



IRSA

# Extraordinary Shareholders' Meeting

Additional information





Below, the Company presents more information to its shareholders on each of the items on the agenda to be discussed at the Extraordinary General Meeting on December 22, 2021. It is very important for the Company to have the vote of all its shareholders.

1. APPOINTMENT OF TWO SHAREHOLDERS TO SIGN THE MEETING'S MINUTES.

Shareholders must choose two representatives among those shareholders taking part in the meeting to approve and sign the meeting's minute jointly with the president.

2. CONSIDERATION OF MERGER BY ABSORPTION BETWEEN IRSA INVERSIONES Y REPRESENTACIONES SOCIEDAD ANÓNIMA ("IRSA"), AS MERGING COMPANY AND IRSA PROPIEDADES COMERCIALES S.A. ("IRSA PC"), AS MERGED COMPANY, PURSUANT TO THE TERMS OF SECTION 82 AND SUBSEQUENT OF ARGENTINE COMPANIES ACT AND SECTION 80 AND SUBSEQUENT OF INCOME TAX LAW NO. 20,628. CONSIDERATION OF INDIVIDUAL SPECIAL MERGER FINANCIAL STATEMENTS OF IRSA AS OF JUNE 30, 2021; SPECIAL MERGER FINANCIAL STATEMENTS OF IRSA PC AS OF JUNE 30, 2021; CONSOLIDATED MERGER FINANCIAL STATEMENTS OF IRSA AND IRSA PC AS OF JUNE 30, 2021; AND SUPERVISORY COMMITTEE'S AND AUDITOR'S REPORTS. CONSIDERATION OF PRELIMINARY MERGER AGREEMENT BETWEEN IRSA PC AND IRSA DATED SEPTEMBER 30, 2021, AND FURTHER RELATED DOCUMENTS, AUTHORIZATIONS AND DELEGATIONS OF POWERS. APPOINTMENT OF IRSA'S REPRESENTATIVES OR AGENTS WHO SHALL EXECUTE AND DELIVER THE FINAL MERGER AGREEMENT.

On September 30, 2021, IRSA & IRSA Propiedades Comerciales Boards of Directors approved the preliminary merger agreement between both companies and the corresponding special financial statements as of June 30, 2021, initiating the corporate reorganization procedure under the terms of art. 82 et seq. of the General Law of Companies. The merger procedure has particular characteristics given that both companies are included in the public offering regime, reason why, not only apply the current provisions of the General Law of Companies but also the procedures established regarding reorganization of companies under the Regulations of the "Comisión Nacional de Valores" (National Securities Commission) and the markets, both national and foreign, where their shares are listed.

The Merger is carried out in order to streamline the technical, administrative, operational and economic resources of both Companies, standing out among others: (a) the operation and

maintenance of a single transactional information system and centralization of the entire accounting registration process; (b) presentation of a single financial statement to the different control agencies with the consequent cost savings in accounting and advisory fees, tariffs and other related expenses; (c) simplification of the accounting information reporting and consolidation process, as a consequence of the reduction that the merger would imply for the corporate structure as a whole; (d) removal of the IRSA PC public offering listing on BYMA and NASDAQ with the associated costs that this represents; (e) cost reduction for legal fees and tax filings; (f) increase in the percentage of the capital stock that is listed in the different markets, increasing the liquidity of the listed shares; (g) tax efficiencies and (h) preventively avoid the potential overlap of activities between the Companies.

Once the merger by absorption between IRSA as the absorbing company and IRSA CP as the absorbed company had been approved, the effective date will be retroactively July 1, 2021, date from which the transfer to the absorbing company of all the assets of the absorbed company will take effect, thereby incorporating all its rights and obligations, assets and liabilities into the equity of the absorbing company, all subject to the required corporate approvals.

Likewise, and within the framework of the reorganization procedure, the Board of Directors has approved the exchange ratio, which has been established at 1.40 IRSA shares for each IRSA PC share, which is equivalent to 0.56 IRSA GDS for each ADS of IRSA PC. The valuation of the exchange ratio has been based on the market value analysis and on the net value of the assets and the ratio of 1.40 corresponds to the volume-weighted average price of the quotations of the last 180 days of shares (VWAP). Likewise, the exchange relationship is supported by two fairness opinions issued by Banco Santander Argentina SA, in the case of IRSA and Banco Itaú Argentina SA, in the case of IRSA PC, which have been submitted for consideration by the Audit Committees of both companies, with a favorable opinion in this regard.

The exchange of IRSA PC shares for IRSA shares will be carried out once the entire administrative procedure has been completed and once the registration has been made in the "Inspección General de Justicia" (Superintendence of Corporations), a process that may take several months.

For further information please refer to the public documents at CNV and SEC.

### 3. AMENDMENT TO ARTICLE TWELVE (BOARD OF DIRECTORS) OF THE BYLAWS.

An amendment of the twelfth article of the Bylaws will be proposed to be voted upon by the Shareholders. Such amendment will include an amendment in the total amount of board members that the Shareholders meeting may appoint, being 6 the minimum amount and 15 the maximum amount of regular members, and a modification in appointment procedure so that a third of the total amount of board members may be renewed every year. It should be mentioned that no new directors will be appointed at this Shareholders Meeting.

4. CONSIDERATION OF INCREASE IN THE AMOUNT OF THE GLOBAL NOTE PROGRAM FOR THE ISSUANCE OF SIMPLE, NON-CONVERTIBLE NOTES, SECURED OR NOT, OR GUARANTEED BY THIRD PARTIES, FOR A MAXIMUM OUTSTANDING AMOUNT OF UP TO USD 600,000,000, THE CREATION OF WHICH WAS APPROVED BY THE SHAREHOLDERS' MEETING DATED OCTOBER 31, 2017, AND THE INCREASE IN THE AMOUNT OF WHICH WAS APPROVED BY THE SHAREHOLDERS' MEETING DATED OCTOBER 30, 2019, BY AN ADDITIONAL AMOUNT OF UP TO USD 150,000,000.

The extension of the Program has been considered for an additional amount of USD 150,000,000, since as a result of the merger IRSA will formally assume the obligations of IRSA Propiedades Comerciales and in this way it is intended that IRSA have available capacity in the Program to issue new debt or carry out liability management operations.

5. CONSIDERATION OF (I) DELEGATION ON THE BOARD OF DIRECTORS OF THE BROADEST POWERS TO IMPLEMENT THE INCREASE AND/OR REDUCTION IN THE PROGRAM'S AMOUNT, AND DETERMINE ANY TERMS AND CONDITIONS OF THE PROGRAM OTHER THAN THOSE EXPRESSLY APPROVED BY THE SHAREHOLDERS' MEETING AS WELL AS THE TIME, AMOUNT, TERM, PLACEMENT METHOD AND FURTHER TERMS AND CONDITIONS OF THE VARIOUS SERIES AND/OR TRANCHES OF NOTES ISSUED THEREUNDER; (II) RENEWAL OF POWERS FOR THE BOARD OF DIRECTORS TO (A) APPROVE, EXECUTE, GRANT AND/OR DELIVER ANY AGREEMENT, CONTRACT, DOCUMENT, INSTRUMENT AND/OR SECURITY RELATED TO THE INCREASE IN THE PROGRAM'S AMOUNT AND/OR THE ISSUANCE OF THE VARIOUS SERIES AND/OR TRANCHES OF NOTES THEREUNDER; (B) APPLY FOR AND SECURE AUTHORIZATION BY THE ARGENTINE SECURITIES COMMISSION TO CARRY OUT THE PUBLIC OFFERING OF SUCH NOTES; (C) AS APPLICABLE, APPLY FOR AND SECURE BEFORE ANY AUTHORIZED SECURITIES MARKET OF ARGENTINA AND/OR ABROAD THE AUTHORIZATION FOR LISTING AND TRADING SUCH NOTES; AND (D) CARRY OUT ANY PROCEEDINGS, ACTIONS, FILINGS AND/OR APPLICATIONS RELATED TO THE INCREASE IN THE PROGRAM'S AMOUNT AND/OR THE ISSUANCE OF THE VARIOUS SERIES AND/OR TRANCHES OF NOTES UNDER THE PROGRAM; AND (III) AUTHORIZATION FOR THE BOARD OF DIRECTORS TO SUB-DELEGATE THE POWERS AND AUTHORIZATIONS REFERRED TO IN ITEMS (I) AND (II) ABOVE TO ONE OR MORE OF ITS MEMBERS.

6. AUTHORIZATION TO CARRY OUT REGISTRATION PROCEEDINGS RELATING TO THIS SHAREHOLDERS' MEETING BEFORE THE ARGENTINE SECURITIES COMMISSION AND THE GENERAL SUPERINTENDENCY OF CORPORATIONS.

Should the matters set forth in items second, third, fourth and seventh of the agenda be approved by the Shareholders, it will be required to register such acts under CNV and IGJ, according to its regulations. To this end, certain persons must be authorized to act on behalf of the Company and initiate and continue those procedures.

7. CONSIDERATION OF THE STOCK CAPITAL INCREASE FOR A PAR VALUE OF \$ 152,158,215 (ARGENTINE PESOS ONE HUNDRED FIFTY-TWO MILLION ONE HUNDRED FIFTYEIGHT THOUSAND TWO HUNDRED FIFTEEN), THROUGH THE ISSUANCE OF 152,158,215 COMMON BOOK-ENTRY SHARES OF \$ 1 PAR VALUE EACH AND ENTITLED TO ONE VOTE PER SHARE, ENTITLED TO RECEIVE DIVIDENDS PARI PASSU TOGETHER WITH THE SHARES OUTSTANDING AS OF THE TIME OF ISSUANCE, FOR PURPOSES OF IMPLEMENTING THE EXCHANGE VALUE AS ARISE FROM THE MERGER. AUTHORIZATIONS FOR THE FILING OFFER'S REQUEST AND LISTING OF THE REFERRED SHARES WITH THE CONTROLLING AUTHORITIES THAT MAY CORRESPOND. DELEGATIONS OF THE POWERS FOR THE STOCK CAPITAL INCREASE'S IMPLEMENTATION

As a result of the merger and according to the Exchange ratio set forth in section 1 hereof, the holders of IRSA PC shares will receive newly issued IRSA shares. Therefore, a capital increase and the issue of new IRSA common shares shall be proposed to be voted upon by the Shareholders.