



**MEDIOBANCA**  
*Banca di Credito Finanziario S.p.A.*



**Report by the Board of Directors of Mediobanca – Banca di Credito Finanziario S.p.A. on the single item on the agenda at the ordinary general meeting**

(drawn up in accordance with Article 125-*ter* of Italian Legislative Decree no. 58 of 24 February 1998 as amended and pursuant to Article 84-*ter* of the Regulations for Issuers adopted by Consob under resolution no. 11971 of 14 May 1999 as amended)

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**Report by the Board of Directors on the single item on the agenda at the ordinary general meeting called to take place on 16 June 2025, regarding “Authorizations required pursuant to Article 104(1) of Italian Legislative Decree 58/1998, as amended, to be granted to the Board of Directors of Mediobanca – Banca di Credito Finanziario S.p.A. (“Mediobanca”) to enable Mediobanca to: (i) execute the public voluntary exchange offer (the “Offer”) for 100% of the ordinary shares in Banca Generali S.p.A. announced on 28 April 2025; (ii) use the ordinary shares in Assicurazioni Generali S.p.A. held by Mediobanca as the consideration for the Offer; (iii) exercise the right, where considered appropriate, to waive all or part of the effectiveness conditions set for the Offer. Related and/or subsequent resolutions.”**

Dear shareholders,

The Board of Directors has called you together in general meeting to adopt a resolution, as required by the regulations in force and the company’s Articles of Association, and, in particular, pursuant to and within the meaning of Article 104 of Italian Legislative Decree no. 58 of 24 February 1998 (the “**Italian Finance Act**”), regarding the proposal to authorize (i) the implementation of the voluntary public exchange offer (the “**Offer**”) for 100% of the ordinary shares of Banca Generali S.p.A. (“**Banca Generali**”) announced on 28 April 2025 (the “**Announcement Date**”) by Mediobanca<sup>1</sup> – Banca di Credito Finanziario S.p.A. (“**Mediobanca**”, or the “**Offeror**”), (ii) the use of the ordinary shares in Assicurazioni Generali S.p.A. (“**Assicurazioni Generali**”) held by Mediobanca as the consideration for the Offer; (iii) the exercise of the right, if considered appropriate, to waive all or part of the effectiveness conditions to the Offer.<sup>2</sup>

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## 1 Introduction

The reasons for the proposed resolution being submitted to the approval of shareholders in ordinary general meeting are based on Mediobanca's interest in implementing the Offer, which constitutes a transaction of central importance for the Mediobanca Banking Group (the “**Mediobanca Group**”), in view of its solid industrial and strategic foundations.

Shareholders are being requested to grant authorization pursuant to Article 104(1) of the Italian Finance Act because of the voluntary public exchange offer pending for 100% of the ordinary shares in Mediobanca which Banca Monte dei Paschi di Siena S.p.A. (“**MPS**”) announced to the market on 24 January 2025 (i.e., before the Offer was announced). According to Article 104(1) of the Italian Finance Act, listed Italian companies whose securities are involved in a public tender or exchange offer shall abstain from taking actions or executing transactions that could counteract the achievement of the aims of the offer, unless the completion of such actions or transactions is approved by shareholders in general meeting.

The Board of Directors believes that:

- (i) The Offer represents a significant growth opportunity consistent with the Mediobanca Group’s strategic objectives, as illustrated in the 2023–26 Strategic Plan “One Brand–One Culture” (the “**Plan**”), because it is capable of guaranteeing further strong consolidation in Mediobanca’s competitive positioning and a major acceleration in its own process of growing organically, and that;
- (ii) The immediate and future benefits deriving from the growth process launched by Mediobanca with the Plan and the launch of the Offer should be given due consideration by the shareholders of Mediobanca with regard to the offer promoted by MPS, on which the Board of Directors of

<sup>1</sup> On 27 April 2025, the Board of Directors of Mediobanca took the decision to launch the Offer, with Directors Sandro Panizza and Sabrina Pucci abstaining.

<sup>2</sup> The Report was approved by the Board of Directors of Mediobanca on 30 May 2025, with Directors Sandro Panizza and Sabrina Pucci voting against.

Mediobanca has already formulated its negative preliminary views which it disclosed to the market on 28 January 2025. In this connection it should be noted that the Board will formulate its own definitive considerations in the issuer press release required to be issued pursuant to Article 103(3) and (3-*bis*) of the Italian Finance Act.

For further information regarding the Offer and the comments made in the following sections, reference is made to the press release issued pursuant to Article 102(1) of the Italian Finance Act published by Mediobanca on the Announcement Date (the “**Offeror Press Release**”) and the documentation available on the Mediobanca website at [www.mediobanca.com](http://www.mediobanca.com) in the section on the Offer found in the “Investor Relations” section.

## 2 Foundation and rationale of the Offer

As already represented in the Offeror Press Release, the Offer and the subsequent merger between Mediobanca and Banca Generali will be a strong driver for acceleration in the execution of the Plan guidelines, able to complete the process of creating a diversified and highly synergistic financial group, with a leadership position in all segments in which it operates, and with significant prospects for growth and value creation. The strategic and industrial rationale for the Offer has been recognized and is shared by the market, to judge by the increase in the Mediobanca stock market price starting from the day on which the Offeror Press Release was published (as at 30 May 2025 the increase in the share price was 25.6%\*).

Having regard *inter alia* to the characteristics of the respective businesses and market positions, Mediobanca believes that a merger with Banca Generali, which would result in the creation of a leader in the Italian and European Wealth Management sector, is in the interests of all Mediobanca shareholders, as the exchange of the investment held in Assicurazioni Generali for shares in Banca Generali would represent an efficient reallocation of capital for Mediobanca, to an industrial business which is highly synergistic and offers attractive prospects for growth. The Mediobanca shareholders would therefore benefit from an enhanced profile in terms of revenues and earnings, with significant potential to create value deriving from cost synergies (with no impact in social terms), revenue and funding synergies, plus improved risk diversification and quality of earnings (which will have a positive effect on the valuation multiples) and enhanced capital generation, with a higher related dividend distribution capability.

The Offer is also in the interests of all stakeholders and the Italian financial system overall, for the following reasons:

- Shareholders in Banca Generali will be offered an opportunity to exchange their Banca Generali shares for shares in Assicurazioni Generali, reflecting a consideration that exceeds that all-time high recorded by Banca Generali shares prior to the Announcement Date, thus obtaining a premium versus the stock market performance, and increasing the liquidity of their investment;
- Assicurazioni Generali will benefit from a change in the nature of the company's relationship with Mediobanca, from merely financial to a strong industrial partnership: with the proposed renewal of the partnership agreements in the areas of *banqueassurance*,<sup>3</sup> asset management and insure-banking<sup>4</sup> and their extension to the new scope of operations, Assicurazioni Generali will obtain industrial agreements with the group created from the transaction, which, on the strength of their

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\*Ex-dividend.

<sup>3</sup> Distribution of insurance products by the banking network of the new group created from the combination between Mediobanca and Banca Generali.

<sup>4</sup> Distribution of banking products and services through the insurance agents' network.

positioning and brand, will have strong impetus for growth in Wealth Management multiple dimensions compared with Banca Generali;

- Banca Generali's clients will benefit from Mediobanca's distinctive product and service offering in private and investment banking (advisory, capital markets, structured products, private markets), with strong acceleration relative to Banca Generali's own plans;
- The Mediobanca Group's clients would in turn benefit from the combined group's increased operating scale, plus the combination of the experience curves and best practices, in terms of platform and investment solutions;
- The employees of the Banca Generali and Mediobanca groups would benefit from the important combination of two banks built on the same foundations in terms of management culture, with a focus on unlocking value from talented staff and on pursuit of sustainable growth and innovation;
- The Financial Advisors of the two groups would become part of a national champion, with a leadership position in many areas of its operations, with a unique brand and an enhanced capability to attract new talent and clients;
- The Italian financial system will be able to count on a high-profile financial operator, market leader in strategic segments of the financial services industry, with a distinctive industrial project, solid capital and a strong reputation, with significant prospects for growth and value creation for all stakeholders.

### 3 Industrial and strategic aspects

#### 3.1. *Future plans and strategic objectives for Banca Generali*

The strategic objectives and future plans of Banca Generali following the Offer have been defined by Mediobanca exclusively on the basis of information publicly available, in the absence of any due diligence activity.

Through the years, Mediobanca has demonstrated strong capabilities in completing acquisitions and successfully integrating the acquired companies with other banks and financial entities in Italy and elsewhere, pursuing a targeted and selective acquisitions strategy as part of an overall strategic design which includes significant organic growth. In particular the Group's revenues have increased by 43% in the last five years and its net profit by 55%. Mediobanca believes it is able to integrate Banca Generali within a short timeframe, with no business interruptions or social impacts, leveraging on the specific characteristics of both banking groups, and in particular the business model of Banca Generali in which Financial Advisors are central.

Once the Offer has been completed, Mediobanca intends to proceed, after obtaining the necessary authorizations from the competent authorities, to merge Banca Generali into Mediobanca by amalgamation (the "**Merger**"), even without delisting the Banca Generali shares from Euronext Milan if appropriate, in order enable Mediobanca's activities to be fully and effectively integrated with those of Banca Generali and to accelerate the achievement of the industrial and strategic objectives of the transaction.

Following the merger, Banca Generali will become part of the Wealth Management business line, which comprises the Mediobanca Private Banking Division, Mediobanca Premier, Mediobanca SGR, CMB Monaco, and other minor companies.

The combination between Mediobanca and Banca Generali will allow the full potential of both banks to be unlocked, with a high capability in terms of value creation for the benefit of shareholders, clients, employees and all stakeholders. in particular:<sup>5</sup>

- (i) By leveraging on the increased critical mass of the group in the same area of operations, significant economies of scale and improved operating efficiency will be produced, with gross cost synergies estimated at approx. €150m fully loaded, with no impacts in social terms;
- (ii) Enhancement of the product offering, significant cross-selling and optimization of the partnership agreements based on best practices, which will enable gross synergies of at least an estimated €85m to be generated at the level of revenues once fully loaded;
- (iii) Integrated asset and liability management, with the excess liquidity buffer in particular providing increased flexibility in the funding strategy, allowing estimated gross cost of funding synergies of €65m to be achieved per annum;
- (iv) The new banking group will have an enhanced capability to attract and retain talent, and to recognize the value of human resources and Financial Advisors, by leveraging on a strong and recognized brand, with solid prospects for sustainable growth, in line with its own recent and previous history;
- (v) The group will continue to have an extremely solid capital position, with a pro forma Common Equity Tier 1 ratio of approx. 14%, and a capital-generating capability in the region of 270 bps per annum (20% higher than on a standalone basis).

The one-off integration costs are estimated to total €350m gross.

Mediobanca's objective is to deliver full integration between the two banks roughly within 12 months and achieve the related cost and revenue synergies over the subsequent 24 months.

### *3.2. Growing contribution from all business divisions<sup>6</sup>*

The merger with Banca Generali would give rise to a group which is unique in terms of its business model: capital-light, with limited exposure to interest rates and credit risk, an attractive profit mix (with a net profit of €1.5bn, 50% from Wealth Management, 20% from Corporate and Investment Banking, and 30% from Consumer Finance), distinctive for its brand and quality of human capital, where:

- Wealth Management becomes the Mediobanca Group's core business, as well as its strategic priority, with revenues increasing by 2x (45% of consolidated revenues, to €4.4bn) and net profit by 4x to €0.8bn (50% of the Mediobanca Group's net profit);
- Corporate and Investment Banking will become increasingly synergistic with Wealth Management, pursuing both its internationalization process and its focus on capital-light, fee-generating activities;
- Consumer Finance will confirm its ability to deliver ongoing growth in volumes, revenues and net profit, and its role as the driver of net interest income and risk diversification within the Mediobanca Group.

The new group will benefit from economies of scale and experience curves deriving from the specific features of the respective product factories, with a distinctive offering within the Italian panorama.

In particular, Mediobanca will be able to strengthen its Wealth Management Division in Italy by adding a highly complementary and extensive network with strong roots in Banca Generali's reference areas, with

<sup>5</sup> Data calculated using the 12M results of Banca Generali as at 31 December 2024 and the 6M results of Mediobanca annualized, including the synergies fully loaded.

<sup>6</sup> Data calculated on the same basis illustrated in note 5 above.

over 2,350 Financial Advisors, geographical coverage comprising approx. 300 points of sale made up of FAs offices, agencies and branches, approx. 60% of which in Northern Italy and the remainder equally split between Central and Southern Italy. In particular, Banca Generali's distribution network will enable the combined entity to:

- Significantly increase the number of professionals in its network to approx. 3,700, multiplying the FAs network by four times to nearly comprise nearly 3,000 professionals with more than 500 dedicated structures;
- Significantly increase its assets under management, reaching Total Financial Assets (TFAs) of over €210bn, of which approx. €170bn in AUM/AUA, making it the second largest network in Italy, and one of the leading players in the Italian and European market.

Mediobanca also intends to enter into a long-term strategic and industrial partnership with the Assicurazioni Generali group in the areas of *banqueassurance*, asset management and insure-banking, extending it to the scope of the Wealth Management business of the new group created from the merger between Mediobanca and Banca Generali (the execution of a specific agreement between the Assicurazioni Generali group and the Mediobanca Group constitutes a condition precedent to the Offer, as described in Section 7 of this Report). In this scenario, the Assicurazioni Generali group would benefit from industrial agreements with the Mediobanca Group which, because of its positioning and brand, would have a higher growth potential than both Banca Generali and the rest of the market.

Mediobanca will also guarantee Banca Generali's approx. 360,000 clients direct access to an innovative Private and Investment Banking model, which will make investment banking competences of primary standing available to them on the back of its consolidated position of leadership in the European market.

#### 4 Impact of the Offer on Mediobanca's earnings, capital and financial situation

Following the merger with Banca Generali, the Mediobanca Group will benefit from the enhancement of its own earnings capacity, efficiency and value creation:<sup>7</sup>

- Revenues and profits higher in quantity and better in terms of composition:
  - €4.4bn in revenues (growth of over 15%), €2.0bn of which from Wealth Management (doubled in size and equal to 45% of consolidated revenues), €1.8bn in fee income (up 65%).
- €1.5bn in net profit (growth of 15%), €0.8bn of which from Wealth Management (up 4x) and equal to 50% of the Group's profits.
- Over €210bn in TFAs (up 2x), €110bn of which in Assets Under Management (AUM), more than €15bn in Net New Money (NNM) per annum – the highest level in the system – €56bn in customer loans, €76bn in funding, of which €40bn in deposits, and Risk Weighted Assets (RWAs) of €44bn.
- Improved balance-sheet indicators:
  - Loan/Deposit ratio: 1.4x (vs 1.9x)
  - Cost/income ratio: 40% (vs 42%)
  - Risk weighted asset density: 40% (vs 48%)
  - Return on Tangible Equity (ROTE): from 14% to over 20%
- EPS accretive: mid single-digit stated, double-digit banking EPS.

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<sup>7</sup> Data calculated on the same basis illustrated in note 5 above.

- Common Equity Tier 1 (CET1): 14% once the deal is complete after Cost To Achieve (CTA) and Purchase Price Allocation (PPA), with enhanced capital generation capability (up 20% to 270 bps per annum).
- Yields at best-sector levels, made up of dividends and share buybacks, confirming the shareholder remuneration target set in the Plan currently being executed (€4bn cumulative distribution in 3Y 2023–26).<sup>8</sup>

The exchange of Mediobanca's investment in Assicurazioni Generali is intended to bring about a major reallocation of the Bank's capital, from a financial investment to an industrial business: when the deal is completed, Mediobanca's capital will be fully deployed in industrial businesses managed by Mediobanca itself, for which significant growth rates are expected in future years – namely Wealth Management, Corporate & Investment Banking, and Consumer Finance – in which Mediobanca is a leader and has a distinctive positioning.

The estimated sale value of the entire Assicurazioni Generali investment (with 100% of the proceeds simultaneously reinvested in the share capital of Banca Generali) valued at the Assicurazioni Generali Reference Share Price (as defined below) adjusted for the dividend paid on 19 May 2025 is approx. €6.2bn, and would imply a gain of approx. €2.2m (estimate based on the book value of the investment expected at 30 June 2025).

## 5 Principal characteristics of the Offer

The Offer consists of a voluntary public exchange offer, launched in accordance with Article 102 and Article 106(4) of the Italian Finance Act and the related implementation regulations contained in the Regulations for Issuers, involving 100% of the shares of Banca Generali admitted to trading on Euronext Milan, the stock market organized and operated by Borsa Italiana S.p.A.

The Offer will involve the 116,851,637 ordinary Banca Generali shares (i.e. the total number of Banca Generali shares in issue as at the date hereof) (the “**Shares**”), including the treasury shares owned by Banca Generali (which as at the date of this report amount to 2,907,907 and represent 2.49% of the share capital of Banca Generali (the “**Treasury Shares**”).

The objective of the Offer is to acquire the entire share capital of Banca Generali (or at least an interest equal to the Threshold Condition, as defined below, which cannot be waived) and to have the Shares withdrawn from listing on Euronext Milan (the “**Delisting**”). The rationale for this decision is that the Delisting will facilitate the objectives of achieving integration, creating synergies, and promoting the growth of the Mediobanca Group and Banca Generali previously mentioned.

The terms of the Offer will be described in the offer document that will be made available by the means and terms required by the applicable regulations (the “**Offer Document**”). If the Effectiveness Conditions (as defined below) occur (or if they are waived, as the case may be) and the Offer is completed, Mediobanca shall pay – for each Banca Generali share tendered under the terms of the Offer – a consideration, not subject to adjustments (except as provided below), equivalent to 1.70 ordinary Assicurazioni Generali shares held by the Offeror (the “**Consideration**”). Hence, for example, for every 10 Banca Generali shares tendered under the terms of the Offer, a total of 17 ordinary Assicurazioni Generali shares will be paid.

As at the date hereof, Mediobanca owns 204,341,658 Assicurazioni Generali shares, equal to 13.185% of the share capital of Assicurazioni Generali.

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<sup>8</sup> FY 2023–24, FY 2024–25 and FY 2025–26.



Based on the official stock market price of the Assicurazioni Generali shares recorded at close of business on 25 April 2025 (i.e. the last open stock market day prior to the date of the Offeror Press Release; the “**Reference Date**”) of €31.86<sup>9</sup> (the “**Assicurazioni Generali Reference Share Price**”), the Consideration reflects a value of €54.17 (rounded to the second decimal) for each share in Banca Generali. The table below shows the premiums relative to the weighted arithmetical average for the volumes exchanged at the official prices of the shares in Banca Generali for the periods referred to below, compared with the official Assicurazioni Generali stock market price (weighted for the volumes traded) recorded for the same periods:

Reference date	Average weighted price of Bank Generali shares*	Average weighted price of Assicurazioni Generali Shares*	Premium (%)
25 April 2025 (the Reference Date)	48.62	31.86	11.4%
1 month prior to the Reference Date (inclusive)	47.82	30.75	9.3%
3 month prior to the Reference Date (inclusive)	49.79	31.19	6.5%
6 month prior to the Reference Date (inclusive)	47.63	29.76	6.2%
12 month prior to the Reference Date (inclusive)	43.85	27.25	5.6%

\* Source: FactSet

On 19 May 2025 Assicurazioni Generali and Banca Generali paid dividends against the profits earned by them during the 2024 financial year, of €1.43 per share and €2.15 per share respectively. As stated on 28 April 2025, the Consideration is not subject to adjustments as a result of the payment of dividends against 2024 earnings already approved by the shareholders of Banca Generali and Assicurazioni Generali in their respective Annual General Meetings.

For purposes of full disclosure, the table below shows the premiums relative to the weighted arithmetical average for the volumes exchanged at the official prices of the shares in Banca Generali for the periods referred to below, compared with the official Assicurazioni Generali stock market price (weighted for the volumes traded) recorded for the same periods, adjusted respectively to reflect the dividends paid on 19 May 2025:

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<sup>9</sup> Source: FactSet.



Reference date	Average weighted price of Bank Generali shares**	Average weighted price of Assicurazioni Generali shares**	Premium (%)
25 April 2025 (the Reference Date)	46.47	30.43	11.3%
1 month prior to the Reference Date (inclusive)	45.67	29.32	9.1%
3 month prior to the Reference Date (inclusive)	47.64	29.76	6.2%
6 month prior to the Reference Date (inclusive)	45.48	28.33	5.9%
12 month prior to the Reference Date (inclusive)	41.70	25.82	5.3%

\*\* Source: FactSet, adjusted to reflect the dividends paid on 19 May 2025.

If, before the payment date of the Offer, Banca Generali and/or Assicurazioni Generali pay dividends (apart from those paid from earnings for FY 2024 already approved by the shareholders of Banca Generali and Assicurazioni in general meeting respectively) to their shareholders and/or if Banca Generali approves or implements any transaction involving its own share capital, the Consideration will be adjusted to factor in the effects of the above transactions and disclosed by the means and on the terms set by the applicable regulations.

## 6 Criteria for determining the exchange ratio between Assicurazioni Generali shares and Banca Generali shares

### 1. Introduction

The Board of Directors of Mediobanca, supported by the advice and co-operation of financial advisors of primary standing (in addition to Mediobanca itself, Centerview Partners, Equita and Goldman Sachs Bank Europe SE, Italian branch), has carried out a valuation of the Banca Generali shares with a view to arriving at an estimate of their value based on the available data and information in the public domain. Accordingly, the considerations and estimates should be construed in relative terms and with reference to the Offer only.

The valuation methodologies, and the financial valuations of Banca Generali shares deriving from them, have been identified with a view to determining the number of Assicurazioni Generali shares to be offered in exchange as the Consideration for the Offer. Under no circumstances may such valuations be considered as possible indications of market price or value, current or future, in a scenario different from the one under consideration in this case.

### 2. Valuation criteria chosen by Directors to establish the exchange ratio

As mentioned previously, for each Banca Generali share tendered under the terms of the Offer, Mediobanca will pay a consideration represented by 1.70 Assicurazioni Generali shares.

The valuations made by the Board of Directors of Mediobanca refer to the financial and market conditions as at the Reference Date (25 April 2025), that is, the trading date prior to the Offer's announcement (i.e.

28 April 2025: the “**Announcement Date**”), and to the earnings and financial situation of Banca Generali and Assicurazioni Generali publicly available until such date.

The Consideration has been determined as a result of valuations carried out independently by the Board of Directors of Mediobanca, which, with the support of its financial advisors, has decided to use the following methodologies: Dividend Discount Model (excess capital version); market multiples; linear regression; and analysts’ target prices.

The analysis carried out by Mediobanca in order to determine the Consideration has the following main limitations and difficulties:

1. For purposes of the analysis, Mediobanca has relied exclusively on data and information in the public domain;
2. Where relevant for purposes of applying the valuation methodologies, the projections of the future earnings and financial performances of Banca Generali and Assicurazioni Generali are based on the estimates provided by analysis (the “consensus”), in view of the lack of an updated medium-/long-term stand-alone strategic plan for Banca Generali at the Reference Date;
3. Mediobanca has not carried out any financial, legal, commercial, tax, industrial or any other kind of due diligence activity in respect of Banca Generali.

Taking into account the valuation limitations and difficulties represented above, in order to determine the Exchange Ratio, Mediobanca has used a valuation approach based on analytical and market methodologies, in line with the requirements of best valuation practice at national and international level.

A summary description of the valuation methodologies used in order to determine the Consideration is provided below.

Such methodologies should not be analysed individually, but rather considered as an inseparable part of a single valuation process. Individual analysis of the results of each methodology, without giving due consideration to the valuation process overall, would render the entire valuation process meaningless.

The valuation methodologies used jointly by Mediobanca’s financial advisors are illustrated below.

*1. Dividend Discount Model method (excess capital version)*

The Dividend Discount Model, in its excess capital version (“**Dividend Discount Model**”, or “**DDM**”), is based on the assumption that the economic value of a company is equal to the sum of the current value of:

1. Cashflows of potential future dividends distributable to shareholders generated over the selected time horizon, without affecting the capitalization level required to maintain a given target regulatory capital ratio over the long-term. Such cashflows accordingly do not reflect the dividend policy actually provided or adopted by the company’s management;
2. Long-term or “terminal” value of the company, calculated as the current value of a perpetual return based on: i) a sustainable dividend paid for the financial years subsequent to the explicit estimate period, consistent with a payout ratio (dividend/net profit ratio) that reflects a sustainable level of profitability fully loaded, based on the chosen capitalization level, and consistent with a long-term growth rate; or alternatively, ii) application of the estimated Price/Earnings (“P/E”) ratio to a sustainable profit, where the P/E multiple is in line with the company’s historical performance.

## 2. Market multiples method

According to the market multiples methodology, the economic value of a company can be estimated based on the indications provided by the stock market by considering a sample of comparable listed companies.

In particular, the market multiples methodology is based on the determination of multiples calculated as the ratio between stock market and earnings, capital and financial size of the sample of comparable listed companies selected. The multiples thus determined are applied, with the appropriate additions and adjustments, to the corresponding ratios of the company being valued.

For purposes of the Offer, and based on the specific characteristics of Banca Generali and Assicurazioni Generali and on market practice, the estimated Price/Earnings multiple (“P/E”) has been selected.

## 3. Linear regression methodology

According to the linear regression methodology, the economic value of a company can be estimated based on the correlation, in cases where this is statistically significant, between the stock market prices of companies considered to be comparable, and the earnings, capital, financial, or operating ratios of the same companies.

In particular, for purposes of the Offer and based on the specific characteristics of Banca Generali and Assicurazioni Generali and on market practice, the statistical regression between the price/tangible net equity multiples has been used for the selected sample of comparable listed companies and the respective future profitability levels reflected by the Return on Tangible Equity (RoTE).

## 4. Analyst target price method

According to the analyst target price, the economic value of a company can be estimated based on the recommendations in terms of target prices provided by the analysts of the leading equity research institutions covering the stock in their research reports. In this particular case, the recommendations made by analysts covering the Banca Generali and Assicurazioni Generali stocks published after the companies’ respective financial results for FY 2024 had been disclosed to the public have been used.

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The valuation methodologies described above have been applied on an individual basis and based on the going concern assumption, and having regard to the specific characteristics of Banca Generali, Assicurazioni Generali and the Offer.

The exchange ratio deriving from the average of the results returned by all the valuation methodologies employed by the advisors is comprised within a range from 1.37 to 2.12 Assicurazioni Generali Shares for each Banca Generali Share. The bottom end of the range represents the average of the lowest valuations derived from application of the above methods without factoring in the estimated synergies, while the high end represents the average range based on the assumption of 100% of the estimated value of the synergies being included the Consideration receivable by Banca Generali shareholders.

In view of the foregoing, and based on the valuation approach used, the Board of Directors of Mediobanca has established an exchange ratio within the above range which has been set at 1.70.

In determining the Exchange Ratio, the Board of Directors of Mediobanca has taken into consideration a series of other factors, in particular, and provided that no due diligence activity has been carried out by Mediobanca on Banca Generali: (i) distribution of the dividends from the net profit for FY 2024, as approved by the respective shareholders in AGM; (ii) the specific characteristics of the transaction as a whole, including the potential different scenarios in terms of acceptance of the Offer by the shareholders of Banca Generali; (iii) the premium implicit in the exchange ratio to be offered relative to the official stock market price of the Banca Generali shares as at the Reference Date; (iv) value creation, including

the synergies that can be delivered within the estimated timeframe, and the estimated integration costs entailed; (v) the qualitative and strategic aspects of the Wealth Management sector in general and of Banca Generali in particular, including but not limited to business risk issues, in terms of growth and potential profitability, future sustainability of the business model, capability to preserve capital solidity and shareholder remuneration levels even in unfavourable or exceptional macroeconomic conditions; and (vi) the possibility of creating value for both Mediobanca and Banca Generali shareholders.

## 7 Authorizations

Mediobanca filed the Offer Document with Consob on 19 May 2025, after submitting its applications to the competent Italian and international authorities to obtain the prior authorizations required by the applicable and sector regulations pursuant to Article 102(4) of the Italian Finance Act in relation to the Offer (the “**Prior Authorizations**”).

It should be noted that under Article 102(4) of the Italian Finance Act, Consob may only approve the Offer document once each of the Prior Authorizations has been obtained.

For the “Other Authorizations” required to complete the Offer, reference is made to section 1.4 of the Offeror Press Release.

## 8 Effectiveness conditions for the Offer

As represented in the Offeror Press Release, in addition to the authorization from Mediobanca shareholders in general meeting required pursuant to and within the meaning of Article 104(1) of the Italian Finance Act and approval of the Offer Document by Consob at the end of the review period within the terms set by Article 102(4) of the Italian Finance Act (both of which are necessary), the Offer is subject to the occurrence of each of the effectiveness conditions illustrated in the Offeror Press Release (to which reference is made for full disclosure), which will be set out in more detail in the Offer Document (the “**Effectiveness Conditions**”), which, however, include the following:

- (i) Release of the necessary Prior Authorizations without prescription, condition or limitation;
- (ii) Approval of the acquisition of Banca Generali proposed by Mediobanca with the Offer, by the end of the second open market day prior to the payment date for the Offer without condition, limitation or prescription, by the competent antitrust authorities, and release of the Other Authorizations (as defined in the Offeror Press Release, to which reference is made), without prescription, condition or limitation;
- (iii) Mediobanca coming to own, following the Offer – as a result of acceptances thereof and/or purchases made, if any, outside the terms of the Offer in accordance with the applicable regulations – a shareholding of at least 50% plus 1 (one) Share in the share capital of Banca Generali (the “**Threshold Condition**”, which cannot be waived);
- (iv) By the date on which the Offer Document is published, the Mediobanca Group and the Assicurazioni Generali Group having negotiated and signed, in compliance with the regulations governing transactions with related parties, a long-term strategic and industrial partnership agreement in the *banqueassurance*, asset management and insure-banking sectors, and defining (where necessary and/or appropriate) the terms and means by which the recently approved agreements between Assicurazioni Generali and Banca Generali (and the other Banca Generali Group companies) will be adapted and continued;

- (v) By the date on which the Offer Document is published, Assicurazioni Generali having signed a lock-up commitment for twelve months following the payment date of the Offer in respect of the treasury shares that Assicurazioni Generali itself would receive if it accepts the Offer, with regard to transactions involving the offer or placement of shares with the general public (including accelerated bookbuilding transactions).

Voluntarily providing for effectiveness conditions – that can be amended and/or waived, in full or only in part – is a consolidated practice in voluntary public offers, the rationale for which is in order to protect the offeror in cases where one or more relevant circumstances in connection with the offer does or do not materialize within the terms set by the offeror itself.

In this connection, it should be noted that:

- Mediobanca has identified the shareholding referred to in the Threshold Condition as the shareholding that will enable it, if the Offer is finalized, to exert *de jure* control over Banca Generali, consolidating its investment and achieving the strategic and industrial objectives underlying the transaction. This is the only one of the Effectiveness Conditions that Mediobanca has established cannot be waived;
- By means of the condition represented in the foregoing point (iv), Mediobanca intends, as described in Section 3.2 of this Report, to enter into a long-term industrial partnership which will strengthen the strategic growth of the new group created from the merger between Mediobanca and Banca Generali, extending the existing partnership arrangements between Assicurazioni Generali and Banca Generali in the *banquassurance*, asset management and insure-banking sectors to the new business scope of the Wealth Management Division.

In this connection, to allow Mediobanca to take the relevant decisions quickly in relation to the Offer, to address circumstances that may occur during its performance (for example, the state of the acceptances, discussions with the authorities, conduct of the target company or other parties), the Board of Directors feels it is appropriate to ask shareholders to authorize it, in the best interests of Mediobanca, to make changes to and/or, if appropriate, waive all or some (as the case may be) of the Effectiveness Conditions apart from the Threshold Condition, and to make possible amendments to the Offer by the means and on the terms provided by Article 43 of the Regulations for Issuers, in cases where these are necessary or otherwise appropriate for the success of the Offer.

## 9 Scenarios in relation to the Offer

The following alternative scenarios are possible in relation to the Offer:

- a) If the Effectiveness Conditions are met, or if one or more of the Effectiveness Condition (apart from the Threshold Condition) are not met and are waived by Mediobanca, the Offer will be completed and the Banca Generali shareholders who accept the Offer will receive the Assicurazioni Generali shares as the Consideration;
- b) If one or more of the Effectiveness Conditions are not met and one or more of such Effectiveness Conditions are not waived (except for the Threshold Condition), the Offer will not be completed.

In the scenario described under point a) above, the following additional scenarios may occur, depending on the level of acceptances for the Offer:

- (i) *Mediobanca achieves a shareholding of at least 95% of the share capital of Banca Generali*

If, following the Offer, Mediobanca comes to own – as a result of acceptances of the Offer and/or purchases, if any, made outside of the Offer in accordance with the applicable regulations, and in fulfilment of the squeeze-out obligation stipulated in Article 108(2) of the Italian Finance Act – an

aggregate shareholding of at least 95% of the share capital of Banca Generali, it will launch the joint procedure described in Article 108(1) and Article 111 of the Italian Finance Act, as soon as possible after the Offer has been completed.

If the grounds for the above joint procedure are met, pursuant to Article 2.5.1(6) of the Rules of the Markets organized and managed by Borsa Italiana S.p.A., the latter shall suspend the Banca Generali shares from trading and/or delist them, having regard to the deadlines set for exercise of the squeeze-out right provided for by Article 111 of the Italian Finance Act.

*(ii) Mediobanca achieves a shareholding of over 90% but below 95% of the share capital of Banca Generali*

If, following the Offer, Mediobanca comes to own – as a result of acceptances of the Offer and/or purchases, if any, made outside of the Offer in accordance with the applicable regulations – an aggregate shareholding of over 90% but less than 95% of the share capital of Banca Generali, Mediobanca does not intend to restore a sufficient free float to ensure regular trading conditions, and will fulfil the squeeze-out commitment provided by Article 108(2) of the Italian Finance Act which will in any case result in the shares being delisted.

Pursuant to Article 2.5.1(6) of the Rules of the Markets organized and managed by Borsa Italiana S.p.A., and provided the conditions materialize, Banca Generali's shares will be delisted as of the trading day following the last day for payment of the Consideration indicated in relation to fulfilment of the squeeze-out commitment provided by Article 108(2) of the Italian Finance Act, without prejudice to the provisions regarding exercise of the right to squeeze-out contained in Article 111 of the Italian Finance Act and the commitment to squeeze-out provided for in Article 108(1) of the Italian Finance Act.

*(iii) Mediobanca achieves a shareholding of equal to or more than 66.67% of the share capital of the Issuer but of less than or equal to 90% of the share capital of Banca Generali*

If, following the Offer, Mediobanca comes to own – as a result of acceptances of the Offer and/or purchases, if any, made outside of the Offer in accordance with the applicable regulations – an aggregate shareholding of equal to or more than 66.67% of the share capital of Banca Generali, but of less than or equal to 90% of the share capital of Banca Generali, Mediobanca will have *de jure* control over Banca Generali as defined by Article 2359(1), no. 1, of the Italian Civil Code and will have sufficient voting rights to approve the Merger at a general meeting of Banca Generali.

Without prejudice to the foregoing, it should be noted that no formal decisions have yet been taken by the competent governing bodies of the companies that may be involved in the Merger, if any, nor regarding the means by which the Merger will be implemented.

*(iv) Mediobanca achieves a shareholding of equal to or more than the Threshold Condition but less than 66.67% of the share capital of Banca Generali*

If, following the Offer, Mediobanca comes to own – as a result of acceptances of the Offer and/or purchases, if any, made outside of the Offer in accordance with the applicable regulations – an aggregate shareholding of equal to or higher than the Threshold Condition, but of less than 66.67% of the share capital of Banca Generali, it will in any case have sufficient votes to be able to propose the Merger. The Merger may therefore be approved by Mediobanca, if it comes to own a shareholding that will enable it to cast a sufficient number of votes to have the Merger approved (having regard to the composition of the Banca Generali shareholder structure, and without prejudice to the need to meet the quorum for approval, namely two-thirds of the voting rights represented in general meeting).

Mediobanca reserves the right, before and after the Offer ends, to acquire Banca Generali shares in order to reach a threshold that will enable it to cast sufficient votes in order to have the Merger approved.

In accordance with one of the aims of the Offer, namely to achieve a strategic reallocation of its own share capital by exchanging the shares held in Assicurazioni for the Banca Generali shares, Mediobanca intends in any case to sell its entire investment in Assicurazioni Generali, *inter alia* by means and on terms to be defined if Mediobanca fails to own, at the end of the Offer, despite the Threshold Condition having been met, 100% of the share capital of Banca Generali (for instance, through possible disposals over the market, or by offering its shareholders the right to receive Assicurazioni Generali shares pro rata as an alternative to cash dividends).

## 10 Offer timeline

The Offer Document will be published after: (i) The Offer has been authorized by shareholders in general meeting pursuant to and within the meaning of Article 104 of the Italian Finance Act, and (ii) Consob has approved the Offer Document itself, once the Prior Autorizations (Italian and international) required under Article 102(4) of the Italian Finance Act have been received.

The Acceptance Period will be launched after the Offer Document has been published, in accordance with the provisions of the law. In view of the foregoing, it is anticipated that the acceptance period for the Offer may take place in the months of September or October 2025.

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

*“The shareholders of Mediobanca, gathered in ordinary general meeting:*

- *Having reviewed the Board of Directors' Report, and agreeing with the reasons set forth therein;*
- *Having regard to the terms and conditions of the Offer illustrated in the press release issued pursuant to Article 102(1) of the Italian Finance Act published by Mediobanca on 28 April 2025;*
- *Having regard to the provisions of Article 104(1) of the Italian Finance Act,*

***hereby resolve to***

1. *Authorize the Board of Directors, pursuant to Article 104(1) of the Italian Finance Act, to enable Mediobanca to: (i) launch the voluntary public exchange offer (the “Offer”) for 100% of the ordinary shares of Banca Generali S.p.A.; (ii) use the ordinary Assicurazioni Generali S.p.A. shares held by Mediobanca in connection with the Offer; (iii) exercise the right, where considered appropriate, to change and/or waive all or part (as the case may be) of one or more of the effectiveness conditions stipulated as part of the Offer, and to amend the Offer by the means and on the terms stipulated by Article 43 of the Regulations for Issuers, where necessary or otherwise appropriate to ensure that the Offer is successful;*
2. *Mandate the Board of Directors and, on its behalf, the Chief Executive Officer and the Group General Manager, jointly and severally, to implement this resolution in a proper and timely manner, and to perform all formalities and deeds related to and/or deriving from the said resolution, vesting them with the broadest powers to such end, including (but not limited to) the power to fulfil the obligations (including with regard to market disclosures) or requests made by the supervisory authorities or the market operator, and the power to make any changes and/or additions to the said resolution as become necessary and/or appropriate.”*

Milan, 30 May 2025

The Board of Directors



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*All subsequent forward-looking statements, written or oral, attributable to Mediobanca or to persons acting on its behalf are expressly subject to these cautionary statements.*

*The public voluntary exchange offer described in this document (the “**Offer**”) will be launched by Mediobanca – Banca di Credito Finanziario S.p.A. for all the ordinary shares of Banca Generali S.p.A.*

*This document does not constitute an offer to purchase, subscribe, sell or exchange the shares of Banca Generali S.p.A.*

*Before the beginning of the offer period, as required by the applicable regulations, the Offeror will publish an Offer Document and an Exemption Document to be carefully examined by the shareholders of Banca Generali S.p.A.*

*The Offer is being launched exclusively in Italy and is addressed, on a non-discriminatory basis and on equal terms, to all holders of shares of Banca Generali S.p.A. The Offer is being promoted in Italy because the shares of Banca Generali S.p.A. are listed on Euronext Milan, organized and managed by Borsa Italiana S.p.A. and, without prejudice to what follows, Banca Generali S.p.A. is subject to the obligations and procedural requirements provided by Italian law.*

*The Offer is not and will not be made in the United States (or will not be directed at US Persons, as defined by the U.S. Securities Act of 1933, as amended), Canada, Japan, Australia or in any other of the Excluded Countries, either by using national or international instruments of communication or commerce of the Excluded Countries (including, for example, postal network, fax, telex, email, telephone and internet), or through any structure of any of the Excluded Countries' financial intermediaries or in any other way. The Offeror reserves all rights regarding the possibility of extending the Offer to the United States of America in accordance with the applicable regulations.*

*Financial instruments cannot be offered or sold in the United States unless they are registered pursuant to the U.S. Securities Act, or are exempt from, or otherwise not subject to, registration. The final instruments offered as part of the transaction described in this document will not be registered under the terms of the U.S. Securities Act. Mediobanca does not intend to make a public offer for such financial instruments in the United States.*

*This document or any other document issued by the Offeror in relation to the Offer do not constitute and do not form part of a tender or exchange offer, or a solicitation to offer or exchange financial instruments in the United States or the other Excluded Countries. Financial instruments cannot be offered or sold in the United States unless they have been registered pursuant to the U.S. Securities Act of 1933, as amended, or are exempt from registration. Financial instruments cannot be offered or sold in the United States unless they are registered pursuant to the U.S. Securities Act, or are exempt from, or otherwise not subject to, registration. The final instruments offered as part of the transaction described in this document will not be registered under the terms of the U.S. Securities Act. Mediobanca does not intend to make a public offer for such financial instruments in the United States.*

*No financial instrument may be offered or traded in the Excluded Countries without specific authorization in compliance with the relevant applicable regulation in such Excluded Countries or without exemption from such provisions.*

*This document may be consulted in the United Kingdom, or by those who are in the United Kingdom, exclusively by "qualified investors" as defined by Article 2 letter e) of Regulation (EU) 2017/1129, as enacted in domestic UK law under the terms of the European Union (Withdrawal) Act 2018, as amended, and who: (i) are investment professionals as defined by Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended; the "Act"); (ii) have a high net worth and fall into the categories listed in Article 49(2) (a) – (d) of the Act; or (iii) are parties to which the communication may otherwise legitimately be made (the foregoing are "**Relevant Parties**"). Any investment activity to which this document refers is available only to Relevant Parties. The Financial Instruments described in this document are available in the United Kingdom only to Relevant Parties (and any solicitation, offer or agreement to subscribe for, or purchase or acquisition of such financial instruments, shall be addressed exclusively to such parties). Any person who is not a Relevant Party should not act or rely on this document or any of its contents.*

*Acceptance of the Offer by persons resident in jurisdictions other than Italy may be subject to specific obligations or restrictions imposed by the legal or regulatory provisions applicable in such jurisdictions. The recipients of the Offer alone are responsible for complying with such laws, and for this reason, before accepting the Offer, are bound to check the existence and applicability of such laws, with the help of their own advisors. The Offeror disclaims all liability for any breaches of these restrictions by any party.*