

# Information Document for Major Transactions with Related Parties

Drawn up in accordance with article 5 of the Regulation adopted by Consob with resolution no. 17221 of 12 March 2010 and as subsequently amended and supplemented

\*

## Merger by Incorporation

of

Castor Bidco S.p.A.

in

**Cerved Group S.p.A.**

9 December 2021

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## INTRODUCTION

- A.** This information document (“**RPT Information Document**”) has been prepared by Cerved Group S.p.A. (“**Cerved**” or the “**Company**” or the “**Incorporating Company**”) in accordance with article 5 of the Regulation adopted by Consob with resolution no. 17221 of 12 March 2010, as subsequently amended, (“**RPT Regulation**”) and in accordance with the procedure for transactions with related parties last approved by the Board of Directors of Cerved on 21 June 2021 (“**RPT Procedure**”), in relation to the proposed merger by incorporation (“**Merger**” or “**Transaction**”) of Castor Bidco S.p.A. (“**Castor Bidco**” or the “**Incorporated Company**”) and, together with Cerved, the “**Merging Companies**”) in subsidiary - and related party - Cerved Group S.p.A., since the Merger can be considered as a “*major*” transaction between related parties. Castor Bidco, in fact, exercises legal control over Cerved within the meaning of article 2359, first paragraph, no. 1, Italian Civil Code and article 93 of the TUF.
- B.** In order to describe in more detail the Merger and its reasons, the events that took place before the Merger decision adopted by the administrative bodies of the Merging Companies are summarized below.
- C.** On 08 March 2021, Castor S.p.A., (formerly Castor S.r.l.), with registered office in Milan, via Alessandro Manzoni 38, fiscal code and registration number in the Register of Companies of Milan 11462440964 (“**Castor**”), pursuant to article 102, paragraph 1, of Legislative Decree 24 February 1998 no. 58, as subsequently amended and supplemented (“**TUF**”) and article 37 of the TUF implementing regulation containing the Issuers’ Regulation, adopted by Consob Resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented, announced the intention to promote a public purchase offer (“**Offer**”) covering all Cerved’s share capital, aimed at obtaining the Delisting on the Electronic Stock Market, now Euronext Milan (“**Electronic Stock Market**”), organized and managed by Borsa Italiana S.p.A. (“**Borsa Italiana**”), of the Cerved shares (“**Delisting**”).

On 25 March 2021, Castor announced, *inter alia*, that it had taken the decision to promote the Offer through Castor Bidco, newly established joint-stock company, whose share capital is wholly owned by Castor.

In the tender document published on 8 July 2021 (the “**Offer Document**”), Castor Bidco stated its intention to “*acquire the entire share capital of the issuer and proceed with Delisting of the issuer*”.

In the offer document, it was also pointed out that the Delisting “*would allow Cerved to achieve greater management and organizational flexibility and the opportunity to focus on the development and innovation of products and services with a long-term perspective*” and that “*If Delisting was not reached at the end of the Offer [...] the Offeror, taking into account, inter alia, the final participation reached in the issuer as a result of the Offer, will be able to achieve Delisting through the Merger, with consequent Delisting of the issuer*”.

- D.** On 16 September 2021, at the conclusion of the Offer, Castor Bidco reached a holding of 79.967%

of the share capital of Cerved.

- E.** On 5 October 2021, consistently with as indicated in the Offer Document, the administrative bodies of the Merging Companies initiated the process of the merger by incorporation of Cerved into Castor Bidco in order to achieve, *inter alia*, the already announced Delisting and, as a result of the Delisting, to obtain (i) greater managerial and organizational flexibility, also deriving from the rationalization and simplification of the control chain, with the possibility to concentrate on growth even in the long term; (ii) the elimination of costs and expenses of listing; and (iii) the loss of exposure to market fluctuations also from elements not related to the economic-financial performance of Cerved (also in consideration of the low free float resulting from the Offer), with possible detrimental effects as of any extraordinary transactions. On the same date, the Board of Directors of Cerved resolved to convene for 11 February 2022, at 11 a.m., the extraordinary shareholders' meeting to discuss and decide on the following agenda "*Approval of the draft merger by incorporation of Cerved Group S.p.A. into Castor Bidco S.p.A. Related and consequent resolutions*", in order to give the market certainty as to the timing of the possible meeting to which to submit the draft merger and to give certainty as to the possible value for the purposes of withdrawal.

The notice of the extraordinary meeting was published on 5 October 2021 on the Cerved website (<https://company.cerved.com/>) and, on 7 October 2021, as extract on the daily newspaper "Il Giornale".

- F.** On 16 November 2021, Castor Bidco announced to the market that it had become the holder of a stake of more than 90% of the share capital of Cerved, a threshold foreseen by article 108, second paragraph, of the TUF for the application of the obligation to purchase Cerved shares by shareholders who request it (the "**Sell-Out Procedure**"). In this context, Castor Bidco also stated its intention not to restore sufficient float to ensure the smooth trading of the Cerved ordinary shares. In this respect, it is recalled that, pursuant to article 2.5.1 of the Regulation of the Markets organized and managed by Borsa Italiana S.p.A., Cerved shares will be withdrawn from listing and trading as from the open stock market day following the last day of payment of the consideration (fixed by Consob, according to article 108, paragraph 4, of the TUF), of Cerved shares to be sold to Castor Bidco in the context of the Sell-Out Procedure.
- G.** As the aim of the Delisting by means of the merger by incorporation of Cerved into Castor Bidco no longer applied for the reasons set out in Point G above, the management of Cerved and Castor Bidco launched a feasibility study to compare the pros and cons of the "direct" merger of Cerved into Castor Bidco and the "reverse" merger of Castor Bidco into Cerved. Such analysis showed that the "reverse" merger presents numerous significant advantages, compared to the "direct" merger, in terms of cost savings, reduced organizational complexity, greater efficiency and speed.
- H.** The Merger has been carefully considered by the Board of Directors of Cerved and the Related Parties Committee ("**Related Parties Committee**"), a Board Committee set up under the RPT Regulation

and the RPT Procedure, since – as mentioned in paragraph A. above – the Merger constitutes for Cerved a “*major*” transaction between related parties. In view of this, for its analyses and determination, the Related Parties Committee decided to seek the support of the independent financial advisor Lazard S.r.l. (“**RPT Committee Financial Advisor**”), as well as the independent legal consultant Studio Gatti Pavesi Bianchi Ludovici.

- I. Following the analyses carried out, the Related Parties Committee, taking into account, *inter alia*, the evaluation findings of the RPT Committee Financial Advisor, and in particular the fairness opinion issued by the same on the fairness of the Exchange Ratio (as defined in of the following Point K), issued a favourable opinion on 9 December 2021 on the interest of Cerved at the completion of the Merger having also ascertained the convenience and substantial and procedural fairness of the conditions of the Merger (“**Related Parties Committee Opinion**”).

The opinion of the Related Parties Committee was immediately forwarded to the Board of Directors of Cerved.

- J. On 9 December 2021, following the detailed analyses and evaluations carried out with the support of the Cerved Financial Advisors and the Castor Bidco Financial Advisor (as defined in the following paragraph A.), the Cerved Board of Directors and the Sole Director of Castor Bidco decided to approve the merger plan, which regulates the terms and conditions of the merger (“**Merger Plan**”). On the same date, the Board of Directors of Cerved also approved (i) the withdrawal of the convening of the extraordinary meeting of Cerved referred to in Point E above and, at the same time (ii) the convening of the extraordinary meeting to approve the Merger Plan by granting the Chairman and the Managing Director the power, severally, to set the date of the define the date of the meeting and to carry out the related procedures. The extraordinary meeting of Castor Bidco will be held on the same date.
- K. The Merger Plan - including the Articles of Association (“**New Articles of Association**”) of Cerved, which will enter into force on the date on which the civil law effects of the Merger will take place in accordance with article 2504-*bis*, paragraph 2, of the Italian Civil Code-(the “**Effective Date**”) approved by the Board of Directors of Cerved and the Sole Director of Castor Bidco on 9 December 2021, provides for the Exchange Ratio to the following extent:

for each ordinary share of the Incorporated Company, without indication of the nominal value,

5,000.1386 ordinary shares of the Incorporating Company, without indication of the nominal value (“**Exchange Ratio**”).

The Merger Plan does not foresee any cash adjustment.

- L. If the extraordinary shareholders’ meetings of the Merging Companies approve the Merger Plan, the shareholders of Cerved who have not participated in the approval of the Merger Plan (the

“**Shareholders Entitled to Withdrawal**”) will be entitled to the right of withdrawal (“**Right of Withdrawal**”) pursuant to article 2437, first paragraph, letter g) of the Italian Civil Code, resulting from the adoption of the New Articles of Association, the elimination of the list voting mechanism currently provided for in the Cerved Articles of Association pursuant to article 147-*ter* TUF.

- M.** In view of the fact that Castor Bidco has no debt to acquire control of Cerved, the Merger does not qualify as a merger following the acquisition with debt as per article 2501-*bis* of the Italian Civil Code.

## 1. NOTICE

The main risk factors inherent in the Merger are outlined below.

### 1.1 Risks related to potential conflicts of interest arising from the Transaction

- A.** At the date of this RPT Information Document, Castor Bidco holds 178,002,825 Cerved shares, representing 91.155% of the share capital of the Incorporated Company. The Company, at the time of this RPT information document, is not aware of any other shareholder holding more than 3% of the Cerved share capital.

Castor Bidco therefore has control of Cerved within the meaning of article 2359 of the Italian Civil Code and article 93 of the TUF.

At the date of this RPT Information Document, Castor Bidco, in turn, is controlled directly by Castor, which holds control of Castor Bidco, pursuant to article 2359 of the Italian Civil Code, with a stake of 100% of the Castor Bidco share capital and 100% of Castor Bidco voting rights.

- B.** The members of the Board of Directors of Cerved in office as of the date of this RPT Information Document (the date on which the Merging Companies approved the Merger Plan and the current document) are: Aurelio Regina (Chair), Andrea Mignanelli (Chief Executive Officer), Luca Peyrano (Director), Carlo Purassanta (Director), Anna Zanardi, Elvina Finzi, Giulia Cavalli, Elena Toson, Stefano Caselli and Alessandra Ferrari (all Independent Directors). None of the members of the new Board of Directors holds shares of the Company.

It should also be noted that:

- ✓ the Director of Cerved, Luca Peyrano, is also the Sole Director of Castor Bidco, General Manager of ION Analytics and Director of Cedacri S.p.A. (a company belonging to the ION Group); and
  - ✓ Cerved Director Carlo Purassanta is a Director of Cedacri S.p.A. (a company belonging to the ION Group).
- C.** As far as Cerved is aware, none of the members of the Board of Directors, of the Board of Statutory Auditors of Cerved, of the general managers and, as far as Cerved is aware, strategic executives of Cerved holds shares and/or other economic interests of Castor Bidco or of companies controlled by the latter or controlling Castor Bidco, nor holds any further positions in companies controlled by Castor Bidco or controlling such company.

## 2. INFORMATION RELATING TO THE TRANSACTION

### 2.1 Description of the characteristics, methods, terms and conditions of the Transaction

#### 2.1.1 Description of the Transaction

- A. The Merger will be carried out in accordance with articles 2501 and following of the Italian Civil Code and will be decided on the basis of the reference balance sheets of the Merging Companies and, in particular,
- ✓ for the Incorporating Company, in accordance with article 2501-*quater*, paragraph 2 of the Italian Civil Code, on the basis of the separate half-year financial report of Cerved at 30 June 2021, approved by the Board of Directors of the Incorporating Company on 30 November 2021 and subject to a voluntary limited audit by PricewaterhouseCoopers S.p.A. (“**Merger Balance Sheet of Cerved**”); and
  - ✓ for the Incorporated Company, on the basis of the balance sheet at 31 October 2021 (composed of the balance sheet and income statement, drawn up pursuant to article 2435-*ter* of the Italian Civil Code in accordance with the procedures for drawing up the financial statements provided for so called “micro-enterprises”) and approved by the sole director of the Incorporated Company on 21 November 2021, after receiving the favourable opinion of the controlling body (the “**Merger Balance Sheet of Castor Bidco**” and, in conjunction with the Merger Balance Sheet of Cerved, the “**Balance Sheets**”), and
- B. For the purposes of the Merger, the entire share capital of the Incorporated Company will be annulled and all the shares of the Incorporated Company currently owned by Castor, the sole shareholder of the Incorporated Company, will be annulled.
- C. In application of the Exchange Ratio, in favour of Castor, the sole shareholder of the Incorporated Company, all the shares of the Incorporating Company owned by the Incorporated Company will be assigned at the Effective Date and, for the difference, maximum 72,004,105 shares of the Incorporating Company newly issued, with no change in share capital.
- D. It should be noted that, on the date of this RPT Information Document, the Incorporated Company has 178,002,825 shares of the Incorporating Company, corresponding to approximately 91.155% of the capital of the latter. With reference to the shares on which a pledge is formed at the Effective Date, the same will be attributed to Castor already burdened by a pledge, which will maintain its validity and effectiveness also following the Merger.
- E. It should also be noted that, at the date of this RPT Information Document, the Incorporating Company has 11,091 treasury shares, while the Incorporated Company does not hold any treasury shares. All the shares of the Incorporating Company at the Effective Date, including the Shares Subject to Withdrawal (as defined in Paragraph B. below), purchased by the Incorporating Company pursuant



to article 2437-*quater*, paragraph 5 of the Italian Civil Code, will be annulled effective at the Effective Date, without any change in the share capital.

- F.** Further information regarding the Effective Date and the arrangements for the allocation in exchange of the Incorporating Company's shares to Castor, the Incorporated Company's sole shareholder, will be disclosed in accordance with current regulations, by means of a press release issued through the SDIR E-Market system and published on the Cerved website (<https://company.cerved.com/>) and on the authorized storage mechanism (<https://www.emarketstorage.com/>).

No burden will be placed on Castor for the exchange operations.

- G.** On 7 October 2021, the Merging Companies jointly submitted an application to the Milan Court for the appointment of a joint expert to draw up the report on the adequacy of the Exchange Ratio, in accordance with and for the effects referred to in article 2501-*sexies* of the Italian Civil Code.

On 15 October 2021, the Milan Court appointed Epyon Audit S.r.l. as a joint expert for the preparation of the Report on the Exchange Ratio referred to in article 2501-*sexies* of the Italian Civil Code.

- H.** On 1 December 2021, the Merging Companies filed an additional application with the Milan Court in order to obtain confirmation and ratification of the appointment of the expert Epyon Audit S.r.l., already appointed by the Court of Milan on 15 October 2021 for the "direct" merger of Cerved into Castor Bidco, for the purpose of drawing up the report on the adequacy of the Exchange Ratio for the Merger, in view of the change in the structure of the Merger, which now provides for the incorporation of Castor Bidco into Cerved (instead of Cerved into Castor Bidco) and without prejudice to all other elements set out in the application submitted on 7 October 2021. On 9 December 2021, the Court of Milan accepted the supplementary application filed by the Merging Companies on 1 December 2021.

- I.** The Merging Companies will submit the Merger Plan to the respective extraordinary shareholders' meetings that will be held on 14 January 2022.

- J.** The Merger will have civil effects starting from the Effective Date, which will coincide with the last date of registration of the merger deed in the Milan Register of Companies, in accordance with article 2504-*bis* Italian Civil Code or with the date after that date, which will be indicated in the merger deed.

- K.** For accounting purposes, the transactions carried out by the Incorporated Company will be recognized in the financial statements of the Incorporating Company as from 1 January of the year in which the civil effects of the Merger will occur. Pursuant to article 172, paragraph 9 of Presidential Decree 22 December 1986, no. 917, the tax effects of the Merger are aligned with the accounting effects, as set out above.

- L.** The Merger Plan, the explanatory reports prepared, according to article 2501-*quinquies* of the Italian Civil Code by the Sole Director of Castor Bidco and the Board of Directors of Cerved, the report of

the joint expert on the adequacy of the Exchange Ratio referred to in article 2501-*sexies* of the Italian Civil Code and all documents relating to the Merger are made available to the public in the terms and conditions laid down by law and regulation.

### 2.1.2 Exchange Ratio

- A. For the purposes of defining the Exchange Ratio, the Board of Directors of Cerved and the Sole Director of Castor Bidco have used financial advisors of primary standing and proven professionalism and experience and, in particular, Cerved has sought the advice of Prof. Gabriele Villa and Prof. Giuliano Iannotta (“**Cerved Financial Advisors**”) and Castor Bidco has sought the advice of Deutsche Bank (“**Castor Bidco Financial Advisor**”).
- B. The Board of Directors of Cerved, with the support of the Cerved Financial Advisors, who have also prepared a “*Valuation opinion regarding estimating the share exchange in the reverse merger by incorporation of Castor Bidco S.p.A. in Cerved S.p.A.*” (“**Exchange Ratio Opinion**”), came to the determination of the Exchange Ratio following a weighted assessment of the economic capital of the Merging Companies, taking into account the nature of the Merger and adopting commonly used valuation methods, also at international level, for transactions of this nature, for companies operating in this sector and adapted to the characteristics of each Merging Company.
- C. The Board of Directors of Cerved approved the Merger Plan after examining the opinion of the Related Parties Committee which, for the purposes of its determinations, availed itself of the support of the RPT Committee Financial Advisor, which also issued a fairness opinion on the adequacy of the Exchange Ratio, on 9 December 2021.
- D. The exchange of the ordinary shares of the Incorporated Company owned by shareholders other than Castor Bidco will be met according to the Exchange Ratio.
- E. Further information regarding the Effective Date and the arrangements for the allocation in exchange of the Incorporating Company’s shares to Castor, the Incorporated Company’s sole shareholder, will be disclosed in accordance with current regulations, by means of a press release issued through the SDIR E-Market system and published on the Cerved website (<https://company.cerved.com/>) and on the authorized storage mechanism (<https://www.emarketstorage.com/>).

No burden will be placed on Castor for the exchange operations.

### 2.1.3 Amendments to the Articles of Association

- A. As indicated in the Merger Plan – the current status of Cerved, to be effective from the Effective Date, will be amended and, consequently, on the Effective Date the New Articles of Association will enter into force, under which, *inter alia*:
  - (i) the period of duration of Cerved will be extended to 31 December 2060;
  - (ii) the formation of burdens on the shares will be prohibited;

- (iii) the shareholder holding the absolute majority of Cerved shares shall have a right of pre-emption in the event of transfer of shares; and
- (iv) the list vote for the appointment of the members of the Board of Directors and of the Board of Statutory Auditors will be eliminated.

**B.** It is noted that the New Articles of Association do not indicate the number of shares of the Incorporating Company representative of the share capital at the Effective Date, since such information will be available only after having verified (i) the number of shares of the Incorporating Company (including the Shares Subject to Withdrawal, as defined in Paragraph B. below, purchased by the Incorporating Company pursuant to article 2437-*quater*, paragraph 5 of the Italian Civil Code) on the Effective Date, which will be annulled at the same time, without any change in the share capital, as better indicated in Paragraph C above, as well as (ii) the number of newly issued shares of the Incorporating Company to be assigned to Castor, sole shareholder of the Incorporated Company, in application of the Exchange Ratio, which will depend on the number of newly issued shares of the Incorporating Company owned by the Incorporated Company as of the Effective Date, as better indicated in Paragraph E above.

#### **2.1.4 Right of Withdrawal**

- A.** If the extraordinary meetings of the shareholders of the Merging Companies approve the Merger Plan, Shareholders Entitled to Withdrawal shall be entitled to the Right of Withdrawal, in accordance with article 2437, first paragraph, letter g) of the Italian Civil Code, resulting from the adoption of the New Articles of Association, the elimination of the list voting mechanism currently provided for in the Cerved Articles of Association pursuant to article 147-*ter* TUF.
- B.** Pursuant to article 2437-*bis* of the Italian Civil Code, shareholders entitled to withdraw may exercise the right of withdrawal, with respect to all or part of the Cerved ordinary shares held, by sending a registered letter to the registered office of Cerved not later than fifteen days after the date of registration in the Register of Companies of Milan of the resolution of approval of the Merger that should be adopted by the extraordinary shareholders' meeting of Cerved. The news of the registration of the above resolution will be published in the Italian newspaper "Il Giornale" and on the Cerved website [www.company.cerved.com](http://www.company.cerved.com).

The ownership of the Cerved ordinary shares for which the Right of Withdrawal is exercised ("**Shares Subject to Withdrawal**") must be uninterrupted from the date of the extraordinary meeting of

Cerved, convened on 14 January 2022 to decide on the Merger and until the date on which the Right of Withdrawal is exercised.

- C.** The Right of Withdrawal, legitimately exercised, will be effective subject to the completion of the Merger, it being understood that the shareholders who exercise the Right of Withdrawal will be paid the Liquidation Value (as defined below) of the Shares Subject to Withdrawal from the Effective Date. Terms and conditions of the offer in option and pre-emption pursuant to article 2437-*quater* of the Italian Civil Code, of the Shares Subject to Withdrawal to the shareholders of Cerved, will be communicated with a press release distributed through the e-Market SDIR system and published on the Cerved website (<https://company.cerved.com/>) and on the “eMarket Storage” authorized storage mechanism (<https://www.emarketstorage.com/>).

The Liquidation Value of the Shares Subject to Withdrawal must be determined, in accordance with article 2437-*ter*, third paragraph of the Italian Civil Code, referring exclusively to the arithmetic mean of the closing prices of the shares in the six months preceding the publication of the notice of call for the meeting of the Incorporating Company called to approve the Merger (“**Liquidation Value**”).

- D.** Further information on the terms and conditions of reimbursement of the Shares Subject to Withdrawal will be published by Cerved in the manner and in the terms provided for by the applicable laws and regulations. If the merger deed is not concluded, the Shares Subject to Withdrawal will continue to be held by the shareholders of Cerved who have exercised the Right of Withdrawal, no cash payment of the Liquidation Value will take place and all the Cerved shares (including the Shares Subject to Withdrawal) will continue to be listed and traded on the Regulated Market until the completion of the Sell-Out Procedure, following which Delisting will occur.

### ***2.1.5 Effects of the Merger on Castor Bidco guarantees and financing contracts***

- A.** It should be noted that – as indicated in the balance sheet of the Incorporated Company on 29 October 2021, Castor Bidco signed an agreement for the granting in pledge of all the Cerved shares held, to guarantee the obligations deriving from the financing contracts concluded by Castor, the sole shareholder of Castor Bidco, relating to the credit line granted to refinance part of the financial debt of Cerved as well as to the credit line granted to finance the possible working capital requirements of the sole shareholder Castor and of its subsidiaries. In relation to the same obligations, Castor Bidco provided a personal guarantee to the lending banks of its parent company Castor. At the date of this Informative Document, none of these credit lines were used.
- B.** As a result of the Merger, Cerved will take over all the assets and liabilities currently held by Castor Bidco and, consequently, Cerved will become the guarantor of only the bonds deriving from the financing contracts concluded by Castor referred to in Point A of Paragraph 2.1.5 above, relating to the credit line granted to refinance part of the financial debt of Cerved as well as to the credit line granted to finance the possible working capital requirements of the sole shareholder Castor and of its subsidiaries.
- C.** It should be noted that the Merger is not a transaction allowed under the financing contract of Euro 713 million (“**Financing Contract**”), signed on 12 May 2020 by Cerved, Banca IMI S.p.A., Banca Nazionale del Lavoro S.p.A., Banco BPM S.p.A.; BNP Paribas; BNP Paribas, Italian Branch; Crédit Agricole Corporate and Investment Bank, Milan Branch, Crédit Agricole Italia S.p.A. Intesa Sanpaolo S.p.A.; La Cassa di Ravenna S.p.A.; Mediobanca Banca di Credito Finanziario S.p.A. and UBI Banca (“**Lending Banks**”).
- D.** Furthermore, under the Financing Contract, the guarantee obligation referred to in Point B above would not be allowed.
- E.** Finally, in case of Delisting – which is expected to take place before the Merger is implemented – (i) each Lending Bank shall have the right not to make any further payments on the credit lines covered by the Financing Contract; and (ii) if one or more of the Lending Banks will so request, within the deadline established in the Financing Contract, the commitment of said Lending Bank to provide further financing shall no longer apply and an obligation will be imposed to repay the full amount of the financing already provided by said Lending Bank under the Financing Contract and still due to it, as well as interest and commission.
- F.** Having regard to the aforementioned agreement, on 30 November 2021, the Board of Directors of Cerved mandated the Chief Executive Officer to start negotiations with the Lending Banks in order to promptly obtain from the qualified majority of the Lending Banks (66.67%) their consent to the implementation of the Merger and to the assumption of the obligation of guarantee referred to in Point B. above and the waiver of the Lending Banks to enforce the remedies provided for in the

Financing Contract in relation to the Delisting. In the event it is not possible to obtain the aforementioned consent and waiver in a timely manner, the Board of Directors will consider what action to take and will promptly inform the public.

### **2.1.6 Conditions of the Transaction**

- A.** The completion of the Merger is not subject to any condition (not even relating to the maximum number of Shares Subject to Withdrawal) further to the approval of the Merger Plan and Merger by the extraordinary shareholders' meetings of the Merging Companies.
- B.** Subject to the foregoing, at the date of this RPT Information Document, it is expected that the merger deed may be executed by the first half of 2022 and that the Merger will be implemented only after the finalization of the Sell-Out Procedure and therefore after the Delisting has taken place.

### **2.2 Indication of the related parties with which the Transaction was carried out, the nature of the correlation and the scope of the interests of said parties in the Merger**

- A.** At the date of this RPT Information Document, Cerved is subject to legal control, pursuant to article 2359 of the Italian Civil Code and article 93 TUF by Castor Bidco, which holds 91.155% of the share capital of Cerved.

The correlation between the Merging Companies therefore derives from the control relationship between the companies within the meaning of article 2359 of the Italian Civil Code and article 93 TUF and the fact that Luca Peyrano, Director of Cerved, is the Sole Director of Castor Bidco. Further relevant relationships between the Merging Companies are outlined in the preceding Paragraph 1.1.

- B.** In light of the considerations set out in the preceding Point A, the Board of Directors of Cerved applied the procedure for *major* transactions with related parties according to the criteria set out in Annex 3, paragraph 1.1 of the RPT Regulation and in article 7 of the RPT Procedure.
- C.** The Related Parties Committee, in accordance with article 8, first paragraph, of the RPT Regulation, was involved in the negotiation and investigation phase, through a timely, complete and appropriate flow of information, which enabled the Related Parties Committee to be constantly updated in relation to the evolution of the activities set up. The flows of information concerned, among other things, the main terms and conditions of the Merger, the timing of its implementation, the proposed valuation procedure, the reasons underlying the Merger and any risks for Cerved.

In this context, the Related Parties Committee has exercised its right to request information and to make observations, receiving prompt response to its requests and observations from the management involved in the pre-merger activities.

For further information, please refer to the Related Parties Committee Opinion annexed to this RPT Information Document under Annex 1.

## 2.3 Indication of the economic reasons and the convenience of the Merger for Cerved

A. As stated in Point B of the Introduction, the Merger aims to achieve the following benefits:

- ✓ strengthening the balance sheet and financial structure of “combined entity”;
- ✓ greater management and organizational flexibility and the opportunity for Cerved to focus on the development and innovation of products and services from a long-term perspective;
- ✓ rationalization and simplification of the control chain;

As indicated in the Merger Plan, the Merger also aims to allow Cerved to exploit the experience and skills of technological and product development that the ION group, to which the Incorporated Company belongs, has matured globally in the last 20 years in the fields of financial technology, software automation, data & analytics. As Castor Bidco has already stated to the market on the occasion of the offer, the strategic and operational priorities are:

- ✓ accelerate the growth process, leveraging digital transformation resources and capabilities to improve internal operational processes and services to customers;
- ✓ exploiting the potential of the Data & Analytics world to expand the development of new products and new features;
- ✓ optimization of operational and commercial flexibility, through the acceleration of international development, allowing new products to be brought to the market and providing the opportunity to expand the range of services sold in Italy and abroad.

## 2.4 Method for determining the Exchange Ratio

### 2.4.1. *Process of determining the Exchange Ratio and Financial Advisors*

A. The Merger was carefully considered by the Board of Directors of Cerved and the Sole Director of Castor Bidco and particular attention was paid to the determination of the Exchange Ratio. For the purposes of establishing the Exchange Ratio, the Board of Directors of Cerved availed itself of the advice of the Cerved Financial Advisors, whose task was to issue the Exchange Ratio Opinion, and the Sole Director of Castor Bidco availed itself of the advice of the Castor Bidco Financial Advisor.

B. The Cerved Financial Advisors and the Castor Bidco Financial Advisor filed their reports to Cerved, Castor Bidco and the companies of the group belonging to Castor Bidco and considered that they could provide the required activity in the context of the Merger with autonomy and independence. In particular, the Cerved Financial Advisors stated at the time of their appointment that they had no economic, equity and financial relations with Castor Bidco, its subsidiaries (including Cerved), its controlling entities, the jointly controlled companies and the Directors of such companies. At the time of taking up the position, *the* Cerved Financial Advisors and the Castor Bidco Financial Advisor undertook to apply appropriate organizational arrangements to ensure the confidentiality of

information and to identify, monitor and manage potential conflicts of interest.

- C.** The Related Parties Committee, taking into account that the Merger constitutes for Cerved a “major” transaction between related parties, decided to use, for its analysis and determination, the support of the RPT Committee Financial Advisor and the independent legal consultant, Studio Gatti Pavesi Bianchi Ludovici. If it is not possible to obtain the aforementioned consent and waiver in a timely manner, the Board of Directors will consider what action to take and will promptly inform the public. With reference to Cerved, the Board of Directors and the Related Parties Committee of Cerved have appointed the Cerved Financial Advisors and the RPT Committee Financial Advisor on the basis of their requirements of proven capacity, professionalism and experience in this kind of transactions, considering them suitable for the performance of the task and to support the Incorporated Company in the determinations relating to the adequacy of the Exchange Ratio and the correctness of the Merger.
- D.** With regard to the RPT Committee Financial Advisor, the mandate given provides for the assistance to the Related Parties Committee, as financial advisor, in relation to the Merger. In particular, the mandate envisages, in particular, assistance for the purposes of carrying out the following activities (where required):
- ✓ assistance to the members of the Related Parties Committee in relation to the analysis from a financial point of view of the financial analysis of the Transaction and
  - ✓ presentation to the Related Parties Committee of the financial analyses carried out in relation to the Transaction; and
  - ✓ issuing of a fairness opinion with regards to the financial adequacy of the Exchange Ratio in relation to the Merge for the shareholders of Cerved; and
  - ✓ assistance in any further activity strictly connected with the Transaction, for the part falling within the responsibility of the same Financial Advisor OPC Committee, which may emerge during the course of the assignment.
- E.** As a result of the analyses carried out, the Related Parties Committee, taking into account, *inter alia*, the evaluation findings of the RPT Committee Financial Advisor, and in particular the fairness opinion issued by the Committee on the adequacy of the Exchange Ratio, on 9 December 2021, delivered the Related Parties Committee Opinion, which was immediately forwarded to the Board of Directors of Cerved.

On 9 December 2021, the Board of Directors of Cerved and the Chief Executive Officer of Castor Bidco, and, as far as Cerved is concerned, considering the Related Parties Committee Opinion, which operated in accordance with the RPT Regulation and the RPT Procedure, approved, on the basis of the Balance Sheets, the Exchange Ratio.



- F.** The fairness opinion of the RPT Committee Financial Advisor in its unabridged version is annexed to this RPT Information Document under Annex 1 and the Exchange Ratio Opinion in its unabridged version is annexed to this RPT Information Document under Annex 2. The information contained in Annex 1 and Annex 2 to this RPT Information Document has been reproduced in accordance with the content of the fairness opinion of the RPT Financial Advisor and the Exchange Ratio Opinion, respectively.

#### **2.4.2. Documentation used**

- A.** In support of the determination of the Exchange Ratio, the Board of Directors of Cerved and the Cerved Financial Advisors, in addition to the Balance Sheets, examined, among other things, the following documents and sources:
- ✓ press release issued by Castor Bidco (and disclosed by Cerved) dated 16 November 2021, in which the Incorporating Company announced that it exceeded the 90% threshold of the Incorporated Company (**Notice of Exceedance 90%**);
  - ✓ the annual and consolidated financial statements of Cerved at 31 December 2020 and the interim financial reports of Cerved at 31 March 2021, 30 June 2021 and 30 September 2021;
  - ✓ the notice related to the results of the Public Offer issued by Castor Bidco on 14 September 2021;
  - ✓ Cerved's Notice issued on 15 July 2021, as well as the updated Notices dated 5 August 2021 and 29 August 2021 respectively;
  - ✓ the Offer Document (as defined above) dated 8 July 2021;
  - ✓ the document entitled "Group Strategic Plan 2021-2023" dated 25 March 2021 (**Economic-Financial Plan**);
  - ✓ the economic-financial and market data, taken from Bloomberg at the date of the Exchange Ratio Opinion (as defined below), of the sample consisting of the following companies:
    - Experian PLC;
    - Equifax Inc.;
    - TransUnion LLC;
    - Fair Isaac Corporation;
    - Dun & Bradstreet Holdings, Inc.;
    - Tinexta S.p.A.; and
  - ✓ Other publicly available information, deemed relevant for the purposes of analysis for the definition of the Exchange Ratio.

- B.** Further investigations were carried out by the Cerved Financial Advisors with the management of the Merging Companies, with the aim of obtaining clarifications in relation to the activities of the Merging Companies, to the financial economic projections and to the main assumptions underlying the latter.
- C.** The Board of Directors of Cerved, for the purposes of determining the Exchange Ratio and the number of Cerved shares to be allocated to the sole shareholder of Castor Bidco following the Merger, availed itself of the support of the Cerved Financial Advisors, who have also prepared the Exchange Ratio Opinion.
- D.** For the purposes of the Exchange Ratio opinion, the Cerved Financial Advisors stated that, from the date of reference of the Cerved and Castor Bidco balance sheets – to the knowledge of the Cerved Financial Advisors and taking into account the purchases of Cerved shares made by Castor Bidco until 19 November 2021 – there were no events, circumstances or facts affecting the evaluation of Cerved and Castor Bidco and, therefore, the Exchange Ratio.

#### ***2.4.3. Limitations of the Exchange Ratio and Assumptions***

In the Opinion on the Exchange Ratio it is specified that the same Opinion shall be read and interpreted in light of the following limits and assumptions:

- ✓ the Exchange Ratio Opinion: (i) has been prepared for the exclusive use of the Board of Directors of Cerved with the purpose and subject indicated therein; and (ii) the results expressed therein derive from methodological choices and from technical-application methods for calculating the reference parameters consistent with the subject and purposes of the Exchange Ratio Opinion: it follows that these results cannot – and may not – be used for any purpose other than that declared;
- ✓ the Exchange Ratio Opinion was drawn up with full and complete reliance on the information and documents submitted by Cerved and Castor Bidco. The data and information contained in these documents have been used by the Cerved Financial Advisors relying on their truthfulness, accuracy and completeness, and, as far as forecasting documents are concerned, on the reasonableness and corporate credibility of the projections. No independent verification, as expressly provided for in the task assigned to the Cerved Financial Advisors, has been carried out on the documents and information received in the various aspects of truthfulness, accuracy, completeness, reasonableness and credibility. This applies, for example, to financial statements and Balance Sheets. In particular, the Economic-Financial Plan has been taken into account in the configuration and structure that have been represented without any independent verification, on the assumption that it has been drawn up in accordance with the best available information, reflects actions that can be concretely implemented on the horizon considered and has been elaborated on the basis of assumptions and according to reliable, reasonable and documented criteria, metrics and parameters, in compliance with the programming lines that characterize the activity of Cerved. Likewise, the Merger Balance Sheet of Castor Bidco was

assumed as such by the Cerved Financial Advisors, without verification, control or review procedures of any kind or type intended to verify the correctness and reliability thereof;

- ✓ the numerical calculations taken into account in the Exchange Ratio Opinion were carried out by the Cerved Financial Advisors on the basis of current economic and market conditions and in light of the reasonably conceivable elements of forecasts. Nothing in the Exchange Ratio Opinion by the Cerved Financial Advisors shall be construed as a guarantee or a viewpoint on the future development of Cerved. Events after the date of issue of this Exchange Ratio Opinion may occur, which affect its content;
- ✓ for the purposes of the Exchange Ratio Opinion, market price data have been used that are subject to fluctuations, including significant, due to the continued volatility of the markets;
- ✓ it was assumed that all necessary and/or appropriate information was made available for the purpose of drawing up and rendering the Exchange Ratio Opinion, and that there were no facts or circumstances not brought to the attention of the Cerved Financial Advisors that could render or have rendered the information provided for the issue of the Exchange Ratio Opinion not true, incomplete, inaccurate or misleading;
- ✓ comparable companies show, compared to Cerved, non-marginal differences, in particular the size profile and range of activities carried out. Therefore, in view of the specific characteristics that characterize each reality, the comparability sought by the Cerved Financial Advisors can only be partial; and
- ✓ the Exchange Ratio Opinion is based on the assumption that no shareholder exercises the Right of Withdrawal.

#### ***2.4.4. Evaluation objective and methodologies***

- A.** The objective of the Exchange Ratio Opinion was to determine the relative values of the economic capital of Cerved and Castor Bidco by means of evaluations based on fundamentals and market methods with the aim of determining the Exchange Ratio, that is, the proportion between the number of shares of the Incorporated Company and the number of shares that the Incorporating Company will allocate to the shareholders of the Incorporated Company.
- B.** The Cerved Board of Directors availed itself of the Cerved Financial Advisors for the purposes of determining the Exchange Ratio and fully shared the valuation methods adopted by the Cerved Financial Advisors, the numerical calculations and the conclusions regarding the economic values attributed to the capital of the Merging Companies of the Cerved Financial Advisors, took note of the contents of the Exchange Ratio Opinion and fully adopted them. Consequently, the considerations set out by the Cerved Financial Advisors in the Exchange Ratio Opinion are set out below.
- C.** Prior to this, the Cerved Financial Advisors made some considerations on the nature of the evaluation process, recalling the reference principles that guide the estimate of the Exchange Ratio in a merger transaction, in respect of which, in particular, they have taken into account, in the aspects considered

relevant, the indications drawn from the Italian Principles of Evaluation (“PIV”), issued by the Italian Body of Evaluation since, as is known, the PIV code best practice and constitute a reference point in professional practice.

- D. According to the Cerved Financial Advisors, the core principles that guide assessments aimed at estimating the Exchange Ratio of a merger can be summarized as follows:
- ✓ the purpose of the merger evaluations is to determine the Exchange Ratio on the basis of which the shares of the Incorporated Company are to be “exchanged” with those of the Incorporating Company: said ratio must be appropriate, in financial terms, for the different classes of shareholders of one company and the other. Given that the merger, substantially, results in an exchange transaction for the shareholders of the companies concerned, merger evaluations must always lead to the determination of exchange values;
  - ✓ in merger evaluations, homogeneity must be ensured both in value configurations and in the development of evaluation methods. The reference to uniform evaluations methods does not translate into necessity in the application of the same methods in the estimation of the economic values of the companies participating in the transaction, but into the use of the same approach in the appreciation of the sources of income and risk profiles to which they are subject;
  - ✓ for the purpose of determining the Exchange Ratio, the evaluation unit is represented by the individual shares of the companies concerned by the transaction. The estimate of the economic values of the companies as a whole does not identify the object of the evaluations: rather, this estimate translates the preliminary step toward determining the values of the shares that make up the capital of the companies concerned by the merger, which represent the “exchange values” of the transaction;
  - ✓ the fact that the valuation unit consists of the shares that make up the share capital of the individual companies – and not, on the other hand, the companies as a whole – is important in the case of a merger between a listed company and a non-listed company, since the PIV states in such circumstances that “... *it is necessary to consider the different degree of liquidity of the individual securities?*” (PIV, § IV. 4.1., p. 310);
  - ✓ the merger evaluations cannot be based on merely comparative (or relative) criteria, but must always lead to the absolute and separate evaluations of the two companies; in the estimation of the absolute values of the companies involved in the transaction, existing values must be determined and not potential values, which reflect assumptions of improvement in management in relation to choices and business decisions which have not found any operative approach and of which there is still no translation in formalized programming documents;
  - ✓ In the case of mergers between non-independent entities, as is the case in the present case in which Castor Bidco holds more than 90 % of the share capital of Cerved, the evaluations are, in the final instance, in a guarantee function: the Exchange Ratio must ensure that the various classes of shareholders and, in particular, the minorities of the companies involved in the transaction do not have any transfers of wealth;

- ✓ the evaluation of the companies, which, as has been observed, constitutes the preliminary shift to the estimation of the economic values of the individual shares – which represent the unit of evaluation in the context of a merger – is carried out in practice on a standalone basis, without considering the synergies that will arise from the merger, having regard to the assumption that the partners of the two companies will participate in the synergies according to the value they renounce;
- ✓ where the evaluation methods used involve reference to the “market”, the pre-announcement prices of the integration operation must be taken into account.

The estimates of the Cerved Financial Advisors have therefore been carried out within the framework of the methodological guidelines that have been mentioned.

**E.** Once the valuation framework was established, the Cerved Financial Advisors considered the following factual circumstances, which set out the context in which the Merger would take place. In particular, the relevant circumstances, which, according to the Cerved Financial Advisors, will influence the estimate of the Exchange Ratio, are as follows:

- (i) Castor Bidco holds more than 90% of the capital of Cerved; therefore, the Merger is carried out between non-independent entities;
- (ii) Castor Bidco, holder of 90.75<sup>1</sup>% of the capital of Cerved at 19 November 2021, also communicated, in accordance with and for the effects of article 108, paragraph 2, of the TUF and of article 50 of the Issuers’ Regulation “*that it does not intend to reinstate a sufficient float to ensure the smooth operation of the trading of the Cerved*” ordinary shares (Notice of Exceedance 90%). Because of the decision not to reinstate the float, Castor Bidco is subject to the Sell-Out Procedure. As is known, once the Sell-Out Procedure has been completed – whatever the outcome – the Cerved shares will no longer be listed. Ultimately, the Cerved shares are set to “transform” into non-listed securities. It can therefore be concluded that the Merger is a transaction between two non-listed companies, whose securities therefore have the same degree of liquidity;
- (iii) In September 2021, the Offer was concluded: there is therefore a significant transaction, recently concluded, regarding Cerved, for the effect of which a market price was formed, within the framework of a supervised and regulated offer procedure, which involved the entire shareholding in Cerved and, as a result of which, taking into account the purchases subsequently made at a price not exceeding the price of the Offer, Bidco acquired more than 90% of the capital of Cerved.

**F.** In the framework outlined above, as a value configuration in the estimate of the share exchange, the Cerved Financial Advisors favoured the market value. The share exchange was determined on the basis of the results returned by models of estimates intended to measure the market values of the Cerved shares and the Castor Bidco shares. The market value “... *of a real or financial asset (or a business*

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<sup>1</sup> This value does not take into account the purchases made on 19 November and communicated on 20 November (equal to 0.02%).

*entity) or liability is the price at which it is likely to be negotiated, at the reference date after an appropriate marketing period, between independent and motivated individuals who operate in an informed, prudent manner, without being exposed to particular pressures (obligations to buy or sell)” (PIV, § I.6.3).*

- G. The market values of the Cerved and Castor Bidco shares were estimated by the Cerved Financial Advisors on the basis of the following methods.
- H. As far as Cerved is concerned, the price paid to the shareholders who joined the Offer (the “**Public Offer Price**”) was considered as a fundamental valuation reference. The Public Offer Price was the subject of an adequacy verification using the DCF method. After having established, in the dialogue with the Cerved structures, that the results of the current management are aligned with the forecasts formalized in the Economic-Financial Plan, the verification was carried out on two levels: (i) firstly, an autonomous estimation model has been developed; for this reason, the economic value of Cerved from which the value of the single share was derived has been calculated; (ii) secondly, the value-per-share ranges returned by the DCF developed by the Financial Advisors of the Offer (as defined below) were examined for the purpose of fairness opinions issued to the Board of Directors of Cerved, in support of the judgement requested by article 103 of the TUF, on the adequacy of the Public Offer Price.

Finally, with regard to Cerved, in the presence of a negotiated price, which covered a large share of the capital of the Incorporating Company and which constitutes the decisive reference point of “market”, the use of stock exchange multiples or comparable transactions was considered irrelevant.

In a graduation of the valuation methods, the market reference of the Public Offer Price is related to the main method. The DCF is configured as a control method.

- I. As far as Castor Bidco is concerned, the estimate of the Market Value of the share first required the calculation of the economic value of the Incorporated Company from which the value of the share was derived.

In determining the economic value of Castor Bidco, the Cerved Financial Advisors considered that the Incorporated Company is a pure investment vehicle that presents the investment in Cerved as a fundamental asset and whose financial structure is entirely equity.

The evaluation of Castor Bidco, considering its nature as holding, was carried out by the Cerved Financial Advisors using the simple equity method, according to which the economic value of a company is equal to its adjusted net worth, obtained by re-expressing the assets and liabilities according to their current values. At the technical level, the equity method is applied by moving from the equity resulting from the reference situation at the date of the estimate, adjusted on the basis of the differences between the current values and the accounting values of the assets and liabilities. In this context, the economic value of Cerved, determined on the basis of the Public Offer Price, was referred to Castor Bidco for “transparency”, considering the Castor Bidco shareholding in Cerved itself.

Having regard to the aforementioned nature of Castor Bidco as a holding company, the simple equity method was the only benchmark; there was no need to identify a control method.

Finally, given that the unit of estimation in the merger evaluations consists of the shares, the economic value of Castor Bidco, determined by the simple equity method, derived the Market Value of the Castor Bidco share.

The following table summarizes the estimation methods used by the Cerved Financial Advisors in the assessment of the Merging Companies.

Company	Evaluation methods
Cerved	Public Offer Price <i>Discounted Cash Flow Unlevered</i>
Castor Bidco	Simple equity method

#### 2.4.5. Description of the results obtained from the application of the methodologies adopted

##### (i) Economic value of Cerved

##### Introduction

- A. As stated in Point E of Paragraph 2.4.4 H above, the economic value of Cerved was estimated on the basis of the Public Offer Price; the adequacy of the Public Offer Price was verified both on the basis of an independent valuation exercise developed according to the DFC method and on the basis of an autonomous valuation exercise developed according to the DFC method, as well as in light of the contents of the fairness opinions issued by primary business banks to the Board of Directors of Cerved, called to express its opinion on the price offered for the purposes of the issuer’s statement of article 103 of the TUF (“**Public Offer Financial Advisors**”). The reasons for which the Public Offer Price is the fundamental evaluation reference for the purposes of estimating the Exchange Ratio according to the Cerved Financial Advisors are explained below and the results of the adequacy verification carried out with the DCF method are noted.
- B. On 8 July 2021 the Offer Document was published, describing the terms and conditions of the offer, which covered all the 195,274,979 Cerved shares listed on the Regulated Market (including treasury shares).

The Cerved Financial Advisors noted, for the purposes of the Exchange Ratio Opinion, that the Offer:

- ✓ was addressed to all holders of the Cerved shares, without distinction and on equal terms;
- ✓ was promoted under the rules drawn up by the TUF and the Issuers’ Regulation: it was therefore an operation carried out within a defined regulatory framework;
- ✓ was submitted to the scrutiny and control of the supervisory authorities and, in particular, Consob;

- ✓ was accompanied by a complex and articulated information system, based on the Offer Document and on the releases issued both by Cerved and Castor Bidco: therefore, the maximum level of transparency and information has been ensured to the shareholders of Cerved, in order to allow them a conscious decision to divestment.

The Public Offer Price, initially defined at Euro 9.50 per share, was subsequently restated at Euro 10.20 per share.

On 14 September 2021, Castor Bidco issued a statement on the results of the Public Offer in which Castor Bidco announced that it had a total of 80% of the capital of Cerved and that the consideration for the Public Offer was therefore Euro 10.20 per share. As of 19 November 2021, due to the purchases made after said notice, Castor Bidco held 90.75%<sup>2</sup> of the capital of Cerved.

- C. According to the Cerved Financial Advisors, the market value of an asset, which represents the value configuration used in the estimate of the Exchange Ratio, expresses “... *the price at which [an asset] is likely to be negotiated, at the reference date after an appropriate marketing period, between independent and motivated individuals who operate in an informed, prudent manner, without being exposed to particular pressures (obligations to buy or sell)*” (PIV, § I.6.3.; emphasis added).

Merger values are exchange values. The market values of the shares to be exchanged express the extent to which the “relative” position of the shareholders of the companies concerned by the transaction should be evaluated.

In this context, according to the Financial Advisors, the Public Offer Price is the most reliable measure of the market value of the Cerved share for several reasons:

- ✓ it was formed into a transaction between totally independent parties;
- ✓ the Offer closed on 9 September 2021, at a time, therefore, close to the date of 31 October 2021, the reference date for the Exchange Ratio Opinion;
- ✓ there were no significant facts - as far as the Cerved Financial Advisors are aware - between the closing date of the Offer and the reference date of the Exchange Ratio Opinion, which would affect the economic value of Cerved;
- ✓ the Incorporating Company, at the start of the Offer, did not hold any stake in Cerved; it follows that the 90.75% stake in Cerved that Castor Bidco acquired after the Offer (and also taking into account purchases after the end of the acceptance period of the Offer) is the entire result of a market transaction, with selling shareholders who have considered the price proposed to them reasonable;

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<sup>2</sup> This value does not take into account the purchases made on 19 November and communicated on 20 November (equal to 0.02%).



- ✓ the shareholders of Cerved to whom the Offer has been addressed have had a wide set of information available, so that it is not disputed that they have been able to operate in an informed way;
- ✓ the acceptance period of the Offer was in line with market practice and it is therefore equally acceptable that, within the period defined by the acceptance period, the shareholders of Cerved were able to carry out their own evaluations without particular pressure;
- ✓ it has been validated, in its adequacy, by the Board of Directors of Cerved, also on the basis of fairness opinions made by the Public Offer Financial Advisors.

**D.** In light of these elements, according to the Cerved Financial Advisors, there can be no doubt that the Public Offer Price, equal to Euro 10.20 per Cerved share, expresses, from an economic and financial point of view, the best measure of the Market Value of the Cerved share. As such, it is the fundamental benchmark of the Exchange Ratio Opinion.

The Board of Directors of Cerved shared these evaluations of the Financial Advisors, Cerved thus believing that the Public Offer Price is the most reliable measure of the market value of the Cerved share.

A valuation of Euro 10.20 per share corresponds to a Cerved equity value of Euro 1,991.8 million.

#### ***DCF***

**E.** As anticipated, the adequacy of the Public Offer Price was verified on the basis of an independent valuation exercise developed according to the DFC method.

The Cerved Financial Advisors carried out an analysis aimed at calculating the present value of the operating cash flows contained in the Economic-Financial Plan.

The unlevered financial method is formalized in the following algorithm:

$$W = \sum \frac{FCFF_t}{(1 + WACC)^t} + \frac{TV}{(1 + WACC)^n} - NFP + OI$$

where:

- ✓ FCFF (Free Cash Flow to the Firm) = operating cash flows generated by the company net of the fiscal effect, taking into account investments in fixed and working capital;
- ✓ WACC (Weighted Average Cost of Capital);
- ✓ n = explicit forecast period (2021-2025);
- ✓ TV (Terminal Value) =; FCFF at steady state / (WACC – g);
- ✓ g = long-term growth rate;
- ✓ NFP (Net Financial Position) = net financial position at the valuation reference date;

- ✓ OI (Other Items) = current value of payable for end-of-relationship treatment, minority interests and non-consolidated holdings held by Cerved in other companies.

**F.** The following are the essential features of the solutions adopted by the Cerved Financial Advisors in the estimation of the various parameters of the method under examination.

The expected operating cash flows were determined for the period 2021-2025 from the prospective economic-financial quantities for the three-year period 2021-2023 reported in the Economic-Financial Plan; the Economic-Financial Plan was extended to the two-year period 2024-2025, with a progressive alignment of the trend of quantities with the long-term growth rate, according to a technical solution of widespread use in professional practice.

The Economic-Financial Plan was not the subject of an independent audit to examine its strategic assumptions, reliability and consistency. However, Cerved Financial Advisors were told, in the context of the dialogue with management, that current trading is aligned with the forecasts contained in the Economic-Financial Plan.

**G.** With regards to the estimate of the steady-state operating flow, which is functional to the calculation of the terminal value, the last year of the programming period (2025) was taken as a reference and the normalization of investments took place, taking into account the long-term growth rate incorporated in the valuation model. Steady flow was determined in Euro 181.7 million.

**H.** The weighted average cost of capital was estimated on the basis of the following parameters:

- ✓ rf (risk-free rate) = 0.74%, assumed equal to the quarterly average (August 2021 - October 2021) of the rates of return on Italian government bonds with a ten-year maturity (source: FactSet);
- ✓ beta coefficient = 1.04x, calculated on the basis of the median of the unlevered beta coefficients, estimated on the basis of the weekly findings for the last 5 years (31/10/2016 - 31/10/2021 with the Blume correction, for a sample of comparable listed companies, according to the median market ratio D/E (source: Bloomberg);
- ✓ ERP (Equity Risk Premium) = 6.00%, equal to the average level of the market risk premium recorded for Italy in 2021 in the survey conducted by Prof. Pablo Fernández (source: Fernández et al., “*Survey: Market Risk Premium and Risk-Free Rate used for 88 countries in 2021*”);
- ✓ rs (size premium) = 1.37%, adjusted increase to the size risk premium, depending on the market capitalization of Cerved at 31 October 2021, estimated by Duff & Phelps for smaller companies (source: Duff & Phelps, “*Cost of Capital Navigator*” al 31/12/2020);
- ✓ D/E = 8.85%, an expressive percentage of the market financial structure determined as the median of the D/E ratios at 31 October 2021 of comparable listed companies (source: Bloomberg);

- ✓  $k_d$  (cost of debt capital) = 2.25%, a parameter determined on the basis of the information provided by the management of Cerved regarding the terms and conditions agreed with regard to the financing currently in place;
- ✓  $t$  (tax rate) = 24.00%, equal to the tax rate at which interest is deductible.

**I.** The estimate of the weighted average cost of capital requires some clarification in the Exchange Ratio Opinion. First, in the construction of market parameters (beta coefficient and debt ratio), reference was made to a sample of listed companies operating in the so-called business sector data intelligence. For the purpose of constructing the sample, on the basis of the indications provided by the management of the Incorporating Company, the following companies were selected:

- ✓ Experian PLC, a British information service company, specifically active in the provision of data and analytical instruments for credit risk management, fraud prevention, marketing offer targeting and decision-making automation;
- ✓ Equifax Inc., a U.S. company providing information solutions and outsourcing services for human resources business processes;
- ✓ TransUnion LLC, a U.S. company primarily active in the provision of information and risk management solutions. Its activity also extends to the development and provision of consumer reports, risk scores, analytical services and skills useful for business decision-making processes;
- ✓ Fair Isaac Corporation, a US company that offers data analysis and management products and services – with particular reference to credit scoring services – that enable enterprises to automate and coordinate business decisions;
- ✓ Dun & Bradstreet Holdings, Inc., a U.S. company that provides decision-making information and analytics solutions;
- ✓ Tinexta S.p.A., an Italian company that deals with the supply of IT solutions and services for the dematerialization and digitization of legal document processes.

Secondly, the size premium increase, according to financial literature and professional practice, reflects the different average size of the sample companies compared to Cerved. It was also the subject of the impairment test carried out by Cerved in relation to the financial statements for the year ended 31 December 2020, and the fairness opinions issued by the Public Offer Financial Advisors. The numerical size of the size premium draws on the latest information from specialized literature.

**J.** On the basis of the above parameters, the weighted average cost of capital was  $WACC = 7.81\%$ . Estimates were made using a weighted average cost range of  $WACC$  capital = 7.56% - 8.06% (with a change of 25 b.p. compared to the central value).

The long-term growth rate was set at the projection (2026, last available year) of the change in the index of consumer prices forecast by the International Monetary Fund for Italy (1.39%)<sup>3</sup>. Estimates were carried out using a growth rate range  $g = 1.14\% - 1.64\%$  (with a change of 25 b.p. with respect to the central value).

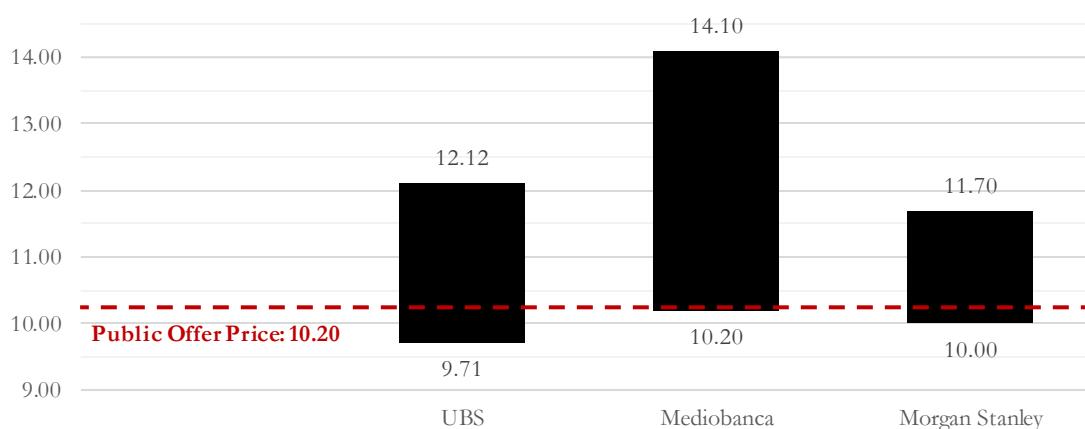
On the basis of the parameters and variables described above, the DCF method, used only with the function of finding the adequacy of the Public Offer Price, led to the following range of values of the Cerved share: Euro 9.33 (WACC = 8.06%;  $g = 1.14\%$ ) - Euro 11.11 (WACC = 7.56%;  $g = 1.64\%$ ).

Finally, the Cerved Financial Advisors examined the results of the DCF method developed by the financial advisors who, in various ways, assisted the Board of Directors of Cerved in the framework of the Public Offer were examined.

On the basis of the unlevered financial method, described above, used only as a function of finding the adequacy of the Public Offer Price, the following range of values of the Cerved share was identified: Euro 9.33 (WACC = 8.06%;  $g = 1.14\%$ ) - Euro 11.11 (WACC = 7.56%;  $g = 1.64\%$ ).

- K.** This range is also in line with the fairness opinions issued by the Public Offer Financial Advisors and the financial advisors of the Independent Directors, available on the company’s website at [company.cerved.com](http://company.cerved.com) and which can be read for further details. In order to draw up their respective consistency opinions, the Public Offer Financial Advisors analysed and developed various evaluation methodologies, including, in particular, the method based on the actualization of expected cash flows (DCF).

The results, in terms of value per share, returned by the application of the DCF method in the context of the evaluations carried out by the Public Offer Financial Advisors are summarized in the graph below, in which the Public Offer Price, equal to Euro 10.20, is also highlighted.



<sup>3</sup> International Monetary Fund, “World Economic Outlook: Recovery during a pandemic – Health Consorting, Supply Disruptions, price pressures”, October 2021, p. 119. This document indicates a 1.4% change in the consumer price index for Italy; the relevant database downloadable in Excel from the International Monetary Fund’s website shows a change of 1.39%.

The Public Offer Price is within the range of values indicated by the Public Offer Financial Advisors using the DCF method, even in the lower area of the value range. This circumstance constitutes a further confirmation of the adequacy of the Public Offer Price also for the purpose of estimating the economic value of Cerved in the context of the Merger.

The Board of Directors of Cerved fully shared the above-described evaluation exercise and its conclusions, which it adopted.

### ***Evaluation Summaries***

The elements acquired by the Cerved Financial Advisors lead to consider as fundamental reference of the Cerved Share Market Value, the Public Offer Price, equal to Euro 10.20 per share, which corresponds to a Cerved equity value of Euro 1,991.8 million.

#### ***(ii) The economic value of Castor Bidco***

##### ***Equity method***

- A.** The economic value of Castor Bidco was determined by the Cerved Financial Advisors on the basis of the simple equity method. From a general point of view, this method identifies the economic value of the company being valued in adjusted equity, obtained by adjusting the accounting net worth on the basis of the differences between the current values and the accounting values of the assets and liabilities.
- B.** According to the balance sheet of Castor Bidco, at 31 October 2021, Castor Bidco assets were essentially made up of a representative holding of 89.4% of the share capital of Cerved – which accounts for 70.0% of the total assets – and of receivables entered in current assets.
- C.** The starting point for the development of the simple equity method is net accounting assets. At 31 October 2021, the carrying amount of the Castor Bidco shareholders' equity was Euro 2,550,267,582. For valuation purposes, this amount must be adjusted on the basis of the differences between the current values and the accounting values of the assets and liabilities.
- D.** With regards to the holding, the carrying amount resulting from the Balance Sheet of Castor Bidco at 31 October 2021 expresses the cost incurred by Castor Bidco for the acquisition of the holding, equal to Euro 1,780,744,489 (174,582,793 shares × Euro 10.20 per share), plus the amount of the Tobin tax paid during the various stages in which the purchase of the Cerved shares took place. Given that the share price implied in the equity value of the interest net of the Tobin tax (Euro 10.20) coincides with the Public Offer Price, which – according to the Cerved Financial Advisors – is the fundamental reference in the estimate of the economic value of Cerved for the purpose of quantifying the Exchange Ratio, the carrying amount of the Castor Bidco holding in Cerved is not susceptible to any adjustment in the application of the equity method.
- E.** With regards to the receivables entered in current assets, at 31 October 2021, receivables for deferred

tax of Euro 968,672 and other receivables due within the following year equal to Euro 762,636,850 were recognized. The latter amount, as reported, is the sum of the figures of Euro 762,586,850, formalized in an equity commitment letter between Castor and Castor Bidco and of Euro 50,000 relating to another relationship between Castor Bidco and a group company. The receivable of Euro 762.6 million, according to as communicated: (i) is subject to an irrevocable and unconditional obligation to pay this amount; (ii) must be terminated by the debtor by the date of signature of the merger deed, or earlier if required by Castor Bidco.

- F.** The balance sheet of Castor Bidco has not been the subject of any independent verification, or of any type of audit or procedure, to verify its accuracy, correctness and reliability. For the purposes of determining the Exchange Ratio, therefore, the Cerved Financial Advisors and the Board of Directors of Cerved have fully relied on the truthfulness, accuracy, correctness and completeness of all the financial and other information received.
- G.** For the purposes of determining the Exchange Ratio, the receivables entered in current assets, amounting to Euro 762.6 million, were considered as cash equivalent instruments, since their maturity is temporally placed before the date of the merger (except for a possible advance request from Castor Bidco). For the purposes of applying the equity method, no adjustment has therefore been made to the receivables in question. In conclusion, no adjustment was recognized in the development of the simple equity method against Castor Bidco equity at 31 October 2021.
- H.** After 31 October 2021, Castor Bidco acquired additional Cerved shares. The shareholding held by Castor Bidco in Cerved, taking into account the purchases made up to 19 November 2021, amounts to 90.75%<sup>4</sup> of the capital of Cerved. The purchases, taking into account their amount, do not affect the economic value of Castor Bidco, unless there is a marginal adjustment. More precisely, the economic value of Castor Bidco, taking into account the bank fees incurred for the purchase of the shares that have allowed to increase the stake to 90.75% of the capital of Cerved, is equal to Euro 2,550,070,687. For the purposes of determining the Exchange Ratio, this amount, according to the Cerved Financial Advisors – may be indicated in Euro 2,550.1 million.

### ***Evaluation Summaries***

As the share capital of Castor Bidco is divided into 50,000 shares, the market value of the Castor Bidco share has been identified in Euro 51,001.41 (the equity value of the share is calculated by considering the values of the individual quantities expressed in Euro).

#### ***(iii) Conclusions on the determination of the Exchange Ratio***

The market values of the Cerved and Castor Bidco shares and the Exchange Ratio, expressed in terms of the number of Cerved shares for each Castor Bidco share, are shown in the table below.

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<sup>4</sup> This value does not take into account the purchases made on 19 November and communicated on 20 November (equal to 0.02%).

Cerved Share Value (€)	Castor Bidco Share Value (€)	Exchange Ratio
10.20	51,001.41	5,000.1386

The technical modalities described at the preceding Paragraph 2.1.1 should be based on the relative ratio between the market values of the Cerved and Castor Bidco shares indicated above. In particular, since the market value of the Castor Bidco share (Euro 51,001.41) reflects an economic value of the Incorporated Company of Euro 2,550.1 million, the total number of Cerved shares (whose market value is Euro 10.2) to be assigned to the sole shareholder of Castor Bidco will be 250,006,930.

## 2.5 Economic, equity and financial effects of the Transaction

- A. The Effective Date will coincide with the date of the last registration of the merger deed in the Register of Companies provided for in article 2504 of the Italian Civil Code, or, alternatively, with the following date, which will be indicated in the merger deed.
- B. For accounting purposes, all the transactions carried out by the Incorporated Company will be recognized in the financial statements of the Incorporating Company as from 1 January of the year in which the civil effects of the Merger will be produced.
- C. Pursuant to article 172, paragraph 9 of Presidential Decree 22 December 1986, no. 917, the tax effects of the Merger are aligned with the accounting effects, as set out above.

## 2.6 Impact of the Transaction on the remuneration of members of the administrative bodies

At the date of this RPT Information Document, there are no expected changes in the remuneration of the members of the Cerved administrative bodies.

## 2.7 Any members of the administrative and control bodies, General Managers and Executives of Cerved involved in the Merger

Subject to the provisions of the preceding Paragraph 1.1, the Merger does not involve, as related parties, members of the Board of Directors, members of the Board of Statutory Auditors, general managers and/or, as far as Cerved is aware, strategic executives of Cerved.

## 2.8 Indication of the bodies or Directors who have conducted or participated in the negotiations and/or instructed and/or approved the Transaction

- A. On 9 December 2021, the Board of Directors of Cerved, having obtained the opinion of the Related Parties Committee, issued on the same date, approved the Merger.

The following is a summary of the main steps that have led to the approval of the Merger by the Board of Directors of the Incorporated Company and the Related Parties Committee Opinion.

- B. On 5 October 2021, the Board of Directors of Cerved appointed the Cerved Financial Advisors.

- C.** For the purposes of its analysis and determination, the Related Parties Committee decided to use, also in view of the fact that the Merger constitutes a “*major*” transaction between related parties, the support of the RPT Committee Financial Advisor and the independent legal consultant Studio Gatti Pavesi Bianchi Ludovici. On 5 November 2021, the related Parties Committee conferred the assignment to the RPT Committee Financial Advisor and on 4 November 2021, the assignment to the independent legal consultant Studio Gatti Pavesi Bianchi Ludovici.
- D.** The Related Parties Committee, in accordance with article 8, first paragraph, of the RPT Regulation, was involved in the negotiation and investigation phase, through a timely, complete and appropriate flow of information, which enabled the Related Parties Committee to be constantly updated in relation to the evolution of the activities set up. The flows of information concerned, among other things, the main terms and conditions of the Merger, the timing of its implementation, the proposed valuation procedure, the reasons underlying the Merger and any risks for Cerved. The Related Parties Committee, which met to carry out the necessary and appropriate activities pursuant to the RPT Procedure with reference to the Transaction has always been entirely made up of directors who are independent, unrelated and not involved pursuant to the RPT Regulation and the RPT Procedure.
- In this context, the Related Parties Committee exercised its right to request information and to make observations, receiving prompt response to its requests and observations from the management involved in the activities prior to the Merger and participated, collectively or through one or more of its members, in meetings and/or video calls with the management of Cerved (and particularly the Chief Executive Officer and Chief Financial Officer) in order to receive updates on the Merger, moreover, the Related Parties Committee met on several occasions in the period between 12 October 2021– the date of the meeting in which the Related Parties Committee had preliminarily examined the offers received from the financial advisors and legal consultants – and on 9 December 2021, the date on which the Related Parties Committee Opinion was issued.
- The meetings of the Related Parties Committee were always attended by the RPT Committee Financial Advisor and the independent legal consultant, as well as one member of the Board of Auditors.
- E.** On 9 December 2021, the RPT Committee Financial Advisor presented to the Related Parties Committee its fairness opinion on the financial adequacy of the Exchange Ratio. The fairness opinion issued by the RPT Committee Financial Advisor is annexed in full to the Related Parties Committee Opinion (annexed to this RPT Information Document under Annex 1).
- F.** As a result of the analyses carried out, the Related Parties Committee, taking into account, *inter alia*, the evaluation findings of the RPT Committee Financial Advisor and in particular its fairness opinion on the adequacy of the Exchange Ratio, unanimously expressed on 9 December 2021 of the members, all present (namely Giulia Cavalli, Elvina Finzi, Alessandra Ferrari and Prof. Anna



Zanardi), the Related Parties Committee Opinion on the interest of Cerved in the completion of the Merger and on the convenience and substantial procedural fairness of the relative conditions.

- G. The opinion of the Related Parties Committee was forwarded on the same date to the Board of Directors of Cerved.
- H. The Board of Directors of Cerved met on 9 December 2021. On 9 December 2021, the Board of Directors of Cerved, having regard to the opinion of the Related Parties Committee, approved the documentation supporting the Merger Plan and the Exchange Ratio, the illustrative report prepared by the Board of Directors, together with the further documentation relating to the Merger. All the directors, voted in favour of the above-mentioned meeting of the Board of Directors of Cerved, with the exception of Luca Peyrano whom abstained in light of his own conflict of interest.
- I. On 9 December 2021, the Sole Director of Castor Bidco approved the Merger.

**2.9 If the importance of the Transaction derives from the accumulation, pursuant to article 5, second paragraph, of several transactions carried out during the year with the same related party or with parties related both to the latter and to the Incorporated Company, the information indicated in the previous points must be provided with reference to all the aforementioned transactions**

Not applicable.

*In the event of any discrepancy with the Italian version, the Italian version shall prevail.*

**Annex 1      Related Parties Committee Opinion and fairness opinion of the RPT  
Committee Financial Advisor**

**OPINION ON THE RELATED-PARTY TRANSACTION****BY THE RELATED PARTIES COMMITTEE OF CERVED GROUP S.P.A.****1. INTRODUCTION**

The Related Parties Committee (the “**Committee**”) of Cerved Group S.p.A. (“**Cerved**”, the “**Company**” or the “**Issuer**” or the “**Acquirer**”), as the body appointed to carry out the functions relating to transactions with related parties pursuant to the “*Related Parties Procedure*” as last updated by the Company’s Board of Directors on June 21st 2021 (the “**Procedure**”), is hereby called upon to express its opinion (the “**Opinion**”) on the transaction described in paragraph 2 below, in accordance with Article 7.1 of the Procedure and the “*Related-Party Transactions Regulation*” approved by the Consob resolution no. 17221/2010, as subsequently amended and supplemented (the “**Consob Regulation**”).

**2. DESCRIPTION OF THE TRANSACTION**

The transaction (the “**Transaction**”) submitted for examination by the Committee consists of the merger by incorporation of Castor Bidco S.p.A. (“**Castor Bidco**” or “**Acquiree**” and, together with Cerved, the “**Companies Participating in the Merger**”) into the subsidiary Cerved which will be implemented pursuant to art. 2501 et seq. of the Italian Civil Code (the “**Merger**”).

**2.1. Recitals**

In order to clarify the context of the Merger, it is recalled that, on March 8th 2021, Castor S.p.A. (formerly Castor S.r.l., “**Castor**”) announced, pursuant to article 102, paragraph 1 of Italian Legislative Decree no. 58/1998 as subsequently amended and supplemented (the Consolidated Law on Finance or “**TUF**”) the decision to launch a public tender offer (the “**Offer**”) for all of Cerved’s ordinary shares, aimed at achieving the purchase of its entire share capital and the delisting of the Issuer’s shares from the Mercato Telematico Azionario (now Euronext Milan) organised and managed by Borsa Italiana S.p.A. (the “**Delisting**”). Subsequently, on March 25th 2021, Castor announced, among other things, the decision to launch the Offer through Castor Bidco, a newly incorporated company, whose capital was and is entirely owned by Castor.

In the Offer document published on July 8th 2021, Castor Bidco reserved the right – if the Delisting was not to be achieved at the end of the Offer – to achieve this objective through a merger by incorporation of the Issuer into Castor Bidco (the “**Direct Merger**”).

## [COURTESY TRANSLATION]

or into another unlisted company of the ION Group. On September 16th 2021, at the end of the Offer, Castor Bidco came to hold 79.966% of Cerved's share capital.

On October 5th 2021, the Issuer's Board of Directors resolved to convene the Shareholders' Meeting for the approval of the Direct Merger on February 11th 2022<sup>1</sup>. A similar decision was taken on the same date by the Sole Director of Castor BidCo.

After the conclusion of the Offer, as a result of purchases on the market made at a price not exceeding the consideration of the Offer (€10.20 per share), Castor Bidco increased its shareholding in Cerved. In this context, on November 16th 2021 Castor Bidco announced to the market that it had become the owner of a shareholding of more than 90% of Cerved's share capital, which is the threshold required by article 108, paragraph 2 of the TUF for the purposes of the obligation to purchase Cerved shares from shareholders who request it (the "**Sell-Out Procedure**"). Castor Bidco has thus declared (as already indicated in the Offer document) its intention not to proceed with the restoration of the free float necessary and sufficient to ensure the regular trading of Cerved shares. In this respect, note that pursuant to article 2.5.1 of the Regulation of the markets organised and managed by Borsa Italiana S.p.A., Cerved shares will be delisted and withdrawn from trading as of the trading day following the last day of payment of the consideration (which will be set by Consob, pursuant to article 108, paragraph 4 of the TUF) of the Cerved shares sold to Castor Bidco in the context of the Sell-Out Procedure.

As a result of the resignation of the majority of the Directors, on November 25th 2021 the Company's Shareholders' Meeting appointed the new Board of Directors, which is in office as of the date of this Opinion<sup>2</sup>. At the meeting held after the Shareholders' Meeting, among other things the Board of Directors resolved to appoint the new

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<sup>1</sup> More precisely, this resolution was adopted with the favourable vote of 7 out of 11 directors, (i) those in favour being the Managing Director Andrea Mignanelli, the directors Luca Peyrano, Carlo Purassanta and the independent directors Elvina Finzi, Giulia Cavalli, Aurelio Regina, Alessandra Ferrari, (ii) those against being Gianandrea De Bernardis, the executive director Sabrina Delle Curti and the independent directors Fabio Cerchiai and Valentina Montanari. For more information on their respective reasons for dissent, among other things, please refer to the Company's press release published on October 7th 2021 on the website <https://company.cerved.com/>.

<sup>2</sup> In the persons of Messrs Luca Peyrano, Carlo Purassanta, Anna Zanardi, Elvina Finzi, Giulia Cavalli, Andrea Mignanelli, Gianandrea de Bernardis, Elena Toson, Stefano Caselli, Aurelio Regina and Alessandra Ferrari, all drawn from the sole slate submitted by the majority shareholder Castor Bidco. In this regard, it is reported that during the Board meeting of November 25th 2021 Mr Gianandrea De Bernardis resigned from the position of Director with immediate effect. The resignation was motivated by the transfer of the licence referred to in article 134 TULPS from Mr De Bernardis to the Director Mr Luca Peyrano.

Committee, which is also in office as of the date of this Opinion and consists exclusively of independent directors (see paragraph 4 below).

Subsequently, first the Company's management and then the Board of Directors at the meetings held on November 30th and December 2nd last, considering the fact that Castor Bidco exceeded the threshold of 90% (as reported above), as well as the outcome of further analyses and investigations performed with the support of their advisors, assessed the advisability of proceeding with a so-called reverse merger by incorporation of the parent company Castor Bidco into the subsidiary Cerved (i.e. the Merger) instead of proceeding with the Direct Merger, subject to revocation of the Shareholders' Meeting already convened to resolve on the approval of the Direct Merger. This is mainly due to the advantages of the Merger with respect to the Direct Merger (see paragraph 5.1 below) and the fact that the Delisting would in any case take place as a result of the Sell-Out Procedure. After having completed its own preliminary investigation and assessment with regard to the Direct Merger, the Committee performed additional and specific in-depth analysis taking into account the different modality of execution of the Transaction, i.e. the reverse merger of Castor Bidco into Cerved.

## 2.2 *The Merger*

Below is a brief illustration of the main characteristics of the Merger, having taken into account the information provided and the documentation received (in particular the draft Merger project pursuant to article 2501-ter of the Italian Civil Code (the "**Project**") and the draft explanatory report of the Board of Directors pursuant to article 2501-quinquies of the Italian Civil Code (the "**Explanatory Report**")<sup>3</sup>.

### 2.2.1 Reasons, nature of the Merger and the by-laws of the Acquirer

As indicated in the Explanatory Report, the Merger is expected to be executed upon completion of the Sell-Out Procedure and, therefore, after the Company's delisting.

As indicated in the draft Project and Explanatory Report, the Merger should provide the following benefits:

- (i) the strengthening of the combined entity's capital and financial position;
- (ii) greater managerial and organisational flexibility as well as the opportunity for Cerved to focus on the development and innovation of products and services on a long-term basis;

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<sup>3</sup> For the purposes of issuing this Opinion, the Committee has taken into account the drafts of the Explanatory Report and of the Project dated December 7th 2021.

(iii) the rationalisation and simplification of the control chain.

The draft of the Project specifies that the Merger is also intended to allow Cerved to leverage the experience and expertise in technology and product development that the ION Group – to which Castor Bidco belongs – has acquired globally over the last 20 years in the areas of financial technology, software automation and data & analytics.

As already announced by Castor Bidco to the market on the occasion of the Offer, the strategic and operational priorities would be:

- (i) the acceleration of the growth process, leveraging digital transformation resources and capabilities to improve the internal operational processes of the services provided to customers;
- (ii) exploiting the potential offered by the data & analytics world to expand the development of new products and new features;
- (iii) the optimization of operational and commercial flexibility through the acceleration of international development, allowing new products to be brought to the market and providing the opportunity to expand the range of services sold in Italy and abroad.

In the drafts of the Project and the Explanatory Report it is specified that, since Castor Bidco has not contracted debts to acquire control of Cerved, the Merger does not qualify as a merger following acquisition with indebtedness referred to in article 2501-*bis* of the Italian Civil Code.

From the effective date of the Merger (the “**Effective Date**”)<sup>4</sup> the by-laws of the Acquirer will be amended, among other things, to extend the term of the Acquirer to December 31st 2060, to introduce a prohibition on the establishment of encumbrances on shares, to introduce a right of pre-emption for the shareholder holding the absolute majority of the shares and to delete the slate vote for the appointment of the members of the Board of Directors and of the Board of Statutory Auditors (the “**New By-laws**”)<sup>5</sup>.

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<sup>4</sup> Pursuant to article 2504-*bis*, paragraph 2 of the Italian Civil Code, the Merger will produce statutory effects starting from the date of the last registration of the Merger deed with the Company Register envisaged in article 2504 of the Italian Civil Code, or alternatively from a subsequent date specified in the Merger deed.

<sup>5</sup> The New By-laws, attached to the draft Project, do not specify the number of shares of the Acquirer representing the share capital at the Effective Date, as this information will be available only once the number of treasury shares of the Acquirer has been verified at the Effective Date (including the Shares subject to Withdrawal – as defined below – that should be purchased by the Acquirer pursuant to article 2437-*quater*, paragraph 5 of the Italian Civil Code), which will be simultaneously cancelled without any change in the share capital (see paragraph 2.2.2 below).

### 2.2.2 Exchange ratio and method of allocating the Acquirer's shares

The Merger will be resolved (i) for Castor Bidco, based on the balance sheet as at October 31st 2021 (consisting of the balance sheet and the income statement, prepared pursuant to article 2435-ter of the Italian Civil Code in accordance with the procedures for the preparation of the financial statements for so-called "micro enterprises") and approved by the sole director of the Acquiree on November 21st 2021, after hearing the favourable opinion of the Board of Statutory Auditors) and (ii) for Cerved, in accordance with Article 2501-*quater*, paragraph 2 of the Italian Civil Code on the basis of the separate half-yearly financial report of Cerved as at June 30th 2021, approved by the Board of Directors of the Acquirer on 30 November 2021, which was subject to a voluntary limited audit by PricewaterhouseCoopers S.p.A.

For the purposes of defining the Merger exchange ratio, Cerved availed itself of the advice of Messrs Gabriele Villa and Giuliano Iannotta, both professors at the Università Cattolica del Sacro Cuore of Milan, who on December 8th 2021 issued their "Valuation opinion concerning the estimate of the share exchange in the merger by incorporation of Castor Bidco S.p.A. into Cerved Group S.p.A." (as subsequently supplemented by letter dated December 9th 2021). Said opinion concludes that, estimated on the basis of the values of Cerved's shares and Castor Bidco's shares, the exchange ratio is 5,000.1386 Cerved shares for each Castor Bidco share.

Castor Bidco was instead advised by Deutsche Bank.

Also taking into account the above, the governing bodies of the Merging Companies are expected to determine the exchange ratio of the shares of Castor Bidco with respect to the Cerved shares (the "**Exchange Ratio**") as follows: for each 1 ordinary share of the Acquiree, without indication of the nominal value, 5,000.1386 ordinary shares of the Acquirer, without indication of the nominal value.

The drafts of the Project and the Explanatory Report also specify that, in application of the Exchange Ratio, Castor has agreed to obtain a total number of shares of the Acquirer rounded down (i.e. a number lower than the number mathematically due to it in application of the Exchange Ratio, to the lesser extent necessary for it to obtain a whole number of shares in the Acquirer), if the Exchange Ratio gives Castor (sole shareholder of the Acquiree) the right to the allocation of a total number of shares in the Acquirer that is not a whole number.

For the reasons justifying the Exchange Ratio, see the reports drawn up by the governing bodies of the Companies Participating in the Merger, which will be made available to the public in the manner and in the terms prescribed by law and regulations.

The Companies Participating in the Merger submitted, in accordance with the law, a joint petition to the Court of Milan for the appointment of the expert called upon to issue the report on the fairness of the Exchange Ratio pursuant to article 2501-*sexies* of the Italian Civil Code. The Court appointed Epyon Audit S.r.l. Subsequently, on December 1st 2021, the same companies, in consideration of the changed structure of the merger, filed a supplementary application with the Court of Milan in order to obtain confirmation and ratification of the appointment of the aforementioned expert.

For the purposes of the Merger, the entire share capital of the Acquiree shall be eliminated and all the shares of the Acquiree currently owned by Castor, the sole shareholder of the Acquiree, shall be cancelled.

In application of the Exchange Ratio, Castor shall be assigned all the shares of the Acquirer owned by the Acquiree on the Effective Date, and, for the difference, newly issued shares of the Acquirer, without change in the share capital.

On the date of approval of this Opinion, Castor Bidco holds a stake in the share capital of the Acquirer corresponding to more than 91%. With regard to the Cerved shares subject to a pledge at the Effective Date, said shares shall be attributed to Castor already encumbered by a pledge, which will maintain its validity and effectiveness also following the Merger.

At the date of this Opinion, the Acquirer holds 11,091 treasury shares, while the Acquiree does not hold any treasury shares. All of Cerved's treasury shares at the Effective Date, including the Shares Subject to Withdrawal (as defined below) that should be purchased by the Acquirer pursuant to article 2437-*quater*, paragraph 5 of the Italian Civil Code, shall be cancelled with effect from the Effective Date, without any change in the share capital.

### 2.2.3 Withdrawal

It is envisaged that the shareholders of the Acquirer who have not taken part in the shareholders' meeting resolution for the approval of the Project may exercise their right of withdrawal (the "**Right of Withdrawal**") pursuant to article 2437, paragraph 1, letter g) of the Italian Civil Code, given that the adoption of the New By-Laws will result in the elimination of the slate voting mechanism pursuant to article 147-*ter* of the TUF, and will therefore affect the shareholders' voting rights.

The liquidation value of the ordinary shares of the Acquirer for which the Right of Withdrawal may be exercised (the "**Shares Subject to Withdrawal**") shall be determined pursuant to article 2437-*ter*, paragraph 3 of the Italian Civil Code by making exclusive reference to the arithmetic average of the closing prices of Cerved shares in the six months preceding the publication of the notice of call of the Acquirer's shareholders' meeting called to approve the Project and the Merger (the "**Liquidation Value**").



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The Right of Withdrawal (where legitimately exercised) shall be effective subject to the stipulation of the Merger deed, it being understood that the shareholders who exercise the Right of Withdrawal shall be paid the Liquidation Value of the Shares Subject to Withdrawal from the Effective Date.

2.2.4 Conditions for the completion and effectiveness of the Merger

The completion of the Merger is not subject to any condition (not even relating to the maximum number of Shares Subject to Withdrawal) other than the approval of the Project and the Merger by the extraordinary shareholders' meetings of the Companies Participating in the Merger.

Attention is drawn to the fact that, as indicated in the Explanatory Report, as a result of the Merger the Acquirer shall take over the personal and collateral guarantees assumed and granted (including the pledge on the Cerved shares held by the Acquiree) by Castor Bidco for obligations arising from loan agreements entered into by Castor (sole shareholder of Castor Bidco) relating to credit lines granted to refinance part of Cerved's financial debt, as well as for any working capital requirements of Castor and its subsidiaries. For the purposes of the takeover of the guarantees, as well as for the implementation of the Merger, it is also recalled that it is necessary to obtain the consent of the pool of banks that granted a loan to Cerved, outstanding as of the date of this Opinion. The relevant necessary and appropriate actions have already been commenced as of the date of this Opinion.

In this regard, note also that pursuant to the law, the Merger may be implemented only after 60 days have elapsed from the registration of the Merger resolutions, during which the creditors of the Companies Participating in the Merger that consider themselves damaged by the Merger may oppose it, all in accordance with the provisions of article 2503 of the Italian Civil Code.

### 3. CONDITIONS AND REASONS FOR THE COMMITTEE'S INTERVENTION

The Transaction qualifies as a related-party transaction since as of the date of this Opinion Castor Bidco holds more than 91% of Cerved's share capital, and therefore exercises legal control over Cerved pursuant to article 2359, paragraph 1, no. 1 of the Italian Civil Code and article 93 of the TUF.

The Transaction also qualifies as a "major" transaction, as the indices referred to in Annex 3, paragraph 1.1 of the Consob Regulation have been exceeded.

Note also that:

## [COURTESY TRANSLATION]

- The Cerved Director Luca Peyrano is also Sole Director of Castor Bidco, General Manager of ION Analytics and Director of Cedacri S.p.A. (company belonging to the ION Group).
- The Cerved Director Carlo Purassanta is a Director of Cedacri S.p.A. (company belonging to the ION Group).

#### 4. THE PRELIMINARY ASSESSMENT PHASE

First, note that the preliminary investigation and assessment of the Transaction envisaged by the Procedure and by the Consob Regulation were started after the decision of the Company's Board of Directors to call the Shareholders' Meeting for the approval of the merger project (for which reference should be made to paragraph 2.1 above), and therefore were initially carried out by the Committee in office in the period prior to the date of the Shareholders' Meeting that resolved on the new Company Board of Directors and the consequent constitution of the Committee in its new configuration, and subsequently by the Committee currently in office. In any case, the Committee that met to carry out the necessary and appropriate activities pursuant to the Procedure with respect to the Transaction was always entirely made up of independent, unrelated and uninvolved directors pursuant to the Consob Regulation and the Procedure. Note also that three of the members of the Committee currently in office were also members of the Committee that ceased to hold office on November 25th, and therefore took part directly and personally in the preliminary investigation and assessment, which are the subject of this Opinion.<sup>6</sup>

Note also that, while the Committee initially analysed the Direct Merger, both types of merger share the same rationale and require substantially the same analyses in order to assess their suitability. Therefore, where this paragraph outlines the activities

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<sup>6</sup> More specifically, taking into account that, in accordance with the Consob Regulation and the Procedure, as a "Major Transaction" pursuant to such Procedure, the Merger must be approved after a reasoned binding opinion of a Committee composed of non-executive and independent directors with respect to the activities preparatory to the Transaction, until November 25th 2021 the Committee was constituted by the Directors Giulia Cavalli, Elvina Finzi and Alessandra Ferrari. Mr Carlo Purassanta, member of the Committee until November 25th 2021, did not take part in the Committee's activities relating to the Merger carried out until that date. After November 25th 2021, the Committee was composed of the independent, unrelated and uninvolved Directors Giulia Cavalli, Elvina Finzi, Alessandra Ferrari and Anna Zanardi.

## [COURTESY TRANSLATION]

carried out by the Committee with regard to the Merger, it also includes those previously carried out with regard to the Direct Merger.

First, having been promptly informed about the Transaction and its timing, following the activation of the controls envisaged by the Procedure, as allowed by the Consob Regulation and the Procedure, as well as in line with the best market practice, the Committee decided to avail itself of the option to be assisted by independent advisors in elaborating its own assessment, as well as for the purpose of issuing this Opinion. Therefore, the Committee initiated the selection of a legal advisor and a financial advisor, requesting the submission of offers from three financial advisors and three law firms of high standing. The offers were subject to a preliminary analysis during the Committee meeting held on October 12th 2021.

At the meeting of the Committee held on October 15th 2021, the Committee carefully analysed the offers received from the advisors (as amended/supplemented following requests made by the Committee) as well as the relevant independence declarations, and resolved to (i) engage the law firm Gatti Pavesi Bianchi Ludovici as independent legal advisor to the Committee for the Merger to assist the Committee from a legal perspective in carrying out its activities related to the Merger, and specifically for the purposes of preparing this Opinion; (ii) appoint Lazard S.r.l. ("**Lazard**") as independent financial advisor to assist the Committee in its financial analysis of the Transaction, and specifically to issue an opinion on the fairness of the Exchange Ratio for the Company's shareholders under the Transaction. In this respect, note that the Committee has verified the independence of the aforementioned advisors by obtaining the appropriate declarations of independence and absence of conflicts of interest in relation to the Transaction.

During this meeting, in accordance with the Procedure, the Committee received extensive information on the merger project (starting from its original configuration as a Direct Merger) from the Chief Executive Officer (specifically invited to attend), as well as on the terms and nature of the relationship existing between the parties involved.

The Committee was promptly involved in the negotiations and in the preliminary phase by receiving a complete, updated information flow concerning the Merger.

Specifically, in terms of the documentation received, the Committee examined the following draft documents during its preliminary assessment: (i) the Project and the New By-Laws; (ii) the Explanatory Report, as well as the report on the Merger by the governing body of Castor Bidco; (iii) the information document pursuant to article 5 of the Consob Regulation; (iv) "*Valuation opinion concerning the estimate of the share exchange in the merger by incorporation of Castor Bidco S.p.A. into Cerved Group S.p.A.*", as mentioned

above, issued on December 8th 2021 by Cerved's financial advisors Mr Villa and Mr Iannotta (as subsequently supplemented by letter dated December 9th 2021); and (v) the balance sheet of Castor Bidco as at October 31st 2021.

Furthermore, the main terms and conditions of the Transaction were also examined by the Committee during periodic informal discussions with the Company's management and competent functions, which provided exhaustive and accurate information in the face of the timely observations and requests for clarifications formulated by the Committee, everything with the support of their advisors.

The members of the Committee also participated in the meetings of the Company's Board of Directors held on September 20th and 29th, October 5th, 7th and 13th, November 2th, 8th, 25th and 30th and December 2nd 2021, in which some aspects of the Transaction were discussed, including those of a procedural nature.

In addition to the meetings held on October 12th and 15th 2021 referred to above, the most important aspects of the Transaction were discussed and examined in detail during the Committee meetings held on November 18th, 24th, 26th and 30th and December 6th and 9th 2021. In addition to at least one member of the Board of Statutory Auditors for each meeting, the Committee's independent advisors also took part in these meetings. Specifically, Lazard presented its assessments and the related conclusions regarding the assessment of the Companies Participating in the Merger, as well as the valuation methodologies adopted, and the fairness of the Exchange Ratio for the Company.

Furthermore, at the Committee meeting of November 30th 2021 the Chief Executive Officer and the Chief Financial Officer of the Company illustrated the proposed integration under a Merger scenario, comparing it with the Direct Merger and highlighting the benefits also in terms of cost savings, decreased organisational complexity and the efficiency and rapidity of the procedure.

On December 9th 2021 Lazard issued its fairness opinion (the "**Lazard Fairness Opinion**", attached as Annex A to this Opinion) in which it concluded that, as at the date of issue of the Lazard Fairness Opinion, the Exchange Ratio was fair from a financial point of view.

On the same date, in accordance with the Procedure, the Committee met to examine what were essentially final drafts of the Project and the Explanatory Report, submitted to the Board of Directors' meeting convened for December 9th 2021 to resolve on the Merger, and, after completing its assessments, unanimously approved this Opinion, recognising the Company's interest in completing the Transaction and having ascertained the cost effectiveness and substantive and procedural fairness of the related conditions.

## 5. ANALYSES AND ASSESSMENTS

### 5.1 On the Company's interest in completing the Transaction

With regard to the Company's interest in the completion of the Transaction, based on the documentation and information provided by the Company's management, the Committee notes that the Merger is a corporate transaction designed to implement the business plan for the development of Cerved prepared by the ION Group and the consequent full integration of Cerved into the ION Group, also from a corporate perspective. The Merger would not only allow Cerved to benefit from the technological and product development experience and expertise acquired over the years within the ION Group, but would also result in an objective simplification of the ownership structure of the ION Group, in line with the express preference, under the European and Italian law, for the so-called simplified mergers. That is to say, transactions where the acquirer holds a stake in the acquiree of more than 90% of the share capital (or – as in the case of the Merger – the acquirer is owned by the acquiree with a share of more than 90% of the share capital) and therefore constitute a mere corporate consolidation.

In this regard, the Committee also notes that, as indicated in the Project and already announced by Castor Bidco to the market with the Offer, the ION Group believes that it can contribute to the creation of value through three main strategic and operational priorities, i.e. the acceleration of growth (by leveraging the resources and capabilities of digital transformation to improve internal operating processes and the services provided to customers), exploiting the potential offered by the world of data & analytics (to expand the development of new products and new functions) and optimising operational and commercial flexibility (by accelerating international development, enabling new products to be brought to market and providing the opportunity to expand the range of services sold in Italy and abroad).

As regards the assessment of the existence of particular risks connected to the Merger such as to entail significant negative effects on the business, prospects and economic, equity and financial situation of Cerved upon completion of the Merger, after considering the aforementioned characteristics of the Merger the Committee has no specific evidence in this respect, without prejudice to what has been stated above with regard to Cerved's taking over of the guarantees issued and granted by Castor Bidco.

Finally, the Committee observes that, unlike the Direct Merger previously considered, the Merger subject to this Opinion does not result in any continuity with respect to the ownership of the contractual, legal and authorisation relationships, and in particular of the licence for the activity related to the dissemination of commercial information pursuant to article 134 TULPS, with a consequent simplification of the

related administrative and management obligations that would have been otherwise necessary with a Direct Merger.

## 5.2 On the cost-effectiveness and material and procedural propriety of the Transaction's conditions

5.2.1 First, the Committee notes that the economic values on which the Transaction would be carried out – calculated with the assistance of reputable consultants (*i.e.* Mr. Iannotta and Mr. Villa for Cerved, and Deutsche Bank for Castor Bidco) – have been subject to the fairness opinion of an independent expert in accordance with applicable regulations, and shall be submitted for approval by the shareholders' meetings of the Companies Participating in the Merger.

In this regard, note that while the fact that Castor Bidco exceeded the threshold of 90% of Cerved's capital would have legitimately allowed for a “simplified” merger to be carried out pursuant to article 2505-*bis* of the Italian Civil Code, with the consequent possibility of not preparing the merger balance sheets, the report of the governing body and not acquiring the report of the expert appointed by the Court on the fairness of the exchange ratio<sup>7</sup>, the Companies Participating in the Merger nevertheless decided not to avail themselves of this right and therefore, among other things, to subject the Exchange Ratio to a fairness opinion pursuant to article 2501-*sexies* of the Italian Civil Code.

However, as mentioned above, the Committee considered it appropriate to appoint its own independent financial advisor, *i.e.* Lazard, to assist the Committee with the financial analysis of the Transaction, and specifically for the issuance of the Lazard Fairness Opinion.

In referring to the Lazard Fairness Opinion for a more detailed description of the valuation methodologies considered and the analyses performed, and for a more detailed analysis of the content, limitations and the results achieved, below is a summary of the main findings of said analyses according to the methods identified and applied; the Committee observes that both the choice of the valuation methods and their application by the advisor Lazard are in line with generally accepted valuation and market practices for transactions similar to the Transaction:

- i. Discounted Cash Flow Analysis. Lazard expressed two ranges of

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<sup>7</sup> And this, as stated in article 2505-*bis* of the Italian Civil Code, on the condition that “*the other shareholders of the acquiree are granted the right to have their shares purchased by the acquirer for a consideration determined in accordance with the criteria laid down for withdrawal*”.

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Exchange Ratio, derived from the application of different assumptions in terms of discount rates and perpetual growth, between 4,698x and 5,198x for the Discounted Cash Flow applied to the Cerved Group, and between 4,677x and 5,177x for the Discounted Cash Flow applied to Cerved Data Intelligence and Cerved Credit Management business divisions through the sum-of-the-parts approach. Specifically, based on Cerved Group's business plan and that of its two business divisions, Cerved Data Intelligence and Cerved Credit Management, Lazard performed a discounted cash flow analysis to calculate the estimated present value of the unlevered after-tax operating cash flow that the companies could generate in future years. The method also provides for the calculation of the terminal value, which, in this specific case, is based on the application of a perpetual growth rate of between 1,65% and 1,95% for Cerved Group, between 1,85% and 2,15% for Cerved Data Intelligence and between 1,25% and 1,55% for Cerved Credit Management, based on central cases equal to 1,80%, 2,00% and 1,40% respectively, given by the average of the long-run inflation rate estimates for Italy and the consensus of research analysts on companies comparable to Cerved Group, Cerved Data Intelligence and Cerved Credit Management. The implementation of the valuation methodology requires that unlevered after-tax operating cash flows and terminal value be discounted using discount rates based on an analysis of the weighted average cost of capital of selected comparable companies, which is in the range of 7,00% to 7,50% for Cerved Group, Cerved Data Intelligence and Cerved Credit Management. The results obtained were then subjected to a sensitivity analysis to check the results' sensitivity to changes in the main estimation parameters within reasonable ranges, considering the aforementioned cost of capital and perpetual growth rate.

- ii. Comparable Companies Analysis. Lazard expressed four ranges of Exchange Ratio, derived from the application of expected market multiples for 2021 and 2022, between 4,793x and 5,293x and between 4,758x and 5,258x for the Comparable Companies method applied to the Cerved Group, and between 4,835x and 5,335x and between 4,793x and 5,293x for the Comparable Companies method applied to Cerved Data Intelligence and Cerved Credit Management business divisions through the sum-of-the-parts approach. In applying this method, Lazard examined the stock market valuation of some listed companies operating in the Data Intelligence and Credit Management sectors considered

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relevant for the valuation of Cerved. More specifically, based on publicly available financial information, some reference multiples were identified and applied to the corresponding financial data of Cerved Group, Cerved Data Intelligence and Cerved Credit Management taken from the business plan provided by the management of Cerved. Specifically, a P/E multiple equal to 25,0x and 22,6x respectively for 2021 and 2022, was applied to the 2021 and 2022 net income of Cerved Group, a P/E multiple equal to 31,7x and 28,6x respectively for 2021 and 2022, was applied to the 2021 and 2022 net income of Cerved Data Intelligence, and a P/E multiple equal to 11,8x and 10,7x respectively for 2021 and 2022, was applied to the 2021 and 2022 net income of Cerved Credit Management. While none of the selected companies is fully comparable to Cerved, the companies analysed are listed companies with operations and/or other characteristics (business lines, markets, business risks, growth prospects, business maturity, business size and scale) that for the purpose of this analysis Lazard considers significant for the valuation of Cerved Group, Cerved Data Intelligence and Cerved Credit Management business divisions. It should also be noted that the analyses of comparable companies refer only to the point of view of a minority shareholder, as they refer to prices traded on the market, and thus reflect shares on the open market.

As a result of the application, while noting that each valuation methodology utilized has strengths and weaknesses and that the very nature of some of the information available could affect the reliability of some of these valuation methodologies, the Lazard Fairness Opinion concluded that as of the date it was published the Exchange Ratio is fair, from a financial point of view, to the Company in connection with the Merger.

**5.2.2** Finally, the Committee notes that from a procedural point of view the Company has put in place the necessary safeguards for the proper qualification of the Transaction and its consequent subjection to the relevant provisions of the Procedure and the Consob Regulation.

Furthermore, as noted above, in compliance with the Procedure the Company has guaranteed the Committee adequate information flows and documentary support as well as sufficient dialogue with the Company's representatives so that the Committee can assess the Transaction.



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## 6. CONCLUSIONS

In light of all the above, the Committee believes that if carried out under the terms and conditions specified in the documentation examined by it, and taking into account the documents and information available to the Committee, the Transaction is being executed on terms that are beneficial to the Company.

Consequently, to the extent of its competence, the Committee unanimously expresses its favourable opinion on the Company's interest in completing the Transaction, having also ascertained the convenience and the substantive and procedural fairness of the underlying terms and conditions.

San Donato Milanese, December 9th 2021

Ms Giulia Cavalli

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Ms Elvina Finzi

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Ms Alessandra Ferrari

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Ms Anna Zanardi

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# LAZARD

Cerved Group S.p.A.  
Via dell'Unione Europea n. 6A-6B,  
20097 - San Donato Milanese (MI)  
Attn: Related Parties Transactions Committee

December 9, 2021

Dear Members of the Committee:

We understand that the sole director of Castor Bidco S.p.A. ("Castor Bidco"), a newly formed company entirely held by Castor S.p.A., and the board of directors of Cerved Group S.p.A. (the "Company") intend to approve the merger plan, a draft of which dated 7 December 2021 was provided to us (the "Merger Project") pursuant to which Castor Bidco will be merged by incorporation with and into the Company (the "Merger" or the "Transaction"). Specifically, the Merger Project provides that as a result of the Merger, Castor S.p.A., sole shareholder of Castor Bidco ("Castor"), will receive 5,000.1386 ordinary shares, no par value, of the Company for each ordinary share of Castor Bidco (the "Exchange Ratio").

Please be advised that while certain provisions of the Merger Project are summarized herein, the terms of the Merger are more fully described in the Merger Project.

You have requested the opinion of Lazard S.r.l. ("Lazard") as of the date hereof as to the fairness, from a financial point of view, of the Exchange Ratio to the Company in connection with the Merger.

In connection with this opinion, we have:

- (i) reviewed the financial terms and conditions of the Merger Project;
- (ii) reviewed certain historical business and financial information relating to the Company and to Castor Bidco;
- (iii) reviewed various financial forecasts and other data provided to us by the Company relating to the business of the Company;
- (iv) held discussions with members of the senior management of the Company with respect to the business and prospects of the Company;
- (v) reviewed public information with respect to certain other companies in lines of business we believe to be generally relevant in evaluating the business of the Company;

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- (vi) reviewed the historical stock prices and trading volumes of the ordinary shares of the Company; and
- (vii) conducted such other financial studies, analyses and investigations as we deemed appropriate.

In preparing this opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of all of the foregoing information, including, without limitation, all the financial and other information and reports provided or discussed with us and all representations made to us. We have not undertaken any independent investigation or appraisal of such information, reports or representations. We have not provided, obtained or reviewed on your behalf any specialist advice, including but not limited to, legal, accounting, actuarial, environmental, information technology or tax advice, and accordingly our opinion does not take into account the possible implications of any such specialist advice.

We have assumed that the valuation of assets and liabilities of Castor Bidco made by Ion Investment Group Limited (Castor Bidco's controlling shareholder), and that the valuation of assets and liabilities and the profit and cash flow forecasts, including future capital expenditure projections of the Company made by the management of the Company are fair and reasonable. We have not independently investigated, valued or appraised any of the assets or liabilities (contingent or otherwise) of Castor Bidco or the Company or the solvency or fair value of Castor Bidco or the Company, and we have not been furnished with any such valuation or appraisal. With respect to the financial forecasts and projections utilized in our analyses, we have assumed that they have been reasonably prepared based on the best currently available estimates and judgments of the management of the Company as to the future results of operations and financial condition and performance of the Company, and we have assumed that such financial forecasts and projections will be realized in the amounts and at the times contemplated thereby. We assume no responsibility or liability for and express no view as to any such forecasts, projections or the assumptions on which they are based.

In preparing our opinion, we have assumed that the Transaction will be consummated on the terms and subject to the conditions described in the Merger Project without any waiver or modification of any of its material terms or conditions. We have also assumed that all governmental, regulatory or other approvals and consents required in connection with the consummation of the Merger will be obtained without any reduction in the benefits of the Merger to the holders of the ordinary shares, no par value, of the Company other than Castor (such shareholders are hereinafter referred to as the "Company Shareholders") or any adverse effect on the Company, Castor Bidco or Castor.

Further, our opinion is necessarily based on the financial, economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof. Events or circumstances occurring after the date hereof (including changes in laws and regulations) may affect this opinion and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this opinion. We further note that the current volatility and disruption in the credit and financial markets relating to, among others, the Covid-19 pandemic, may or may not have an effect on the Company, Castor Bidco and/or the Transaction and we are not expressing an opinion as to the effects of such volatility or such disruption on the Company, Castor Bidco or the Transaction.

We are acting as financial advisor to the Related Parties Committee of the Company (the “Committee”) in connection with the Transaction and will receive a fee for our services, which is payable by the Company upon delivery of this opinion. Lazard or other companies of the Lazard Group have in the past provided financial advisory services to the Company for which they have received customary fees and may in the future provide financial advisory services to the Company, Castor or any of their respective affiliates for which they may receive customary fees. In addition, certain companies of the Lazard Group may trade in the shares and other securities of the Company for their own account and for the accounts of their customers, and accordingly, may at any time hold a long or short position in such securities, and may also trade and hold securities on behalf of the Company, Castor Bidco, Castor and/or certain of their respective affiliates. We do not express any opinion as to the price at which the shares of the Company may trade at any time.

This opinion is being provided solely for the benefit of the Committee (in its capacity as such) in connection with, and for the purposes of, its consideration, in its sole independence of judgment, of the Merger and is not on behalf or for the benefit of, and shall not confer rights or remedies upon any shareholder of the Company, Castor Bidco, Castor, or any other person. This opinion may not be used or relied upon by any person other than the Committee for any purpose. This opinion addresses only the fairness, as of the date hereof, from a financial point of view, to the Company of the Exchange Ratio in the Merger, and does not address any other aspect or implication of the Transaction, including without limitation, any legal, tax, regulatory or accounting matters, or the form or structure of the Transaction or any agreements or arrangements entered into in connection with, or contemplated by, the Transaction or the withdrawal rights of the Company Shareholders. In connection with our engagement, we were not authorized to, and we did not, solicit indications of interest from third parties regarding a potential transaction with the Company. In addition, our opinion does not address the relative merits of the Transaction as compared to any alternative transaction or strategy that might be available to the Company or the merits of the underlying decision by the Company to engage in the Transaction. This opinion is not intended to and does not constitute a recommendation as to how any of the Company Shareholders should vote or act with respect to the Merger or any matter relating thereto.

We note that the Exchange Ratio will be determined and approved by the sole director of Castor Bidco and the board of directors of the Company and will be subject of a report to be prepared by the expert jointly appointed by Castor Bidco and the Company within the meaning of article 2501-*sexies* of the Italian Civil Code. The financial analyses and methodologies used by us in preparing this opinion may differ, in whole or in part, from the analyses and methodologies used by such expert, thus potentially leading to different results.

The following is a brief summary of the material financial analyses and reviews that Lazard deemed appropriate in connection with rendering its opinion. The brief summary of Lazard’s analyses and reviews provided below is not a complete description of the analyses and reviews underlying Lazard’s opinion. The preparation of a fairness opinion is a complex process involving various determinations as to the most appropriate and relevant methods of analysis and review and the application of those methods to particular circumstances, therefore, is not readily susceptible to summary description. Considering selected portions of the analyses and reviews or the summary set forth below, without considering the analyses and reviews as a whole, could create an incomplete or misleading view of the analyses and reviews underlying Lazard’s opinion.

For purposes of its analyses and reviews, Lazard considered industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond

the control of the Company and Castor Bidco. No company or business used in Lazard's analyses and reviews as a comparison is identical to the Company and Castor Bidco and an evaluation of the results of those analyses and reviews is not entirely mathematical. Rather, the analyses and reviews involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect public trading or other values of the companies or businesses used in Lazard's analyses and reviews. The estimates contained in Lazard's analyses and reviews and the ranges of valuations resulting from any particular analysis or review are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by Lazard's analyses and reviews. In addition, analyses and reviews relating to the value of companies, businesses or securities do not purport to be appraisals or to reflect the prices at which companies, businesses or securities actually may be sold. Accordingly, the estimates used in, and the results derived from, Lazard's analyses and reviews are inherently subject to substantial uncertainty. The summary of the analyses and reviews provided below includes information presented in tabular format. In order to fully understand Lazard's analyses and reviews, the table must be read together with the full text of the summary. The table alone does not constitute a complete description of Lazard's analyses and reviews. Considering the data in the table below without considering the full description of the analyses and reviews, including the methodologies and assumptions underlying the analyses and reviews, could create a misleading or incomplete view of Lazard's analyses and reviews. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before December 3<sup>rd</sup>, 2021 and is not necessarily indicative of current market conditions.

### **FINANCIAL ANALYSES**

The price of Cerved's ordinary shares has been calculated using different methodologies, including the discounted cash flow analysis, both at the group level and on a sum-of-the-parts basis, and the comparable companies analysis, both at the group level and on a sum-of-the-parts basis considering 2021E and 2022E as reference years.

To determine a range of exchange ratios for each valuation methodology applied, the price of Castor Bidco's ordinary shares has been calculated as the sum of the following components: (i) the Equity Value of the stake of Castor Bidco in Cerved (equal to 89.4% as of October 31<sup>st</sup>, 2021) calculated through the above-mentioned methodologies; and (ii) the total amount of accounts receivables and of cash and cash equivalents on the Balance Sheet of Castor Bidco as of October 31<sup>st</sup>, 2021 (equal to €766.2m, of which €763.6m of accounts receivable and €2.6m of cash). Of the accounts receivables, €762.6m refer to an Equity Commitment Letter between Castor and Castor Bidco which represents an irrevocable and unconditional obligation to pay. This amount must be paid by the signing date of the merger deed, or earlier if required by Castor Bidco. We note that the Balance Sheet of Castor Bidco as of October 31<sup>st</sup>, 2021 has not been audited, and as noted above, we have relied on the information and data provided to us (including such Balance Sheet) without independent verification.

The exchange ratio ranges have been based on the result of the analysis for each valuation methodology +/- 250x.

### Discounted Cash Flow Analysis

Based on the Company management projections and discussions with management of the Company, Lazard performed a discounted cash flow analysis of the Company (“Group DCF”) to calculate the estimated present value of the standalone, unlevered, after-tax free cash flows that the Company could generate during the fiscal years ended December 31, 2021 through December 31, 2025. Lazard also calculated a terminal value applying a perpetuity through the Gordon Growth Method, using a perpetual growth rate derived from the analysis of research analysts reports for comparable companies and from the Italian long-term inflation rate estimated by the IMF. The perpetuity growth rate range applied is equal to 1.65% - 1.95%. The standalone, unlevered, after-tax free cash flows and terminal values were discounted to present value using discount rates ranging from 7.00% to 7.50% , which were based on a weighted average cost of capital analysis of the selected comparable companies used in the comparable companies analysis. The results of these analyses implied an exchange ratio in the range of 4,698x – 5,198x.

Lazard also performed a sum-of-the-parts discounted cash flow analysis of Cerved Data Intelligence and of Cerved Credit Management to calculate the estimated present value of the standalone, unlevered, after-tax free cash flows that Cerved Data Intelligence and Cerved Credit Management could generate during the fiscal years ended December 31, 2021 through December 31, 2025. Lazard also calculated a terminal value applying a perpetuity through the Gordon Growth Method, using a perpetual growth rate derived from the analysis of research analysts reports for comparable companies and from the Italian long-term inflation rate estimated by the IMF. The perpetuity growth rate range applied has been 1.85% - 2.15% for Cerved Data Intelligence and 1.25% - 1.55% for Cerved Credit Management. The standalone, unlevered, after-tax free cash flows and terminal values were discounted to present value using discount rates ranging from 7.00% to 7.50% for both Cerved Data Intelligence and Cerved Credit Management. The results of these analyses implied an exchange ratio in the range of 4,677x – 5,177x.

### Comparable Companies Analysis

Lazard reviewed and analyzed selected publicly traded companies in the Data Intelligence and Credit Management industries that it viewed as generally relevant in evaluating the Company based on Lazard’s knowledge of such industries. In performing these analyses, Lazard reviewed and analyzed publicly available financial information relating to the selected comparable companies and compared such information to the corresponding information for the Company based on the Company management forecasts.

Specifically, Lazard compared the Company to the following six companies in the Data Intelligence industry and to the following three companies in the Credit Management industry: Experian, Equifax, TransUnion, Fair Isaac Corporation, Dun & Bradstreet and Tinexta (Data Intelligence); Intrum, Kruk and doValue (Credit Management).

Although none of the selected companies is directly comparable to the Company, the companies included are publicly traded companies with operations and/or other criteria, such as lines of business, markets, business risks, growth prospects, maturity of business and size and scale of business, that for purposes of analysis Lazard considered generally relevant in evaluating the business of the Company.

Based on equity analysts’ estimates and other public information, Lazard reviewed, among other things, the market capitalization of each selected comparable company as a multiple of such comparable company’s projected earnings calendarized for each of the fiscal years ended December 31<sup>st</sup>, 2021 and December 31<sup>st</sup>, 2022.

In applying the comparable companies method, Lazard applied:

- I. The average P/E multiple of comparable companies (both in the Credit Management and Data Intelligence industries) to the net income of Cerved Group (“Trading Group Level”);
- II. The average P/E multiple of comparable companies in the Data Intelligence industry to the net income of the Data Intelligence business division of Cerved and the average P/E multiple of comparable companies in the Credit Management industry to the net income of the Credit Management business division of Cerved (“Trading SOTP”).

Based on the foregoing, Lazard applied P/E multiples of 25.0x and 22.6x to the Company’s calendar year 2021E and 2022E estimated earnings for the Trading Group Level; Lazard applied P/E multiples of 31.7x and 28.6x to Cerved Data Intelligence’s calendar year 2021E and 2022E estimated earnings and of 11.8x and 10.7x to Cerved Credit Management’s calendar year 2021E and 2022E estimated earnings for the Trading SOTP to calculate an implied equity value per share range, in each case using estimated Company earnings from the Company management projections.

The results of these analyses implied an exchange ratio in the range of 4,793x – 5,293x (Trading Group Level based on 2021E figures), in the range of 4,758x – 5,258x (Trading Group Level based on 2022E figures), in the range of 4,835x – 5,335x (Trading SOTP based on 2021E figures) and in the range of 4,793x – 5,293x (Trading SOTP based on 2022E figures).

Additional Analyses of the Company

The analyses and data described below were carried out for informational purposes only and were not material to the rendering of Lazard’s opinion.

*Market Prices*

Lazard reviewed the historical price performance (and trading volume) of the Company’s ordinary shares for the 52-week period ending as of March 8<sup>th</sup>, 2021 (the date of Castor Bidco’s voluntary tender offer). During this period, the intraday trading price of the Company’s ordinary shares ranged from approximately Euro 4.93 to Euro 7.81 per share. Lazard also reviewed the historical price performance of the Company’s ordinary shares for incremental periods of one, three, six, and twelve months ending as of March 8<sup>th</sup>, 2021. The use of the incremental time periods is designed to capture the progression of the Company’s share price and isolate the effect of specific corporate or other events on share price performance. The following table sets forth the results of these analyses:

Period Ending March 8 <sup>th</sup> , 2021	Exchange Ratio range
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1 month period	5,388x – 5,888x
3 month period	5,370x – 5,870x
6 month period	5,489x – 5,989x
12 month period	5,546x – 6,046x

For calculating the exchange ratio, the 6-month period has been used as a reference and resulted in an exchange ratio in the range of 5,489x – 5,989x.

#### *Analyst Target Price*

Lazard reviewed the research equity analyst reports for the Company and released between March 9<sup>th</sup>, 2021 and July 30<sup>th</sup>, 2021. Applying the average analyst target price for Cerved resulted in an exchange ratio in the range of 4,785x – 5,285x.

#### *Voluntary Tender Offer Price*

Lazard also observed the price paid by Castor Bidco in the context of its voluntary tender offer for Cerved (€10.20 per share). On the basis of such price, the exchange ratio is 4,994x.

### **CRITICAL ISSUES AND LIMITATIONS**

In carrying out our financial analyses and valuations, the following critical issues and limitations have been identified. It is noted that any possible changes or differences in respect of the following could have an impact, even significant, on the results of our analyses and valuations.

- (i) Cerved and Castor Bidco have been valued considering financial statements at different dates, namely as of September 30<sup>th</sup>, 2021, which is the reference valuation date for Cerved and as of October 31<sup>st</sup>, 2021 for Castor Bidco.
- (ii) The stake of Castor Bidco in Cerved used for the valuation analysis is that as of October 31<sup>st</sup>, 2021 (equal to 89.40%). From October 31<sup>st</sup>, 2021 to date Castor Bidco has acquired additional shares of Cerved on the market, therefore increasing its stake up to the current 91.1%. However, the updated number of shares could not be used for valuation purposes since an updated balance sheet of Castor Bidco (taking into account the cash impact for the purchase of such additional shares) is not available.
- (iii) Rumors of the potential disposal of the Cerved Credit Management division have affected both the prices of the ordinary shares of Cerved and the estimates of target prices in the period preceding the Merger announcement.
- (iv) Broker consensus estimates are not, by their nature, based on the analytical bottom-up approach normally undertaken by Cerved in the preparation of a business plan. Changes in the forecast data could have an impact, even significant, on the results of the analyses.



- (v) Estimates and projections contained in the broker consensus and the Company management forecasts utilized for the valuation analyses as well as the results deriving from the application of the valuation methodologies depend to a substantial degree on the macroeconomic and political conditions and competitive environment in which Cerved operates. The current macroeconomic uncertainty and possible changes in variables of the relevant environment could have an impact, even significant, on the results of the analyses performed. Therefore, changes in the assumptions underlying the Company management forecasts could have an impact, even significant, on the results underlying such analyses.
- (vi) A significant percentage of the discounted cash flows value is represented by the terminal value, which is highly sensitive to the assumptions made for key variables such as perpetual growth rate, target financial structure and normalized profitability, which variables are subjective and highly aleatory.
- (vii) With respect to the comparable companies' analysis, we note that the reliability of this methodology is limited by a number of factors, including that the number of comparable companies is limited and their product portfolio, their geographical exposure and their business model differ from that of Cerved, as well as among the comparable companies themselves.

\* \* \*

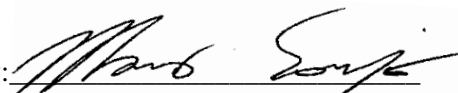
The present opinion is confidential and may not be disclosed, referred to or communicated by you (in whole or in part) to any third party for any purpose whatsoever without our prior written authorization, except that this opinion may be included as an attachment to the opinion of the Committee to be published in accordance with article 5, clause 5 of Consob Regulation (*Regolamento Consob*) n. 17221 of 12 March 2010, as subsequently amended, and its Annex 4.


This opinion is issued in the English language, and if any translations of this opinion may be delivered, they are provided only for ease of reference, have no legal effect and we make no representation as to (and accept no liability in respect of) the accuracy of any such translation. This opinion shall be governed and construed in accordance with Italian law.

Based on and subject to the foregoing, we are of the opinion, as of the date hereof, that the Exchange Ratio is fair, from a financial point of view, to the Company in connection with the Merger.

Very truly yours,

Lazard S.r.l.

By: 

By: 

## Annex 2 Exchange Ratio Opinion

[COURTESY TRANSLATION]

*In the event of any discrepancy with the Italian version, the Italian version shall prevail.*

**OPINION ON**

**THE ESTIMATE OF THE SHARE EXCHANGE RATIO IN THE**

**MERGER BY INCORPORATION OF CASTOR BIDCO S.P.A. INTO CERVED GROUP**

**S.P.A.**

Prof. Giuliano Iannotta

Prof. Gabriele Villa

Milan, 8 December 2021

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## I. INTRODUCTION

On 8 July 2021, the offer document (**Offer Document**) was published, with which Castor Bidco S.p.A. (**Bidco**) promoted under articles 102 and 104, paragraph 4, of the Consolidated Finance Law (**TUF**) a voluntary public offer covering all the shares of Cerved Group S.p.A. (respectively the **Offer** or the **Public Offer** and **Cerved**), listed on the Euronext Milan market, including treasury shares. The offer was announced on 8 March 2021 with the notice provided for in article 102, paragraph 1, of the TUF and 37, paragraph 1 of the TUF implementing regulation containing the issuer's regulation, adopted by Consob Resolution no. 11971 of 14 May 1999 (**Issuer's Regulation**) issued by Castor S.p.A. After the date of this announcement, as disclosed to the market on 25 March 2021, Castor S.p.A. has taken the decision to promote the offer through Bidco.

On 26 August 2021, with the press release issued pursuant to articles 36 and 43 of the Issuer's Regulation, Bidco has disclosed to the market, among others, the decisions: (i) to increase the consideration of the Public Offer, initially set at Euro 9.50 per share, to Euro 10.20 per share; (ii) to raise the effectiveness condition of the offer from 50% plus one share to 80% of the share capital of Cerved.

The “*Notice of the BoD of Cerved Group S.p.A.*” (**Issuer's Notice**) was disclosed to the market on 15 July 2021 according to article 103 of the TUF, which was followed by two subsequent updates, on 5 August 2021 (**First Update Notice**) and on 29 August 2021 (**Second Update Notice**) respectively.

After a first negative resolution of the fairness of the Public Offer Price of Euro 9.50 per share, formalized in the Issuer's Notice, the BoD of Cerved in the Second Update Notice noted that “... *the increased consideration falls within the congruity ranges indicated in the Issuer's Notice, even though in the lower part of these ranges ... in this regard, it is noted that the evaluations contained in the fairness opinions issued by the Financial Advisors remain valid and confirmed ... since there were no significant changes in the elements considered by them*” (according to Second Update Notice, page 3).

As indicated in Section G, paragraph G.2 of the Offer Document, the Public Offer was directed to acquire the entire share capital of Cerved in order to obtain its delisting.

Following the outcome of the Public Offer, and as a result of subsequent purchases, Bidco held 89.4% of Cerved at 31 October 2021, reference date for the balance sheet prepared

under article 2501-*quater* of the civil code; this share was further increased as a result of the purchases made in November and amounted to 90.75 % on 19 November 2021.

Within the framework outlined, Bidco and Cerved started the activities preparatory to the realization of a so-called “reverse” merger through the incorporation of Bidco into Cerved (respectively, the “**Merger**”, and the “**Incorporated Company**” and the “**Incorporating Company**”)

The BoD of Cerved, through the CEO Andrea Mignanelli, asked the writing Professors Giuliano Iannotta and Gabriele Villa, to draw up an opinion (**Opinion**) concerning the estimate of the exchange ratio of the Merger.

The purpose of the Opinion is to offer the Cerved board of directors an external and independent opinion at the service of the autonomous decisions that the board of directors intends to take in order to determine the exchange ratio of the Merger.

## II. DOCUMENTATION EXAMINED AND REFERENCE DATE

The following documents were examined for the purpose of drafting the Opinion:

- press release issued by Bidco (and disclosed by Cerved) dated 16 November 2021, in which the Incorporating Company announced that it exceeded the 90% threshold of the Incorporated Company (**Notice of Exceedance 90%**);
- annual and consolidated financial statements of Cerved at 31 December 2020 and annual financial reports of Cerved at 31 March 2021, 30 June 2021 and 30 September 2021 and draft of the separate half-year financial report of Cerved at 30 June 2021, which constitutes the merger balance sheet, in accordance with the second paragraph of article 2501-*quater* of the civil code (**merger balance Sheet of Cerved**);
- balance sheet of Bidco at 31 October 2021, which constitutes the merger balance sheet of Bidco (**merger balance sheet of Bidco**),
- the Final Press Release (as defined below) issued by Bidco on 14 September 2021;
- the Issuer's Notice (as defined above) issued on 15 July 2021, as well as the first Update Notice and the second Update Notice (as defined above) dated 5 August 2021 and 29 August 2021 respectively;
- the Offer Document (as defined above) dated 8 July 2021;
- the document entitled “Group Strategic Plan 2021-2023” dated 25 March 2021 (**Economic-Financial Plan**);
- the economic-financial and market data, taken from Bloomberg at the date of the evaluation, of the sample consisting of the following companies:

Experian PLC;	TransUnion LLC;
Fair Isaac Corporation;	Dun & Bradstreet Holdings, Inc.;
	Tinexta S.p.A.
Equifax Inc.;	

In carrying out the task, there have been numerous discussions with the management of Cerved, from which elements of relevant information in terms of the evaluation have been drawn, as well as elements of detail to supplement the documentation listed above.

The reference date of the estimate is 31 October 2021, which coincides with the date of the balance sheet of Bidco, prepared, according to the current discipline, for the Merger. Since

31 October 2021 – as far as the authors are aware – no events, circumstances or events have taken place that affect the evaluation of Cerved and Bidco and, therefore, the exchange ratio.

For the purposes of determining the exchange ratio, account was also taken of the purchases of the Cerved shares made by Bidco until 19 November 2021. It follows that, for the purpose of determining the exchange ratio, the merger balance sheet has been integrated to take account of the purchases in question, in accordance with the procedures to be described below.

Definitively, the conclusions contained in this Opinion are valid on the date of issue thereof, on the understanding that the number of shares held by Bidco in Cerved was crystallized on 19 November 2021.



### III. LIMITS OF THIS OPINION. EVALUATION DIFFICULTIES

The Opinion shall be interpreted in light of the following limits and assumptions:

- a) the Opinion: (i) has been prepared for the exclusive use of the BoD of Cerved with the purpose and subject indicated in § I.; (ii) it may not be disclosed or reproduced, in whole or in part, without the prior written consent of the authors, except in the cases provided by law; (iii) the results expressed in it derive from methodological choices and from technical-application methods of calculation of the reference parameters consistent with the subject and the purposes described above: it follows that these results cannot – and may not – be used for purposes other than the declared one. In no event shall the authors be held liable for any loss or damage, of any type or kind, which may be suffered by third parties as a result of the unauthorized use of the Opinion;
- b) the Opinion was drawn up with full and complete reliance on the information and documents submitted by Cerved and Bidco. The data and information contained in these documents have been used relying on their truthfulness, accuracy and completeness, and, as far as forecasting documents are concerned, on the reasonableness and corporate credibility of the projections. No independent verification, as expressly provided for in the assigned task, has been carried out on the documents and information received in the various aspects of truthfulness, accuracy, completeness, reasonableness and credibility. This applies, by way of example, to the financial statements and merger balance sheet of Cerved and merger balance sheet of Bidco. In particular, the Economic-Financial Plan has been taken into account in the configuration and structure that have been represented without any independent verification, on the assumption that it has been drawn up in accordance with the best available information, reflects actions that can be concretely implemented on the horizon considered and has been elaborated on the basis of assumptions and according to reliable, reasonable and documented criteria, metrics and parameters, in compliance with the programming lines that characterize the activity of Cerved. Likewise, the merger balance sheet of Bidco was assumed as such, without verification, control or review procedures of any kind or type intended to verify the correctness and reliability thereof;
- c) the numerical calculations taken into account in the Opinion were carried out on the basis of current economic and market conditions and in light of the reasonably

conceivable elements of forecasts. Nothing in this Opinion shall be construed as a guarantee or a viewpoint on the future development of Cerved. Events after the date of issue of this Opinion may occur, which affect its content. No obligation is undertaken to update, correct or reiterate the content of the Opinion, unless expressly requested to do so. At the date of issue of the Opinion, there is no awareness of facts that occurred or effects resulting from events, including those of a normative and regulatory nature, including those concerning the specific sector in which Cerved operates or specific situations thereof, which determine whether known, modifications that have an effect on the financial, economic and equity and market information underlying this Opinion;

- d) for the purposes of this Opinion, market price data have been used that are subject to fluctuations, including significant ones, due to the continued volatility of the markets;
- e) it was assumed that all necessary and/or appropriate information was made available for the purpose of drawing up and rendering the Opinion, and that there were no facts or circumstances not brought to the attention of the authors that could render or have rendered the information provided for the issue of the Opinion not true, incomplete, inaccurate or misleading;
- f) comparable companies show, compared to Cerved, non-marginal differences, in particular the size profile and range of activities carried out. Therefore, in view of the specific characteristics that characterize each reality, the comparability sought can only be partial.

Finally, the Opinion is based on the assumption that no shareholder exercises the right of withdrawal.

#### **IV. MERGER EVALUATIONS: METHODOLOGICAL PROFILES AND CIRCUMSTANCES RELEVANT IN THE PRESENT CASE.**

##### **IV.A. Nature of the evaluation process**

In advance of the following developments, it is necessary to recall the reference principles guiding the estimate of the exchange ratio in a merger operation.

The proposals that follow reflect, in the aspects considered relevant, the indications drawn from the Italian Principles of Evaluation (**PIV**), issued by the Italian Body of Evaluation. As is known, the PIV code best practice and are a reference point in professional practice.

The core principles that guide evaluations aimed at estimating the exchange ratio of a merger can be summarized as follows:

- a) the purpose of the merger evaluations is to determine the exchange ratio on the basis of which the shares of the Incorporated Company are to be “exchanged” with those of the Incorporating Company: said ratio must be appropriate, in financial terms, for the different classes of shareholders of one company and the other. Given that the merger, substantially, results in an exchange transaction for the shareholders of the companies concerned, merger evaluations must always lead to the determination of exchange values;
- b) in merger evaluations, homogeneity must be ensured both in value configurations and in the development of evaluation methods. The reference to uniform evaluations methods does not translate into necessity in the application of the same methods in the estimation of the economic values of the companies participating in the transaction, but into the use of the same approach in the appreciation of the sources of income and risk profiles to which they are subject;
- c) for the purpose of determining the exchange ratio, the evaluation unit is represented by the individual shares of the companies concerned by the transaction. The estimate of the economic values of the companies as a whole does not identify the object of the evaluations: rather, this estimate translates the preliminary step toward determining the values of the shares that make up the capital of the companies concerned by the merger, which represent the “exchange values” of the transaction;

- d) the fact that the valuation unit consists of the shares that make up the share capital of the individual companies – and not, on the other hand, the companies as a whole – is important in the case of a merger between a listed company and a non-listed company, since the PIV states in such circumstances that “... *it is necessary to consider the different degree of liquidity of the individual securities*” (PIV, § IV. 4.1., p. 310);
- e) the merger evaluations cannot be based on merely comparative (or relative) criteria, but must always lead to the absolute and separate evaluations of the two companies; in the estimation of the absolute values of the companies involved in the transaction, existing values must be determined and not potential values, which reflect assumptions of improvement in management in relation to choices and business decisions which have not found any operative approach and of which there is still no translation in formalized programming documents;
- f) In the case of mergers between non-independent entities, as is the case in the present case in which Bidco holds more than 90% of Cerved, the evaluations are, in the final instance, in a guarantee function: the exchange ratio must ensure that the various classes of shareholders and, in particular, the minorities of the companies involved in the transaction do not have any transfers of wealth;
- g) the evaluation of the companies, which, as has been observed, constitutes the preliminary shift to the estimation of the economic values of the individual shares – which represent the unit of evaluation in the context of a merger – is carried out in practice on a standalone basis, without considering the synergies that will arise from the merger, having regard to the assumption that the partners of the two companies will participate in the synergies according to the value they renounce;
- h) where the evaluation methods used involve reference to the “market”, the pre-announcement prices of the integration operation must be taken into account.

The estimates considered below are within the framework of the methodological guidelines that have been mentioned.

#### IV.B. Value configuration and estimation methods

The elements acquired enable the evaluation system to be outlined. They require to be filtered in light of the following factual circumstances that define the context of the Merger.

The relevant circumstances, intended to influence the estimate of the exchange ratio, are as follows:

- (i) Bidco holds more than 90% of the capital of Cerved, so that the Merger is carried out between non-independent entities;
- (ii) Bidco, owner as of 19 November 2021 of 90.75% of Cerved's capital, communicated, pursuant to art. 108, paragraph 2, of the TUF and art. 50 of the Issuers' Regulations *"that it does not intend to proceed with the restoration of a free float sufficient to ensure the regular performance of trading of Cerved ordinary shares"* (Overrun 90% Notice). Due to the decision not to restore the free float, Bidco is subject to the obligation to purchase pursuant to art. 108, paragraph 2, of the TUF (the "sell-out" procedure, hereinafter the "**Procedure**"). As is known, once the Procedure is concluded - whatever its outcome - the Cerved shares will no longer be listed. Ultimately, the Cerved shares are destined to "transform" into unlisted securities. It can therefore be concluded that the Merger takes the form of an operation between two unlisted companies whose securities, therefore, have the same degree of liquidity;
- (iii) In September 2021, the Public Offer was concluded: there is therefore a significant transaction, recently concluded, regarding Cerved, for the effect of which a market price was formed, within the framework of a supervised and regulated offer procedure, which involved the entire shareholding in Cerved and, as a result of which, taking into account the purchases subsequently made at a price not exceeding the price of the Public Offer, Bidco acquired more than 90% of the capital of Cerved.

In the framework outlined, as a value configuration in the estimate of the share exchange, the market value was favoured. The share exchange was determined on the basis of the results returned by models of estimates intended to measure the market values of the Cerved shares and the Bidco shares. The market value "*... of a real or financial asset (or a business entity) or liability is the price at which it is likely to be negotiated, at the reference date after an appropriate marketing period, between independent and motivated individuals who operate in an informed, prudent manner, without being exposed to particular pressures (obligations to buy or sell)*" (PIV, § I.6.3.).

The market values of the Cerved and Bidco shares were estimated on the basis of the following methods.

As far as Cerved is concerned, the price paid to the shareholders who participated in the Public Offer (**Public Offer Price**) was considered as a fundamental valuation reference.

The Public Offer Price was the subject of an adequacy verification using the DCF method. After having established, in the dialogue with the Cerved structures, that the results of the current management are aligned with the forecasts formalized in the Economic-Financial Plan, the verification was carried out on two levels: (i) firstly, an autonomous estimation model has been developed; for this reason, the economic value of Cerved from which the value of the single share was derived has been calculated; (ii) secondly, the value-per-share ranges returned by the DCF developed by the Financial Advisors (as defined below) were examined for the purpose of fairness opinions issued to the Board of Directors of Cerved, in support of the judgement of the Board requested by article 103 of the TUF, on the adequacy of the Public Offer Price.

Finally, with regard to Cerved, in the presence of a negotiated price, which covered a large share of the capital of the company and which constitutes the decisive reference point of “market”, the use of stock exchange multiples or comparable transactions was considered irrelevant.

In a graduation of the valuation methods, the market reference of the Public Offer Price is related to the main method. The DCF is configured as a control method.

As far as Bidco is concerned, the estimate of the market value of the share first required the calculation of the economic value of the company from which the value of the share was derived.

In determining the economic value of Bidco, it was considered that the company is a pure investment vehicle that presents the shareholding in Cerved as a fundamental asset and whose financial structure is entirely equity.

The valuation of Bidco, with regard to its nature as a holding company, was carried out using the simple equity method, according to which the economic value of a company is equal to its adjusted net worth, obtained by re-expressing the assets and liabilities according to their current values. At the technical level, the equity method is applied by moving from the equity resulting from the reference situation at the date of the estimate, adjusted on the basis of the

differences between the current values and the accounting values of the assets and liabilities. In this context, the economic value of Cerved, determined on the basis of the Public Offer Price, was referred to Bidco for “transparency”, considering the Bidco shareholding in Cerved.

Having regard to the aforementioned nature of Bidco as a holding company, the simple equity method was the only benchmark; there was no need to identify a control method.

Finally, given that the unit of estimation in the merger evaluations consists of the shares, the economic value of Bidco, determined by the simple equity method, was derived the Market Value of the Bidco share.

The following table summarizes the estimation methods used in the evaluation of the two companies involved in the Merger.

Tab. IV.B.1 – *Summary table of methods for evaluating the Cerved and Bidco shares*

Company	Evaluation methods
Cerved	Public Offer Price Discounted Cash Flow Unlevered
Bidco	Simple equity method

## V. ECONOMIC VALUE OF CERVED AND BIDCO

### V.A. Economic value of Cerved

#### V.A.1. Preliminary remarks

The economic value of Cerved was estimated on the basis of the Public Offer Price; the adequacy of the Public Offer Price was verified both on the basis of an independent valuation exercise developed according to the DFC method, in light of the contents of the fairness opinions issued by primary business banks to the Board of Directors of Cerved, called to express its opinion on the price offered for the purposes of the Issuer's Notice of article 103 of the TUF. The reasons for which the Public Offer Price is the fundamental evaluation reference for the purposes of estimating the exchange ratio are explained below and the results of the adequacy verification carried out with the DCF method are noted.

#### V.A.2. Public Offer Price

On 8 July 2021, the Offer Document was published, describing the terms and conditions of the Public Offer covering all the 195,274,979 Cerved shares listed on the Euronext Milan market (including treasury shares).

For the purposes of this Opinion, the Offer:

- was addressed to all holders of the Cerved shares, without distinction and on equal terms;
- was promoted under the rules drawn up by the TUF and the Issuers' Regulation: it was therefore an operation carried out within a defined regulatory framework;
- was submitted to the scrutiny and control of the supervisory authorities and, in particular, Consob;
- was accompanied by a complex and articulated information system, based on the Offer Document and on the releases issued both by Cerved and Bidco: therefore, the maximum level of transparency and information has been ensured to the shareholders of Cerved, in order to allow them a conscious decision to divestment.

The Public Offer Price, initially defined as Euro 9.50 per share, was subsequently restated to Euro 10.20 per share (Euro 10.50, in the event that Bidco had reached a quantity of shares



in excess of 90% of the capital of Cerved). A Cerved equity value of Euro 1,991.8 million corresponds to the Public Offer Price of Euro 10.20 per share.

When the Public Offer was launched, Bidco had no shareholding in Cerved.

Regarding the congruity of the Public Offer Price, the BoD of Cerved, on 29 August 2021, noted that “... *the increased consideration [i.e. the consideration of Euro 10.20 per share] falls within the congruity ranges indicated in the Issuer’s Notice, although in the lower part of these ranges ... In this regard, it is noted that the evaluations contained in the fairness opinions issued by the Financial Advisors ... remain valid and confirmed, since no significant changes were made in the elements considered by them*” (according to Second Update Notice, page 3).

The Public Offer Price of Euro 10.20 per share is therefore supported by the positive opinion of the BoD of Cerved, with the comfort of the fairness opinion of some business banks (regarding which see below, the next §).

On 14 September 2021, Bidco issued a notice on the results of the Public Offer (**Final Notice**): in view of the participation of 78.9% of the shareholders of Cerved and subsequent purchases at prices in line with the Public Offer Price, Bidco informed the market that, on the date of the Final Notice, it held 80% of the share capital of Cerved. As of 19 November 2021, due to the purchases made after the Final Notice, Bidco held 90.75% of the share capital of Cerved.

The market value of an asset, which represents the value configuration used in the estimate of the exchange ratio, expresses “... *the price at which [an asset] is likely to be negotiated, at the reference date after an appropriate marketing period, between independent and motivated individuals who operate in an informed, prudent manner, without being exposed to particular pressures (obligations to buy or sell)*” (PIV, § I.6.3.; emphasis added).

Merger values are exchange values. The market values of the shares to be exchanged express the extent to which the "relative" position of the shareholders of the companies concerned by the transaction should be evaluated.

In this context, the Public Offer Price is the most reliable measure of the market value of the Cerved share for several reasons:

- it was formed into a transaction between totally independent parties;

- the Offer closed on 9 September 2021, at a time, therefore, close to the date of 31 October 2021, the reference date of this evaluation;
- there were no significant facts - as far as the authors are aware - between the closing date of the Public Offer and the reference date of the evaluation, which would affect the economic value of Cerved;
- the offeror, at the start of the operation, did not hold any shareholding in Cerved; it follows that the 90.75% shareholding in Cerved that the offeror acquired after the operation (also taking into account purchases after the end of the acceptance period of the Public Offer) is the entire result of a market transaction, with selling shareholders who have considered the price proposed to them reasonable;
- the shareholders of Cerved to whom the offer has been addressed have had a wide set of information available, so that it is not disputed that they have been able to operate in an informed way;
- the acceptance period of the offer was in line with market practice and it is therefore equally acceptable that, within the period defined by the acceptance period, the shareholders of Cerved were able to carry out their own evaluations without particular pressure;
- it has been validated, in its adequacy, by the Board of Directors of Cerved, also on the basis of the fairness opinions made by primary business banks.

In light of the elements outlined, there can be no doubt that the Public Offer Price, equal to Euro 10.20 per Cerved share, expresses, from an economic and financial point of view, the best measure of the market value of the Cerved share. As such, it is the fundamental benchmark in this Opinion. A Cerved equity value of Euro 1,991.8 million corresponds to an evaluation of Euro 10.20 per share.

### V.A.3. DCF

The unlevered financial method is formalized in the following algorithm:

$$W = \sum \frac{FCFF_t}{(1 + WACC)^t} + \frac{TV}{(1 + WACC)^n} - NFP + OI$$

where:

- FCFF (Free Cash Flow to the Firm) = operating cash flows generated by the company net of the fiscal effect, taking into account investments in fixed and working capital;
- WACC (Weighted Average Cost of Capital);
- n = explicit forecast period (2021-2025);
- TV (Terminal Value) =;  $FCFF \text{ at steady state} / (WACC - g)$ ;
- g = long-term growth rate;
- NFP (Net Financial Position) = net financial position at the valuation reference date;
- OI (Other Items) = current value of payable for end-of-relationship treatment, minority interests and non-consolidated holdings held by Cerved in other companies.

The following are the essential features of the solutions adopted in the estimation of the various parameters of the method under examination.

The expected operating cash flows were determined for the period 2021-2025 from the prospective economic-financial quantities for the three-year period 2021-2023 reported in the Economic-Financial Plan; the Economic-Financial Plan was extended to the two-year period 2024-2025, with a progressive alignment of the trend of quantities with the long-term growth rate, according to a technical solution of widespread use in professional practice.

As has been noted, the Economic-Financial Plan has not been the subject of an independent audit to examine its strategic assumptions, reliability and coherence. In the context of the discussions with management, the authors were told that current trading is aligned with the forecasts contained in the Economic-Financial Plan.

As regards the estimate of the steady-state operating flow, which is functional to the calculation of the terminal value, the last year of the programming period (2025) was taken as a reference and the normalization of investments took place, taking into account the long-term growth rate incorporated in the valuation model. Steady flow was determined in Euro 181.7 million.

The weighted average cost of capital was estimated on the basis of the following parameters:

- $r_f$  (risk-free rate) = 0.74%, assumed equal to the quarterly average (August 2021 - October 2021) of the rates of return on Italian government bonds with a ten-year maturity (source: FactSet);

- Beta coefficient = 1.04, calculated on the basis of the median of the unlevered beta coefficients, estimated on the basis of the weekly findings for the last 5 years (31/10/2016 - 31/10/2021 with the Blume correction, for a sample of comparable listed companies, according to the median market ratio D/E (source: Bloomberg);
- ERP (Equity Risk Premium) = 6.00%, equal to the average level of the market risk premium recorded for Italy in 2021 in the survey conducted by Prof. Pablo Fernández (source: Fernández *et al.*, “Survey: Market Risk Premium and Risk-Free Rate used for 88 countries in 2021”);
- $r_s$  (size premium) = 1.37%, adjusted increase to the size risk premium, depending on the market capitalization of Cerved at 31 October 2021, estimated by Duff & Phelps for smaller companies (source: Duff & Phelps, “Cost of Capital Navigator” at 31/12/2020);
- D/E = 8.85%, an expressive percentage of the market financial structure determined as the median of the D/E ratios at 31 October 2021 of comparable listed companies (source: Bloomberg);
- $k_d$  (cost of debt capital) = 2.25%, a parameter determined on the basis of the information provided by the management of Cerved regarding the terms and conditions agreed with regard to the financing currently in place;
- $t$  (tax rate) = 24.00%, equal to the tax rate at which interest is deductible.

The estimate of the weighted average cost of capital requires some clarification.

First, it must be observed that in the construction of market parameters (beta coefficient and debt ratio), reference was made to a sample of listed companies operating in the so-called data intelligence sector. For the purpose of constructing the sample, on the basis of the indications provided by the management of the Incorporating Company, the following companies were selected:

- a) Experian PLC, a British information service company, specifically active in the provision of data and analytical instruments for credit risk management, fraud prevention, marketing offer targeting and decision-making automation;
- b) Equifax Inc., a U.S. company providing information solutions and outsourcing services for human resources business processes;

- c) TransUnion LLC, a U.S. company primarily active in the provision of information and risk management solutions. Its activity also extends to the development and provision of consumer reports, risk scores, analytical services and skills useful for business decision-making processes;
- d) Fair Isaac Corporation, a US company that offers data analysis and management products and services – with particular reference to credit scoring services – that enable enterprises to automate and coordinate business decisions;
- e) Dun & Bradstreet Holdings, Inc., a U.S. company that provides decision-making information and analytics solutions;
- f) Tinexta S.p.A., an Italian company that deals with the supply of IT solutions and services for the dematerialization and digitization of legal document processes.

Secondly, the size premium increase, according to financial literature and professional practice, reflects the different average size of the sample companies compared to Cerved. It was also the subject of the impairment test carried out by Cerved in relation to the financial statements for the year ended 31 December 2020, and the fairness opinions issued by the Financial Advisors within the context of the Public Offer. The numerical size of the size premium draws on the latest information from specialized literature.

On the basis of the above parameters, the weighted average cost of capital was WACC = 7.81%. Estimates were made using a weighted average cost range of WACC capital = 7.56% - 8.06% (with a change of 25 b.p. compared to the central value).

The long-term growth rate was set at the projection (2026, last available year) of the change in the index of consumer prices forecast by the International Monetary Fund for Italy (1,39%)<sup>1</sup>. Estimates were carried out using a growth rate range  $g = 1.14\% - 1.64\%$  (with a change of 25 b.p. with respect to the central value).

On the basis of the parameters and variables described above, the DCF method, used only with the function of finding the adequacy of the Public Offer Price, led to the following range of values of the Cerved share: Euro 9.33 (WACC = 8.06%;  $g = 1.14\%$ ) - Euro 11.11 (WACC = 7.56%;  $g = 1.64\%$ ).

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<sup>1</sup> International Monetary Fund, “World Economic Outlook: Recovery during a pandemic – Health Consorting, Supply Disruptions, price pressures”, October 2021, page 119. This document indicates a 1.4% change in the consumer price index for Italy; the relevant database downloadable in Excel from the International Monetary Fund's website shows a change of 1.39%.

Finally, the results of the DCF method developed by the Financial Advisors who, in various ways, assisted the Board of Directors of Cerved in the framework of the Public Offer were examined.

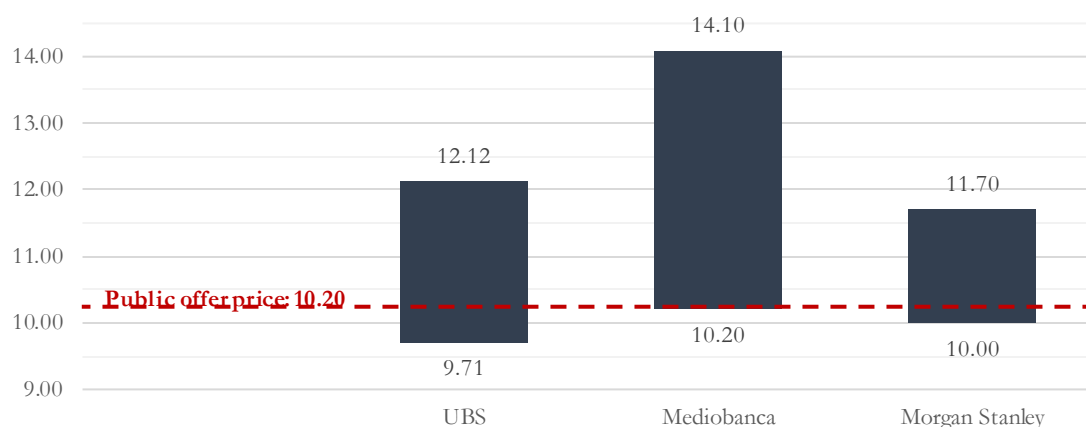
In order to assess the adequacy of the consideration proposed in the Public Offer, the BoD of Cerved, using the option provided for under the Issuer's Regulation to appoint an independent expert, separately conferred to UBS AG, London Branch (**UBS**) and Mediobanca – Banca di Credito Finanziario S.p.A. (**Mediobanca**) the appointment of Financial Advisors to issue a fairness opinion with reference to the financial adequacy of the Public Offer.

Morgan Stanley & Co International PLC (**Morgan Stanley** and, together with UBS and Mediobanca, the **Financial Advisors**) has been appointed as financial advisor to the independent members of the BoD of Cerved for the purpose of evaluating the adequacy of the same consideration.

On the basis, among other things, of data, information and documents made available by Cerved – including the Economic-Financial Plan – and/or the public domain, for the purpose of drafting their opinions on consistency, the Financial Advisors analysed and developed various evaluation methodologies, including, in particular, the method based on discounting expected cash flows (DCF).

The results, in terms of value per share, returned by the application of the DCF method in the context of the evaluations carried out by the Financial Advisors are summarized in the graph below, in which the Public Offer Price, equal to Euro 10.20, is also highlighted.

Fig. V.A.1 – *Economic value per Cerved share according to the DCF method*



As it is immediate to observe, the Public Offer Price is within the range of values indicated by the Financial Advisors using the DCF method, albeit in the lower area of the value range. This circumstance constitutes a further confirmation of the adequacy of the Public Offer Price also for the purpose of estimating the economic value of Cerved in the context of the Merger.

#### V.A.4. Evaluation summaries

The elements acquired in the previous paragraphs lead to consider as fundamental reference of the Cerved share value, the **Public Offer Price, equal to euro 10.20 per share**, which corresponds to a Cerved equity value of Euro 1,991.8 million.

As regards the importance – in terms of determining the exchange ratio – of the Public Offer Price, the following should be noted.

The BoD of Cerved expressed on 29 August 2021 on the congruity of the consideration proposed by Bidco of Euro 10.20 per share. The acceptance period of the Public Offer ended on 9 September 2021: since then, on the basis of the information provided by the management of Cerved, the performance of the business has been aligned with the

Economic-Financial Plan and there have been no relevant events intended to modify the analytical elements on the basis of which the value of the company can be estimated.

The possible use of a Cerved share value other than the Public Offer Price, in order to protect the various classes of shareholders of Cerved, would lead to results of dubious correctness and consistency.

In fact, if, for the purposes of the exchange, the Cerved share was assigned a higher value than the Public Offer Price, of which the BoD of Cerved validated the fairness within the scope of the Offer, which ended only on 9 September and to which 80% of the share capital was acquired (also bearing in mind that, with subsequent purchases made at the same Public Offer Price, Bidco acquired more than 90% of the capital of Cerved), in the presence of current trading aligned - as far as the authors are aware - with the Economic-Financial Plan and in the absence, as is known, of special events intended to reflect on the equity value of Cerved, there would be a need to justify the “additional difference” recognized on the value of the Cerved share compared to the Public Offer Price. This difference would create an asymmetry of treatment between shareholders who accepted the Public Offer and shareholders who, as a result of the Merger, would be recognized, at the exchange ratio, a value higher than the Public Offer Price.

On the other hand, if assuming a Cerved value per share lower than the Public Offer Price, provided that in Bidco – as will be better seen below – there are assets for non-negligible amounts other than the shareholding held in Cerved, other terms being equal, the Merger would favour the shareholders of Bidco against the current minority shareholders of Cerved.

In conclusion, the authors believe that the Public Offer Price, equal to Euro 10.20, is the fundamental reference for the determination of the exchange ratio of the Merger.

## **V.B. Economic value of Bidco**

### **V.B.1. Preliminary remarks**

The economic value of Bidco was determined on the basis of the simple equity method. As already observed, the method in question identifies the economic value of the company being



valued in adjusted equity, obtained by adjusting the book value of equity on the basis of the differences between the current values and the accounting values of the assets and liabilities.

The merger balance sheet of Bidco (as at 31 October 2021), which is the main reference base for the purposes of applying the equity method, is shown here for significant value classes. Tab. V.B.1 – *Bidco balance sheet at 31 October 2021*

Assets	€/mln	%	Liabilities	€/mln	%
Shareholding in Cerved	1,784.1	70.0%	Shareholders' equity	2,550.3	100.0%
Receivables recorded as current assets	763.6	29.9%	Payables*	0.0	0.0%
Other assets	2.6	0.1%			
<b>Total assets</b>	<b>2,550.3</b>	<b>100.0%</b>	<b>Total liabilities</b>	<b>2,550.3</b>	<b>100.0%</b>

\* It should be noted that the amount of payables at 31 October 2021, which was deared as a result of the exposure of the amounts in millions of Euro, was Euro 36,016.

The table above shows that Bidco assets were essentially made up of a representative shareholding of 89.4% of the share capital of Cerved – which accounts for 70.0% of the total assets – and of receivables recorded as current assets.

#### V.B.2. Equity method

The starting point for the development of the simple equity method is net accounting assets. At 31 October 2021, the carrying amount of the Bidco shareholders' equity was Euro 2,550,267,582.

For valuation purposes, this amount must be adjusted on the basis of the differences between the current values and the accounting values of the assets and liabilities.

As regards the shareholding, the carrying amount resulting from the merger balance sheet of Bidco at 31 October 2021 expresses the cost incurred by Bidco for the acquisition of the shareholding, equal to Euro 1,780,744,489 (174,582,793 shares × Euro 10.20 per share), plus the amount of the Tobin tax paid during the various stages in which the purchase of the Cerved shares took place. Given that the share price implied in the equity value of the shareholding net of the Tobin tax (Euro 10.20) coincides with the Public Offer Price, which is the fundamental reference in the estimate of the economic value of Cerved for the purpose of quantifying the exchange ratio of the Merger, the carrying amount of the Bidco

shareholding in Cerved is not susceptible to any adjustment in the application of the equity method.

As regards receivables entered in current assets, at 31 October 2021, receivables for deferred tax of Euro 968,672 and other receivables due within the following year equal to Euro 762,636,850 were recognized. The latter amount, as reported, is the sum of the figures of Euro 762,586,850, formalized in an equity commitment letter between Castor S.p.A. and Bidco and of Euro 50,000 relating to another relationship between Bidco and a group company. The receivable of Euro 762.6 million, according to as communicated: (i) is subject to an irrevocable and unconditional obligation to pay this amount; (ii) must be terminated by the debtor by the date of signature of the merger deed, or earlier if required by Bidco.

Based on the assignment conferred, the merger balance sheet of Bidco has not been the subject of any independent verification, or of any type of audit or procedure, to verify its accuracy, correctness and reliability. In determining the exchange ratio, full reliance was on the truthfulness, accuracy, correctness and completeness of all the financial and other information received.

For the purposes of determining the exchange ratio, the receivables entered in current assets, amounting to Euro 762.6 million, were therefore considered as cash equivalent instruments, since their maturity is temporally placed before the date of the Merger (except for a possible advance request from Bidco). For the purposes of applying the equity method, no adjustment has therefore been made to the receivables in question.

In conclusion, no adjustment was recognized in the development of the simple equity method against Bidco equity at 31 October 2021.

After 31 October 2021, Bidco acquired additional Cerved shares. The shareholding held by Bidco in Cerved, taking into account the purchases made up to 19 November 2021, amounts to 90.75% of the capital of Cerved. The purchases, taking into account their amount, do not affect the economic value of Bidco, unless there is a marginal adjustment. More precisely, the economic value of Bidco, taking into account the bank fees incurred for the purchase of the shares that have allowed to increase the shareholding to 90.75% of the capital of Cerved, is equal to Euro 2,550,070,687. For the purposes of determining the exchange ratio, this amount may be indicated in Euro 2,550.1 million.

### V.B.3. Evaluation summaries

In light of the acquired elements, the economic value of Bidco, determined on the basis of the equity method, is Euro 2,550.1 million. . As the share capital is divided into 50,000 shares, **the Market Value of the Bidco share is Euro 51,001.41** (the equity value of the share is calculated by considering the values of the individual quantities expressed in Euro).

## VI. EXCHANGE RATIO

In conclusion, the market values of the Cerved and Bidco shares and the exchange ratio are expressed in terms of the number of Cerved shares for each individual Bidco share, is indicated in the table below.

Tab. VI.1 – *Exchange ratio*

Cerved Share Value (€)	Bidco Share Value (€)	Exchange ratio
10.20	51,001.41	5,000

We have been informed that the exchange will be technically served in the manner described below. In favour of Castor, sole shareholder of the Incorporated Company, all shares of the Incorporating Company owned by the Incorporated Company at the completion of the Merger and, for the difference, newly issued shares of the Incorporating Company, without change in share capital, will be assigned.

The technical method described above shall be based on the relative relationship between the Market Values of Cerved and Bidco shares indicated above. Specifically, since the Market Value of the Bidco share (€51,001.41) reflects an economic value of the company of €2,550.1 million, the total number of Cerved shares (whose Market Value is €10.2) to be assigned to Bidco's sole shareholder will be 250,006,930.

8 December 2021

Gabriele Villa

Giuliano Iannotta

*In the event of any discrepancy with the Italian version, the Italian version shall prevail.*

[COURTESY TRANSLATION]

*Prof. Gabriele Villa**Prof. Giuliano Iannotta*

Dear  
**Cerved Group S.p.A.**

To the attention of the members of the Board of Directors

Milan, December 9, 2021

**Subject:** Merger by incorporation of Castor Bidco S.p.A. ("**Bidco**") into Cerved Group S.p.A. ("**Cerved**") - Exchange ratio

Dear Ladies and Gentlemen,

on December 8, 2021, we issued the "*Opinion concerning the estimated share exchange ratio in the merger by incorporation of Castor Bidco S.p.A. into Cerved Group S.p.A.*" (the "**Opinion**"), in which the exchange ratio was indicated in the following terms: 5,000 Cerved shares for each Bidco share.

The exchange ratio indicated in the Opinion, in accordance with professional practice, has been expressed as a rounded figure.

We have been asked to indicate the exchange ratio to four decimal figures. This ratio is equal to 5,000.1386 Cerved shares for each Bidco share.

This figure does not alter the results of the Opinion and their validity in any way.

Cordially,

Gabriele Villa

Giuliano Iannotta

*In the event of any discrepancy with the Italian version, the Italian version shall prevail.*

### Annex 3 Definitions

Definition	Meaning
<b>Balance Sheets</b>	has the meaning given in point A of Paragraph 2.1.1 of this RPT Information Document.
<b>Borsa Italiana (Italian Stock Exchange)</b>	Borsa Italiana S.p.A.
<b>Castor</b>	Castor S.r.l.
<b>Castor Bidco Financial Advisor</b>	Deutsche Bank.
<b>Castor Bidco or Incorporated Company</b>	Castor Bidco S.p.A.
<b>Cerved Financial Advisors</b>	Prof. Gabriele Villa and Prof. Giuliano Iannotta.
<b>Cerved or Incorporating Company or Company</b>	Castor Group S.p.A.
<b>Delisting</b>	withdrawal of the Cerved shares from listing on the Electronic Stock Market (now Euronext Milan).
<b>Economic-Financial Plan</b>	has the meaning given in Point A of Paragraph 2.4.2 of this RPT Information Document.
<b>Effective Date</b>	Effective Date of the Merger.
<b>Exchange Ratio</b>	has the meaning given in Point K of the Introduction to this RPT Information Document.
<b>Exchange Ratio Opinion</b>	has the meaning given in Point B of Paragraph 2.1.2 of this RPT Information Document.
<b>Liquidation value</b>	The liquidation value for each Cerved ordinary share.
<b>Merger or Transaction</b>	the planned merger of Castor Bidco into Cerved.

<b>Definition</b>	<b>Meaning</b>
<b>Merger Plan</b>	draft merger approved by the Board of Directors of Cerved on 9 December 2021.
<b>Merging Companies</b>	Castor Bidco and Cerved, jointly.
<b>Offer</b>	The public purchase offer promoted by Castor Bidco covering all the common shares of Cerved, aimed at obtaining Delisting.
<b>Offer Document</b>	Offer Document published on 8 July 2021.
<b>PIV</b>	has the meaning given in Point C of Paragraph 2.4.4 of this RPT Information Document.
<b>Public Offer Financial Advisors</b>	has the meaning given in Paragraph 2.4(i) of this RPT Information Document.
<b>Public Offer Price</b>	has the meaning given in point H of Paragraph 2.4.4 of this RPT Information Document.
<b>Regulated market or Euronext Milan</b>	Euronext Milan of Borsa Italiana.
<b>Related Parties Committee</b>	Cerved Related Parties Committee
<b>Related Parties Committee Opinion</b>	Related Parties Committee Opinion on the interest of Cerved in the implementation of the Merger and on the convenience and substantial correctness of the conditions of the Merger.
<b>Right of Withdrawal</b>	has the meaning given in Point L of the Introduction to this RPT Information Document.
<b>RPT Committee Financial Advisor</b>	Lazard & Co. S.r.l.
<b>RPT Information Document</b>	this Information Document.
<b>RPT Procedure</b>	procedure for transactions with related parties last approved by the Board of Directors of Cerved on 21 June 2021.

Definition	Meaning
<b>RPT regulation</b>	regulation adopted by Consob with resolution no. 17221 of 12 March 2010, as subsequently amended.
<b>Sell-Out Procedure</b>	procedure provided for in the second paragraph of article 108 of the TUF.
<b>Shareholders Entitled to Withdrawal</b>	has the meaning given in Point L of the Introduction to this RPT Information Document.
<b>TUF</b>	legislative decree of 24 February 1998, no. 58, as subsequently modified and supplemented.