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 Bond Euro

(the "**Merging 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.

13 October 2020

Dear Shareholders,

In compliance with article 17 of the restated articles of association dated 22 July 2020 of the Fund (the "**Articles**"), the board of directors of the Fund (the "**Board of Directors**") has decided to merge the Merging Sub-Fund with "**MEDIOBANCA SICAV – MediobancaCorporate Bond Euro**", another sub-fund of the Fund (the "**Receiving Sub-Fund**") in compliance with article 1(20)(a) of the law of 17 December 2010 on undertakings for collective investment as amended (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 merger shall become effective on 20 November 2020 (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 Merging Sub-Fund and the Receiving Sub-Fund respectively, to merge the Merging Sub-Fund into the Receiving Sub-Fund in order to enable a better management of the assets under management and to reduce the costs.

Indeed, Mediobanca SGR, which has subscribed (both in its capacity of delegated investment manager of the Merging Entities and on a discretionary basis) ca. 98% of the assets of the Merging Sub-Fund and ca. 94% of the assets of the Receiving Sub-Fund, is planning to reimburse an important part of its assets. After such reimbursement, the assets under management of the Merging Entities will be quite small. Therefore, the Board considers it is 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 Merging Sub-Fund and Receiving Sub-Fund's shareholders, as stated earlier.

Further, the Board acknowledges that objectives set in the preceding paragraph justify the application of the slightly higher management fees of the Receiving Sub-Fund, in consideration of the commercial and strategic advantages the shareholders of the Merging Sub-Fund will benefit from and the payment of a lower performance fee in application of the Receiving Sub-Fund's calculation method of the performance fee.

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 shall be convened in order to approve the merger and shareholders are not required to vote on the merger.

(iv) Shareholders holding shares of the Merging Sub-Fund on the Effective Date will automatically be issued shares of the Receiving Sub-Fund in exchange for their shares of the Merging Sub-Fund, in accordance with the relevant share exchange ratios and participate in the results of the respective Receiving Sub-Fund as from such date. Shareholders will receive a confirmation note of their holding in the Receiving Sub-Fund as soon as practicable after the Effective Date. For more detailed information please see section 4 (*Rights of shareholders in relation to the merger*) below.

(v) Subscriptions, redemptions and/or conversions of shares of the Merging Sub-Fund will still be possible until 13 November 2020 (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	13 October 2020
Dealings closed in the Merging Sub-Fund and in the Receiving Sub-Fund at close of business	13 November 2020 COB
Suspension of dealings in the Merging Sub-Fund and in the Receiving Sub-Fund	13 November 2020 COB – 19 November 2020
End of current accounting period of the Merging Sub-Fund and of the Receiving Sub-Fund	30 June 2021
Valuation of Merging Sub-Fund and Receiving Sub-Fund	19 November2020
Calculation of share exchange ratios	20 November 2020 (based on a NAV dated on 19 November 2020)
Effective Date	20 November 2020

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

The main characteristics of the Receiving Sub-Fund, as described in the prospectus of the Fund and in the key investor information document ("**KIID**") of the Receiving Sub-Fund and of the Merging Sub-Fund are shown below.

Shareholders are informed that the classes of shares in the Receiving Sub-Fund which shareholders will receive will be registered for distribution in the same countries than the classes of shares previously held in the Merging Sub-Fund by said shareholder.

Shareholders of the Merging Sub-Fund should carefully read the description of the Receiving Sub-Fund in the prospectus of the Fund and in the KIID of the Receiving Sub-Fund before making any decision in relation to the merger.

The Receiving Sub-Fund and the Merging Sub-Fund are managed by the same investment manager, Mediobanca SGR S.p.a.

The merger will be binding on all the shareholders of the Merging 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.

The shareholders of the Merging Sub-Fund will not have different rights after the merger. The fees they will bear will be slightly different as outlined in section 2 (g) below. The main features of both the Merging Sub-fund and the Receiving Sub-Fund are described above in this section 2.

The procedures that apply to matters such as dealing, subscription, redemption, conversion of shares and method of calculating the net asset value, are the same in the Merging Sub-Fund and the Receiving Sub-Fund.

Although no tax impact is foreseen, shareholders in the Merging Sub-Fund are advised to consult their own professional advisers as to the legal, financial and tax implications of the merger under the laws of the countries of their nationality, residence, domicile or incorporation.

The shareholders of the Merging Sub-Fund will not be adversely impacted by the merger.

The performance fees will be crystalized and subsequently paid.

(a) Investment objective and policy

	Merging Sub-Fund	Receiving Sub-Fund
Investment objective	The investment objective of the Sub-Fund is to provide investors with an adequate exposure to the Euro bond market.	The investment objective of the Sub-Fund is to provide investors with an adequate exposure to the corporate bond Euro market.
Investment policy	The Sub-Fund mainly invests in fixed and floating rate instruments and in bank time deposits according to the principle of risk diversification. Such investments are issued by supranational, government, quasi-government bodies or private borrowers headquartered in any country (hereinafter for the purposes of this section referred to as "Approved Instruments"). The investments of the Sub-Fund should be primarily denominated in EUR and primarily shall have received a minimum rating of BBB-(minus) by Standard & Poor's or equivalent for the relevant maturity. However, the Sub-Fund may ancillary invest part of its net assets in Approved Instruments denominated in any other currency, provided that the issuers of such bonds shall have received a minimum rating of BBB-(minus) by Standard & Poor's or equivalent for the relevant maturity. The Sub-Fund may also invest in accordance with the terms of the present Prospectus, and on an ancillary basis, in other transferable securities, money market instruments, derivatives, including but not limited to options, warrants, futures, other equity derivatives traded either on a regulated market or OTC and forward transactions, deposits and units in collective investment schemes. The Sub-Fund may hold ancillary	The Sub-Fund will mainly invest in government and corporate bonds according to the principle of risk diversification. Such bonds may be denominated in any currency, issued by borrowers headquartered in any OECD country and primarily shall have received a minimum rating of BBB-(minus) by Standard & Poor's or equivalent for the relevant maturity. The Sub-Fund may also invest in accordance with the terms of the present Prospectus, and on an ancillary basis, in other transferable securities, money market instruments, derivatives, including but not limited to options, warrants, futures, other equity derivatives traded either on a regulated market or OTC and forward transactions, deposits and units in collective investment schemes. The Sub-Fund may also hold ancillary liquid assets and may invest up to 10% in convertible bonds. The Sub-Fund may also enter into swap transactions. The Sub-Fund will neither make use of securities financing transactions (i.e. (i) repurchase transactions, (ii) securities or commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions) nor of total return swaps.

	liquid assets and may invest up to 10% in convertible bonds. The Sub-Fund may also enter into swap transactions. The Sub-Fund will neither make use of securities financing transactions (i.e. (i) repurchase transactions, (ii) securities or commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions) nor of total return swaps.	

Shareholders are advised to read the prospectus of the Fund and the KIID of the Receiving Sub-Fund for a full description of the Receiving Sub-Fund's investment objective and policy.

(b) Profile of typical investor

The investor profiles of the Merging Sub-Fund and the Receiving Sub-Fund are identical.

Given the Fund's investment objectives and policies as described here above, investment in the Fund may be appropriate for investors who seek to invest in short term, fixed income securities or equity securities and who seek capital growth over the long-term. Investors should not seek regular income distributions and should accept the risks associated with this type of investment, as set out in "Risk factors" here above and can withstand volatility in the value of their Shares.

	Merging Sub-Fund	**Receiving Sub-Fund**
Specific recommendation in the KIID	Recommendation: this Sub-Fund may be appropriate for investors who plan to withdraw their money in the short term (2 years)	Recommendation: this Sub-Fund may not be appropriate for investors who plan to withdraw their money in the short term (2 years)

(c) Classes of shares and currency

The tables below show only the active share classes of the Merging Sub-Fund including their currencies, the corresponding share classes of the Receiving Sub-Fund and the ISIN numbers of the corresponding share classes in the Receiving Sub-Fund.

Please refer to the prospectus of the Merging Sub-Fund and/or the Receiving Sub-Fund for a list of all share classes.

The reference currency of the Merging Sub-Fund and the Receiving Sub-Fund is the Euro.

The share classes of the Receiving Sub-Fund shall keep the ISIN numbers which are currently attributed to it.

Name	**Classes**	**ISIN**	**Distribution**	**Hedged**

	of shares		Policy	
Merging Sub-Fund	C	LU0134650026	Capitalisation	No
	I	LU0134649952	Capitalisation	No
Receiving Sub-Fund	C	LU0126234292	Capitalisation	No
	I	LU0135559408	Capitalisation	No

(d) Risk and reward profile

Name	Classes of shares	SRRI
Merging Sub-Fund	C	3
	I	3
Receiving Sub-Fund	C	3
	I	3

(e) Distribution policy

Please refer to Section "Distribution Policy" in the prospectus of the Fund for common distribution policy applicable to the Merging Entities.

Both the Sub-Funds issue shares on a capitalisation basis as described in Section "Distribution Policy" in the prospectus of the Fund.

(f) Minimum initial investment and minimum subsequent investment

Merging Sub-Fund		Receiving Sub-Fund	
Minimum initial investment			
Classes of shares		**Classes of shares**	
C EURO Class	None	C EURO Class	None
I EURO Class	None	I EURO Class	None
Minimum subsequent investment			
Classes of shares		**Classes of shares**	
C EURO Class	None	C EURO Class	None
I EURO Class	None	I EURO Class	None

(g) Fees and expenses

Please refer to Section "Charges and Expenses" in the prospectus of the Fund for common fees applicable to the Merging Entities.

<table>
<tr><th colspan="2">Merging Sub-Fund</th><th colspan="2">Receiving Sub-Fund</th></tr>
<tr><td colspan="4">A management fee is payable to the Management Company in compensation for its management services. Such a fee is payable quarterly and calculated on the average of the net assets of the Sub-Fund for the relevant quarter.

A distribution fee is payable to the Management Company in compensation for its distribution services. Such a fee is equal to 0.05% per annum, payable quarterly and calculated on the average quarterly net asset value of the Sub-Fund.

The Distributor is authorized to retain an entry charge calculated as a percentage of the subscribed amount.

The management fee and entry charge applied to each Class of Shares are reported in the following table:</td></tr>
<tr><td colspan="2">Classes of shares</td><td colspan="2">Classes of shares</td></tr>
<tr><td>C EURO Class</td><td>1.00% per annum</td><td>C EURO Class</td><td>1.00% per annum</td></tr>
<tr><td>I EURO Class</td><td>0.50% per annum</td><td>I EURO Class</td><td>0.60% per annum</td></tr>
<tr><td colspan="4">Entry charges</td></tr>
<tr><td colspan="2">Classes of shares</td><td colspan="2">Classes of shares</td></tr>
<tr><td>C Class</td><td>Up to a maximum of 3%</td><td>C Class</td><td>Up to a maximum of 3%</td></tr>
<tr><td>I EURO Class</td><td>Up to a maximum of 1%</td><td>I EURO Class</td><td>Up to a maximum of 1%</td></tr>
<tr><td colspan="4">Performance fee</td></tr>
<tr><td colspan="2">Furthermore, for all Classes of Shares, the Management Company is entitled to receive a quarterly performance fee equal to 10% of the difference between the quarterly performance of the Sub-Fund and that of the Merrill Lynch Euro Government Bills index plus 12.5 basis points (50 basis points on an annual basis) (the "Benchmark"), both calculated at the end of each calendar quarter. The performance fee is only applicable at the end of each quarter if the Sub-Fund performs positively and higher than the Benchmark at the end of each calendar quarter and provided that the Net Asset Value at the last Valuation Day of the relevant calendar quarter is higher than the last Net Asset Value of the preceding calendar year and higher than each last Net Asset Value of each preceding calendar quarter during the current accounting year (the "High Water Mark"). Any performance fee applicable will be calculated at the end of each calendar quarter on the average</td><td colspan="2">Furthermore, for all Classes of Shares, the Management Company is entitled to receive a quarterly performance fee equal to 10% of the difference between the quarterly performance of the Sub-Fund and that of the Merrill Lynch Euro Government Bills index plus 25 basis points (100 basis points on an annual basis) (the "Benchmark"), both calculated at the end of each calendar quarter. The performance fee is only applicable at the end of each quarter if the Sub-Fund performs positively and higher than the Benchmark at the end of each calendar quarter and provided that the Net Asset Value at the last Valuation Day of the relevant calendar quarter is higher than the last Net Asset Value of the preceding calendar year and higher than each last Net Asset Value of each preceding calendar quarter during the current accounting year (the "High Water Mark"). Any performance fee applicable will be calculated at the end of each calendar quarter on the average</td></tr>
</table>

assets of the Sub-Fund during the quarter and charged to the Sub-Fund at the end of the quarter. For newly launched Shares, the reference period for the calculation shall start at the launch of such Shares and end at the end of the current calendar quarter and the High Water Mark shall be the first Net Asset Value after the launch date that is higher than the Benchmark. The first High Water Mark will give right to the payment of a performance fee as above defined. If Shares were redeemed or converted into other Shares of any Class of the same Sub-Fund or any Class of another existing Sub-Fund during the reference calendar quarter, and for those Shares, a performance fee is accrued, it will be crystallized at the date of redemption or conversion and it will be considered as payable to the Management Company. This methodology has been in place since January 2012.	assets of the Sub-Fund during the quarter and charged to the Sub-Fund at the end of the quarter. For newly launched Shares, the reference period for the calculation shall start at the launch of such Shares and end at the end of the current calendar quarter and the High Water Mark shall be the first Net Asset Value after the launch date that is higher than the Benchmark. The first High Water Mark will give right to the payment of a performance fee as above defined. If Shares were redeemed or converted into other Shares of any Class of the same Sub-Fund or any Class of another existing Sub-Fund during the reference calendar quarter, and for those Shares, a performance fee is accrued, it will be crystallized at the date of redemption or conversion and it will be considered as payable to the Management Company. This methodology has been in place since January 2012.
Redemption fee	
All classes of shares	**All classes of shares**
Unless otherwise provided in the particulars of each Sub-Fund, if on any Valuation Day redemption requests pursuant to Article 11 and conversion requests pursuant to Article 12 of the Articles relate to more than 10% of the Shares in issue in a specific Sub-Fund or in case of a strong volatility of the market or markets on which a specific Sub-Fund is investing, the Board of Directors may decide that part or all of such requests for redemption or conversion will be deferred for such period as the Board of Directors considers to be in the best interests of the Sub-Fund, but normally not exceeding 30 days. In any such case, an exit fee of maximum 1% of the Net Asset Value per Share of the relevant Sub-Fund may be charged to the shareholders making a redemption or conversion request to cover the corresponding costs of sales of the underlying portfolio. The rate of such exit fee will be the same for all shareholders having requested the redemption or conversion of their shares on the same Valuation Day. The exit fee shall revert to the Sub-Fund from which the redemption or conversion was effected. On the next Valuation Day following such period, these redemption and conversion requests will be	Unless otherwise provided in the particulars of each Sub-Fund, if on any Valuation Day redemption requests pursuant to Article 11 and conversion requests pursuant to Article 12 of the Articles relate to more than 10% of the Shares in issue in a specific Sub-Fund or in case of a strong volatility of the market or markets on which a specific Sub-Fund is investing, the Board of Directors may decide that part or all of such requests for redemption or conversion will be deferred for such period as the Board of Directors considers to be in the best interests of the Sub-Fund, but normally not exceeding 30 days. In any such case, an exit fee of maximum 1% of the Net Asset Value per Share of the relevant Sub-Fund may be charged to the shareholders making a redemption or conversion request to cover the corresponding costs of sales of the underlying portfolio. The rate of such exit fee will be the same for all shareholders having requested the redemption or conversion of their shares on the same Valuation Day. The exit fee shall revert to the Sub-Fund from which the redemption or conversion was effected. On the next Valuation Day following such period, these redemption and conversion requests will be

met in priority to later requests	met in priority to later requests
Conversion fee	
No conversion fee is applicable.	No conversion fee is applicable.

(h) Subscription, redemption and conversion of shares

The procedure of subscription, conversion and redemption for the Merging Entities are identical.

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 Merging Sub-Fund and of the Receiving Sub-Fund.

4. Rights of shareholders in relation to the merger

Shareholders of the Merging Sub-Fund holding shares in the Merging Sub-Fund on the Effective Date will automatically be issued, in exchange for their shares in the Merging Sub-Fund, a number of shares of the corresponding share classes of the Receiving Sub-Fund equivalent to the number of shares held in the relevant share classes of the Merging Sub-Fund multiplied by the relevant share exchange ratios which shall be calculated for each class of shares on the basis of its respective net asset value as of the Effective Date.

Since the exchange ratio for each share will be calculated on the Effective Date, an auditor report will also be drawn up. You will receive a separate confirmation on the number of shares in the relevant share class of the Receiving Sub-Fund that you will receive in return for the number of shares in the relevant share class of the Merging Sub-Fund you currently hold once the share exchange ratio has been determined on the Effective Date.

No subscription fee will be levied within the Receiving Sub-Fund as a result of the merger.

Shareholders of the Merging Sub-Fund will acquire rights as shareholders of the Receiving Sub-Fund from the Effective Date and will thus participate in any increase in the net asset value of the corresponding Receiving Sub-Fund.

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

5. Procedural aspects

5.1 No shareholder vote required

No shareholder vote is required in order to carry out the merger under article 29 of the Articles. Shareholders of the Merging Sub-Fund not agreeing with the merger may request the redemption of their shares as stated under section 4 (*Rights of shareholders in relation to the merger*) above prior to 13 November 2020 (close of business).

5.2 Suspensions in dealings

In order to implement the procedures needed for the merger in an orderly and timely manner, the Board of Directors has decided that subscriptions for, redemptions of, and conversions of shares of the Merging Sub-Fund and the Receiving Sub-Fund, as well as conversions to or from the Merging Sub-Fund and the Receiving Sub-Fund, will no longer be accepted or processed as of 13 November 2020 COB until 19 November 2020.

5.3 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.

5.4 Publications

The merger and its Effective Date shall be published before the Effective Date. This information shall also be made publicly available, when mandatory by applicable regulation, in other jurisdictions where shares of the Merging Sub-Fund are distributed.

5.5 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 of the Fund, Mediobanca Management Company S.A., 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) in this notice:

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 will be determined on the Effective Date.

8.2 Additional documents available

The following documents are available to the shareholders of the Merging Sub-Fund at the registered office of the Fund on request and free of charge as from 13 October 2020:

(a) the common draft terms of the merger drawn-up by the Board of Directors 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. The Board of Directors draws the attention of the shareholders of the Merging Sub-Fund to the importance of reading the KIID of the Receiving Sub-Fund before making any decision in relation to the merger.

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

Yours faithfully,

The Board of Directors