CAPITAL INCREASE: EARLY CLOSURE OF THE OFFER ON THE MTA FOR NOT EXERCISED RIGHTS ISSUE

Grassobbio (Bergamo -Italy), 14 December 2020 – Following the press release published on 10 December 2020, and the related notice published on 11 December in the newspaper "*Milano Finanza*", pursuant to art. 89 of the regulation approved with Consob resolution no. 11971 of May 14, 1999, as subsequently amended and integrated, Tesmec S.p.A. ("**Tesmec**" or the "**Company**") announces that, during the first session of the offer on MTA (the "" **Offer on the MTA** ") held today, all the no. 2,926,006 not exercised rights issue during the Rights Issue Period (the "**Not Exercised Rights Issue**" or the "**Rights Issue**") have been sold, which give the right to subscribe for no. 14,273,200 newly issued Tesmec ordinary shares (the "Shares").

The exercise of the Not Exercised Rights Issue purchased during the Offer on the MTA and, consequently, the subscription of the New Shares must be exercised, under penalty of forfeiture, no later than 15 December 2020.

The Not exercised Rights Issue will be available to stockholders through authorized intermediaries participating in the centralized management system managed by *Monte Titoli S.p.A.* and may be used for the subscription of the New Shares - having the same characteristics as those in circulation and regular entitlement - at the price of Euro 0.07 per Share, in the ratio of no. 200 Shares every n. 41 rights issue purchased.

Please note that, during the Rights Issue Offer period, which started on 23 November 2020 and ended on 10 December 2020 (the "**Offer Period**"), no. 99,446,115 rights issue for the subscription of no. 485,103,000 newly issued Shares have been exercised, equal to 97.14% of the total number of offered Shares, for an equivalent value of Euro 33,957,210.00.

The Registration Document, the Information Note and the Summary Note (which together constitute the Prospectus), together with the Supplement to the Information Prospectus, are available to the public at the Company's registered office in Milan, Piazza S. Ambrogio n. 16 and at the secondary office in Grassobbio (BG), Via Zanica, n. 17 / O, as well as on the Company's website (www.tesmec.com).

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Accordingly, any person making or intending to make any offer of securities in a Relevant Member State other than the Permitted Public Offer, may only do so in circumstances in which no obligation arises for the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (this Regulation and amendments together with any delegated act and implementing measures). This document is not a prospectus for the purposes of the Prospectus Regulation. A prospectus prepared pursuant to the Prospectus Regulation has been published by the Company. Investors should not subscribe for any securities referred to in this document except on the basis of the information contained in any prospectus.

Information to Distributors

*Solely for the purposes of the product governance requirements contained within: (a) EU Directive2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the transferable pre-emptive subscription rights (the "**Rights**") and the new ordinary shares (the "**Shares**") have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Rights and/or the Shares may decline and investors could lose all or part of their investment; the Rights and the Shares offer no guaranteed income and no capital protection; and an investment in the Rights and/or the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offer.*

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Rights and/or the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Rights and/or the Shares and determining appropriate distribution channels.

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Tesmec Group

Tesmec Group is active in the design, production and marketing of systems and integrated solutions for the construction, maintenance and diagnostics of infrastructures (overhead, underground and railway networks) for the transport of energy, data and materials (oil and derivatives, gas and water), as well as technologies for quarries and surface mining. The Group operates in the following sectors: - **Energy**. Tesmec Group designs, manufactures and markets machines and integrated systems for the construction and maintenance of overhead and underground power lines, fibre optic networks (Stringing segment), as well as advanced equipment and systems for the automation, efficiency, management and monitoring of high, medium and low voltage electrical networks and substations (Energy Automation Segment); - **Trencher.** Tesmec Group carries out the design, production, sale and rental of trencher machines functional to four types of activities (excavation and mines, excavations for the installation of pipelines, for the construction of telecommunication and optical fibre infrastructures, excavations for the construction of underground power networks), as well as the provision of specialized excavation services. The trencher machines are rented by the Group both with the operator (hot rental or wet rental) and without the operator (cold rental or dry rental); - **Railway**. The Group designs, manufactures and markets machines and integrated systems for the installation and maintenance of the railway catenary, devices for the diagnostics of the railway catenary and track, as well as customized machines for special operations on the line.

Born in Italy in 1951 and led by the Chairman and CEO Ambrogio Caccia Dominioni, the Group counts on more than 900 employees and has its production sites in Grassobbio (Bergamo), Endine Gaiano (Bergamo), Sirone (Lecco) and Monopoli (Bari) in Italy, Alvarado (Texas) in the USA and Durtal in France. It relies on three research and development units in Fidenza (Parma), Padua and Patrica (Frosinone). Listed on the STAR segment of the MTA Market of the Italian Stock Exchange, the Group boasts a global commercial presence through foreign subsidiaries and sales offices in the USA, in South Africa, West Africa, Australia, New Zealand, Russia, Qatar and China.

In its development strategy, the Group intends to consolidate its position as a solution provider in the three abovementioned business areas, by exploiting the trends of energy transition, digitalization, and sustainability.

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