

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 65 834
(the "**Fund**")

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.

16 November 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 "**MEDIOBANCA SICAV – C Quadrat Efficient**" (the "**Merging Sub-Fund**"), another sub-fund of the Fund, with the Receiving Sub-Fund in compliance with article 1(20)(a) of the law of 2010 Law (the "**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 23 December 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.
- (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 16 December 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 not be suspended and, thus, they will be processed as usual, 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 | 16 November 2022 |
| End of current accounting period of the Receiving Sub-Fund | 30 June 2022 |
| Valuation of Receiving Sub-Fund | 22 December 2022 |
| Calculation of share exchange ratios | 23 December 2022 (based on a NAV dated on 22 December 2022) |
| Effective Date | 23 December 2022 |

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

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.

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.

We would like to draw the attention of the shareholders of the Receiving Sub-Fund to one security of the portfolio of the Merging Sub-Fund that will be merged in the portfolio of the Receiving Sub-Fund.

We refer to OPUS (ISIN code DE000A276EB6), a certificate issued by Opus – Chartered Issuances S.A. (the “**Certificate**”) which reflects the performance of Enhanced High Yield Composite Fund Index, which is in turn composed of the Enhanced High Yield Fixed Income Fund (the “**Enhanced Portfolio**”). The Enhanced Portfolio is a Bahamas fund which invests in Brazilian credit rights towards the Brazilian State. Although the Management Company and the investment manager of the Merging Sub-Fund have tried to sell the Certificate in the past, there are no buyers in the market.

Considering the illiquid nature of the Certificate, the Management Company has developed a robust independent valuation model with the support of an external company. The costs related to the implementation of the independent valuation model were taken in charge by the Management Company and the relevant invoice has been already paid. There will be no other costs in the future for this specific valuation model, meaning that the Management Company will use this model without need to pay additional costs

We would like to draw your attention to the fact that the Certificate is **(i)** an eligible investment under the 2010 Law, **(ii)** compatible with the investment policy of the Receiving Sub-Fund and **(iii)** compatible with the investor profile of the Receiving Sub-Fund.

Moreover, we would like to inform you that, as of 8 November 2022, on the basis of the NAV of 7 November 2022, the Certificate’s expected percentage of the NAV of the Receiving Sub-Fund is 0,50% and, thus, it is very unlikely that the Receiving Sub-Fund will face liquidity issues. However, please note the weight of the Certificate in the NAV of the Receiving Sub-Fund may change until the Effective Date.

A rebalancing of the 50% 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 and, therefore, the redeeming shareholders will not be impacted.

The costs of the rebalancing will be borne by the Receiving Sub-Fund.

No rebalancing of the investment portfolio of the Merging Sub-Fund will take place before 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*

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 not be suspended and, thus, they will be processed as usual.

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 are 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 8.2 (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.

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

8.2 *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 23 December 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