

MEDIOBANCA SICAV
Société anonyme qualifying as a *Société d'Investissement à Capital Variable*
60, avenue J.F. Kennedy, L-1855 Luxembourg
R.C.S. Luxembourg B 65834

Notice to Shareholders:

MEDIOBANCA SICAV: Mediobanca Corporate Bond Euro

(the "Receiving Sub-Fund")

IMPORTANT:
THIS LETTER REQUIRES YOUR IMMEDIATE ATTENTION.
IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENT OF THIS LETTER,
YOU SHOULD SEEK INDEPENDENT PROFESSIONAL ADVICE.

11 April 2022

Dear Shareholders,

In compliance with article 29 of the articles of association dated 22 July 2020 of the Fund (the "**Articles**"), the board of directors of the Fund (the "**Board**") has decided to merge the sub-fund "**YELLOW FUNDS SICAV – Difesa**" by **Mediobanca SGR** (the "**Merging Sub-Fund**"), a sub-fund of Yellow Funds SICAV, an investment company incorporated and existing under the laws of the Grand Duchy of Luxembourg as an investment company with variable capital (*société d'investissement à capital variable*) in the form of a public limited company (*société anonyme*), qualifying as an undertaking for collective investments in transferable securities ("**UCITS**") pursuant to part I of the law of 17 December 2010 relating to undertakings for collective investment, as amended (the "**2010 Law**"), having its registered office at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Company Register under number B 175534 with the Receiving Sub-Fund in compliance with article 1(20)(a) of the law of 2010 Law.

The Fund has designated Mediobanca Management Company S.A. with registered office at 2 boulevard de la Foire, L-1528 Luxembourg, Grand Duchy of Luxembourg as management company of the Fund (the "**Management Company**").

The Merging Sub-Fund and the Receiving Sub-Fund will hereinafter be together referred to as the "**Merging Entities**".

The merger shall become effective on 20 May 2022 (the "**Effective Date**").

This notice describes the implications of the contemplated merger. Please contact your financial advisor if you have any questions on the content of this notice. The merger may impact your tax situation. Shareholders should contact their tax advisor for specific tax advice in relation to the merger.

Capitalized terms not defined herein have the same meaning as in the prospectus of the Fund.

1. Background and rationale for the merger

The Board has decided, in the best interest of the shareholders of the Receiving Sub-Fund to merge the Merging Sub-Fund into the Receiving Sub-Fund to increase the size of the managed portfolio, to allow for an expected higher adjusted return / risk ratio, and, accordingly, to lower expected fees and to allow for greater diversification.

In light of the assets under management of the Merging Entities, whereas for some of them are particularly small, the Board considers it opportune to merge the Merging Sub-Fund in the Receiving Sub-Fund to achieve the objective stated in the foregoing paragraph.

In light of the compatibility of the investment objective, strategy, target assets and risk profile of the Merging Sub-Fund and the Receiving Sub-Fund, the Board strongly believes in the synergies to be created by this merger, including, but not limited to, more efficient management thereby benefiting the Receiving Sub-Fund's shareholders, as stated earlier.

Summary of the merger

- (i) The merger shall become effective and final between the Merging Sub-Fund and the Receiving Sub-Fund and *vis-à-vis* third parties on the Effective Date.
- (ii) On the Effective Date, all assets and liabilities of the Merging Sub-Fund will be transferred to the Receiving Sub-Fund. The Merging Sub-Fund will cease to exist as a result of the merger and thereby will be dissolved on the Effective Date without going into liquidation.
- (iii) No general meeting of shareholders of the Receiving Sub-Fund shall be convened in order to approve the merger and shareholders are not required to vote on the merger.
- (iv) Shareholders of the Receiving Sub-Fund who do not agree with the merger have the right to request, prior to 13 May 2022 the redemption of their shares, without redemption charges (other than charges retained by the Receiving Sub-Fund to meet disinvestment costs). Please see section 4 (*Rights of shareholders in relation to the merger*) below;
- (v) Subscriptions, redemptions and/or conversions of shares of the Receiving Sub-Fund will still be possible until 12 May 2022 (close of business) and will then be suspended as indicated under section 5 (*Procedural aspects*) below;
- (vi) Other procedural aspects of the merger are set out in section 5 (*Procedural aspects*) below.
- (vii) The merger has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**").
- (viii) The timetable below summarises the key steps of the merger.

Notice sent to shareholders	11 April 2022
Dealings closed in the Receiving Sub-Fund at close of business	12 May 2022 COB
Suspension of dealings in the Receiving Sub-Fund	13 May 2022 COB – 20 May 2022
End of current accounting period of the Receiving Sub-Fund	30 June 2022
Valuation of the Receiving Sub-Fund	19 May 2022
Calculation of share exchange ratios	20 May 2022 (based on a NAV dated on 19 May 2022)
Effective Date	20 May 2022

2. Impact of the merger on the shareholders of the Receiving Sub-Fund

No changes will be made to the investment objective and policy or other terms of the Receiving Sub-Fund as a result of the merger.

The merger will be binding on all the shareholders of the Receiving Sub-Fund who have not exercised their right to request the redemption of their shares, free of charge, within the timeframe set out in section 4 (*Rights of shareholders in relation to the merger*) below.

A rebalancing of the Receiving Sub-Fund's portfolio will be carried out after the merger.

The rebalancing will be done within a few days after the Effective Date.

No further rebalancing of the investment portfolio of the Merging Sub-Fund will take place before or after the merger.

3. Criteria for valuation of assets and liabilities

For the purpose of calculating the relevant share exchange ratios, the rules laid down in the Articles and the prospectus of the Fund for the calculation of the net asset value will apply to determine the value of the assets and liabilities of the Receiving Sub-Fund.

4. Rights of shareholders in relation to the merger

No shareholder vote is required in order to carry out the merger under article 29 of the Articles.

Shareholders of the Receiving Sub-Fund not agreeing with the merger will be given the possibility to request the redemption of their shares of the Receiving Sub-Fund at the applicable net asset value, without any redemption charges (other than charges retained by the Receiving Sub-Fund to meet disinvestment costs) during at least thirty (30) calendar days following the date of the present notice.

5. Procedural aspects

5.1 *Suspensions in dealings*

In order to implement the procedures needed for the merger in an orderly and timely manner, the Board has decided that subscriptions for, redemptions of, and conversions of shares of the Receiving Sub-

Fund, as well as conversions to or from the Receiving Sub-Fund, will no longer be accepted or processed as of 13 May 2022 COB until 20 May 2022 .

5.2 *Confirmation of merger*

Each shareholder in the Merging Sub-Fund will receive a notification confirming (i) that the merger has been carried out and (ii) the number of shares of the corresponding class of shares of the Receiving Sub-Fund that they hold after the merger.

5.3 *Publications*

The merger and its Effective Date shall be published before the Effective Date. This information shall also be made publicly available, when regulatory mandatory, in other jurisdictions where shares of the Receiving Sub-Fund is distributed.

5.4 *Approval by competent authorities*

The merger has been approved by the CSSF which is the competent authority supervising the Fund in Luxembourg.

6. **Costs of the merger**

The Management Company will bear the legal, advisory and administrative costs and expenses associated with the preparation and completion of the merger.

7. **Taxation**

The merger of the Merging Sub-Fund into the Receiving Sub-Fund may have tax consequences for shareholders. Shareholders should consult their professional advisers about the consequences of this merger on their individual tax position.

8. **Additional information**

8.1 *Merger reports*

Ernst & Young, the authorised auditor of the Fund in respect of the merger, will prepare a report on the merger which shall include a validation of the following items as set out in section 8.3. (c):

- 1) the criteria adopted for valuation of the assets and/or liabilities for the purposes of calculating the share exchange ratios; and
- 2) the calculation method for determining the share exchange ratios.

8.2 The exchange ratio for each share will be calculated on the Effective Date and an auditor report will be drawn up.

8.3 *Additional documents available*

The following documents are available to the shareholders of the Receiving Sub-Fund at the registered office of the Fund on request and free of charge as from 11 April 2022.

- (a) the common draft terms of the merger drawn-up by the Board containing detailed information on the merger, including the calculation method of the share exchange ratios (the "**Common Draft Terms of Merger**");

- (b) a statement by the depositary bank of the Fund confirming that they have verified compliance of the Common Draft Terms of the Merger with the terms of the 2010 Law and the Articles;
- (c) a copy of the report prepared by Ernst & Young, to validate the conditions foreseen in article 71(1) items a) and c) of the 2010 Law;
- (d) the prospectus of the Fund; and
- (e) the KIID of the Receiving Sub-Fund.

Please contact your financial adviser or the registered office of the Fund if you have questions regarding this matter.

Yours faithfully,

The Board