

BANCA SISTEMA S.P.A.

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

Tax code and Milan Companies' Register No. 12870770158 - ABI code No. 03158.3

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

www.bancasistema.it

**ORDINARY SHAREHOLDERS' MEETING, HELD ON SINGLE CALL
AT THE REGISTERED OFFICE AT LARGO AUGUSTO 1/A, ANGOLO VIA VERZIERE 13, MILAN
24 APRIL 2024, 10.00 A.M.**

**BOARD OF DIRECTORS' REPORT
ON ITEM 2 OF THE AGENDA**

**"ALLOCATION OF THE PROFIT FOR THE YEAR 2023.
RELATING AND RESULTING RESOLUTIONS"**

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

BOARD OF DIRECTORS' REPORT

Dear Shareholders,

We wish to draw your attention to the proposal for a resolution submitted for analysis by the Ordinary Shareholders' Meeting of Banca Sistema S.p.A. (the "Bank" or "Company") as described hereunder, concerning the allocation of the profit for 2023.

We inform you that in the separate financial statements, the Bank reported a profit for the year 2023 of €14,129,371.99.

The Bank's Board of Directors, considering the absence of restrictions established by the banking sector Supervisory Authorities, the overall capital solidity of the Bank and the projected growth prospects, suggests that you allocate the profits for the year 2023 as follows:

- €8,902,003.61 *to retained earnings*. The remaining amount, totalling €5,227,368.38 as a *dividend* (for the 80,421,052 ordinary shares, equal to €0.065 per share).

Please note that no allocation to the legal reserve was made since the limits set out in Article 2430 of the Italian Civil Code were reached.

We also propose that the allocation of the dividend be made in cash, in accordance with the provisions of applicable laws and regulations, with ex-dividend date of 29 April 2024, and payment on 2 May 2024. Under the provisions of article 83-terdecies of Legislative Decree 58/1998 (Consolidated Law on Finance), all those who are registered as shareholders according to the accounting records at the end of the accounting day of 30 April 2024 (record date) will be entitled to receive the above dividend.

* * *

Dear Shareholders,

Given the above, the following proposed resolution is hereby submitted for your approval:

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

- *having regard to the decisions adopted during approval of the financial statements at 31 December 2023,*

resolves

1. *to allocate the profit for the year 2023 of Banca Sistema S.p.A. equal to €14,129,371.99 as follows:*

- *€8,902,003.61 to retained earnings*
- *€5,227,368.38 as a dividend of for the 80,421,052 ordinary shares, equal to €0.065 per share in the manner and within the terms set forth by this Report.*

Please note that no allocation to the legal reserve was made since the limits set out in Article 2430 of the Italian Civil Code were reached;

2. *to pay the above dividend as of 2 May 2024, with ex-dividend date of 29 April 2024. Under the provisions of article 83-terdecies of Legislative Decree 58/1998 (Consolidated Law on Finance), all those who are registered as shareholders according to the accounting records at the end of the accounting day of 30 April 2024 (record date) will be entitled to receive the above dividend. Payment will be made through the authorised intermediaries with whom the shares in the Monte Titoli System are registered.*

Milan, 29 March 2024

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