors is consistent with legal provisions on gender balance.

6. Consolidated non-financial statement

We supervised compliance with the provisions of Legislative Decree No. 254 of 30 December 2016 and Consob Regulation No. 20267/2018 concerning the consolidated non-financial statement of Esprinet S.p.A. and its subsidiaries (hereinafter "NFS").

The Board of Statutory Auditors finds that the Company, in its capacity as Parent Company, has prepared, following the issue of Legislative Decree No. 254 of 30 December 2016 ("Implementation of Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups" - the "Decree"), the Group's 2019 Consolidated NFS as required by Articles 3 and 4 of the Decree and the "*Global Reporting Initiative Sustainability Reporting Standards*" (hereinafter "GRI Standards"), defined in 2016 by the GRI – *Global Reporting Initiative* - and identified by the Directors as the reporting standard.

The Board of Statutory Auditors supervised compliance with the provisions of the Decree in the preparation of the NFS, ensuring that the NFS allows an understanding of the Company's activity, performance, results and impact, and reports on important environmental, social and personnel issues as well as those concerning the respect for human rights and the fight against active and passive corruption, taking into account the Company's activities and characteristics, in accordance with Article 3 of the aforementioned Legislative Decree.

The Board of Statutory Auditors also acknowledged that, pursuant to Article 3, paragraph 10, PWC, the entity responsible for auditing the Group's financial statements, issued the relevant Report on Consolidated NFS on 30 April 2020 which attest to the conformity of the information provided in that document with Articles 3 and 4 of Legislative Decree No. 254/2016 and the GRI standards.

7. Concluding remarks on supervisory activities and the financial statements.

Through direct audits and information obtained from the Audit Company and the manager responsible for preparing the Company's accounts, the Board of Statutory Auditors established compliance with legal rules regarding the drawing up and presentation of the Esprinet Group's consolidated financial statements, Esprinet S.p.A.'s separate financial statements and the associated Board of Directors' Report. Furthermore, the supervisory activities revealed no facts that required reporting to the control bodies or mentioning in this report.

In its reports issued pursuant to Articles 14 and 16 of Legislative Decree No. 39 of 27 January 2010, the Audit Company issued an unreserved opinion on the 2019 separate and consolidated financial statements. The separate and consolidated financial statements are accompanied by the statements of the manager responsible for preparing the accounts and the Chief Executive Officer as per Article 154-*bis* of the TUF.

Due to the current health emergency, in accordance with Decree Law No. 18 of 17 March 2020, the Company has decided that participation in the General Meeting will be exclusively through a designated representative, pursuant to Article 135-*undecies* of Legislative Decree No. 58 of 24 February 1998 (the "TUF")

The designated representative may be granted powers and/or sub-powers pursuant to Article 135-*novies* of the TUF, in derogation of Article 135-*undecies*, paragraph 4 of the same decree, in order to facilitate the widest use of the said remote voting facility for all shareholders,

On the basis of activity carried out during the financial year, the Board of Statutory Auditors finds no impediment to approving the financial statements for the year ended 31 December 2019 and the associated motions for resolutions put forward by the Board of Directors.

Milan, 30 April 2020

The Board of Statutory Auditors

Chairperson (Bettina Solimando)

Acting Auditor (Patrizia Paleologo Oriundi)

Acting Auditor (Franco Abbate)