



CROSS-BORDER MERGER BY ABSORPTION OF MEDIASET S.P.A. AND MEDIASET ESPAÑA COMUNICACIÓN S.A. WITH AND INTO MEDIASET INVESTMENT N.V.

Additional information for shareholders

This document is aimed at providing shareholders with some additional information with respect to the envisaged cross-border merger by absorption of Mediaset S.p.A. (**Mediaset**) and Mediaset España Comunicación S.A. (**Mediaset España**) with and into Mediaset Investment N.V. (the **Merger**), a Mediaset's wholly-owned Dutch subsidiary which will, upon effectiveness of the Merger, be renamed "MFE – MEDIAFOREUROPE N.V." (**MFE**).

The following paragraphs shall be considered as an essential part of Paragraph 12.1 of the explanatory report on the Merger, drawn up by the board of directors of Mediaset pursuant to applicable law and made available to the public on the corporate website of Mediaset (www.mediaset.it) (the **Report**).

For the purposes of this document, capitalized terms which are not defined herein shall have the meaning ascribed to them in the Report.

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Applicability of Italian law provisions on public takeover bid to MFE

It is envisaged that, in the context of the Merger, DutchCo Ordinary Shares will be admitted to listing and trading on the Mercato Telematico Azionario and on the Spanish Stock Exchanges.

Taking into account the trading venues where DutchCo Ordinary Shares will be listed, as of the Merger Effective Date MFE will be subject to Dutch law as well as – assuming that Consob is elected by MFE as the competent supervisory authority – to certain provisions of Italian law.

Dutch law provisions and Italian law provisions will be applicable in different fields. In particular, the following provisions of the TUF and the Issuers' Regulation will be applicable:

- (i) Article 101-ter, paragraph 3, of the TUF, pursuant to which "*Consob shall supervise the implementation of public offerings [...] c) involving securities issued by a company with registered office in an EU Member State other than Italy and admitted to trading on regulated markets in Italy and in EU Member States other than that in which the company is registered, if said securities were first admitted to trading on an Italian regulated market or, if the securities were simultaneously first admitted to trading on regulated markets in Italy and in other EU Member States, where the issuer adopts Consob as the competent supervisory authority, informing the aforementioned markets and their supervisory authorities on the first day of trading. By regulation, Consob shall establish the terms and conditions for the public disclosure of the issuer's decision regarding adoption of the authority responsible for supervision of the offering*";
- (ii) Article 36-ter of the Issuers' Regulation, pursuant to which the issuer's choice of the competent supervisory authority with respect to public offerings pursuant to Article 101-ter, paragraph 3, lett. c) of the TUF "*shall be disclosed to the market no later than the first trading day. The notice shall remain available on the issuing company's website*"; and
- (iii) Article 101-ter, paragraph 4, of the TUF, pursuant to which, should Consob be the competent supervisory authority, "*matters concerning the price, procedure, with particular reference to reporting obligations on the decision of the bidder to proceed with the bid, content of the takeover bid document and disclosure of the bid shall be governed by Italian law. In matters relating to the information to be provided to employees of the issuer, matters relating to company law, in particular with regard to the threshold exceeded which a takeover bid becomes mandatory, to any derogation from such an obligation and the conditions under which the board of the issuer may undertake any action which might result in the frustration of the bid, the applicable rules and the competent authority shall be those of the Member State in which the issuer has its registered office*".

With respect to the thresholds exceeded which a takeover bid becomes mandatory, it should be noted that Dutch law does not provide for a rule relating to a takeover bid becoming mandatory upon so-called "creeping" acquisitions, which rule is, instead, provided for by Italian law under Article 106, paragraph 3, lett. b), of the TUF.

With respect to the differences between the current rights enjoyed by Mediaset shareholders and the rights to which they will be entitled as holders of DutchCo Ordinary Shares, please refer to the "*Comparative*

table of the rights to which shareholders of Mediaset, Mediaset España and MFE are entitled", attached as Schedule 1 to the "Questions and Answers" relating to the Merger, prepared by Mediaset in accordance with Article 127-ter, paragraph 2, of the TUF and available on the Mediaset corporate website (www.mediaset.it).

Transactions with related parties

As of the Merger Effective Date, the regulation containing provisions relating to transactions with related parties, as approved by Consob with Resolution no. 17221 dated 12 March 2010 (the **Regulation on Related Parties Transactions**), will not be applicable to Mediaset anymore because of MFE's Dutch nationality.

Similarly, the "*Procedure for related parties transactions*", approved by resolution of the board of directors of Mediaset on 9 November 2010 pursuant to Article 4 of the Regulation on Related Parties Transactions, and subsequently amended by resolution of the board of directors of Mediaset on 17 December 2013, will not be applicable to Mediaset anymore.

Dutch rules on related party transactions will apply after the Merger Effective Date. Pursuant to Dutch law MFE must disclose in its annual report material related party transactions that have been closed under non-market conditions.

Further the Dutch Corporate Governance Code prescribes that all transactions in which there are conflicts of interest with members of the board of directors should be agreed on terms that are customary in the market. Decisions to enter into transactions in which there are conflicts of interest with members of the board of directors that are of material significance to MFE and/or to the relevant member of the board of directors should require the approval of the non-executive directors. Such transactions should be published in the board report. The Dutch Corporate Governance Code contains similar best practices regarding all transactions between MFE and legal or natural persons who hold at least ten per cent of the shares in MFE.

On 2 April 2019, the Dutch parliament adopted the revised Dutch Shareholders' Directive Implementation Act (the **Act**). The Directive (2017/828/EU) should have been implemented in national law by 10 June 2019. The Act is currently under review by the Dutch senate. The Act will apply to MFE. The proposed legislation prescribes that the board of directors must disclose material transactions with related parties entered into outside the normal course of business or agreed on terms not customary in the market. No approval from shareholders will be required.