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BANCA MONTE DEI PASCHI DI SIENA S.P.A.

EXTRAORDINARY SHAREHOLDERS' MEETING

17 April 2025 (single call)

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS
ON ITEM 1) ON THE AGENDA**

prepared pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998 as subsequently amended (“**TUF**”) and pursuant to Article 70 of the regulation adopted by Consob by resolution No. 11971 of 14 May 1999 as subsequently amended (“**Issuers' Regulation**”).

PROPOSAL TO GRANT THE BOARD OF DIRECTORS, PURSUANT TO ARTICLE 2443 OF THE ITALIAN CIVIL CODE, THE POWER, TO BE EXERCISED BY 31 DECEMBER 2025, TO INCREASE THE SHARE CAPITAL IN ONE OR MORE TRANCHES, IN DIVISIBLE FORM, WITH THE EXCLUSION OF THE OPTION RIGHT PURSUANT TO ARTICLE 2441, PARAGRAPH FOUR, FIRST SENTENCE, OF THE ITALIAN CIVIL CODE, TO BE PAID IN BY CONTRIBUTION IN KIND, TO SERVE A VOLUNTARY PUBLIC OFFER BY BANCA MONTE DEI PASCHI DI SIENA S.P.A. RELATING ALL THE ORDINARY SHARES OF MEDIOBANCA - BANCA DI CREDITO FINANZIARIO SOCIETÀ PER AZIONI; SUBSEQUENT AMENDMENT TO ARTICLE 6 OF THE BY-LAWS; RELATED AND CONSEQUENT RESOLUTIONS.

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EXPLANATORY REPORT OF THE BOARD OF DIRECTORS PREPARED PURSUANT TO ARTICLE 125-TER OF THE CONSOLIDATED LAW ON FINANCE (TUF) AND PURSUANT TO ARTICLE 70 OF THE ISSUERS' REGULATION

Dear Shareholders,

the Board of Directors of Banca Monte dei Paschi di Siena S.p.A. (the “**Bank**” or the “**Company**”, or the “**Offeror**” or “**BMPS**”) has convened an Extraordinary Shareholders’ Meeting on 17 April 2025 at 10:00 a.m., in a single call, to submit for Your approval the above matter, placed under **item 1** of the agenda, concerning the proposal to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power to increase the Bank’s share capital in one or more tranches, in divisible form, with the exclusion of the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code and with the issuance of a maximum number of 2,230,000,000 ordinary shares (the “**Maximum Share Amount**”), with regular dividend rights and having the same features as those outstanding at the issue date, whose issue price will be determined by the board of directors in accordance with the law, to be paid in through contribution in kind, to service the voluntary public exchange offer by BMPS for all the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni (the “**Capital Increase Reserved to the Offer**”), announced on 24 January 2025 with the communication issued pursuant to articles 102, paragraph 1, of the Consolidated Law on Finance and 37 of the Issuers’ Regulation (the “**Offeror’s Communication**”), available on the Bank’s institutional website at the following link (<https://www.gruppompis.it/en/corporate-governance/voluntary-public-exchange-offer.html>) and promoted on 13 February 2025 through the submission - pursuant to article 37-ter of the Issuers’ Regulation - to Consob, *inter alia*, of the offer document prepared on the basis of scheme 2A of Annex 2 of the Issuers’ Regulation which will be made available in the manner and within the timeframe prescribed by the applicable regulations, as per the subsequent press release published by BMPS on the same date, pursuant to article 37-ter, paragraph 3, of the Issuers’ Regulation (available on the Bank’s institutional website at the following link <https://www.gruppompis.it/en/corporate-governance/voluntary-public-exchange-offer.html>).

The proposal to amend the By-laws concerning the granting of the delegation to the Board of Directors of BMPS, pursuant to Article 2443 of the Italian Civil Code, to increase the share capital of the Bank (the “**Delegation**”) is described in this explanatory report (the “**Report**”) in accordance with the provisions of Article 2441, paragraph 6, of the Italian Civil Code, Article 125-ter of the TUF, Article 70 of the Issuers’ Regulation and Annex 3A, Schedule No. 3 of the Issuers’ Regulation. This Report, for the Shareholders’ information, also includes some information on the proposed Capital Increase Reserved to the Offer, which is expected to be executed upon exercise of the Delegation, taking into account the provisions of Schedule 3A, scheme No. 2 of the Issuers’ Regulation.

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1. DESCRIPTION OF THE TRANSACTION AND RATIONALE OF THE PROPOSAL TO GRANT THE DELEGATION

The Board of Directors of the Bank, on 23 January 2025 (having obtained the favourable, reasoned and binding opinion of the Committee for Related Party Transactions, issued on the same date and made available by in the manner and within the timeframe prescribed by applicable laws), resolved to promote a voluntary public exchange offer (the “**VEO**” or the “**Offer**”) pursuant to Articles 102 and 106, paragraph 4, of the TUF, concerning all the ordinary shares



issued by Mediobanca - Banca di Credito Finanziario Società per Azioni (“**Mediobanca**” or the “**Issuer**”), a company with shares listed on Euronext Milan (“**Euronext Milan**”), a regulated market organised and managed by Borsa Italiana S.p.A., including the treasury shares held by Mediobanca. The Offer was announced to the market and to Consob on 24 January 2025 by means of the Offeror’s Communication and by means of a specific press release disseminated pursuant to article 17 of Regulation (EU) No. 596/2014 (available on the Bank’s institutional website at the following link <https://www.gruppompis.it/en/corporate-governance/voluntary-public-exchange-offer.html>).

As explained in greater detail in the Offeror’s Communication (to which full reference is made and, in particular, to paragraphs 1.2 and 1.3), BMPS decided to launch the Offer for the acquisition of Mediobanca with the aim of creating a new Italian banking champion through the union of two of the most distinctive brands in the financial services market.

BMPS believes that the Offer represents an ideal opportunity for further development and growth for both institutions and presents significant value creation for the shareholders of both companies and for all stakeholders.

The combination with Mediobanca, to the extent that it is completed, will create the third largest national banking operator in terms of total assets, loans to customers, direct deposits and total financial assets and a highly diversified player, resilient, with distinctive and complementary capabilities in each business area and a significant degree of innovation and support for growth, with the ability to compete with the main Italian and European banking institutions, through the full development of existing human capital.

In a market currently experiencing a phase with a high level of consolidation, BMPS intends to play an active role, and this potential combination represents a unique opportunity to strengthen its positioning in specific areas and key sectors, as well as to better seize future growth options. This will increase support to households and businesses, by strengthening overall support to the former, both in terms of financing needs and savings protection and management, and by supporting the latter to capture growth opportunities at domestic and international level. The resulting benefits will also be enjoyed by the territories and the entire Italian economy.

The new group will be able to rely on the distinctive skills of Mediobanca in the areas of Wealth Management, Corporate & Investment Banking and Consumer Finance, and of BMPS in the areas of Retail and Commercial Banking. Furthermore, the stake held in Assicurazioni Generali will also positively contribute to the diversification of the new Group’s revenues and will be managed in the same way as the other lines of business, according to a careful discipline for capital optimization and a strong risk-adjusted profitability approach.

The combination will offer employees of each institution the opportunity to develop their careers within a larger organization, enhancing their talent through opportunities for mutual enrichment and integration. At the same time, it will help attracting new high-profile resources, enhancing their skills and professionalism with the aim of consolidating a sustainable and competitive growth model.

The combination is entirely consistent with BMPS’ strategic guidelines as defined in the 2024-2028 business plan and will enable significant revenue growth and major cost and funding synergies, to be achieved by means of a smooth implementation process.

In terms of revenues, the transaction will allow for the generation of synergies of approximately Euro 0.3 billion per year, thanks to the enrichment of the range of products and services for families and businesses, the development of an integrated offer to the respective customer bases, and an increase in penetration and expansion of the target markets. In particular, by:



- Retail Banking – introducing BMPS’ products to the customer base of Compass Banca S.p.A. (“**Compass**”) and Mediobanca Premier S.p.A. (“**Premier**”), with the support of the BMPS branch network, to facilitate a scalable provision of services and deeper market penetration. By way of example, the growth levers include:
 - Accounts and Cards – with respect to the so-called daily banking;
 - Mortgages – by leveraging the proven commercial capability of the BMPS network, also in meeting the needs of customers with respect to the relevant insurance products;
 - Bancassurance – by extending the insurance offer to Premier customers;
 - Consumer Finance – by expanding the distribution activity leveraging on the BMPS branch network, enriching the offer with insurance products and by expanding the value proposition cross-border towards new markets;
- Private Banking – extending Mediobanca’s best practice to BMPS customers, also through Mediobanca’s asset management products (*e.g.*, alternative investments);
- Asset Gathering – integrating Mediobanca Premier and Widiba to create a network of financial advisors at scale to compete with the key players, supported by a distinctive digital platform, with the introduction of an integrated range of asset management products and enhancing BMPS capabilities in insurance;
- Corporate & Investment Banking – combining BMPS’ balance sheet potential with Mediobanca’s Investment Banking activity and by initiating a development program to support the growth of companies throughout the country. Similarly, by leveraging Mediobanca’s specialized experience in Advisory and Markets for widespread distribution to BMPS’ corporate customers.

At the same time, the transaction will generate significant cost synergies in terms of administrative expenses, and will allow for the targeted optimization of overlapping functions. In addition, savings will be derived from the rationalization of the combined investment plan of the two banks, thus avoiding duplication of investments in the areas subject to the combination.

The expected savings amount to approximately Euro 0.3 billion per year. By way of example, the levers include:

- the centralization of procurement from large suppliers and the extension of best practice in terms of cost governance;
- the optimization of IT investments and digital transformation for shared areas, for example for the BMPS consumer finance platform;
- the optimization of wealth management support activities for both Private Banking and Asset Gathering;
- the combined development of the platform for Corporates as well as optimization of the product factories (*e.g.*, MBFACTA and MPS Factoring);
- the deletion of duplications in central functions, both in operational and resource terms.

Furthermore, the combination will allow synergies in funding to be realized for approximately Euro 0.1 billion per year due to a more balanced funding mix, leveraging BMPS’ commercial funding capacity and optimizing the combined entity’s wholesale funding position.



The industrial project, characterized by the significant complementarity of the two business models (which significantly reduces the execution risk), will be carried out with a straightforward integration and one-off integration costs estimated at approximately Euro 0.6 billion before taxes, expensable in the first year.

The transaction also aims to accelerate the utilization of Deferred Tax Assets (“**DTA**”) held by BMPS, by leveraging a higher consolidated tax base and recording Euro 1.3 billion of DTA (currently off-balance sheet) on the balance sheet, bringing the total to Euro 2.9 billion. Over the next six years, the utilization of these DTA will generate a significant capital benefit (Euro 0.5 billion per year), in addition to the net result.

The combined group will be strengthened, with a diversified revenue stream and a strong resilience capable of successfully competing in different scenarios, while also enabling significant value creation for all shareholders, supported by higher profitability compared to the standalone businesses and able to generate a double-digit growth in earnings per share.

Shareholders will benefit from a dividend policy that is sustainable over time, with growth in the dividend per share, while confirming BMPS’ solid capital position (pro-forma Common Equity Tier 1 ratio of approximately 16% upon completion of the transaction).

Finally, the sustainability strategies of the two banks will be consolidated, by leveraging their respective ESG capabilities to strengthen the positioning of the combined entity and promote commitment to the communities and regions where they operate.

BMPS’ high governance standards will be maintained throughout the entire combination process and beyond, ensuring transparency, accountability, and a balanced approach that respects all stakeholders, thus contributing to the creation of a sustainable and competitive long-term model.

Subject to the following, the Offer envisages that, for each share of Mediobanca tendered to the Offer, BMPS will offer a unitary consideration represented by 2.300 newly issued ordinary shares of BMPS (the “**Consideration**”) deriving from the Capital Increase Reserved to the Offer.

As indicated in the Offeror’s Communication, the Offer’s Consideration may be subject to adjustment. In particular, it is provided, *inter alia*, that “*If, prior to the Payment Date (as defined below), the Issuer and/or the Offeror were to pay a dividend (including an interim dividend) and/or make a distribution of reserves to its shareholders or, in any event, the coupon relating to dividends resolved but not yet paid by the Issuer and/or MPS, as the case may be, is detached from the Mediobanca Shares and/or the shares of MPS, the Consideration shall be adjusted to take account of the dividend distributed (or the related interim dividend) or the reserve distributed*”. In addition, the Offeror’s Communication provides for further scenarios for the adjustment of the Consideration and, specifically, any operation on the share capital of the Issuer and/or on the Mediobanca shares, while in any case the Offeror retains the right to avail itself (or to waive its right to avail itself) of the relevant condition of effectiveness, where applicable, in relation to such individual event.

In light of the above, it should be noted that, on 6 March 2025, the Board of Directors of BMPS resolved to propose to the ordinary Shareholders’ Meeting of the Bank the allocation of a total of Euro 1,083 million deriving from the net profit resulting from the draft financial statements as of 31 December 2024 (equal to Euro 1,923 million), to its Shareholders, as a dividend corresponding to Euro 0.86 per share. The dividend, subject to its approval by the shareholders’ meeting, will be paid on 21 May 2025, with an ex-dividend date on 19 May 2025 (record date 20 May 2025).



Furthermore it should be noted that, on 10 February 2025, Mediobanca's Board of Directors announced to the market - on the occasion of the approval of Mediobanca's half-yearly report as of 31 December 2024 - the distribution of an interim dividend to its shareholders in May 2025 (and the corresponding balance in November 2025). In the event that the coupon of the aforesaid interim dividend (and the corresponding balance) is actually detached or the interim dividend (and the corresponding balance) is paid before the payment date of the Offer, the Offer's Consideration will be consequently and consistently adjusted to take this circumstance into account.

Separately, and in any event, the Offer's Consideration may be further adjusted upon the occurrence of the other events indicated in the Offeror's Communication and mentioned above.

Finally, in the event that the Board of Directors of Mediobanca, in execution of the delegation granted by the extraordinary Shareholders' Meeting of the Issuer on 28 October 2024, proceeds - prior to the payment date of the Offer - with the cancellation of the treasury shares purchased in execution of the authorization from the same ordinary Shareholders' Meeting of Mediobanca on 28 October 2024, and/or any transactions to reduce the number of outstanding Mediobanca shares and/or the payment of the interim dividend or the related balance thereof, and subject to adjustments and/or modifications relating to the content and/or structure of the Offer, it will not be necessary to issue the entire Maximum Share Amount.

The Capital Increase Reserved to the Offer to which the Delegation proposal refers is therefore aimed at the issuance of BMPS ordinary shares to be offered as consideration for the Mediobanca shares tendered in acceptance of the Offer even if potentially adjusted and/or amended. In fact, the acceptance of the Offer by the Mediobanca's shareholders entails, from a technical-legal point of view, the contribution in kind of ordinary shares of Mediobanca in favour of BMPS, in exchange for the subscription of the Capital Increase Reserved to the Offer, which is, therefore, an essential prerequisite of the Offer.

The proposal to grant the Delegation to the Board of Directors of BMPS, which is the subject matter of this Report, is therefore functional and instrumental to the Offer announced by BMPS with the Offeror's Communication and promoted on 13 February 2025 through the filing of the offer document with Consob.

As described in the Offeror's Communication, the VEO may only commence, *inter alia*, subject to and following: (i) the approval by the extraordinary Shareholders' Meeting of BMPS of the proposal of Delegation (to which this Report refers) and (ii) the resolution, by the Board of Directors, of the aforesaid Capital Increase Reserved to the Offer in the context of the exercise of the Delegation; all subject to the obtaining of the authorisations described in Paragraph 1.4 of the Offeror's Communication (see also Paragraph 15 below).

The proposal to grant the Board of Directors with the Delegation is justified by the fact that this instrument is more suitable to ensure flexibility, compared to the capital increase resolution directly passed by the Shareholders' Meeting, necessary to determine the terms and conditions of the capital increase transaction for the purpose of a public exchange offer and, consequently, to respond to and adapt to the features of the Offer, even if potentially adjusted and/or amended. As confirmed in previous cases with structures comparable to the Offer, as well as in similar ongoing transactions, the Delegation instrument also allows to more efficiently coordinate the requirements provided for by the regulations laid down in the Italian Civil Code on the execution of the capital increase to be paid in kind, with the rules provided for by the TUF and the Consob implementing regulations for the promotion, the execution and the completion of a voluntary public exchange offer; this with particular reference to the possible use of the Delegation, upon completion of the Offer, also for the purpose of fulfilling the sell-out pursuant to article 108, paragraphs 1 and



2, of the TUF and/or the potential exercise of the squeeze-out right in connection with the remaining shares of BMPS pursuant to Article 111 of the TUF, where applicable.

Based on the contents of the Offer and taking into account: (i) the amount of the dividend proposed by BMPS, although not yet approved by the Shareholders' Meeting (equal to Euro 0.86 per share), (ii) a maximum amount of No. 16,178,862 additional shares (the “**Additional Shares**”) that may be issued by Mediobanca to serve long-term share-based incentive plans (the “**Incentive Plans**” or the “**Plans**”)¹ (if revised by the competent bodies of Mediobanca to provide for their acceleration, where envisaged by the individual Plans, and provided that some of them include the possibility to use Mediobanca's treasury shares in portfolio instead of the Additional Shares, without prejudice to the limitations underlying the issuance of Additional Shares under the Plans), and (iii) the fact that, as of the date of this Report, Mediobanca's Board of Directors has not yet resolved upon the distribution of the interim dividend to its shareholders (as already announced by Mediobanca on 10 February 2025) and the cancellation of the treasury shares in portfolio, the Board of Directors of BMPS, based on the contents of the Offer, for the sake of utmost caution, and according to a highly conservative approach, resolved that the maximum number of BMPS shares to be issued to serve the Offer will be equal to No. 2,230,000,000.

Therefore, in light of the foregoing, it should be noted that, the Maximum Share Amount subject to the Delegation to the Board of Directors, pursuant to this Report, may be reduced as a result of the distribution of the interim dividend (and the corresponding balance), the potential cancellation of treasury shares by Mediobanca, and the allotment of treasury shares to the beneficiaries of the Incentive Plans (if revised by the competent bodies of Mediobanca to provide for their acceleration, where envisaged by the individual Plans), in lieu of the Additional Shares (without prejudice to the applicable legal and regulatory provisions governing the aforementioned Plans), if these events occur before the Offer payment date.

The Delegation proposal, therefore, provides that the Capital Increase Reserved to the Offer may be resolved upon by the Board of Directors by 31 December 2025, also in one or more tranches and in divisible form, for an amount equal to Euro 5.917 for each newly issued share (amount corresponding to the implied nominal value, rounded to the third decimal number, of BMPS shares currently issued, as recorded on the date of this Report)² and, therefore, subject to the following paragraphs, for the Maximum Share Amount (*i.e.*, a maximum amount of No. 2,230,000,000 BMPS shares) and for an amount of share capital equal to maximum amount of Euro 13,194,910,000, plus any share premium.

The proposed Delegation entails by law the exclusion of the option right pursuant to Article 2441, paragraph four, first sentence of the Italian Civil Code (in the event of a share capital increase to be paid up through contributions in

¹ Based on publicly available information, the following long-term share-based Incentive Plans approved by and which could be served, in whole or in part, by newly issued Mediobanca shares approved by the Issuer itself are currently in place:

1. 2015 Performance Shares Plan, approved by the ordinary Shareholders' Meeting of Mediobanca on 28 October 2015 (and updated by the ordinary shareholders' meeting on 28 October 2019);
2. Long Term Incentive Plan 2019-2023, approved by the ordinary Shareholders' Meeting of Mediobanca on 28 October 2019;
3. Long Term Incentive Plan 2023-2026, approved by the ordinary shareholders' meeting of Mediobanca on 28 October 2023; and
4. 2023-2026 Broad-Based Share Ownership and Co-investment Plan, approved by the ordinary shareholders' meeting of Mediobanca on 28 October 2023.

² The implied nominal value is calculated as the ratio of the current share capital of BMPS to the number of currently issued shares.



kind), as the newly issued shares of BMPS will be subscribed and paid up through the contribution to BMPS of the shares of Mediobanca tendered to the Offer and will therefore be reserved to the participants to the Offer.

Without prejudice to all the powers and prerogatives of the Board of Directors regarding the transaction (including, for the sake of clarity only, the ability to adjust and/or amend the content and/or structure of the Offer and/or identify different and/or additional methods for its execution), it is hereby acknowledged that, the number of new shares to be issued upon the exercise of this Delegation will depend on the level of actual acceptances collected during the Offer and/or, subject to compliance with the above-mentioned maximum amount, also due to any above-mentioned changes that may be made to the Offer in accordance with applicable regulations.

Finally, it should be noted that, in relation to the proposed Capital Increase Reserved to the Offer, the measures and safeguards set forth in the “*Regulation of Related Party Transactions*”, adopted by Consob resolution No. 17221 of 12 March 2010, as amended and supplemented (the “**RPT Regulation**”), and in the “*Group Regulation on the management of prescriptive compliance with related parties, related subjects and Bank officers’ obligations*” (the “**BMPS Regulation**”), adopted by the Board of Directors of BMPS in compliance with the RPT Regulation, as well as with the Bank of Italy Circular No. 285/13, Part Three, Chapter 11 and subsequent amendments and additions, on the subject of risk activities and conflicts of interest with respect to connected parties. This is because certain persons with shareholdings, over 3%, in Mediobanca also hold significant shareholdings (*i.e.*, higher than 3%) in BMPS and, therefore, fall under the definition of “discretionary” related parties. The procedure provided for in the RPT Regulation and the BMPS Regulation was duly carried out and concluded with the issue of a favourable opinion on the fairness and substantive and procedural correctness of the Offer and, in particular, of the Capital Increase Reserved to the Offer, issued by the BMPS Related-Party Transactions Committee, composed of independent directors. For a complete disclosure of the activities carried out, please refer to the information document prepared pursuant to Article 5 of the RPT Regulation, published on the Bank’s institutional website <https://www.gruppompis.it/en/>.

The Related Party Transactions Committee, in addition to the aforementioned opinion, was then once again involved with reference to the capital increase proposal to be submitted to the Shareholders’ Meeting convened for 17 April 2025 in order, among other things, to verify its consistency with the terms and conditions of the Offeror’s Communication. During this discussion, having pointed out that, as of the date of this report, no changes had occurred with respect to what had already been set forth in the opinion issued on 23 January 2025. The Committee for Related Party Transactions will therefore continue to monitor the progress of the overall transaction.

2. CRITERIA FOR THE DETERMINATION OF THE EXCHANGE RATIO BETWEEN BMPS SHARES AND MEDIOBANCA SHARES AND FOR THE CONSEQUENT DETERMINATION OF THE MAXIMUM NUMBER OF NEWLY ISSUED BMPS SHARES

2.1. Preamble

The Offeror’s Communication provides that BMPS shall offer to the participants to the VEO, for each 10 Mediobanca shares tendered to the Offer, as the Offer’s Consideration, No. 23 newly issued BMPS ordinary shares having the same features as the currently outstanding BMPS ordinary shares: this is equivalent to a ratio of No. 2,300 newly issued BMPS ordinary shares for each Mediobanca share tendered to the VEO, subject to the provisions of paragraph 5 below with reference to the treatment of fractional shares deriving from the exchange.



The aforementioned exchange ratio was determined by the Board of Directors of BMPS based on their own assessments and considerations, carried out with the advice and support of its financial advisors, and as indicated in the Offeror's Communication, the Consideration has been determined on the assumption that, prior to the payment date of the Offer: (x) neither the Issuer nor the Offeror will approve or give effect to any ordinary (including interim dividends) or extraordinary distribution of dividends drawn from profits and/or other reserves; and (y) the Issuer will not approve or give effect to any transaction involving its share capital and/or Mediobanca shares.

Any adjustment to the Consideration as a result of the foregoing will be disclosed in the manner and within the timeframes prescribed by the applicable law.

2.2. Valuation criteria selected by the Directors to determine the exchange ratio

For the purposes of the Offer, in light of the nature of the Consideration, represented by newly issued ordinary shares of the Offeror offered in exchange for ordinary shares of the Issuer tendered in acceptance of the Offer, the Board of Directors of BMPS proceeded to carry out a valuation of the shares of Mediobanca and of BMPS with a view to expressing an approximate estimate of their values, on the basis of publicly available data and information. The considerations and estimates made are therefore to be understood in general terms and with limited reference to the Offer. The valuation analyses performed by the Board of Directors in order to determine the exchange ratio were carried out from a comparative perspective and prioritising the principle of relative homogeneity and comparability of the valuation methodologies applied.

The valuation methodologies and the resulting economic values of the shares of Mediobanca and of BMPS were identified for the purpose of determining the number of BMPS shares to be issued to service the VEO, based on its outcome. Under no circumstances are such valuations to be considered as possible indications of market price or value, either current or prospective, in any context other than the one under consideration.

The evaluations conducted by the Board of Directors of BMPS refer to the economic and market conditions as of 23 January 2025, corresponding to the trading day prior to the date of the announcement of the VEO (the "**Reference Date**") and to the patrimonial-economic and financial situation of BMPS and Mediobanca as reported in the consolidated interim financial statements as of 30 September 2024, in the consolidated financial statements as of 31 December 2023 for BMPS, in the consolidated financial statements as of 30 June 2024 for Mediobanca, and in the related press releases and presentations of the results to the financial community.

In particular, the BMPS Board of Directors decided to use, for the purpose of the determination of the Consideration:

- the Stock Market Price Method;
- the market multiples method in the variant of the stock market price of comparable listed companies on their prospective earnings; and
- the target price methodology highlighted by research analysts.

The choice of the methodologies and the results of the valuation analyses carried out by BMPS as at the Reference Date for the purpose of determining the exchange ratio must be interpreted in light of the ratio presented the following main limitations and difficulties:

- (i) the Bank used exclusively public data and information for the purposes of its analyses;



- (ii) the Bank has did not perform any financial, legal, commercial, tax, industrial or any other due diligence activities on Mediobanca;
- (iii) as at the reference date, an updated business plan for Mediobanca with a time horizon consistent with that of BMPS was not publicly available. Accordingly, where relevant to the application of the valuation methods, the projections of future economic performance used for BMPS were inferred on the basis of the estimates of the 2024-28 Business Plan while, for Mediobanca, were derived on the basis of the estimates provided by research analysts;
- (iv) the analyses conducted reflect the peculiarities of valuation methodologies, whose reliability is inherently limited by a number of factors.

The following is a summary description of each of the methodologies used to determine the Offer's consideration:

- (a) **Stock Market Price Method:** the Stock Market Price Method uses market prices as the relevant information for estimating the economic value of companies, using for this purpose the stock market prices expressed in share prices recorded in intervals of time deemed significant and on the assumption that there is a correlation between the prices expressed by the market for the shares of the companies being valued and their economic value. The main characteristic of this methodology lies in the possibility of expressing in relative terms the relationship existing between the values of the companies in question as perceived by the market.

In this specific case, it was deemed appropriate to apply this methodology by adopting the following criteria:

- (a) use of the official prices of the Offeror's and Mediobanca's shares recorded on the Reference Date; (b) use of the weighted average official prices in connection with the volumes of BMPS' and Mediobanca's shares (the so-called Volume Weighted Average Price) with reference periods of 1 month, 2 months, 3 months, 6 months and 1 year prior to the announcement date (*i.e.*, 24 January 2025).

The following table shows (i) the implied exchange rates and (ii) the premiums that the Consideration incorporates based on the BMPS and Mediobanca Weighted Average Prices recorded on the Reference Date and in the periods indicated below prior to the Reference Date (included).

Reference Period	Weighted Average Price (Euro)		Implied Exchange Ratio (x)	Implied Premium vs. Market Prices
	BMPS	Mediobanca		
Values based on the prices as of 23 January 2025	6.953	15.227	2.190	5.03%
Values based on the weighted average prices over 1 month (including 23 January 2025)	6.954	14.795	2.127	8.11%
Values based on the weighted average prices over 2 months (including 23 January 2025)	6.547	14.363	2.194	4.84%
Values based on the weighted average prices over 3 months (including 23 January 2025)	6.099	14.508	2.379	(3.31%)



Values based on the weighted average prices over 6 months (including 23 January 2025)	5.567	14.703	2.641	(12.91%)
Values based on the weighted average prices over 12 months (including 23 January 2025)	4.724	13.928	2.948	(21.99%)

- (b) Market Multiples Method: according to the Market Multiples Method, the value of a company is determined by taking as a reference the indications provided by the stock market with regard to companies with similar characteristics to the company being valued.

The criterion is based on the determination of multiples calculated as the ratio between stock market values and economic, asset and financial metrics of a selected sample of comparable companies. The multiples thus determined are applied, with the appropriate additions and adjustments, to the corresponding magnitudes of the company being evaluated, in order to estimate a range of values. For the purposes of the Offer and on the basis of the characteristics typical to the banking sector and market practice, the Price/Projected Earnings multiple in 2025 and 2026 was selected (the multiples for the years following 2026 were deemed to be of limited significance, considering the lower reliability and greater variability that generally characterize consensus estimates for prospective years further out in time).

The degree of reliability of the market multiples method of valuation depends on an appropriate adaptation of the method itself to the specific valuation in question. In this regard, the similarity, from an operational and financial point of view, between the companies included in the reference sample and the companies subject to valuation is particularly relevant. The significance of the results is, in fact, dependent on the comparability of the sample. The securities of the selected companies shall also present a good degree of liquidity and shall not concern companies whose prices could be influenced by particular contingent situations.

It should be noted that, given the differences between the business models of BMPS and Mediobanca, a specific sample was used in order to better reflect the peculiarities of each company's business. In particular, for the purpose of the evaluation of BMPS, Intesa Sanpaolo, UniCredit, Banco BPM, BPER, Credito Emiliano and Banca Popolare di Sondrio were taken into consideration, while for the purpose of the evaluation of Mediobanca, Intesa Sanpaolo, UniCredit, FinecoBank, Banca Generali and Banca Mediolanum were taken into consideration.

The market multiples were applied, for BMPS, to the 2025 and 2026 estimates derived from the 2024-28 Business Plan and, for Mediobanca, to the 2025 and 2026 consensus estimates from research analysts (as provided by the information provider FactSet as of the Reference Date).

The following table shows the Price/Projected Earnings multiples for 2025 and 2026 of the selected companies as of the Reference Date, based on the consensus estimates of research analysts for 2025 and 2026, as provided by the information provider FactSet as of the Reference Date. For illustrative purposes and



completeness, the table also shows the multiples of Mediobanca based on the prices as of the Reference Date and on the implied valuation of the Consideration based on the BMPS price as of the Reference Date.³

Comparable Companies	Projected Price/ Earnings	
	2025	2026
Intesa Sanpaolo	8.2x	8.1x
UniCredit	7.5x	7.6x
Banco BPM	8.4x	8.6x
BPER	7.2x	7.1x
Credito Emiliano	7.8x	8.1x
Banca Popolare di Sondrio	8.8x	9.3x
FinecoBank	18.6x	17.8x
Banca Generali	15.3x	14.7x
Banca Mediolanum	10.7x	10.7x
Mediobanca	9.6x	9.2x
Mediobanca at the Offer's Consideration	10.0x	9.7x

For the purposes of the valuation analysis of the Issuer, in light of the fact that a significant portion of the Issuer's profitability is generated by the qualified shareholding in Assicurazioni Generali S.p.A. (equal to 13.02% as of 30 June 2024), and considering that the latter company is listed, the market valuation has been used in this regard.

- (c) **Research analysts' target price method:** the target price method determines the value of a company based on the target prices that financial analysts publish on the company. Target prices are indications of value that express an assumption about the price that a share can reach on the stock market and are derived from multiple valuation methodologies used at the discretion of the individual research analyst.

For the purpose of applying the target price methodology, the target prices of BMPS' and Mediobanca's ordinary shares as indicated by the research analysts relating to the companies, as available up to the Reference Date, and published following the release of BMPS' and Mediobanca's preliminary results as of 30 September

³ The content of the above table does not imply any judgment by BMPS on any of the banking companies listed therein, except for Mediobanca, nor does it represent any opinion regarding investment or divestment evaluations related to any financial instrument or security.



2024 (announced on 8 November 2024 and 12 November 2024, respectively) were used.

The valuation methodologies described above have been applied on an individual and business continuity basis for both the Bank and Mediobanca and also taking into account the specific features of the Offer.

In order to determine the exchange ratio, ranges of values were identified for each valuation method, *i.e.*: (i) for the market multiples method, a range of +/- 15% with respect to the average value and, for (ii) the target price method highlighted by research analysts, a minimum value calculated as the ratio between the minimum target prices of Mediobanca and BMPS and a maximum value calculated as the ratio between the maximum target prices of Mediobanca and BMPS.

On the basis of the analyses carried out according to the evaluation criteria described above, the following findings emerged.

Methodology	Implied exchange ratio	
	Minimum	Maximum
<u>Stock Market Price Method</u>		
Spot		2.190x
1 month		2.127x
2 months		2.194x
3 months		2.379x
6 months		2.641x
12 months		2.948x
<u>Market Multiples Method</u>		
P/E 2025	1.937x	2.621x
P/E 2026	1.880x	2.543x
<u>Target price method highlighted by research analysts</u>	2.046x	2.433x

Finally, it should be noted that, the Board of Directors of BMPS has mandated the firm appointed for the statutory audit of BMPS' accounts, PricewaterhouseCoopers S.p.A. ("**PwC**"), to prepare, on a voluntary basis and according to the criteria indicated in the ISAE "3000 revised" – *limited assurance appointment*, a report regarding the adequacy, in so far as is reasonable and nondiscretionary, of the criteria adopted by the same Board for determining the exchange ratio in the context of the VEO, in accordance with the national and international valuation practice and professional techniques applicable to transactions of this nature.

Concurrently with the publication of this Report, the aforementioned PwC report, prepared on a voluntary basis, will also be made available to the public, for the purpose of providing more complete and accurate information to BMPS' shareholders, in view of their extraordinary Meeting. Therefore, reference is made to the aforementioned report for any further information on this matter.

3. DETERMINATION OF THE ISSUE PRICE OF THE NEWLY ISSUED SHARES, ENVISAGED ALLOTMENT RATIO



The issue price of the BMPS shares to be issued in the context of the Capital Increase Reserved to the Offer will be determined by the Board of Directors when exercising the Delegation, pursuant to and in accordance with article 2441, paragraph 6 of the Italian Civil Code.

Furthermore, when exercising the Delegation, whether it is granted, and subject to the limitation constituted by the value that the Independent Expert, in its appraisal or updates thereto, has attributed or will attribute to the Mediobanca shares to be contributed pursuant to Articles 2440, paragraph 2 and 2343-*ter* of the Italian Civil Code, the Board of Directors of BMPS will determine the portion of the issue price that will be allocated to the share capital and the portion of the issue price that will be allocated to the share premium reserve, with the clarifying note that, as indicated in Paragraph 1: (i) in connection with the portion of the issue price to be allocated to share capital, it will be equal to Euro 5.917 for each newly issued BMPS share (an amount corresponding to the implied nominal value, rounded to the third decimal place, of the currently issued BMPS shares as recorded on the date of this Report), and therefore, for the Maximum Share Amount (*i.e.*, a maximum amount of No. 2,230,000,000 BMPS shares) and a share capital amount of up to Euro 13,194,910,000, in addition to any share premium, and (ii) the remaining portion of the issue price will be allocated to the share premium reserve.

It should be noted that, in accordance with the applicable international accounting standards, the increase in BMPS' net equity, which will be recorded in accounting terms, will not be based on the issue price determined by the Board of Directors when exercising the Delegation; instead, it will correspond to the fair value of BMPS shares that will be assigned to those who accept the Offer; this fair value will correspond to the stock market price of BMPS shares on the date the exchange is made with Mediobanca shares tendered in acceptance of the Offer.

It should be noted that PwC, as the company entrusted with the statutory audit of BMPS' accounts, has been appointed and will issue its fairness opinion on the issue price of the BMPS shares to be offered in the Offer, pursuant to Article 2441, paragraph six, of the Italian Civil Code and Article 158 of the TUF. Therefore, on the occasion of exercising the Delegation for the Capital Increase Reserved to the Offer, PwC will issue the aforementioned fairness opinion on the issue price of the BMPS shares to be offered in exchange as part of the Offer.

Pursuant to Article 70, paragraph 7 of the Issuers' Regulation, the mentioned PwC opinion will be made available to the public within the terms and in the manner prescribed by law.

4. VALUATION OF THE CONTRIBUTED ASSETS REFERRED TO IN THE APPRAISAL PURSUANT TO ARTICLES 2440, PARAGRAPH 2, 2343-*TER*, PARAGRAPH 2, LETTER B) AND 2343-*TER*, PARAGRAPH 2, LETTER B) OF THE ITALIAN CIVIL CODE. B), AND 2343-*QUATER*, OF THE ITALIAN CIVIL CODE.

As provided for by the applicable provisions of the Italian Civil Code for the hypotheses of contributions in kind, the value of the shares of Mediobanca to be contributed to BMPS must be subject to a specific valuation by an expert. In this regard, with a view to the exercise of the Delegation, the Board of Directors of BMPS resolved, pursuant to Article 2440, paragraph 2, of the Italian Civil Code, to rely on the provisions of Article 2343-*ter* (also for the purposes of Articles 2343-*quater* and 2443, paragraph 4) of the Italian Civil Code for the purpose of the valuation of the Mediobanca shares subject to the contributions in kind.

These rules make it possible not to require a sworn appraisal of the assets transferred to be prepared by an expert, appointed by the Court in the district where the transferee company has its registered office, in the event that, pursuant



to article 2343-ter of the Italian Civil Code, “the value attributed, for the purposes of determining the share capital and any share premium, to the assets in kind [...] subject to transferred is equal to or lower [...] than the value resulting from a valuation referring to a date not more than six months prior to the contribution and in accordance with the generally recognised principles and criteria for the valuation of the assets to be contributed, provided that the valuation is made by an expert who is independent from the party making the contribution, from the company and from the shareholders who individually or jointly exercise control over the transferor or over the company itself, and is endowed with adequate and proven professionalism”.

The Bank has entrusted this task to KPMG Corporate Finance, a division of KPMG Advisory S.p.A. (the “**Independent Expert**”), which, on 14 March 2025, issued its report on the valuation of Mediobanca’s shares, which was made available to the public at the same time of this Report, and according to the procedures provided for by the laws and regulations in force, for the purpose of providing more complete and timely information to BMPS members in view of the Shareholders’ Meeting (available on the Bank’s website, in the Corporate Governance – Shareholders’ Meetings and BoD section, at <https://www.gruppompis.it/en/> as well as at the following link <https://www.gruppompis.it/en/corporate-governance/voluntary-public-exchange-offer.html>).

The decision to use, in line with market practice in the case of public exchange offers, a valuation carried out by an independent expert pursuant to Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code, was also justified by the need to evaluate the contribution of a significant block of Mediobanca shares and not of individual listed securities.

In the appraisal of the Independent Expert, to which full reference is made, he concluded that as of 14 March 2025, based on the financial position as of 31 December 2024, and on the elements and methods outlined in such document, the fair value of Mediobanca shares was not less than Euro 16,406 for each Mediobanca shares *cum dividend*, or equal to Euro 15,852 per each Mediobanca share, *ex dividend*.

That being said, also in order to ensure that the Independent Expert’s report refers to a date no more than six months prior to the contribution, in compliance with Article 2343-ter, second paragraph, letter b), of the Italian Civil Code, it cannot be ruled out that, close in time to the execution of the Delegation, BMPS’ Board of Directors may request an update to the aforesaid report that reflects, in its assessment, updated information on Mediobanca and on the economic and market situation.

For all other aspects relating to the manner in which the contributions in kind were made and the Independent Expert’s report, please refer to the applicable legal provisions and, in particular, Articles 2343-ter, 2343-*quater* and 2443, paragraph 4, of the Italian Civil Code.

5. INDICATION OF THE NUMBER, DIVIDEND ENTITLEMENT DATE AND ISSUE PRICE OF THE NEW SHARES SUBJECT TO THE CAPITAL INCREASE IN KIND

As illustrated in Paragraph 1 above, upon the exercise of the Delegation by the Board of Directors, whether it is granted, the Capital Increase Reserved to the Offer will cover the Maximum Share Amount and, therefore, an amount of BMPS share equal to maximum No. of 2,230,000,000 to be issued and paid up by means of a contribution in kind to BMPS of the shares of Mediobanca tendered in acceptance of the Offer; in accordance with the above, based on the exchange ratio indicated in the Offeror’s Communication, the newly issued BMPS shares to be issued through the contribution in kind of Mediobanca shares correspond to 23 BMPS shares for each 10 Mediobanca shares tendered to the Offer.



If the result of the application of the exchange ratio for the Mediobanca shares tendered to the Offer is not a whole number of newly issued BMPS shares, it is expected that the intermediary in charge of coordinating the collection of acceptances of the Offer will aggregate the fractional units of BMPS shares pertaining to the accepting parties and will subsequently sale on Euronext Milan the whole amount of BMPS shares resulting from such aggregation, for the purpose of the overall balancing of the transaction. Further information on the treatment of the fractional unit will be provided in the offer document, which will be made available to the public following Consob's approval, in the manner and within the terms provided by applicable laws and regulations.

It should also be noted that, the Maximum Share Amount subject to the Delegation to the Board of Directors referred to in this Report has been increased from No. 1,916,543,285 (as reported in the Offeror's Communication) to No. 2,230,000,000, also for the purpose of ensuring coverage for all the following possible scenarios, according to a highly conservative approach: (i) the proposed distribution of the BMPS' dividend (equal to Euro 0.86 per share) for the fiscal year ended 31 December 2024, recently approved by the BMPS' Board of Directors and not yet approved by the BMPS Shareholders' Meeting, and (ii) the hypothetical issuance of a maximum amount of No. 16,178,862 Additional Shares (in the event that the Incentive Plans are revised by the competent bodies of Mediobanca to provide for their acceleration, where envisaged by the individual Plans, although certain Plans provide the possibility of using – instead of the Additional Shares – Mediobanca treasury shares in portfolio, without prejudice to the limitations underlying the issuance of Additional Shares under the Plans).

Lastly, it is important to mention that, the aforementioned Maximum Share Amount does not take into account, by way of example, the detachment of the coupon and/or the payment of the interim dividend pre-announced by Mediobanca on 10 February 2025, and/or the relevant balance and/or the possible cancellation by Mediobanca of treasury shares. The occurrence of such circumstances would not make it necessary to issue the entire Maximum Share Amount.

The ordinary shares of BMPS, which will be issued following the exercise of the Delegation, will have the same dividend entitlement as the ordinary shares of BMPS outstanding as of the date of the relevant issue and, therefore, will grant their holders the same rights as the shares of BMPS already outstanding at the time of the issue and will be admitted to trading on Euronext Milan as of the date of payment of the consideration under the Offer. The issue price of the BMPS shares that will be offered in the context of the Offer (including the relevant share premium) will be determined by the Board of Directors when exercising the Delegation, pursuant to Article 2441, paragraph 6 of the Italian Civil Code.

6. STRUCTURE OF THE COMPANY'S INDEBTEDNESS

The contribution of the shares of Mediobanca subject to the Offer is not expected to have any impact on the structure of BMPS' financial indebtedness.

7. INFORMATION ON THE RESULTS OF THE LAST FINANCIAL YEAR AND GENERAL INDICATIONS ON THE DEVELOPMENT OF OPERATIONS AND THE FORESEEABLE CLOSURE OF THE CURRENT FINANCIAL YEAR



On 17 April 2025, the ordinary Shareholders' Meeting of BMPS is called upon to approve the financial statements for the year ending 31 December 2024 and the distribution of the dividend. Please refer to the report of the Board of Directors with reference to items 1.1 and 1.2 on the agenda of the Shareholders' Meeting (Ordinary part), and to the related annexes - made available to the public in accordance with applicable regulations - for complete information on the results (including consolidated results) of BMPS for the year ended 31 December 2024, as well as for information on the operating performance for the current year, the foreseeable closure of the latter and the proposed dividend distribution.

8. UNDERWRITING AND/OR PLACEMENT SYNDICATES

In relation to the Capital Increase Reserved to the Offer, since it is a share capital serving a public exchange offer, no underwriting and/or placement syndicates are envisaged.

9. ANY OTHER FORMS OF PLACEMENT ENVISAGED

No other forms of placement are envisaged.

10. SHAREHOLDERS WHO HAVE EXPRESSED THEIR WILLINGNESS TO SUBSCRIBE TO THE NEWLY ISSUED SHARES

The subscription of the Capital Increase Reserved to the Offer may only occur as a result of the acceptance of the Offer itself, once the acceptance period has commenced, which, pursuant to Article 40, paragraph 2, letter b), of the Issuers' Regulation, will be agreed upon with Borsa Italiana and will last between a minimum of 15 and a maximum of 40 trading days, unless extended.

As of the date of this Report, there are no Mediobanca shareholders who have expressed their willingness to subscribe to BMPS shares as a result of their acceptance of the Offer.

11. TAX IMPLICATIONS OF THE TRANSACTION ON THE COMPANY

The contribution of the shares of Mediobanca subject to the Offer does not entail any tax burden whatsoever on BMPS as the contributing issuer.

12. SHAREHOLDING STRUCTURE OF THE COMPANY FOLLOWING THE CAPITAL INCREASE IN KIND

In light of the nature of the Capital Increase Reserved to the Offer and of the variables connected to the results of the VEO itself, it is not possible to predict the composition of BMPS' shareholding structure at the end of the execution of such capital increase.



The percentage of dilution of existing shareholders in the share capital of BMPS will depend on the outcome of the Offer, as the number of new BMPS shares to be issued as part of the Capital Increase Reserved to the Offer will depend – as well as any adjustments to the Offer consideration (as illustrated below) – on the number of Mediobanca shares that will be tendered to the VEO itself.

In the event of (i) full acceptance of the VEO by all Mediobanca shareholders targeted by the same VEO for all their shares held, (ii) revision of the Incentive Plans to provide for the acceleration and issuance in favour of the beneficiaries of the Incentive Plans of all No. 16,178,862 Additional Shares, and (iii) non-payment by Mediobanca of the interim dividend, the related balance, and the non-cancellation of treasury shares in Mediobanca's portfolio, the Capital Increase Reserved to the Offer will be fully subscribed (on a fully diluted basis) and BMPS will issue 2,230,000,000 new shares to be allotted in exchange to all those accepting the Offer. These shares will represent approximately 64% of BMPS' share capital, calculated on the basis of the number of BMPS shares issued as of the date of this Report.

For illustrative purposes only, the following table shows the composition of BMPS' shareholding structure in the event of issuance of the entire Maximum Share Amount.

Shareholder	Shareholding
Delfin S.a.r.l.	15.7%
Caltagirone Francesco Gaetano	5.3%
Ministero dell'Economia e delle Finanze	4.2%
Banca Mediolanum S.p.A.	2.1%
Banco BPM S.p.A.	1.8%
Anima Holding S.p.A.	1.4%
Other shareholders	69.5%
Total	100%

As of the date of this Report, to the best of BMPS' knowledge, there are no shareholders' agreements among BMPS shareholders, nor is there any individual or legal entity exercising control over the Bank pursuant to Article 93 of the Consolidated Law on Finance.

13. PRO-FORMA ECONOMIC AND FINANCIAL EFFECTS OF THE CAPITAL INCREASE ON THE COMPANY'S PERFORMANCE AND FINANCIAL POSITION

This section displays the main pro-forma economic and financial figures resulting from the aggregation of the data deriving from the BMPS group (the "**MPS Group**") and from the Mediobanca group (the "**Mediobanca Group**") as of 31 December 2024, as well as some explanatory notes.

The pro-forma effects of the business combination with the Mediobanca Group on the MPS Group's financial and economic position have been determined based on Consob Communication No. DEM/1052803 of 5 July 2001, and have been prepared to simulate, according to certain evaluation criteria consistent with historical data and compliant with applicable regulations, the effects of the transaction on the economic performance and financial position of the MPS Group, as if it had virtually taken place on 31 December 2024, for the effects on the pro-forma consolidated balance sheet and on 1 January 2024, for the effects on the pro-forma consolidated income statement.

The pro-forma figures were prepared starting from the 2024 Consolidated Financial Statements of the MPS Group prepared in accordance with IAS/IFRS accounting principles, and from the Half-Yearly Report as of 31 December



2024, the Financial Statements as of 30 June 2024, and the Half-Yearly Report as of 31 December 2023, of the Mediobanca Group, prepared in accordance with IAS/IFRS accounting principles, and applying the pro-forma adjustments determined by simulating the application of IFRS 3 for business combination transactions.

Specifically, for the Mediobanca Group, the income statement for the 12-month period ended 31 December 2024, has been defined as the sum of: (i) the income statement for the 6-month period ended 30 June 2024, determined as the difference between the income statement for the fiscal year ended 30 June 2024, extracted from the Financial Statements as of 30 June 2024, and the income statement for the half-year ended 31 December 2023, extracted from the Half-Yearly Report as of 31 December 2023, and (ii) the income statement for the half-year ended 31 December 2024, extracted from the Half-Yearly Report as of 31 December 2024.

For the purpose of determining the pro-forma adjustments, the total cost of the aggregation has been calculated assuming a unit value of BMPS shares of Euro 6.953, as represented by the price recorded at the close of the market on 23 January 2025, which corresponds to the last trading day prior to the date on which BMPS announced the Offer (*i.e.*, 24 January 2025) and assuming full acceptance of the Offer by Mediobanca shareholders, *i.e.*, considering 833,279,689 Mediobanca shares tendered to the Offer, equal to total number of Mediobanca shares (including the No. 11,277,075 treasury shares held by Mediobanca) as of 23 January 2025, corresponding to the No. 1,916,543,285 newly issued BMPS shares based on the Consideration determined for the Offer.

In this regard, it should be noted that, for the purposes of this pro-forma exercise, the calculation of the preliminary acquisition cost does not take into account any adjustments to the Consideration as provided by the Offeror's Communication.

The acquisition cost represented by the fair value of the new BMPS shares to be issued to service the Offer is considered as preliminary, as the elements necessary for its definitive quantification are not known yet. Specifically, under IFRS 3, the fair value of the new shares issued by BMPS will be determined based on the BMPS share price on the trading day immediately prior to the completion date of the transaction.

The preliminary acquisition cost thus determined, amounting to Euro 13,326 million, has been compared with the consolidated net equity of the Mediobanca Group as of 31 December 2024, inclusive of the net income for the relevant period. It should be noted that, for the purpose of determining the pro-forma adjustments, no fair value assessment process has been carried out for the identifiable assets (except as indicated below regarding the stake in Assicurazioni Generali S.p.A. held by the Mediobanca Group), liabilities, and contingent liabilities of the acquired entity, as such fair values will need to be determined as of the acquisition date and upon obtaining detailed information about the accounting items of the Mediobanca Group. For the purpose of determining the pro-forma adjustments, the only adjustments made were (i) the write-off of the intangible assets of the Mediobanca Group, in line with what will be done as part of the Purchase Price Allocation (PPA) process, and (ii) the fair value assessment of the stake held by the Mediobanca Group in Assicurazioni Generali S.p.A. based on the unit value of the relevant share as recorded at the close of market on 23 January 2025.

The net equity of the Mediobanca Group thus determined amounted to a total of Euro 12,178 million. The difference that resulting from the comparison between the preliminary acquisition cost and the pro-forma consolidated net equity of the Mediobanca Group was Euro 1,148 million.



As previously stated, one of the factors that will result in a difference between the final goodwill and the provisional amount indicated in the pro-forma financial information as of 31 December 2024 is the BMPS share price on the trading day immediately prior to the completion of the transaction.

In addition, it should be noted that, in the event that the Offer is not fully accepted, without prejudice to the conditions of effectiveness of the Offer, given the possibility provided by IFRS 3 to measure at the fair value any minority interest in the acquired entity – in this specific case representing any remaining Mediobanca shares which has not been exchanged for BMPS shares – the amount of goodwill recorded in the consolidated financial statements of the MPS Group could still be determined with reference to the entirety of Mediobanca shares, therefore resulting in the same amount as in the case of full acceptance of the Offer. Alternatively, also in the event that the Offer is not fully accepted, the amount of goodwill could be determined as the difference between the cost of the Acquisition and the amount of the percentage of Mediobanca Group's net assets acquired, and consequently vary on the basis of the number of Mediobanca shares tendered to the Offer and therefore exchanged for BMPS shares.

The pro-forma data also take into account the deletion of the most significant reciprocal balance sheet and income statement items between the MPS Group and the Mediobanca Group, referring exclusively to the data reported by the MPS Group.

Finally, it should be noted that, the pro-forma adjustments take into account the ancillary expenses inherent to the execution of the transaction, estimated at a maximum of approximately Euro 80 million excluding VAT, based on the amount authorized by the BMPS Board of Directors on 23 January 2025, assuming the full success of the transaction. Of the total amount mentioned above, based on preliminary information currently available, approximately Euro 60 million, excluding VAT, has been considered directly attributable to the issuance of shares to serve the Offer and, as provided by IAS 32, has been deducted, net of the related tax effect, from the capital increase. The remaining portion of the estimated ancillary costs, amounting to approximately Euro 20 million excluding VAT, has been recorded in the income statement, as required by IFRS 3, among the pro-forma Operating Costs.

The table below shows the main pro-forma balance sheet and income statement figures resulting from the aggregation of the MPS Group and Mediobanca Group data as of 31 December 2024.

			€/mld
Balance Sheet Figures	MPS Group 31.12.2024	Mediobanca Group 31.12.2024	Pro-forma BMPS- Mediobanca 31.12.24
Net Loans to Customers	77.3	56.7	134.0
Net Impaired Loans to Customers	1.9	0.4	2.3
Securities Holdings	17.4	24.8	42.2
Gross NPL Ratio	3.8%	2.1%	3.1%



NPE Coverage Ratio	48.5%	69.4%	54.2%
Direct Bank Funding	94.0	64.7	158.7
Indirect Customer Funding	103.2	78.6	181.8
Income Statement Figures			
Interest margin	2.3	1.9	4.2
Net Commissions	1.5	0.9	2.4
Gross operating margin	3.9	3.0	6.9
Operating Costs	(2.1)	(1.6)	(3.7) ⁽¹⁾
Profit (Loss) from current operations before taxes	1.5	1.8	3.2 ⁽¹⁾
Operating Profit (Loss) pertaining to the Parent Company	2.0	1.3	3.2 ⁽¹⁾⁽²⁾
Goodwill	n.a.	n.a.	1.1

- (1) The pro-forma figure takes into account Euro 20 million excluding VAT relating to ancillary expenses associated with the acquisition, to be recorded in the income statement based on the information currently available.
- (2) The pro-forma figure takes into account Euro 20 million excluding VAT relating to ancillary expenses associated with the acquisition, to be recorded in the income statement based on the information currently available, and the consequent pertinent tax effect.

It should be mentioned that the aforementioned pro-forma data do not reflect the effects of any transactions involving the sale of branches or lines of business that may occur in the context of the investigation carried out by the competent antitrust authority regarding the merger with the Mediobanca Group. As of today, these transactions have not even been preliminarily defined, and it is therefore impossible to identify and quantify their economic and financial impacts, in a timely, objective and auditable manner, it being understood that the reasonable expectation of the MPS Group is that any corrective measures will not have a significant impact on the transaction.

It should be noted that, the pro-forma data represent a simulation, provided for illustrative purposes only, of the possible effects that may result from the acquisition. Specifically, since the pro-forma data are prepared to retroactively reflect the effects of subsequent transactions, notwithstanding the observance of commonly accepted rules and the use of reasonable assumptions, there are inherent limitations associated with the very nature of pro-forma data, which are by their very nature not capable of providing a representation of the prospective economic and financial situation



of the MPS Group. Therefore, for a correct interpretation of the information provided by the pro-forma data, the following aspects must be considered:

- since these representations are based on assumptions, if the acquisition had actually occurred on the dates used as references for the preparation of the pro-forma data, the same results represented in the pro-forma data would not necessarily have been achieved;
- the pro-forma data are not in any way intended to represent a forecast of future results and should therefore not be used as such; the pro-forma data do not reflect prospective data as they are prepared solely to represent the separable and objectively measurable effects of the acquisition, without taking into account the potential effects due to changes in market conditions, management policies, and operational decisions of BMPS following the outcome of such a transaction. Therefore, the pro-forma representations are not intended to depict the current or prospective financial and economic situation of the effects relating to the acquisition;
- considering the different purposes of the pro-forma data compared to those of a regular financial statement and since the effects are calculated differently with reference to the pro-forma consolidated balance sheet and the pro-forma consolidated income statement, they should be read and interpreted separately, without seeking accounting connections between them.

It should be noted that, in accordance with Consob Communication No. DEM/1052803 of 5 July 2001, the pro-forma Consolidated Prospectus do not reflect either the charges or the synergies that will result from the proposed transaction for the entity resulting from the merger of the MPS Group and the Mediobanca Group. Specifically, the costs of integrating the Mediobanca Group within the MPS Group, estimated at approximately Euro 0.6 billion (pre-tax and one-off), have not been subject to pro-forma adjustments as they pertain to hypothetical future actions that are expected to be undertaken only upon completion of the acquisition through the Offer, in order to achieve the objectives of the transaction (which also include the aforementioned synergies), based on the agreements and contracts that will be entered into only upon completion of the said acquisition. Similarly, the tax benefits expected as a result of post-combination tax planning are not represented in accordance with the aforementioned regulations. In other words, the pro-forma Consolidated Prospectus do not include the acceleration in the utilization of deferred tax assets associated with the past tax losses of the MPS Group, resulting from the Mediobanca Group joining the tax consolidation of BMPS.

The pro-forma data have not been reviewed by the auditing firm.

14. STATUTORY AMENDMENTS

The granting of the Delegation for the Capital Increase Reserved to the Offer entails the amendment of Article 6 of BMPS' By-laws which, as specified below, is subject to the successful conclusion of the assessment procedure with the European Central Bank pursuant to Articles 56 and 61 of the TUB (as defined below).

The following is a comparison of the aforesaid Article 6 in its current text and the text proposed with this Report, assuming the approval of the resolutions covered by this Report (the text proposed is highlighted in bold type).



It should be noted that the execution of the Capital Increase Reserved to the Offer will entail further amendments to the By-laws in order to (i) update the Bank's share capital and the number of shares with respect to the acceptances made, and (ii) delete the description of the shareholders' meeting resolution referred to in Article 6, paragraph 4.

Current text	Proposed text
Article 6	Article 6
1. The share capital of the Company is Euro 7,453,450,788.44 (seven billion, four hundred fifty-three million, four hundred fifty thousand, seven hundred eighty-eight and forty-four cents) and is fully paid up.	1. <i>(Unchanged)</i>
2. It is represented by 1,259,689,706 (one billion, two hundred fifty-nine million, six hundred eighty-nine thousand, seven hundred six) ordinary shares with no par value. All shares are issued in dematerialised form. The procedures for the circulation and legitimization of the shares are regulated by law. Shareholders who did not participate in the approval of resolutions concerning the introduction or removal of restrictions on the circulation of shares do not have the right of withdrawal.	2. <i>(Unchanged)</i>
3. Shares are registered and indivisible. Each share gives the right to one vote.	3. <i>(Unchanged)</i>
	4. The extraordinary Shareholders' Meeting of 17 April 2025 granted the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power, to be exercised by 31 December 2025, to increase the Company's share capital for cash, in one or more tranches and in divisible form, excluding the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, for a total amount of maximum Euro



	<p>13,194,910,000 plus any share premium, with issuance of a maximum number of 2,230,000,000 ordinary shares of the Company, with no par value, having regular dividend rights and the same features as of the ordinary shares of the Company outstanding on the issue date, to be paid up by contribution in kind as they serve the public exchange offer concerning all the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni, announced by the Company with a communication pursuant to Article 102, paragraph 1, Legislative Decree No. 58, on 24 February 2025 and promoted on 13 February 2025. In the context of the exercise of the delegation, the Board of Directors shall, among other things, have the power to establish, in compliance with the above-mentioned limitations, the issue price of the newly issued ordinary shares (including any share premium), any other terms and conditions of the delegated capital increase, as well as any other necessary or appropriate element, within the limitations set forth by the applicable regulations and the resolutions passed by the same extraordinary Shareholders' Meeting.</p>
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The amendments to the By-laws described above do not give rise to any right of withdrawal for BMPS shareholders who did not take part in the resolutions covered by this Report.

15. AUTHORISATIONS

The amendments to the By-laws referred to in Paragraph 14 above and the execution of the Capital Increase Reserved to the Offer are subject to the required authorisations by the competent Supervisory Authorities and in particular, respectively: (i) to the verification that they do not conflict with the sound and prudent management of the Bank pursuant to and for the purposes of Articles 56 and 61 of Legislative Decree No. 385 of 1 September 1993 as subsequently amended (“TUB”), and (ii) to the eligibility of the new shares issued in the context of the Capital Increase Reserved to the Offer among BMPS’ own funds as primary tier 1 capital, pursuant to Articles 26 and 28 of Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013.

BMPS filed the application for the aforementioned regulatory authorisations with the European Central Bank and the Bank of Italy on 13 February 2025.



It should be noted that, in the event that the assessment order by the European Central Bank regarding the proposed statutory amendments is not issued before the date on which the Shareholders' Meeting will adopt the resolution, the effectiveness of the latter will be subject to the issuance of such assessment order, as it cannot be registered in the Companies Register until that date. However, if the order is issued before the date of the Shareholders' Meeting, a press release will be issued to provide the shareholders with the necessary additional information.

16. FORMALITIES AND TIMING

Subject to the granting of the authorisations referred to in Paragraph 15 above (as well as the other authorisations required in connection with the VEO, as detailed in Paragraph 1.4 of the Offeror's Communication), the exercise of the Delegation by the Board of Directors will take place prior to the publication of the offer document, filed with Consob on 13 February 2025.

Also taking into account the requirements of the regulations applicable to public exchange offers, it is expected that the Capital Increase Reserved to the Offer will be executed by 31 December 2025, subject to the fulfilment of the conditions for the effectiveness of the VEO indicated in paragraph 1.5 of the Offeror's Communication, as well as in the offer document submitted to Consob for approval.

Since this is a divisible capital increase, which may also be carried out in one or more tranches, pursuant to article 2439, paragraph 2, of the Italian Civil Code: (i) the share capital will be deemed to be increased from time to time in proportion to the amount of the acceptances collected in the context of the Offer, without prejudice to the terms and conditions set forth therein; and (ii) the Capital Increase Reserved to the Offer, if not fully subscribed by 31 December 2025, will be deemed to be limited to the amount resulting from the total acceptances collected by the aforesaid deadline.

In particular, the Capital Increase Reserved to the Offer will be executed by the previously mentioned deadline of 31 December 2025, on the payment date of the Consideration, and, if applicable, on the payment dates that may be determined in relation to the execution of the purchase Sell-out and Squeeze-out rights, pursuant to Articles 108 and 111 of the TUF.

* * *

Proposed resolution

Dear Shareholders, in light of the above, we invite you to adopt the following resolution:

“The Shareholders' Meeting of Banca Monte dei Paschi di Siena S.p.A., in extraordinary session, having examined the Report of the Board of Directors (which, to the extent necessary, is hereby approved in its entirety) and the proposal formulated therein

NOTED

- *that the maximum number of shares to be issued in execution of the Capital Increase Reserved to the Offer has been calculated, for the sake of utmost caution and according to a highly conservative approach, by factoring in (i) the proposed distribution of the BMPS' dividend for the fiscal year ending on 31 December 2024, recently approved by the Board of Directors of BMPS and not yet approved by the BMPS Shareholders' Meeting, and (ii) the maximum No. of 16,178,862 Additional Shares to service the Incentive Plans (if revised by the competent bodies of Mediobanca to provide for their acceleration, where envisaged by the individual Plans, although some Plans provide for the possibility of using Mediobanca's treasury shares in portfolio instead of the Additional*



Shares), without taking into account any further circumstances that might lead to a reduction in the number of BMPS shares to be issued to service the Offer (including, by way of example, any adjustment due to the detachment of the coupon and/or the payment of the interim dividend pre-announced by Mediobanca on 10 February 2025, and/or the related balance and/or the possible cancellation of treasury shares held by Mediobanca);

- the appraisal prepared by the independent expert KPMG Corporate Finance, a division of KPMG Advisory S.p.A., pursuant to Articles 2440, paragraph 2 and 2343-ter, paragraph 2, letter b) of the Italian Civil Code;
- the report of PricewaterhouseCoopers S.p.A. concerning the criteria adopted by the Board for the determination of the exchange ratio in the VEO;
- the favourable opinion on the Capital Increase Reserved to the Offer expressed by the Company's Related Party Transactions Committee;

RESOLVES

1. to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power to increase the Company's share capital for cash, in one or more tranches and in divisible form, excluding the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, for a total maximum amount of Euro 13,194,910,000 plus any share premium, with the issue of a maximum number of 2,230,000,000 ordinary shares of the Company, without nominal value, with regular dividend rights and the same features as the Company's ordinary shares outstanding at the issue date, to be paid in kind as they serve the public exchange offer for all of the ordinary shares of Mediobanca – Banca di Credito Finanziario Società per Azioni, announced by the Company in a communication pursuant to Article 102, paragraph 1, of Legislative Decree No. 58 of 24 February 1998, on 24 January 2025 and promoted by means of the filing of the offer document with Consob on 13 February 2025 (including the formalities pursuant to articles 108, paragraphs 1 and 2, and 111 of Legislative Decree No. 58 of 24 February 1998, where applicable);
2. to grant the Board of Directors the power to determine from time to time, in exercising the above delegated power and in compliance with the applicable laws and regulations: (i) the amount of the capital increase to be resolved upon, also in divisible form, in its entirety, and the number of shares to be issued within the overall limits set forth in point 1) above; (ii) the issue price of the new shares, including any share premium, taking into account the provisions of Article 2441, sixth paragraph, of the Italian Civil Code; and (iii) any other terms and conditions of the delegated capital increase, as well as any other necessary element, within the limits set forth by the applicable laws and regulations and by this delegation resolution, with the power of the Board of Directors to exercise the delegation – within the aforementioned limits – consistent with any adjustments and/or amendments to the content and / or to the structure of the public offer, while complying with the outcomes of the evaluation pursuant to Article 2343-ter of the Italian Civil Code and any necessary updates; furthermore, the Board of Directors is authorized to make statutory adjustments resulting from the exercise of the delegation, as outlined in the Report of the Directors;
3. to set 31 December 2025 as the deadline to implement the Capital Increase Reserved to the Offer - subject, if necessary, to the updating of the valuation made by the independent expert pursuant to Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code, to a date no more than six months prior to the date of the contribution - and to establish that, pursuant to Article 2439, paragraph 2, of the Italian Civil Code, (i) the share capital shall be deemed to be increased from time to time based on the amount of the acceptances collected in the above-mentioned public exchange offer (including within the scope of the procedures for the fulfilments set forth by Article 108, paragraphs 1 and 2, and 111 of Legislative Decree No. 58 of 24 February 1998, if the requirements are met), always without prejudice to the terms and conditions of the offer itself; and (ii) the Capital Increase Reserved to the Offer,



if not fully subscribed by 31 December 2025, shall be deemed to be limited to the amount resulting from the total acceptances made by the aforesaid deadline;

4. to amend Article 6 of the By-laws accordingly by including the following temporary paragraph:

“The extraordinary Shareholders’ Meeting of 17 April 2025 granted the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power, to be exercised by 31 December 2025, to increase the Company’s share capital for cash, in one or more tranches and in divisible form, excluding the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, for a total amount of maximum Euro 13,194,910,000, plus any share premium, with issuance of a maximum number of 2,230,000,000 ordinary shares of the Company, with no par value, having regular dividend rights and the same features as of the ordinary shares of the Company outstanding at the issue date, to be paid up by contribution in kind to serve the public exchange offer concerning all the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni, announced by the Company with communication pursuant to Article 102, paragraph 1, Legislative Decree No. 58, on 24 February 2025 and promoted on 13 February 2025. In the context of the exercise of the delegation, the Board of Directors shall, among other things, have the power to establish, in compliance with the above-mentioned limitations, the issue price of the newly issued ordinary shares (including any share premium), any other terms and conditions of the delegated capital increase, as well as any other necessary or appropriate element, within the limitations set forth by the applicable regulations and the resolutions passed by the same extraordinary Shareholders’ Meeting”;

5. to declare that the effectiveness of the resolutions mentioned in the previous points 1, 2, and 3, as well as the amendment to the By-laws referred to in point 4, is subject to the successful outcome of the assessment initiated pursuant to Articles 56 and 61 of Legislative Decree No. 385 of 1 September 1993, if such a positive outcome has not been achieved prior to the date of this resolution;
6. without prejudice to the collective nature of the resolutions to exercise the delegation of powers as conferred above, to grant the Chairman of the Board of Directors currently in charge and on the Chief Executive Officer the Company currently in charge, severally and with the right to sub-delegate, within the limits set out by the law, all power and authority to provide for all that is necessary or even just appropriate for the implementation, in full and in part, of the resolutions adopted, as well as to perform all the acts and transactions necessary or appropriate for the fulfilment of the formalities required by the laws currently in force, including, by way of example but not limited to, the powers to:
- (i) prepare and submit any document required for the purposes of the execution of the capital increase, as well as to fulfil the formalities necessary to proceed with the admission to listing on Euronext Milan of the newly issued shares, including the power to prepare and submit to the competent Italian and foreign authorities any application, petition, document or prospectus necessary or appropriate for the purpose of and to proceed with the filing and publication of the certificate provided for by Article 2444 of the Italian Civil Code;
 - (ii) proceed to the formalities required by Article 2343-quater of the Italian Civil Code;
 - (iii) manage relations with any Italian or foreign competent body and/or authority for the purpose of obtaining all authorisations and approvals necessary for the successful outcome of the transaction, as well as the preparation, amendment, integration and/or signing and/or completion of any contract, agreement, deed, declaration or document necessary to that end;
 - (iv) make the necessary amendments to Article 6 of the By-laws as a result of the partial and/or total execution of the capital increase, and to file with the Company Registry pursuant to Article 2436 of the Italian Civil Code the text of the By-laws



updated in the amount of the share capital and the number of shares and following the expiry of the delegation in relation to the removal of the temporary paragraph 4;

- (v) make any amendments and/or additions to the adopted resolutions that may be necessary and/or appropriate, including at the request of any competent authority or at the time of registration, and
- (vi) in general, do all that is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for that purpose, none excluded and excepted.”

* * *

Siena, 18 March 2025

For the Board of Directors

Mr. Nicola Maione

Chairman of the Board of Directors

* * *

The voluntary public exchange offer referred to in this Report shall be promoted by Banca Monte dei Paschi di Siena S.p.A. on all the ordinary shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni.

This Report does not constitute an offer to buy or sell the shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni.

Prior to the commencement of the acceptance period, as required under applicable regulations, the Offeror shall publish an offer document and an exemption document, which the shareholders of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni shall carefully examine.

The Offer will be made in Italy and will be addressed, on equal terms, to all holders of shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni. The Offer will be made in Italy as the shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni are listed on Euronext Milan, a regulated market organized and managed by Borsa Italiana S.p.A. and, without prejudice to the following, the Offer is subject to the obligations and procedural requirements provided for by Italian law.

The Offer is not being made or disseminated in Canada, Japan and Australia, or any other country in which such Offer is not authorized, or to any person to whom such offer or solicitation is not permitted by law (the “**Excluded Countries**”).

Partial or complete copies of any documents to be issued by the Offeror in connection with the Offer shall not be sent, nor shall they be transmitted, or otherwise distributed, directly or indirectly, in the Excluded Countries. Any person receiving such documents shall not distribute, send or dispatch them (whether by post or by any other means or instrumentality of communication or commerce) in the Excluded Countries.

Any acceptances of the Offer resulting from solicitation activities carried out in violation of the above limitations will not be accepted.



This Report, as well as any other document issued by the Offeror in connection with the Offer, shall not constitute or form part of any offer to purchase or exchange, or any solicitation of offers to sell or exchange, securities in any of the Excluded Countries.

Acceptance to the Offer by persons resident in countries other than Italy may be subject to specific obligations or restrictions provided for by laws or regulations. It is the sole responsibility of the addressees of the Offer to comply with such regulations and, therefore, before accepting the Offer, to verify their existence and applicability by contacting their advisors. The Offeror shall not be held liable for any breach by any person of any of the foregoing limitations.

IMPORTANT INFORMATION

*In connection with the proposed voluntary public exchange offer, the required offer document will be sent to Commissione Nazionale per le Società e la Borsa (“Consob”). **Investors and shareholders of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni are strongly advised to read the offer document and the exemption document, if and when available, and any other relevant documents sent to, or filed with, Consob, as well as any amendments or supplements to those documents, because they will contain important information.** If and when filed, investors may obtain free copies of the offer document and of the exemption document, at Banca Monte dei Paschi di Siena S.p.A.’s website at www.gruppomps.it/en/ and will receive information at an appropriate time on how to obtain these transaction-related documents for free from the parties involved or from a duly appointed agent.*

This Report does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities, nor shall there be any offer to purchase, solicitation, sale or exchange of securities in any jurisdiction in which such offer, solicitation or sale or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction. The distribution of this Report may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, the companies involved in the proposed voluntary public exchange offer disclaim any responsibility or liability for the violation of such restrictions by any person.

The Banca Monte dei Paschi di Siena S.p.A. securities referred to herein that will be issued in connection with the voluntary public exchange offer described herein may not be offered or sold in the United States except pursuant to an effective registration statement under the U.S. Securities Act of 1933 or pursuant to a valid exemption from registration.



Banca Monte dei Paschi di Siena S.p.A.

Report pursuant to Article 2343-ter, letter b) of the Italian Civil Code with reference to maximum no. 833,279,689 ordinary shares of Mediobanca – Banca di Credito Finanziario S.p.A. subject to possible contribution in kind within the framework of the voluntary total public exchange offer promoted by Banca Monte dei Paschi di Siena S.p.A.

March 14, 2025

KPMG Advisory S.p.A.

Corporate Finance

March 14, 2025

This report consists of 25 pages



Banca Monte dei Paschi di Siena S.p.A.

Report pursuant to Article 2343-ter, letter b) of the Italian Civil Code with reference to maximum no. 833,279,689 ordinary shares of Mediobanca – Banca di Credito Finanziario S.p.A. subject to possible contribution in kind within the framework of the voluntary total public exchange offer promoted by Banca Monte dei Paschi di Siena S.p.A.

March 2025

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March 2025

1 Introduction

1.1 Purpose of the Report and Terms of the Engagement

On January 24, 2025, Banca Monte dei Paschi di Siena S.p.A. (“**BMPS**” or the “**Offeror**”) announced, pursuant to and for the purposes of Article 102, paragraph 1, of Legislative Decree No. 58 of February 24, 1998, as subsequently amended and integrated (“**TUF**”), and Article 37 of the regulation adopted by CONSOB with resolution No. 11971 of May 14, 1999, as subsequently amended and integrated (the “**Issuers’ Regulation**”), that on January 23, 2025, it had resolved to promote a voluntary public exchange offer pursuant to and for the purposes of Articles 102 and 106, paragraph 4, of the TUF (the “**Offer**”). The Offer pertains to the entire share capital represented by all the ordinary shares of Mediobanca – Banca di Credito Finanziario Società per Azioni (the “**Issuer**” or “**Mediobanca**”) which are listed on Euronext Milan, a regulated market organized and managed by Borsa Italiana S.p.A. (“**Borsa Italiana**” or the “**Stock Market**”), including the treasury shares held by the Issuer (the “**Offeror’s Communication**”).

The Offer concerns the entirety of the Issuer’s ordinary shares, including treasury shares held by the Issuer, as well as any newly issued shares to serve the long-term equity-based incentive plans (the “**Mediobanca Shares**” or the “**Issuer’s Shares**”).

As of the date of the Offer and this Report, the total number of Mediobanca Shares amounts to 833,279,689 ordinary shares. The number of the Issuer’s Shares subject to the Offer may increase should Mediobanca issue additional new shares to serve long-term share-based incentive plans.

For each Mediobanca Share tendered in acceptance of the Offer, BMPS will offer a consideration per share, not subject to adjustment (except as indicated in paragraph 1.2), equal to 2.300 newly issued ordinary shares of the Offeror (the “**Consideration**”). Accordingly, for every 10 Mediobanca Shares tendered in acceptance of the Offer, 23 newly issued ordinary shares of the Offeror will be offered in exchange.

If all the shares subject to the Offer issued as of the date of the Offeror’s Communication and this Report should be tendered, a maximum of 1,916,543,285 newly issued BMPS shares, arising from a capital increase to service the Offer (the “**Capital Increase in Service of the Offer**”), would be issued to the tendering shareholders of Mediobanca.

The newly issued shares will have regular dividend rights and will have the same characteristics as those outstanding at the date of issuance.

With regard to the Capital Increase in Service of the Offer, on January 23, 2025, the Board of Directors of BMPS resolved to submit to the Extraordinary Shareholders’ Meeting of the Offeror, convened for April 17, 2025, the proposal to delegate the Board of Directors, pursuant to Article 2433 of the Italian Civil Code, the power, to be exercised by December 31, 2025, to increase BMPS share capital in one or more tranches, in divisible form, with the exclusion of pre-emptive rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, to be paid in by a contribution in kind of the Issuer’s Shares tendered in acceptance of the Offer (the “**Contribution**”).

The Board of Directors also resolved, pursuant to Article 2440, paragraph 2, of the Italian Civil Code, to avail itself of the provisions set forth in Article 2343-ter (also for the purposes of Articles 2343-quater and 2443, paragraph 4) of the Italian Civil Code. This provision allows the company not to require a sworn valuation report from an expert appointed by the court in whose jurisdiction the acquiring company is based, provided that, pursuant to Article 2343-ter of the Italian Civil Code, “*the value attributed, for the purposes of determining share capital and any share premium, to the contributed assets is equal to or lower than the value resulting from an appraisal dated no more than six months prior to the contribution*”.



Banca Monte dei Paschi di Siena S.p.A.

Report pursuant to Article 2343-ter, letter b) of the Italian Civil Code with reference to maximum no. 833,279,689 ordinary shares of Mediobanca – Banca di Credito Finanziario S.p.A. subject to possible contribution in kind within the framework of the voluntary total public exchange offer promoted by Banca Monte dei Paschi di Siena S.p.A.

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and compliant with generally accepted principles and criteria for the valuation of the contributed assets, provided that such appraisal is issued by an expert independent of the contributor, the company, and shareholders who individually or jointly exercise control over the contributor or the company itself, possessing adequate and proven professional expertise.”

In this context, BMPS engaged KPMG Corporate Finance, a division of KPMG Advisory S.p.A. (“**KPMG**”), to issue an independent opinion (the “**Engagement**”) on the value attributable to the Mediobanca Shares subject to the potential in-kind contribution following the execution of the Offer pursuant to Article 2343-ter, letter b), of the Italian Civil Code (the “**Report**” or the “**Opinion**”).

Our Opinion, therefore, concerns the fair value attributable to the Mediobanca Shares subject to the Contribution, as estimated on the date of issuance of this Report, representing the threshold value to be assigned for the determination of the share capital and any share premium related to the Capital Increase in Service of the Offer. The value of the Capital Increase in Service of the Offer will, in fact, only be determinable closer to its execution, based on the issuance price of BMPS shares and the actual number of newly issued shares.

KPMG Advisory S.p.A. declares that it meets the requirements of (i) independence from the entities identified under Article 2343-ter, paragraph 2, letter b) of the Italian Civil Code and (ii) adequate and proven professional expertise, as required by the same provision, in relation to the content and purpose of the requested valuation.

1.2 Summary of the terms and rationale of the Offer

As highlighted in the previous paragraph, the Offer is related to the entirety of the Issuer’s ordinary shares, amounting to 833,279,689 shares as of March 13, 2025.

The Consideration has been set at 2.300 newly issued BMPS shares for each Mediobanca share tendered in acceptance of the Offer. Based on the official closing price of BMPS shares on January 23, 2025 (the last trading day prior to the date of the Offeror’s Communication), amounting to Euro 6.953 (Source: FactSet VWAP), the Consideration represents a value of Euro 15.992 per Mediobanca share, reflecting a premium of 5.03% over the official closing price of Mediobanca shares on January 23, 2025 (Euro 15.227 - Source: FactSet VWAP).

Based on the official price of the Offeror’s shares as of January 23, 2025, in the event of full acceptance of the Offer by the shareholders of the Issuer holding the 833,279,689 ordinary shares of Mediobanca, the total value of the Offer would amount to approximately Euro 13.3 billion, representing the “monetary” valuation of the Consideration (Euro 15.992 per Issuer’s Share).

The Consideration has been determined under the assumption that, prior to the Payment Date (as defined in the Offeror’s Communication):

- i. neither the Issuer nor the Offeror approves or initiates any ordinary (including interim dividends) or extraordinary distribution of dividends taken from profits and/or other reserves; and
- ii. the Issuer does not approve or initiate any share capital-related transactions (including, by way of example, capital increases or reductions) and/or any operations affecting Mediobanca Shares (including, by way of example, amalgamation or cancellation of shares).

Should the Issuer and/or the Offeror, prior to the Payment Date, distribute dividends (including interim dividends) and/or reserves to their respective shareholders, or should dividend coupons resolved but not yet paid be detached from the Mediobanca and/or BMPS shares, as the case may be, the Consideration will be adjusted to account for the distributed dividend (or interim dividend) or the distributed reserve.



Banca Monte dei Paschi di Siena S.p.A.

Report pursuant to Article 2343-ter, letter b) of the Italian Civil Code with reference to maximum no. 833,279,689 ordinary shares of Mediobanca – Banca di Credito Finanziario S.p.A. subject to possible contribution in kind within the framework of the voluntary total public exchange offer promoted by Banca Monte dei Paschi di Siena S.p.A.

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Without prejudice to the Conditions of Effectiveness (as defined in the Offeror's Communication), if the Issuer approves or carries out any capital-related transaction (including, by way of example, capital increases or reductions) and/or operations affecting Mediobanca shares (including, by way of example, amalgamation or cancellation of shares), such events will trigger an adjustment to the Consideration, should the Offeror choose to waive the relevant Effectiveness Condition, where applicable, for the specific event.

On March 6, 2025, the Board of Directors of BMPS resolved to propose to the Ordinary Shareholders' Meeting the distribution of Euro 1,083 million, derived from the net profit reported in the draft financial statements as of December 31, 2024 (Euro 1,923 million), to its shareholders as a dividend of Euro 0.86 per share.

In light of the above, if the aforementioned distribution is approved by the BMPS Shareholders' Meeting and the dividend coupon is detached or the dividend is paid before the Payment Date (each, individually, "**Adjustment Condition**"), the Consideration will be adjusted accordingly (the "**Adjusted Consideration**").

It is noted that, on February 10, 2025, the Mediobanca Board of Directors resolved — during the approval of the semi-annual report as of December 31, 2024 — to distribute an interim dividend (the "**2025 Mediobanca Interim Dividend**") to its shareholders in May 2025 (with the balance payable in November 2025). If the coupon for such interim dividend is detached or the interim dividend is paid before the Payment Date, the Consideration or, as the case may be, the Adjusted Consideration, will be adjusted again to reflect this circumstance.

The Offer is subject to obtaining the necessary authorizations from the competent authorities, as set forth in Section 1.4 of the Offeror's Communication.

On February 13, 2025, BMPS announced to the market that it had filed, on the same date, with the Italian Securities and Exchange Commission ("**CONSOB**"), pursuant to Article 102, Paragraph 3, of the Italian Consolidated Law on Finance ("**TUF**") and Article 37-ter of the Issuers' Regulation, the offer document (the "**Offer Document**") for publication.

With respect to the Offer conditions, it is noted that the effectiveness of the Offer is subject to the acquisition, following the Offer, of a stake representing at least 66.67% of the voting rights exercisable at the Issuer's shareholders' meetings (the "**Threshold Condition**").

1.3 Documentation used

The Offeror does not possess any non-public information regarding Mediobanca; consequently, the Offer has been formulated exclusively based on publicly available information. In carrying out its Engagement, KPMG also did not have access to any private information regarding the Issuer, and therefore, the analyses conducted were based solely on publicly available data.

This aspect influences the content and outcomes of this Report, including the methodologies used, the sensitivity analyses carried out, and the results obtained.

For the purposes of this Report, the primary information used to conduct our analyses included the following:

- Press release pursuant to Article 102, paragraph 1, of the TUF and Article 37 of the Issuers' Regulation, published by BMPS on January 24, 2025.
- Press release pursuant to Article 37-ter, paragraph 3, of the Issuers' Regulation, published by BMPS on February 13, 2025.



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- Document titled “*The New Italian Banking Champion – Voluntary Public Exchange Offer launched by Banca Monte dei Paschi di Siena on the ordinary shares of Mediobanca*,” presented to the financial community by BMPS on January 24, 2025.
- Draft Explanatory Report of the Board of Directors of BMPS on Item 1 of the Agenda of the Extraordinary Shareholders' Meeting convened on April 17, 2025, regarding the Offer.
- Press release including the financial statements as of September 30, 2024, and the presentation of quarterly results as of the same date for Mediobanca.
- Mediobanca's half-year financial report as of December 31, 2024, subject to limited audit by EY S.p.A., which issued its report on February 11, 2025.
- Press release including the financial statements as of December 31, 2024, and the presentation of half-year results, including an update on target indicators for the 2026 fiscal year under the 2023–2026 Business Plan (as defined below).
- Consolidated and individual financial statements of Mediobanca as of June 30, 2024, subject to full audit by EY S.p.A., with the audit report issued on September 25, 2024.
- Document titled “*Mediobanca One Brand – One Culture, Strategic Guidelines FY 2023–26*,” released to the financial community by Mediobanca on May 24, 2023, outlining expected forward-looking data for the reference period (“**Prospective Data of the 2023–2026 Business Plan**”).
- Estimates provided by investment firms regarding the latest expectations for Mediobanca's prospective financial and economic results (“**Analysts' Forecasted Data**”).

Additionally, we have relied on other publicly available documents and information necessary for the development of the valuation process.

1.4 Limitations

The Engagement and the results achieved in this Opinion are subject, in addition to the limitations indicated in paragraph 1.3 above, to the following additional limitations.

The analysis is based on publicly available information and documents relating to Mediobanca, for which no verification, audits, reviews, and/or certifications have been conducted by us, in line with the Engagement and the nature of the documentation available.

During the analyses and in preparing this Report, it was assumed and relied upon the correctness, completeness, and accuracy of all publicly available information and economic-financial and other assumptions. The documents and information used for the analyses under our Engagement were analyzed solely in terms of overall reasonableness and consistency; no verifications or investigations were carried out to identify errors, inaccuracies, latent liabilities of any kind not reflected in the documentation and information available.

The valuation analyses are based on Mediobanca's consolidated semi-annual financial position as of December 31, 2024, communicated to the financial community on February 11, 2025; within the scope of our Engagement, we did not have access to the Management and/or the independent auditors of the Issuer. Moreover, no independent audit procedures were conducted on Mediobanca's financial data, nor were verifications or investigations carried out regarding the potential existence of tax, contractual, and social security liabilities or risks of any kind not reported in the financial statements and balance sheet of the Issuer.



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KPMG conducted its analyses on the assumption that no substantial changes occurred in the economic and financial position of the Issuer between December 31, 2024, and the date of the Opinion.

The valuation analyses of the Issuer's Shares subject to potential Contribution were conducted under the assumption of normal operations (excluding extraordinary and non-recurring management events) and business continuity.

The valuations underlying our Opinion were also developed on a stand-alone basis; therefore, the analysis results do not take into account any potential synergies and/or fiscal, accounting, financial, and/or operational impacts related to the transaction in question. In the stand-alone valuation of Mediobanca, the economic-financial effects or potential synergies resulting from the completion of the Offer were not considered.

For our valuations, we used Mediobanca's financial forecast data as reflected in the Prospective Data of the 2023-2026 Business Plan and/or estimates derived from analyst research reports referring to the Issuer. With regard to such prospective data and the other data and information used in the scope of the Engagement, we disclaim any responsibility for their accuracy and completeness; however, we have conducted an analysis of their overall reasonableness, also considering the public disclosures released by the Issuer on the presentation of the semi-annual results as of December 31, 2024. Forecasts are inherently uncertain and variable, reflecting the company's future strategies. This Report contains no explicit or implicit statements or guarantees regarding the execution and implementation of those strategies and/or the achievement of future results.

It should be noted that these are prospective data, whose assumptions about the future evolution of the Issuer's activities are based on an extended time horizon in a sector (banking) closely tied to macroeconomic and financial market conditions. This situation is further intensified by the current context, characterized by high volatility in Stock Market values, exacerbated by the broader emergency situation linked to international geopolitical instability. Consequently, forecasts made based on these assumptions are subject to a certain degree of uncertainty and may not materialize or may materialize in ways that result in outcomes different from those underlying our estimate.

This Opinion was prepared considering reasonably foreseeable factors, and therefore the valuations did not consider the occurrence of extraordinary and/or unforeseeable events (e.g., new sector regulations, changes in tax law, political and social scenarios, etc.). We also based our Opinion on economic and market conditions and publicly available information as of the date of the Opinion.

The content of the Report should be interpreted as an estimate of listed shares constituting the entire share capital of Mediobanca, based on generally accepted valuation assumptions and criteria applied in this specific case through valuation methodologies deemed appropriate, in compliance with the received Engagement.

Accordingly, and based on the foregoing, this estimate constitutes an independent Opinion regarding the value attributable to the 833,279,689 ordinary shares representing the entirety of the Issuer's share capital as of the date of the Report.

Considering the purpose of our Engagement, which is solely that provided for in Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code, this Report is not intended to replace the independent judgment of Mediobanca shareholders regarding the conditions of the Offer promoted by BMPS, nor does it in any way constitute a recommendation to accept the Offer itself.

Finally, we have obtained confirmation from BMPS Management that they are not aware of any additional significant elements for our work that have not been presented and discussed with us.



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1.5 Work performed

For the purpose of fulfilling our Engagement, we have carried out the following activities:

- examination of the information and documents collected;
- analysis of Mediobanca's half-year financial position as of December 31, 2024, the Prospective Data of the 2023-2026 Business Plan, and the Analysts' Forecasted Data;
- analysis of the relevant sector;
- identification of the valuation methodologies deemed applicable, taking into account the distinctive characteristics of Mediobanca, as well as the indications provided by academic literature and valuation practices in the relevant sector;
- definition of the metrics and parameters necessary for the application of the selected valuation methodologies;
- development of the valuation methodologies and sensitivity analysis of the results based on variations in the key valuation parameters adopted;
- analysis of the results obtained.

1.6 Restrictions on the Use of this Fairness

This Report may not be used for purposes other than those indicated in paragraph 1.1 "Purpose of the Report and Terms of the Engagement" and as provided for under Article 2343-ter of the Italian Civil Code. We therefore accept no liability for damages resulting from unauthorized or improper use of this Fairness.

1.7 Main assumptions and difficulties of the valuation

The Engagement was carried out with the following main limitations and difficulties:

- KPMG did not have access to private information concerning the Issuer and/or the Management of Mediobanca. The analyses conducted were therefore based exclusively on publicly available information. This limitation has been reflected in the approach adopted and in the determination of the parameters supporting the valuation process. It cannot be excluded that access to non-public information of the Issuer, all other conditions being equal, could have had a significant impact on the analyses and conclusions set forth in this Report;
- the valuation analyses were based on prospective financial data, which by their nature involve elements of uncertainty and subjectivity and depend on the actual realization of the assumptions and hypotheses underlying the projections. These assumptions include, *inter alia*, hypothetical scenarios dependent on factors entirely or partially beyond the control of the management and inherently characterized by uncertainty, including potential structural market changes;
- due to the inherent uncertainty of future events, both regarding their occurrence and the timing and magnitude of their manifestation, deviations between prospective data and actual results could be significant, even if the key events underlying the prospective data occur;



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- the valuation methodologies employed required the implementation of a complex and structured evaluation process, involving, in particular, the selection of various market financial parameters, which by their nature are subject to potentially significant fluctuations;
- the recent volatility in financial markets, driven by uncertainties related to the ongoing war between the Russian Federation and Ukraine, as well as the Israel-Palestine conflict, could impact the valuation assumptions adopted in our analyses and, consequently, the results obtained. As geopolitical tensions persist, it is not currently possible to predict the medium- and long-term impacts of these events on the real economy and financial markets.



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2 Description of the asset to be contributed

2.1 Identification of the contributing company

The contributing company is Banca Monte dei Paschi di Siena S.p.A., a joint-stock company incorporated under the laws of Italy, with registered office in Piazza Salimbeni, 3, Siena, registration number with the Companies Register of Arezzo - Siena and Tax Code no. 00884060526. The Contributing Company is also registered in the Bank Register held by the Bank of Italy under number 5274 and, as the parent company of the Monte dei Paschi di Siena Banking Group (the “**BMPS Group**”), in the Register of Banking Groups under number 1030, as well as a member of the Interbank Fund for Deposit Protection (Fondo Interbancario di Tutela dei Depositi) and the National Guarantee Fund (Fondo Nazionale di Garanzia).

2.2 Object of the Contribution

As part of the Offer under examination, the object of the Contribution consists of a maximum of 833,279,689 ordinary shares of Mediobanca, representing the entire share capital of the Issuer, including treasury shares. The Issuer’s shares are admitted to trading on Euronext Milan, a regulated market organized and managed by Borsa Italiana, with ISIN code IT0000062957, and are dematerialized pursuant to Article 83-bis of the TUF.

Mediobanca has its registered office in Milan, Piazzetta Enrico Cuccia, 1, registration number with the Milan Companies’ Register and tax code no. 00714490158. Mediobanca is registered in the Bank Register held by the Bank of Italy and, as the parent company of the Mediobanca Banking Group, in the Register of Banking Groups under number 10631, as well as a member of the Interbank Fund for Deposit Protection (Fondo Interbancario di Tutela dei Depositi) and the National Guarantee Fund (Fondo Nazionale di Garanzia).



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3 Mediobanca

3.1 Profile

Mediobanca is a specialized financial group, active in Consumer Finance, Wealth Management, and Corporate & Investment Banking. The Issuer is listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A. and is included in the FTSE/MIB index.

Mediobanca operates through four main business units:

- 1) **Consumer Finance (“CF”)**: Mediobanca operates in consumer credit through Compass, a company that has been active in Italy for over 70 years, offering personal loans. In this segment, the bank also offers services such as purpose loans, credit cards, salary-backed loans, and *buy-now-pay-later*, the latter through the development of Pagolight (a proprietary solution) and participation in HeidiPay.
- 2) **Wealth Management (“WM”)**: including three main lines of business related to:
 - (i) **Private Banking**, Business unit that serves approximately 11,000 High Net Worth and Ultra High Net Worth individuals, through Mediobanca Private Banking (founded in 2017 from the integration of Banca Esperia into Mediobanca) and CMB Monaco for the clientele. As of June 30, 2024, the segment has 155 advisors and approximately Euro 45 billion in assets under management.
 - (ii) **Premier Banking**, services offered to *Affluent* clients, through Mediobanca Premier (formerly CheBanca!). As of June 30, 2024, the bank has over 770,000 clients, 615 financial advisors, 536 managers, and approximately Euro 42 billion in assets under management.
 - (iii) **Asset Management**, with the presence of proprietary product factories such as Mediobanca Sgr, Polus Capital, and RAM.
- 3) **Corporate & Investment Banking (“CIB”)**: such division offers *capital markets, lending, trading, specialty finance services*, and advisory in *Merger & Acquisition* transactions, company or asset valuations, and *restructuring*.
- 4) **Insurance (“INS”)**: The activity in recent years has focused on the active management of Mediobanca’s portfolio of investments. The current portfolio essentially includes the investment in Assicurazioni Generali S.p.A. (“**Generali**”), an investment with a significant contribution to Mediobanca’s results.

The Issuer’s share capital as of March 13, 2025 consists of 833,279,689 ordinary shares with no nominal value, of which 814,459,551 are outstanding shares and 18,820,138 treasury shares are held in the portfolio, as stated in the Issuer’s press release dated March 10, 2025.

It is also specified that the Issuer’s Extraordinary Shareholders’ Meeting, held on October 28, 2024, resolved to cancel up to a maximum of 30,000,000 treasury shares that may be acquired (and not used) pursuant to the resolution passed at the ordinary shareholders’ meeting held on the same date. Pursuant to the resolution passed, the cancellation may be carried out in several instalments or in one lump sum, however, within 18 months from the date of the shareholders’ resolution. The share buyback and cancellation program have a value of approximately Euro 385 million. The operation has been authorized by the European Central Bank.



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The following table shows the persons who, as of the date of this Notice - based on the notifications pursuant to Article 120 of the TUF, as published on Consob's website - hold shares of the Issuer's share capital or voting rights exceeding 3% of the Issuer's ordinary share capital¹:

- Francesco Gaetano Caltagirone: 5.499%;
- Delfin SARL: 19.390%;
- Banca Mediolanum S.p.A.: 3.343%.

3.2 Financial and economic position of Mediobanca as of June 30, 2024 and December 31, 2024

The financial and economic position of Mediobanca as of December 31, 2024 is reported below. Mediobanca adopts a fiscal year ending on June 30, each year; therefore, the data for the month of December corresponds to the results of the semi-annual financial report.

Table 1. Income statement of the Mediobanca Group

Income Statements Mediobanca Group	30/06/2023	30/06/2024	31/12/2023	31/12/2024	YoY%
€ mn	FY	FY	6m	6m	6m
Net interest income	1,801	1,985	997	979	(1.8%)
Net treasury income	206	172	93	92	(1.7%)
Net fee and commission income	843	939	422	547	29.5%
Equity-accounted companies	454	510	219	230	5.4%
Total income	3,303	3,607	1,731	1,848	6.8%
Labour costs	(728)	(805)	(382)	(419)	9.7%
Administrative expenses	(685)	(738)	(353)	(361)	2.2%
Operating costs	(1,413)	(1,542)	(735)	(780)	6.1%
Loan loss provisions	(270)	(252)	(133)	(133)	0.4%
Provisions for other financial assets	(7)	14	5	11	109.8%
Other income (losses)	(186)	(90)	(25)	(14)	(46.0%)
Profit before tax	1,427	1,736	842	931	10.6%
Income tax for the period	(394)	(437)	(221)	(231)	4.8%
Minority interest	(7)	(26)	(10)	(40)	290.3%
Net Profit	1,026	1,273	611	660	7.9%

Source: Financial statements and semi-annual reports of Mediobanca.

¹ Quotes refer to the entirety of shares related to the declarant or the entity at the top of the ownership chain.



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Table 2. Divisional income statement of the Mediobanca Group as of December 31, 2024

Income Statements by Business Unit	CF	WM	CIB	INS	Holding Functions	Group ¹
6 months 31/12/2024 (€ mn)						
Net interest income	557	204	153	(4)	48	979
Net treasury income	-	6	65	16	6	92
Net fee and commission income	72	270	234	(0)	3	547
Equity-accounted companies	(0)	-	-	231	(0)	230
Total income	629	480	451	243	56	1,848
Labour costs	(62)	(168)	(118)	(2)	(70)	(419)
Administrative expenses	(127)	(148)	(83)	(1)	(14)	(361)
Operating costs	(189)	(315)	(200)	(3)	(84)	(780)
Loan loss provisions	(136)	(1)	1	-	3	(133)
Provisions for other financial assets	-	0	(1)	9	2	11
Other income (losses)	-	(4)	(4)	-	(1)	(14)
Profit before tax	304	160	248	250	(24)	931
Income tax for the period	(101)	(49)	(68)	(9)	(5)	(231)
Minority interest	-	(1)	(38)	-	(1)	(40)
Net Profit	203	111	142	241	(30)	660
RWA	14,409	6,201	15,019	8,080	3,852	47,561

Source: Semi-annual report as of December 31, 2024 of Mediobanca.

- The consolidated semi-annual revenues grew by 6.8%, from Euro 1,731 million to Euro 1,848 million.
- The net interest margin reached Euro 979 million. The increase was supported by the expansion of the CF segment, which recorded an 8.6% year-on-year increase. However, the return on assets was impacted by the reduction in market rates (Euribor 3m: -67bps), which moderated the positive effect of the increase in volumes by Euro 1.4 billion. The CIB segment remained stable at Euro 153 million, with a decline in the large corporate segment offset by growth in the markets.
- Net fees recorded growth equal to 29.5% in a year, reaching Euro 547 million. WM fees increased by 12.5% year-on-year, totaling Euro 270 million, while CIB division fees rose to Euro 234 million, up 75.2% compared to the previous year, also thanks to the inclusion of Arma Partners.
- The contribution of Assicurazioni Generali to the *equity method* increased by 5.4%, from Euro 215 million to Euro 227 million.
- Operating costs increased by 6.1%, reaching Euro 780 million. Despite the increase, the cost-to-income ratio remained virtually unchanged at 42.2% (compared to 42.5% the previous year). The rise in costs affected all the main components:
 - Personnel costs increased by 9.7%, from Euro 382 million to Euro 419 million. The increase was driven by the rise in the number of employees (FTE +2.6%, from 5,369 to 5,510) and adjustments to variable components in the CIB segment in line with the results achieved.

¹ The sum of the data by business area differs from the total Group figure due to net consolidation adjustments/differences between the business areas (Euro 1.1 million) and the effects related to acquisitions (mainly on put & call agreements and earn-out), which are not attributed to any Business Unit (Euro 5.3 million).



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- Administrative expenses increased by 2.2%, reaching Euro 361 million. The increase was mainly driven by technology expenses (+2.5% to Euro 127 million), *back office* and *operations costs* (+5% to Euro 103 million), costs related to branches and offices (+8% to Euro 50 million), and credit recovery expenses (+5% to Euro 21 million).

Table 3. Divisional Income Statement of the Mediobanca Group as of June 30, 2024¹

Income Statements by Business Unit	CF	WM	CIB	INS	Holding Functions	Group ¹
FY 30/06/2024 (€ mn)						
Net interest income	1,044	425	307	(7)	178	1,985
Net treasury income	0	9	95	27	39	172
Net fee and commission income	145	489	361	-	6	939
Equity-accounted companies	(0)	-	-	511	-	510
Total income	1,189	924	763	530	224	3,607
Labour costs	(121)	(325)	(215)	(4)	(140)	(805)
Administrative expenses	(249)	(288)	(165)	(1)	(53)	(738)
Operating costs	(370)	(614)	(380)	(5)	(192)	(1,542)
Loan loss provisions	(250)	(7)	11	-	(6)	(252)
Provisions for other financial assets	-	1	(3)	20	(4)	14
Other income (losses)	0	(4)	(3)	-	(49)	(90)
Profit before tax	570	300	387	545	(28)	1,736
Income tax for the period	(187)	(91)	(121)	(23)	(13)	(437)
Minority interest	-	(1)	(23)	-	(3)	(26)
Net Profit	383	209	244	522	(44)	1,273
RWA	14,493	6,051	14,857	8,066	4,153	47,622

Source: Financial Statements as of June 30, 2024 of Mediobanca.

¹ The sum of the divisional data differs from the Group total due to adjustments/differences arising on consolidation between business areas (equal to Euro 4.9 million), the RAM brand impairment charge (Euro 31.7 million), and other effects attributable to acquisitions (in particular in respect of put-and-call arrangements) that have not been allocated to any business line in particular (Euro 3.1 million).



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Table 4. Statement of Financial Position of the Mediobanca Group as of June 30, 2024 and December 31, 2024

Balance Sheet Mediobanca Group	30/06/2024	31/12/2024	%
€ mn			
Financial assets held for trading	15,410	15,172	(1.5%)
Treasury financial assets	11,103	10,386	(6.5%)
Equity Holdings	4,703	4,992	6.1%
<i>Equity Investments</i>	3,789	4,092	8.0%
<i>Other Investments</i>	914	900	(1.5%)
Banking book securities	11,341	12,063	6.4%
Customer loans	52,447	53,859	2.7%
<i>Corporate</i>	16,043	17,170	7.0%
<i>Specialty Finance</i>	2,950	2,707	(8.3%)
<i>Consumer Finance</i>	15,198	15,564	2.4%
<i>Mortgages</i>	12,568	12,615	0.4%
<i>Private banking</i>	4,285	4,474	4.4%
<i>Leasing e Gestione NPL</i>	1,403	1,329	(5.3%)
Tangible and intangible assets	1,595	1,639	2.8%
Other assets	2,628	1,801	(31.5%)
Total assets	99,226	99,912	0.7%
Funding	63,670	64,211	0.8%
<i>MB bonds</i>	27,619	28,728	4.0%
<i>Premier Banking deposits</i>	16,888	17,904	6.0%
<i>Private Banking deposits</i>	11,011	10,292	(6.5%)
<i>ECB</i>	1,313	-	(100.0%)
<i>Banks and other</i>	6,839	7,287	6.6%
Treasury financial liabilities	10,584	11,841	11.9%
Financial liabilities held for trading	9,505	9,095	(4.3%)
Other liabilities	4,066	3,295	(19.0%)
Provisions	158	149	(5.9%)
Net equity	11,243	11,321	0.7%
<i>Minority interest</i>	86	86	0.1%
<i>Profit for the period</i>	1,273	660	(48.2%)
Total liabilities	99,226	99,912	0.7%
Net TFA	99,431	106,824	7.4%
Premier	41,820	44,826	7.2%
Private/HNWI	44,867	47,167	5.1%
Asset Management	28,239	31,686	12.2%
Intercompany	(15,495)	(16,854)	8.8%
Regulatory Capital			
CET 1 capital	7,222	7,248	0.4%
Total capital	8,438	8,381	(0.7%)
RWA	47,622	47,561	(0.1%)

Source: Financial Statements and Semi-Annual Reports of Mediobanca.



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- The total assets as of December 31, 2024 show a slight increase in the semester, rising from Euro 99.2 billion to Euro 99.9 billion.
- Customer loans increased from Euro 52.4 billion to Euro 53.9 billion, driven by the CIB, which rose from Euro 19.0 billion to Euro 19.9 billion. In particular, the *large corporate* segment grew by 7%, reaching Euro 17.2 billion, while *factoring* recorded a decline of 8.3%, falling from Euro 3.0 billion to Euro 2.7 billion, affected by the crisis in the automotive sector. The CF maintained a quarterly growth *trend* of 2.4%, rising from Euro 15.2 billion to Euro 15.6 billion. The WM also recorded an increase of 1.4%, reaching Euro 17.1 billion.
- The securities in the *banking book* increased from Euro 11.3 billion to Euro 12.1 billion, divided into Euro 5.2 billion in the *HTC* portfolio, Euro 6.4 billion in the *HTC&S* portfolio, and Euro 0.4 billion designated at *fair value*. The position in Italian government bonds grew from Euro 5.4 billion to Euro 6.1 billion, with an average *duration* of approximately 2 years.
- Total funding increased from Euro 63.7 billion to Euro 64.2 billion, with a securitized component of Euro 28.7 billion, after new issuances of Euro 3.1 billion and repayments of Euro 2.0 billion. WM deposits rose from Euro 27.9 billion to Euro 28.2 billion, thanks to the strong performance of the *Premier* channel, while interbank borrowings amounted to Euro 7.3 billion.
- Total Financial Assets (TFA) rise to Euro 106.8 billion (+14.2% compared to the previous semester, +3.6% in the quarter), with a net growth of Euro 4.5 billion and a market effect estimated at Euro 2.6 billion. *Assets under management* increase to Euro 48.2 billion, growing by Euro 4.9 billion in the semester and by Euro 7.4 billion compared to 12 months ago. *Assets under administration* remain stable at Euro 30.3 billion, while deposits increase to Euro 28.2 billion, of which Euro 17.9 billion are excluding *Premier*.

The consolidated net equity of Mediobanca as of December 31, 2024 amounted to Euro 11,321.2 million, including the equity attributable to non-controlling interests of Euro 86.2 million. The net equity attributable to the parent company therefore totals Euro 11,235.0 million and is primarily composed of:

- Share capital of Euro 444.7 million;
- Share premium of Euro 2,080.8 million;
- Retained earnings and other reserves of Euro 8,347.9 million;
- Negative valuation reserve of Euro 152.3 million;
- Treasury shares for Euro 145.8 million;
- Net profit for the period amounting to Euro 659.7 million.

Finally, as of December 31, 2024, Mediobanca's CET1 Ratio stands at 15.2%, with the application of the Danish Compromise, and the Total Capital Ratio is 17.6%, including the half-year result net of the distribution of an interim dividend to Mediobanca shareholders scheduled for May 2025 (with the balance in November 2025), based on a payout assumption of 70%. The Corep CET1 ratio, without earnings for the period, is 14.8%.



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3.3 Projections of Mediobanca's 2023-2026 Business Plan

Projections of Mediobanca's 2023-2026 Business Plan, illustrated below, were disclosed to the financial community on May 24, 2023, and confirmed on August 1, 2024, during the communication of the annual results as of June 30, 2024. On February 11, 2025, as part of the presentation of the semi-annual results as of December 31, 2024, Mediobanca updated, revising upwards, the targets set for certain performance indicators related to *fiscal year 2026*.

Mediobanca has outlined a strategic plan for the FY23-26 period with defined objectives for each business unit, as represented below:

- **Consumer Finance**, Mediobanca intends to expand its network by strengthening its presence in emerging markets and exploring new customer segments through its digital channels. The goal is to consolidate the *Consumer Finance* revenue streams within the Mediobanca group.
- **Wealth Management**, Mediobanca aims to close the size gap with the main Italian competitors by leveraging the potential of the HNWI/UHNWI clients (clients with net worth exceeding Euro 5 million and Euro 20 million, respectively) and repositioning the Premier segment. The goal is to achieve double-digit growth in TFAs, revenues, and profits.
- **Corporate & Investment Banking**, Mediobanca aims to create a *capital light* European platform by primarily investing in low capital absorbing activities and leveraging potential synergies with *Wealth Management*, with the goal of significantly reducing RWAs over the course of the plan and consolidating revenue streams.
- **Insurance**, the goal is to make this business area a significant source of revenue within the Group, while simultaneously limiting the capital absorption of its assets.

Below are the main economic and financial figures expected for the fiscal year 2023 and for the last year of projection (i.e., 2026), compared with the same figures derived from the actual data as of June 30, 2023 and June 30, 2024. Also included are the *revised data*, relating to certain targets for the year 2026, as communicated on February 11, 2025, during the presentation of the semi-annual data as of December 31, 2024 to the financial community.



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Table 5. Projections of the 2023-2026 Business Plan and revised 2026 targets

Mediobanca Group	30/06/2023 E	30/06/2026 E	30/06/2023 A	30/06/2024 A	30/06/2026 Revised
€ bn / %					
Main financial data					
Total income	3.2	3.8	3.3	3.6	~4
Cost/income	~44%	~44%	42.8%	42.8%	n.a.
Net profit	~1.1	~1.4	1.0	1.3	> 1.4
KPIs					
RoRWA	~2.1%	~2.7%	2.1%	2.7%	n.a.
o/w WM	~2.9%	~4.0%	3.1%	3.6%	n.a.
o/w CF	~2.7%	~2.9%	2.9%	2.7%	n.a.
o/w CIB	~1.0%	~1.6%	1.2%	1.5%	n.a.
ROTE	~12%	~15%	12.7%	14.0%	n.a.
EPS	1.15	1.80	1.21	1.53	n.a.
Main capital financial data					
TFA	> 85	~115	88.0	99.4	n.a.
o/w direct banking funding	~30%	~25%	32%	28%	n.a.
o/w AUM / AUA	~70%	~75%	68%	72%	n.a.
RWA	~52	~51	51.4	47.6	n.a.
RWA Density	~57%	~52%	56.1%	48.0%	n.a.
CET1 Ratio	15.4%	14.5%	15.9%	15.2%	n.a.
FTE (#k)	5.3	5.8	5.4	5.4	n.a.

Source: Document “Mediobanca One Brand – One Culture, Strategic Guidelines FY 2023-26”, financial statements as of June 30, 2023, and June 30, 2024, Mediobanca’s Half-Year Report and Results Presentation as of December 31, 2024.



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4 Valuation of Mediobanca Shares

4.1 Introduction

The subject of this Report is the evaluation of the 833,279,689 ordinary shares of Mediobanca (including treasury shares), which are the subject of the Offer and constitute, as of today, the entire share capital of the Issuer. Therefore:

- the subject of the valuation is represented by the total number of shares that collectively considered constitute the entire share capital of Mediobanca;
- the perspective to be adopted in the valuation is that of a party acquiring the entire ordinary share capital of Mediobanca. This perspective must consider the company being valued from a going concern and *stand alone* basis, thus excluding any specific synergies or other economic-financial effects resulting from a potential integration.

Based on the Engagement, the purpose of this report is to provide an independent and autonomous Opinion, in accordance with the provisions of Article 2343-ter of the Civil Code, aimed at verifying that the fair value of the asset subject to the Contribution is not lower than the value attributed to it for the purposes of the Capital Increase in Service of the Offer, including any share premium.

The estimation methodologies and their application in the valuation are based on the general principle of prudence and consider the objective that the legal provision, which is to prevent in-kind contributions from being overvalued and artificially inflating the assets of the receiving company.

It should be noted that, given the timing of the transaction, our Opinion concerns the fair value attributable to the Mediobanca Shares subject to the Contribution, as estimated on the date of issuance of our Report. This value serves as a threshold reference for determining the share capital and any share premium of the Capital Increase in support of the Offer. The final value of the Capital Increase in support of the Offer will only be determinable closer to its execution, based on the issue price of BMPS shares and the actual number of newly issued shares.

4.2 Selection of Valuation Methodologies

The valuation methods for Mediobanca shares have been selected from those generally accepted in the market, considering not only the available information but also the conditions of the Offer, the sector in which the Issuer operates, the distinctive characteristics of the Mediobanca Group, and the contribution of the individual business units to the overall profitability of the Group. Additionally, the evaluation practices align with national and international standards.

The reference date for our valuations is December 31, 2024. The valuations are based on the economic and financial data, as well as the capital requirements and supervisory ratios of the Mediobanca Group as of that date. The issuer's share price data refers to information prior to the announcement of the Offer (January 24, 2025), while market parameters and Target Prices have been determined close to the issuance date of this report.

The analyses were developed exclusively based on publicly available information. The historical economic and financial results achieved by Mediobanca were considered, along with the Prospective Data of the 2023-2026 Business Plan, the Analysts' Forecasted Data, and the Target Prices from financial analysts regarding the future performance of Mediobanca, as well as the Stock Market quotations.



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Based on this information, we developed an evaluation opinion through a variety of methods. In particular, the following methods were considered:

- The *Sum of the Parts* approach, to separately value: (i) the business units related to the CF, WM and CIB segments of Mediobanca, using the *Gordon* method, the *Trading Multiples* method, and the *Regression Analysis* method; (ii) Mediobanca's stake in Generali, using the *Market Quotations* of the listed insurance company; (iii) other investments apart from Generali, valued at book value;
- The *Stock Market Prices* method;
- The *Target Prices* method;
- The *Dividend Discount Model* in the variant of *Excess Capital*.

The determination of the fair value of the Issuer's shares was carried out on a "cum dividend" basis, meaning that it includes the value of the interim dividend distribution to be paid to Mediobanca shareholders in May 2025 (with the final payment in November 2025), as announced on February 10, 2025, in connection with the approval of Mediobanca's half-year financial report as of December 31, 2024. However, the final results of our analyses are also presented on an "ex dividend" basis, meaning the dividend per share of Mediobanca related to the aforementioned interim dividend, estimated at approximately Euro 0.55, is deducted.

In the course of the valuation analyses, a regulatory capital position was assumed, with the permanent application of the Danish Compromise to Mediobanca's stake in Generali, in line with the information provided in the consolidated and individual financial statements of the Issuer as of June 30, 2024. It is reported that "following the conclusion of the process to define the new Basel regulatory framework, on April 24, 2024, the final version of the European regulation (so-called CRR3) was approved, making permanent, for the calculation of capital ratios (in particular CET1), the current treatment applied to the participations (so-called Danish Compromise), which would otherwise have expired on January 1, 2025."

The following provides a brief description of the valuation methodologies used, as well as their application.

4.3 The Sum of the Parts Method

The "Sum of the Parts" ("SoP") approach determines the economic value of a company as the sum of the economic values attributable to the different business units operating within the same legal entity. This methodology applies both to holding companies that own equity interests in operating companies active in heterogeneous business sectors and to companies conducting diversified business activities within the same corporate structure. In this context, the company's economic value is determined as the aggregation of the economic values attributable to each business unit based on its specific risk profile, the corresponding expected return, and the capital allocated to each.

As previously stated, the economic value of Mediobanca's business units, CF, WM and CIB has been determined by applying the following valuation methodologies, each consistently and homogeneously applied to all three business units: (i) the Gordon method; (ii) the trading multiples method; (iii) the regression analysis method.



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In applying these methodologies, the following values have been separately determined:

- the value of the Holding function, considering the implied multiple derived from the valuation of the three business units;
- the value of the participation in Generali;
- other participations, valued at their carrying values.

4.3.1 Gordon method

The Gordon growth method estimates the economic value of a company or a business unit based on the present value of the projected profitability deemed sustainable in the long term, capitalized in perpetuity, taking into account a sustainable expected growth rate of *net income* (g-rate) and the rate of return required by investors for investments with a similar risk profile (k_e).

In this specific case, to determine the fair value of the individual business units (CF, WM and CIB), the equivalent variant of the method has been applied using the following formula:

$$W = \frac{RORAC - g}{k_e - g} * CA$$

where:

- W = Economic value of the individual business unit.
- $RORAC$ = Sustainable future profitability in the long term, considering the allocated capital, estimated under two different scenarios: (i) historical profitability and (ii) projected profitability.
- g = Expected long-term growth rate of the sustainable average expected result, assumed to be equal to the expected long-term inflation rate for Italy, set at 2.0% (Source: *International Monetary Fund*).
- k_e = Cost of equity, determined based on the application of the Capital Asset Pricing Model (“**CAPM**”) formula, and differentiated for each business unit (CF: 11.8%, WM: 11.2%, CIB: 11.3%).
- CA = Capital allocated to individual business units, based on their specific Risk-Weighted Assets (RWA) and a CET1 Ratio Target equal to 13.5%, corresponding to the minimum CET1 level indicated by Mediobanca’s Management in the Prospective Data of the 2023-2026 Business Plan.

For the determination of the fair value of Mediobanca shares, the value attributable to the following elements was also considered: (i) the holding function, (ii) the participation in Generali, based on the three-month average price, (iii) participations in other companies, and (iv) excess capital relative to the identified target capital requirement.

The valuations obtained were subject to sensitivity analysis, where applicable, with respect to the cost of equity, the expected growth rate, and the sustainable long-term future profitability.



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4.3.2 Trading multiples method

The trading multiples method is based on the analysis of Stock Market quotations for a selected sample of companies with characteristics similar to those of the entity under evaluation (comparable publicly traded companies) and the subsequent application of the multiples derived from this analysis to the corresponding financial metrics of the company being valued.

This approach relies on determining multipliers obtained by relating the Stock Market capitalization to economic, financial, or operational indicators of the companies.

One of the fundamental assumptions underlying the trading multiples method is the comparability between the entity being valued and the companies selected as the peer group. The reliability of the results is therefore strictly dependent on the comparability of the sample. The choice of multiples is based on the characteristics of the sector in which the company operates.

In this specific case, given the heterogeneous nature of Mediobanca's three business units, CF, WM and CIB three separate peer groups of comparable publicly traded companies operating in the Italian and international markets have been selected.

For the application of this methodology, the Price-to-Earnings ratio ("**P/E**") has been selected as the reference multiple. This multiple is widely recognized and used both nationally and internationally and aligns with professional valuation practices for companies operating in Mediobanca's business units.

The average P/E multiples identified for the individual business units were applied to their respective estimates of expected net income under two different scenarios, measured over a twelve-month horizon for the year 2025, based on (i) the Prospective Data of the 2023-2026 Business Plan, and (ii) the Analysts' Forecasted Data.

These valuations also considered actual results as of December 31, 2024.

As with the Gordon method, the application was carried out using a Sum of the Parts approach, valuing separately the holding function, the participation in Generali valued on the average market price over the past three months and participations in other companies.

4.3.3 Regression analysis method

The regression analysis method is based on the examination of Stock Market quotations of listed companies deemed comparable to the company or business unit under valuation. This approach involves the identification of specific multiples, determined by relating market capitalizations to economic, equity, financial, or operational metrics of the reference companies.

In this specific case, this empirical methodology allows for the determination of the economic value of the company or business unit under valuation based on the statistical correlation between the expected return on tangible net asset value for the year 2026 (Return on Net Asset Value, hereinafter "**RONAV**") and the ratio between market capitalization and expected tangible net asset value for the year 2025 (the "**P/NAV**" multiple), calculated based on a sample of comparable publicly traded companies.

With specific reference to the valuation of Mediobanca's business units, considering their operational characteristics, the analysis was conducted using a "Sum of the Parts" approach, distinguishing:

- (i) the banking division and other equity investments, based on the application of the regression analysis method, considering Mediobanca's expected RONAV and tangible net asset value for 2025, adjusted for the contribution and carrying value of the stake in Generali;
- (ii) the participation in Generali, valued under two distinct scenarios, based respectively on the average market price over the past three months and the average market price over the past month.



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4.4 Dividend Discount Model Method

The Dividend Discount Model (“DDM”) determines the value of a company based on the projected dividends flows it is expected to generate over time. In this specific case, has been applied the excess capital variant methodology of the DDM, according to which the economic value of a company is equal to the sum of the following components:

- the present value of future cash flows generated over a defined explicit planning horizon and distributable to shareholders, while maintaining a target capitalization level consistent with the guidelines set forth by the Supervisory Authority or with the company’s specific medium-long term targets, and in any case, compatible with the nature and expected evolution of its activities;
- the present value of a perpetuity, defined based on a sustainable dividend for the periods following the explicit planning horizon, consistent with a pay-out ratio (dividend/net income ratio) that reflects a sustainable long-term profitability. This value is hereinafter also referred to as the Terminal Value (“Terminal Value”).

The methodology described above is independent of the actual dividend distribution policies adopted within the planning period under consideration.

The formula underlying the DDM methodology is as follows:

$$W = \sum_{i=1}^n \frac{D_i}{(1 + k_e)^i} + \frac{TV}{(1 + k_e)^n}$$

where:

W = Economic value of the company under valuation.

k_e = Cost of equity.

D_i = Expected dividends during the explicit projection period while maintaining a target capitalization level.

n = Explicit planning period (expressed in number of years).

TV = Terminal Value, assumed as the present value of the perpetuity estimated based on the sustainable dividend for the years following the explicit planning period.

For the purpose of determining future economic flows, reference was made to the Prospective Data of Mediobanca’s 2023-2026 Business Plan, also compared with Analysts’ Forecasted Data and the Issuer’s recent public communications to the financial community, which highlighted an upward revision of the targets compared to the Prospective Data of the 2023-2026 Business Plan presented on May 24, 2023. However, given the nature of our Report, which is based on the principle of prudence, the latter has been used as the baseline scenario for the determination of the value of Mediobanca Shares.

Furthermore, for the estimation of maximum distributable cash flows, a minimum capitalization level was assumed, corresponding to a CET 1 Ratio Target equal to 13.5%, which represents the minimum CET 1 level indicated by Mediobanca’s Management in the Prospective Data of the 2023-2026 Business Plan.

For the determination of the Terminal Value, a long-term growth rate equal to 2.0% was considered, in line with long-term inflation forecasts for Italy (Source: International Monetary Fund).



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The resulting cash flows were discounted based on a cost of equity equal to 11.1%, resulting from the average of (i) the k_e obtained from the application of the CAPM model, equal to 10.2%, and (ii) the k_e estimated by analysts covering Mediobanca's stock, equal to 12.0%.

The cost of equity obtained from the CAPM model was calculated based on the following formula and on parameters updated close to the date of issuance of this Report, 2025:

$$k_e = R_f + \beta \times (R_m - R_f) + SRP$$

where:

R_f = Risk-free rate, identified based on the average gross yield recorded of the 10-year Italian government bond (BTP Italia) over the past month, equal to 3.7%. (Source: Information data provider).

β = Beta coefficient, which measures the risk of a specific stock relative to the overall stock market. In this case, the weekly beta observed over the past two years for Mediobanca was adopted, equal to 1.01. (Source: Information data provider).

$R_m - R_f$ = Equity risk premium, which represents the additional return investors require for investing in equities rather than risk-free assets. In this case, the premium was determined to be 5.5%, consistent with long-term observations for an advanced economy.

SRP = Specific Risk Premium (“**SRP**”), an additional risk premium factor of 1.0%, related to the nature of the Engagement, which has been based on publicly available information without direct access to Mediobanca's *Management*.

The valuations obtained were subjected to a sensitivity analysis concerning the cost of equity and the CET 1 Ratio Target.

4.5 Stock Market prices method

The Stock Market prices method estimates the fair value of a listed company by using market prices and market capitalization as key information. This approach relies on stock prices recorded over time periods deemed significant, assuming a strong correlation between the market prices of the shares under evaluation and their economic value.

According to this method, the stock prices of liquid shares listed on efficient markets serve as a reliable indicator of a company's value, as they tend to reflect all publicly available information about the company. The stock price levels result from a systematic market negotiation process that incorporates investors' expectations regarding the company's profitability, financial strength, risk profile, and growth prospects.

In this context, a company's stock prices are considered reliable when the reference markets exhibit a high level of efficiency, the stock is highly liquid, and the selected period is long enough to offset the impact of extraordinary events causing short-term fluctuations or speculative pressures. While Stock Market quotations represent market-driven values, they are subject to fluctuations—sometimes significant—due to market volatility.



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For the specific case, this methodology was applied by referencing:

- the official closing price of Mediobanca shares as of January 23, 2025, which was the last trading day before the date of the Announcement;
- the average closing price of Mediobanca shares over the three months preceding January 23, 2025 (included).

The selection of these time horizons aims to incorporate sufficiently updated information on the Issuer's market conditions and broader financial market trends while mitigating potential short-term fluctuations by considering a sufficiently extended reference period.

4.6 Target Prices method

The Target Prices method determines the value of a company based on the price targets published by financial analysts covering the company. These values are obtained from research reports issued by specialized market analysts.

Target Prices represent value estimates based on assumptions regarding the future stock price performance on the market. They are obtained through various valuation methodologies, applied at the discretion of each research analyst.

In this case, the Target Prices for Mediobanca shares were considered as indicated by research analysts covering the Issuer and published after the release of Mediobanca's financial results as of September 30, 2024 (disclosed on November 11, 2024), and up to a date close to the issuance of this Report.



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5 Conclusions

Based on the considerations set out in our Report, taking into account the limitations and the main valuation difficulties outlined, and in light of the purpose of the Engagement, as of the date of this Opinion, based on the financial position as of December 31, 2024, and the elements and methodologies referenced above, we believe that the fair value of the Mediobanca Shares subject to potential Contribution within the framework of the Capital Increase to Service the Offer is no less than Euro 16.406 per share, *cum dividend*, or Euro 15.852 per share, *ex dividend*, the latter net of the estimated value of the Mediobanca 2025 Interim Dividend.

Milan, March 14, 2025

KPMG Advisory S.p.A.



Dario Maria Spoto
Partner



Salvatore Giugliano
Partner



INDEPENDENT AUDITOR’S REPORT NOT ISSUED PURSUANT TO ANY LEGAL REQUIREMENTS ON THE VALUATION CRITERIA ADOPTED BY THE DIRECTORS OF BANCA MONTE DEI PASCHI DI SIENA SPA TO DETERMINE THE EXCHANGE RATIO IN CONNECTION WITH THE PUBLIC EXCHANGE OFFER LAUNCHED BY BANCA MONTE DEI PASCHI DI SIENA SPA FOR ALL THE SHARES OF MEDIOBANCA - BANCA DI CREDITO FINANZIARIO SPA

To the Board of Directors of
Banca Monte dei Paschi di Siena SpA

We have been engaged by the Board of Directors of Banca Monte dei Paschi di Siena SpA (hereinafter also the “Bank”, “BMPS” or the “Offeror” or the “Company”), in connection with the voluntary public exchange offer (hereinafter also “VEO” or “Offer”) launched on 24 January 2025 by the Bank and concerning all the ordinary shares of Mediobanca – Banca di Credito Finanziario SpA (hereinafter also “Mediobanca”), to perform a limited assurance engagement on the valuation criteria (hereinafter also the “Criteria”) adopted by the Board of Directors (hereinafter also the “Directors”) of BMPS to determine the exchange ratio and related application methods.

The Criteria are set out by the Directors in the explanatory report hereto enclosed approved by the Board of Directors (hereinafter the “Directors’ Report” or the “Report”), in paragraph 2 titled “Criteria for the determination of the exchange ratio between BMPS shares and Mediobanca shares and for the consequent determination of the maximum number of newly issued BMPS shares” and drawn up in accordance with Article 2441, para. 6, of the Italian Civil Code and with Article 125-ter of Italian Legislative Decree no. 58 of 24 February 1998 as subsequently amended (hereinafter also the Italian Consolidated Law on Financial Intermediation or “TUF”) and with Article 70 of the Regulation adopted with Consob resolution no. 11971 of 14 May 1999 as subsequently amended (hereinafter the “Issuers’ Regulation”).

For each Mediobanca share tendered in the Offer, BMPS shall offer a consideration equal to no. 2.300 newly issued ordinary shares of BMPS arising from the share capital increase to serve the Offer (hereinafter the “Exchange Ratio”).

The Exchange Ratio was determined by the Board of Directors of BMPS on the basis of their own analyses and considerations conducted with the support of their financial advisors.

As reported by the Directors in their Report, the Exchange Ratio could be subject to adjustments.

The valuation of the assets being tendered was performed, pursuant to Article 2343-ter, para. 2 letter b), by KPMG Advisory SpA, which issued its valuation report on 14 March 2025.

PricewaterhouseCoopers SpA

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Directors' responsibilities

The Directors of BMPS are responsible for the drafting of the abovementioned paragraph 2 of the Report, which identifies the Criteria they selected to determine the Exchange Ratio and the related application methodologies. They are also responsible for such internal control as they determine is necessary to calculate an Exchange Ratio that is free from material misstatement, whether due to fraud or error.

Auditors' independence and quality management

We have complied with the independence and other ethical requirements in the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to express an independent conclusion, based on the procedures we performed, as to whether the Criteria adopted by the Directors to determine the Exchange Ratio are suitable, i.e., they are reasonable and not arbitrary in the circumstances, as well as on the application of such Criteria in accordance with national and international professional and valuation practices usually adopted in similar transactions.

We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the Criteria adopted by the Directors are suitable, i.e., they are reasonable and not arbitrary in the circumstances, and have been correctly applied to determine the Exchange Ratio under the VEO. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

This report is not issued pursuant to any legal requirements and shall not be considered as the report required by article 2441, para. 4, first sentence, and para. 6 of the Italian Civil Code and Article 158 of TUF, whose subject-matter is the issue price of the new shares of BMPS as part of the share capital increase to serve the VEO.



Criteria used by the Directors to determine the Exchange Ratio and related results

For the purposes of the Offer, in light of the nature of the consideration, represented by newly issued ordinary shares of the Offeror offered in exchange for ordinary shares of the Mediobanca tendered in acceptance of the Offer, the Board of Directors of BMPS reports that it proceeded to carry out a valuation of the shares of Mediobanca and BMPS with a view to expressing an approximate estimate of their values, on the basis of publicly available data and information. As set out in the Report, the considerations and estimates made by the Directors are therefore to be understood in general terms and with limited reference to the Offer. The valuation analyses performed by the Board of Directors to determine the Exchange Ratio were carried out from a comparative perspective and prioritising the principle of relative homogeneity and comparability of the applied valuation methodologies.

The valuation methodologies and resulting economic values of the shares of Mediobanca and of BMPS were identified by the Directors to determine the number of shares of BMPS to be issued to serve the VEO, on the basis of the outcome of the Offer. Therefore, according to the Report, under no circumstances are such valuations to be considered as possible indications of market price or value, either current or prospective, in any context other than the one under assessment.

The evaluations conducted by the Board of Directors of BMPS refer to the economic and market conditions as of 23 January 2025, corresponding to the trading day prior to the date of the announcement of the VEO (the “Reference Date”) and to the equity-economic and financial situation of BMPS and Mediobanca as reported in the consolidated interim financial statements as of 30 September 2024, in the consolidated financial statements as of 31 December 2023 for BMPS, in the consolidated financial statements as of 30 June 2024 for Mediobanca, and in the related press releases and presentations of the results to the financial community.

In order to define the Exchange Ratio, the Board of Directors of BMPS considered to use:

1. the Stock Market Price Method;
2. the market multiples method in the variant of the stock market price of comparable listed companies on their prospective earnings; and
3. the target price methodology highlighted by research analysts.

As set out by the Directors, the stock market price method uses market prices as the information relevant for estimating the economic value of companies, using for this purpose the stock market prices expressed in share prices recorded in intervals of time deemed significant and on the assumption that there is a correlation between the prices expressed by the market for the shares of the companies being valued and their economic value. The main characteristic of this methodology lies in the possibility of expressing in relative terms the relationship existing between the values of the companies in question as perceived by the market.

Specifically, the Board of Directors of BMPS deemed appropriate to apply this methodology by adopting the following criteria: (a) use of the official prices of the Offeror’s and Mediobanca’s shares recorded on the Reference Date; (b) use of the weighted average official prices in connection with the volumes of BMPS’ and Mediobanca’s shares (the so-called Volume Weighted Average Price) with a reference period of 1 month, 2 months, 3 months, 6 months and 1 year preceding the announcement date (*i.e.*, 24 January 2025).

The second method used by the Directors is the market multiples method, according to which the enterprise value of a company is determined by taking as a reference the indications provided by the stock market with regard to companies with similar characteristics to the company being valued.



The criterion is based on the determination of multiples calculated as the ratio between stock market values and economic, asset and financial measures of a selected sample of comparable companies. The multiples thus determined are applied, with the appropriate additions and adjustments, to the corresponding measures of the company being evaluated, in order to estimate a range of values. As can be read in the Directors' Report, for the purposes of the Offer and on the basis of the characteristics typical to the banking sector and market practice, the Price/Projected Earnings multiple in 2025 and 2026 was selected. The multiples for the years following 2026 have been deemed by the Directors to be of limited significance, considering the lower reliability and greater variability that generally characterize consensus estimates for more distant future years. Specifically, the market multiples have been applied, for BMPS, to the 2025 and 2026 estimates derived from the 2024-28 Business Plan and, for Mediobanca, to the 2025 and 2026 consensus estimates from research analysts (as provided by the info provider FactSet as of the Reference Date). As can be inferred from the Directors' Report, the reliability degree of the assessment of the market multiples method depends on an appropriate adaptation of the method itself to the specific valuation in question. In this regard, the similarity, from an operational and financial point of view, between the companies included in the reference sample and the companies being valued is particularly relevant. The significance of the results is, in fact, dependent on the comparability of the sample. The securities of the selected companies shall also present a good degree of liquidity and shall not regard companies whose prices could be influenced by particular contingent situations.

In their Report the Directors specified that given the existing differences between the business models of BMPS and Mediobanca, they used a specific sample for each of them, in order to better reflect the characteristic business of each company being valued. Specifically, Intesa Sanpaolo SpA., UniCredit SpA, Banco BPM SpA, BPER Banca SpA, Credito Emiliano SpA and Banca Popolare di Sondrio SpA were used in order to evaluate BMPS while Intesa Sanpaolo SpA, UniCredit SpA, FinecoBank SpA, Banca Generali SpA and Banca Mediolanum SpA were used to evaluate Mediobanca.

For the purposes of the valuation analysis of Mediobanca, given that a considerable part of its profits is generated by the qualified investment in Assicurazioni Generali SpA (equal to 13.02% at 30 June 2024), and considering that the latter is a listed company, the Directors made reference to the market valuation of this company.

The last valuation method chosen by the Directors referred to in their Report is the target price methodology highlighted by the research analysts, which determines the value of a company based on the target prices that financial analysts publish on the company. Target prices are indications of value that express an assumption about the price that a share can reach on the stock market and are derived from multiple valuation methodologies used at the discretion of the individual research analyst. For the purpose of applying the target price methodology, the Directors used the target prices of BMPS' and Mediobanca's ordinary shares as indicated by the research analysts relating to the companies, as available up to the Reference Date, and published following the release of BMPS' and Mediobanca's preliminary results as of 30 September 2024 (announced on 8 November 2024 and 12 November 2024, respectively).

The Directors report that they applied the Criteria on an individual basis and under the going-concern assumption for both BMPS and Mediobanca, also taking into account the peculiarity of the Offer.

In order to determine the Exchange Ratio, the Directors report to have identified ranges of values for each valuation method, that are: (i) for the market multiples method, a range of +/- 15% with respect to the average value and, for (ii) the target price methodology highlighted by research analysts, a minimum value calculated as the ratio between the minimum target prices of Mediobanca and BMPS



and a maximum value calculated as the ratio between the maximum target prices of Mediobanca and BMPS.

Method	Implicit Exchange Ratio	
	Minimum	Maximum
<u>Stock Market Price Method</u>		
Spot		2.190x
1 month		2.127x
2 months		2.194x
3 months		2.379x
6 months		2.641x
12 months		2.948x
<u>Market multiples method</u>		
P/E 2025	1.937x	2.621x
P/E 2026	1.880x	2.543x
<u>Target price methodology highlighted by the research analysts</u>		
	2.046x	2.433x

As described in the Report, the choice of the valuation methodologies adopted by the Directors for the purposes of determining the Exchange Ratio and the related results obtained must be read considering the following main limitations and valuation difficulties:

- for the purposes of its analyses, the Bank used exclusively public data and information;
- the Bank did not perform on Mediobanca any due diligence activity of financial, legal, commercial, tax, industrial or other nature;
- as of the reference date, an updated business plan for Mediobanca with a time horizon consistent with that of BMPS is not publicly available. Therefore, where relevant to the application of the valuation methods, the projections of future economic trends used for BMPS were derived on the basis of the estimates of the 2024-28 Business Plan (the “MPS Plan”) while, for Mediobanca, were derived on the basis of the estimates provided by research analysts (the “Mediobanca Estimates” and, together with the MPS Plan, the “Forecasts”);
- the analyses conducted reflect the peculiarities of valuation methodologies, whose reliability is inherently limited by a number of factors.

Considering the foregoing, as largely detailed in para. 2 of the Report, the Board of Directors of BMPS identified, within the ranges identified by applying the methodologies highlighted above, an Exchange Ratio equal to 2.300.

Procedures performed by the auditors

The procedures we performed are based on our professional judgement and include inquiries, primarily of BMPS’ personnel responsible for the determination of the Exchange Ratio and of the Company’s financial advisors, documental analyses, recalculations, and other evidence gathering procedures, as appropriate.

Specifically, we planned and performed the following main procedures:

- examination of the Directors’ Report approved by the Board of Directors, with specific regard to the paragraph 2 related to the Criteria to determine the Exchange Ratio;
- examination of the Criteria selected to determine the Exchange Ratio;

- examination of the documentation drawn up for the Board of Directors' meeting of 23 January 2025 which passed resolutions as to the VEO including the documentation prepared by the financial advisors;
- discussion with the Company's management and financial advisors on the overall work performed to identify the valuation Criteria to determine the Exchange Ratio;
- corroboration of the completeness and consistency of the Directors' reasons on the Criteria they selected to determine the Exchange Ratio;
- analysis of the reasonableness and non-arbitrary nature of the valuation Criteria selected by the Directors to estimate the economic values of BMPS and Mediobanca for the purpose of determining the Exchange Ratio and their consistent application;
- analysis, for the purposes of the engagement, of the valuation of Mediobanca shares being contributed as referred to in the valuation report under article 2343-ter, para. 2, letter b) of the Italian Civil Code prepared by the expert appointed for that specific aim;
- checks of the consistency of the measures and financial figures used by the Directors in applying the Criteria with the reference sources;
- recalculation of the results deriving from the application of the Criteria selected by the Directors in order to verify the substantial algebraic correctness of such results;
- development of sensitivity analyses, within the Criteria selected by the Directors to determine the Exchange Ratio and of independent valuation insights, with the aim of verifying how much these results could be affected by changes in the valuation assumptions and in the parameters assumed;
- obtainment of a specific representation letter signed by the legal representative of the Company.

As part of our engagement, we did not perform any economic assessment of the companies involved in the VEO. Such assessment was exclusively carried out by the Board of Directors with the support of their financial advisors.

Inherent limitations encountered by the independent auditors in performing the procedures

In addition to the limitations encountered by the Directors in determining the exchange ratio as indicated in paragraph 2 of their Report, we highlight the following:

- with reference to market methodologies, although market prices reflect values expressed by market, they are subject to significant fluctuations due to market volatility and extraordinary or speculative events. Specifically, the current market context is characterised by a considerable uncertainty due to significant geo-political tensions, together with the announcement of important transactions to consolidate and reorganise the Italian banking sector. To date, the development of such context cannot be foreseeable, nor can any economic, financial, political and social consequence be estimated. Within the context of a share exchange, such valuation difficulty is mitigated by the relative estimate between the two securities being exchanged. Furthermore, during the performance of our activities, we conducted sensitivity analyses referring to financial and market parameters updated to the Reference Date and to the average of the stock prices recorded over different time horizons deemed appropriate in light of the abovesaid context;
- the results of the application of the market multiples method although being based on a statistically representative sample of comparable companies, are affected by a different market positioning and a different competitive level between the comparable companies of the selected sample, as well as a different corporate size. In order to mitigate such valuation difficulty, independent sensitivity analyses were developed;



- since an updated industrial plan of Mediobanca seemed to be unavailable at the Reference Date with a time horizon in line with that of BMPS, the Directors made reference exclusively to market methodologies. Moreover, for the purposes of applying the market multiples method, the Directors referred to a different information base for the two companies being valued. In particular, for Mediobanca the Directors referred to the Mediobanca estimates inferred from the consensus of the research analysts, while as concerns BMPS they considered the estimates taken from the MPS Plan. Such difficulties were mitigated through the development of independent valuation insights;
- Forecasts, even when taken from economic-financial plans as well as from the consensus of the research analysts, are based by their nature on a set of realization assumptions of future events and actions that the companies being estimated must undertake; such assumptions include, *inter alia*, certain hypothetical assumptions which depend on factors that are, in whole or in part, beyond the control of such companies and that have, by their nature, uncertain features linked also to possible structural changes in the market. Because of the uncertainty related to the occurrence of any future events, as to whether and when such events will occur and to what extent, the difference between the estimates and the related actual values could be significant;
- the valuation performed by the Board of Directors of BMPS refer to the economic and market conditions as at 23 January 2025 (also taking into account the stock performance in the previous months) which is the trading day prior to the VEO announcement date.

Conclusion

Based on the documentation examined and the procedures described above, taking into account the nature and the scope of our work showed in this report, without prejudice to what highlighted in the paragraph above “*Inherent limitations encountered by the independent auditors in performing the procedures*”, nothing has come to our attention that causes us to believe that the Criteria adopted by the Directors of Banca Monte dei Paschi di Siena SpA to determine the Exchange Ratio, as set out in paragraph 2 of the Directors’ Report, are not adequate, as they are reasonable and not arbitrary in the circumstances, and that they were not correctly applied, for the purposes of the determination of the Exchange Ratio, identified in 2.300 newly issued ordinary shares of BMPS for each share of Mediobanca tendered in the Offer.

Restriction on use

This report has not been prepared pursuant to any legal requirements and is for the exclusive benefit of the Board of Directors of Banca Monte dei Paschi di Siena SpA in connection with the VEO. Therefore, this report cannot be used for any other purposes, in whole or in part. We have not undertaken to update this report for events or circumstances that may occur after its issue.

Florence, 18 March 2025

PricewaterhouseCoopers SpA
Signed by
Marco Palumbo
(Partner)

This independent auditors’ report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.



English translation for courtesy purposes only. In case of discrepancies between the Italian version and the English version, the Italian version shall prevail

BANCA MONTE DEI PASCHI DI SIENA S.P.A.

EXTRAORDINARY SHAREHOLDERS' MEETING

17 April 2025 (single call)

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS
ON ITEM 1) ON THE AGENDA**

prepared pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998 as subsequently amended (“**TUF**”) and pursuant to Article 70 of the regulation adopted by Consob by resolution No. 11971 of 14 May 1999 as subsequently amended (“**Issuers' Regulation**”).

PROPOSAL TO GRANT THE BOARD OF DIRECTORS, PURSUANT TO ARTICLE 2443 OF THE ITALIAN CIVIL CODE, THE POWER, TO BE EXERCISED BY 31 DECEMBER 2025, TO INCREASE THE SHARE CAPITAL IN ONE OR MORE TRANCHES, IN DIVISIBLE FORM, WITH THE EXCLUSION OF THE OPTION RIGHT PURSUANT TO ARTICLE 2441, PARAGRAPH FOUR, FIRST SENTENCE, OF THE ITALIAN CIVIL CODE, TO BE PAID IN BY CONTRIBUTION IN KIND, TO SERVE A VOLUNTARY PUBLIC OFFER BY BANCA MONTE DEI PASCHI DI SIENA S.P.A. RELATING ALL THE ORDINARY SHARES OF MEDIOBANCA - BANCA DI CREDITO FINANZIARIO SOCIETÀ PER AZIONI; SUBSEQUENT AMENDMENT TO ARTICLE 6 OF THE BY-LAWS; RELATED AND CONSEQUENT RESOLUTIONS.

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EXPLANATORY REPORT OF THE BOARD OF DIRECTORS PREPARED PURSUANT TO ARTICLE 125-TER OF THE CONSOLIDATED LAW ON FINANCE (TUF) AND PURSUANT TO ARTICLE 70 OF THE ISSUERS' REGULATION

Dear Shareholders,

the Board of Directors of Banca Monte dei Paschi di Siena S.p.A. (the “**Bank**” or the “**Company**”, or the “**Offeror**” or “**BMPS**”) has convened an Extraordinary Shareholders’ Meeting on 17 April 2025 at 10:00 a.m., in a single call, to submit for Your approval the above matter, placed under **item 1** of the agenda, concerning the proposal to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power to increase the Bank’s share capital in one or more tranches, in divisible form, with the exclusion of the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code and with the issuance of a maximum number of 2,230,000,000 ordinary shares (the “**Maximum Share Amount**”), with regular dividend rights and having the same features as those outstanding at the issue date, whose issue price will be determined by the board of directors in accordance with the law, to be paid in through contribution in kind, to service the voluntary public exchange offer by BMPS for all the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni (the “**Capital Increase Reserved to the Offer**”), announced on 24 January 2025 with the communication issued pursuant to articles 102, paragraph 1, of the Consolidated Law on Finance and 37 of the Issuers’ Regulation (the “**Offeror’s Communication**”), available on the Bank’s institutional website at the following link (<https://www.gruppompis.it/en/corporate-governance/voluntary-public-exchange-offer.html>) and promoted on 13 February 2025 through the submission - pursuant to article 37-ter of the Issuers’ Regulation - to Consob, *inter alia*, of the offer document prepared on the basis of scheme 2A of Annex 2 of the Issuers’ Regulation which will be made available in the manner and within the timeframe prescribed by the applicable regulations, as per the subsequent press release published by BMPS on the same date, pursuant to article 37-ter, paragraph 3, of the Issuers’ Regulation (available on the Bank’s institutional website at the following link <https://www.gruppompis.it/en/corporate-governance/voluntary-public-exchange-offer.html>).

The proposal to amend the By-laws concerning the granting of the delegation to the Board of Directors of BMPS, pursuant to Article 2443 of the Italian Civil Code, to increase the share capital of the Bank (the “**Delegation**”) is described in this explanatory report (the “**Report**”) in accordance with the provisions of Article 2441, paragraph 6, of the Italian Civil Code, Article 125-ter of the TUF, Article 70 of the Issuers’ Regulation and Annex 3A, Schedule No. 3 of the Issuers’ Regulation. This Report, for the Shareholders’ information, also includes some information on the proposed Capital Increase Reserved to the Offer, which is expected to be executed upon exercise of the Delegation, taking into account the provisions of Schedule 3A, scheme No. 2 of the Issuers’ Regulation.

* * * * *

1. DESCRIPTION OF THE TRANSACTION AND RATIONALE OF THE PROPOSAL TO GRANT THE DELEGATION

The Board of Directors of the Bank, on 23 January 2025 (having obtained the favourable, reasoned and binding opinion of the Committee for Related Party Transactions, issued on the same date and made available by in the manner and within the timeframe prescribed by applicable laws), resolved to promote a voluntary public exchange offer (the “**VEO**” or the “**Offer**”) pursuant to Articles 102 and 106, paragraph 4, of the TUF, concerning all the ordinary shares



issued by Mediobanca - Banca di Credito Finanziario Società per Azioni (“**Mediobanca**” or the “**Issuer**”), a company with shares listed on Euronext Milan (“**Euronext Milan**”), a regulated market organised and managed by Borsa Italiana S.p.A., including the treasury shares held by Mediobanca. The Offer was announced to the market and to Consob on 24 January 2025 by means of the Offeror’s Communication and by means of a specific press release disseminated pursuant to article 17 of Regulation (EU) No. 596/2014 (available on the Bank’s institutional website at the following link <https://www.gruppompis.it/en/corporate-governance/voluntary-public-exchange-offer.html>).

As explained in greater detail in the Offeror’s Communication (to which full reference is made and, in particular, to paragraphs 1.2 and 1.3), BMPS decided to launch the Offer for the acquisition of Mediobanca with the aim of creating a new Italian banking champion through the union of two of the most distinctive brands in the financial services market.

BMPS believes that the Offer represents an ideal opportunity for further development and growth for both institutions and presents significant value creation for the shareholders of both companies and for all stakeholders.

The combination with Mediobanca, to the extent that it is completed, will create the third largest national banking operator in terms of total assets, loans to customers, direct deposits and total financial assets and a highly diversified player, resilient, with distinctive and complementary capabilities in each business area and a significant degree of innovation and support for growth, with the ability to compete with the main Italian and European banking institutions, through the full development of existing human capital.

In a market currently experiencing a phase with a high level of consolidation, BMPS intends to play an active role, and this potential combination represents a unique opportunity to strengthen its positioning in specific areas and key sectors, as well as to better seize future growth options. This will increase support to households and businesses, by strengthening overall support to the former, both in terms of financing needs and savings protection and management, and by supporting the latter to capture growth opportunities at domestic and international level. The resulting benefits will also be enjoyed by the territories and the entire Italian economy.

The new group will be able to rely on the distinctive skills of Mediobanca in the areas of Wealth Management, Corporate & Investment Banking and Consumer Finance, and of BMPS in the areas of Retail and Commercial Banking. Furthermore, the stake held in Assicurazioni Generali will also positively contribute to the diversification of the new Group’s revenues and will be managed in the same way as the other lines of business, according to a careful discipline for capital optimization and a strong risk-adjusted profitability approach.

The combination will offer employees of each institution the opportunity to develop their careers within a larger organization, enhancing their talent through opportunities for mutual enrichment and integration. At the same time, it will help attracting new high-profile resources, enhancing their skills and professionalism with the aim of consolidating a sustainable and competitive growth model.

The combination is entirely consistent with BMPS’ strategic guidelines as defined in the 2024-2028 business plan and will enable significant revenue growth and major cost and funding synergies, to be achieved by means of a smooth implementation process.

In terms of revenues, the transaction will allow for the generation of synergies of approximately Euro 0.3 billion per year, thanks to the enrichment of the range of products and services for families and businesses, the development of an integrated offer to the respective customer bases, and an increase in penetration and expansion of the target markets. In particular, by:



- Retail Banking – introducing BMPS’ products to the customer base of Compass Banca S.p.A. (“**Compass**”) and Mediobanca Premier S.p.A. (“**Premier**”), with the support of the BMPS branch network, to facilitate a scalable provision of services and deeper market penetration. By way of example, the growth levers include:
 - Accounts and Cards – with respect to the so-called daily banking;
 - Mortgages – by leveraging the proven commercial capability of the BMPS network, also in meeting the needs of customers with respect to the relevant insurance products;
 - Bancassurance – by extending the insurance offer to Premier customers;
 - Consumer Finance – by expanding the distribution activity leveraging on the BMPS branch network, enriching the offer with insurance products and by expanding the value proposition cross-border towards new markets;
- Private Banking – extending Mediobanca’s best practice to BMPS customers, also through Mediobanca’s asset management products (*e.g.*, alternative investments);
- Asset Gathering – integrating Mediobanca Premier and Widiba to create a network of financial advisors at scale to compete with the key players, supported by a distinctive digital platform, with the introduction of an integrated range of asset management products and enhancing BMPS capabilities in insurance;
- Corporate & Investment Banking – combining BMPS’ balance sheet potential with Mediobanca’s Investment Banking activity and by initiating a development program to support the growth of companies throughout the country. Similarly, by leveraging Mediobanca’s specialized experience in Advisory and Markets for widespread distribution to BMPS’ corporate customers.

At the same time, the transaction will generate significant cost synergies in terms of administrative expenses, and will allow for the targeted optimization of overlapping functions. In addition, savings will be derived from the rationalization of the combined investment plan of the two banks, thus avoiding duplication of investments in the areas subject to the combination.

The expected savings amount to approximately Euro 0.3 billion per year. By way of example, the levers include:

- the centralization of procurement from large suppliers and the extension of best practice in terms of cost governance;
- the optimization of IT investments and digital transformation for shared areas, for example for the BMPS consumer finance platform;
- the optimization of wealth management support activities for both Private Banking and Asset Gathering;
- the combined development of the platform for Corporates as well as optimization of the product factories (*e.g.*, MBFACTA and MPS Factoring);
- the deletion of duplications in central functions, both in operational and resource terms.

Furthermore, the combination will allow synergies in funding to be realized for approximately Euro 0.1 billion per year due to a more balanced funding mix, leveraging BMPS’ commercial funding capacity and optimizing the combined entity’s wholesale funding position.



The industrial project, characterized by the significant complementarity of the two business models (which significantly reduces the execution risk), will be carried out with a straightforward integration and one-off integration costs estimated at approximately Euro 0.6 billion before taxes, expensable in the first year.

The transaction also aims to accelerate the utilization of Deferred Tax Assets (“**DTA**”) held by BMPS, by leveraging a higher consolidated tax base and recording Euro 1.3 billion of DTA (currently off-balance sheet) on the balance sheet, bringing the total to Euro 2.9 billion. Over the next six years, the utilization of these DTA will generate a significant capital benefit (Euro 0.5 billion per year), in addition to the net result.

The combined group will be strengthened, with a diversified revenue stream and a strong resilience capable of successfully competing in different scenarios, while also enabling significant value creation for all shareholders, supported by higher profitability compared to the standalone businesses and able to generate a double-digit growth in earnings per share.

Shareholders will benefit from a dividend policy that is sustainable over time, with growth in the dividend per share, while confirming BMPS’ solid capital position (pro-forma Common Equity Tier 1 ratio of approximately 16% upon completion of the transaction).

Finally, the sustainability strategies of the two banks will be consolidated, by leveraging their respective ESG capabilities to strengthen the positioning of the combined entity and promote commitment to the communities and regions where they operate.

BMPS’ high governance standards will be maintained throughout the entire combination process and beyond, ensuring transparency, accountability, and a balanced approach that respects all stakeholders, thus contributing to the creation of a sustainable and competitive long-term model.

Subject to the following, the Offer envisages that, for each share of Mediobanca tendered to the Offer, BMPS will offer a unitary consideration represented by 2.300 newly issued ordinary shares of BMPS (the “**Consideration**”) deriving from the Capital Increase Reserved to the Offer.

As indicated in the Offeror’s Communication, the Offer’s Consideration may be subject to adjustment. In particular, it is provided, *inter alia*, that “*If, prior to the Payment Date (as defined below), the Issuer and/or the Offeror were to pay a dividend (including an interim dividend) and/or make a distribution of reserves to its shareholders or, in any event, the coupon relating to dividends resolved but not yet paid by the Issuer and/or MPS, as the case may be, is detached from the Mediobanca Shares and/or the shares of MPS, the Consideration shall be adjusted to take account of the dividend distributed (or the related interim dividend) or the reserve distributed*”. In addition, the Offeror’s Communication provides for further scenarios for the adjustment of the Consideration and, specifically, any operation on the share capital of the Issuer and/or on the Mediobanca shares, while in any case the Offeror retains the right to avail itself (or to waive its right to avail itself) of the relevant condition of effectiveness, where applicable, in relation to such individual event.

In light of the above, it should be noted that, on 6 March 2025, the Board of Directors of BMPS resolved to propose to the ordinary Shareholders’ Meeting of the Bank the allocation of a total of Euro 1,083 million deriving from the net profit resulting from the draft financial statements as of 31 December 2024 (equal to Euro 1,923 million), to its Shareholders, as a dividend corresponding to Euro 0.86 per share. The dividend, subject to its approval by the shareholders’ meeting, will be paid on 21 May 2025, with an ex-dividend date on 19 May 2025 (record date 20 May 2025).



Furthermore it should be noted that, on 10 February 2025, Mediobanca's Board of Directors announced to the market - on the occasion of the approval of Mediobanca's half-yearly report as of 31 December 2024 - the distribution of an interim dividend to its shareholders in May 2025 (and the corresponding balance in November 2025). In the event that the coupon of the aforesaid interim dividend (and the corresponding balance) is actually detached or the interim dividend (and the corresponding balance) is paid before the payment date of the Offer, the Offer's Consideration will be consequently and consistently adjusted to take this circumstance into account.

Separately, and in any event, the Offer's Consideration may be further adjusted upon the occurrence of the other events indicated in the Offeror's Communication and mentioned above.

Finally, in the event that the Board of Directors of Mediobanca, in execution of the delegation granted by the extraordinary Shareholders' Meeting of the Issuer on 28 October 2024, proceeds - prior to the payment date of the Offer - with the cancellation of the treasury shares purchased in execution of the authorization from the same ordinary Shareholders' Meeting of Mediobanca on 28 October 2024, and/or any transactions to reduce the number of outstanding Mediobanca shares and/or the payment of the interim dividend or the related balance thereof, and subject to adjustments and/or modifications relating to the content and/or structure of the Offer, it will not be necessary to issue the entire Maximum Share Amount.

The Capital Increase Reserved to the Offer to which the Delegation proposal refers is therefore aimed at the issuance of BMPS ordinary shares to be offered as consideration for the Mediobanca shares tendered in acceptance of the Offer even if potentially adjusted and/or amended. In fact, the acceptance of the Offer by the Mediobanca's shareholders entails, from a technical-legal point of view, the contribution in kind of ordinary shares of Mediobanca in favour of BMPS, in exchange for the subscription of the Capital Increase Reserved to the Offer, which is, therefore, an essential prerequisite of the Offer.

The proposal to grant the Delegation to the Board of Directors of BMPS, which is the subject matter of this Report, is therefore functional and instrumental to the Offer announced by BMPS with the Offeror's Communication and promoted on 13 February 2025 through the filing of the offer document with Consob.

As described in the Offeror's Communication, the VEO may only commence, *inter alia*, subject to and following: (i) the approval by the extraordinary Shareholders' Meeting of BMPS of the proposal of Delegation (to which this Report refers) and (ii) the resolution, by the Board of Directors, of the aforesaid Capital Increase Reserved to the Offer in the context of the exercise of the Delegation; all subject to the obtaining of the authorisations described in Paragraph 1.4 of the Offeror's Communication (see also Paragraph 15 below).

The proposal to grant the Board of Directors with the Delegation is justified by the fact that this instrument is more suitable to ensure flexibility, compared to the capital increase resolution directly passed by the Shareholders' Meeting, necessary to determine the terms and conditions of the capital increase transaction for the purpose of a public exchange offer and, consequently, to respond to and adapt to the features of the Offer, even if potentially adjusted and/or amended. As confirmed in previous cases with structures comparable to the Offer, as well as in similar ongoing transactions, the Delegation instrument also allows to more efficiently coordinate the requirements provided for by the regulations laid down in the Italian Civil Code on the execution of the capital increase to be paid in kind, with the rules provided for by the TUF and the Consob implementing regulations for the promotion, the execution and the completion of a voluntary public exchange offer; this with particular reference to the possible use of the Delegation, upon completion of the Offer, also for the purpose of fulfilling the sell-out pursuant to article 108, paragraphs 1 and



2, of the TUF and/or the potential exercise of the squeeze-out right in connection with the remaining shares of BMPS pursuant to Article 111 of the TUF, where applicable.

Based on the contents of the Offer and taking into account: (i) the amount of the dividend proposed by BMPS, although not yet approved by the Shareholders' Meeting (equal to Euro 0.86 per share), (ii) a maximum amount of No. 16,178,862 additional shares (the "**Additional Shares**") that may be issued by Mediobanca to serve long-term share-based incentive plans (the "**Incentive Plans**" or the "**Plans**")¹ (if revised by the competent bodies of Mediobanca to provide for their acceleration, where envisaged by the individual Plans, and provided that some of them include the possibility to use Mediobanca's treasury shares in portfolio instead of the Additional Shares, without prejudice to the limitations underlying the issuance of Additional Shares under the Plans), and (iii) the fact that, as of the date of this Report, Mediobanca's Board of Directors has not yet resolved upon the distribution of the interim dividend to its shareholders (as already announced by Mediobanca on 10 February 2025) and the cancellation of the treasury shares in portfolio, the Board of Directors of BMPS, based on the contents of the Offer, for the sake of utmost caution, and according to a highly conservative approach, resolved that the maximum number of BMPS shares to be issued to serve the Offer will be equal to No. 2,230,000,000.

Therefore, in light of the foregoing, it should be noted that, the Maximum Share Amount subject to the Delegation to the Board of Directors, pursuant to this Report, may be reduced as a result of the distribution of the interim dividend (and the corresponding balance), the potential cancellation of treasury shares by Mediobanca, and the allotment of treasury shares to the beneficiaries of the Incentive Plans (if revised by the competent bodies of Mediobanca to provide for their acceleration, where envisaged by the individual Plans), in lieu of the Additional Shares (without prejudice to the applicable legal and regulatory provisions governing the aforementioned Plans), if these events occur before the Offer payment date.

The Delegation proposal, therefore, provides that the Capital Increase Reserved to the Offer may be resolved upon by the Board of Directors by 31 December 2025, also in one or more tranches and in divisible form, for an amount equal to Euro 5.917 for each newly issued share (amount corresponding to the implied nominal value, rounded to the third decimal number, of BMPS shares currently issued, as recorded on the date of this Report)² and, therefore, subject to the following paragraphs, for the Maximum Share Amount (*i.e.*, a maximum amount of No. 2,230,000,000 BMPS shares) and for an amount of share capital equal to maximum amount of Euro 13,194,910,000, plus any share premium.

The proposed Delegation entails by law the exclusion of the option right pursuant to Article 2441, paragraph four, first sentence of the Italian Civil Code (in the event of a share capital increase to be paid up through contributions in

¹ Based on publicly available information, the following long-term share-based Incentive Plans approved by and which could be served, in whole or in part, by newly issued Mediobanca shares approved by the Issuer itself are currently in place:

1. 2015 Performance Shares Plan, approved by the ordinary Shareholders' Meeting of Mediobanca on 28 October 2015 (and updated by the ordinary shareholders' meeting on 28 October 2019);
2. Long Term Incentive Plan 2019-2023, approved by the ordinary Shareholders' Meeting of Mediobanca on 28 October 2019;
3. Long Term Incentive Plan 2023-2026, approved by the ordinary shareholders' meeting of Mediobanca on 28 October 2023; and
4. 2023-2026 Broad-Based Share Ownership and Co-investment Plan, approved by the ordinary shareholders' meeting of Mediobanca on 28 October 2023.

² The implied nominal value is calculated as the ratio of the current share capital of BMPS to the number of currently issued shares.



kind), as the newly issued shares of BMPS will be subscribed and paid up through the contribution to BMPS of the shares of Mediobanca tendered to the Offer and will therefore be reserved to the participants to the Offer.

Without prejudice to all the powers and prerogatives of the Board of Directors regarding the transaction (including, for the sake of clarity only, the ability to adjust and/or amend the content and/or structure of the Offer and/or identify different and/or additional methods for its execution), it is hereby acknowledged that, the number of new shares to be issued upon the exercise of this Delegation will depend on the level of actual acceptances collected during the Offer and/or, subject to compliance with the above-mentioned maximum amount, also due to any above-mentioned changes that may be made to the Offer in accordance with applicable regulations.

Finally, it should be noted that, in relation to the proposed Capital Increase Reserved to the Offer, the measures and safeguards set forth in the “*Regulation of Related Party Transactions*”, adopted by Consob resolution No. 17221 of 12 March 2010, as amended and supplemented (the “**RPT Regulation**”), and in the “*Group Regulation on the management of prescriptive compliance with related parties, related subjects and Bank officers’ obligations*” (the “**BMPS Regulation**”), adopted by the Board of Directors of BMPS in compliance with the RPT Regulation, as well as with the Bank of Italy Circular No. 285/13, Part Three, Chapter 11 and subsequent amendments and additions, on the subject of risk activities and conflicts of interest with respect to connected parties. This is because certain persons with shareholdings, over 3%, in Mediobanca also hold significant shareholdings (*i.e.*, higher than 3%) in BMPS and, therefore, fall under the definition of “discretionary” related parties. The procedure provided for in the RPT Regulation and the BMPS Regulation was duly carried out and concluded with the issue of a favourable opinion on the fairness and substantive and procedural correctness of the Offer and, in particular, of the Capital Increase Reserved to the Offer, issued by the BMPS Related-Party Transactions Committee, composed of independent directors. For a complete disclosure of the activities carried out, please refer to the information document prepared pursuant to Article 5 of the RPT Regulation, published on the Bank’s institutional website <https://www.gruppompis.it/en/>.

The Related Party Transactions Committee, in addition to the aforementioned opinion, was then once again involved with reference to the capital increase proposal to be submitted to the Shareholders’ Meeting convened for 17 April 2025 in order, among other things, to verify its consistency with the terms and conditions of the Offeror’s Communication. During this discussion, having pointed out that, as of the date of this report, no changes had occurred with respect to what had already been set forth in the opinion issued on 23 January 2025. The Committee for Related Party Transactions will therefore continue to monitor the progress of the overall transaction.

2. CRITERIA FOR THE DETERMINATION OF THE EXCHANGE RATIO BETWEEN BMPS SHARES AND MEDIOBANCA SHARES AND FOR THE CONSEQUENT DETERMINATION OF THE MAXIMUM NUMBER OF NEWLY ISSUED BMPS SHARES

2.1. Preamble

The Offeror’s Communication provides that BMPS shall offer to the participants to the VEO, for each 10 Mediobanca shares tendered to the Offer, as the Offer’s Consideration, No. 23 newly issued BMPS ordinary shares having the same features as the currently outstanding BMPS ordinary shares: this is equivalent to a ratio of No. 2,300 newly issued BMPS ordinary shares for each Mediobanca share tendered to the VEO, subject to the provisions of paragraph 5 below with reference to the treatment of fractional shares deriving from the exchange.



The aforementioned exchange ratio was determined by the Board of Directors of BMPS based on their own assessments and considerations, carried out with the advice and support of its financial advisors, and as indicated in the Offeror's Communication, the Consideration has been determined on the assumption that, prior to the payment date of the Offer: (x) neither the Issuer nor the Offeror will approve or give effect to any ordinary (including interim dividends) or extraordinary distribution of dividends drawn from profits and/or other reserves; and (y) the Issuer will not approve or give effect to any transaction involving its share capital and/or Mediobanca shares.

Any adjustment to the Consideration as a result of the foregoing will be disclosed in the manner and within the timeframes prescribed by the applicable law.

2.2. Valuation criteria selected by the Directors to determine the exchange ratio

For the purposes of the Offer, in light of the nature of the Consideration, represented by newly issued ordinary shares of the Offeror offered in exchange for ordinary shares of the Issuer tendered in acceptance of the Offer, the Board of Directors of BMPS proceeded to carry out a valuation of the shares of Mediobanca and of BMPS with a view to expressing an approximate estimate of their values, on the basis of publicly available data and information. The considerations and estimates made are therefore to be understood in general terms and with limited reference to the Offer. The valuation analyses performed by the Board of Directors in order to determine the exchange ratio were carried out from a comparative perspective and prioritising the principle of relative homogeneity and comparability of the valuation methodologies applied.

The valuation methodologies and the resulting economic values of the shares of Mediobanca and of BMPS were identified for the purpose of determining the number of BMPS shares to be issued to service the VEO, based on its outcome. Under no circumstances are such valuations to be considered as possible indications of market price or value, either current or prospective, in any context other than the one under consideration.

The evaluations conducted by the Board of Directors of BMPS refer to the economic and market conditions as of 23 January 2025, corresponding to the trading day prior to the date of the announcement of the VEO (the "**Reference Date**") and to the patrimonial-economic and financial situation of BMPS and Mediobanca as reported in the consolidated interim financial statements as of 30 September 2024, in the consolidated financial statements as of 31 December 2023 for BMPS, in the consolidated financial statements as of 30 June 2024 for Mediobanca, and in the related press releases and presentations of the results to the financial community.

In particular, the BMPS Board of Directors decided to use, for the purpose of the determination of the Consideration:

- the Stock Market Price Method;
- the market multiples method in the variant of the stock market price of comparable listed companies on their prospective earnings; and
- the target price methodology highlighted by research analysts.

The choice of the methodologies and the results of the valuation analyses carried out by BMPS as at the Reference Date for the purpose of determining the exchange ratio must be interpreted in light of the ratio presented the following main limitations and difficulties:

- (i) the Bank used exclusively public data and information for the purposes of its analyses;



- (ii) the Bank has did not perform any financial, legal, commercial, tax, industrial or any other due diligence activities on Mediobanca;
- (iii) as at the reference date, an updated business plan for Mediobanca with a time horizon consistent with that of BMPS was not publicly available. Accordingly, where relevant to the application of the valuation methods, the projections of future economic performance used for BMPS were inferred on the basis of the estimates of the 2024-28 Business Plan while, for Mediobanca, were derived on the basis of the estimates provided by research analysts;
- (iv) the analyses conducted reflect the peculiarities of valuation methodologies, whose reliability is inherently limited by a number of factors.

The following is a summary description of each of the methodologies used to determine the Offer's consideration:

- (a) **Stock Market Price Method:** the Stock Market Price Method uses market prices as the relevant information for estimating the economic value of companies, using for this purpose the stock market prices expressed in share prices recorded in intervals of time deemed significant and on the assumption that there is a correlation between the prices expressed by the market for the shares of the companies being valued and their economic value. The main characteristic of this methodology lies in the possibility of expressing in relative terms the relationship existing between the values of the companies in question as perceived by the market.

In this specific case, it was deemed appropriate to apply this methodology by adopting the following criteria:

- (a) use of the official prices of the Offeror's and Mediobanca's shares recorded on the Reference Date; (b) use of the weighted average official prices in connection with the volumes of BMPS' and Mediobanca's shares (the so-called Volume Weighted Average Price) with reference periods of 1 month, 2 months, 3 months, 6 months and 1 year prior to the announcement date (*i.e.*, 24 January 2025).

The following table shows (i) the implied exchange rates and (ii) the premiums that the Consideration incorporates based on the BMPS and Mediobanca Weighted Average Prices recorded on the Reference Date and in the periods indicated below prior to the Reference Date (included).

Reference Period	Weighted Average Price (Euro)		Implied Exchange Ratio (x)	Implied Premium vs. Market Prices
	BMPS	Mediobanca		
Values based on the prices as of 23 January 2025	6.953	15.227	2.190	5.03%
Values based on the weighted average prices over 1 month (including 23 January 2025)	6.954	14.795	2.127	8.11%
Values based on the weighted average prices over 2 months (including 23 January 2025)	6.547	14.363	2.194	4.84%
Values based on the weighted average prices over 3 months (including 23 January 2025)	6.099	14.508	2.379	(3.31%)



Values based on the weighted average prices over 6 months (including 23 January 2025)	5.567	14.703	2.641	(12.91%)
Values based on the weighted average prices over 12 months (including 23 January 2025)	4.724	13.928	2.948	(21.99%)

- (b) Market Multiples Method: according to the Market Multiples Method, the value of a company is determined by taking as a reference the indications provided by the stock market with regard to companies with similar characteristics to the company being valued.

The criterion is based on the determination of multiples calculated as the ratio between stock market values and economic, asset and financial metrics of a selected sample of comparable companies. The multiples thus determined are applied, with the appropriate additions and adjustments, to the corresponding magnitudes of the company being evaluated, in order to estimate a range of values. For the purposes of the Offer and on the basis of the characteristics typical to the banking sector and market practice, the Price/Projected Earnings multiple in 2025 and 2026 was selected (the multiples for the years following 2026 were deemed to be of limited significance, considering the lower reliability and greater variability that generally characterize consensus estimates for prospective years further out in time).

The degree of reliability of the market multiples method of valuation depends on an appropriate adaptation of the method itself to the specific valuation in question. In this regard, the similarity, from an operational and financial point of view, between the companies included in the reference sample and the companies subject to valuation is particularly relevant. The significance of the results is, in fact, dependent on the comparability of the sample. The securities of the selected companies shall also present a good degree of liquidity and shall not concern companies whose prices could be influenced by particular contingent situations.

It should be noted that, given the differences between the business models of BMPS and Mediobanca, a specific sample was used in order to better reflect the peculiarities of each company's business. In particular, for the purpose of the evaluation of BMPS, Intesa Sanpaolo, UniCredit, Banco BPM, BPER, Credito Emiliano and Banca Popolare di Sondrio were taken into consideration, while for the purpose of the evaluation of Mediobanca, Intesa Sanpaolo, UniCredit, FinecoBank, Banca Generali and Banca Mediolanum were taken into consideration.

The market multiples were applied, for BMPS, to the 2025 and 2026 estimates derived from the 2024-28 Business Plan and, for Mediobanca, to the 2025 and 2026 consensus estimates from research analysts (as provided by the information provider FactSet as of the Reference Date).

The following table shows the Price/Projected Earnings multiples for 2025 and 2026 of the selected companies as of the Reference Date, based on the consensus estimates of research analysts for 2025 and 2026, as provided by the information provider FactSet as of the Reference Date. For illustrative purposes and



completeness, the table also shows the multiples of Mediobanca based on the prices as of the Reference Date and on the implied valuation of the Consideration based on the BMPS price as of the Reference Date.³

Comparable Companies	Projected Price/ Earnings	
	2025	2026
Intesa Sanpaolo	8.2x	8.1x
UniCredit	7.5x	7.6x
Banco BPM	8.4x	8.6x
BPER	7.2x	7.1x
Credito Emiliano	7.8x	8.1x
Banca Popolare di Sondrio	8.8x	9.3x
FinecoBank	18.6x	17.8x
Banca Generali	15.3x	14.7x
Banca Mediolanum	10.7x	10.7x
Mediobanca	9.6x	9.2x
Mediobanca at the Offer's Consideration	10.0x	9.7x

For the purposes of the valuation analysis of the Issuer, in light of the fact that a significant portion of the Issuer's profitability is generated by the qualified shareholding in Assicurazioni Generali S.p.A. (equal to 13.02% as of 30 June 2024), and considering that the latter company is listed, the market valuation has been used in this regard.

- (c) **Research analysts' target price method:** the target price method determines the value of a company based on the target prices that financial analysts publish on the company. Target prices are indications of value that express an assumption about the price that a share can reach on the stock market and are derived from multiple valuation methodologies used at the discretion of the individual research analyst.

For the purpose of applying the target price methodology, the target prices of BMPS' and Mediobanca's ordinary shares as indicated by the research analysts relating to the companies, as available up to the Reference Date, and published following the release of BMPS' and Mediobanca's preliminary results as of 30 September

³ The content of the above table does not imply any judgment by BMPS on any of the banking companies listed therein, except for Mediobanca, nor does it represent any opinion regarding investment or divestment evaluations related to any financial instrument or security.



2024 (announced on 8 November 2024 and 12 November 2024, respectively) were used.

The valuation methodologies described above have been applied on an individual and business continuity basis for both the Bank and Mediobanca and also taking into account the specific features of the Offer.

In order to determine the exchange ratio, ranges of values were identified for each valuation method, *i.e.*: (i) for the market multiples method, a range of +/- 15% with respect to the average value and, for (ii) the target price method highlighted by research analysts, a minimum value calculated as the ratio between the minimum target prices of Mediobanca and BMPS and a maximum value calculated as the ratio between the maximum target prices of Mediobanca and BMPS.

On the basis of the analyses carried out according to the evaluation criteria described above, the following findings emerged.

Methodology	Implied exchange ratio	
	Minimum	Maximum
<u>Stock Market Price Method</u>		
Spot		2.190x
1 month		2.127x
2 months		2.194x
3 months		2.379x
6 months		2.641x
12 months		2.948x
<u>Market Multiples Method</u>		
P/E 2025	1.937x	2.621x
P/E 2026	1.880x	2.543x
<u>Target price method highlighted by research analysts</u>	2.046x	2.433x

Finally, it should be noted that, the Board of Directors of BMPS has mandated the firm appointed for the statutory audit of BMPS' accounts, PricewaterhouseCoopers S.p.A. ("**PwC**"), to prepare, on a voluntary basis and according to the criteria indicated in the ISAE "3000 revised" – *limited assurance appointment*, a report regarding the adequacy, in so far as is reasonable and nondiscretionary, of the criteria adopted by the same Board for determining the exchange ratio in the context of the VEO, in accordance with the national and international valuation practice and professional techniques applicable to transactions of this nature.

Concurrently with the publication of this Report, the aforementioned PwC report, prepared on a voluntary basis, will also be made available to the public, for the purpose of providing more complete and accurate information to BMPS' shareholders, in view of their extraordinary Meeting. Therefore, reference is made to the aforementioned report for any further information on this matter.

3. DETERMINATION OF THE ISSUE PRICE OF THE NEWLY ISSUED SHARES, ENVISAGED ALLOTMENT RATIO



The issue price of the BMPS shares to be issued in the context of the Capital Increase Reserved to the Offer will be determined by the Board of Directors when exercising the Delegation, pursuant to and in accordance with article 2441, paragraph 6 of the Italian Civil Code.

Furthermore, when exercising the Delegation, whether it is granted, and subject to the limitation constituted by the value that the Independent Expert, in its appraisal or updates thereto, has attributed or will attribute to the Mediobanca shares to be contributed pursuant to Articles 2440, paragraph 2 and 2343-*ter* of the Italian Civil Code, the Board of Directors of BMPS will determine the portion of the issue price that will be allocated to the share capital and the portion of the issue price that will be allocated to the share premium reserve, with the clarifying note that, as indicated in Paragraph 1: (i) in connection with the portion of the issue price to be allocated to share capital, it will be equal to Euro 5.917 for each newly issued BMPS share (an amount corresponding to the implied nominal value, rounded to the third decimal place, of the currently issued BMPS shares as recorded on the date of this Report), and therefore, for the Maximum Share Amount (*i.e.*, a maximum amount of No. 2,230,000,000 BMPS shares) and a share capital amount of up to Euro 13,194,910,000, in addition to any share premium, and (ii) the remaining portion of the issue price will be allocated to the share premium reserve.

It should be noted that, in accordance with the applicable international accounting standards, the increase in BMPS' net equity, which will be recorded in accounting terms, will not be based on the issue price determined by the Board of Directors when exercising the Delegation; instead, it will correspond to the fair value of BMPS shares that will be assigned to those who accept the Offer; this fair value will correspond to the stock market price of BMPS shares on the date the exchange is made with Mediobanca shares tendered in acceptance of the Offer.

It should be noted that PwC, as the company entrusted with the statutory audit of BMPS' accounts, has been appointed and will issue its fairness opinion on the issue price of the BMPS shares to be offered in the Offer, pursuant to Article 2441, paragraph six, of the Italian Civil Code and Article 158 of the TUF. Therefore, on the occasion of exercising the Delegation for the Capital Increase Reserved to the Offer, PwC will issue the aforementioned fairness opinion on the issue price of the BMPS shares to be offered in exchange as part of the Offer.

Pursuant to Article 70, paragraph 7 of the Issuers' Regulation, the mentioned PwC opinion will be made available to the public within the terms and in the manner prescribed by law.

4. VALUATION OF THE CONTRIBUTED ASSETS REFERRED TO IN THE APPRAISAL PURSUANT TO ARTICLES 2440, PARAGRAPH 2, 2343-*TER*, PARAGRAPH 2, LETTER B) AND 2343-*TER*, PARAGRAPH 2, LETTER B) OF THE ITALIAN CIVIL CODE. B), AND 2343-*QUATER*, OF THE ITALIAN CIVIL CODE.

As provided for by the applicable provisions of the Italian Civil Code for the hypotheses of contributions in kind, the value of the shares of Mediobanca to be contributed to BMPS must be subject to a specific valuation by an expert. In this regard, with a view to the exercise of the Delegation, the Board of Directors of BMPS resolved, pursuant to Article 2440, paragraph 2, of the Italian Civil Code, to rely on the provisions of Article 2343-*ter* (also for the purposes of Articles 2343-*quater* and 2443, paragraph 4) of the Italian Civil Code for the purpose of the valuation of the Mediobanca shares subject to the contributions in kind.

These rules make it possible not to require a sworn appraisal of the assets transferred to be prepared by an expert, appointed by the Court in the district where the transferee company has its registered office, in the event that, pursuant



to article 2343-ter of the Italian Civil Code, “the value attributed, for the purposes of determining the share capital and any share premium, to the assets in kind [...] subject to transferred is equal to or lower [...] than the value resulting from a valuation referring to a date not more than six months prior to the contribution and in accordance with the generally recognised principles and criteria for the valuation of the assets to be contributed, provided that the valuation is made by an expert who is independent from the party making the contribution, from the company and from the shareholders who individually or jointly exercise control over the transferor or over the company itself, and is endowed with adequate and proven professionalism”.

The Bank has entrusted this task to KPMG Corporate Finance, a division of KPMG Advisory S.p.A. (the “**Independent Expert**”), which, on 14 March 2025, issued its report on the valuation of Mediobanca’s shares, which was made available to the public at the same time of this Report, and according to the procedures provided for by the laws and regulations in force, for the purpose of providing more complete and timely information to BMPS members in view of the Shareholders’ Meeting (available on the Bank’s website, in the Corporate Governance – Shareholders’ Meetings and BoD section, at <https://www.gruppompis.it/en/> as well as at the following link <https://www.gruppompis.it/en/corporate-governance/voluntary-public-exchange-offer.html>).

The decision to use, in line with market practice in the case of public exchange offers, a valuation carried out by an independent expert pursuant to Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code, was also justified by the need to evaluate the contribution of a significant block of Mediobanca shares and not of individual listed securities.

In the appraisal of the Independent Expert, to which full reference is made, he concluded that as of 14 March 2025, based on the financial position as of 31 December 2024, and on the elements and methods outlined in such document, the fair value of Mediobanca shares was not less than Euro 16,406 for each Mediobanca shares *cum dividend*, or equal to Euro 15,852 per each Mediobanca share, *ex dividend*.

That being said, also in order to ensure that the Independent Expert’s report refers to a date no more than six months prior to the contribution, in compliance with Article 2343-ter, second paragraph, letter b), of the Italian Civil Code, it cannot be ruled out that, close in time to the execution of the Delegation, BMPS’ Board of Directors may request an update to the aforesaid report that reflects, in its assessment, updated information on Mediobanca and on the economic and market situation.

For all other aspects relating to the manner in which the contributions in kind were made and the Independent Expert’s report, please refer to the applicable legal provisions and, in particular, Articles 2343-ter, 2343-*quater* and 2443, paragraph 4, of the Italian Civil Code.

5. INDICATION OF THE NUMBER, DIVIDEND ENTITLEMENT DATE AND ISSUE PRICE OF THE NEW SHARES SUBJECT TO THE CAPITAL INCREASE IN KIND

As illustrated in Paragraph 1 above, upon the exercise of the Delegation by the Board of Directors, whether it is granted, the Capital Increase Reserved to the Offer will cover the Maximum Share Amount and, therefore, an amount of BMPS share equal to maximum No. of 2,230,000,000 to be issued and paid up by means of a contribution in kind to BMPS of the shares of Mediobanca tendered in acceptance of the Offer; in accordance with the above, based on the exchange ratio indicated in the Offeror’s Communication, the newly issued BMPS shares to be issued through the contribution in kind of Mediobanca shares correspond to 23 BMPS shares for each 10 Mediobanca shares tendered to the Offer.



If the result of the application of the exchange ratio for the Mediobanca shares tendered to the Offer is not a whole number of newly issued BMPS shares, it is expected that the intermediary in charge of coordinating the collection of acceptances of the Offer will aggregate the fractional units of BMPS shares pertaining to the accepting parties and will subsequently sale on Euronext Milan the whole amount of BMPS shares resulting from such aggregation, for the purpose of the overall balancing of the transaction. Further information on the treatment of the fractional unit will be provided in the offer document, which will be made available to the public following Consob's approval, in the manner and within the terms provided by applicable laws and regulations.

It should also be noted that, the Maximum Share Amount subject to the Delegation to the Board of Directors referred to in this Report has been increased from No. 1,916,543,285 (as reported in the Offeror's Communication) to No. 2,230,000,000, also for the purpose of ensuring coverage for all the following possible scenarios, according to a highly conservative approach: (i) the proposed distribution of the BMPS' dividend (equal to Euro 0.86 per share) for the fiscal year ended 31 December 2024, recently approved by the BMPS' Board of Directors and not yet approved by the BMPS Shareholders' Meeting, and (ii) the hypothetical issuance of a maximum amount of No. 16,178,862 Additional Shares (in the event that the Incentive Plans are revised by the competent bodies of Mediobanca to provide for their acceleration, where envisaged by the individual Plans, although certain Plans provide the possibility of using – instead of the Additional Shares – Mediobanca treasury shares in portfolio, without prejudice to the limitations underlying the issuance of Additional Shares under the Plans).

Lastly, it is important to mention that, the aforementioned Maximum Share Amount does not take into account, by way of example, the detachment of the coupon and/or the payment of the interim dividend pre-announced by Mediobanca on 10 February 2025, and/or the relevant balance and/or the possible cancellation by Mediobanca of treasury shares. The occurrence of such circumstances would not make it necessary to issue the entire Maximum Share Amount.

The ordinary shares of BMPS, which will be issued following the exercise of the Delegation, will have the same dividend entitlement as the ordinary shares of BMPS outstanding as of the date of the relevant issue and, therefore, will grant their holders the same rights as the shares of BMPS already outstanding at the time of the issue and will be admitted to trading on Euronext Milan as of the date of payment of the consideration under the Offer. The issue price of the BMPS shares that will be offered in the context of the Offer (including the relevant share premium) will be determined by the Board of Directors when exercising the Delegation, pursuant to Article 2441, paragraph 6 of the Italian Civil Code.

6. STRUCTURE OF THE COMPANY'S INDEBTEDNESS

The contribution of the shares of Mediobanca subject to the Offer is not expected to have any impact on the structure of BMPS' financial indebtedness.

7. INFORMATION ON THE RESULTS OF THE LAST FINANCIAL YEAR AND GENERAL INDICATIONS ON THE DEVELOPMENT OF OPERATIONS AND THE FORESEEABLE CLOSURE OF THE CURRENT FINANCIAL YEAR



On 17 April 2025, the ordinary Shareholders' Meeting of BMPS is called upon to approve the financial statements for the year ending 31 December 2024 and the distribution of the dividend. Please refer to the report of the Board of Directors with reference to items 1.1 and 1.2 on the agenda of the Shareholders' Meeting (Ordinary part), and to the related annexes - made available to the public in accordance with applicable regulations - for complete information on the results (including consolidated results) of BMPS for the year ended 31 December 2024, as well as for information on the operating performance for the current year, the foreseeable closure of the latter and the proposed dividend distribution.

8. UNDERWRITING AND/OR PLACEMENT SYNDICATES

In relation to the Capital Increase Reserved to the Offer, since it is a share capital serving a public exchange offer, no underwriting and/or placement syndicates are envisaged.

9. ANY OTHER FORMS OF PLACEMENT ENVISAGED

No other forms of placement are envisaged.

10. SHAREHOLDERS WHO HAVE EXPRESSED THEIR WILLINGNESS TO SUBSCRIBE TO THE NEWLY ISSUED SHARES

The subscription of the Capital Increase Reserved to the Offer may only occur as a result of the acceptance of the Offer itself, once the acceptance period has commenced, which, pursuant to Article 40, paragraph 2, letter b), of the Issuers' Regulation, will be agreed upon with Borsa Italiana and will last between a minimum of 15 and a maximum of 40 trading days, unless extended.

As of the date of this Report, there are no Mediobanca shareholders who have expressed their willingness to subscribe to BMPS shares as a result of their acceptance of the Offer.

11. TAX IMPLICATIONS OF THE TRANSACTION ON THE COMPANY

The contribution of the shares of Mediobanca subject to the Offer does not entail any tax burden whatsoever on BMPS as the contributing issuer.

12. SHAREHOLDING STRUCTURE OF THE COMPANY FOLLOWING THE CAPITAL INCREASE IN KIND

In light of the nature of the Capital Increase Reserved to the Offer and of the variables connected to the results of the VEO itself, it is not possible to predict the composition of BMPS' shareholding structure at the end of the execution of such capital increase.



The percentage of dilution of existing shareholders in the share capital of BMPS will depend on the outcome of the Offer, as the number of new BMPS shares to be issued as part of the Capital Increase Reserved to the Offer will depend – as well as any adjustments to the Offer consideration (as illustrated below) – on the number of Mediobanca shares that will be tendered to the VEO itself.

In the event of (i) full acceptance of the VEO by all Mediobanca shareholders targeted by the same VEO for all their shares held, (ii) revision of the Incentive Plans to provide for the acceleration and issuance in favour of the beneficiaries of the Incentive Plans of all No. 16,178,862 Additional Shares, and (iii) non-payment by Mediobanca of the interim dividend, the related balance, and the non-cancellation of treasury shares in Mediobanca's portfolio, the Capital Increase Reserved to the Offer will be fully subscribed (on a fully diluted basis) and BMPS will issue 2,230,000,000 new shares to be allotted in exchange to all those accepting the Offer. These shares will represent approximately 64% of BMPS' share capital, calculated on the basis of the number of BMPS shares issued as of the date of this Report.

For illustrative purposes only, the following table shows the composition of BMPS' shareholding structure in the event of issuance of the entire Maximum Share Amount.

Shareholder	Shareholding
Delfin S.a.r.l.	15.7%
Caltagirone Francesco Gaetano	5.3%
Ministero dell'Economia e delle Finanze	4.2%
Banca Mediolanum S.p.A.	2.1%
Banco BPM S.p.A.	1.8%
Anima Holding S.p.A.	1.4%
Other shareholders	69.5%
Total	100%

As of the date of this Report, to the best of BMPS' knowledge, there are no shareholders' agreements among BMPS shareholders, nor is there any individual or legal entity exercising control over the Bank pursuant to Article 93 of the Consolidated Law on Finance.

13. PRO-FORMA ECONOMIC AND FINANCIAL EFFECTS OF THE CAPITAL INCREASE ON THE COMPANY'S PERFORMANCE AND FINANCIAL POSITION

This section displays the main pro-forma economic and financial figures resulting from the aggregation of the data deriving from the BMPS group (the "**MPS Group**") and from the Mediobanca group (the "**Mediobanca Group**") as of 31 December 2024, as well as some explanatory notes.

The pro-forma effects of the business combination with the Mediobanca Group on the MPS Group's financial and economic position have been determined based on Consob Communication No. DEM/1052803 of 5 July 2001, and have been prepared to simulate, according to certain evaluation criteria consistent with historical data and compliant with applicable regulations, the effects of the transaction on the economic performance and financial position of the MPS Group, as if it had virtually taken place on 31 December 2024, for the effects on the pro-forma consolidated balance sheet and on 1 January 2024, for the effects on the pro-forma consolidated income statement.

The pro-forma figures were prepared starting from the 2024 Consolidated Financial Statements of the MPS Group prepared in accordance with IAS/IFRS accounting principles, and from the Half-Yearly Report as of 31 December



2024, the Financial Statements as of 30 June 2024, and the Half-Yearly Report as of 31 December 2023, of the Mediobanca Group, prepared in accordance with IAS/IFRS accounting principles, and applying the pro-forma adjustments determined by simulating the application of IFRS 3 for business combination transactions.

Specifically, for the Mediobanca Group, the income statement for the 12-month period ended 31 December 2024, has been defined as the sum of: (i) the income statement for the 6-month period ended 30 June 2024, determined as the difference between the income statement for the fiscal year ended 30 June 2024, extracted from the Financial Statements as of 30 June 2024, and the income statement for the half-year ended 31 December 2023, extracted from the Half-Yearly Report as of 31 December 2023, and (ii) the income statement for the half-year ended 31 December 2024, extracted from the Half-Yearly Report as of 31 December 2024.

For the purpose of determining the pro-forma adjustments, the total cost of the aggregation has been calculated assuming a unit value of BMPS shares of Euro 6.953, as represented by the price recorded at the close of the market on 23 January 2025, which corresponds to the last trading day prior to the date on which BMPS announced the Offer (*i.e.*, 24 January 2025) and assuming full acceptance of the Offer by Mediobanca shareholders, *i.e.*, considering 833,279,689 Mediobanca shares tendered to the Offer, equal to total number of Mediobanca shares (including the No. 11,277,075 treasury shares held by Mediobanca) as of 23 January 2025, corresponding to the No. 1,916,543,285 newly issued BMPS shares based on the Consideration determined for the Offer.

In this regard, it should be noted that, for the purposes of this pro-forma exercise, the calculation of the preliminary acquisition cost does not take into account any adjustments to the Consideration as provided by the Offeror's Communication.

The acquisition cost represented by the fair value of the new BMPS shares to be issued to service the Offer is considered as preliminary, as the elements necessary for its definitive quantification are not known yet. Specifically, under IFRS 3, the fair value of the new shares issued by BMPS will be determined based on the BMPS share price on the trading day immediately prior to the completion date of the transaction.

The preliminary acquisition cost thus determined, amounting to Euro 13,326 million, has been compared with the consolidated net equity of the Mediobanca Group as of 31 December 2024, inclusive of the net income for the relevant period. It should be noted that, for the purpose of determining the pro-forma adjustments, no fair value assessment process has been carried out for the identifiable assets (except as indicated below regarding the stake in Assicurazioni Generali S.p.A. held by the Mediobanca Group), liabilities, and contingent liabilities of the acquired entity, as such fair values will need to be determined as of the acquisition date and upon obtaining detailed information about the accounting items of the Mediobanca Group. For the purpose of determining the pro-forma adjustments, the only adjustments made were (i) the write-off of the intangible assets of the Mediobanca Group, in line with what will be done as part of the Purchase Price Allocation (PPA) process, and (ii) the fair value assessment of the stake held by the Mediobanca Group in Assicurazioni Generali S.p.A. based on the unit value of the relevant share as recorded at the close of market on 23 January 2025.

The net equity of the Mediobanca Group thus determined amounted to a total of Euro 12,178 million. The difference that resulting from the comparison between the preliminary acquisition cost and the pro-forma consolidated net equity of the Mediobanca Group was Euro 1,148 million.



As previously stated, one of the factors that will result in a difference between the final goodwill and the provisional amount indicated in the pro-forma financial information as of 31 December 2024 is the BMPS share price on the trading day immediately prior to the completion of the transaction.

In addition, it should be noted that, in the event that the Offer is not fully accepted, without prejudice to the conditions of effectiveness of the Offer, given the possibility provided by IFRS 3 to measure at the fair value any minority interest in the acquired entity – in this specific case representing any remaining Mediobanca shares which has not been exchanged for BMPS shares – the amount of goodwill recorded in the consolidated financial statements of the MPS Group could still be determined with reference to the entirety of Mediobanca shares, therefore resulting in the same amount as in the case of full acceptance of the Offer. Alternatively, also in the event that the Offer is not fully accepted, the amount of goodwill could be determined as the difference between the cost of the Acquisition and the amount of the percentage of Mediobanca Group's net assets acquired, and consequently vary on the basis of the number of Mediobanca shares tendered to the Offer and therefore exchanged for BMPS shares.

The pro-forma data also take into account the deletion of the most significant reciprocal balance sheet and income statement items between the MPS Group and the Mediobanca Group, referring exclusively to the data reported by the MPS Group.

Finally, it should be noted that, the pro-forma adjustments take into account the ancillary expenses inherent to the execution of the transaction, estimated at a maximum of approximately Euro 80 million excluding VAT, based on the amount authorized by the BMPS Board of Directors on 23 January 2025, assuming the full success of the transaction. Of the total amount mentioned above, based on preliminary information currently available, approximately Euro 60 million, excluding VAT, has been considered directly attributable to the issuance of shares to serve the Offer and, as provided by IAS 32, has been deducted, net of the related tax effect, from the capital increase. The remaining portion of the estimated ancillary costs, amounting to approximately Euro 20 million excluding VAT, has been recorded in the income statement, as required by IFRS 3, among the pro-forma Operating Costs.

The table below shows the main pro-forma balance sheet and income statement figures resulting from the aggregation of the MPS Group and Mediobanca Group data as of 31 December 2024.

			€/mld
Balance Sheet Figures	MPS Group 31.12.2024	Mediobanca Group 31.12.2024	Pro-forma BMPS- Mediobanca 31.12.24
Net Loans to Customers	77.3	56.7	134.0
Net Impaired Loans to Customers	1.9	0.4	2.3
Securities Holdings	17.4	24.8	42.2
Gross NPL Ratio	3.8%	2.1%	3.1%



NPE Coverage Ratio	48.5%	69.4%	54.2%
Direct Bank Funding	94.0	64.7	158.7
Indirect Customer Funding	103.2	78.6	181.8
Income Statement Figures			
Interest margin	2.3	1.9	4.2
Net Commissions	1.5	0.9	2.4
Gross operating margin	3.9	3.0	6.9
Operating Costs	(2.1)	(1.6)	(3.7) ⁽¹⁾
Profit (Loss) from current operations before taxes	1.5	1.8	3.2 ⁽¹⁾
Operating Profit (Loss) pertaining to the Parent Company	2.0	1.3	3.2 ⁽¹⁾⁽²⁾
Goodwill	n.a.	n.a.	1.1

- (1) The pro-forma figure takes into account Euro 20 million excluding VAT relating to ancillary expenses associated with the acquisition, to be recorded in the income statement based on the information currently available.
- (2) The pro-forma figure takes into account Euro 20 million excluding VAT relating to ancillary expenses associated with the acquisition, to be recorded in the income statement based on the information currently available, and the consequent pertinent tax effect.

It should be mentioned that the aforementioned pro-forma data do not reflect the effects of any transactions involving the sale of branches or lines of business that may occur in the context of the investigation carried out by the competent antitrust authority regarding the merger with the Mediobanca Group. As of today, these transactions have not even been preliminarily defined, and it is therefore impossible to identify and quantify their economic and financial impacts, in a timely, objective and auditable manner, it being understood that the reasonable expectation of the MPS Group is that any corrective measures will not have a significant impact on the transaction.

It should be noted that, the pro-forma data represent a simulation, provided for illustrative purposes only, of the possible effects that may result from the acquisition. Specifically, since the pro-forma data are prepared to retroactively reflect the effects of subsequent transactions, notwithstanding the observance of commonly accepted rules and the use of reasonable assumptions, there are inherent limitations associated with the very nature of pro-forma data, which are by their very nature not capable of providing a representation of the prospective economic and financial situation



of the MPS Group. Therefore, for a correct interpretation of the information provided by the pro-forma data, the following aspects must be considered:

- since these representations are based on assumptions, if the acquisition had actually occurred on the dates used as references for the preparation of the pro-forma data, the same results represented in the pro-forma data would not necessarily have been achieved;
- the pro-forma data are not in any way intended to represent a forecast of future results and should therefore not be used as such; the pro-forma data do not reflect prospective data as they are prepared solely to represent the separable and objectively measurable effects of the acquisition, without taking into account the potential effects due to changes in market conditions, management policies, and operational decisions of BMPS following the outcome of such a transaction. Therefore, the pro-forma representations are not intended to depict the current or prospective financial and economic situation of the effects relating to the acquisition;
- considering the different purposes of the pro-forma data compared to those of a regular financial statement and since the effects are calculated differently with reference to the pro-forma consolidated balance sheet and the pro-forma consolidated income statement, they should be read and interpreted separately, without seeking accounting connections between them.

It should be noted that, in accordance with Consob Communication No. DEM/1052803 of 5 July 2001, the pro-forma Consolidated Prospectus do not reflect either the charges or the synergies that will result from the proposed transaction for the entity resulting from the merger of the MPS Group and the Mediobanca Group. Specifically, the costs of integrating the Mediobanca Group within the MPS Group, estimated at approximately Euro 0.6 billion (pre-tax and one-off), have not been subject to pro-forma adjustments as they pertain to hypothetical future actions that are expected to be undertaken only upon completion of the acquisition through the Offer, in order to achieve the objectives of the transaction (which also include the aforementioned synergies), based on the agreements and contracts that will be entered into only upon completion of the said acquisition. Similarly, the tax benefits expected as a result of post-combination tax planning are not represented in accordance with the aforementioned regulations. In other words, the pro-forma Consolidated Prospectus do not include the acceleration in the utilization of deferred tax assets associated with the past tax losses of the MPS Group, resulting from the Mediobanca Group joining the tax consolidation of BMPS.

The pro-forma data have not been reviewed by the auditing firm.

14. STATUTORY AMENDMENTS

The granting of the Delegation for the Capital Increase Reserved to the Offer entails the amendment of Article 6 of BMPS' By-laws which, as specified below, is subject to the successful conclusion of the assessment procedure with the European Central Bank pursuant to Articles 56 and 61 of the TUB (as defined below).

The following is a comparison of the aforesaid Article 6 in its current text and the text proposed with this Report, assuming the approval of the resolutions covered by this Report (the text proposed is highlighted in bold type).



It should be noted that the execution of the Capital Increase Reserved to the Offer will entail further amendments to the By-laws in order to (i) update the Bank's share capital and the number of shares with respect to the acceptances made, and (ii) delete the description of the shareholders' meeting resolution referred to in Article 6, paragraph 4.

Current text	Proposed text
Article 6	Article 6
1. The share capital of the Company is Euro 7,453,450,788.44 (seven billion, four hundred fifty-three million, four hundred fifty thousand, seven hundred eighty-eight and forty-four cents) and is fully paid up.	1. <i>(Unchanged)</i>
2. It is represented by 1,259,689,706 (one billion, two hundred fifty-nine million, six hundred eighty-nine thousand, seven hundred six) ordinary shares with no par value. All shares are issued in dematerialised form. The procedures for the circulation and legitimisation of the shares are regulated by law. Shareholders who did not participate in the approval of resolutions concerning the introduction or removal of restrictions on the circulation of shares do not have the right of withdrawal.	2. <i>(Unchanged)</i>
3. Shares are registered and indivisible. Each share gives the right to one vote.	3. <i>(Unchanged)</i>
	4. The extraordinary Shareholders' Meeting of 17 April 2025 granted the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power, to be exercised by 31 December 2025, to increase the Company's share capital for cash, in one or more tranches and in divisible form, excluding the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, for a total amount of maximum Euro



	<p>13,194,910,000 plus any share premium, with issuance of a maximum number of 2,230,000,000 ordinary shares of the Company, with no par value, having regular dividend rights and the same features as of the ordinary shares of the Company outstanding on the issue date, to be paid up by contribution in kind as they serve the public exchange offer concerning all the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni, announced by the Company with a communication pursuant to Article 102, paragraph 1, Legislative Decree No. 58, on 24 February 2025 and promoted on 13 February 2025. In the context of the exercise of the delegation, the Board of Directors shall, among other things, have the power to establish, in compliance with the above-mentioned limitations, the issue price of the newly issued ordinary shares (including any share premium), any other terms and conditions of the delegated capital increase, as well as any other necessary or appropriate element, within the limitations set forth by the applicable regulations and the resolutions passed by the same extraordinary Shareholders' Meeting.</p>
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The amendments to the By-laws described above do not give rise to any right of withdrawal for BMPS shareholders who did not take part in the resolutions covered by this Report.

15. AUTHORISATIONS

The amendments to the By-laws referred to in Paragraph 14 above and the execution of the Capital Increase Reserved to the Offer are subject to the required authorisations by the competent Supervisory Authorities and in particular, respectively: (i) to the verification that they do not conflict with the sound and prudent management of the Bank pursuant to and for the purposes of Articles 56 and 61 of Legislative Decree No. 385 of 1 September 1993 as subsequently amended (“TUB”), and (ii) to the eligibility of the new shares issued in the context of the Capital Increase Reserved to the Offer among BMPS’ own funds as primary tier 1 capital, pursuant to Articles 26 and 28 of Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013.

BMPS filed the application for the aforementioned regulatory authorisations with the European Central Bank and the Bank of Italy on 13 February 2025.



It should be noted that, in the event that the assessment order by the European Central Bank regarding the proposed statutory amendments is not issued before the date on which the Shareholders' Meeting will adopt the resolution, the effectiveness of the latter will be subject to the issuance of such assessment order, as it cannot be registered in the Companies Register until that date. However, if the order is issued before the date of the Shareholders' Meeting, a press release will be issued to provide the shareholders with the necessary additional information.

16. FORMALITIES AND TIMING

Subject to the granting of the authorisations referred to in Paragraph 15 above (as well as the other authorisations required in connection with the VEO, as detailed in Paragraph 1.4 of the Offeror's Communication), the exercise of the Delegation by the Board of Directors will take place prior to the publication of the offer document, filed with Consob on 13 February 2025.

Also taking into account the requirements of the regulations applicable to public exchange offers, it is expected that the Capital Increase Reserved to the Offer will be executed by 31 December 2025, subject to the fulfilment of the conditions for the effectiveness of the VEO indicated in paragraph 1.5 of the Offeror's Communication, as well as in the offer document submitted to Consob for approval.

Since this is a divisible capital increase, which may also be carried out in one or more tranches, pursuant to article 2439, paragraph 2, of the Italian Civil Code: (i) the share capital will be deemed to be increased from time to time in proportion to the amount of the acceptances collected in the context of the Offer, without prejudice to the terms and conditions set forth therein; and (ii) the Capital Increase Reserved to the Offer, if not fully subscribed by 31 December 2025, will be deemed to be limited to the amount resulting from the total acceptances collected by the aforesaid deadline.

In particular, the Capital Increase Reserved to the Offer will be executed by the previously mentioned deadline of 31 December 2025, on the payment date of the Consideration, and, if applicable, on the payment dates that may be determined in relation to the execution of the purchase Sell-out and Squeeze-out rights, pursuant to Articles 108 and 111 of the TUF.

* * *

Proposed resolution

Dear Shareholders, in light of the above, we invite you to adopt the following resolution:

“The Shareholders' Meeting of Banca Monte dei Paschi di Siena S.p.A., in extraordinary session, having examined the Report of the Board of Directors (which, to the extent necessary, is hereby approved in its entirety) and the proposal formulated therein

NOTED

- *that the maximum number of shares to be issued in execution of the Capital Increase Reserved to the Offer has been calculated, for the sake of utmost caution and according to a highly conservative approach, by factoring in (i) the proposed distribution of the BMPS' dividend for the fiscal year ending on 31 December 2024, recently approved by the Board of Directors of BMPS and not yet approved by the BMPS Shareholders' Meeting, and (ii) the maximum No. of 16,178,862 Additional Shares to service the Incentive Plans (if revised by the competent bodies of Mediobanca to provide for their acceleration, where envisaged by the individual Plans, although some Plans provide for the possibility of using Mediobanca's treasury shares in portfolio instead of the Additional*



Shares), without taking into account any further circumstances that might lead to a reduction in the number of BMPS shares to be issued to service the Offer (including, by way of example, any adjustment due to the detachment of the coupon and/or the payment of the interim dividend pre-announced by Mediobanca on 10 February 2025, and/or the related balance and/or the possible cancellation of treasury shares held by Mediobanca);

- the appraisal prepared by the independent expert KPMG Corporate Finance, a division of KPMG Advisory S.p.A., pursuant to Articles 2440, paragraph 2 and 2343-ter, paragraph 2, letter b) of the Italian Civil Code;
- the report of PricewaterhouseCoopers S.p.A. concerning the criteria adopted by the Board for the determination of the exchange ratio in the VEO;
- the favourable opinion on the Capital Increase Reserved to the Offer expressed by the Company's Related Party Transactions Committee;

RESOLVES

1. to grant the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power to increase the Company's share capital for cash, in one or more tranches and in divisible form, excluding the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, for a total maximum amount of Euro 13,194,910,000 plus any share premium, with the issue of a maximum number of 2,230,000,000 ordinary shares of the Company, without nominal value, with regular dividend rights and the same features as the Company's ordinary shares outstanding at the issue date, to be paid in kind as they serve the public exchange offer for all of the ordinary shares of Mediobanca – Banca di Credito Finanziario Società per Azioni, announced by the Company in a communication pursuant to Article 102, paragraph 1, of Legislative Decree No. 58 of 24 February 1998, on 24 January 2025 and promoted by means of the filing of the offer document with Consob on 13 February 2025 (including the formalities pursuant to articles 108, paragraphs 1 and 2, and 111 of Legislative Decree No. 58 of 24 February 1998, where applicable);
2. to grant the Board of Directors the power to determine from time to time, in exercising the above delegated power and in compliance with the applicable laws and regulations: (i) the amount of the capital increase to be resolved upon, also in divisible form, in its entirety, and the number of shares to be issued within the overall limits set forth in point 1) above; (ii) the issue price of the new shares, including any share premium, taking into account the provisions of Article 2441, sixth paragraph, of the Italian Civil Code; and (iii) any other terms and conditions of the delegated capital increase, as well as any other necessary element, within the limits set forth by the applicable laws and regulations and by this delegation resolution, with the power of the Board of Directors to exercise the delegation – within the aforementioned limits – consistent with any adjustments and/or amendments to the content and / or to the structure of the public offer, while complying with the outcomes of the evaluation pursuant to Article 2343-ter of the Italian Civil Code and any necessary updates; furthermore, the Board of Directors is authorized to make statutory adjustments resulting from the exercise of the delegation, as outlined in the Report of the Directors;
3. to set 31 December 2025 as the deadline to implement the Capital Increase Reserved to the Offer - subject, if necessary, to the updating of the valuation made by the independent expert pursuant to Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code, to a date no more than six months prior to the date of the contribution - and to establish that, pursuant to Article 2439, paragraph 2, of the Italian Civil Code, (i) the share capital shall be deemed to be increased from time to time based on the amount of the acceptances collected in the above-mentioned public exchange offer (including within the scope of the procedures for the fulfilments set forth by Article 108, paragraphs 1 and 2, and 111 of Legislative Decree No. 58 of 24 February 1998, if the requirements are met), always without prejudice to the terms and conditions of the offer itself; and (ii) the Capital Increase Reserved to the Offer,



if not fully subscribed by 31 December 2025, shall be deemed to be limited to the amount resulting from the total acceptances made by the aforesaid deadline;

4. to amend Article 6 of the By-laws accordingly by including the following temporary paragraph:

“The extraordinary Shareholders’ Meeting of 17 April 2025 granted the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power, to be exercised by 31 December 2025, to increase the Company’s share capital for cash, in one or more tranches and in divisible form, excluding the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code, for a total amount of maximum Euro 13,194,910,000, plus any share premium, with issuance of a maximum number of 2,230,000,000 ordinary shares of the Company, with no par value, having regular dividend rights and the same features as of the ordinary shares of the Company outstanding at the issue date, to be paid up by contribution in kind to serve the public exchange offer concerning all the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni, announced by the Company with communication pursuant to Article 102, paragraph 1, Legislative Decree No. 58, on 24 February 2025 and promoted on 13 February 2025. In the context of the exercise of the delegation, the Board of Directors shall, among other things, have the power to establish, in compliance with the above-mentioned limitations, the issue price of the newly issued ordinary shares (including any share premium), any other terms and conditions of the delegated capital increase, as well as any other necessary or appropriate element, within the limitations set forth by the applicable regulations and the resolutions passed by the same extraordinary Shareholders’ Meeting”;

5. to declare that the effectiveness of the resolutions mentioned in the previous points 1, 2, and 3, as well as the amendment to the By-laws referred to in point 4, is subject to the successful outcome of the assessment initiated pursuant to Articles 56 and 61 of Legislative Decree No. 385 of 1 September 1993, if such a positive outcome has not been achieved prior to the date of this resolution;
6. without prejudice to the collective nature of the resolutions to exercise the delegation of powers as conferred above, to grant the Chairman of the Board of Directors currently in charge and on the Chief Executive Officer the Company currently in charge, severally and with the right to sub-delegate, within the limits set out by the law, all power and authority to provide for all that is necessary or even just appropriate for the implementation, in full and in part, of the resolutions adopted, as well as to perform all the acts and transactions necessary or appropriate for the fulfilment of the formalities required by the laws currently in force, including, by way of example but not limited to, the powers to:
- (i) prepare and submit any document required for the purposes of the execution of the capital increase, as well as to fulfil the formalities necessary to proceed with the admission to listing on Euronext Milan of the newly issued shares, including the power to prepare and submit to the competent Italian and foreign authorities any application, petition, document or prospectus necessary or appropriate for the purpose of and to proceed with the filing and publication of the certificate provided for by Article 2444 of the Italian Civil Code;
 - (ii) proceed to the formalities required by Article 2343-quater of the Italian Civil Code;
 - (iii) manage relations with any Italian or foreign competent body and/or authority for the purpose of obtaining all authorisations and approvals necessary for the successful outcome of the transaction, as well as the preparation, amendment, integration and/or signing and/or completion of any contract, agreement, deed, declaration or document necessary to that end;
 - (iv) make the necessary amendments to Article 6 of the By-laws as a result of the partial and/or total execution of the capital increase, and to file with the Company Registry pursuant to Article 2436 of the Italian Civil Code the text of the By-laws



updated in the amount of the share capital and the number of shares and following the expiry of the delegation in relation to the removal of the temporary paragraph 4;

- (v) make any amendments and/or additions to the adopted resolutions that may be necessary and/or appropriate, including at the request of any competent authority or at the time of registration, and
- (vi) in general, do all that is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for that purpose, none excluded and excepted.”

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Siena, 18 March 2025

For the Board of Directors

Mr. Nicola Maione

Chairman of the Board of Directors

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The voluntary public exchange offer referred to in this Report shall be promoted by Banca Monte dei Paschi di Siena S.p.A. on all the ordinary shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni.

This Report does not constitute an offer to buy or sell the shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni.

Prior to the commencement of the acceptance period, as required under applicable regulations, the Offeror shall publish an offer document and an exemption document, which the shareholders of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni shall carefully examine.

The Offer will be made in Italy and will be addressed, on equal terms, to all holders of shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni. The Offer will be made in Italy as the shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni are listed on Euronext Milan, a regulated market organized and managed by Borsa Italiana S.p.A. and, without prejudice to the following, the Offer is subject to the obligations and procedural requirements provided for by Italian law.

The Offer is not being made or disseminated in Canada, Japan and Australia, or any other country in which such Offer is not authorized, or to any person to whom such offer or solicitation is not permitted by law (the “**Excluded Countries**”).

Partial or complete copies of any documents to be issued by the Offeror in connection with the Offer shall not be sent, nor shall they be transmitted, or otherwise distributed, directly or indirectly, in the Excluded Countries. Any person receiving such documents shall not distribute, send or dispatch them (whether by post or by any other means or instrumentality of communication or commerce) in the Excluded Countries.

Any acceptances of the Offer resulting from solicitation activities carried out in violation of the above limitations will not be accepted.



This Report, as well as any other document issued by the Offeror in connection with the Offer, shall not constitute or form part of any offer to purchase or exchange, or any solicitation of offers to sell or exchange, securities in any of the Excluded Countries.

Acceptance to the Offer by persons resident in countries other than Italy may be subject to specific obligations or restrictions provided for by laws or regulations. It is the sole responsibility of the addressees of the Offer to comply with such regulations and, therefore, before accepting the Offer, to verify their existence and applicability by contacting their advisors. The Offeror shall not be held liable for any breach by any person of any of the foregoing limitations.

IMPORTANT INFORMATION

*In connection with the proposed voluntary public exchange offer, the required offer document will be sent to Commissione Nazionale per le Società e la Borsa (“Consob”). **Investors and shareholders of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni are strongly advised to read the offer document and the exemption document, if and when available, and any other relevant documents sent to, or filed with, Consob, as well as any amendments or supplements to those documents, because they will contain important information.** If and when filed, investors may obtain free copies of the offer document and of the exemption document, at Banca Monte dei Paschi di Siena S.p.A.’s website at www.gruppomps.it/en/ and will receive information at an appropriate time on how to obtain these transaction-related documents for free from the parties involved or from a duly appointed agent.*

This Report does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities, nor shall there be any offer to purchase, solicitation, sale or exchange of securities in any jurisdiction in which such offer, solicitation or sale or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction. The distribution of this Report may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, the companies involved in the proposed voluntary public exchange offer disclaim any responsibility or liability for the violation of such restrictions by any person.

The Banca Monte dei Paschi di Siena S.p.A. securities referred to herein that will be issued in connection with the voluntary public exchange offer described herein may not be offered or sold in the United States except pursuant to an effective registration statement under the U.S. Securities Act of 1933 or pursuant to a valid exemption from registration.