



## **Extraordinary Business**

### **Board of Directors' Report on Item no. 1 on the Agenda**

#### **Cancellation of treasury shares with no reduction of share capital; Article 4 of the company's Articles of Association to be amended accordingly**

Dear shareholders,

The Board of Directors has convened you in Annual General Meeting to approve, as extraordinary business, the following proposal to cancel: (i) any Mediobanca treasury shares that may be bought back and owned by the company in pursuance of the resolution adopted by shareholders under the foregoing item no. 2 of the ordinary business to be transacted at today's Annual General meeting, up to a maximum number of 25,871,097 ordinary shares, and (ii) the Mediobanca ordinary shares owned by the Bank as at the date hereof, up to a maximum number of 22,581,461 ordinary shares (equal to approx. 2.5% of the company's share capital).

The proposed cancellation is consistent with the targets of the 2019-23 Strategic Plan in terms of dividends and earnings per share, and complies with the ban from holding a number of treasury shares that exceeds the limit set out under the prudential regulations in force, which is 3% of the current share capital.

As the shares do not have a nominal value, they will be cancelled without any reduction to the company's nominal share capital. The cancellation will be executed by reducing the number of shares in issue, resulting in an equivalent increase in their implicit accounting par value. The share cancellation will have no effect on earnings, and will not generate any change to the overall value of net equity despite altering its composition.

Accordingly, we submit to your approval the resolution to cancel the treasury shares already owned by Mediobanca, up to a maximum number of 22,581,461, and to cancel any further shares that are bought, and not used in connection with the resolution submitted to your approval as ordinary business at today's Annual General Meeting, up to a maximum number of 25,871,097, and to authorise the Board of Directors, and the Chief Executive Officer and Group General Manager on their behalf, jointly and severally, to execute the said share cancellations, *inter alia* in several tranches and before the maximum number of shares authorised by shareholders gathered in ordinary Annual General Meeting has been bought, and, without prejudice to the foregoing, by and no later than 18 months from the date of this resolution. With every cancellation of treasury shares, Article 4 of the company's Articles of Association, containing the number of shares into which the share capital is divided, shall be amended accordingly. The foregoing proposal is subject to approval by the European Central Bank.



The company shall disclose the treasury share cancellations to the market in accordance with the regulations in force from time to time, and shall update the company's Articles of Association and disclose the new composition of its share capital accordingly.

It should be noted that the proposed amendments to the Articles of Association shall not give rise to any right of withdrawal.

**Resolutions submitted to the approval of shareholders as extraordinary business**

Dear shareholders,

In view of the foregoing, you are hereby invited to adopt the following resolution:

*"The shareholders of Mediobanca, convened in general meeting and as extraordinary business, having heard the Board of Directors' proposal and reviewed the contents of this report,*

*Hereby resolve to*

- 1. Cancel the ordinary shares owned by Mediobanca and held as treasury shares as at the date hereof, up to a maximum number of 22,581,461, and cancel any ordinary Mediobanca shares that are bought and not used under the terms of the authorisation granted by shareholders at today's Annual General Meeting as ordinary business, up to a maximum number of 25,871,097, for a combined number not to exceed 48,452,558 shares, authorising the Board of Directors to this end, and the Chief Executive Officer and Group General Manager on their behalf, jointly and severally, to: (i) determine the number of treasury shares to be cancelled from time to time; and (ii) proceed to cancel them, in tranches or all together, by and no later than 18 months from the date hereof;*
- 2. Proceed with the foregoing cancellation without recording any gain or loss in the profit and loss account and with no changes to the overall value of net equity despite its composition being altered, without prejudice to the amount of the share capital and the subsequent automatic increase in the implicit par value of the company's shares in issue;*
- 3. Amend Article 4 of the company's Articles of Association, by adding a new paragraph, as follows:*

*"At an Annual General Meeting held on 28 October 2021, the shareholders of Mediobanca approved a resolution, as extraordinary business, to cancel a maximum total of 48,452,558 treasury shares (up to 22,581,461 Mediobanca shares already owned as treasury shares, and up to 25,871,097 Mediobanca shares that may be bought back), authorising the Board of Directors, and the Chief Executive Officer and Group General Manager on their behalf, jointly and severally, to proceed with the foregoing cancellation, inter alia in tranches, by and no later than 28 April 2023";*



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4. *Authorise the Chief Executive Officer and Group General Manager, jointly and severally, to: i) adjust, to every legal effect, the figures contained in Article 4 of the company's Articles of Association in the part relating to the number of shares into which the share capital is sub-divided as a result of executing the aforementioned cancellation; ii) make any amendments, changes or additions to this resolution that might prove necessary in order to bring it into line with any changes in the regulations or guidance issued by the regulatory and/or supervisory authorities; and iii) perform every formality necessary to ensure that the resolutions hereby adopted are duly registered in the Milan Companies' Register."*

Milan, 23 September 2021

THE BOARD OF DIRECTORS