

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS OF ATLANTIA SPA ON THE PLAN  
FOR THE PARTIAL, PROPORTIONAL DEMERGER OF ATLANTIA SPA IN FAVOUR OF  
AUTOSTRADE CONCESSIONI E COSTRUZIONI SPA  
IN ACCORDANCE WITH ARTICLES 2506-*TER* AND 2501-*QUINQUIES* OF THE ITALIAN CIVIL  
CODE AND ART. 70, PARAGRAPH 2 OF THE REGULATIONS FOR ISSUERS  
APPROVED BY ATLANTIA'S BOARD OF DIRECTORS ON 14 DECEMBER 2020**

**Atlantia SpA** – *Registered office:* via Antonio Nibby, 20 - 00161 Rome,  
*Issued capital:* €825,783,990.00 – *Rome Companies' Register:* 03731380261

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**Explanatory report of the Board of Directors of Atlantia SpA on the Plan for the partial, proportional demerger of Atlantia SpA in favour of Autostrade Concessioni e Costruzioni SpA in accordance with articles 2506-ter and 2501-quinquies of the Italian Civil Code and art. 70, paragraph 2 of the Regulations for Issuers, as approved on 14 December 2020**

Dear Shareholders,

We hereby submit for your examination and approval the Plan for the partial, proportional demerger (the “**Demerger Plan**”) of Atlantia SpA (“**Atlantia**” or the “**Demerged Company**”) in favour of Autostrade Concessioni e Costruzioni SpA (“**ACC**” or the “**Beneficiary Company**” or the “**Beneficiary**”). The Plan was approved by Atlantia’s Board of Directors and the Sole Director of ACC on 14 December 2020 and has been drawn up, filed and registered as required by law.

Shareholders have been called to attend a General Meeting to be held on 15 January 2021 in order to resolve on agenda item 1) “*Approval of the Plan for the partial, proportional demerger of Atlantia SpA in favour of a wholly owned company, Autostrade Concessioni e Costruzioni SpA; proposed amendment of article 6 of the Articles of Association; related and resulting resolutions*”. This follows the decision taken by Atlantia’s Board of Directors on 28 October 2020 to withdraw the same item on the agenda for the Extraordinary General Meeting scheduled for 30 October 2020. This was done in order to enable shareholders to be in full possession of all the relevant information before they vote on the major decision regarding Autostrade per l’Italia SpA (“**ASPI**”), which together with its subsidiaries currently contributes a major share of the Group’s consolidated revenue and accounts for a significant portion of its equity.

The Board of Directors believes that the necessary information is now available to shareholders, thus enabling the General Meeting to take a decision that will safeguard the interests of all the shareholders and stakeholders involved.

This explanatory report (the “**Report**”) describes the Demerger Plan, in compliance with the provisions of articles 2506-ter and 2501-quinquies of the Italian Civil Code and art. 70, paragraph 2 of CONSOB Regulation 11971/1999, as amended (the “**Regulations for Issuers**”), and Form 1 of Annex 3A to the said Regulations for Issuers.

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## 1. PREAMBLE

### 1.1 Description of the Transaction and reasons for approval of the Demerger Plan

As you will be aware, on 24 September 2020, Atlantia's Board of Directors and the Sole Director of ACC approved a reorganisation plan, to be implemented at one and the same time through the following steps:

- a) Atlantia's partial, proportional demerger of assets consisting of a 55% interest in ASPI's corporate capital, with the allocation to Atlantia's shareholders of the full amount of ACC's capital increase servicing the demerger;
- b) Atlantia's transfer in kind to ACC of a 33.06% interest in ASPI's corporate capital; and
- c) the listing of ACC's shares on the *Mercato Telematico Azionario* ("**MTA**") organised and managed by Borsa Italiana SpA.

The transaction approved by Atlantia's Board of Directors on 24 September 2020 was designed to separate the Italian motorway construction and operation business, carried out under concessions awarded to ASPI and its subsidiaries, from the Atlantia Group's other ordinary activities, consisting of the management of overseas motorways, airports and payment solutions. The transaction created the basis for the sale to third parties of the entire 38.14% interest in ACC corporate capital that Atlantia would have held following completion of the overall transaction, resulting in the loss of control of ACC and, therefore, ASPI's exit from the Atlantia Group.

In this regard, it should be remembered that, on 14 July 2020, Atlantia indicated to the Italian Government that it was willing, subject to the approval of its Board of Directors, to consider proposals resulting in the transfer of control of ASPI, provided that such proposals were based on market conditions and on fair market values. Two solutions were identified for this purpose, resulting in the following alternatives: (1) a stock market listing via the demerger of ASPI together with the identification of a core group of shareholders, a process open to the participation of Cassa Depositi e Prestiti ("**CDP**"), which would have held a 55% interest, thereby having legal control of ASPI; or (2) the outright sale of the 88.06% stake held in ASPI (the "**Stake**"). To this end, on 24 September 2020, Atlantia's Board of Directors resolved to submit the above transaction to a General Meeting of shareholders.

The following transaction, described in this Report, has been designed with the same aim of enabling Atlantia to relinquish control of ASPI and the acquisition, by an investor, of legal control of the Beneficiary, following the revocation of the resolution dated 24 September 2020. The Transaction (as defined below) is subject to the contemporaneous sale to third parties of the controlling stake in the Beneficiary that Atlantia will hold as a result of the Demerger (as described below) and the transfer of its 55% interest in ASPI's corporate capital, together with the interest in ACC that Atlantia holds at the date of this Report following this company's establishment. This stake will be contemporaneously sold to third parties should Atlantia receive binding offers, which must be submitted to a General Meeting of shareholders for approval.

Binding offers, from a third-party buyer, to purchase the stake that Atlantia will hold in ACC as a result of the Demerger, following the Transfer and the stake in ACC that Atlantia holds at the date of this Report following this company's establishment (equal to 62.77% of ACC's issued capital) (the "**Stake Offered for Sale**"), must be received by 31 March 2021 (the "**Deadline for Submission of the Offer**").

The Deadline for Submission of the Offer has been chosen with the aim to complete the entire Transaction in the last quarter of 2021.

If, by the Deadline for Submission of the Offer:

- no binding offer to purchase the Stake Offered for Sale has been received, the Demerger will be halted and the Transaction will not be completed, a public announcement to this effect will be made to the market;

- one or more binding offers to purchase the Stake Offered for Sale are received, the Board of Directors will express its opinion in the Directors' explanatory report to be submitted to the General Meeting of shareholders to be held, in extraordinary session, within 60 days of the Deadline for Submission of the Offer, thus enabling shareholders to resolve on it.

Under the Demerger Plan, the reorganisation plan will be implemented at one and the same time, following fulfilment of all the conditions precedent, through the following steps:

- Atlantia's partial, proportional demerger in favour of the Beneficiary (the "**Demerger**") which will receive assets consisting of 205,661,848 shares in ASPI, equal to a 33.06% stake (the "**Demerged Assets**"), with the allocation to Atlantia's shareholders of the full amount of the Beneficiary's capital increase servicing the Demerger;
- Atlantia's transfer in kind to the Beneficiary of 342,114,850 shares in ASPI, equal to a 55.00% interest (the "**Transfer**");
- the listing of the Beneficiary's shares on the *Mercato Telematico Azionario* ("**MTA**") organised and managed by Borsa Italiana SpA (the "**Listing**" and, together with the Transfer and the Demerger, the "**Transaction**").

For the sake of clarity, following the Demerger and the Transfer, the Beneficiary Company's issued capital will amount to €665,970,582, represented by 2,199,561,065 no-par shares, including 818,824,297 shares to be allocated to Atlantia's shareholders as a result of the Demerger and 1,380,736,768 shares that will instead be held by Atlantia, including: (i) 6,959,693 shares resulting from the Demerger, based on the number of treasury shares held; (ii) 1,373,677,075 shares resulting from the Transfer; and (iii) 100,000 shares due to the interest already held in ACC at the date of this Report and deriving from the latter's establishment. Therefore, Atlantia's total interest in the Beneficiary – corresponding with the Stake Offered for Sale - will consist of 1,380,736,768 shares, equal to 62.77% of the issued capital.

Any changes in the number of treasury shares held by Atlantia at the effective date of the Demerger will, as a consequence, lead to changes in the interests in the Beneficiary allocated to Atlantia and its shareholders.

The Transaction is designed to enable the sale to third parties, under market conditions, of the Stake Offered for Sale (equal to 62.77% of the Beneficiary's issued capital) (the "**Sale**").

For the purposes of the Transfer, Atlantia will appoint an expert independent in respect of both itself and the Beneficiary (the "**Expert**"), in possession of the necessary, proven expertise, to prepare the valuation report of the interest object of the Transfer in compliance with the provisions of art. 2343-*ter*, paragraph 2.b) of the Italian Civil Code.

The Demerger and the Transfer will be accounted for at the effective date of the Transaction, as required by international financial reporting standards. These amounts will be promptly disclosed to the market and will not have any impact on the allocation of the Beneficiary's shares to Atlantia's shareholders, who will receive a total 37.23% interest in the Beneficiary, with Atlantia itself receiving the remaining 62.77% for contemporaneous Sale.

Atlantia's shareholders will receive shares in the Beneficiary Company in proportion to their shareholdings at the time of the Demerger. The shares will be allocated on the basis of one ACC share for every Atlantia share held.

In addition to the relevant legal requirements, effectiveness of the Transaction is subject to the conditions described in the following paragraph 2.3.2, "*Admission to trading of the Beneficiary Company's shares and conditions precedent to which completion and effectiveness of the Demerger are subject*".

As part of the Transaction, the Beneficiary's shares will be admitted to trading on the MTA. It should be noted that at any time, and thus including after approval of the Demerger Plan by the shareholders of the companies participating in the Demerger, trading in the Beneficiary Company's shares on the MTA may be

suspended, under resolutions adopted by the competent bodies of the Demerged Company and the Beneficiary Company, should it be noted that the prevailing conditions are not suitable to proceeding with the Listing. Trading in the shares will, therefore, begin when market conditions are deemed to be suitable by the competent bodies of the Demerged Company and the Beneficiary Company.

At the date of this Report, the Beneficiary does not envisage making an application for the admission of its securities to trading on other markets.

In addition, with respect to the content of the Demerger Plan described herein, the terms described therein are without prejudice to (i) any additions and/or changes to the Demerger Plan and its annexes requested by the competent authorities and stock market operators, (ii) updates (including numerical) linked to and/or resulting from the provisions of the Demerger Plan, and (iii) any changes that do not affect shareholders or third parties' rights, in accordance with art. 2502, paragraph 2 of the Italian Civil Code.

Following the Demerger and the Transfer, Atlantia's shares will continue to be listed on the MTA.

## 1.2 Background

Following the tragic event represented by the collapse of the Morandi road bridge, ASPI has been involved in a series of ongoing investigations by magistrates, and in a dispute, initiated by the Ministry of Infrastructure and Transport (the **"MIT"** or the **"Grantor"**) on 16 August 2018 and still unresolved, over alleged series breaches of its concession arrangement (the **"Dispute over Alleged Breaches"**).

Despite ASPI's conviction that there are no grounds for the Dispute over Alleged Breaches, this latter company and Atlantia have made every effort to bring the Dispute over Alleged Breaches to a positive conclusion. As a result, on 14 July 2020, the two companies sent a joint letter to the Government [expressing the companies' willingness, subject among other things to approval by their respective boards of directors, to proceed with the disposal by Atlantia of the Stake, simultaneously with an agreed settlement of the Dispute over Alleged Breaches, including agreement on ASPI's regulatory and tariff framework through the definition of a new addendum to ASPI's Single Concession Arrangement Unica of 12 October 2007 (the **"Addendum"**) and a new Financial Plan (the **"Financial Plan"**)].

In the same letter, Atlantia also expressed a willingness, subject to approval by its Board of Directors, to consider proposals resulting in the transfer of control of ASPI, provided that such proposals were based on market conditions and on fair market values. Two solutions were identified for this purpose, resulting in the following alternatives: (1) a stock market listing via the demerger spin-off of ASPI together with the identification of a core group of shareholders, a process open to the participation of CDP, which would have held a 55% interest, thereby having legal control of ASPI; or (2) the outright sale of the entire Stake at fair market values, to be established following agreed settlement of the Dispute over Alleged Breaches.

Abiding to the letter of 14 July 2020, Atlantia entered into talks with CDP, during which it immediately became clear that there were material difficulties in reaching a positive conclusion to the negotiations, not only in terms of agreeing on the type of corporate transaction and the methods to use in order to determine ASPI's market value, but also in relation to requests from CDP for further commitments not included in the letter of 14 July 2020.

For this reason, due to the fact that Atlantia was willing to implement the proposals set out in the letter of 14 July 2020 (specifically, separation of the Italian motorway construction and operation business, carried out under concessions awarded to ASPI and its subsidiaries, from the Atlantia Group's other ordinary activities), on 4 August 2020, the Board of Directors decided that it was necessary – in a spirit of good faith – to seek alternative solutions for separating Atlantia and ASPI aimed at providing the market with certainty, in terms of both timing and transparency, whilst also meeting the indispensable need to protect the rights of all the investors and stakeholders involved. In particular, the Board of Directors resolved to examine the possibility of proceeding with a dual-track process based on the following options: (1) the outright sale via a competitive international auction – managed by independent advisors – of the Company's entire Stake in ASPI, in which



CDP could participate alongside other institutional investors of its choosing (in line with the potential solution for implementation of the transaction described in the letter of 14 July); or (2) the partial, proportional demerger of an interest of up to 88.06% in ASPI through the creation of a beneficiary company to be listed on the stock market, thus creating an appealing public company (the **“Dual-Track Process”**).

On 1 September 2020, ASPI sent the MIT revised version of the Financial Plan, also in order to take into account the observations raised during talks with the Transport Regulator (**“ART”**). On 2 September 2020, the MIT sent the settlement agreement designed to resolve the Dispute over Alleged Breaches (the **“Settlement Agreement”**), attaching the Addendum. In the text proposed by the MIT, effectiveness of the Settlement Agreement was, for the first time, made conditional on the transfer of control of ASPI to CDP (art. 10(ii)). The Government was immediately informed that this condition was not acceptable, as it was considered in breach of the laws and EU principles.

At the following meeting of Atlantia’s Board of Directors, held on 3 September 2020, it was decided to establish a new company to be called ACC, identified as the beneficiary of the Demerged Assets.

On 14 September 2020, ASPI sent the MIT a new version of the Financial Plan, bringing together all the aspects agreed on by the technical committee set up with the competent ministries (the **“Interministerial Technical Committee”**). Therefore, ASPI formally requested initiation of the process for approval of the Financial Plan, specifying that this document must be viewed as an integral and substantive part of the Settlement Agreement and the Addendum.

### **1.3 The transaction approved by Atlantia’s Board of Directors on 24 September 2020**

In view of the ongoing difficulties encountered during talks with the both the Government, with the aim of bringing the Dispute over Alleged Breaches to a positive conclusion, and with CDP, in relation to the same of Atlantia’s stake in ASPI, on 24 September 2020, Atlantia’s Board of Directors decided to formally launch the dual-track process that would lead to the disposal of the entire Stake through a transparent market process, safeguarding the interests of all Atlantia’s and ASPI’s stakeholders.

During the same meeting, believing that the Financial Plan had been agreed with the Interministerial Technical Committee, Atlantia’s Board of Directors thus approved an initial plan for the partial, proportional demerger of Atlantia in favour of ACC, accompanied by the related explanatory report. The Board also called a General Meeting of shareholders for 30 October 2020 and, at the same time, launched a competitive auction, managed by independent financial advisors, with a view to the outright sale of the Stake.

The reorganisation approved by Atlantia’s Board of Directors and the Sole Director of ACC on 24 September 2020, and described in paragraph 1.1 of this Report, was intended to be implemented at one and the same time. This transaction was designed to separate the Italian motorway construction and operation business, carried out under concessions awarded to ASPI and its subsidiaries, from the Atlantia Group’s other ordinary activities, consisting of the management of overseas motorways, airports and payment solutions. The transaction created the basis for the sale to third parties of the entire 38.14% interest in ACC’ corporate capital that Atlantia would have held following completion of the overall transaction, resulting in the loss of control of ACC and, therefore, ASPI’s exit from the Atlantia Group.

### **1.4 Events after 24 September 2020**

Between 24 September 2020 and the date of this Report, ASPI has made every possible effort to bring the Dispute over Alleged Breaches to a fair and positive conclusion. So much so that, on 8 October 2020, ASPI informed the MIT, the Ministry of the Economy and Finance and the Cabinet Office that was willing to execute the text of the Settlement Agreement sent by the Government on 2 September 2020 without the need for any changes. The only alteration required was removal of the above provision set out in art. 10(ii) – unilaterally introduced and unrelated to the purpose of the Settlement Agreement – making effectiveness of the Agreement dependent on the transfer of control of ASPI to CDP.



On 13 October 2020, Atlantia's Board of Directors agreed to examine a potential proposal put forward by CDP – acting together with other Italian and international investors – for a possible agreement regarding the outright purchase of the entire Stake, provided that the transaction was based on a fair market value for the Stake. Atlantia thus granted CDP an exclusivity period until 18 October 2020.

On 19 October 2020, CDP Equity SpA, The Blackstone Group International Partners LLP and Macquarie Infrastructure and Real Assets LTD (the “**CDP Consortium**”) submitted a preliminary non-binding offer to purchase the Stake.

On 20 October 2020, Atlantia's Board of Directors concluded that the terms and conditions of the offer do not adequately reflect the fair market value of the Stake. Despite this, although the exclusivity period had come to an end and in the usual positive spirit, the Board of Directors of Atlantia resolved to continue talks with the CDP Consortium until 27 October and to meet again on 28 October to examine any potential new offer put forward by the CDP Consortium.

Then, on 22 October, the MIT entirely unexpectedly endorsed the observations set out in the opinion provided by the ART on 14 October 2020 with regard to the Financial Plan submitted to the MIT by ASPI on 14 September and requested ASPI “*to amend the proposed Financial Plan*”.

Overnight on 27 October, the CDP Consortium submitted a second non-binding offer.

Atlantia's Board of Directors then met again on 28 October 2020 to discuss this new offer. Whilst continuing to believe that the terms of the offer did not adequately reflect the fair market value of the Stake, the Board resolved to continue talks with CDP Consortium with a view to enabling it to submit a new satisfactory, binding offer by no later than 30 November 2020, without, however, granting the Consortium an exclusivity period.

On the same date, the Board reopened the Dual-Track Process, giving potential investors the opportunity to submit offers to purchase the Stake. However, at the date of this Report, given the current backdrop, no other potential investor has come forward with an offer.

Also on 28 October 2020, in response to the letter unexpectedly sent by the MIT to ASPI on 22 October 2020, regarding the opinion provided by the ART, the Board of Directors also resolved to withdraw item 3 on the agenda for the Extraordinary General Meeting of shareholders scheduled for 30 October 2020 related to the proposed demerger.

This reflected the fact that Atlantia's Board of Directors believed that the background on 24 September 2020 (the date on which the first demerger plan was approved) had in the meantime become more uncertain and that shareholders did not, therefore, have all the information necessary to be able to take an informed decision on the demerger. For this reason, the Directors believed that it was more in the Company's interests to withdraw the proposal.

Finalisation of the Financial Plan constitutes, in fact, a key prerequisite for conclusion of the Settlement Agreement and thereby for the agreed resolution of the Dispute over Alleged Breaches, on which effectiveness of the Transaction is dependent.

The Board of Directors thus decided to call a new General Meeting to resolve on the same agenda item for no later than 15 January 2021, in the hope that in the meantime it would be possible to solve all the related uncertainties.

Following this, without prejudice for any and all of the rights granted to ASPI under the Single Concession Arrangement of 2007 in the event of failure to execute the Settlement Agreement, talks between ASPI and the competent ministries regarding the Financial Plan and the Addendum continued. As a result, on 19 November, ASPI submitted a new version of the Financial Plan to the MIT, taking into account the observation raised in the ART's opinion. On 21 November, ASPI informed the MIT that it was willing to execute the text of the Addendum proposed by the MIT on 2 September 2020.

As a result, on 25 November 2020, the Interministerial Technical Committee and ASPI deemed that agreement had been reached on the Addendum and Financial Plan, as reported in the press. Completion of the normal approval process for the two documents is now awaited.

On 30 November 2020, the CDP Consortium announced that it was not yet able to submit a binding offer to purchase the entire Stake.

At a meeting on 2 December, Atlantia's Board of Directors noted the letter from the CDP Consortium dated 30 November, and decided to meet again, as planned, by mid-December in time to call a General Meeting to be held by 15 January 2021. The Board also decided that, should a binding offer be submitted by the CDP Consortium, the Board of Directors would examine such offer and determine the Company's response.

### **1.5 Determinations of the Board of Directors on 14 December 2020**

On 14 December 2020, Atlantia's Board of Directors had to acknowledge that the CDP Consortium has so far failed to put forward any binding offer.

However, Atlantia's Board of Directors decided that there is now greater visibility regarding ASPI's tariff and regulatory framework than there was on 28 October 2020 (when the Board resolved to withdraw examination of the demerger plan by the Extraordinary General Meeting of shareholders scheduled for 30 October). This reflects ASPI's decision to accept the texts of the Settlement Agreement and Addendum proposed by the MIT and the submission of a Financial Plan, agreed with the MIT, that takes into account the observation raised by the ART. On this basis, on 14 December 2020, Atlantia's Board of Directors also decided to make a number of changes to the demerger plan approved on 24 September 2020, following the revocation of the resolution that has approved this latter demerger plan. This was done to transfer legal control of ASPI to a core group of shareholders.

In line with the aim of enabling Atlantia to relinquish control of ASPI and the acquisition, by an investor, of legal control of the Beneficiary, on 14 December 2020, Atlantia's Board of Directors drew up a new reorganization plan, which is described in paragraph 1.1. of this Report.

The Transaction is designed to enable the sale to third parties, under market conditions, of the Stake Offered for Sale that Atlantia will hold, thus enabling Atlantia to relinquish control of ASPI.

### **1.6 Potential offers for the 88.06% Stake in ASPI as part of the Dual-Track Process**

Atlantia's Board of Directors has also determined that:

- a) if a binding offer is received from CDP and/or from other investors to purchase the Stake prior to the date of the General Meeting called to approve the Demerger Plan, the Board will proceed to examine such offer and update its explanatory report with its related opinion for submission to the General Meeting. Shareholders are thus invited to submit their voting instructions on a date that is as close as possible to the final deadline referred to in the notice of call;
- b) if, also following the General Meeting's approval of the Demerger, prior to the date of effectiveness of the Demerger but no later than 31 July 2021, Atlantia should receive a binding offer to acquire the Stake from CDP and/or from other investors, Atlantia's Board of Directors – in case of positive assessment of such binding offer - will call a new Extraordinary General Meeting of shareholders, at which it will propose revocation of the earlier resolution approving the Demerger.

## **2. ILLUSTRATION OF THE RATIONALE FOR THE DEMERGER**

### **2.1 Description of the companies participating in the Demerger**

#### **2.1.1 Beneficiary Company**

Autostrade Concessioni e Costruzioni SpA, a company established on 8 September 2020, with a sole shareholder, has its registered office at via Alberto Bergamini, 50 in Rome. Its tax code and Companies' Register number is 15830821003. The company is subject to the direction and coordination of Atlantia.

At the date of this Report, Autostrade Concessioni e Costruzioni SpA's fully subscribed and paid-in issued capital amounts to €100,000, represented by 100,000 no-par ordinary shares.

Subject to fulfilment of the conditions described below in paragraph 2.3.2 within the deadline referred to in paragraph 2.3.3, the Beneficiary's shares will be admitted to trading on the MTA.

At the date of this Report, the Beneficiary does not envisage making an application for the admission of its securities to trading on other markets.

#### **2.1.2 Demerged Company**

Atlantia SpA has its registered office at via Antonio Nibby, 20 in Rome. The Company's tax code and Rome Companies' Register number is 03731380261.

At the date of this Report, Atlantia's fully subscribed and paid-in issued capital amounts to €825,783,990, represented by 825,783,990 no-par ordinary shares.

Atlantia's shares are admitted to trading on the MTA.

### **2.2 Rationale and purposes of the Demerger**

#### **2.2.1 Financial rationale and benefits of the Demerger**

As noted above, the Demerger is an integral part of the Transaction. This involves a reorganisation of the Atlantia Group's businesses through the separation of the Italian motorway construction and operation business, carried out under concessions awarded to ASPI and its subsidiaries, from the Atlantia Group's other ordinary activities, consisting of the management of overseas motorways, airports and payment solutions.

The Transaction will result in two distinct groups, each focused on their own business and with clearly identified objectives readily perceptible by the market. The creation of two groups will enable each of them to best pursue their strategies and optimise their performances, leveraging their respective strengths.

The Transaction also achieves the objective of separating ASPI from the Atlantia Group, as indicated in the letter sent to the Government on 14 July 2020.

#### **2.2.2 The Demerged Company's outlook and plans**

Following the Transaction, Atlantia will thus have the possibility to focus on management of its overseas motorway and airport concessions and payment solutions, as well as on the development of innovative, integrated, sustainable and diversified mobility solutions. This will be done with the goal of maximising the value of the assets held by Atlantia and taking advantage of new growth opportunities.

Once the Transaction has been completed, Atlantia will accomplish the process to become a strategic holding company with listed shares, having specific expertise in the transport infrastructure sector, and leveraging its experience in this field in order to enter new infrastructure sectors and share best practices across different areas of business. In addition, due to its high degree of geographical diversification, upon completion of the Transaction, Atlantia will be in a position to take advantage of numerous growth

opportunities around the world, continuing with the internationalisation process launched and proceeded with in recent years.

### **2.2.3 The Beneficiary Company's outlook and plans**

The Beneficiary Company's role will be to manage the stake in ASPI, focusing on the design, construction and management of motorways operated under concession in Italy, creating a highly specialised group in terms of sector and geography, in order to maximise the value of its assets.

The Transaction will thus result in a listed, vertically integrated group specialising in the construction and management of motorways operated under concession, and with significant expertise in engineering and technological innovation and a high degree of geographical specialisation. The group will focus on managing Italian motorway infrastructure under concession, raising the standards of performance and reliability of its assets to bring them into line with the very best in the sector, thanks to a major programme of works. ACC will benefit from the planned transformation of ASPI, which in the last 12 months has radically altered its approach to network surveillance, applying the very best engineering expertise available on the market through the use of independent, external contractors applying new inspection criteria agreed with the MIT. In this regard, ASPI's management has reviewed its maintenance programmes, significantly stepping up the pace of work (€2.5 billion in the period 2020-2024), and planned investment (€13.2 billion in the period 2020-2038), all amounts included in the Financial Plan of 14 September 2020 and reconfirmed in the new Financial Plan dated 19 November 2020.

In this regard it should be noted that, on 25 November 2020, the Interministerial Technical Committee and ASPI deemed that agreement had been reached on the Addendum and Financial Plan. Completion of the normal approval process for the two documents is now awaited.

The Beneficiary will be able to count on strong, integrated engineering and project management capabilities, necessary in order to cope with the intense volume of activity expected. This development has also led to the launch of a digitalisation and innovation process designed to transform the entire group.

## **2.3 Key legal aspects of the Demerger**

### **2.3.1 The Demerger**

The Demerger, will grant the Beneficiary the assets and liabilities indicated in the following paragraph 3.1, *"Assets and liabilities to be transferred to the Beneficiary"*.

As a result of the Demerger, Atlantia's shareholders will receive shares in the Beneficiary in proportion to their shareholdings at the time of the Demerger. The shares will be allocated on the basis of one share in the beneficiary for every Atlantia share held. Following the allocation resulting from the Demerger, and after taking into account the Transfer and Atlantia's interest in ACC following this company's establishment, the Demerged Company's shareholders will hold a 37.23% interest in the Beneficiary Company, whilst a 62.77% interest will continue to be held by the Demerged Company for contemporaneous Sale.

Given that the proposed transaction is a partial, proportional demerger in favour of a company whose capital is wholly owned by the Demerged Company at the date of this Report (and that this will remain the case until the effective date of the Demerger), the Demerger does not entail any change to shareholders' interests in the Demerged Company. As a result, and as confirmed by the notaries consulted, the transaction qualifies for application of the exemption from the preparation of balance sheets (provided for in art. 2501-*quater* of the Italian Civil Code) and of the expert opinion (provided for in art. 2501-*sexies* of the Italian Civil Code).

The Beneficiary's Sole Director, in common with Atlantia's Board of Directors, has prepared an explanatory report setting out the business, financial and organisational rationale for the Transaction as a whole.

Merely for the sake of full disclosure, it should be noted that as a result of the Transaction, ASPI's minority shareholders could request the Beneficiary to activate the tag-along right granted to them under ASPI's Articles of Association.

### **2.3.2 Admission of the Beneficiary Company's shares to trading and conditions precedent to which completion and effectiveness of the Demerger are subject**

Effectiveness of the Demerger, and thus of the entire Transaction, is subject to the following conditions:

- (i) assessment by the MIT of satisfaction of the requirements set out in art. 10-*bis*, paragraph 6, of the Single Concession Arrangement signed by ASPI on 12 October 2007, as subsequently amended;
- (ii) effectiveness of the Settlement Agreement and of the related annexes, consisting of the Addendum and the Financial Plan, which form an integral and substantive part of such Agreement;
- (iii) approval from the *Commissione Nazionale per le Società e la Borsa* (CONSOB) of the prospectus in accordance with the applicable legislation;
- (iv) Borsa Italiana's clearance of the admission of the Beneficiary Company's shares to listing on the MTA;
- (v) the receipt of waivers of contractual remedies or of consent for the Transaction and the Sale from the holders of bonds issued by Atlantia and ASPI and/or from counterparties to the Trust Deeds linked to the above bond issues, where necessary under the terms and conditions of the loans and related contracts;
- (vi) the receipt of waivers of contractual remedies or of consent for the Transaction and the Sale from ASPI's its subsidiaries' and Atlantia's lenders in relation to existing loan agreements, where required under the terms of any loan agreements in force at that time, or where required under agreements between Atlantia and ASPI (as applicable) and the respective lenders;
- (vii) the release of Atlantia from the guarantees and any commitments given in connection with the obligations assumed by ASPI and its subsidiaries in their loan agreements or under the terms of public or private bond issues of ASPI;
- (viii) full repayment by ASPI of the pro-tempore outstanding shareholder loan granted to it by Atlantia and of any other potential non-trading intercompany liabilities due to Atlantia Group companies; and
- (ix) receipt of a binding offer from a third-party buyer for the purposes of the Sale within the Deadline for Submission of the Offer, approved by a General Meeting of Atlantia's shareholders, in extraordinary session.

If, by the Deadline for Submission of the Offer:

- no binding offer to purchase the Stake Offered for Sale has been received, the Demerger will be halted and the Transaction will not be completed, a public announcement to this effect will be made to the market;
- one or more binding offers to purchase the Stake Offered for Sale are received, the Board of Directors will express its opinion in the Directors' explanatory report to be submitted to the General Meeting of shareholders to be held, in extraordinary session, within 60 days of the Deadline for Submission of the Offer, thus enabling shareholders to resolve on it.

In addition, effectiveness of the Transaction is subject to receipt of clearance for the Sale from the Antitrust Authority and to the other conditions provided for by law for this type of transaction (the “**Conditions for Effectiveness of the Sale**”).

### 2.3.3 Long Stop Date

In view of the advanced stage of the process for approving the Settlement Agreement, the Addendum and the Financial Plan, the Board of Directors has decided that fulfilment of the conditions referred to in points (i) to (viii) of the previous paragraph **Errore. L'origine riferimento non è stata trovata.** as well as the Conditions for Effectiveness of the Sale must occur by 30 September 2021 (the “**Long Stop Date**”) without prejudice for the Deadline for Submission of the Offer provided for in point (ix) of the previous paragraph. Should one or more of the above conditions not be met within the Long Stop Date it would be the result of an altered background to the extent that the Transaction may no longer be in the Company’s interests and therefore must be halted. Atlantia’s Board of Directors will at that point consider new, alternative transactions or initiatives.

Based on the above, the Transaction could, therefore, complete in the last quarter of 2021.

The date on which trading in the Beneficiary Company’s shares on the MTA will begin will be decided on by Borsa Italiana and will coincide with the effective date of the Demerger and will fall on a stock exchange trading day.

At the date of this Report, the Beneficiary Company does not envisage making an application for the admission of its securities to trading on other markets.

### 2.3.4 Amendments to the Articles of Association of the Demerged Company

The Articles of Association of the Demerged Company will not be amended, except for changes to be made to art. 6 in order to reflect the reduction in the Demerged Company’s issued capital following completion of the Demerger.

As a result of the Demerger, the Demerged Company’s issued capital will be reduced by €250,000,000 to €575,783,990.

In particular, following the Demerger, art. 6, paragraph 1 of Atlantia’s post-Demerger Articles of Association will be amended as follows: “*The issued capital shall amount to €575,783,990 (five hundred and seventy-five million, seven hundred and eighty-three thousand, nine hundred and ninety), divided into 825,783,990 ordinary shares without par value*”.

Atlantia’s post-Demerger Articles of Association are attached to the Demerger Plan as Annex A.

### 2.3.5 Amendments to the Articles of Association of the Beneficiary Company

As part of the Transaction, the Beneficiary’s Articles of Association will be updated and reviewed in compliance with the regulations for listed companies in the Consolidated Finance Act (the “CFA”) and the related implementing provisions, and with best practices for listed companies. The related text will be substantially aligned with Atlantia’s post-Demerger Articles of Association, notwithstanding the fact that the Beneficiary’s shares will grant their holders the same rights as those attaching to the shares of the Demerged Company.

In addition, art. 6 of ACC’s Articles of Association will be amended so as to reflect the capital increase resulting from the transfer of the Demerged Assets to the Beneficiary and the capital increase reserved for Atlantia in return for the Transfer.

Therefore following the Demerger and the Transfer, the Beneficiary Company’s issued capital will amount to €665,970,582, represented by 2,199,561,065 no-par shares, including 818,824,297 shares to be allocated to Atlantia’s shareholders as a result of the Demerger and 1,380,736,768 shares that will instead

be held by Atlantia, including: (i) 6,959,693 shares resulting from the Demerger, based on the number of treasury shares held; (ii) 1,373,677,075 shares resulting from the Transfer; and (iii) 100,000 shares resulting from the interest already held in ACC at the date of this Report as a result of the latter's establishment. Therefore, Atlantia's total interest in the Beneficiary, which will be for contemporaneous Sale, will consist of 1,380,736,768 shares, equal to 62.77% of the issued capital.

On completion of the Transaction, the new art. 6 of ACC's Articles of Association will be amended as follows: *"The issued capital shall amount to €665,970,582 (six hundred and sixty-five, nine hundred and seventy thousand, five hundred and eighty-two), 2,199,561,065 ordinary shares without par value"*.

ACC's post-Transaction Articles of Association, including the further amendments needed to comply with the above regulations for listed companies, are attached to the Demerger Plan as Annex B.



### **3. ASSETS AND LIABILITIES TO BE TRANSFERRED TO THE BENEFICIARY COMPANY AND IMPACT OF THE DEMERGER ON EQUITY**

#### **3.1 Assets and liabilities to be transferred to the Beneficiary Company**

As a result of the Demerger, the Demerged Company will transfer a 55% stake in ASPI to the Beneficiary.

In order to represent, in this Report, the impact of the Transaction on the balance sheets of the Demerged Company and Beneficiary, we have assumed that the same carrying amounts will continue to be used. This is notwithstanding the fact that the Demerger and the Transfer will be accounted for at the effective date of the Transaction, as required by international financial reporting standards. These amounts will be promptly disclosed to the market and will not have any impact on the allocation of the Beneficiary's shares to Atlantia's shareholders, who will receive a total 37.23% interest in the Beneficiary, whilst Atlantia will receive the remaining 62.77% (for contemporaneous Sale).

Given the above, assuming that the same carrying amounts will continue to be used, the related assets and liabilities will be allocated to the Beneficiary at the pro-rata carrying amount at which the Stake is accounted for in Atlantia's financial statements as at 30 September 2020. This amount is equal to €2,002,209,704, representing 37.54% (equal to the 33.06% interest in ASPI as a proportion of the total Stake) of the total cost of €5,332,850,166.

Name	Registered office	Issued capital (€)	% stake held by Atlantia	No. of shares held	Carrying amount in Atlantia's financial statements as at 30 September 2020 (€)
Autostrade per l'Italia SpA	Via A. Bergamini, 50 - 00159 Roma	622,027,000.00	88.06%	547,776,698	5,332,850,166

No other asset or liability of the Demerged Company, other than as expressly indicated hereby, will be included in the Demerger.

As noted above, for the purposes of the Transfer, Atlantia will appoint an Expert to prepare a valuation report for the stake forming the subject of the Transfer in compliance with the provisions of art. 2343-ter, paragraph 2.b) of the Italian Civil Code.

If, on completion of the above expert appraisal, the value of the stake in ASPI forming the subject of the Transfer, as determined by the Expert, is higher than the matching carrying amount in Atlantia's financial statements, the difference resulting from the Demerger will not have an impact on the Beneficiary's issued capital, but will be reported among the equity reserves, notwithstanding the fact that the increase in the Beneficiary's issued capital will match the reduction in the Demerged Company's issued capital.

#### **3.2 Impact of the Demerger on equity**

##### **3.2.1 Impact of the Demerger on the Demerged Company's equity**

As a result of the Demerger, given that the value of the Sale is not known at the date of preparation of this Report and assuming that the same carrying amounts will continue to be used, the Demerged Company's equity will be proportionally reduced by the sum of €1,985,335,115, accounting for €250,000,000 of this amount as a reduction in the issued capital and €1,735,335,115 of this amount as a reduction in equity reserves.

### **3.2.2 *Impact of the Demerger on the Beneficiary Company's equity***

Merely for the sake of full disclosure, it should be noted that, given that the value of the Sale is not known at the date of preparation of this Report and assuming that the same carrying amounts will continue to be used, the Demerger alone, thus without considering the impact of the Transfer, will correspondingly increase the Beneficiary Company's equity by €2,002,209,704, accounting for (i) €250,000,000 in issued capital, which will therefore increase from €100,000 to €250,100,000, with the issue of 825,783,990 new no-par shares; and (ii) €1,752,209,704 in equity reserves.

### **3.2.3 *Effective values of the equity transferred to the Beneficiary Company and of the equity remaining with the Demerged Company***

In accordance with art. 2506-*ter*, paragraph 2 of the Italian Civil Code, the Company declares that:

- at the date of this Report, the effective value of the equity to be transferred to the Beneficiary Company as a result of the Demerger is not lower, on a pro-rata basis, than the related carrying amount of the Stake in ASPI, amounting to €5,332,850,166 in Atlantia's financial statements as at 30 September 2020; and
- the effective value of the equity that will remain with the Demerged Company following the Demerger is not lower than the related post-Demerger carrying amount (which according to the financial statements as at 30 September 2020 amounts to €8,253,225,040).

#### **4. RATIO FOR ALLOCATING THE BENEFICIARY COMPANY'S SHARES AND PROCEDURE FOR ALLOCATING THE SHARES**

As a result of the Demerger, Atlantia's shareholders will receive shares in the Beneficiary Company in proportion to their shareholdings in the Demerged Company at the time of the Demerger. The shares will be allocated on the basis of one share in ACC for every Atlantia share held.

Following the allocation resulting from the Demerger and after taking into account the Transfer, the Demerged Company's shareholders will hold a 37.23% interest in the Beneficiary Company. No cash adjustment is payable.

The Beneficiary Company's shares will be allocated to rights holders in dematerialised form and through authorised intermediaries. This will be done after the effective date of the Demerger, with the related timings and procedures to be disclosed via publication of a specific notice.

Subject to receipt of the necessary clearance, at the time of allocation, the Beneficiary Company's shares will be admitted to trading on the MTA. The date on which trading in ACC's shares on the MTA will begin will be decided on by Borsa Italiana.

As a result of the treasury shares held by Atlantia at the date of this Report, totalling 6,959,693, in addition to retaining the above treasury shares, the Demerged Company will receive 6,959,693 shares in the Beneficiary Company.

The following will be added to this number: (i) the shares in the Beneficiary Company held by Atlantia at the date of this Report as a result of incorporation of the Beneficiary Company (totalling 100,000), and (ii) the shares in ACC to be allocated to Atlantia following the Transfer of 55% of ASPI.

## **5. ASSESSMENT OF THE VALIDITY OF RIGHT OF WITHDRAWAL**

The Transaction shall be completed with admission of the Beneficiary's shares to trading on the MTA in order to guarantee the shares' liquidity. The Transaction is subject to, among other things, admission of the Beneficiary's shares to trading on the MTA. Atlantia's shareholders shall not, therefore, be entitled to exercise the right of withdrawal provided for in art. 2437-*quinquies* of the Italian Civil Code.

Furthermore, Atlantia's shareholders shall not be entitled to exercise the right of withdrawal provided for in art. 2437 of the Italian Civil Code. In particular, with regard to paragraph 1.a) of the above article, it should be noted that, following the Demerger, the Demerged Company's corporate purpose will remain unchanged and the Beneficiary Company will adopt a corporate purpose in line with that of the Demerged Company.

## 6. EXPECTED COMPOSITION OF THE SHAREHOLDER BASE OF THE DEMERGED COMPANY AND THE BENEFICIARY COMPANY FOLLOWING THE DEMERGER

### 6.1 Atlantia's shareholder base and impact of the Demerger on it

The table below shows the shareholders who, on the basis of the information available to the Demerged Company and the notifications received pursuant to art. 120 of the CFA as of the date of this Report, hold, directly or indirectly, 3% or more of the Demerged Company's voting shares:

Reporting party or ultimate parent	Direct Shareholder	% of voting shares held	Total % of voting shares held
Edizione Srl	Sintonia SpA	30.254%	30.254%
GIC Private Limited	Investco Italian Holdings Srl	8.054%	8.285%
	GIC Private Limited	0.231%	
Fondazione Cassa di Risparmio di Torino	Fondazione Cassa di Risparmio di Torino	4.846%	4.846%
HSBC Holdings PLC	HSBC Bank USA, National Association	0.001%	5.007%
	HSBC Global Asset Management (Hong Kong) Limited	0.001%	
	The Hongkong and Shanghai Banking Corporation Limited	0.009%	
	HSBC Private Bank (Luxembourg) SA	0.004%	
	HSBC Private Bank (Suisse) SA	0.007%	
	HSBC Global Asset Management (UK) Limited	0.027%	
	Inka Internationale Kapitalanlagegesellschaft MBH	0.066%	
	HSBC Bank PLC	4.892%	

INVESTMENTS IN FINANCIAL INSTRUMENTS AND AGGREGATE INVESTMENTS				
Reporting party or ultimate parent	Declared percentage and type of ownership	DETAILS OF THE INVESTMENT		
		% of voting shares held	Potential interest	Other physically or cash-settled long positions
HOHN CHRISTOPHER ANTHONY	9.978% - INDIRECT (*)	1.018%	-	8.960% (1)

(\*) Investment held through the asset management subsidiary, TCI Fund Management Limited. (1) Equity swaps maturing on 5 August 2021 (representing 8.156%), 22 September 2021 (representing 0.485%) and 14 September 2022 (representing 0.319%).

It should also be noted that, pursuant to CONSOB Resolution 21304 of 17 March 2020, on 18 March 2020, Norges Bank reported that it holds a 1.377% interest in Atlantia.

In addition, according to filings made pursuant to CONSOB Resolution 21326 of 9 April 2020, the validity of which was extended by Resolution 21525 of 7 October 2020, Zürcher Kantonalbank reported on 20 November 2020 that it held a direct interest of 1.120% in Atlantia and on 24 November 2020 that it had reduced this interest to 0.970%.

Based on the exemptions provided for by art. 119-bis, paragraphs 7 and 8 of the Regulations for Issuers – confirmed expressly by Consob Resolutions 21304 of 17 March 2020 and 21326 of 9 April 2020 - asset management companies and authorised operators that, in connection with their management activities, acquired and manage equity interests between 3% (three percent) and 5% (five percent) are not required to file the notifications provided for in art. 117 of the Regulations for Issuers. As such, the equity interests of certain shareholders might not be in line with the data compiled and disseminated by different sources, in the event that the change of ownership did not entail any filing obligations for the shareholders, pursuant to the above exemptions.

As of the date of this Report, Atlantia holds 6,959,693 treasury shares, or 0.84% of the total outstanding shares, while Atlantia's subsidiaries do not hold, nor are they authorised by their respective shareholders to buy, shares in Atlantia.

Since this is a partial, proportional Demerger, it will not result in any change in Atlantia's shareholder base.

## 6.2 ACC's shareholder base and impact of the Demerger on it

As of the date of this Report, the Beneficiary Company is wholly owned by Atlantia.

Following the Demerger, all the shareholders of the Demerged Company will receive shares in the Beneficiary Company in proportion to their holdings. Ultimately, 37.23% of the Beneficiary Company's total share capital will be attributed to the shareholders of the Demerged Company, whilst 62.77% will continue to be held by the Demerged Company for contemporaneous Sale.

Accordingly, assuming that there are no changes in the shareholder base of the Demerged Company, at the effective date of the Demerger and the Transfer, shareholders with an equity interest of 3% or more in Atlantia who, save for the abovementioned exemptions, will hold a major interest in the Beneficiary Company are the following:

Reporting party or ultimate parent	Direct Shareholder	% of voting shares held	Total % of voting shares held
<b>New majority shareholder</b>	<b><i>New majority shareholder<sup>1</sup></i></b>	<i>62.77%<sup>2</sup></i>	<b>62.77%</b>
<b>Edizione Srl <sup>3</sup></b>	<i>Sintonia SpA</i>	<i>11.36%</i>	<b>11.36%</b>
<b>GIC Private Limited</b>	<i>Investco Italian Holdings Srl</i>	<i>3.02%</i>	<b>3.11%</b>

<sup>1</sup> It should be noted that the ultimate aim of the planned reorganisation is to enable Atlantia to relinquish control of ASPI via the Sale.

<sup>2</sup> Merely for illustrative purposes, the table shows the interest that the new majority shareholder will ultimately hold as a result of the Sale of the Stake Offered for Sale.

<sup>3</sup> With reference to the stake in the Beneficiary, Edizione S.r.l. on 5 August 2020 published this press release: "Treviso, 5 August 2020 – Edizione S.r.l. Treviso, 5 August 2020 - Edizione S.r.l. acknowledges the decisions taken yesterday by the Board of Directors of Atlantia S.p.A. regarding the exit of Autostrade per l'Italia S.p.A. (ASPI) from the perimeter of Atlantia Group, at market conditions and in compliance with the rights of all shareholders and stakeholders of the company. Edizione S.r.l. declares to agree with the proposed operations and that the share in ASPI attributable to Edizione after the possible demerger will not be considered strategic and will therefore be put up for sale at market conditions within 18 months from the possible effective date of the demerger and listing of ASPI."

	<i>GIC Private Limited</i>	<i>0.09%</i>	
<b>Fondazione Cassa di Risparmio di Torino</b>	<i>Fondazione Cassa di Risparmio di Torino</i>	<i>1.82%</i>	<b>1.82%</b>
<b>HSBC Holdings PLC</b>	<i>HSBC Bank USA, National Association</i>	<i>0.00%</i>	<b>1.88%</b>
	<i>HSBC Global Asset Management (Hong Kong) Limited</i>	<i>0.00%</i>	
	<i>The Hongkong and Shanghai Banking Corporation Limited</i>	<i>0.00%</i>	
	<i>HSBC Private Bank (Luxembourg) SA</i>	<i>0.00%</i>	
	<i>HSBC Private Bank (Suisse) SA</i>	<i>0.00%</i>	
	<i>HSBC Global Asset Management (UK) Limited</i>	<i>0.01%</i>	
	<i>Inka Internationale Kapitalanlagegesellschaft MBH</i>	<i>0.02%</i>	
	<i>HSBC Bank PLC</i>	<i>1.84%</i>	

It should also be noted that Christopher Anthony Hohn is indirectly the holder, through TCI FUND MANAGEMENT LIMITED (“TCI”), of 1.018% of Atlantia’s voting shares and of other cash-settled long positions (equity swaps) maturing on 5 August 2021 and 22 September 2021 and representing an 8.641% interest. As a result, were TCI to exercise its right to convert its long positions into equity at the maturity dates of 5 August 2021 and 22 September 2021, at the date of completion of the Transaction (expected in the last quarter of 2021), it would hold a 3.63% interest in ACC.

It should be noted that following the Demerger, Norge Bank and Zürcher Kantonalbank will respectively own 0.52% and 0.36% interests in the Beneficiary.



## **7. IMPACT OF THE DEMERGER ON ANY SHAREHOLDER AGREEMENTS**

Based on notifications pursuant to art. 122 of the CFA and the applicable provisions of the Regulations for Issuers, at the date of this Report, there are no shareholder agreements relating to Atlantia and ACC.

**8. DESCRIPTION OF THE RIGHTS LINKED TO THE SHARES TO BE ALLOCATED TO THE SHAREHOLDERS OF THE DEMERGED COMPANY**

The Demerged Company's shareholders will receive shares in the Beneficiary Company to the extent and in accordance with the allocation criteria described in the above paragraph, *"Ratio for allocating the Beneficiary Company's shares and procedure for allocating the shares"*.

These shares will have the same characteristics as those of the Demerged Company's shares held by each shareholder in that Company.

The issue of other than ordinary shares in the Beneficiary Company is not planned.

Holders of the shares in the Beneficiary Company allocated to the Demerged Company's shareholders will be entitled to receive dividends from the above effective date of the Demerger.

**9. EFFECTIVE DATE OF THE DEMERGER AND DATE THE ACCOUNTING IMPACT OF THE TRANSACTIONS WILL BE RECOGNISED IN THE BENEFICIARY COMPANY'S FINANCIAL STATEMENTS**

The effective date of the Demerger will coincide with the date on which trading of the Beneficiary's shares on the MTA begins. This will be decided on by Borsa Italiana and will fall on a stock exchange trading day.

The timetable for the Transaction envisages completion by the end of the last quarter of 2021, as the conditions precedent referred to above in paragraph 2.3.2 and the Conditions for Effectiveness of the Sale must be met within the Long Stop Date referred to above in paragraph 2.3.3.

Similarly, holders of the shares in the Beneficiary Company allocated to the Demerged Company's shareholders will be entitled to dividends payable by the Beneficiary Company from the above effective date of the Demerger.

For the purposes set out in art. 2501-*ter*, paragraph 6 of the Italian Civil Code, as referred to in art. 2506-*quater* of the Italian Civil Code, the Demerger will be effective for accounting purposes from the date of legal effectiveness, as defined above, in such a way that from such date the accounting impact of the Demerger will be recognised in the Beneficiary Company's financial statements.

## **10. TREATMENT RESERVED FOR CERTAIN CATEGORIES OF SHAREHOLDER**

There are no shares in the Demerged Company other than ordinary shares.

For the sake completeness, it is hereby stressed that at the date of this Report, the Demerged Company has adopted the following incentive plans, consisting of phantom stock options and phantom stock grants. These plans grant beneficiaries the right to receive an amount in cash determined on the value of Atlantia's shares at the time of exercise on the achievement of certain objectives. The above plans are as follows:

- 2014 Phantom Share Option Plan, approved by the Annual General Meeting of Atlantia's shareholders held on 16 April 2014;
- 2017 Phantom Share Option Plan and 2017 Phantom Share Grant Plan, approved by the Annual General Meeting of Atlantia's shareholders held on 21 April 2017;
- Supplementary Incentive Plan 2017 – Phantom Share Options, approved by the General Meeting of Atlantia's shareholders held on 2 August 2017 and amended by the Annual General Meeting of Atlantia's shareholders held on 20 April 2018.

With regard to the above phantom stock option and phantom stock grant plans, the Board of Directors of the Demerged Company will make all the necessary or appropriate amendments to the respective terms and conditions in order to ensure that the substantial and financial aspects of the plans remain unchanged, within the limits permitted by the legislation from time to time applicable, in accordance with each of the above terms and conditions. These amendments will be applied on the basis of the guidelines approved by Atlantia's Board of Directors on 24 September 2020.

In particular, the beneficiaries of these plans will have the right to retain the rights granted to them and to also receive, for each of their rights on Atlantia's shares, an equal number of rights on shares in the Beneficiary based on the allocation ratio described in this Report. The strike prices and values of existing rights and of the further rights to be granted as a result of the Demerger will be remeasured or, as appropriate, determined following the Demerger, on the basis of the post-Demerger performance of the prices of Atlantia's shares and of those of the Beneficiary. The relevant corporate bodies of the Beneficiary will, in this regard, determine all the steps necessary for this purpose.

## **11. TAX EFFECTS OF THE TRANSACTION**

The Demerger is tax neutral in accordance with art. 173 of Presidential Decree 917 of 22 December 1986, as amended ("Testo Unico delle Imposte sui Redditi" - "Consolidated Law on Income Tax"). Specifically, the Italian tax system does not contemplate significant taxable gains or tax losses for the parties involved in the Demerger, i.e., the Demerged Company and the Beneficiary Company.

The transfer of part of the Demerged Company's equity to the Beneficiary Company does not entail the recognition of any gains or losses, or of goodwill. On the other hand, the assets transferred are recognised by the Beneficiary Company on the basis of the same tax bases that they had in the books of the Demerged Company. Any differences between the carrying amount and the tax bases of these assets are accounted for in a specific reconciliation statement in the tax return.

The tax benefits and obligations of the Demerged Company will be attributed to the Beneficiary Company and the Demerged Company in proportion to their respective equity interests after the transfer. Any benefits and obligations connected to specific items or to a set of items of the transferred equity will accrue to the Beneficiary Company.

Should the latest financial statements of the Demerged Company show any reserves for tax-deferred income, these reserves will be reduced by the Demerged Company in proportion to the reduction in the carrying amount of equity. The amount of the reduction will then be transferred to the Beneficiary Company in proportion to the carrying amount of equity received from the Demerged Company. If the tax deferral depends on aspects concerning specific components of equity transferred to the Beneficiary Company, the reserves for tax-deferred income will be recognised by the Beneficiary Company. On the other hand, reserves for tax-deferred income that have been attributed to the Demerged Company before the Demerger will be transferred to the Beneficiary Company and will be taxable upon distribution to shareholders.

The Demerger determines the exit of the consolidated companies transferred to the Beneficiary Company from the tax consolidation arrangement headed by the Demerged Company.

Lastly, regarding the effects of the Demerger for the shareholders of the Demerged Company, according to Italian tax laws, the change in the original equity interests does not give rise to gains or losses. With reference to each shareholder, allocation of the tax bases of the equity interest originally held will reflect the existing proportion between the effective value of the shares of the Beneficiary Company received and the effective value of the shares held by each shareholder in the Demerged Company. This is without prejudice to the applicable tax regime, which for shareholders not resident in Italy remains that prevailing in their respective jurisdictions.

Anything not expressly indicated in relation to income tax will be governed by the provisions of art. 173 of the TUIR.

As regards indirect taxes, the Demerger is not subject to VAT – pursuant to art. 2, paragraph 3.f) of Presidential Decree 633/1972 – but is subject to stamp duty pursuant to art. 4.b), first part of the Tariff annexed to Presidential Decree 131/1986.

### Proposed resolution

The Extraordinary General Meeting of the shareholders of Atlantia SpA (“**Atlantia**” or the “**Company**”),

- in view of the demerger plan annexed to these minutes under “*Demerger Plan*”;
- having noted to Directors’ report annexed to these minutes under “*Explanatory Report of the Board of Directors*” and, in particular, the conditions precedent to which the Demerger is subject;
- having noted that fulfilment of one of the conditions precedent (specifically the conditions described in paragraph 2.3.2(ix)) will be submitted to General Meeting of shareholders, in extraordinary session;
- in agreement with the overall Transaction of which the proposed demerger is a part;
- having noted that, as required by law, the demerger plan has been registered with Rome Companies’ Register, as provided for in art. 2501-ter, paragraphs 3 and 4 of the Italian Civil Code, and that the documentation provided for in art. 2501-septies, paragraph 1 of the Italian Civil Code has been published, as required by art. 2506-bis, paragraph 5 and art. 2506-ter, paragraph 5 of the Italian Civil Code, respectively;

### HEREBY RESOLVES

- 1) to approve the plan for the partial, proportional demerger of Atlantia in favour of Autostrade Concessioni e Costruzioni SpA in accordance with all the terms and conditions set out in that plan;
- 2) to, consequently, reduce Atlantia’s issued capital for the purposes of the demerger by €250,000,000 thus amending, with effect from the effective date of the demerger, art. 6) of the Articles of Association as follows: “*The issued capital shall amount to €575,783,990 (five hundred and seventy-five million, seven hundred and eighty-three thousand, nine hundred and ninety), divided into 825,783,990 ordinary shares without par value;*”;
- 3) to authorise the Chairman and the CEO, with the option of delegating their powers and with the express option granted by art. 1395 of the Italian Civil Code, to execute the demerger deed in accordance with the conditions set out in the plan, and to in any event, in order to complete the other transactions that are an integral part of the demerger, such as those referred to and described in the demerger plan and in the Directors’ Report;
- 4) to authorise the Chairman and the CEO with the option of delegating their powers, to make any formal amendments to this resolution as required, including when filing the resolution with the Companies’ Register.

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Rome, 14 December 2020

Atlantia SpA  
for the Board of Directors  
The Chairman