

**BANCA FARMAFACTORING S.p.A.**  
**Head office in Milan, Via Domenichino No. 5**  
**Share Capital 130,982,698.00 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 **28 March 2019 at 11.00 am** to discuss and resolve the following

#### **AGENDA**

##### **Ordinary session**

1. Financial Statements as of December 31, 2018. 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 2018.
2. Allocation of the net income of the fiscal year. Related resolutions.
3. Remuneration and Incentive Policies:
  - 3.1. Annual Report on Remuneration and approval of the first Section, pursuant to article 123-ter, paragraph 6, of Legislative Decree No. 58/1998.
  - 3.2. Criteria for determining the remuneration to be granted in case of early termination of the employment relation or early cessation of the office, including the limits set for such remuneration. Related resolutions.
  - 3.3. Proposal for amendment of the *Stock Option Plan of BFF Banking Group*. Related resolutions.
  - 3.4. Stock grant plan for Group staff. Related resolutions.
4. Authorization to purchase and dispose of treasury shares subject to revocation, for the part not yet performed, of the authorization approved by the Shareholders' Meeting on 5 April 2018. Related resolutions.

##### **Extraordinary session**

1. Proposal to grant the outgoing Board of Directors the power to present a list of candidates for the office of Director and consequent modification of art. 15 of the Bylaws. Related resolutions.
2. Proposal for delegation to the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, of the right to increase the share capital free of charge pursuant to art. 2349 of the Civil Code and consequent modification of art. 5 of the Bylaws. Related resolutions.
3. Proposal for a divisible paid capital increase, with the exclusion of the option right, pursuant to art. 2441, paragraphs 5 and 6 of the Italian Civil Code, subject to revocation of the resolution to increase the capital pursuant to art. 2441, paragraph 8, of the Italian Civil Code approved by the Extraordinary Shareholders' Meeting of 5 December 2016 and consequent modification of art. 5 of the Bylaws. Related resolutions.

\* \* \*

**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 130,982,698 (one hundred and thirty million nine hundred eighty two thousand six hundred ninety eight), represented by 170,107,400 (one hundred and seventy million one hundred and seven thousand four hundred) 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 n. 359.230 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 (*record date*), namely by **19 March 2019**.

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 **25 March 2019**. 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 fax to +39 02.46776850, 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 **26 March 2019**). 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 **7 March 2019**), 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 **13 March 2019**).

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 third day prior to the Shareholders' Meeting (i.e. by **25 March 2019**).

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, 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*.

#### 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 1info authorized storage system, managed by Computershare S.p.A., at [www.1info.com](http://www.1info.com) and, namely:

- within **26 February 2019**, or thirty days before the date set for the Shareholders' Meeting, the Report of the Board of Directors of the items 3.3 and 3.4 of the agenda;
- within **7 March 2019**, 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 Legislative Decree no. 58/1998, as well as the Report on Remuneration and the Directors' Report of item 4 of the Ordinary Shareholders' Meeting agenda and items 1,2 and 3 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").



*Courtesy translation*

This extracted notice will be published in accordance with article 125-*bis* of the TUF in the newspaper: IL SOLE 24 ORE, on 26 February 2019.

On behalf of the Board of Directors

The Chairman  
Salvatore Messina

Milan, 25 February 2019