

**BANCA FARMAFACTORING S.p.A.**  
**Head office in Milan, Via Domenichino No. 5**  
**Share Capital 131,364,092.09 euros, fully paid-in**  
**R.E.A. of Milan No. 1193335**

**Tax ID code and VAT code No. 07960110158**  
**Registered in the Register of Banks at No. 5751, ABI code No. 3435,**  
**the parent company of the banking group of the same name,**  
**registered in the Banking Group Register**

#### **NOTICE OF ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING**

The ordinary and extraordinary Shareholders' Meeting of Banca Farmafactoring S.p.A. is convened in Milan, Via Domenichino, No. 5, on a single call, for its ordinary and extraordinary session on **2 April 2020 at 11,00 am** to discuss and resolve the following

#### **AGENDA**

##### **Ordinary session**

1. Financial Statements as of December 31, 2019. Reports by the Board of Directors, the Board of Statutory Auditors and the Independent Auditors. Related resolutions. Presentation of the Consolidated Financial Statements of the Banca Farmafactoring Banking Group as of 31 December 2019.
2. Allocation of the net income of the fiscal year. Related resolutions.
3. Appointment of a Director. Related resolutions.
4. Appointment of the independent auditors for the financial years 2021-2029 and determination of their fees. Related resolutions.
5. Remuneration and Incentive policies:
  - 5.1. Annual report on remuneration policy and fees paid: (i) resolutions relating to the first section pursuant to Article 123-ter, paragraph 3-bis, of Legislative Decree no. 58/1998, as amended and supplemented; (ii) resolutions relating to the criteria for determining the remuneration to be granted in case of early termination of office or termination of employment, including the limits set for such remuneration; (iii) resolutions relating to the second section pursuant to Article 123-ter, paragraph 6, of Legislative Decree no. 58/1998, as amended and supplemented.
  - 5.2. Approval of the new *2020 Stock Option Plan of the Banca Farmafactoring Banking Group*. Related resolutions.
6. Authorisation to purchase and dispose of treasury shares subject to the revocation, for the part not yet executed, of the authorisation resolved by the Shareholders' Meeting on 28 March 2019. Related resolutions.

##### **Extraordinary session**

1. Proposal for a free share capital increase, in severable form, pursuant to Article 2349 of the Italian Civil Code, after revoking the proxy resolutions and a paid and bonus share capital increase approved by the Extraordinary Shareholders' Meeting on 28 March 2019 and by the Board of Directors on 8 April 2019, and consequent amendment of Article 5 of the By-Laws. Related resolutions.

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#### **INFORMATION ON SHARE CAPITAL**

Notice is hereby given that, pursuant to art. 125-*quater*, paragraph 1, letter c), of Legislative Decree no. 58/1998 (“TUF”), as of today, the fully subscribed and paid in share capital of Banca Farmafactoring S.p.A. (hereinafter, the “**Bank**” or the “**Company**”), is equal to Euro 131,364,092.09 (one hundred and thirty-one million three hundred sixty-four thousand ninety two, 09), represented by 170,602,717 (one hundred and seventy million six hundred two thousand seven hundred seventeen) ordinary shares with no par value and under dematerialization, each conferring one vote at the Shareholders’ Meeting, as set forth in article 5 of the Bank’s By-Laws (hereinafter, the “**By-Laws**”), available in the “*Governance/Corporate Documents*” section of the Company’s website [www.bffgroup.com](http://www.bffgroup.com). There are no categories of share other than ordinary shares.

At the date of publication of this notice, the Bank holds no. 206,255 own shares.

#### **AUTHORITY TO INTERVENE AND VOTE IN THE SHAREHOLDERS’ MEETING**

Pursuant to article 83-*sexies* of the TUF, any person who establishes their entitlement in accordance with the provisions provided under prevailing law may take part in the meeting; entitlement to participate in the meeting and to exercise voting rights is to be certified to the Company in writing by an empowered intermediary on behalf of the individual who is vested with voting rights, on the basis of the shareholder information applicable upon conclusion of the accounting day for the seventh day of market trading prior to the date set for the Meeting (the “**Record Date**”), namely by **24 March 2020**. Any person who becomes an owner of shares only after the record date referred to above will therefore have no right to participate or vote in the Meeting. The communication from the intermediary must reach the Bank before the end of the third day of market trading prior to the date set for the Meeting on first call, namely by **30 March 2020**. This shall be without prejudice to entitlement to participate and vote in the Meeting in the event that the communications are received by the Bank later than that date, provided that this occurs prior to the start of the Meeting’s business.

No provision is made in the By-Laws for voting by post or by e-mail.

#### **INTERVENING AND VOTING BY PROXY**

Those who are entitled to voting right may be represented by means of proxy released according to the modalities provided for by the laws and regulations in force, pursuant to article 11 of the By-Laws and article 135-*novies* of the TUF. Shareholders may use the “Proxy Form” available at the Registered Office, at via Domenichino, No. 5, 20149 – Milan (the “**Registered Office**”), or on the Company website [www.bffgroup.com](http://www.bffgroup.com) in the section “*Governance/Shareholders’ Meeting Documentation*”. The proxy forms currently envisaged, in the forms and within the limits established by the Italian law, are analogical proxy, conferred via a paper document with an ink signature, or electronic proxy, conferred via an electronic document with an electronic signature. In place of the original the representative can deliver or forward to the Company a copy - in printed or electronic format - of the proxy, self-certifying that it is a true copy of the original proxy and confirming the identity of the delegating party.

The Company can be notified of the proxy by filing same with the head office by registered mail with return receipt, at the Registered Office, or by certified electronic mail to the following certified e-mail address: [assemblea@pec.bancafarmafactoring.it](mailto:assemblea@pec.bancafarmafactoring.it).

Any advance notice shall not relieve the proxy, on accreditation for access to the Shareholders’ Meeting, of the obligation to attest conformity to the original of the copy

notified and confirming the identity of the delegating party.

#### DESIGNATED REPRESENTATIVE PROXY

The proxy may also be granted with voting instructions to Computershare S.p.A., with head office in Milan, via Lorenzo Mascheroni, No. 19 (hereinafter, the “**Designated Representative**”), appointed by the Company for this purpose, whom holders of voting rights may, free of charge, confer proxy and instruct to vote on all or some of the motions on the agenda, pursuant to article 135-*undecies* of the TUF. The proxy shall be effective only for those items of the agenda in relation to which voting instructions have been given.

For this purpose, the specific proxy form shall be used which is prepared by the Designated Representative, in agreement with the Company, and which will be available on [www.bffgroup.com](http://www.bffgroup.com) in the “*Governance/Shareholders’ Meeting Documentation*” section, or at the Registered Office of the Company or of the Designated Representative.

The proxy to the Designated Representative shall contain voting instructions and shall be received, in original, by the Designated Representative, in Milan, via Lorenzo Mascheroni, No. 19 - possibly a copy will be sent beforehand by e-mail to [ufficiomi@computershare.it](mailto:ufficiomi@computershare.it), or by certified email attachment to [ufficiomilano@pecserviziotitoli.it](mailto:ufficiomilano@pecserviziotitoli.it), no later than the end of the second trading day before the Meeting (i.e. by **31/3/2020**). Within the same term, the proxy voting and the vote instructions are revocable.

The notice to the Company sent by the certified intermediary certifying the right to take part in the Meeting is also required in case of granting of the proxy to the Company’s Designated Representative; consequently, if the aforementioned notice is lacking, the proxy shall be deemed void.

#### SUPPLEMENTS TO THE AGENDA AND SUBMISSIONS OF ADDITIONAL RESOLUTION PROPOSALS

Pursuant to article 126-*bis* of the TUF and article 9, paragraph 8, of the By-Laws, shareholders who, also jointly, represent at least one fortieth of the Bank's share capital may ask, within ten days from the publication of this call notice of the Shareholders' Meeting (i.e. by **12 March 2020**), for the agenda of the matters to be addressed to be supplemented, specifying in the request the additional topics proposed thereby, or submit resolution proposals on matters already included in the agenda.

The requests, together with the certifications issued by a qualified intermediary, attesting the total equity interest percentage and the information enabling the identification of the requesting Shareholders shall be received, by the indicated date, in written form at the registered office, to the attention of the Corporate Affairs Department, by registered letter with return receipt, or by certified e-mail to [assemblea@pec.bancafarmafactoring.it](mailto:assemblea@pec.bancafarmafactoring.it).

Shareholders asking for the agenda to be supplemented shall draft and transmit to the Board of Directors, within the deadline for the presentation of the supplement request, a report setting out the explanation for the resolution proposals.

Supplements to the agenda, or submissions of additional resolution proposals on matters already included in the agenda are notified, in the same forms prescribed for the publication of meetings’ call notice, at least eight days before the Shareholders’ Meeting (i.e. by **18 March 2020**). At the same time of publication of the supplementation notice, in the same manner established for the documentation relating to the Shareholders’ Meeting, the report prepared by requesting Shareholders, accompanied by any evaluations of the Board of Directors, will be made available to the public.

The supplementation of the matters on the agenda is not permitted for those matters on which the Shareholders' Meeting deliberates, as prescribed by law, on proposals of the Board of Directors or on the basis of a project or report prepared by the Board, other than that referred to in art. 125-ter, paragraph 1, of the TUF.

#### THE RIGHT TO SUBMIT QUESTIONS

Pursuant to article 127-ter of the TUF, those entitled to vote may ask questions on matters on the agenda even before the Shareholders' Meeting, by the end of the fifth open market day prior to the Shareholders' Meeting (i.e. by **26 March 2020**).

The requests - accompanied by the references of the certification sent by the intermediary to the Company proving the right to vote - shall be received in writing at the Registered Office, to the attention of the Corporate Affairs Department, by registered letter with return receipt, or by certified e-mail to [assemblea@pec.bancafarmafactoring.it](mailto:assemblea@pec.bancafarmafactoring.it).

For the questions sent before the Shareholders' Meeting, if relevant, response will be given at the latest during the meeting itself, with the faculty of the Company to provide a single response to questions with the same content.

Answers may not be provided if the information requested is already available in FAQ format in the aforementioned section of the Company's website.

#### APPOINTMENT OF A DIRECTOR

The Director will be appointed, pursuant to Article 15 of the By-Laws, without the application of list voting, by relative majority vote on the basis of the proposals made and in compliance with the provisions relating to the composition of the Board, as set out in the same Article 15.

Interested shareholders are invited to file any candidacy proposals with the Registered Office, for the attention of the Corporate Affairs Secretariat, in good time, at least twenty days before the Shareholders' Meeting, by registered letter with return receipt or by certified e-mail to [assemblea@pec.bancafarmafactoring.it](mailto:assemblea@pec.bancafarmafactoring.it).

The proposals received by the Company will be published on the Bank's website (*Governance/Documentation of Shareholders' Meetings* section).

The proposals must be accompanied by (i) a declaration by which the candidate accepts his/her candidacy and certifies, under his/her own responsibility, that there are no grounds for ineligibility and incompatibility, as well as the existence of the requirements prescribed by law and the By-Laws (a facsimile of which is attached to the "Guidelines on the Qualitative and Quantitative Composition of the Board of Directors: indications to the Shareholders and the new Board of Directors" - the "**Guidelines for Shareholders**" - made available on the [www.bffgroup.com](http://www.bffgroup.com) website in the "*Governance/Documentation of Shareholders' Meetings*" section); (ii) a curriculum vitae of the candidate, signed and dated, containing detailed information on the candidate's personal and professional characteristics, as well as the skills acquired in the banking, financial and/or other areas of importance as indicated more in detail in the "Guidelines for Shareholders", together with an indication of the directorship and control positions held in other companies and his/her eligibility to qualify as independent.

#### DOCUMENTATION

The documentation referring to the items on the agenda, including the Reports of the Board of Directors on the items on the agenda and the proposed resolutions contained therein, will be available to the public, within the deadlines and according to the procedures laid

down in the current regulations, at the Registered Office and on the *website* [www.bffgroup.com](http://www.bffgroup.com) (section “*Governance/Shareholders' Meeting Documentation*”), as well as at the linfo authorized storage system, managed by Computershare S.p.A., at [www.linfo.com](http://www.linfo.com) and, namely:

- within **3 March 2020**, or thirty days before the date set for the Shareholders' Meeting, the Report of the Board of Directors of the items 3, 4 and 5.2 of the ordinary meeting agenda;
- within **12 March 2020**, or twenty-one days before the date set for the Shareholders' Meeting, the Financial Report and the other documents as per article 154-ter, of the TUF, as well as the Report on the Report on Corporate Governance and Ownership Structure, the Consolidated Statement of non-financial information, as well as the Directors' reports on items 5.1 and 6 of the Ordinary Shareholders' Meeting agenda, and on item 1 of the Extraordinary Shareholders' Meeting agenda.

Shareholders may view these documents and request copies of them.

The Company By-Laws are available on our website [www.bffgroup.com](http://www.bffgroup.com) (under the section “*Governance/Corporate Documents*”).

This extracted notice will be published in accordance with article 125-bis of the TUF in the newspaper : IL SOLE 24 ORE, on 3 March 2020.

On behalf of the Board of Directors  
The Chairman  
Salvatore Messina

Milan, 2 March 2020