



CAIRO COMMUNICATION

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VOLUNTARY PARTIAL PUBLIC TENDER OFFER PROMOTED BY CAIRO COMMUNICATION S.P.A. OVER TREASURY SHARES

Communication pursuant to Article 102, paragraph 1, of Legislative Decree 24 February 1998, no. 58, as subsequently amended and supplemented (the “CFA”) and Article 37 of the Regulation adopted by CONSOB by way of Resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented (the “Issuers’ Regulation”), concerning the voluntary partial public tender offer promoted by Cairo Communication S.p.A. (“Cairo Communication”, the “Issuer”, the “Offeror” or the “Company”) over treasury shares

Milan, 20 February 2025 – Pursuant to and for the purposes of Article 102, paragraph 1, of the CFA and Article 37 of the Issuers’ Regulation, by way of this communication (the “Communication”), Cairo Communication hereby announces its decision to promote a voluntary partial public tender offer, in accordance with the terms of Articles 102 *et seq.* of the CFA, over a maximum of no. 24,194,987 shares of the Company with no indication of par value, listed on Euronext Milan, Euronext STAR Milan segment, market organised and managed by Borsa Italiana S.p.A., equal to 18.0% of the share capital of the Company (the “Offer Shares” and the “Offer”, respectively).

For each Offer Share tendered to the Offer, the Company will pay a consideration equal to Euro 2.900 (the “Consideration”). The Consideration includes a premium equal to:

- (i) 8.7% on the official price of the Shares as of 20 February 2025 (*i.e.*, the trading day on which this Communication was published) (the “Reference Date”); and
- (ii) 13.3%, 17.6%, 25.0% and 31.1% on the weighted arithmetical average of the official prices of the Shares recorded, respectively, in the month prior to the Reference Date and in the previous 3 (three), 6 (six) and 12 (twelve) months before the Reference Date (included).

For further information on the Consideration, please refer to Paragraph 3.2 of this Communication.

The Offer is addressed indiscriminately to all holders of shares of the Company (the “Shares”).

The Offer is not conditional on reaching a minimum number of acceptances. In case of acceptances to the Offer for a total number of Shares exceeding the maximum number of Offer Shares, an allotment will be made according to the proportional method and, therefore, Cairo Communication will purchase from all the shareholders accepting the Offer the same percentage of the Shares contributed by them to the Offer.

It should be noted that, as indicated in Paragraph 3.3 below, the effectiveness of the Offer is subject to the fulfilment or waiver of each of the following conditions precedent (the “Offer Conditions”):

- (i) the non-occurrence, within the first trading day following the end of the acceptance period, of (i) extraordinary events or situations at a national and/or international level involving serious changes in the political, financial, economic, currency or market situation not already determined as of the date of this Communication and which have a substantially detrimental effect on the Offer, on the business conditions and/or on the equity, economic and/or financial conditions of Cairo Communication, as resulting from the most recent accounting document approved by Cairo Communication, or, (ii) acts, facts, circumstances, events or situations not already determined as of the date of this Communication and such as to determine a material detrimental effect on the Offer, on the business conditions and/or on the equity, economic or financial conditions of Cairo Communication, as resulting from the most recent accounting document approved by Cairo Communication; and
- (ii) the approval by the ordinary shareholders' meeting of Cairo Communication, which will be convened in accordance with the terms and conditions provided by law and by the articles of association, of the authorisation, pursuant to article 2357 of the Italian Civil Code, to purchase a number of Shares not exceeding one fifth of the share capital, also through the Offer, after revocation, for the part not executed, of the previous authorisation resolved upon by the shareholders' meeting on 8 May 2024.

The Offer Document will be submitted to CONSOB within the terms and in the manners provided by the applicable laws.

The essential elements of the Offer and its purposes are set out below.

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1. PARTIES TAKING PART TO THE OFFER

1.1 The Offeror and Issuer

As the Offer is being promoted by Cairo Communication, which is the issuer of the Offer Shares, the Offeror and the Issuer are the same entity.

Cairo Communication S.p.A. is a joint-stock company (*società per azioni*) incorporated under the laws of Italy, with registered office in Milan (MI), Via Angelo Rizzoli, no. 8, tax code and registration number at the Companies' Register of Milan, Monza, Brianza, Lodi no. 07449170153, with share capital equal to Euro 6,989,663.10, fully subscribed and paid-in, divided into no. 134,416,598 Shares with no par value and regular dividend rights.

According to the latest communication pursuant to Article 85-*bis*, paragraph 4-*bis*, of the Issuers' Regulation, as of the date of this Communication, as a result of the increase in voting rights pursuant to Article 127-*quinquies* of the CFA and Article 13 of the articles of association of Cairo Communication, the number of voting rights exercisable at the Issuer's shareholders' meetings is equal to 208,102,006.

The Shares are admitted to trading on Euronext Milan, Euronext STAR Milan segment, and, therefore, subject to the dematerialisation regime pursuant to article 83-*bis* of the CFA (ISIN code of the Shares with single vote: IT0004329733; ISIN code of the Shares with increased vote: IT0005222390; temporary ISIN code for the Shares for which registration in the special list has been requested: XXITV0000560).

Pursuant to Article 5 of the articles of association, the duration of the Company is set to 30 September 2050 and may be extended, or terminated early, by resolution of the shareholders' meeting.

1.2 Controlling entity, shareholders and relevant shareholders' agreements

As of the date of this Communication, Urbano Roberto Cairo holds, directly and indirectly through U.T. Communication S.p.A., no. 69,649,046 Shares, equal to 51.816% of the Company's share capital and 66.935% of the voting rights exercisable in the shareholders' meetings of the Issuer as a result of the voting rights increase and, therefore, he exercises control over the Company pursuant to Article 93 of the CFA.

The Company is not aware of any shareholders' agreements for the purposes of Article 122 of the CFA concerning the Shares of the Company.

1.3 Persons acting in concert with the Company in connection with the Offer

Pursuant to and for the purposes of Articles 101-*bis*, paragraph 4-*bis*, of the CFA and 44-*quater* of the Issuers' Regulation, the persons acting in concert with the Offeror are Urbano Roberto Cairo and U.T. Communication S.p.A., as they control, directly and indirectly, the Company, as well as Roberto Ercole Maria Cairo (holder of no. 104,800 Shares), Laura Maria Cairo (holder of no. 6,400 Shares) and Isabella Cairo (holder of no. 4,800 Shares), pursuant to Article 44-*quater*, paragraph 1, lett. a) of the Issuers' Regulation, as they are the brother and the sisters of Urbano Roberto Cairo, who controls the Company.

For the sake of clarity, only the Company will acquire the Offer Shares that will be tendered to the Offer.

1.4 Treasury shares

As of the date of this Communication, the Issuer holds no. 779 Shares, equal to 0.001% of the share capital.

2. LEGAL REQUIREMENTS OF AND REASONS FOR THE OFFER

2.1 Legal requirements of the Offer

The Offer is a voluntary partial public tender offer promoted pursuant to and for the purposes of Article 102, paragraph 1, *et seq.* of the CFA, as well as the relevant implementing provisions contained in the Issuers' Regulation.

2.2 Reasons for the Offer

With the promotion of the Offer, the Company intends to acquire treasury Shares in order to improve its capital structure in terms of efficiency and flexibility. The reduction in the number of outstanding Shares of the Company upon completion of the Offer will result in a reduction of the average cost of capital for the Company and, assuming an equal overall profit, an increase in profit per Share, maintaining an adequate free float and a solid capital structure.

The Offer will also allow the shareholders to benefit – under equal treatment conditions – from (i) a temporary increased liquidity of their investment, at a fixed price, and (ii) a premium with respect to the official price of the Shares as of the Reference Date, as well as with respect to the volume-weighted averages in the month prior to the Reference Date and in the previous 3 (three), 6 (six) and 12 (twelve) months before the Reference Date (included).

It is hereby announced that, in light of the Offer, the Company's board of directors will not submit for approval to the shareholders' meeting, which will be convened to approve, *inter alia*, the financial statements for the year ending 31 December 2024, the distribution of any ordinary dividends or the distribution of reserves.

It is also noted that Urbano Roberto Cairo and U.T. Communication S.p.A. have informed the Offeror of their intention not to accept the Offer.

The Offer is not aimed at the cancellation of treasury Shares, it being understood that the extraordinary shareholders' meeting of the Company may resolve to cancel the treasury Shares that will be in the Company's portfolio.

It should be noted that the Offer is not aimed at, nor will it result in, the delisting of the Shares and, in light of the nature of the Offer, the conditions for the obligation to purchase pursuant to Article 108, paragraph 2, of the CFA or pursuant to Article 108, paragraph 1, of the CFA, are not met, nor are there any requirements for the exercise of the squeeze-out right pursuant to Article 111 of the CFA.

3. ESSENTIAL ELEMENTS OF THE OFFER

3.1 Categories and quantity of Offer Shares

The Offer is promoted exclusively in Italy over a maximum of no. 24,194,987 Shares, equal to 18.0% of the share capital of the Issuer.

The Offer is addressed, indistinctively and with equal conditions, to all the holders of Shares.

The Offer is not conditional on reaching a minimum number of acceptances. Therefore, in case the Offer Conditions are fulfilled:

- (i) if, at the end of the acceptance period of the Offer, the total number of Shares tendered is equal to or less than the number of Offer Shares, the Company will proceed to purchase all the Shares tendered;
- (ii) if, at the end of the acceptance period of the Offer, the total number of Shares tendered is higher than the number of Offer Shares, the Company will proceed to purchase from the shareholders accepting the Offer the same proportion of Shares tendered, applying to the number of Shares tendered by each shareholder an allotment coefficient equal to the ratio between: (i) the number of Offer Shares; and (ii) the total number of Shares tendered to the Offer, rounded down (the "**Allotment**").

It should be noted that the possible application of the Allotment will not allow the shareholders accepting the Offer to withdraw their acceptance of the Offer. In addition, any Shares resulting in surplus as a result of the Allotment will be made available to the shareholders accepting the Offer in accordance with the terms and manners that will be set out in the Offer Document.

The Shares tendered to the Offer shall be freely transferable to the Company and free from encumbrances of any kind and nature, whether *in rem*, obligatory or personal.

3.2 Consideration and overall consideration of the Offer

3.2.1 One-off Consideration

The Offeror will pay to each tendering party the Consideration, equal to Euro 2.900, for each Offer Share tendered to the Offer.

The Consideration has been determined on the assumption that the Issuer's ordinary shareholders' meeting will not approve and distribute ordinary or extraordinary dividends from profits or reserves. In this regard, it is hereby announced that, in light of the Offer, the Company's board of directors will not submit for

approval to the shareholders' meeting, which will be convened to approve, *inter alia*, the financial statements for the year ending 31 December 2024, the distribution of any ordinary dividend or the distribution of reserves.

The Consideration is deemed net of stamp duty, where applicable, and of any fees, commissions and expenses, which will be paid by the Offeror. The substitute tax on capital gains, where applicable, shall be paid by the tendering parties to the Offer.

The Consideration includes a premium equal to 8.7% on the official price per Share recorded on the Reference Date, equal to Euro 2.668.

The following table compares the Consideration with the volume-weighted arithmetical average of the official prices of the Shares recorded in each of the previous 1 (one), 3 (three), 6 (six) e 12 (twelve) months before the Reference Date (included).

<i>Time reference</i>	<i>Weighted average (in Euro)</i>	<i>Difference between the Consideration and the weighted average (in Euro)</i>	<i>Difference between the Consideration and the arithmetical weighted average (in % with respect to the arithmetical weighted average)</i>
1 month before the Reference Date	Euro 2.561	Euro 0.339	13.3%
3 months before the Reference Date	Euro 2.467	Euro 0.433	17.6%
6 months before the Reference Date	Euro 2.319	Euro 0.581	25.0%
12 months before the Reference Date	Euro 2.212	Euro 0.688	31.1%

(*) Source: elaboration on data of Borsa Italiana.

3.2.2 Overall consideration of the Offer

In case of full acceptance of the Offer by all the holders of the Offer Shares, the maximum overall consideration of the Offer, calculated on the basis of the Consideration equal to Euro 2.900 for each Offer Share and the maximum number of Offer Shares, will be equal to Euro 70,165,462.30 (the “**Maximum Disbursement**”).

The Maximum Disbursement is less than the amount of the Company's available reserves, which amounted to Euro 234.3 million as of 31 December 2023, in compliance with the first paragraph of Article 2357 of the Italian Civil Code, which provides that the purchase of treasury shares may take place within the limits of the distributable profits and available reserves resulting from the last duly approved financial statements.

3.2.3 Guarantee of exact fulfilment

The Offeror will meet the financial commitments necessary for the payment of the Consideration through its own means and through debt; in this respect, on the date hereof, the Offeror received a commitment letter from UniCredit S.p.A. as financing bank, Underwriter, Global Coordinator, Mandated Lead Arranger and Bookrunner.

The Offeror declares, pursuant to Article 37-*bis* of the Issuers' Regulation, that it has put itself in a position to be able to fully meet the payment commitments of the Consideration.

3.3 **Conditions for the Offer to be effective**

The effectiveness of the Offer is subject to the fulfilment or waiver of each of the following Offer Conditions:

- (i) to the non-occurrence, within the first trading day following the end of the acceptance period, of (i) extraordinary events or situations at a national and/or international level involving serious changes in the political, financial, economic, currency or market situation not already determined as of the date of this Communication and which have a substantially detrimental effect on the Offer, on the business conditions and/or on the equity, economic and/or financial conditions of Cairo Communication, as resulting from the most recent accounting document approved by Cairo Communication, or, (ii) acts, facts, circumstances, events or situations not already determined as of the date of this Communication and such as to determine a material detrimental effect on the Offer, on business conditions and/or on the equity, economic or financial conditions of Cairo Communication, as resulting from the most recent accounting document approved by Cairo Communication; and
- (ii) to the approval by the ordinary shareholders' meeting of Cairo Communication, which will be convened in accordance with the terms and conditions provided by law and by the articles of association, of the authorisation, pursuant to article 2357 of the Italian Civil Code, to purchase a number of Shares not exceeding one fifth of the share capital, also through the Offer, after revocation, for the part not executed, of the previous authorisation resolved upon by the shareholders' meeting on 8 May 2024.

The Company may waive, in whole or in part, the Offer Conditions referred to in points (i) and (ii) above, by giving notice thereof in the manner and within the deadlines set forth in Article 43 of the Issuers' Regulation.

3.4 **Duration of the Offer**

The acceptance period for the Offer (the "**Acceptance Period**"), which will last between a minimum of 15 (fifteen) and a maximum of 40 (forty) trading days, will be disclosed in the Offer Document.

The Consideration will be paid on the fifth trading day following the end of the Acceptance Period, subject to extension in compliance with the provisions of the applicable laws and regulations.

3.5 **Markets where the Offer is promoted**

The Offer is promoted exclusively in Italy.

The Offer has not been and will not be promoted or distributed in the United States of America, Canada, Japan and Australia, nor in any other country in which such Offer is not permitted without due authorisation by the competent authorities or other fulfilments by the Offeror (such countries, including

the United States of America, Canada, Japan and Australia, jointly, the “**Other Countries**”), nor using national or international communication or trade tools of the Other Countries (including, by way of example, the postal network, fax, e-mail, telephone and internet), nor by way of any structure of any of the financial intermediaries of the Other Countries, nor in any other manner.

4. SHAREHOLDINGS HELD BY THE OFFEROR AND BY PERSONS ACTING IN CONCERT

As of the date of this Communication, the Offeror directly holds no. 779 Shares, equal to 0.001% of the share capital of the Company. The persons acting in concert hold the shareholdings set forth in Paragraphs 1.2 and 1.3 above.

Neither the Offeror neither, to the Offeror’s knowledge, the persons acting in concert hold any other financial instruments issued by the Issuer or having the same as underlying.

5. COMMUNICATIONS AND AUTHORISATIONS FOR THE OFFER

Apart from the Offer Conditions set forth in Paragraph 3.3 above, the promotion of the Offer is not subject to authorisation.

6. PUBLICATION OF PRESS RELEASES AND DOCUMENTS ON THE OFFER

The Offer Document, the press releases and all the documents relating to the Offer will be available, among others, on the authorised storage mechanism eMarket STORAGE at www.emarkestorage.com and on the Issuer’s website at www.cairocommunication.it.

7. ADVISORS

The Offeror is being advised by BonelliErede, as legal advisor, by UniCredit S.p.A. as lead financial advisor and by Equita SIM S.p.A., as financial advisor and intermediary in charge of coordinating the collection of acceptances of the Offer.

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This press release does not represent, nor does it intend to represent an offer, invitation, or solicitation to buy or otherwise acquire, subscribe, sell, or otherwise dispose of financial instruments, and no sale, issue, or transfer of financial instruments of Cairo Communication S.p.A. will be made in any country in breach of the regulations applicable therein. The Offer will be launched through the publication of the offer document. The offer document will contain the full description of the terms and conditions of the Offer, including the terms and conditions of acceptance.

The publication or dissemination of this press release in countries other than Italy may be subject to restrictions under the applicable law and, therefore, any person subject to the laws of any country other than Italy should independently obtain information about any restrictions under the applicable laws and regulations and ensure that they comply with them. Any failure to comply with such restrictions may constitute a violation of the applicable laws of the relevant country. To the fullest extent permitted by the applicable laws and regulations, the persons involved in the Offer shall be held harmless from any liability or detrimental consequence that may arise out of the breach of the above restrictions by such relevant persons. This press release has been prepared in accordance with the laws of Italy and the information contained herein may be different from that which would have been disclosed if the notice had been prepared in accordance with the laws of countries other than Italy.

No copy of this press release or of any other documents relating to the Offer shall be, nor may be, sent by post or otherwise forwarded or distributed in any or from any countries in which the provisions of local laws might give rise to civil, criminal or regulatory risks to the extent that information concerning the Offer is transmitted or made available to shareholders of Cairo Communication S.p.A. in such country or any other countries where such conducts would constitute a violation of the laws of such country and any person receiving such documents (including as custodian or trustee) is required not to distribute, forward

or send them to, or from, any such country.