

REVERSE STOCK SPLIT: FREQUENTLY ASKED QUESTIONS

1) **What is the reverse stock split?**

Following the approval of the proposals under point 2 of the agenda by the Extraordinary Shareholders' Meeting of Banca Monte dei Paschi di Siena S.p.A. (hereinafter "**BMPS**" or the "**Company**") on 15 September 2022, there will be a reverse stock split of BMPS ordinary shares whereby for every no. 100 outstanding ordinary shares, no. 1 new ordinary share with regular entitlement, shall be issued. The new ordinary shares will have new ISIN code IT0005508921 and will be listed on Euronext Milan.

2) **Why carry out a reverse stock split?**

The reverse stock split is related to the share capital increase against payment for a maximum total amount of EUR 2,500,000,000.00 to be carried out, in tranches, through the issuance of ordinary shares, with regular entitlement, to be offered with pre-emption rights to the Company's shareholders, pursuant to Article 2441 of the Italian Civil Code, resolved by the Extraordinary Shareholders' Meeting of 15 September 2022 (the "**Capital Increase**"). In particular, the reverse stock split, by resulting in the reduction of the number of outstanding shares, is intended to facilitate the administrative management of the shares, the number of which is set to increase as a result of the aforementioned Capital Increase.

Given that the Company's shares have no par value, the reverse stock split will result in an increase in the implied accounting par value of the shares.

In order to optimize the numerical ratios of the reverse stock split, no. 87 ordinary shares shall be cancelled, based on the share waiver given by the intermediary Equita SIM S.p.A. for the purpose of balancing, before the execution of the transaction; all without changing the amount of the share capital.

In any case, for the management of any remnants that may arise from the reverse stock split, the Company will make available to shareholders, through the depositary intermediary, a service for the treatment of any fractions of shares that cannot be grouped under the reverse stock split, on the basis of the official market price pre-settlement (i.e. 23 September 2022) and without additional expenses or fees and in accordance with the technical procedures that will be announced when the transaction itself is executed.

3) **When will the reverse stock split be carried out?**

In light of the purpose and correlation with the Capital Increase, the last day of pre-grouping listing will be next Friday, September 23.

The reverse stock split will be carried out on 26 September 2022 pursuant to applicable regulations by authorized intermediaries who are members of the centralized management system managed by Euronext Securities S.p.A. and at no expense to shareholders.

4) I am a shareholder with a multiple of 100 ordinary shares. What should I do?

Nothing. The reverse stock split provides that for every no. 100 outstanding ordinary shares, no. 1 new ordinary share with regular entitlement will be issued. To calculate the number of shares that one shall have after the reverse stock split one can apply the following formula:

$$\frac{\textit{number of shares held}}{100}$$

For instance: if one owned 300 ordinary shares before the reverse stock split, following the reverse stock split, one shall own 3 new ordinary shares:

$$\frac{300}{100} = 3$$

5) I am a shareholder with a number of ordinary shares not multiple of 100 and greater than 100. What can I do?

Nothing. The reverse stock split provides that for every n. 100 outstanding ordinary shares, no. 1 new ordinary share with regular entitlement will be issued. To calculate the number of ordinary shares that one shall have after the reverse stock split one can apply the following formula:

$$\frac{\textit{number of shares held}}{100}$$

After the reverse stock split one shall hold a number of new shares rounded down to the nearest unit.

The value of the remaining fraction of shares shall be liquidated proportionally to official price of BMPS ordinary shares recorded on 23 September 2022, the last trading day prior to the date of the reverse stock split (the "Countervalue")

For instance: if one owned 248 ordinary shares before the reverse stock split

$$\frac{248}{100} = 2.48$$

following the reverse stock split, one shall receive 2 new ordinary shares and the intermediary shall liquidate the Countervalue of the 0.48 new share into the shareholder's account.

6) I am a shareholder with a number of ordinary shares not multiple of 100 and lower than 100. What can I do?

As the number of shares does not enable the shareholder to receive any new share, following the reverse stock split the depositary intermediary will pay the Countervalue of the fraction resulting from the reverse stock split ratio and the shareholder can request, by contacting its intermediary, to purchase

the necessary missing fraction to obtain an additional new share at the Countervalue cost, subject to availability.

For instance: if one owned 4 ordinary shares before the reverse stock split

$$\frac{4}{100} = 0.04$$

following the reverse split, one shall not receive any new shares and therefore one can request - before Friday 30 September 2022 - that the depositary intermediary purchase the missing fraction of 0.96 to obtain an additional 1 new share at the Countervalue cost, subject to availability.

7) Will the overall market value of my investment in BMPS vary following this reverse stock split?

The reverse stock split will not imply a variation of BMPS share capital or market value. Therefore the reverse stock split will not directly affect the market value of the investment, because the reduction in the number of shares is offset by the simultaneous increase in the value of the shares in line with reverse stock split ratio. Furthermore, should the fractions be liquidated, their value will be transferred to the shareholder's current account, keeping the overall market value of the investment unchanged.

The share price and, therefore, the overall market value of the investment shall be subject to the dynamics and risks of the stock market.

8) What is the cost to the shareholder for the liquidation of the fractions?

The liquidation of the fractions is free of any charges, stamp duty or commission to the shareholder.
