Arnoldo Mondadori Editore S.p.A.
Registered office: Via Bianca di Savoia 12, Milan
Share capital € 67,979,168.40 fully paid-up
Milan - Monza - Brianza - Lodi Companies Register and tax code no. 07012130584 – VAT no. 08386600152

GRUPPO MONDADORI

Shareholders' Meeting of 22 April 2020 (1st Call) and 20 May 2020 (2nd Call)

Directors' Explanatory Report

on items 1 and 2 of the agenda

1. **Separate financial statements as at and for the year ended 31 December 2019, Directors' Report on Operations and the reports of the Board of Statutory Auditors and the Independent Auditing Firm of Arnoldo Mondadori Editore S.p.A. Presentation of the Mondadori Group consolidated financial statements as at and for the year ended 31 December 2019. Resolutions on the approval of the separate financial statements as at and for the year ended 31 December 2019;**

2. **Resolutions on the appropriation of the profit for 2019 of Arnoldo Mondadori Editore S.p.A. and on the distribution of a dividend to the shareholders.**

Shareholders' Meeting of 22 April 2020/20 May 2020
Directors' Explanatory Report
on items 1 and 2 of the agenda

1. **Separate financial statements as at and for the year ended 31 December 2019, Directors' Report on Operations and the reports of the Board of Statutory Auditors and the Independent Auditing Firm of Arnoldo Mondadori Editore S.p.A. Presentation of the Mondadori Group consolidated financial statements as at and for the year ended 31 December 2019. Resolutions on the approval of the separate financial statements as at and for the year ended 31 December 2019;**

2. **Resolutions on the appropriation of the profit for 2019 of Arnoldo Mondadori Editore S.p.A. and on the distribution of a dividend to the shareholders.**

Shareholders,
you have been called to this ordinary session to discuss and deliberate, pursuant to art. 2364, paragraph 1, no.1), Italian Civil Code, on the separate financial statements of Arnoldo Mondadori Editore S.p.A. as at and for the year ended 31 December 2019, accompanied by the Directors' Report on Operations, the Report of the Board of Statutory Auditors, the Report of the Independent Auditing Firm and the Attestation of the Manager in charge of Preparation of the Company's Financial Reports.

In this connection, you are informed that the separate financial statements of Arnoldo Mondadori Editore S.p.A. as at and for the year ended al 31 December 2019 was examined and approved by the Board of Directors of Arnoldo Mondadori Editore S.p.A. at a meeting on 17 March 2020.

You are also invited to deliberate on:
(i) the appropriation of the net profit for the year, regarding which, at the aforementioned meeting of 17 March 2020, the Board of Directors carried a resolution to present to the Shareholders' Meeting the proposal to appropriate the net profit of Arnoldo Mondadori Editore S.p.A. for the financial year 2019, amounting to € 28,199,749.34, entirely to the surplus reserve, since the legal reserve already stands at the legal minimum of one fifth of the share capital; and
(ii) the distribution of a dividend to the shareholders, regarding which, at the aforementioned meeting of 17 March 2020, the Board of Directors carried a resolution to present to the Shareholders' Meeting the proposal to distribute a dividend to the shareholders, before tax withholdings, for a unit amount of € 0.06 to each one of the ordinary shares (net of the treasury shares) outstanding as of the ex-dividend date, by withdrawing the amount in question from the distributable portion of the surplus reserve. In compliance with the "Regulation governing markets organised and managed by Borsa Italiana S.p.A.", the dividend will be paid as from 27 May 2020 (payment date), with ex-dividend date (coupon no. 21) 25 May 2020 and record date, pursuant to art. 83-*terdecies* of the TUF [consolidated finance act], 26 May 2020.

Full documentation relating to the financial statements of Arnoldo Mondadori Editore S.p.A. will be made available to the public as required by law, at the registered office, at the authorised storage mechanism at the address www.1info.it, and on the Company website at the address www.mondadori.it (Governance section).

Proposed resolutions

Shareholders,
if you agree with our proposals, we invite you to approve the following resolutions:

"*1. The ordinary session of the Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A., having examined the Draft Separate Financial Statements as at and for the year ended 31 December 2019, the Directors' Report on Operations, and having taken note of the Report of the Board of Statutory Auditors and of the Report of the Independent Auditing Firm*

resolves:

to approve the financial statements as at and for the year ended 31 December 2019 with regard to each part and finding;

"2. The Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A.,

- *having examined the explanatory report drawn up by the Board of Directors;*
- *having viewed the separate financial statements as at and for the year ended 31 December 2019, approved by today's Shareholders' Meeting;*
- *having heard the proposed resolutions presented to it;*

resolves:

- *to appropriate the net profit for the financial year 2019 of Arnoldo Mondadori Editore S.p.A. amounting to € 28,199,749.34 entirely to the surplus reserve, the legal reserve already standing at the legal minimum of one fifth of the share capital*
- *to distribute a dividend to the shareholders, before tax withholdings, for a unit amount of € 0.06 to each one of the ordinary shares (net of the treasury shares) outstanding as of the ex-dividend date, by withdrawing the amount in question from the distributable portion of the surplus reserve. The dividend, in compliance with the "Regulation governing markets organised and managed by Borsa Italiana S.p.A.", will be paid as from 27 May 2020 (payment date), with ex-dividend date (coupon no. 21) 25 May 2020 and record date, pursuant to art. 83-terdecies of the TUF, 26 May 2020."*

17 March 2020

Arnoldo Mondadori Editore S.p.A.
for the Board of Directors

Chair

Marina Berlusconi

Arnoldo Mondadori Editore S.p.A.
Registered office: Via Bianca di Savoia 12, Milan
Share capital € 67,979,168.40 fully paid-up
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GRUPPO MONDADORI

Shareholders' Meeting of 22 April 2020 (1st Call) and 20 May 2020 (2nd Call)

Directors' Explanatory Report

on item 5 of the agenda

Authorisation to buy back and dispose of treasury shares, pursuant to the combined provisions of arts. 2357 and 2357-*ter* of the Italian Civil Code.

Shareholders' Meeting of 22 April 2020 / 20 May 2022
Directors' Explanatory Report
on item 5 of the agenda

Authorisation to buy back and dispose of treasury shares, pursuant to the combined provisions of arts. 2357 and 2357-*ter* of the Italian Civil Code.

Shareholders,

the Shareholders' Meeting of 17 April 2019 of Arnoldo Mondadori Editore S.p.A. (the "**Company**") carried a resolution, pursuant to art. 2357 of the Italian Civil Code and with validity until the approval of the financial statements as at and for the year ended 31 December 2019, authorising the purchase of treasury shares representing up to 10% of the current share capital. Furthermore, pursuant to art. 2357-*ter* of the Italian Civil Code, the Shareholders' Meeting authorised the Board of Directors to dispose of the purchased treasury shares, with no time limits.

After partial execution of the resolution, as of today the Company holds 2,938,293 treasury shares (representing 1.124% of the share capital) whose voting rights are suspended pursuant to art. 2357-*ter*, paragraph 2, of the Italian Civil Code.

The capital of the Company, as of the date of this report, amounts to Euro 67,979,168.40 divided into 261,458,340 ordinary shares with a nominal value of Euro 0.26, of which 258,520,047 have voting rights.

Considering the expiry of the previous shareholder authorisation of 17 April 2019 and in order for the Board of Directors to retain the power to take advantage of any opportunities for investment or trading in treasury shares, we invite you to carry a new authorisation, until approval of the financial statements as at and for the year ending 31 December 2020, for the Board of Directors to buy back and dispose of treasury shares pursuant to the combined provisions of arts. 2357 and 2357-*ter* of the Italian Civil Code, and of art. 132 of Lgs. Decree 24 February 1998, no. 58, as subsequently amended ("**TUF**") and art. 144-*bis* of the Consob Regulation adopted with Resolution no. 11971 of 14 May 1999, as subsequently amended ("**Issuers' Regulation**"), in accordance with the following procedures, without prejudice to application of Regulation (EU) no. 596 of 16 April 2014 relating to market abuse (the "MAR") and Delegated Regulation (EU) no. 1052 of 8 March 2016 as well as the market practices allowed from time to time pursuant to art. 13 of the aforementioned Regulation (EU) no. 596/2014 ("**Allowed Market Practices**").

1. Reasons for the request to authorise the purchase and disposal of treasury shares.

The request to authorise the purchase and disposal of treasury shares to which this proposal refers is intended to enable the Company to purchase and dispose of ordinary shares, in accordance with the previous shareholder authorisations and in compliance with current community and national law and Allowed Market

Practices, including, after formal adoption by Consob subsequent to the favourable opinion expressed by the ESMA on 22 January 202, the New Practice no. 1, for the following purposes:

- to use bought-back treasury shares as consideration for the acquisition of equity investments under the Company's investment policy;
- to use bought-back treasury shares in relation to the exercise of conversion rights or other options on financial instruments issued by the Company, subsidiaries or third parties, and to use the treasury shares for loan, exchange or conferral transactions or to service extraordinary capital transactions or financing transactions or incentives that involve the assignment or disposal of treasury shares;
- to carry out, directly or through brokers, investment transactions, also with a view to containing sharp swings in listed share prices, normalising trading and share price trends and supporting the stock's liquidity on the market, in order to promote regular trading conditions independently of the normal variations tied to market trends, all in compliance with current regulations;
- to take investment or divestment opportunities, when deemed to be to the strategic benefit of the Company, and in proportion to available liquidity;
- to use the treasury shares to service share-based incentive plans, pursuant to art. 114-*bis* of the TUF, and programmes for the bonus issue of shares to the employees or to the members of the board of directors or board of statutory auditors of the issuer or of an associated company or to the shareholders.

In this connection, the Board of Directors has asked the Shareholders' Meeting called for 22 April 2020, and on 20 May 2020 on second call, to approve, pursuant to art.114-*bis* of the TUF, the so-called Performance Share Plan 2020-2022.

Under the Plan, the financial instruments on which the Plan is based are exclusively Mondadori treasury shares (see the Information Document published pursuant to art. 84-*bis* of the Issuers' Regulation and available on the website www.mondadori.it). Consequently, with respect to the authorisation that may be issued by the Shareholders' Meeting under this proposal, the Board of Directors may organise a treasury share buy-back programme for a maximum amount equivalent to 0,21% of the share capital, in order to provide the Company with the 543,232 shares required to fulfil its obligations under the Performance Share Plan 2020-2022: (i) the details of which will be announced before trading begins, (ii) whose purchase and sale transactions will be notified to Consob and to the public, and (iii) whose purchase prices comply with the limits established by Regulation (EU) no. 596/2014 and related implementing regulations.

Attention is also drawn to the fact – consistently with previous disclosures to the market – that (i) the Shareholders' Meeting of 27 April 2017, approved, pursuant to art.114-*bis* of the TUF, the Performance Share Plan for the three-year period 2017–2019 (the "2017-2019 Plan") based exclusively on the attribution of Mondadori treasury shares (in accordance with the contents of the Information Document published on 28 March 2017 which is recalled in full); (ii) the Shareholders' Meeting of 24 April 2018, approved, pursuant to art.114-*bis* of the TUF, the Performance Share Plan for the three-year period 2018–2020 (the "2018-2020 Plan") based exclusively on the attribution of Mondadori treasury shares (in accordance with the contents of the Information Document published on 15 March 2018 which is recalled in full); (iii) the Shareholders' Meeting of

17 April 2019, approved, pursuant to art.114-*bis* of the TUF, the Performance Share Plan for the three-year period 2019–2021 (the "2019-2021 Plan") based exclusively on the attribution of Mondadori treasury shares (in accordance with the contents of the Information Document published on 15 March 2019 which is recalled in full). Consequently, based on the authorisation that may be issued by the Shareholders' Meeting under this proposal, the Board of Directors may continue to buy back treasury shares to service the 2017-2019 Plan, the 2018-2020 Plan and the 2019-2021 Plan in accordance with the procedures and the limits set out in the related Regulations.

2. Maximum number, category and nominal value of the shares to which the authorisation refers.

Authorisation is requested for the purchase on one or more occasions of a maximum number of Arnoldo Mondadori Editore S.p.A. shares – taking into account the number of shares held, directly or indirectly, in portfolio from time to time – not exceeding 10% of the share capital pursuant to art. 2357, paragraph 3, Italian Civil Code.

3. All useful information for the purposes of a full evaluation of compliance with art. 2357, par 3, of the Italian Civil Code.

In accordance with art. 2357, paragraph 1, of the Italian Civil Code, purchases of treasury shares shall in all cases be within the limits of the distributable income and available reserves reflected in the most recently approved financial statements at the time of the execution of each transaction. Only fully paid-up shares may be purchased.

The authorisation is requested in compliance with art. 2357, paragraph 3, of the Italian Civil Code, in other words, for a maximum amount not exceeding one fifth of the share capital.

At the time of each treasury-share purchase or disposal transaction, the Company shall make the appropriate accounting entries, in compliance with art. 2357-*ter*, final paragraph, of the Italian Civil Code and with the relevant accounting standards.

4. Term for which the authorisation is requested.

The term of the purchase authorisation is requested until the Shareholders' Meeting called to approve the financial statements as at and for the year ended 31 December 2020, whereas the term of the authorisation for the disposal of treasury shares is requested without time limits, in view of the absence of indications on the matter under current law and of the advisability of enabling the Board of Directors to act with the greatest flexibility, also as regards time, when disposing of shares.

5. Minimum consideration and maximum consideration.

Without prejudice to the purchase of treasury shares in compliance with the terms, conditions and requirements established by law and community law and by Allowed Market Practices, the Board of Directors proposes that the minimum and maximum purchase consideration be set at a per-share price that is not more than 20% below the official market price of Arnoldo Mondadori Editore S.p.A. shares on the day preceding the day of the purchase, and not more than 10% above the official market price on the day preceding the purchase. With regard to purchase prices, the additional conditions as at art. 3 of the Delegated Regulation (EU) 2016/1052 referred to in point 6 below shall apply in all cases.

In accordance with art. 2357, paragraph 1, of the Italian Civil Code, purchases shall be executed within the limits of the available "surplus reserve", as reflected in the most recently approved financial statements.

The Board of Directors also requests authorisation to sell, dispose of and/or use bought-back treasury shares pursuant to art. 2357-*ter* of the Italian Civil Code, for any reason and at any time, in whole or in part, on one or more occasions, for the purposes indicated in section 1 above, in accordance with procedures, terms and conditions established from time to time by the Board of Directors.

With regard to the definition of volumes and per-share prices, purchases shall in all cases be executed in compliance with the conditions governed by art. 3 of the Delegated Regulation (EU) 2016/1052, more specifically:

- shares shall not be purchased at a price higher than the higher of the price of the last independent trade and the highest current independent bid on the trading floor where the purchase is carried out;
- with regard to volumes, daily purchase volumes shall not be more than 25% of the average daily volume of Arnoldo Mondadori Editore S.p.A. shares traded, in the 20 trading days preceding the date of purchase.

Purchases for the purpose of supporting market liquidity shall also be executed in compliance with the conditions laid out by the Allowed Market Practices.

6. Purchase and sale procedures.

In view of the different goals that may be achieved by means of treasury-share transactions, the Board of Directors proposes that the authorisation be granted for the execution of purchases, in compliance with the principle of equal treatment of shareholders envisaged by art. 132 of the TUF, through any of the methods specified by art. 144-*bis* of the Issuers' Regulation, to be selected from time to time, and by any other current law and, where applicable, by the market practices allowed from to time.

Furthermore, share purchase transactions may also be executed in accordance with the procedures envisaged by art. 3 of the Delegated Regulation (EU) no. 2016/1052 in order to benefit, where there are appropriate grounds, from the exemption as per art. 5, paragraph 1, of Regulation (EU) no. 596/2014 relating to market abuse with reference to insider dealing and market manipulation.

With regard to disposal transactions, the Board of Directors proposes that the authorisation allow any appropriate procedure to be adopted to achieve the specific objectives – including the use of the treasury shares to service share-based incentive plans and/or the sale of property and/or personal rights and/or securities lending – to be implemented directly or through brokers, in compliance with current laws and regulations.

The purchase transaction is not intended for the purpose of reducing share capital through the cancellation of bought-back treasury shares.

7. Proposed resolutions

Shareholders,

if you agree with our proposals, we invite you to approve the following resolutions:

The Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A.,

- *having examined the explanatory report drawn up by the Board of Directors;*
- *having viewed the separate financial statements as at and for the year ended 31 December 2019, approved by today's Shareholders' Meeting;*
- *having heard the proposed resolutions presented to it;*

resolves:

1. *pursuant to art. 2357 of the Italian civil code, to authorise the purchase of a maximum number of Arnoldo Mondadori Editore S.p.A. ordinary shares with a per-share par value of € 0.26 up to a limit of 10% of the current share capital. Purchases may be executed on one or more occasions, to achieve the purposes set out in the relevant Report of the Board of Directors, at a unit floor price of no less than the official price on the trading day prior to the purchase transaction less 20%, and a ceiling price of no more than the official price on the trading day prior to the purchase transaction plus 10%. Volumes and the unit purchase prices must nevertheless be set in accordance with the terms and conditions of art.3 of Delegated Regulation (EU) 2016/1052, and, specifically:*
   - *treasury shares shall not be purchased at a price higher than the highest price of the last independent trade and the highest current independent bid on the trading floor where the purchase is carried out;*
   - *in terms of volumes, daily purchase volumes shall not be more than 25% of the average daily volume of Arnoldo Mondadori Editore S.p.A. shares traded in the 20 trading days preceding the date of purchase.*

   This authorisation shall be effective until the Shareholders' Meeting called to approve the financial statements as at and for the year ended 31 December 2020;

2. *to authorise the Board of Directors, and on its behalf the Chair and the Chief Executive Officer, to proceed with the purchase of shares under the conditions set out above and at the pace deemed to be in the Company's best interests. This authorisation shall apply severally to the Chair and the Chief Executive Officer, and shall allow them also to act through proxies. Purchases shall be executed in compliance with current regulations, and as such – pursuant to art. 144-bis Consob Regulation no. 11971/1999 – they shall be carried out on regulated markets in accordance with trading procedures established by the respective market regulations that do not permit direct matching of bids with predetermined ask prices;*

3. *to record, when treasury shares are purchased or disposed of, the necessary accounting entries, in compliance with the applicable laws and accounting standards;*

4. *to authorise the Board of Directors, and on its behalf the Chair and the Chief Executive Officer, severally and also through proxies, so that, pursuant to art. 2357-ter of the Italian Civil Code, they may at any time, on one or more occasions, dispose of, in whole or in part, before or after completing purchases, treasury shares bought back in accordance with this resolution, through the sale of said shares on regulated markets and in any case in accordance with the additional trading procedures that may be followed under applicable law, as consideration for the purchase of equity investments under the Company's investment policy, to service the exercise of conversion rights and other options on financial instruments issued by the Company or by third parties, to service incentives plans adopted by the Company (including the share-based incentives plan for 2017-2019 approved by the Shareholders' Meeting of 27 April 2017 with the procedures as per the related Regulation, the share-based incentives plan for 2018-2020 approved by the Shareholders' Meeting of 24 April 2018 with the procedures as per the related Regulation, the share-based incentives plan for 2019-2021 approved by the Shareholders' Meeting of 17 April 2019 with the procedures as per the related Regulation, and the share-based incentives plan for 2020-2022, to be presented for the approval of the Shareholders' Meeting, with the procedures as per the related Regulation), or attributing to the Directors the power to establish from time to time, in compliance with law and regulations, the terms, procedures and conditions they deem most appropriate. The unit price or value assigned to the shares to be traded shall not be less than 80% of the reference share price recorded during the trading session prior to each transaction, or, in connection with the exercise of conversion rights or other options on financial instruments issued by the Company or third parties, the share price or value shall correspond to the respective exercise price or conversion price. The authorisation referred to in this paragraph is granted without time limits."*

17 March 2020

Arnoldo Mondadori Editore S.p.A.
for the Board of Directors
Chair

Marina Berlusconi

Arnoldo Mondadori Editore S.p.A.
Registered office: Via Bianca di Savoia 12, Milan
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Shareholders' Meeting
of 22 April 2020 (1st call)
and 23 April 2020 (2nd call)

Directors' Explanatory Report

on item 6 of the agenda

Resolutions pursuant to article 114-*bis* of the TUF [consolidated finance law] regarding the allocation of financial instruments.

Arnoldo Mondadori Editore S.p.A.
Registered office: Via Bianca di Savoia 12, Milan
Share capital € 67,979,168.40 fully paid-up
Milan-Monza-Brianza-Lodi Company register and tax code 07012130584 VAT No. 08386600152

Shareholders' Annual General Meeting 22/23 April 2020

Directors' Explanatory Report

on item 6 of the agenda

Resolutions pursuant to article 114-*bis* of the TUF [consolidated finance law] regarding the allocation of financial instruments.

Shareholders,

this Report has been prepared pursuant to arts. 114-*bis* and 125-*ter* of Legislative Decree No. 58 of 24 February 1998, as subsequently amended ("**TUF**"), and art. 84-*ter* of the Consob Issuers' Regulation adopted by Resolution no. 11971 of 14 May 1999, as subsequently amended ("**Issuers' Regulation**").

The Board of Directors has called you to this ordinary session on 22 April 2020 and, if necessary, on 23 April 2020 on second call, to submit for your approval pursuant to art. 114-*bis* of the TUF, the adoption of a Performance Share Plan for 2020–2022 (the "Plan"), restricted to the CFO-Executive Director and certain Company Managers.

This Report sets out the rationale and content of the proposal concerning the Plan, referring you for the illustration of the content and provisions of the Plan to the Information Document on the Plan, drafted pursuant to art. 114-*bis* of the TUF and art. 84-*bis* of the Issuers' Regulation. The Plan will be implemented through the purchase of treasury shares.

The proposal for the authorisation to purchase treasury shares to be used to service the Plan is set forth in a separate explanatory report prepared pursuant to arts. 2357 and 2357-*ter* of the Italian Civil Code, which – together with this report – will be made available to the public at the registered office of Arnoldo Mondadori Editore S.p.A., on the 1Info authorised storage mechanism (www.1info.it), and in the "Governance" section of the Arnoldo Mondadori Editore S.p.A. website (www.mondadori.it) as required under current law.

1. Rationale for the Plan

The Plan is established for the following purposes:

a. to create a stronger bond between the creation of value in the medium and long term and the remuneration of management;

b. to sustain the growth of Mondadori, following completion of the optimisation of its assets, by identifying a tool that reflects the growth of the value of the Company;

c. to stimulate team work at top management level, in support of the common objective of growing value.

Furthermore, the adoption of a share-based Plan is fully aligned with the key recommendations of art. 6 of the Borsa Italiana Corporate Governance Code.

The Plan is an integral part of Mondadori's remuneration policy and is a first step towards the progressive and constant alignment with best market practices regarding long-term incentive schemes.

For the preparation of the Plan, the Central Human Resources & Organisation Division used the support of a major international consulting firm with specialisation in this industry to produce market benchmarks indicating the best practices in the industry, in Italy as well as in Europe.

2. Features of the Plan

The Plan consists of the assignment of rights to receive a performance bonus, consisting of Company shares, upon the achievement of specific and pre-set performance objectives measured at the end of a three-year performance period.

The maximum number of Arnoldo Mondadori Editore S.p.A. ordinary shares servicing the Plan is 543,232, arising from the purchase of treasury shares on the market (the related proposal for authorisation to purchase and dispose of shares will be approved by the Shareholders' Meeting called to an ordinary session on 22 April 2020 and, if necessary on 23 April 2020 on second call).
As the shares in question are treasury shares, the Plan has no dilutive effects; in general terms, the maximum level of capital used to service the Plan will overall be equivalent to 0,21%.

3. Beneficiaries

The Plan is restricted to the CFO-Executive Director and 10 selected Mondadori managers with an existing employment and/or administration contract with the Company or its subsidiaries as at the date of allocation of the shares.

The beneficiaries will be identified by name by the Chief Executive Officer, after obtaining the opinion of the Remuneration & Appointments Committee, under a mandate from the Board of Directors. The operational management of the Plan is delegated to the Central Group Human Resources & Organisation Division.

The names of the beneficiaries and the other information required by paragraph 1 of form 7, Annex 3A of the Issuers' Regulation will be provided subsequently, upon implementation of the Plan, in accordance with the procedures set forth under article 84-*bis*, paragraph 5, head a) of the aforementioned Issuers' Regulation.

4. Plan implementation procedures and clauses, specifying whether implementation is subject to conditions and, in particular, attainment of specific results

Shares will be allocated to beneficiaries at the end of the vesting period, on attainment of pre-defined performance objectives. In particular, these objectives refer to:

i) Total Shareholder Return (TSR) with respect to the companies listed in the FTSE Italia All Share index, with a weighting of 25%

ii) Cumulative EBIT for the three-year period, with a weighting of 25%

iii) Cumulative Net Profit for the three-year period, with a weighting of 25%

iv) Cumulative Free Cash Flow for the three-year period, with a weighting of 25%

Minimum, target and maximum result levels have been set for each performance condition illustrated above.
On attainment of the minimum performance level (90%) for EBIT, Net Profit and Free Cash Flow, the number of shares allocated will equal 50% of the target number of assigned rights. On attainment of the target performance level, 100% of the bonus will be applied, whereas if the maximum level is met, beneficiaries will be entitled to 120% of the target number of assigned rights.
TSR is defined in relation to the companies listed on the FTSE Italia All Share index, measuring performance throughout the performance period of the Plan. If TSR is equal to or higher than the median, the objective will be considered achieved and the number of shares allocated will be equal to 100% of the rights assigned. If TSR is lower than the median, no shares will be allocated.
The number of shares to be allocated on attainment of the Performance Objectives will be rounded up to the higher whole unit.
The Board may change the Performance Objectives in the event of extraordinary and/or unforeseen situations or circumstances that may significantly affect the results and/or scope of the Group's activities. Such situations and circumstances include, but are not limited to, mergers, demergers, acquisitions, transfers and spin-offs.

Proposed resolutions

Shareholders,

if you agree with our proposals, we invite you to approve the following resolutions:

"The Shareholders' Meeting of Arnoldo Mondadori Editore S.p.A.,

- *having examined the explanatory report of the Board of Directors drawn up pursuant to arts. 114-bis and 125-ter of Lgs. Decree no. 58 of 24 February 1998, as subsequently amended ("TUF");*
- *having examined the Information Document prepared pursuant to art. 84-bis of the Regulation adopted by Consob with Resolution no. 11971 of 14 May 1999, as amended, which was made available to the public in accordance with the procedures prescribed in the applicable regulatory provisions,*

resolves:

1. *to approve, pursuant to art. 114-bis of the TUF, the adoption of an incentive plan named Performance Share Plan 2020–2022 of Arnoldo Mondadori Editore S.p.A. (the "Plan"), the terms, conditions, and*

implementation procedures of which are described in the Information Document for the Plan which is annexed to the Report of the Board of Directors, to which reference should be made;

2. *to grant to the Board of Directors the broadest powers necessary and appropriate for the implementation, integration or amendment of the Plan, including, but not limited to, the power to: (i) assign rights to the CFO-Executive Director; (ii) identify, or delegate the CEO to identify, after obtaining the opinion of the Remuneration & Appointments Committee, the beneficiaries not belonging to the Board of Directors and the number of rights to be assigned to beneficiaries; (iii) set any other term or condition, directly or by delegation, for the implementation of the Plan, including procedures for the procurement of the financial instruments to service the Plan, to the extent that this does not violate the authorisations granted by the Shareholders' Meeting; (iv) perform, directly or by delegation, any action, formality or notification necessary or advisable for the management and/or implementation of the Plan, in accordance with the terms and conditions set out in the Information Document on the 2020–2022 Plan, to which reference should be made;*
3. *to confer separately upon the Chair of the Board of Directors and the Chief Executive Officer full powers, including the power of subdelegation, so as to fulfil the legislative and regulatory requirements arising from the resolutions adopted."*

17 March 2020

Arnoldo Mondadori Editore S.p.A.

on behalf of the Board of Directors
Chair

Marina Berlusconi