

**BANCA SISTEMA S.P.A.**

Fully paid-up share capital € 9,650,526.24

Tax code and Milan Company Register No. 12870770158 - ABI code No. 03158.3

Largo Augusto 1/A, angolo Via Verziere 13, 20122 Milan

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[www.bancasistema.it](http://www.bancasistema.it)

ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING, HELD ON SINGLE CALL  
 AT THE REGISTERED OFFICE AT LARGO AUGUSTO 1/A, ANGOLO VIA VERZIERE 13, MILAN  
 23 APRIL 2020, 10.00 A.M.

**BOARD OF DIRECTORS' REPORT  
 ON ITEM 1 OF THE AGENDA**

(prepared pursuant to Art. 125-ter of Legislative Decree No. 58 of 24 February 1998,  
 as amended and supplemented)

**ORDINARY MEETING**

**“APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS OF BANCA SISTEMA S.P.A AT 31  
 DECEMBER 2019. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AT 31  
 DECEMBER 2019. REPORTS OF THE BOARD OF DIRECTORS, THE BOARD OF STATUTORY  
 AUDITORS AND THE INDEPENDENT AUDITORS. RELATING AND RESULTING RESOLUTIONS”**

## **BOARD OF DIRECTORS' REPORT**

Dear Shareholders,

As from the year 2019, Banca Sistema will prepare a single reporting package referred to as "Financial Statements and Reports for 2019", which contains the consolidated financial statements of the Banca Sistema Group and the separate financial statements of Banca Sistema S.p.A. Integrating content from the two financial statements into a single package has eliminated duplication in some of the qualitative disclosure, which was previously in both packages.

The "Financial Statements and Reports for 2019" reporting package, containing the consolidated financial statements and the separate financial statements of Banca Sistema S.p.A., the Directors' Reports on the consolidated and separate financial statements, and the statement under article 154-bis, paragraph 5, of Legislative Decree no. 58 of 24 February 1998, the independent auditors' reports and the Board of Statutory Auditors' report on the separate financial statements of Banca Sistema S.p.A., will be made available to the public in accordance with the terms established by law at the registered office, on the website of Banca Sistema S.p.A. and on the centralised storage mechanism authorised by Consob called "1Info" (available at [www.1info.it](http://www.1info.it)).

We invite you to read the above document and approve the proposed resolution submitted in the relevant section of the separate financial statements of Banca Sistema S.p.A., to which we refer.

\* \* \*

We also submit the consolidated financial statements at 31 December 2019 which have not yet been approved by the Shareholders' Meeting, but provide disclosure in addition to that provided in the separate financial statements of Banca Sistema S.p.A.

\* \* \*

Dear Shareholders,

With reference to the above, we invite you to approve the following resolutions:

*"The Shareholders' Meeting of Banca Sistema S.p.A.,*

***resolves:***

*to approve the separate financial statements at 31 December 2019 of Banca Sistema S.p.A. that show a profit of € 29,955,723".*

Milan, 30 March 2020

On behalf of the Board of Directors  
Ms. Luitgard Spögler  
Chairperson of the Board of Directors